



Orange County Transportation Authority

Board Agenda

Monday, April 8, 2024 at 9:00 a.m.

550 South Main Street, Orange, California

Board Members

Tam T. Nguyen, Chair
Doug Chaffee, Vice Chair
Ashleigh Aitken
Valerie Amezcua
Andrew Do
Jon Dumitru
Jamey Federico
Katrina Foley
Patrick Harper
Michael Hennessey
Fred Jung
Farrah N. Khan
Stephanie Klopfenstein
Vicente Sarmiento
John Stephens
Donald P. Wagner
Vacant, Ex-Officio

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

Agenda Descriptions

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 Committee 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 Availability of Agenda Materials

All documents relative to the items referenced in this agenda are available for public inspection at www.octa.net or through the Clerk of the Board's office at the OCTA Headquarters, 600 South Main Street, Orange, California.

Meeting Access and Public Comments on Agenda Items

Members of the public can either attend in-person or listen to audio live streaming of the Board and Committee meetings by clicking this link: <https://octa.legistar.com/Calendar.aspx>

BOARD MEETING AGENDA

In-Person Comment

Members of the public may attend in-person and address the Board regarding any item within the subject matter jurisdiction of the Orange County Transportation Authority. Please complete a speaker's card and submit it to the Clerk of the Board and notify the Clerk regarding the agenda item number on which you wish to speak. Speakers will be recognized by the Chair at the time of the agenda item is to be considered by the Board. Comments will be limited to three minutes. The Brown Act prohibits the Board from either discussing or taking action on any non-agendized items.

Written Comment

Written public comments may also be submitted by emailing them to ClerkOffice@octa.net, and must be sent by 5:00 p.m. the day prior to the meeting. If you wish to comment on a specific agenda Item, please identify the Item number in your email. All public comments that are timely received will be part of the public record and distributed to the Board. Public comments will be made available to the public upon request.

Call to Order

Invocation

Director Aitken

Pledge of Allegiance

Director Hennessey

Closed Session

There are no Closed Sessions scheduled.

Special Calendar

There are no Special Calendar matters.

Consent Calendar (Items 1 through 9)

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

1. Approval of Minutes

Clerk of the Board

Recommendation

Approve the minutes of the March 25, 2024 Orange County Transportation Authority and affiliated agencies' regular meeting.

Attachments:

[Minutes](#)

BOARD MEETING AGENDA

2. **Approval of Board Member Travel**

Clerk of the Board

Overview

On an annual basis, OCTA conducts a series of meetings with the rating agencies, financing institutions, and other interested parties in New York. This year, OCTA representatives will be discussing various issues affecting the agency with New York analysts. These topics include the Interstate 405 Express Lanes, 91 Express Lanes, Measure M2 Program, sales tax collections, Fiscal Year 2024-25 approved budget, and the status of the local economy. Meetings have been scheduled with Moody's Investor Service, Fitch Ratings, Standard & Poor's and other interested parties. The meetings will take place the week of July 29, 2024.

Recommendation

Approve the travel to New York for Chair Tam T. Nguyen and Finance and Administration Committee Chair Michael Hennessey for the Orange County Transportation Authority's Annual Rating Agency Trip.

Attachments:

[Board Travel](#)

3. **Investments: Compliance, Controls, and Reporting, July 1 through December 31, 2023, Internal Audit Report No. 24-509**

Jonathan Thompson/Janet Sutter

Overview

The Internal Audit Department has completed an audit of investments for the period July 1 through December 31, 2023. Based on the audit, the Orange County Transportation Authority generally complied with its debt, investment, and reporting policies and procedures; however, the Internal Audit Department made two recommendations to improve monthly investment and Clearwater system reporting.

Recommendation

Direct staff to implement two recommendations provided in Investments: Compliance, Controls, and Reporting, July 1 through December 31, 2023, Internal Audit Report No. 24-509.

Attachments:

[Transmittal](#)

[Staff Report](#)

[Attachment A](#)

BOARD MEETING AGENDA

4. **Amendment to the Preparation of Plans, Specifications, and Estimates for the 91 Express Lanes Toll Entrances Gantry Infrastructure Project Agreement**

Kirk Avila

Overview

On February 25, 2019, the Orange County Transportation Authority Board of Directors approved a contract with Parsons Transportation Group, Inc. to prepare the plans, specifications, and estimates for the 91 Express Lanes Toll Entrances Gantry Infrastructure Project. An amendment to the existing agreement is needed to provide additional plans, specifications, and estimates.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 12 to Agreement No. C-8-2107 between the Orange County Transportation Authority and Parsons Transportation Group, Inc., in the amount of \$94,808, to provide additional plans, specifications, and estimates for the 91 Express Lanes Toll Entrances Gantry Infrastructure Project and to extend the term of the agreement through June 30, 2025. This will increase the maximum cumulative obligation of the agreement to a total contract value of \$595,442.

Attachments:

[Transmittal](#)

[Staff Report](#)

[Attachment A](#)

5. **Discretionary Grants Update**

Adriann Cardoso/Kia Mortazavi

Overview

The Orange County Transportation Authority applies for local, state, and federal competitive grant programs to support Orange County transportation projects. Staff has prepared an overview and update of the recent grant pursuits and awards for the relevant transportation discretionary grant programs.

Recommendation

Receive and file as an information item.

Attachments:

[Transmittal](#)

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

BOARD MEETING AGENDA

Orange County Transit District Consent Calendar Matters

6. College Pass Program, Internal Audit Report 24-506

Gabriel Tang/Janet Sutter

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed a review of the College Pass Program. Based on the audit, grant compliance controls are adequate; however, two recommendations have been made to improve contract language, to establish invoice and collection controls, and to develop and enforce controls over paper passes.

Recommendation

Direct staff to implement two recommendations provided in the College Pass Program, Internal Audit Report No. 24-506.

Attachments:

[Transmittal](#)

[Staff Report](#)

[Attachment A](#)

Orange County Local Transportation Authority Consent Calendar Matters

7. Amendment to Cooperative Agreement with the California Department of Transportation for the Interstate 605/Katella Avenue Interchange Improvement Project

Josue Vaglienty/James G. Beil

Overview

On October 11, 2021, the Orange County Transportation Authority Board of Directors approved a cooperative agreement between the Orange County Transportation Authority and the California Department of Transportation for right-of-way support services, right-of-way acquisition, and utility relocation for the Interstate 605/Katella Avenue Interchange Improvement Project. Board of Directors' approval is requested to amend the cooperative agreement for additional funding for utility relocation.

Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-1-3740 between the Orange County Transportation Authority and the California Department of Transportation, in the amount of \$510,600, for additional utility relocation services for the Interstate 605/Katella Avenue Interchange Improvement Project. This will increase the maximum cumulative obligation of the cooperative agreement to a total contract value of \$3,030,800.
- B. Authorize the use of up to \$510,600 in additional Measure M2 funds for the right-of-way phase of the Interstate 605/Katella Avenue Interchange Improvement Project.

BOARD MEETING AGENDA

- 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 actions.

Attachments:

[Transmittal](#)

[Staff Report](#)

[Attachment A](#)

8. Amendment to Cooperative Agreement with the California Department of Transportation for the Interstate 405 Improvement Project Between State Route 73 to Interstate 605

Jeff Mills/James G. Beil

Overview

On April 27, 2015, the Orange County Transportation Authority Board of Directors approved a cooperative agreement between the Orange County Transportation Authority and the California Department of Transportation to provide reimbursed construction inspection services and enhanced oversight for the Interstate 405 Improvement Project between State Route 73 to Interstate 605. Board of Directors' approval is requested to amend the cooperative agreement for additional funding for reimbursed construction inspection services and enhanced oversight to complete project closeout activities.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-4-1847 between the Orange County Transportation Authority and the California Department of Transportation, in the amount of \$2,706,500, for reimbursed construction inspection services and enhanced oversight for the Interstate 405 Improvement Project between State Route 73 to Interstate 605. This will increase the maximum cumulative obligation of the cooperative agreement to a total contract value of \$58,106,500.

Attachments:

[Transmittal](#)

[Staff Report](#)

[Attachment A](#)

BOARD MEETING AGENDA

9. Amendment to Agreement for Construction Management Consultant Services for the Interstate 405 Improvement Project Between State Route 73 to Interstate 605

Jeff Mills/James G. Beil

Overview

On June 8, 2015, the Orange County Transportation Authority Board of Directors approved a contract with Jacobs Project Management Co., to provide construction management consultant services for the design-build delivery of the Interstate 405 Improvement Project between State Route 73 to Interstate 605. An amendment to the existing agreement is needed to provide additional services through the completion and closeout to extend the term of the agreement.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 14 to Agreement No. C-4-1447 between the Orange County Transportation Authority and Jacobs Project Management Co., in the amount of \$1,773,118, for additional construction management consultant services for the Interstate 405 Improvement Project between State Route 73 to Interstate 605, and extend the term of the agreement through June 30, 2025. This will increase the maximum cumulative obligation of the agreement to a total contract value of \$49,587,573.

Attachments:

[Transmittal](#)

[Staff Report](#)

[Attachment A](#)

Regular Calendar

Orange County Transportation Authority Regular Calendar Matters

10. Fiscal Year 2023-24 Second Quarter Budget Status Report

Victor Velasquez/Andrew Oftelie

Overview

Orange County Transportation Authority staff has implemented the fiscal year 2023-24 budget. This report summarizes the material variances between the budget and actual revenues and expenses through the second quarter of fiscal year 2023-24.

Recommendation

Receive and file as an information item.

Attachments:

[Transmittal](#)

[Staff Report](#)

[Attachment A](#)

BOARD MEETING AGENDA

11. Board of Directors Meeting Video Streaming

Ron Wolf/Andrew Oftelie

Overview

An overview of options for live-streaming Board of Directors meetings was presented to the Executive Committee on March 4, 2024, and the Board of Directors on March 11, 2024. Additional information regarding the breakdown of costs and process for implementation was requested by the Board of Directors. Staff is recommending the Board of Directors direct staff to return to the Board of Directors with a request for proposals so an informed decision can be made.

Recommendation

Direct staff to pursue the implementation of high-quality video streaming of Board of Directors meetings.

Attachments:

[Transmittal](#)

[Staff Report](#)

Discussion Items

12. 2028 Olympic Transportation Planning

Kia Mortazavi

Overview

Staff will provide an update on transportation planning activities for the 2028 Olympics.

Attachments:

[Presentation](#)

13. Public Comments

14. Chief Executive Officer's Report

15. Directors' Reports

16. Adjournment

The next regularly scheduled meeting of this Board will be held:

9:00 a.m., on Monday, April 22, 2024

OCTA Headquarters

Board Room

550 South Main Street

Orange, California



Call to Order

The March 25, 2024, regular meeting of the Orange County Transportation Authority (OCTA) Board of Directors and affiliated agencies was called to order by Chair Nguyen at 9:00 a.m. at the OCTA Headquarters, 550 South Main Street, Orange, California.

Directors Present: Tam T. Nguyen, Chair
Doug Chaffee, Vice Chair
Ashleigh Aitken
Valerie Amezcua
Jon Dumitru
Jamey Federico
Katrina Foley
Patrick Harper
Michael Hennessey
Farrah N. Khan
Stephanie Klopfenstein
Vicente Sarmiento
Donald P. Wagner

Directors Absent: Andrew Do
Fred Jung
John Stephens

Staff Present: Darrell E. Johnson, Chief Executive Officer
Jennifer L. Bergener, Deputy Chief Executive Officer
Andrea West, Clerk of the Board
Gina Ramirez, Assistant Clerk of the Board
James Donich, General Counsel

1. Closed Session

A Closed Session was held as follows:

- A. Pursuant to Government Code Section 54956.9(d)(1) - Conference with General Counsel - Existing Litigation - Orange County Transportation Authority v. Hyundai Motor America - OCSC Case No. 30-2019-01053132.
- B. Pursuant to Government Code 54957.6 to discuss collective bargaining agreement negotiations with the Transportation Communications International Union regarding the parts/stock room clerks and facilities maintenance employee unit.

James Donich, General Counsel, reported from the Closed Session the Board unanimously approved a 9.3 million dollar contract over three years with the Transportation Communications International Union regarding the parts/stock room clerks and facilities maintenance employee unit.

All Directors were present except Directors Do, Jung, and Stephens.



Special Calendar

2. Presentation of Resolutions of Appreciation for Employees of the Month

Resolutions of Appreciation were presented to Jose Contreras, Coach Operator; Robert Rodriguez, Maintenance; and Elia Verduzco, Administration, as Employees of the Month for March 2024

Consent Calendar (Items 3 through 17)

3. Approval of Minutes

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to approve the minutes of the March 11, 2024 Orange County Transportation Authority and affiliated agencies' regular meeting.

Director Sarmiento was not present to vote on this item.

4. 91 Express Lanes Update for the Period Ending - December 31, 2023

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to receive and file as an information item.

Director Sarmiento was not present to vote on this item.

5. Agreement for Oversight of Orange County Transportation Authority Express Lanes Roadside Services

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to:

- A. Approve the selection of California Highway Products as the firm to provide oversight of Orange County Transportation Authority Express Lanes roadside services.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-3-3010 between the Orange County Transportation Authority and California Highway Products to provide oversight of Orange County Transportation Authority roadside services, in the amount of \$3,381,978, for a five-year term, effective April 1, 2024, through March 31, 2029.

Director Sarmiento was not present to vote on this item.



6. Orange County Transportation Authority Investment and Debt Programs Report - January 2024

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to receive and file as an information item.

Director Sarmiento was not present to vote on this item.

7. Second Quarter Fiscal Year 2023-24 Procurement Status Report

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to receive and file as an information item.

Director Sarmiento was not present to vote on this item.

8. State Legislative Status Report

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to:

- A. Adopt a SUPPORT position on AB 2043 (Boerner, D-Solana Beach), which would require Medi-Cal Managed Care Plans to reimburse public transit operators for nonmedical transportation and nonemergency medical transportation services.
- B. Adopt a SUPPORT position on AB 2259 (Boerner, D-Solana Beach), which would require CalSTA to develop and distribute a bicycle safety handbook on or before September 1, 2025.
- C. Adopt a SUPPORT position on SB 1011 (Jones, R-San Diego), which would make a conditional prohibition for a person to unlawfully occupy a public space, including public transit stops, open spaces, and schools.
- D. Direct staff to engage with the author's office and work with Los Angeles – San Diego - San Luis Obispo Rail Corridor member agencies to help inform and identify any potential improvements to SB 1098 (Blakespear, D-Encinitas).

Director Sarmiento was not present to vote on this item.

9. Federal Legislative Status Report

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to receive and file as an information item.

Director Sarmiento was not present to vote on this item.



10. Amendment to Agreement for Mobile Ticketing Validators Extended Warranty Coverage Period

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-6-0942 between the Orange County Transportation Authority and Init Innovations in Transportation, Inc., to exercise the fourth option term in the amount of \$158,769, for extended warranty coverage and annual maintenance for mobile ticketing validators effective May 1, 2024 through April 30, 2025. Amending this agreement will increase the maximum cumulative payment obligation to a total contract value of \$3,364,110.

Director Sarmiento was not present to vote on this item.

11. Approval of Local Transportation Fund Fiscal Year 2024-25 Apportionment Estimates Amendment

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to Approve the amendment to the Local Transportation Fund fiscal year 2024-25 apportionment estimates.

Director Sarmiento was not present to vote on this item.

12. Local Transportation Fund Claims for Fiscal Year 2024-25

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to Adopt Orange County Transit District Resolution No. 2024-008 authorizing the filing of Local Transportation Fund claims, in the estimated amounts of \$212,667,523 to support public transportation and \$11,273,686 for community transit services.

Director Sarmiento was not present to vote on this item.

13. Approval to Release Invitation for Bids for Battery Electric Bus Chargers

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to Approve the release of Invitation for Bids 3-3067 to procure 11 battery chargers for 40-foot plug-in battery electric buses.

Director Sarmiento was not present to vote on this item.

14. Amendment to Agreement for Detail Bus Cleaning and Pesticide Application Services

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-0-2702 between the Orange County Transportation Authority and Gamboa Services, Inc., doing business as Corporate Image Maintenance, in the amount of \$810,550, to exercise the two-year option term of the agreement effective May 1, 2024 through April 30, 2026, for continued detail bus cleaning and pesticide application services. This will increase the maximum obligation of the agreement to a total contract value of \$1,887,276.

Director Sarmiento was not present to vote on this item.

15. May 2024 OC Bus Service Change

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to Receive and file as an information item.

Director Sarmiento was not present to vote on this item.

16. Consultant Selection for Real Property Management Services

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to:

- A. Approve the selection of Cal Pacific Land Services, Inc., as the firm to provide real property management services.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-3-2807 between the Orange County Transportation Authority and Cal Pacific Land Services, Inc., as the firm to provide real property management services, in the amount of \$750,000, for a five-year term.

Director Sarmiento was not present to vote on this item.

17. Amendments to Agreements for Design Support Services and Construction Management Services for the OC Streetcar Project

A motion was made by Director Foley, seconded by Vice Chair Chaffee, and declared passed by those present to

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 14 to Agreement No. C-5-3337 between the Orange County Transportation Authority and HNTB Corporation, in the amount of \$2,000,000, and extend the agreement term through August 31, 2025, for continued OC Streetcar project design support services during construction. This will increase the maximum cumulative obligation of the agreement to a total contract value of \$34,083,841.



- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 21 to Agreement No. C-6-0926 between the Orange County Transportation Authority and PGH Wong Engineering, Inc., in the amount of \$7,700,000, and extend the agreement term through February 28, 2025, for continued OC Streetcar project construction management services. This will increase the maximum cumulative obligation of the agreement to a total contract value of \$42,782,570.

Director Wagner voted in opposition to this item.

Director Sarmiento was not present to vote on this item.

Regular Calendar

There were no Regular Calendar matters.

Discussion Items

18. Public Comments

Public comments were received via email from Lucas Chang and Toni Nelson prior to the meeting and provided to the Board.

Public comments were received in-person from the following:

Gary Walsh, Save Our Beaches, San Clemente
Susie Whitelaw, Save Our Beaches, San Clemente
Lisa Gant, Save Our Beaches, San Clemente
Sean Griffin – comments on ACCESS
Toni Nelson, Capo Cares
Paul Hyek – comments on tap cards

19. Chief Executive Officer's Report

Darrell E. Johnson, Chief Executive Officer, reported on the following:

- Renaming Bravo buses to OC Bus Rapid
- Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Update

20. Directors' Reports

- Director Khan thanked OCTA staff for attending the Nowruz festival.
- Directors Klopfenstein and Khan spoke with the Mayor of San Clemente about the work being done on beach restoration.
- Director Foley noted she met with Senator Levin on the permitting issues regarding sand replenishment.



- Director Amezcua requested additional information regarding comments made about ACCESS under public comment.
- Vice Chair Chaffee thanked OCTA for having a booth at the Fishing Derby.
- Director Dumitru inquired about the responsibility of OCTA to replenish the beach and requested an update be provided.

21. Adjournment

The meeting adjourned at 10:15 a.m. in honor of OCTA's March Employees of the Month.

The next regularly scheduled meeting of this Board will be held:

9:00 a.m., on Monday, April 8, 2024

OCTA Headquarters
Board Room
550 South Main Street
Orange, California

ATTEST:

Gina Ramirez
Assistant Clerk of the Board

BOARD MEMBER TRAVEL AUTHORIZATION REQUEST

TRAVELER INFORMATION

Traveler Name: * **Employee ID: ***

Destination of Trip: *

Subject of Trip: *

Description of Trip: *

Departure Date: * **Return Date: ***

Is this trip outside of California? Yes **BMTA #:**

Board Meeting Date:

ACCOUNTING CODES

| | Registration (7657) | Mileage (7656) | Travel (7655) |
|------------|-----------------------------------|-----------------------------------|------------------------------------|
| Budget FY: | <input type="text" value="2018"/> | <input type="text" value="2018"/> | <input type="text" value="2018"/> |
| Org Key: | <input type="text"/> | <input type="text"/> | <input type="text" value="0017"/> |
| Job Key: | <input type="text"/> | <input type="text"/> | <input type="text" value="M0201"/> |
| JL: | <input type="text"/> | <input type="text"/> | <input type="text" value="B4B"/> |

ESTIMATED EXPENDITURES

APPROVAL

| | |
|---|---|
| <p style="text-align: center;">ITEMS COST</p> <p>Registration: \$ 0.00</p> <p>Air Travel: \$ 700.00</p> <p>Auto Rental: \$ 0.00</p> <p>Hotel Accomodations: \$ 846.00</p> <p>Meals: \$ 316.00</p> <p>Mileage: \$ 0.00</p> <p>Misc: \$ 270.00</p> <p>Total Estimated Trip Cost: \$ 2,132.00</p> | <p>Outcome: <input type="radio"/> Approved <input type="radio"/> Rejected</p> <p>Board Date Approved: <input type="text"/></p> <p>Comments: <input style="width: 100%; height: 100px;" type="text"/></p> <p style="text-align: center;"> <input type="button" value="SAVE AND SUBMIT"/> <input type="button" value="CANCEL"/> </p> |
|---|---|

REGISTRATION INFORMATION

BOARD MEMBER TRAVEL AUTHORIZATION REQUEST

TRAVELER INFORMATION

Traveler Name: * **Employee ID: ***

Destination of Trip: *

Subject of Trip: *

Description of Trip: *

Departure Date: * **Return Date: ***

Is this trip outside of California? Yes **BMTA #:**

Board Meeting Date:

ACCOUNTING CODES

| | Registration (7657) | Mileage (7656) | Travel (7655) |
|------------|-----------------------------------|-----------------------------------|------------------------------------|
| Budget FY: | <input type="text" value="2018"/> | <input type="text" value="2018"/> | <input type="text" value="2018"/> |
| Org Key: | <input type="text"/> | <input type="text"/> | <input type="text" value="0017"/> |
| Job Key: | <input type="text"/> | <input type="text"/> | <input type="text" value="M0201"/> |
| JL: | <input type="text"/> | <input type="text"/> | <input type="text" value="B4B"/> |

ESTIMATED EXPENDITURES

APPROVAL

| ITEMS | COST |
|-----------------------------------|--------------------|
| Registration: | \$ 0.00 |
| Air Travel: | \$ 700.00 |
| Auto Rental: | \$ 0.00 |
| Hotel Accomodations: | \$ 846.00 |
| Meals: | \$ 316.00 |
| Mileage: | \$ 0.00 |
| Misc: | \$ 270.00 |
| Total Estimated Trip Cost: | \$ 2,132.00 |

Outcome: Approved Rejected

Board Date Approved:

Comments:

REGISTRATION INFORMATION



COMMITTEE TRANSMITTAL

April 8, 2024

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board *Andrea West*

Subject: Investments: Compliance, Controls, and Reporting, July 1 through December 31, 2023, Internal Audit Report No. 24-509

Finance and Administration Committee Meeting of March 27, 2024

Present: Directors Do, Federico, Harper, Hennessey, Klopfenstein, Nguyen, and Sarmiento

Absent: None

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Direct staff to implement two recommendations provided in Investments: Compliance, Controls, and Reporting, July 1 through December 31, 2023, Internal Audit Report No. 24-509.



March 27, 2024

To: Finance and Administration Committee

From: Darrell Johnson, Chief Executive Officer

Janet Sutter, Executive Director
Internal Audit

Subject: Investments: Compliance, Controls, and Reporting, July 1 through December 31, 2023, Internal Audit Report No. 24-509

Overview

The Internal Audit Department has completed an audit of investments for the period July 1 through December 31, 2023. Based on the audit, the Orange County Transportation Authority generally complied with its debt, investment, and reporting policies and procedures; however, the Internal Audit Department made two recommendations to improve monthly investment and Clearwater system reporting.

Recommendation

Direct staff to implement two recommendations provided in Investments: Compliance, Controls, and Reporting, July 1 through December 31, 2023, Internal Audit Report No. 24-509.

Background

The Treasury Department (Treasury) is responsible for the management of the Orange County Transportation Authority's (OCTA) Investment Portfolio (Portfolio). On December 31, 2023, the Portfolio's book value was approximately \$2.5 billion. The Portfolio consists of three managed portfolios: the liquid portfolio for immediate cash needs, a bond proceeds portfolio to meet Measure M2 transportation program needs, and the short-term portfolio for future budgeted expenditures. OCTA's Treasurer manages the liquid and bond proceeds portfolios, and four external investment managers administer the short-term portfolio. OCTA also has investments in debt service reserve funds for various outstanding debt obligations.

The Investment Policy sets forth guidelines for all OCTA investments to ensure conformance with the California Government Code. The Investment Policy outlines permitted investments, as well as diversification guidelines. The diversification limits ensure the Portfolio is not unduly concentrated in securities of one type, industry, or entity, thereby assuring adequate portfolio liquidity should one sector or company experience difficulties.

Monthly Investment and Debt Programs Reports (monthly investment reports) are submitted to the Finance and Administration Committee (Committee) and Board of Directors.

Discussion

The monthly investment report for September 2023 understated the Fidelity Money Market Government Portfolio balance by \$88,587.79, and the monthly investment report for November 2023 overstated the value of the 2021 Bond Anticipation Notes First American Treasury Obligations by \$219.10. In both cases, bank statements were not used to obtain the month-end balances used in the report. Internal Audit recommended bank statements be used to prepare monthly investment reports. Management agreed to use bank statements going forward.

Clearwater charges OCTA a monthly fee based on a percentage of portfolio market value. Market values in Clearwater are updated through automated data feeds, except for seven accounts, for which values are not automatically obtained and are not updated in the system. As a result, OCTA pays approximately \$350 per month in fees to Clearwater for the accounts whose values are not properly reflected in the system. Internal Audit recommended management discontinue paying fees for these seven accounts unless a process to automatically update the portfolio values can be implemented. Management agreed and has removed the accounts from the system until such time that a resolution to the issues can be achieved.

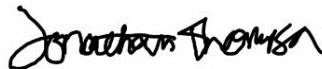
Summary

Internal Audit has completed an audit of investments for the period July 1 through December 31, 2023, and has offered two recommendations for improvement.

Attachment

- A. Investments: Compliance, Controls, and Reporting, July 1 through
December 31, 2023, Internal Audit Report No. 24-509

Prepared by:



Jonathan Thompson
Internal Auditor
(714) 560-5930

Approved by:



Janet Sutter
Executive Director, Internal Audit
(714) 560-5591

ORANGE COUNTY TRANSPORTATION AUTHORITY INTERNAL AUDIT DEPARTMENT



Investments: Compliance, Controls, and Reporting July 1 through December 31, 2023

Internal Audit Report No. 24-509 March 13, 2024



Audit Team: Jonathan Thompson, Internal Auditor *Jonathan Thompson*
Ricco Bonelli, CIA, Principal Auditor

Distributed to: Andrew Oftelie, Chief Financial Officer, Finance and Administration
Sean Murdock, Robert Davis, Changsu Lee

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
Investments: Compliance, Controls, and Reporting
July 1 through December 31, 2023
March 13, 2024**

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ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
Investments: Compliance, Controls, and Reporting
July 1 through December 31, 2023
March 13, 2024

Conclusion

The Internal Audit Department (Internal Audit) has completed an audit of investments for the period July 1 through December 31, 2023. Based on the audit, the Orange County Transportation Authority (OCTA) generally complied with its debt, investment, and reporting policies and procedures; however, Internal Audit made two recommendations to improve monthly investment and Clearwater system reporting.

Portfolio Management

The Treasury Department (Treasury) is responsible for the management of OCTA's Investment Portfolio (Portfolio). To accomplish this, Treasury uses the Clearwater treasury software system to monitor investments and investment manager performance.

On December 31, 2023, the Portfolio's book value was approximately \$2.5 billion. The Portfolio consists of three managed portfolios: the liquid portfolio for immediate cash needs, a bond proceeds portfolio to meet Measure M2 transportation program needs, and the short-term portfolio for future budgeted expenditures. OCTA's Treasurer manages the liquid and bond proceeds portfolios, and four external investment managers administer the short-term portfolio. OCTA also has investments in debt service reserve funds for various outstanding debt obligations. OCTA's Accounting Department (Accounting) is responsible for recording all debt and investment transactions, and for reconciling all bank and custodial accounts monthly.

Investment Policy

The Investment Policy sets forth guidelines for all OCTA investments to ensure conformance with the California Government Code. The Investment Policy outlines permitted investments, as well as diversification guidelines. The diversification limits ensure the Portfolio is not unduly concentrated in securities of one type, industry, or entity, thereby assuring adequate portfolio liquidity should one sector or company experience difficulties.

OCTA has provided the investment managers with a copy of the Investment Policy and requires investment managers to invest their portfolios in accordance with the provisions of the Investment Policy.

ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
Investments: Compliance, Controls, and Reporting
July 1 through December 31, 2023
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Objectives, Scope, and Methodology

The primary objective was to determine if OCTA complied with its debt, investment, and reporting policies and procedures.

Audit objectives included determining if:

- Internal controls over OCTA's investment activities were adequately designed;
- OCTA was in compliance with the Investment Policy;
- Investment transactions were adequately supported; and
- OCTA was in compliance with investment requirements of debt issuances.

According to Generally Accepted Government Auditing Standards (GAGAS), internal control is the system of processes that an entity's oversight body, management, and other personnel implement to provide reasonable assurance that the organization will achieve its operational, reporting, and compliance objectives. The five components are control environment, risk assessment, control activities, information and communication, and monitoring.¹ The components and principles that were evaluated as part of this audit are:

- Control Environment
 - OCTA demonstrates a commitment to integrity and ethical values.
 - Management establishes, with Finance and Administration Committee and Board of Directors (Board) oversight, structures, reporting lines, and appropriate authorities and responsibilities in the pursuit of objectives.
 - OCTA demonstrates a commitment to attract, develop, and retain competent individuals in alignment with objectives.
- Risk Assessment
 - OCTA specifies objectives with sufficient clarity to enable the identification and assessment of risks relating to objectives.
 - OCTA identifies and assesses changes that could significantly impact the system of internal control.
- Control Activities
 - OCTA selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.
- Information and Communication
 - OCTA obtains, or generates and uses, relevant quality information to support the functioning of other components of internal control.

¹ See U.S. Government Accountability Office publication, "Standards for Internal Control in the Federal Government," available at <http://www.gao.gov/products/GAO-14-704G>, for more information.

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- Monitoring
 - OCTA evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the Board, as appropriate.

The scope included investment transactions and investment-related controls for the period July 1 through December 31, 2023.

The methodology consisted of obtaining the most current Investment Policy and Debt and Investment Management Manual, reviewing any personnel changes and corresponding updates to bank authorization signature cards, reviewing a haphazard sample of daily cash worksheets prepared by Accounting and Treasury staff, testing a haphazard sample of investment purchases for compliance with the Investment Policy and evidence of supervisory review, testing a judgmental sample of wire and automated clearing house (ACH) transfers for accuracy and proper authorization, testing a haphazard sample of Treasury's weekly compliance review, and testing a haphazard sample of the monthly Investment and Debt Programs Reports provided to OCTA's Board, including testing a haphazard sample of 40 investment securities managed by investment managers for the selected month. For wire and ACH transfer testing, Internal Audit judgmentally selected wire or ACH transfers with a bias towards large transactions. Since the samples are non-statistical, any conclusions are limited to the sample items tested. The methodology also included confirming that Treasury obtained investment managers' acknowledgement of receipt of OCTA's Investment Policy and confirming that investment managers' performance is reported and compared to indices in the monthly Investment and Debt Program Reports.

We conducted this performance audit in accordance with GAGAS. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
Investments: Compliance, Controls, and Reporting
July 1 through December 31, 2023
March 13, 2024**

Audit Comments, Recommendations, and Management Responses

Monthly Investment Report Preparation

The Monthly Investment Report for September 2023 understated the Fidelity Money Market Government Portfolio balance by \$88,587.79, and the Monthly Investment Report for November 2023 overstated the value of the 2021 Bond Anticipation Notes First American Treasury Obligations by \$219.10. In both cases, bank statements were not used to obtain the month-end balances used in the report.

Recommendation:

Internal Audit recommends Treasury utilize month-end bank statements when preparing monthly reports.

Management Response:

Management agrees to ensure that month-end bank statements are used for monthly reports.

Clearwater System Reporting and Fees

OCTA relies on investment information from the Clearwater system for data analysis and reporting. Clearwater charges OCTA a monthly fee based on a percentage of portfolio market value. Market values in Clearwater are updated through automated data feeds, except for seven accounts, for which values are not automatically obtained and are not updated in the system. As a result, OCTA pays approximately \$350 per month in fees to Clearwater for the accounts whose values are not properly reflected in the system.

Recommendation:

Internal Audit recommends OCTA discontinue paying fees associated with these seven accounts unless a process to automatically update the portfolio values of these accounts can be implemented.

Management Response:

Management agrees and has been actively addressing the issues pertaining to the subject accounts. The accounts have been removed from the Clearwater system until such time that a permanent resolution is achieved.



COMMITTEE TRANSMITTAL

April 8, 2024

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board *Andrea West*

Subject: Amendment to the Preparation of Plans, Specifications, and Estimates for the 91 Express Lanes Toll Entrances Gantry Infrastructure Project Agreement

Finance and Administration Committee Meeting of March 27, 2024

Present: Directors Do, Federico, Harper, Hennessey, Klopfenstein, Nguyen, and Sarmiento

Absent: None

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 12 to Agreement No. C-8-2107 between the Orange County Transportation Authority and Parsons Transportation Group, Inc., in the amount of \$94,808, to provide additional plans, specifications, and estimates for the 91 Express Lanes Toll Entrances Gantry Infrastructure Project and to extend the term of the agreement through June 30, 2025. This will increase the maximum cumulative obligation of the agreement to a total contract value of \$595,442.



March 27, 2024

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to the Preparation of Plans, Specifications, and Estimates for the 91 Express Lanes Toll Entrances Gantry Infrastructure Project Agreement

Overview

On February 25, 2019, the Orange County Transportation Authority Board of Directors approved a contract with Parsons Transportation Group, Inc. to prepare the plans, specifications, and estimates for the 91 Express Lanes Toll Entrances Gantry Infrastructure Project. An amendment to the existing agreement is needed to provide additional plans, specifications, and estimates.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 12 to Agreement No. C-8-2107 between the Orange County Transportation Authority and Parsons Transportation Group, Inc., in the amount of \$94,808, to provide additional plans, specifications, and estimates for the 91 Express Lanes Toll Entrances Gantry Infrastructure Project and to extend the term of the agreement through June 30, 2025. This will increase the maximum cumulative obligation of the agreement to a total contract value of \$595,442.

Discussion

The Orange County Transportation Authority (OCTA) segment of the 91 Express Lanes has three entrances, two in the eastbound direction and one in the westbound direction. Kapsch TrafficCom USA, Inc., (Kapsch) is the toll lane system integrator for both the 91 Express Lanes and 405 Express Lanes, responsible for the design, installation, operations and maintenance of the electronic toll and traffic management (ETTM) system for both toll facilities. The 91 Express Lanes ETTM System Project includes replacement of the ETTM system, as well as the installation of additional toll reader equipment at the three entrances to the OCTA segment of the 91 Express Lanes.

The two eastbound entrance gantries have been in place since the mid-1990s and were replaced in order to meet the California Department of Transportation (Caltrans) standards. Additionally, a new westbound entrance gantry needed to be constructed. In 2019, OCTA entered into an agreement with Parsons Transportation Group, Inc., (Parsons) to prepare the plans, specifications, and estimates for the 91 Express Lanes Toll Entrances Gantry Infrastructure Project (Project) in preparation for Kapsch to install the additional equipment at the gantries. In 2020, an agreement was executed between OCTA and Caltrans to advertise, award, and administer an agreement for the construction of the three new gantry overhead structures for the 91 Express Lanes. Caltrans completed the construction of the westbound entrance gantry and turned over the site to Kapsch for the installation of the westbound entrance gantry equipment. The westbound entrance gantry equipment installation was completed in 2023.

During the implementation of the 405 Express Lanes ETTM system, it was realized that changes to the initial electrical design were required to deploy the system. Since the 405 Express Lanes and 91 Express Lanes are utilizing the same technologies and ETTM system, these changes must also be made to the electrical design for the 91 Express Lanes eastbound entrances. An amendment is needed for Parsons to prepare the electrical design plan sheets. Caltrans has completed construction of the two eastbound entrance gantries and is currently going through punch-list items prior to site turnover to Kapsch. The electrical work is outside of Caltrans' scope.

Procurement Approach

The original procurement was handled in accordance with OCTA's Board of Directors (Board)-approved procedures for architectural and engineering services, which conform to both state and federal laws. The original firm-fixed price agreement was issued on June 12, 2019, in the amount of \$364,495. This agreement has been previously amended as shown in Attachment A.

OCTA staff negotiated with Parsons the required level of effort to provide the additional design services required through June 30, 2025. Staff found Parsons' cost proposal, in the amount of \$94,808, to be fair and reasonable relative to the negotiated level of effort and the independent cost estimate prepared by the OCTA project manager. Proposed Amendment No. 12 to Agreement No. C-8-2107, in the amount of \$94,808, will increase the total contract value to \$595,442.

Fiscal Impact

The additional funding for the project is included in OCTA's Fiscal Year 2023-24 Budget, 91 Express Lanes, Account No. 0036-7519-B3250-TDV and is funded with toll revenues.

Summary

Staff requests Board of Directors' approval to authorize the Chief Executive Officer to negotiate and execute Amendment No. 12 to Agreement No. C-8-2107 between the Orange County Transportation Authority and Parsons Transportation Group, Inc., in the amount of \$94,808, to provide additional plans, specifications, and estimates for the 91 Express Lanes Toll Entrances Gantry Infrastructure Project and to extend the term of the agreement through June 30, 2025. This will increase the maximum obligation of the agreement to a total contract value of \$595,442.

Attachment

- A. Parsons Transportation Group, Inc., Agreement No. C-8-2107 Fact Sheet

Prepared by:



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Pia Veasapen
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**Parsons Transportation Group, Inc.
Agreement No. C-8-2107 Fact Sheet**

1. February 25, 2019, Agreement No. C-8-2107, \$364,495, approved by the Board of Directors (Board).
 - Agreement was executed June 12, 2019, with Parsons Transportation Group, Inc. (prime) to provide the plans, specifications, and estimates (PS&E), and environmental and construction support services for the 91 Express Lanes Toll Entrances Gantry Infrastructure Project (Project).
2. July 18, 2019, Amendment No. 1 to Agreement No. C-8-2107, \$10,015, approved by Contracts Administration and Materials Management (CAMM) Department.
 - Add new subconsultant, Psomas, to provide surveying services related to the design of the toll infrastructure.
3. January 9, 2020, Amendment No. 2 to Agreement No. C-8-2107, \$7,681, approved by the CAMM Department.
 - To provide additional surveying services due to modifications at the State Route 55 and State Route 91 Express Lanes connector.
4. March 11, 2020, Amendment No. 3 to Agreement No. C-8-2107, \$0, approved by the CAMM Department.
 - To extend the term of agreement for 13 months through June 30, 2021.
5. May 12, 2020, Amendment No. 4 to Agreement No. C-8-2107, \$38,079, approved by the CAMM Department.
 - Additional support services to transition the final PS&E due to a change in delivery approach from the Orange County Transportation Authority (OCTA) to the California Department of Transportation (Caltrans).
6. October 6, 2020, Amendment No. 5 to Agreement No. C-8-2107, \$37,981, approved by the CAMM Department.
 - To prepare design engineering evaluation report as required by Caltrans.

7. February 18, 2021, Amendment No. 6 to Agreement No. C-8-2107, \$14,587, approved by the CAMM Department.
 - To update the final PS&E for the Project as required by Caltrans.
 - To extend the term of agreement for six months through December 31, 2021.
8. October 4, 2021, Amendment No. 7 to Agreement No. C-8-2107, \$0, approved by the CAMM Department.
 - To extend the term of agreement for three months through March 31, 2022.
9. March 28, 2022, Amendment No. 8 to Agreement No. C-8-2107, \$0, approved by the CAMM Department.
 - To extend the term of agreement for six months through September 30, 2022.
10. May 28, 2022, Amendment No. 9 to Agreement No. C-8-2107, \$27,796, approved by the CAMM Department.
 - To update the final PS&E for the Project as required by Caltrans.
11. September 26, 2022, Amendment No. 10 to Agreement No. C-8-2107, \$0, approved by the CAMM Department.
 - To extend the term of agreement for nine months through June 30, 2023.
12. March 9, 2023, Amendment No. 11 to Agreement No. C-8-2107, \$0, approved by CAMM Department.
 - To extend the term of agreement for 12 months through June 30, 2024.
13. April 8, 2024, Amendment No. 12 to Agreement No. C-8-2107, \$94,808, pending approval by the Board.
 - To provide additional PS&E services through completion and closeout of the Project.
 - To extend the term of the agreement by 12 months through June 30, 2025.

Total funds committed to Parsons Transportation Group, Inc. after approval of Amendment No. 12 to Agreement No. C-8-2107: \$595,442.



COMMITTEE TRANSMITTAL

April 8, 2024

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Andrea West

Subject: Discretionary Grants Update

Regional Transportation Planning Committee Meeting of April 1, 2024

Present: Directors Do, Dumitru, Federico, Foley, Harper, Khan, and Stephens

Absent: None

Committee Vote

No action was taken on this item.

Staff Recommendation

Receive and file as an information item.



April 1, 2024

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Discretionary Grants Update

Overview

The Orange County Transportation Authority applies for local, state, and federal competitive grant programs to support Orange County transportation projects. Staff has prepared an overview and update of the recent grant pursuits and awards for the relevant transportation discretionary grant programs.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) competes in local, state, and federal transportation funding opportunities through various discretionary funding programs to support planning, capital, and operating needs. The funding programs are too numerous to list but they are primarily sourced through:

- Infrastructure Investment and Jobs Act or Bipartisan Infrastructure Law
- Inflation Reduction Act
- State Grant Programs
- Regional Grant Programs

OCTA also seeks funding from non-transportation grants that support critical OCTA functions. Funding received through these programs helps preserve Measure M2 (M2) and local funding, allowing OCTA to advance other priority projects.

Discretionary grant programs are typically administered to support projects that meet criteria based on state and federal statutory requirements and priorities. Most recently, projects are scored against criteria that include climate change or resiliency, clean transportation, modernization, state of good repair, public health, safety, workforce development, and equity priorities.

In June 2023, staff presented an overview of the new funding provided for formula grant programs and the relevant federal transportation discretionary grant programs. The overview included a comprehensive list of near-term OCTA priority projects that need funding and have been the focus of grant pursuits.

Discussion

To support efforts to pursue grants, OCTA staff participates in workshops, working groups, steering committees, and analyzes grant guidelines to help align programs to OCTA's priority projects. The adoption of state and federal policies, such as the Climate Action Plan for Transportation Infrastructure, federal Justice40, disadvantaged business enterprises, and Build America Buy America, influence each grant program. OCTA staff conducts extensive analysis and provides comments on these external guidelines before applying for each program.

OCTA staff focuses its efforts on developing applications for competitive funding on priority projects that have been reviewed through Board of Directors (Board)-approved planning documents, are a priority for OCTA, and may be advanced with competitive program funds. Potential project application opportunities are reviewed internally for consistency with OCTA policies and priorities before approaching external agencies for letters of support.

Every discretionary grant award is presented to the Board for approval and acceptance. Through this process, the Board is requested to approve resolutions and authorize the Chief Executive Officer to execute grant agreements before proceeding with projects. When a grant application is unsuccessful, staff requests debriefs from the granting agencies to improve future grant applications.

An updated list of priority projects, which have been and will be submitted for consideration of discretionary grant program funds, is provided in Attachment A. The projects are consistent with Board-reviewed or approved documents, including but not limited to, the annual budget, Long-Range Transportation Plan, OC Transit Vision, Making Better Connections, OC Active, 91 Implementation Plan, Comprehensive Business Plan, M2 Next 10 Delivery Plan, Climate Adaptation and Sustainability Plan, and Capital Programming Policies.

In 2023, OCTA submitted 38 applications totaling \$482 million in requested grant funding. A total of 23 applications were awarded funding of \$268 million through local, state, and federal programs. One awarded grant application was developed through a multi-agency coalition effort and the funding amounts will be determined in fall 2024. Awarded projects include OC Streetcar, transit infrastructure, zero-emission buses, active transportation, coastal rail resiliency, and highway improvements. Funds from discretionary grant programs preserve M2 and local

funds while advancing OCTA project priorities. Details of the grant awards are provided in Attachment B.

Staff is developing grant applications for funding consideration on an on-going basis. An application for the Zero-Emission Bus Roll Out Plan update through the Caltrans Sustainable Transportation Planning grants was recently submitted for consideration. Additionally, staff is working with the Los Angeles Metropolitan Transportation Authority on a regionwide application for the Environmental Protection Agency Climate Pollution Reduction Program. Details of these submittals are also provided in Attachment B.

OCTA staff will continue to monitor grant opportunities and submit applications to regional, state, and federal discretionary grant programs, and return to the Board to accept grants when awarded before executing grant agreements.

Summary

OCTA staff submits grant applications for local, state, and federal competitive grant programs. A total of \$265 million in local, state, and federal funds were awarded in 2023. Staff will continue to submit grant applications for Orange County transportation projects.

Attachments

- A. OCTA Priority Project List
- B. June 2022 to December 2023 Competitive Grant Pursuits and Awards

Prepared by:

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Manager, Capital Programming
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Approved by:

Kia Mortazavi
Executive Director, Planning
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OCTA Priority Project List

ATTACHMENT A

| Project | Planning Document Consistency |
|---|---|
| Bus Transit | |
| Zero-Emission Bus (Long Term) | Zero-Emission Bus Roll Out Plan Long-Range Transportation Plan |
| Future Paratransit Fleet Replacement - Zero-Emission | Zero-Emission Bus Roll Out Plan Long-Range Transportation Plan |
| Harbor Boulevard Connected Bus Pilot | Central Harbor Boulevard Transit Corridor Study OC Transit Vision Long-Range Transportation Plan |
| Harbor Boulevard High-Capacity Transit Expansion Environmental | Central Harbor Boulevard Transit Corridor Study OC Transit Vision Long-Range Transportation Plan |
| Zero-Emission Vanpools | Long-Range Transportation Plan |
| First Street Transit Signal Priority and Complete Streets (Design) | Master Plan of Arterial Highways Long-Range Transportation Plan |
| McFadden Avenue Transit Signal Priority and Complete Streets | Master Plan of Arterial Highways Long-Range Transportation Plan |
| Solar Panels at OCTA Bus Bases | Zero-Emission Bus Roll Out Plan Long-Range Transportation Plan |
| Facility Improvements | OCTA Budget Comprehensive Business Plan Long-Range Transportation Plan |
| Bus Stop Improvements | OC Transit Vision Long-Range Transportation Plan |
| Future Bravo! / Rapid Projects | OC Transit Vision Long-Range Transportation Plan |
| Zero-Emission Bus (ZEB) Infrastructure Readiness Study | OC Transit Vision Long-Range Transportation Plan |
| Orange County Mobility Hubs Pilot Concept of Operations | Orange County Mobility Hubs Plan Long-Range Transportation Plan |
| Fullerton Park and Ride Transit Oriented Development Site Design Concepts | Fullerton Joint Development Study Long-Range Transportation Plan |
| Rail Transit | |
| Coastal Rail Infrastructure Resiliency Project | Rail Infrastructure Study Hazard Mitigation Plan OC Rail Defense Against Climate Change Long-Range Transportation Plan |
| Olympic Readiness Project: Orange County Maintenance Facility Phase 1 | SoCal Connect Long-Range Transportation Plan |
| Metrolink Locomotive Replacement, Track, and Structures | SoCal Connect Long-Range Transportation Plan |
| Metrolink Operations and Fare Revenue Loss | SoCal Connect Long-Range Transportation Plan |
| OC Streetcar Operations and Maintenance | Long-Range Transportation Plan |
| Serra Siding and Bridge Replacement | SoCal Connect Long-Range Transportation Plan |
| Active Transportation and Complete Streets | |
| OC Loop - Segment A and B (La Habra and Brea) | Orange County Bike Connectors Gap Closure Feasibility Study OC Active Long-Range Transportation Plan |

OCTA Priority Project List

| Project | Planning Document Consistency |
|---|--|
| Santa Ana - Garden Grove Rails to Trails | Orange County Bike Connectors Gap Closure Feasibility Study OC Active Long-Range Transportation Plan |
| Olympic Readiness Project: Katella Avenue Pedestrian Bridge | Long-Range Transportation Plan |
| Reconnecting Communities through Complete Streets | OC Active Safe Routes to School Action Plan Systemic Safety Plan Long-Range Transportation Plan |
| Bikeway Connectivity Study | OC Active Safe Routes to School Action Plan Systemic Safety Plan Long-Range Transportation Plan |
| Active Transportation Outreach | OC Active Safe Routes to School Action Plan Long-Range Transportation Plan |
| Bicycle Counts | OC Active Safe Routes to School Action Plan Active Transportation Counts Program Study Long-Range Transportation Plan |
| National and State Highway System | |
| Interstate 5 (I-5) [Yale Street to State Route 55 (SR-55)] Segment 2 | Long-Range Transportation Plan |
| Olympic Readiness Project: Interstate 605/Katella Avenue Interchange | Long-Range Transportation Plan |
| SR-55 [I-5 to State Route 91 (SR-91)] | SR 55 Comprehensive Multimodal Corridor Plan Long-Range Transportation Plan |
| Olympic Readiness Project: State Route 57 (SR-57) (Orangewood Avenue to Katella Avenue) | Long-Range Transportation Plan |
| Ortega Highway Wildlife Crossing | Long-Range Transportation Plan |
| Managed Lanes | |
| I-5 (Pico Avenue to San Diego Line) | South Orange County Multimodal Transportation Study Long-Range Transportation Plan |
| Freight / Trade Corridors | |
| SR-57 (Lambert Avenue to Orange County Line) | Long-Range Transportation Plan |
| SR-91 (La Palma Avenue to SR-55) | SR 91 Implementation Plan SR-91 Comprehensive Multimodal Corridor Plan Long-Range Transportation Plan |
| SR-91 (Acacia Street to La Palma Avenue) | SR-91 Implementation Plan SR-91 Comprehensive Multimodal Corridor Plan Long-Range Transportation Plan |
| Freight / Trade Corridors | |
| Technology / Signal Upgrades | Long-Range Transportation Plan |

| June 2022 to December 2023 Competitive Grant Pursuits and Awards | | | | | | | | |
|--|---------------|---|---|---|---------|---------------------|------------|------------------|
| No. | Federal/State | Agency | Program | Project | Status | Grant Request/Award | Submitted | Board Acceptance |
| 1 | Federal | Federal Transit Administration (FTA) | Low or No-Emission Grant Program (Low-No Program) | Orange County Zero-Emission Paratransit Bus Pilot | Awarded | \$2,507,895 | 5/31/2022 | 8/24/2022 |
| 2 | Federal | Department of Homeland Security (DHS) | Transit Security Grant Program (TSGP) | Visible Intermodal Protection and Response (VIPR) and Anti-Terror, Anti-Crime (ATAC) project | Awarded | \$36,635 | 6/13/2022 | 8/24/2022 |
| 3 | State | California Transportation Commission (CTC) | Active Transportation Program (ATP) Cycle 6 | Next Safe Travels Education Program 2.0 (Next STEP 2.0) | Awarded | \$850,000 | 6/15/2022 | 9/11/2023 |
| 4 | State | CTC | Trade Corridor Enhancement Program | State Route 91 (SR-91) Multimodal Improvements | Awarded | \$42,566,000 | 11/18/2022 | 9/11/2023 |
| 5 | Federal | U.S. Department of Transportation (US DOT) | Strengthening Mobility and Revolutionizing Transportation (SMART) | Pilot Innovative Cloud-Based Transit Signal Priority (Harbor Boulevard) | Awarded | \$1,600,000 | 11/18/2022 | 7/24/2023 |
| 6 | State | California State Transportation Agency (CalSTA) | Transit Intercity Rail Capital Program (TIRCP) - Existing TIRCP Projects Leveraging Federal and Local Funds Reserve | OC Streetcar | Awarded | \$149,841,000 | 12/6/2022 | 3/13/2023 |
| 7 | State | CalSTA | TIRCP | Coastal Rail Corridor Relocation Study | Awarded | \$5,000,000 | 2/10/2023 | 7/24/2023 |
| 8 | State | CalSTA | TIRCP | Central Mobility Loop | Awarded | \$39,407,895 | 2/10/2023 | 7/24/2023 |
| 9 | Federal | U.S. Department of Energy | Regional Clean Hydrogen Hubs | <u>Alliance for Renewable Clean Hydrogen Energy Systems</u> : Fuel Cell Electric Buses, Hydrogen Fueling Station and Facility Upgrades, Workforce Development | Awarded | TBD | 4/7/2023 | Winter 2024 |
| 10 | State | Southern California Association of Governments (SCAG) | Regional Early Action Planning Grants (REAP 2.0) | Harbor Boulevard Cloud-Based Transit Signal Priority Stage 1 | Awarded | \$400,000 | 5/9/2023 | 7/24/2023 |
| 11 | State | SCAG | REAP 2.0 | Fullerton Park and Ride Joint Use Master Plan | Awarded | \$500,000 | 5/9/2023 | 7/24/2023 |
| 12 | State | SCAG | REAP 2.0 | Active Transportation Outreach and Engagement Support | Awarded | \$400,000 | 5/9/2023 | 7/24/2023 |
| 13 | State | SCAG | REAP 2.0 | First Street Multimodal Boulevard Design | Awarded | \$4,300,000 | 5/9/2023 | 7/24/2023 |
| 14 | State | SCAG | REAP 2.0 | Orange County Mobility Hubs Pilot Concept of Operations | Awarded | \$300,000 | 5/9/2023 | 7/24/2023 |
| 15 | State | SCAG | REAP 2.0 | Bikeway Connectivity Study | Awarded | \$500,000 | 5/9/2023 | 7/24/2023 |
| 16 | State | SCAG | REAP 2.0 | McFadden Avenue Transit Signal Priority and Complete Streets | Awarded | \$3,690,000 | 5/9/2023 | 7/24/2023 |
| 17 | State | SCAG | REAP 2.0 | Next STEP 2.0 | Awarded | \$1,250,000 | 5/9/2023 | 7/24/2023 |
| 18 | State | SCAG | REAP 2.0 | Orange County Cyclic Counts 2024-2025 | Awarded | \$400,000 | 5/9/2023 | 7/24/2023 |
| 19 | State | SCAG | REAP 2.0 | Reconnecting Communities through Complete Streets | Awarded | \$550,000 | 5/9/2023 | 7/24/2023 |

June 2022 to December 2023 Competitive Grant Pursuits and Awards

| No. | Federal/State | Agency | Program | Project | Status | Grant Request/Award | Submitted | Board Acceptance |
|---|---------------|--|--|---|-------------|----------------------|------------|------------------|
| 20 | State | SCAG | REAP 2.0 | Harbor Boulevard Cloud-Based Transit Signal Priority Stage 2 | Awarded | \$1,000,000 | 5/9/2023 | 7/24/2023 |
| 21 | State | CTC | Local Transportation Climate Adaptation Program (LTCAP) | Coastal Rail Infrastructure Resiliency Project - Environmental | Awarded | \$12,000,000 | 7/31/2023 | Spring 2024 |
| 22 | State | Department of Toxic Substances Control | Equitable Community Revitalization Grant | OC Connect Environmental Site Assessment | Awarded | \$350,000 | 10/11/2023 | Spring 2024 |
| 23 | Federal | NA | Community Project Funding | OC Connect (Garden Grove-Santa Ana Rails-To-Trails) | Awarded | \$750,000 | NA | Spring 2024 |
| 24 | Federal | Federal Highway Administration (FHWA) | Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) | Coastal Rail Infrastructure Resiliency Project - Environmental | Submitted | \$12,000,000 | 8/18/2023 | Pending |
| 25 | Federal | U.S. Environmental Protection Agency (US EPA) | Brownfields Program - Multipurpose Grants | OC Connect Environmental Site Assessment | Submitted | \$1,000,000 | 11/13/2023 | Pending |
| 26 | Federal | FHWA | FHWA: Reconnecting Communities Pilot (RCP) Program | Connecting Communities Through Complete Streets | Not awarded | \$440,000 | 8/15/2022 | Not awarded |
| 27 | Federal | CTC | Local Partnership Program Competitive | SR-91 Multimodal Improvements | Not awarded | \$25,000,000 | 11/29/2022 | Not awarded |
| 28 | Federal | CTC | Solutions for Congested Corridors Program | SR-91 Multimodal Improvements | Not awarded | \$42,566,000 | 12/2/2022 | Not awarded |
| 29 | Federal | National Oceanic and Atmospheric Administration | Climate Resilience Regional Challenge | OC Regional Stockpile Hub Supporting Beneficial Re-use of Sediment | Not awarded | \$26,000,000 | 2/13/2023 | Not awarded |
| 30 | Federal | US DOT | Rebuilding American Infrastructure with Sustainability and Equity (RAISE) | SR-91 Multimodal Improvements | Not awarded | \$25,000,000 | 2/28/2023 | Not awarded |
| 31 | State | California Department of Transportation (Caltrans) | Caltrans Sustainable Transportation Planning Grants | Complete Ramps: Mobility Safety Study | Not awarded | \$486,915 | 3/9/2023 | Not awarded |
| 32 | State | Caltrans | Caltrans Sustainable Transportation Planning Grants | EV Charging Stations Strategic Plan | Not awarded | \$100,000 | 3/9/2023 | Not awarded |
| 33 | Federal | FTA | Buses and Bus Facilities Program | Security Gates at the Irvine Bases | Not awarded | \$3,892,000 | 4/13/2023 | Not awarded |
| 34 | Federal | FTA | Buses and Bus Facilities Program | 40 Fuel Cell Electric Buses | Not awarded | \$31,521,898 | 4/13/2023 | Not awarded |
| 35 | Federal | FTA | Low-No Program | 40 Fuel Cell Electric Buses | Not awarded | \$31,521,898 | 4/13/2023 | Not awarded |
| 36 | Federal | DHS | TSGP | OCTA Operational Deterrence - VIPR and ATAC | Not awarded | \$151,304 | 5/18/2023 | Not awarded |
| 38 | Federal | US DOT | Strengthening Mobility and Revolutionizing Transportation (SMART) | Artificial Intelligence-Based Integration of Smart Grids into Zero Emissions Transit Bus Fleets | Not awarded | \$2,000,000 | 10/10/2023 | Not awarded |
| Total Grant Applications Submitted between June 2022 to December 2023 (includes one earmark received): | | | | | | \$469,879,440 | | |
| Total Grant Awards between June 2022 to December 2023: | | | | | | \$268,199,425 | | |

2024 Competitive Grant Pursuits and Awards

| No. | Federal/ State | Agency | Program | Project | Status | Grant Request/Award | Submitted | Board Acceptance |
|---|-------------------|----------|---|--|-----------|------------------------|-----------|---------------------|
| 1 | State | Caltrans | Sustainable Transportation Planning Grants | Zero-Emission Bus (ZEB) Infrastructure Readiness Study | Submitted | \$200,000 | 1/18/2024 | Pending |
| 2 | Federal | US EPA | Climate Pollution Reduction Grants ¹ | Harbor Boulevard Connected Bus (OCTA) | Submitted | \$4,400,000 | 4/1/2024 | Pending |
| 3 | Federal | NA | Transit Infrastructure Grants | Coastal Rail Corridor Relocation Study | Awarded | \$4,000,000 | NA | Pending |
| 4 | Federal | NA | Highway Infrastructure Programs | SR-91 Improvement Project | Awarded | \$4,000,000 | NA | Pending |
| 5 | Federal | NA | Highway Infrastructure Programs | OC Loop Segments A and B (La Habra and Brea) | Awarded | \$3,000,000 | NA | Pending |
| Total Grant Requests Submitted in 2024 to Date (includes earmarks received): | | | | | | \$4,600,000 | | |
| Total Grant Awards in 2024 to Date (includes earmarks received): | | | | | | \$11,000,000 | | |

1. Katella Avenue Pedestrian Bridge from the City of Anaheim is also included in CPRG request that OCTA helped include in the Metro Transit Coalition Olympics 2028 application. OCTA submitted three additional projects for CPRG consideration that were rejected from the application. The projects include the Orange County Maintenance Facility, Solar Panels at OCTA Facilities, and Zero-Emission Buses.

CPRG - Climate Pollution Reduction Grants
 OCTA - Orange County Transportation Authority



COMMITTEE TRANSMITTAL

April 8, 2024

To: Members of the Board of Directors
From: Andrea West, Clerk of the Board *Andrea West*
Subject: College Pass Program, Internal Audit Report 24-506

Finance and Administration Committee Meeting of March 27, 2024

Present: Directors Do, Federico, Harper, Hennessey, Klopfenstein,
Nguyen, and Sarmiento
Absent: None

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Direct staff to implement two recommendations provided in the College Pass Program, Internal Audit Report No. 24-506.



March 27, 2024

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Janet Sutter, Executive Director
Internal Audit Department

Subject: College Pass Program, Internal Audit Report No. 24-506

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed a review of the College Pass Program. Based on the audit, grant compliance controls are adequate; however, two recommendations have been made to improve contract language, establish invoice and collection controls, and develop and enforce controls over paper passes.

Recommendation

Direct staff to implement two recommendations provided in the College Pass Program, Internal Audit Report No. 24-506.

Background

The Marketing and Customer Engagement (MCE) Department within the People and Community Engagement (PACE) Division is responsible for administration and oversight of the College Pass Program (Program) and works with Finance and Administration (F&A) Division staff on invoicing, data warehousing, and grant revenue management.

OCTA has entered into ten agreements with all nine Orange County community colleges and the Rancho Santiago Canyon Community College District Continuing Education to provide bus passes to registered full-time and part-time students.

Students can generate a mobile ticket by downloading the OC Bus Mobile Ticketing Application (mobile App) to their smartphone, or colleges can encode the student's identification (ID) card, allowing them to swipe their college ID card

to board the bus. Not all colleges have implemented the infrastructure for activation of student ID cards. Several of the colleges were provided an inventory of 30-day paper passes for distribution to students during the pandemic for essential travel needs, and more recently, to distribute to students that do not have a smartphone or in the event the mobile App is not functioning properly.

Boarding activity is captured through the farebox on the bus, as well as through the mobile App. Boarding activity is available in OCTA's data warehouse for performance analysis, reporting, and billing purposes.

Discussion

Agreements do not include sufficient, accurate information outlining requirements and responsibilities for participation in the Program. In addition, enrollment information used to prepare invoices is not validated for reasonableness, invoices are not prepared promptly, and amounts due are not collected timely. Internal Audit recommended management amend agreements to accurately reflect all responsibilities and requirements for Program operation, and implement procedures for administration of the Program, including verification of enrollment data used for invoicing purposes, timely preparation of invoices, and collection of outstanding receivables. Management concurred and agreed to enhance agreement language by August 31, 2024, and implement oversight controls by September 30, 2024. Management also responded that accounts receivable procedures have been implemented to more effectively monitor and collect outstanding receivables.

The MCE Department has provided several colleges with paper 30-day college bus passes; however, agreements do not address requirements for security, inventory, distribution, or reporting controls. At the time of the audit, none of the colleges had instituted paper pass inventory and reconciliation controls. Over the last few years, passes valued at approximately \$398,000 have been provided to these colleges. Internal Audit recommended management update agreements to include requirements for security, inventory, distribution, and reporting of paper passes and implement monitoring controls to ensure colleges are complying with the requirements. Management should also strengthen controls to ensure all college bus passes are properly coded in the system. Management concurred with the recommendation and agreed to develop improved controls and a formal procedure for paper pass distribution to ensure proper security, accurate coding, reporting, and reconciliation, and to amend agreements to include the procedures.

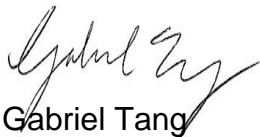
Summary

Internal Audit has completed an audit of the College Pass Program and has offered two recommendations, which management agreed to implement or otherwise address.

Attachment

- A. College Pass Program, Internal Audit Report No. 24-506

Prepared by:



Gabriel Tang
Principal Internal Auditor
714-560-5746

Approved by:



Janet Sutter
Executive Director, Internal Audit
714-560-5591

ORANGE COUNTY TRANSPORTATION AUTHORITY INTERNAL AUDIT DEPARTMENT



College Pass Program

Internal Audit Report No. 24-506

March 11, 2024



Audit Team:

Gabriel Tang, CPA, Principal Internal Auditor
Janet Sutter, CIA, Executive Director

Distributed to:

Maggie McJilton, Executive Director, People and Community Engagement
Andrew Oftelie, Chief Financial Officer, Finance and Administration
Alice Rogan, Stella Lin, Sean Murdock, Sam Kaur, Katie Gagnon, Rima Tan,
Nicole Sanchez

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
College Pass Program
March 11, 2024**

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**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
College Pass Program
March 11, 2024**

Conclusion

The Internal Audit Department (Internal Audit) of the Orange County Transportation Authority (OCTA) has completed a review of the College Pass Program (Program). Based on the audit, grant compliance controls are adequate; however, two recommendations have been made to improve contract language, to establish invoice and collection controls, and to develop and enforce controls over paper passes.

Background

In 2017, OCTA initiated a pilot Program with Santa Ana College (SAC) to allow all their students to ride any OC Bus at a very low cost (the fee is part of their semester registration fee) to help students access higher education, employment, and recreational opportunities.

Following the successful launch with SAC in 2017, OCTA staff began working with other community colleges to assess interest and program parameters that would work for their participation. As of fall 2022, all nine Orange County community colleges are participating in the Program, along with the Rancho Santiago Canyon Community College District Continuing Education (RSCCDCE).

To incentivize community colleges to participate, the first year of the Program is funded by the Low Carbon Transit Operations Program (LCTOP) grant, and years two and three are funded by the colleges, or through student fees collected as part of tuition.

The Marketing and Customer Engagement (MCE) Department within the People and Community Engagement (PACE) Division is responsible for administration and oversight of the Program and works with Finance and Administration (F&A) Division staff on invoicing, data warehousing, and grant revenue management.

OCTA has entered into ten agreements with the nine community colleges and the RSCCDCE, to provide bus passes to registered full-time and part-time students. There are currently three agreement cost structures: (1) colleges that choose to pay a flat annual fee, (2) colleges that pay a fee per student based on final enrollment counts each semester, and (3) colleges that are assessed a fee per student boarding, calculated at the end of each semester.

Colleges upload a refreshed list of student identification numbers, along with student email addresses, to OCTA each day. Students can then generate a mobile ticket by downloading the OC Bus Mobile Ticketing Application (mobile App) to their smartphone, or colleges can encode the student's identification (ID) card, allowing them to swipe their college ID card to board the bus. Not all colleges have implemented the infrastructure for activation of student ID cards. Several of the colleges were provided an inventory of 30-day paper passes for distribution to students during the pandemic for essential travel

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needs, and more recently, to distribute to students that do not have a smart phone or in the event the mobile App is not functioning properly.

Boarding activity is captured through the farebox on the bus, as well as through the mobile App. Boarding activity is available in OCTA's data warehouse for performance analysis, reporting and billing purposes. Data recorded includes date, time, location, route, driver ID, vehicle ID, ticket type, etc.

Invoice Process

Colleges that are assessed a flat annual fee are billed twice per year. The Revenue Administration Department (Revenue) generates an invoice request, and the invoice is generated by the Accounts Receivable (AR) Section within F&A.

Colleges that are assessed a fee per student are billed after receipt of the final enrollment count each semester. The project manager forwards enrollment data to Revenue for preparation of the invoice request. The invoice request is sent to AR and an invoice is generated.

Colleges that are assessed a fee per boarding are billed at the end of each semester. Revenue obtains boarding information from the OCTA data warehouse and prepares an invoice request and AR generates the invoice.

Each quarter, Revenue calculates the amount eligible for LCTOP funding and requests a drawdown. Annually, Revenue will prepare and submit the required LCTOP Project Activity Report for the College Pass Program to the California Department of Transportation.

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College Pass Program
March 11, 2024

Objectives, Scope, and Methodology

The objectives were to assess and test oversight and compliance controls related to administration of the College Pass Program.

According to Generally Accepted Government Auditing Standards (GAGAS), internal control is the system of processes that an entity's oversight body, management, and other personnel implement to provide reasonable assurance that the organization will achieve its operational, reporting, and compliance objectives. The five components are control environment, risk assessment, control activities, information and communication, and monitoring.¹ The components and principles that were evaluated as part of this audit are:

- Control Activities
 - OCTA deploys control activities through policies that establish what is expected and procedures that put policies into action.
- Information and Communication
 - OCTA communicates with external parties regarding matters affecting the functioning of internal control.

The methodology consisted of evaluating compliance with key contract terms, testing invoices and remittances for evidence of billing controls and contract compliance, assessing oversight controls, and performing selected tests to identify misuse of passes and reasonableness of enrollment data provided by colleges. Internal Audit also assessed and tested controls over inventory and reconciliation of paper passes distributed to colleges, and tested LCTOP reimbursement drawdowns for accuracy and tested compliance with required annual report submission.

The scope was limited to Agreement No. C-7-1871 with the RSCCDCE, Agreement No. C-7-1833 with SAC, Agreement No. C-8-1790 with Rancho Santiago Canyon College, Agreement No. C-9-1418 with Fullerton College, Agreement No. C-9-1401 with Golden West College, Agreement No. C-0-2423 with Saddleback College, Agreement No. C-0-2696 with Cypress College, Agreement No. C-1-3440 with Irvine Valley College, Agreement No. C-1-3439 with Coastline College, Agreement No. C-2-2529 with Orange Coast College, and all amendments to the agreements. The scope included all invoices paid from July 2022 through October 2023, data warehouse ridership data of student ID numbers with both mobile App activity and paper pass activity during the period January 2023 through October 2023, as well as excessive daily activity during the period August 2023 through October 2023. The scope also included all paper pass distributions during the period January 2020 through October 2023. Lastly, the scope included all quarterly drawdowns from July 2022 through October 2023, and the LCTOP Project Activity Report for fiscal year 2023.

¹ See U.S. Government Accountability Office publication, "Standards for Internal Control in the Federal Government," available at <http://www.gao.gov/products/GAO-14-704G>, for more information.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
College Pass Program
March 11, 2024**

Internal Audit conducted this performance audit in accordance with GAGAS. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
College Pass Program
March 11, 2024**

Audit Comments, Recommendations, and Management Responses

Inadequate Agreement Language, Invoicing, and Collection Controls

Agreements do not include sufficient, accurate information outlining requirements and responsibilities of the Program. In addition, enrollment information used to prepare invoices is not validated for reasonableness, invoices are not prepared promptly, and amounts due are not collected timely.

Agreements with colleges include standard language outlining responsibilities and requirements for coding student ID cards, providing detailed statements of registered students, submitting payments within specified timeframes, and submitting certified statements with payments; however, the language is not tailored to address the different cost structures of the colleges, is not reflective of current practices for invoicing and payment receipt, and compliance with the stated requirements is not enforced.

Enrollment data provided by colleges as a basis for preparing invoices is not compared to available data of enrolled students for reasonableness. Testing of 11 invoices issued based on a fee per enrolled student identified discrepancies between the number of enrolled students reported by the college and the number of students registered to utilize the mobile App. Upon inquiry, one college confirmed that enrollment data was overstated by 59 percent, resulting in an overbilling of approximately \$92,000. Another college understated enrollment by 32 percent resulting in an underbilling of approximately \$6,000. OCTA staff has access to data reflecting the total number of students provided with mobile App access; however, staff do not currently compare those figures to the number reported by the colleges for billing purposes.

Further, the testing noted significant delays in the preparation of invoices and collection of related receivables. Twenty-two of 25 invoices tested were prepared from two to nine months late. In addition, despite the fact that invoices are marked "Due Upon Receipt", and nine of ten agreements include required timelines for colleges to submit payments, testing found eight of 25 invoices were collected between 34 to 159 days after invoice issuance and another 11 invoices, totaling \$676,058, remained uncollected at the conclusion of the audit, ranging from 61 days to 357 days after invoice issue date. AR staff acknowledged there was no system in place to monitor outstanding receivables at the time of the testing period; however, AR staff asserted that a procedure for collecting payment on aging receivables was implemented in December 2023.

Recommendation 1:

Internal Audit recommends agreements be amended to accurately reflect all responsibilities and requirements for Program operation. Agreement language should sufficiently and accurately outline procedures and management should enforce agreement requirements. Management should also develop, document, and implement

**ORANGE COUNTY TRANSPORTATION AUTHORITY
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College Pass Program
March 11, 2024**

procedures for administration of the Program, including procedures for verifying the reasonableness of enrollment data provided by colleges for invoicing purposes and timely preparation of invoices. Management should implement procedures developed in December 2023, to monitor and collect outstanding receivables.

Management Response (PACE):

Management concurs with the recommendations. Since 2017, the pilot Program has grown from one college to all nine Orange County community colleges. Management agrees that the agreements need to be more specific to each college, and procedures need to be formalized to administer the program beyond the pilot phase. Management will review and enhance agreement language by August 31, 2024. In addition, management will ensure the documentation and implementation of specific procedures for each aspect of Program administration and will outline specific responsibility area(s) for Program implementation and oversight by September 30, 2024.

Management Response (F&A):

Management agrees and has implemented new AR procedures to more effectively monitor and collect outstanding receivables.

Inadequate Controls over Paper Passes

The MCE Department has provided several colleges with paper 30-day college bus passes; however, agreements do not address requirements for security, inventory, distribution, or reporting controls. In addition, Internal Audit found some bus passes that were not coded as college passes for purposes of activity tracking, and most of the issued passes were not associated with a student. Only two colleges had submitted distribution reports identifying the students to whom passes were issued, and, at the time of the audit, none of the colleges had instituted inventory and reconciliation controls. Over the last few years, passes valued at approximately \$398,000 have been provided to these colleges.

Recommendation 2:

Internal Audit recommends management update agreements to include requirements for security, inventory, distribution, and reporting of paper passes and implement monitoring controls to ensure colleges are complying with the requirements. Management should also strengthen controls to ensure all college bus passes are properly coded in the system.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
College Pass Program
March 11, 2024**

Management Response:

Management concurs with the recommendation. At the inception of the pilot Program, management did not anticipate the need to distribute paper passes for the program since the preferred method of fare collection is student ID card or the mobile App. However, once it became necessary to provide the colleges with paper passes during the pandemic, implementation of more formal controls for the colleges should have been established.

Management will develop improved controls and a formal procedure for paper pass distribution to ensure proper security, accurate coding, reporting, and reconciliation, and amend agreements to include the procedures.

Management has worked with the colleges that received paper passes to gather reporting for confirmation of reconciliation and validation of the paper passes that were distributed to students. In addition, most of the paper passes that were not distributed to students were accounted for and returned to OCTA. Some of the colleges elected to keep a moderate inventory on hand with safe storage mechanisms in place. As of February 29, 2024, most distributed paper passes with a total worth of \$396,382, have been reconciled, returned, or remain in their inventory.



COMMITTEE TRANSMITTAL

April 8, 2024

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board *Andrea West*

Subject: Amendment to Cooperative Agreement with the California Department of Transportation for the Interstate 605/Katella Avenue Interchange Improvement Project

Regional Transportation Planning Committee Meeting of April 1, 2024

Present: Directors Do, Dumitru, Federico, Foley, Harper, Khan, and Stephens

Absent: None

Committee Vote

This item was passed by the Members present.

Committee Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-1-3740 between the Orange County Transportation Authority and the California Department of Transportation, in the amount of \$510,600, for additional utility relocation services for the Interstate 605/Katella Avenue Interchange Improvement Project. This will increase the maximum cumulative obligation of the cooperative agreement to a total contract value of \$3,030,800.
- B. Authorize the use of up to \$510,600 in additional Measure M2 funds for the right-of-way phase of the Interstate 605/Katella Avenue Interchange Improvement Project.
- 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 actions.



April 1, 2024

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Cooperative Agreement with the California Department of Transportation for the Interstate 605/Katella Avenue Interchange Improvement Project

Overview

On October 11, 2021, the Orange County Transportation Authority Board of Directors approved a cooperative agreement between the Orange County Transportation Authority and the California Department of Transportation for right-of-way support services, right-of-way acquisition, and utility relocation for the Interstate 605/Katella Avenue Interchange Improvement Project. Board of Directors' approval is requested to amend the cooperative agreement for additional funding for utility relocation.

Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-1-3740 between the Orange County Transportation Authority and the California Department of Transportation, in the amount of \$510,600, for additional utility relocation services for the Interstate 605/Katella Avenue Interchange Improvement Project. This will increase the maximum cumulative obligation of the cooperative agreement to a total contract value of \$3,030,800.
- B. Authorize the use of up to \$510,600 in additional Measure M2 funds for the right-of-way phase of the Interstate 605/Katella Avenue Interchange Improvement Project.
- 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 actions.

Discussion

The Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation (Caltrans), is implementing the Interstate 605/Katella Avenue Interchange Improvement Project (Project). The Project is Project M in the Measure M2 (M2) freeway program. In the updated Next 10 Delivery Plan, adopted by the OCTA Board of Directors (Board) in November 2023, the Project is listed as one of the M2 freeway projects to be complete by 2030. The design and right-of-way (ROW) phases are nearing completion.

The Project will modify interchange ramps and provide operational improvements along Katella Avenue between Civic Center Drive and Coyote Creek Channel in the City of Los Alamitos.

On October 11, 2021, the Board authorized Cooperative Agreement No. C-1-3740 between OCTA and Caltrans for ROW support services, ROW acquisition, and utility relocation for the Project.

Caltrans is the implementing agency for ROW activities on the Project, including utility relocations. Beginning in early 2022, Caltrans initiated coordination with impacted utility owners to obtain conceptual plans and estimated costs for utility relocations. Utility plans and cost estimates have since been refined in parallel with the final plans, specifications, and estimates for the Project. The original estimated amount for utility relocations was based on historical data from past projects with similar utility conflicts. However, Caltrans has indicated that updated utility relocation costs are higher. Therefore, additional funding, in the amount of \$510,600, for utility relocation is required. Final utility agreements with the respective utility owners are necessary prior to the Project being advertised for construction bids.

This is project M in the Next 10 Delivery Plan, and the use of additional M2 funds is consistent with the Board-approved Capital Programming Policies to support Next 10 Delivery Plan projects.

The revised Capital Funding Program Report is consistent with Board approval of the actions outlined in this report (Attachment A). This report provides a summary of Board-approved funding for each of the OCTA highway projects.

Fiscal Impact

As part of this cooperative agreement, funding for Caltrans' services for the ROW phase is included in OCTA's Fiscal Year (FY) 2024-25 Budget, Capital Programs Division, Account No. 0017-9082-FM003-1O5, and will be funded through M2 funding.

Summary

Staff requests Board approval for the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-1-3740 between OCTA and Caltrans, to increase the funds, in the amount of \$510,600, for utility relocation. This will increase the maximum obligation of the cooperative agreement to a total contract value of \$3,030,800. Staff is requesting authorization for the use of up to \$510,600 in additional M2 funds for the Project.

Attachment

- A. Capital Funding Program Report

Prepared by:



Josue Vaglienty, P.E.
Sr. Project Manager
(714) 560-5852

Approved by:



James G. Beil, P.E.
Executive Director, Capital Programs
(714) 560-5646



Capital Funding Program Report

ATTACHMENT A

Pending Approval by OCTA Board of Directors - April 8, 2024

| State Highway Project | | | | | | | | | | | |
|---|--------|--------------------|------------------|-----|-----------------|------------------|------------------|------------------|-------------|--------------------|--------------------|
| Project Title | M Code | Total Funding | Federal Funds | | | State Funds | | | Local Funds | | |
| | | | STBG/CMAQ | FTA | Other Fed. | STIP | SB1 | Other State | M1 | M2 | Other Local |
| I-5 widening, I-405 to Yale Avenue (Segment 1) | B | \$205,794 | \$47,473 | | \$5,421 | \$95,338 | \$11,374 | | | \$46,188 | |
| I-5 widening, Yale Avenue to SR-55 (Segment 2) | B | \$41,351 | \$32,527 | | | | | | | \$8,824 | |
| I-5 widening, Alicia Parkway to El Toro Road (Segment 3) | C | \$202,643 | \$49,897 | | \$4,728 | | \$16,915 | | | \$131,103 | |
| I-5 widening, Oso Parkway to Alicia Parkway (Segment 2) | C | \$228,675 | \$48,676 | | \$7,921 | | | | | \$172,078 | |
| I-5 widening, SR-73 to Oso Parkway (Segment 1) | C | \$244,269 | \$28,167 | | \$6,433 | \$91,977 | | \$29,832 | | \$87,860 | |
| I-5, SR-73 to El Toro Road landscaping/replacement planting | C | \$12,335 | \$790 | | | \$6,000 | | | | \$5,545 | |
| I-5/El Toro Interchange | D | \$9,713 | \$9,213 | | | | | | | \$500 | |
| SR-55 (I-5 to SR-91) | F | \$22,045 | \$8,359 | | \$2,641 | | | | | \$11,045 | |
| SR-55 widening between I-405 and I-5 | F | \$505,720 | \$160,500 | | \$42,375 | \$80,000 | \$140,000 | | | \$82,845 | |
| SR-57 Orangewood Avenue to Katella Avenue | G | \$73,621 | \$11,500 | | \$3,240 | | | | | \$58,881 | |
| SR-57 truck climbing lane phase II: Lambert Road to LA County Line | G | \$24,500 | | | | \$24,500 | | | | | |
| SR-91, Acacia Avenue to La Palma Avenue (Segment 3) | I | \$18,171 | \$1,770 | | | | | | | \$30 | \$16,371 |
| SR-91, La Palma Avenue to SR-55 (Segment 2) | I | \$46,314 | \$3,460 | | | | | | | \$40 | \$42,814 |
| SR-91, SR-55 to Lakeview Avenue (Segment 1) | I | \$115,464 | \$1,770 | | \$12,340 | | \$42,566 | | | \$30 | \$58,758 |
| SR-91, SR-57 to SR-55 (Segment 1,2 and 3) Outreach | I | \$2,000 | | | | | | | | | \$2,000 |
| SR-91, SR-241 to I-15 | J | \$41,800 | | | | | | | | | \$41,800 |
| I-405 improvements, SR-73 to I-605 | K | \$2,159,999 | \$35,000 | | \$10,648 | | | \$89,771 | | \$1,395,650 | \$628,930 |
| I-405 (I-5 to SR-55) | L | \$8,000 | \$8,000 | | | | | | | | |
| I-605/ Katella Avenue interchange ¹ | M | \$34,975 | \$17,800 | | | | | | | \$17,175 | |
| 241/91 Express Lanes (HOT) connector | | \$182,298 | \$50 | | | | | | | | \$182,248 |
| I-5 Managed Lane Project from Avenida Pico to San Diego County Line | | \$24,228 | \$23,478 | | | | | | | | \$750 |
| SR-74 - Gap closure for 0.9 mile and multimodal improvements | | \$87,513 | \$30,000 | | \$4,250 | \$43,913 | | | | \$7,200 | \$2,150 |
| SR-74 widening, City/County line to Antonio Parkway | | \$40,905 | \$5,285 | | | \$10,000 | | | | | \$25,620 |
| State Highway Project Totals | | \$4,332,333 | \$523,715 | | \$99,997 | \$351,728 | \$210,855 | \$119,603 | | \$2,024,994 | \$1,001,441 |
| Federal Funding Total | | \$623,712 | | | | | | | | | |
| State Funding Total | | \$682,186 | | | | | | | | | |
| Local Funding Total | | \$3,026,435 | | | | | | | | | |
| Total Funding (000's) | | \$4,332,333 | | | | | | | | | |

| State Highway Project Completed | | | | | | | | | | | |
|--|--------|---------------|---------------|-----|------------|-------------|-----|-------------|-------------|----------|-------------|
| Project Title | M Code | Total Funding | Federal Funds | | | State Funds | | | Local Funds | | |
| | | | STBG/CMAQ | FTA | Other Fed. | STIP | SB1 | Other State | M1 | M2 | Other Local |
| I-5 from SR-55 to SR-57, add one HOV lane each direction | A | \$41,500 | \$36,191 | | | | | | | \$5,309 | |
| I-5 HOV lane each direction s/o PCH to San Juan Creek Road | C | \$74,300 | \$11,326 | | | | | \$20,789 | | \$42,185 | |
| I-5 HOV lanes from s/o Avenida Vista Hermosa to s/o PCH | C | \$75,300 | \$12,065 | | | \$46,779 | | | | \$16,456 | |
| I-5 HOV lanes: s/o Avenida Pico to s/o Vista Hermosa | C | \$83,500 | \$26,867 | | \$1,600 | \$43,735 | | | | \$11,298 | |



Capital Funding Program Report

Pending Approval by OCTA Board of Directors - April 8, 2024

1. Authorize the use of up to \$510,600 in additional Measure M2 funds for the right-of-way phase of the Interstate 605 / Katella Avenue Interchange improvement project.

Acronyms:

Aux - Auxilliary
Board - Board of Directors
CMAQ - Congestion Mitigation Air Quality Improvement Program
E/B - Eastbound
E/O - East of
FTA - Federal Transit Administration
HOT - High-Occupancy Toll
HOV - High-Occupancy Vehicle
I-405 - Interstate 405
I-5 - Interstate 5
I-605 - Interstate 605
LA - Los Angeles
M Code - Project Codes in Measure M1 and M2
M1 - Measure M1
M2 - Measure M2
N/B - Northbound
OC - Orange County
OCTA - Orange County Transportation Authority
PCH - Pacific Coast Highway
S/B - Southbound
S/O - South of
SB 1 - SB 1 (Chapter 5, Statutes of 2017)
SR-133 - State Route 133
SR-22 - State Route 22
SR-241 - State Route 241
SR-55 - State Route 55
SR-57 - State Route 57
SR-71 - State Route 71
SR-73 - State Route 73
SR-74 - State Route 74
SR-91 - State Route 91
STBG - Surface Transportation Block Grant
STIP - State Transportation Improvement Program
W/B - Westbound



COMMITTEE TRANSMITTAL

April 8, 2024

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Andrea West

Subject: Amendment to Cooperative Agreement with the California Department of Transportation for the Interstate 405 Improvement Project Between State Route 73 to Interstate 605

Regional Transportation Planning Committee Meeting of April 1, 2024

Present: Directors Do, Dumitru, Federico, Foley, Harper, Khan, and Stephens

Absent: None

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-4-1847 between the Orange County Transportation Authority and the California Department of Transportation, in the amount of \$2,706,500, for reimbursed construction inspection services and enhanced oversight for the Interstate 405 Improvement Project between State Route 73 to Interstate 605. This will increase the maximum cumulative obligation of the cooperative agreement to a total contract value of \$58,106,500.



April 1, 2024

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Cooperative Agreement with the California Department of Transportation for the Interstate 405 Improvement Project Between State Route 73 to Interstate 605

Overview

On April 27, 2015, the Orange County Transportation Authority Board of Directors approved a cooperative agreement between the Orange County Transportation Authority and the California Department of Transportation to provide reimbursed construction inspection services and enhanced oversight for the Interstate 405 Improvement Project between State Route 73 to Interstate 605. Board of Directors' approval is requested to amend the cooperative agreement for additional funding for reimbursed construction inspection services and enhanced oversight to complete project closeout activities.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-4-1847 between the Orange County Transportation Authority and the California Department of Transportation, in the amount of \$2,706,500, for reimbursed construction inspection services and enhanced oversight for the Interstate 405 Improvement Project between State Route 73 to Interstate 605. This will increase the maximum cumulative obligation of the cooperative agreement to a total contract value of \$58,106,500.

Discussion

The Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation (Caltrans), is implementing the Interstate 405 (I-405) Improvement Project between State Route 73 (SR-73) to Interstate 605 (I-605) (Project). The Project includes one general purpose lane from Euclid Street to I-605, consistent with Measure M2 (M2) Project K, and an additional lane in each direction that combines with the existing high-occupancy

Amendment to Cooperative Agreement with the California Department of Transportation for the Interstate 405 Improvement Project Between State Route 73 to Interstate 605 *Page 2*

vehicle lane to provide dual express lanes in each direction on I-405 from SR-73 to I-605, otherwise known as the 405 Express Lanes.

On April 27, 2015, the Board authorized Cooperative Agreement No. C-4-1847 with Caltrans to provide reimbursed construction inspection services and enhanced oversight to implement the Project.

Reimbursed construction inspection services, also referred to as “Reimbursed Direct Work” in the design-build (DB) cooperative agreement, is required by AB 401 (Chapter 586, Statutes of 2013) which became effective on January 1, 2014. It enabled OCTA to construct the Project via a DB contract. One of the requirements outlined in AB 401 is for Caltrans to perform certain construction inspection oversight services. Caltrans continues to perform those construction inspection oversight services, and OCTA is reimbursing those services as a direct project cost.

Enhanced oversight is for specific key Caltrans staff committed to the Project as requested by OCTA to provide priority oversight services, assist in meeting the fast-track project schedule, and provide cooperation, expertise, and input towards the successful delivery of the Project. Caltrans continues to perform the enhanced oversight services and OCTA is reimbursing those services as a direct project cost.

Additional Caltrans support is needed above the original estimated level of effort to ensure compliance with the Project’s contract requirements, Construction Quality Management Plan, and various agency standards and permits, including Caltrans, the corridor cities, and environmental resource agencies. The following describes the specific efforts needed:

- Additional support to perform punch list walks with the DB contractor, OC 405 Partners (OC405), complete the required field safety reviews, and to ensure resolution of all punch list items by OC405.
- Additional support to review the large volume of required construction quality close-out documentation for materials installed on the Project and as-built plans submitted by OC405.
- Additional support for the plant establishment period.

State furnished materials such as traffic signal controller equipment and changeable message signs are preapproved by the Federal Highway Administration for use on federal-aid projects. State furnished materials are paid for by Caltrans and provided to OCTA’s contractor for use on the Project. Caltrans is reimbursed by OCTA through this cooperative agreement. Although the costs of state furnished materials were shown in the original cooperative

Amendment to Cooperative Agreement with the California Department of Transportation for the Interstate 405 Improvement Project Between State Route 73 to Interstate 605 *Page 3*

agreement, the costs were not included in the original total agreement amount, and now must be included as part of the proposed total amendment amount.

Fiscal Impact

Funding for this amendment is included in the OCTA's Fiscal Year 2024-25 Budget, Capital Programs Division, account nos. 0017-9085-FM003-0KM and 0037-9018-A9510-0KM, and is funded with a combination of federal, state, and local funds.

Summary

Staff requests Board approval for the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-4-1847 with Caltrans, in the amount of \$2,706,500, for reimbursed construction inspection services and enhanced oversight, for the Project. This will increase the maximum obligation to a total contract value of \$58,106,500.

Attachment

- A. California Department of Transportation, Cooperative Agreement No. C-4-1847 Fact Sheet

Prepared by:



Jeff Mills, P.E.
Director, Alternative Project Delivery and
Construction
(714) 560-5925

Approved by:



James G. Beil, P.E.
Executive Director, Capital Programs
(714) 560-5646

**California Department of Transportation
Cooperative Agreement No. C-4-1847 Fact Sheet**

1. April 27, 2015, Cooperative Agreement No. C-4-1847, \$55,400,000, approved by the Board of Directors (Board).
 - To reimburse the California Department of Transportation (Caltrans) for construction inspection services and enhanced oversight work for the Interstate 405 Improvement Project between State Route 73 to Interstate 605 (Project).
2. April 3, 2018, Amendment No. 1 to Cooperative Agreement No. C-4-1847, \$0, approved by the Contracts Administration and Materials Management Department.
 - To include the Proposition 1B Bond funds and program guidelines and the Transportation Infrastructure Finance and Innovation Act funds and program guidelines to the Project.
 - To amend the postmile references on the header to correspond with those contained in the approved Project Report and the Final Environmental Document.
3. April 8, 2024, Amendment No. 2 to Cooperative Agreement No. C-4-1847, \$2,706,500, pending Board approval.
 - To increase funding for additional construction inspection services and enhanced oversight work for the Project.

Total committed to Caltrans after approval of Amendment No. 2 to Cooperative Agreement No. C-4-1847, \$58,106,500.



COMMITTEE TRANSMITTAL

April 8, 2024

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Andrea West

Subject: Amendment to Agreement for Construction Management Consultant Services for the Interstate 405 Improvement Project Between State Route 73 to Interstate 605

Regional Transportation Planning Committee Meeting of April 1, 2024

Present: Directors Do, Dumitru, Federico, Foley, Harper, Khan, and Stephens

Absent: None

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 14 to Agreement No. C-4-1447 between the Orange County Transportation Authority and Jacobs Project Management Co., in the amount of \$1,773,118, for additional construction management consultant services for the Interstate 405 Improvement Project between State Route 73 to Interstate 605, and extend the term of the agreement through June 30, 2025. This will increase the maximum cumulative obligation of the agreement to a total contract value of \$49,587,573.



April 1, 2024

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Agreement for Construction Management Consultant Services for the Interstate 405 Improvement Project Between State Route 73 to Interstate 605

Overview

On June 8, 2015, the Orange County Transportation Authority Board of Directors approved a contract with Jacobs Project Management Co., to provide construction management consultant services for the design-build delivery of the Interstate 405 Improvement Project between State Route 73 to Interstate 605. An amendment to the existing agreement is needed to provide additional services through the completion and closeout to extend the term of the agreement.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 14 to Agreement No. C-4-1447 between the Orange County Transportation Authority and Jacobs Project Management Co., in the amount of \$1,773,118, for additional construction management consultant services for the Interstate 405 Improvement Project between State Route 73 to Interstate 605, and extend the term of the agreement through June 30, 2025. This will increase the maximum cumulative obligation of the agreement to a total contract value of \$49,587,573.

Discussion

The Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation (Caltrans) and the cities of Costa Mesa, Fountain Valley, Huntington Beach, Seal Beach, and Westminster, is implementing the Interstate 405 (I-405) Improvement Project between State Route 73 (SR-73) to Interstate 605 (I-605) (Project). The Project includes one general purpose lane in each direction from Euclid Street to I-605, consistent with Measure M2 Project K, and an additional lane in each direction that

Amendment to Agreement for Construction Management Consultant Services for the Interstate 405 Improvement Project Between State Route 73 to Interstate 605 *Page 2*

combines with the existing high-occupancy vehicle lane to provide dual express lanes in each direction on I-405 from SR-73 to I-605, otherwise known as the 405 Express Lanes.

On June 29, 2016, OCTA entered into an agreement with Jacobs Project Management Co. (Jacobs) to provide construction management consultant (CMC) services. The CMC supplements the program management consultant in the management of the construction phase of the design-build (DB) contract. The scope of services of the CMC includes administration of the construction contract, assuring compliance between the DB contractor's design and construction activities, performance of quality assurance inspections, which includes surveying, management of independent quality assurance testing, preparation of daily construction activity reports, and environmental mitigation monitoring. Other services include coordination and communications between the DB contractor and all other project participants, processing, collecting, and maintaining project communications and records, managing the recommendation of DB contractor progress payments, and processing of change orders and claims.

Additional CMC support is needed above the originally estimated level of effort to ensure the DB contractor, OC 405 Partners (OC405), is in compliance with the Project's contract requirements, construction quality management plan, and various agency standards and permits, including Caltrans, the corridor cities, and environmental resource agencies. The following describes the specific efforts needed:

- Additional CMC efforts to facilitate punch list walks with OC405 and various stakeholders, including all corridor cities and Caltrans, complete the required field safety review with Caltrans, and to track and ensure resolution of all punch list items by OC405.
- Additional CMC resources to support the construction of additional scope of work added to the Project such as decorative bridge lighting on city bridges and a sidewalk extension on Newland Street in the City of Westminster.
- Additional CMC efforts to review the large volume of required construction quality close-out documentation for materials installed on the Project and as-built plans submitted by OC405.

The current term of the CMC contract expires on May 31, 2024. The CMC contract also needs to be extended to June 30, 2025, to provide additional support services for project closeout.

**Amendment to Agreement for Construction Management Page 3
Consultant Services for the Interstate 405 Improvement Project
Between State Route 73 to Interstate 605**

Procurement Approach

The original procurement was handled in accordance with OCTA's Board of Directors (Board)-approved procedures for architectural and engineering services, which conform to both state and federal laws. On June 8, 2015, the Board approved an agreement with Jacobs for a term of six and a half years. The contract was issued with a maximum obligation of \$34,056,297. This agreement has been previously amended as shown in Attachment A.

OCTA staff and Jacobs reviewed and agreed to the level of effort for the additional CMC services required through June 30, 2025. Staff found Jacobs' cost proposal, in the amount of \$1,773,118, to be fair and reasonable relative to the negotiated level of effort and the independent cost estimate prepared by the OCTA project management team. Proposed Amendment No. 14 to Agreement No. C-4-1447, in the amount of \$1,773,118, will bring the total contract value to \$49,587,573.

Fiscal Impact

Funding for this amendment is included in OCTA's Fiscal Year 2023-24 Budget, Capital Programs Division, account nos. 0017-9085-FK101-0DY and 0037-9018-A9510-0DY, and is funded with a combination of federal, state, and local funds.

Summary

Staff requests Board approval to authorize the Chief Executive Officer to negotiate and execute Amendment No. 14 to Agreement No. C-4-1447 between OCTA and Jacobs, in the amount of \$1,773,118, for additional construction management consultant services for the Project and to extend the term of the agreement through June 30, 2025. This will increase the maximum obligation of the agreement to a total contract value of \$49,587,573.

**Amendment to Agreement for Construction Management *Page 4*
Consultant Services for the Interstate 405 Improvement Project
Between State Route 73 to Interstate 605**

Attachment

- A. Jacobs Project Management Co., Agreement No. C-4-1447 Fact Sheet

Prepared by:



Jeff Mills, P.E.
Director, Alternative Project Delivery and
Construction
(714) 560-5925

Approved by:



James G. Beil, P.E.
Executive Director, Capital Programs
(714) 560-5646



Pia Veerapen
Director, Contracts Administration and
Materials Management
(714) 560-5619

**Jacobs Project Management Co.
Agreement No. C-4-1447 Fact Sheet**

1. June 8, 2015, Agreement No. C-4-1447, \$34,056,297, approved by the Board of Directors (Board).
 - Agreement was executed June 29, 2016, with Jacobs Project Management Co. (Jacobs) to provide construction management consulting services for the design-build Interstate 405 Improvement Project between State Route 73 to Interstate 605 (Project).
2. August 23, 2018, Amendment No. 1 to Agreement No. C-4-1447, \$0, approved by the Contracts Administration and Materials Management (CAMM) Department.
 - To revise key personnel for Jacobs and subconsultants Harris & Associates and MTGL, Inc. (MTGL).
3. March 25, 2019, Amendment No. 2 to Agreement No. C-4-1447, \$0, approved by the CAMM Department.
 - To revise key personnel for Jacobs.
4. April 1, 2019, Amendment No. 3 to Agreement No. C-4-1447, \$0, approved by the CAMM Department.
 - To revise Other Direct Costs schedule for subconsultant Fountainhead Consulting Corporation (Fountainhead).
5. August 14, 2019, Amendment No. 4 to Agreement No. C-4-1447, \$0, approved by the CAMM Department.
 - To revise key personnel for Jacobs.
6. October 25, 2019, Amendment No. 5 to Agreement No. C-4-1447, \$0, approved by the CAMM Department.
 - To revise key personnel for Jacobs.
 - To add new personnel for subconsultants Harris & Associates and MTGL.
7. November 14, 2019, Amendment No. 6 to Agreement No. C-4-1447, \$0, approved by the CAMM Department.
 - To add new personnel for Jacobs.

8. February 12, 2020, Amendment No. 7 to Agreement No. C-4-1447, \$174,000, approved by the CAMM Department.
 - To add subconsultant Kizh Nation Resources Management to monitor archaeological discoveries on the Project.
9. April 2, 2020, Amendment No. 8 to Agreement No. C-4-1447, \$0, approved by the CAMM Department.
 - To add new personnel for Jacobs.
10. May 28, 2020, Amendment No. 9 to Agreement No. C-4-1447, \$0, approved by the CAMM Department.
 - To add new personnel to subconsultant Harris & Associates.
11. September 9, 2020, Amendment No. 10 to Agreement No. C-4-1447, \$0, approved by the CAMM Department.
 - To revise key personnel for Jacobs.
12. March 7, 2022, Amendment No. 11 to Agreement No. C-4-1447, \$0, approved by the CAMM Department.
 - To add new personnel for Jacobs and subconsultants Fountainhead, MTGL, and Wagner Engineering & Survey, Inc.
13. May 9, 2022, Amendment No. 12 to Agreement No. C-4-1447, \$13,584,158, approved by the Board.
 - To provide additional construction management consulting services through completion and closeout of the Project.
 - To extend the term of agreement by 17 months through May 31, 2024.
14. July 21, 2023, Amendment No. 13 to Agreement No. C-4-1447, \$0, approved by the CAMM Department.
 - To add new personnel for Jacobs.

15. April 22, 2024, Amendment No. 14 to Agreement No. C-4-1447, \$1,773,118, pending approval by the Board.

- To provide additional construction management consulting services through completion and closeout of the Project.
- To extend the term of the agreement by 13 months through June 30, 2025.

Total funds committed to Jacobs, after approval of Amendment No. 14 to Agreement No. C-4-1447: \$49,587,573.



COMMITTEE TRANSMITTAL

April 8, 2024

To: Members of the Board of Directors
From: Andrea West, Clerk of the Board *Andrea West*
Subject: Fiscal Year 2023-24 Second Quarter Budget Status Report

Finance and Administration Committee Meeting of March 27, 2024

Present: Directors Do, Federico, Harper, Hennessey, Klopfenstein,
Nguyen, and Sarmiento
Absent: None

Committee Vote

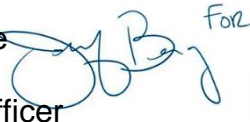
No action was taken on this item.

Staff Recommendation

Receive and file as an information item.



March 27, 2024

To: Finance and Administration Committee  For
From: Darrell E. Johnson, Chief Executive Officer
Subject: Fiscal Year 2023-24 Second Quarter Budget Status Report

Overview

Orange County Transportation Authority staff has implemented the fiscal year 2023-24 budget. This report summarizes the material variances between the budget and actual revenues and expenses through the second quarter of fiscal year 2023-24.

Recommendation

Receive and file as an information item.

Background

The Board of Directors (Board) approved the Orange County Transportation Authority (OCTA) Fiscal Year (FY) 2023-24 Budget on June 12, 2023. The approved budget itemized the anticipated revenues and expenses necessary to deliver OCTA's transportation programs and projects.

The balanced budget as approved by the Board in June was \$1.69 billion. Sources of funds were comprised of \$1.304 billion in current FY revenues and \$395 million in use of prior year designations. Uses of funds were comprised of \$1.651 billion of current FY expenditures and \$48 million of designations.

The Board has approved two amendments through the second quarter, increasing the expense budget by \$23.5 million. This increased the budget to \$1.722 billion as summarized in Table 1 on the following page.

Table 1 - Working Budget

| Date | Description | Amount* |
|-------------|---|---------------------|
| 7/1/2023 | Adopted Budget | \$ 1,698,470 |
| 10/9/2023 | Independent financial audits of OCTA | 965 |
| 11/27/2023 | San Juan Creek Bridge Replacement Project | 22,578 |
| | <i>Subtotal Amendments</i> | <i>23,543</i> |
| | Total Working Budget | \$ 1,722,013 |

*in thousands

Discussion

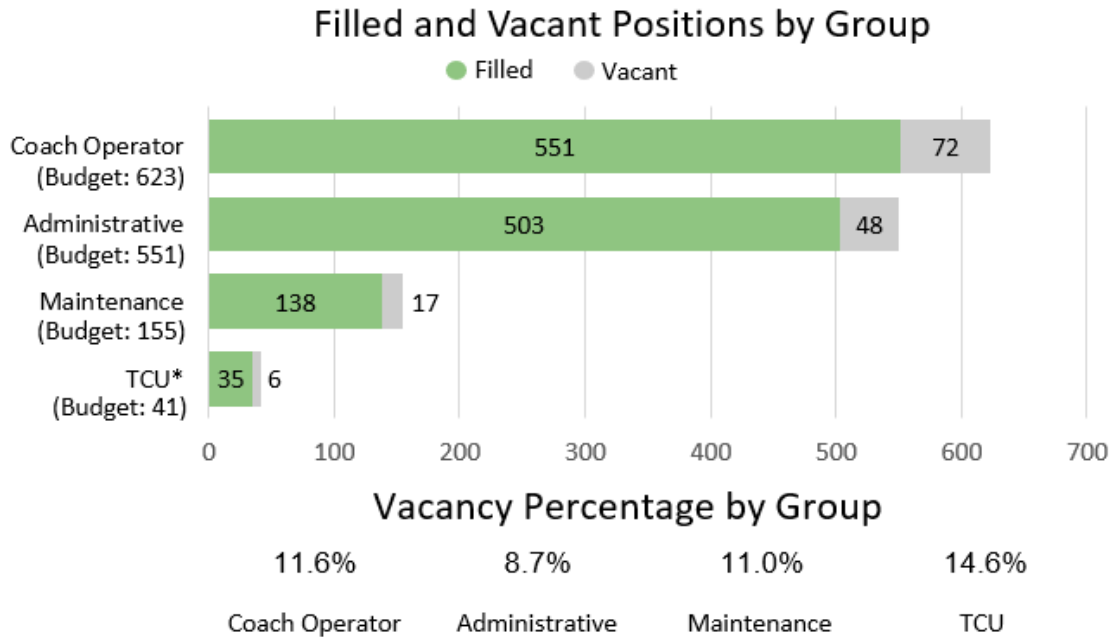
Staff monitors and analyzes revenues and expenditures versus the working budget. This report provides a summary level overview of staffing levels and explanations for material budget to actual variances within each pertinent OCTA program. The OCTA programs include Bus, Regional Rail, Express Lanes, Motorist Services, and Measure M2 (M2). A visual dashboard summary of this report is provided in Attachment A.

Unless indicated on an individual chart, the general color pattern used is outlined below:

- Gray – Budget
- Green – Within budget
- Yellow – Within five percent variance of budget
- Red – Over five percent variance of budget

Staffing

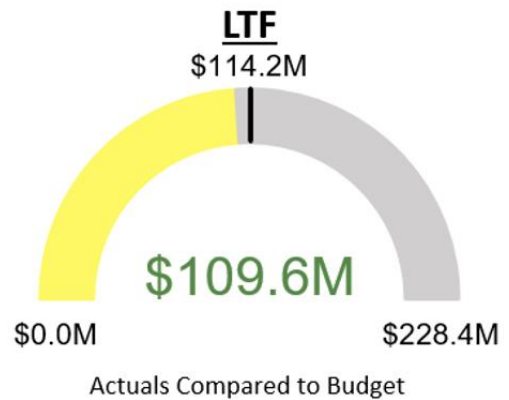
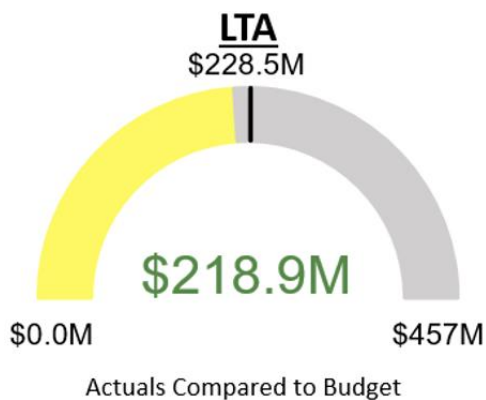
Total salaries and benefits were \$17.1 million under the budget of \$111.5 million. This is primarily due to staffing vacancies agency-wide and a one-time deferred compensation reconciliation payment, in the amount of \$8 million, that was budgeted for in FY 2023-24 but was expensed in FY 2022-23.



*TCU - Transportation Communications International Union

Sales Tax Receipts

The charts below provide a FY snapshot for both the Local Transportation Authority (LTA) M2 Program and Local Transportation Fund (LTF) Bus Program sales tax revenues against the budget. Sales tax receipts underperformed the budget through the second quarter. LTA sales tax receipts of \$218.9 million were \$9.6 million lower than the budget and LTF sales tax receipts of \$109.6 million were \$4.6 million lower than the budget. While both the LTA and LTF sales tax figures are below budget for the second quarter of the FY, both programs have strong reserve balances to withstand declines in sales tax. This is an area that staff will continue to monitor closely.

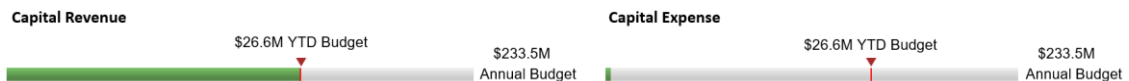


Major Programs

Bus Program

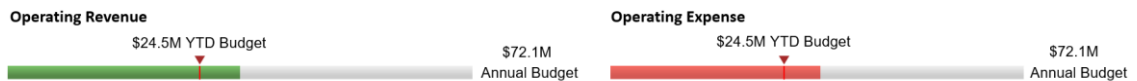
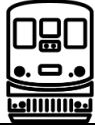


Bus Program operating revenue of \$200 million aligned to the budget. Bus Program operating expenses of \$135.8 million were \$29.8 million under the budget. Staffing vacancies in the coach operator and administrative groups, as well as the deferred compensation reconciliation payment, contributed \$11.3 million to the underrun. Additionally, recurring as-needed services and supplies, including fuel, maintenance parts, and marketing efforts experienced an underrun of \$10.8 million, reflecting the variability in usage of these items. Lastly, there was an underrun in the amount of \$6.3 million due to lower than anticipated expenditures on contracted services. This underrun is primarily due to contracted fixed route rates differing from what was anticipated when the budget was developed, as well as the timing of invoices related to start-up costs. In terms of contracted fixed-route rates, the budget projections were initially set at an hourly rate of \$100 factoring in potential fluctuations in service levels. However, actual service levels have surpassed the budget projections leading to a reduced hourly rate of \$86 per hour. This has led to an underrun of \$2 million that will remain throughout the FY. In addition, there is approximately \$2.1 million related to start-up costs that was anticipated to be paid in the second quarter that is now anticipated to be paid in the fourth quarter.

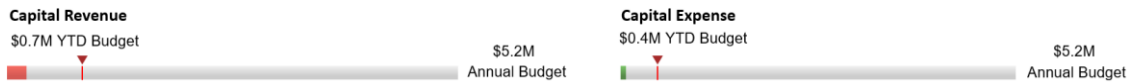


Bus Program capital revenue of \$26.6 million was in line with the budget. Bus Program capital expenses were \$26.1 million lower than the budget of \$26.6 million primarily due to the timing of the procurement of fixed-route and paratransit vehicles which have been postponed until FY 2024-25. Additionally, electric vehicle charging equipment and Transit Security and Operations Center design are in the process of procurement and anticipated to begin by the end of the FY. Capital revenue was in line with the budget, despite expenditures underrunning the budget, due to grant revenue that was anticipated to be received last FY being received in the current FY.

Rail Program

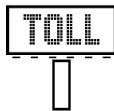


Rail Program operating revenue ties directly to the operating expense. Both operating revenue and expense of \$29.7 million were \$5.2 million higher than the budget. This was primarily due to the invoice timing of the operating subsidy for Metrolink. The invoice for the operating subsidy was received and paid earlier than anticipated when the budget was developed. The Metrolink Operating Subsidy expense is anticipated to align with the budget by end of the FY.



Rail Program capital revenue of \$0.2 million was \$0.5 million lower than budgeted. This was primarily due to less than anticipated revenue reimbursements based on lower capital expenses through the second quarter. Rail capital expenses came in \$0.3 million lower than budgeted. This was due to less than anticipated close out costs for the Anaheim Canyon Metrolink Station project through the second quarter.

91 Express Lanes Program



The 91 Express Lanes Program operating revenue of \$36.7 million exceeded the budget by \$6.8 million, primarily due to higher trip volumes than anticipated during budget development. The overrun is anticipated to continue through the FY. Operating expenses of \$7.5 million were \$0.8 million lower than the budget of \$8.3 million, primarily due to the timing of utilization and invoicing of tow services and collection services.



Both the 91 Express Lanes Program capital revenue and expenditures aligned with the budget.

Motorist Services Program

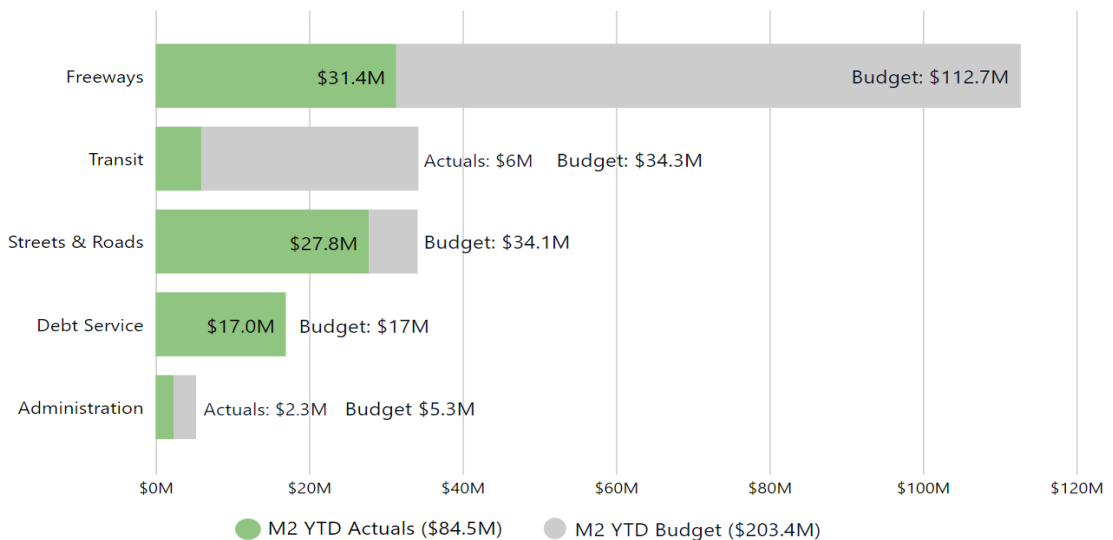


Motorist services operating revenue of \$4.8 million aligned with the budget. Motorist services operating expenses of \$3.4 million were \$1.4 million lower than the budget. This was primarily due to the timing of invoices for Freeway Service Patrol towing costs and the expense is anticipated to align with the budget by the end of the year.

M2 Program

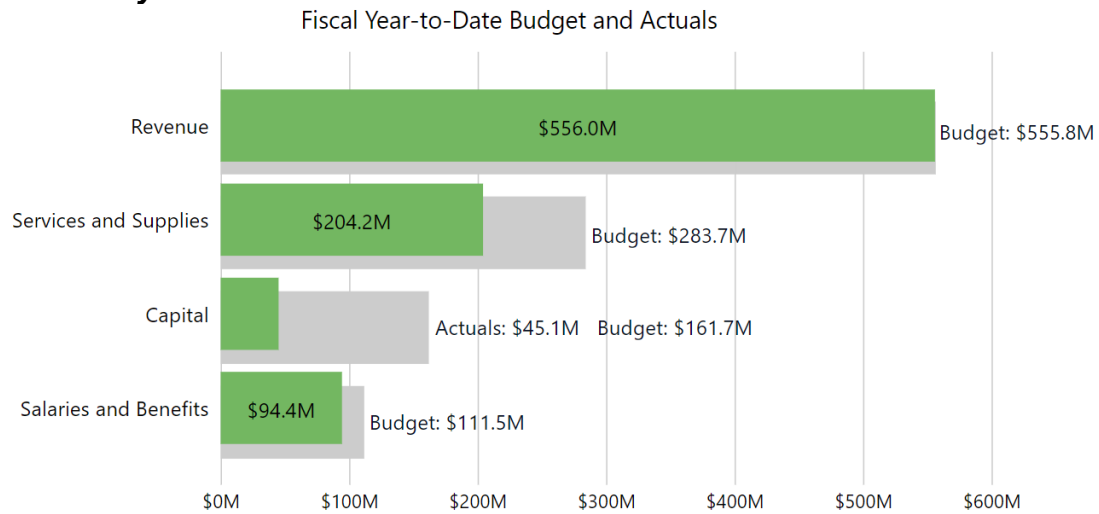


M2 Program Budget and Actuals by Mode



Total actual expenses for the M2 Program of \$82.3 million underran the budget by \$118.9 million, primarily due to the timing of construction and right-of-way (ROW) payments for freeway projects (\$79.5 million) including the Interstate 5 (I-5) to El Toro Road Project, Interstate 405 San Diego Freeway Improvements, and State Route 55 (SR-55) Costa Mesa Freeway Improvements. Additionally, the San Juan Creek Bridge replacement also contributed to the underrun (\$22.5 million) due to Metrolink awarding the contract later than anticipated at time of budgeting. Lastly, lower than anticipated contributions to other agencies for local fair share (\$6.6 million) and community-based transit circulators (\$3.8 million) contributed to the underrun.

Summary



Overall, revenue of \$556 million aligned with budget of \$555.8 million. Although sales tax collections were \$14.2 million under budget, this amount was offset by higher than anticipated toll revenue and grant revenue that was received in the current FY that was anticipated to be received in the prior FY.

Operating expenses of \$204.2 million were \$79.5 million under budget, primarily due to the timing of expenses for freeway services, contributions to local agencies for local fair share, the San Juan Creek Bridge Replacement Project, and transit circulators. Additionally, contracted services, as-needed services and supplies, and paratransit services contributed to the underrun.

Capital expenses of \$45.1 million were \$116.6 million under budget, primarily due to the timing of construction and ROW expenses for the I-5 Santa Ana Project, State Route 91 Riverside Freeway Improvements, and SR-55 Costa Mesa Freeway Improvements. Additionally, procurement of revenue vehicles has been re-budgeted in FY 2024-25.

Salaries and benefits of \$94.4 million underran the budget by \$17.1 million. This was primarily due to staffing vacancies in the coach operator and administrative groups as well as a one-time deferred compensation reconciliation payment in the amount of \$8 million that was budgeted in FY 2023-24 but was expensed in FY 2022-23.

Attachment

- A. Fiscal Year 2023-24 Second Quarter Budget Status Summary

Prepared by:



Victor Velasquez
Department Manager,
Financial Planning and Analysis
(714) 560-5592

Approved by:



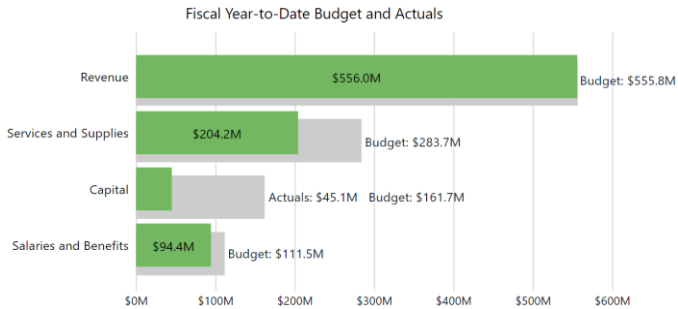
Andrew Oftelie
Chief Financial Officer,
Finance and Administration
(714) 560-5649



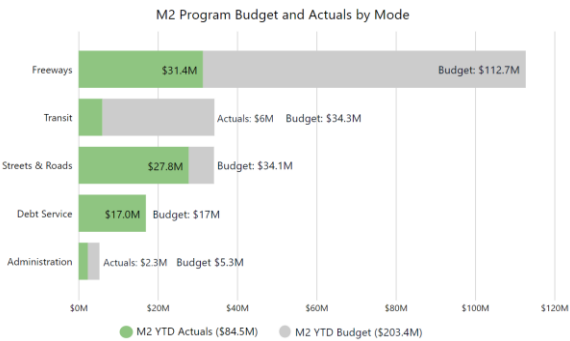
FY 2023-24 Second Quarter Budget Status Summary

● Budget ● Within Budget ● Within 5% Variance ● Over 5% Variance

Total Authority

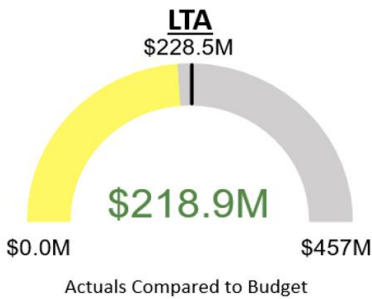


Staffing

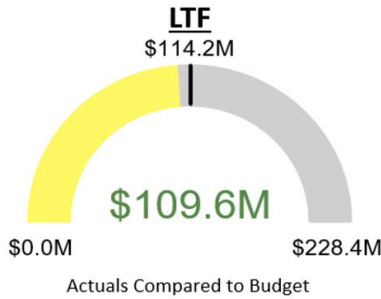


Sales Tax Receipts

Local Transportation Authority (LTA)



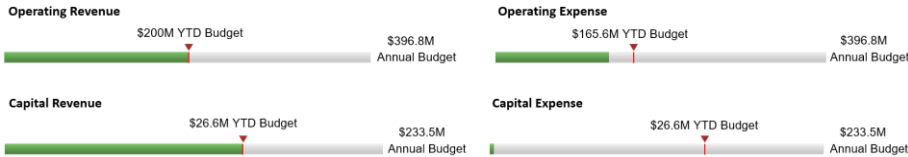
Local Transportation Fund (LTF)



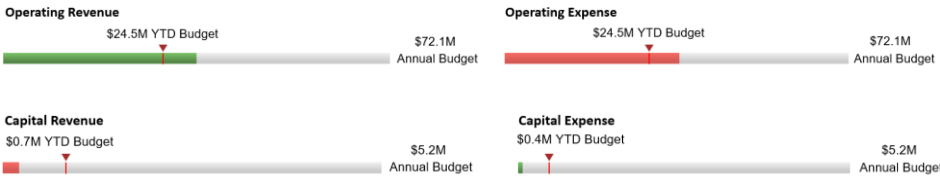
Major Operating Programs

Year-to-Date (YTD)

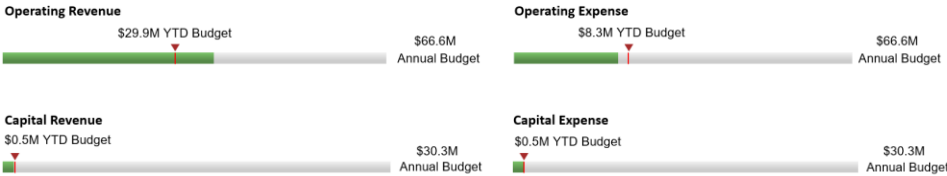
Bus Program



Rail Program



91 Express Lanes Program



Motorist Services Program





COMMITTEE TRANSMITTAL

April 8, 2024

To: Members of the Board of Directors
From: Andrea West, Clerk of the Board *Andrea West*
Subject: Board of Directors' Meeting Video Streaming

Executive Committee Meeting of April 1, 2024

Present: Directors Chaffee, Do, Hennessey, Jung, and Wagner
Absent: Chair Nguyen

Committee Vote

This item was passed by the Members present.

Director Jung voted in opposition to this item.

Committee Recommendation *(Reflects a change from staff's recommendation)*

To direct staff to pause the implementation of any high-quality video streaming of Board of Directors' meetings until a decision on the new headquarters location has been reached.

Committee Discussion:

Director Hennessey discussed his concerns about the cost of any high-quality video streaming and spending additional money until the headquarters location has been decided.



April 1, 2024

To: Executive Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: Board of Directors Meeting Video Streaming

A handwritten signature in blue ink, appearing to read "Darrell E. Johnson", is positioned to the right of the "From:" line.

Overview

An overview of options for live-streaming Board of Directors meetings was presented to the Executive Committee on March 4, 2024, and the Board of Directors on March 11, 2024. Additional information regarding the breakdown of costs and process for implementation was requested by the Board of Directors. Staff is recommending the Board of Directors direct staff to return to the Board of Directors with a request for proposals so an informed decision can be made.

Recommendation

Direct staff to pursue the implementation of high-quality video streaming of Board of Directors meetings.

Discussion

The Board of Directors (Board) directed staff to explore options for streaming video for Board meetings to gain an understanding of opportunities within the marketplace. An informational item was presented to the Executive Committee on March 4, 2024, and to the Board on March 11, 2024. While the Orange County Transportation Authority (OCTA) currently streams live audio and presentations for all Board and committee meetings and makes archived agendas and past live streams available via the OCTA website, the Board specifically requested an option to live-stream video. Three different live-streaming options were presented during the aforementioned meetings and the Board requested additional information regarding the various options.

The cost difference between the three options varied significantly based on the differences in quality of hardware, features, sophistication, and output. The annual budgetary impact ranged from \$1,150 at the low end to \$601,000 for a robust system with fully produced live streaming. Estimated costs for each

option were derived from other properties and companies and may not address specific needs of OCTA. In order to get specific cost information representing OCTA's needs, staff will need to develop a scope of work and issue a request for proposals (RFP).

The live-video streaming overview item presented to the Executive Committee and Board addressed Board meetings only. In addition to holding two Board meetings per month, OCTA also holds approximately six Board committee meetings per month. In order to obtain an accurate cost for live-streaming video for those meetings, the scope of work for the new RFP can include an option to provide live-video streaming options for all Board committee meetings as well. The RFP responses will provide specific information representing OCTA requirements and the Board will be able to better assess options and provide direction on live-streaming video of the committee meetings.

OCTA is currently assessing long-term options for its administrative headquarters. Based on the long-term headquarters options currently under consideration, it is likely OCTA will stay at the current location between three and five years. The lease at the current administrative headquarters expires in January 2029. The scope of work for streaming video of the Board meetings can be written with this in mind. Sunk costs and equipment that can be relocated will be identified to aid in the consideration and decision-making.

Summary

OCTA currently streams live audio and presentations for all Board and committee meetings and makes archived agendas and past live streams available via the OCTA website. Staff will return to the Board with a scope of work for an RFP to provide high quality live-video streaming services to meet OCTA's current needs and consider future headquarters options. This approach will provide more detailed information to the Board so informed decisions can be made.

Attachment

None.

Prepared by:



Ron Wolf
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Approved by:



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2028 Olympic Transportation Planning

Scale of the Olympic Games

- 10-15 million ticketed fans attending 800 events spread across Los Angeles and surrounding counties
 - Venue locations to finalized mid-to late-2024
- 100,000 contractor and volunteers
- 30,000 broadcasters and media
- 60 days of operation

Overall Transportation Framework

- Car-free games - no spectator parking at venues
- Public transit will be the primary access mode to venues
 - Supplemental bus system
- Expanded Metrolink service
 - Supported by park-and-ride facilities / mobility hubs
- Traffic management
 - Games route network - dedicated lanes for games vehicles
 - Enhanced signal synchronization
 - Local parking and permits
- Freight and logistic management
- Transportation demand management

OCTA's Draft Purpose Statement for 2028 Olympics

- Support OCTA bus riders and Orange County's essential workers
- Offer transit access to the Olympic venues in Orange County
- Provide spectators who are visiting or staying in Orange County with transit options
- Support Los Angeles County's Metro Olympic transit program
- Coordinate with LA28, LOSSAN, Metrolink, Metro and others to offer seamless access to the games
- Enhance the image of transit and boost long-term OCTA transit patronage

Status

- Metro is working on a supplemental bus system network
 - Estimated fleet of 2700 buses, plus operators, mechanics, and support staff
- Metrolink is planning on SCORE service level
 - Provides more regular and frequent service from morning to late evening
- Metro is developing a plan for network of designated lanes between competition and non-competition venues to primarily support athletes, officials, and media
 - Caltrans is looking into how high-occupancy vehicle lanes can be part of the network
- OCTA has developed an initial concept to augment existing transit service and is the developing operational and resource parameters
- OCTA is working with Metro on applications for Environmental Protection Agency funding opportunities

Challenges

- Timeframes - Game venues will not be final until mid-2024 or later
- Funding - LA28 agreements with International Organizing Committee agreement do not include funding for spectator transportation and related costs
- Regulations - Federal funding and regulatory support is key but complicated and not guaranteed
- Expectations - The Olympic bid assumed use of freeway and arterial network by the Games Family and requires coordination with Caltrans
- Resources - Ability to borrow buses or train sets may have constraints
- Governance - Need to improve interagency planning to ensure integration