Orange County Transportation Authority

Board Agenda
Monday, May 8, 2023 at 9:00 a.m.

550 South Main Street, Orange, California

Board Members

Gene Hernandez, Chairman
Tam Nguyen, Vice Chairman
Doug Chaffee
Jose Diaz
Andrew Do
Jon Dumitru
Jamey Federico
Katrina Foley
Brian Goodell
Patrick Harper
Michael Hennessey
Steve Jones
Fred Jung
Farrah N. Khan
Jessie Lopez
Vicente Sarmiento
Donald P. Wagner
Ryan Chamberlain, 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

In-Person Comment

Members of the public may attend in-person and address the Board regarding any item. Please complete a speaker's card and submit it to the Clerk of the Board (or notify the Clerk of the Board the item number on which you wish to speak). Speakers will be recognized by the Chairman at the time the agenda item is to be considered. Comments shall be limited to three minutes.

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 Wagner

Pledge of Allegiance

Director Khan

Special Calendar

Orange County Transportation Authority Special Calendar Matters

1. Closed Session

Overview

A Closed Session is scheduled as follows:

A. Pursuant to Government Code Section 54956.9(d)(1) - Conference with General Counsel - Existing Litigation - St. Andrew's by the Sea United Methodist Church v. State of California, et al., OCSC Case No. 30-2018-01018320.

B. Pursuant to Government Code Section 54956.9(d)(1) - Conference with General Counsel - Existing Litigation - International Brotherhood of Teamsters, Local 952 v. Orange County Transportation Authority, PERB Case No. LA-CE-3-P.

2. Proposed Fiscal Year 2023-24 Southern California Regional Rail Authority Budget
Megan Taylor/Johnny Dunning, Jr.

Overview
Metrolink staff will present a verbal overview of the draft Southern California Regional Rail Authority Fiscal Year 2023-24 Budget, including the Orange County Transportation Authority's proposed share of operating, rehabilitation, and capital expenses for Metrolink commuter rail service.

Attachments:

Presentation

Consent Calendar (Items 3 through 13)

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

Orange County Transportation Authority Consent Calendar Matters

3. Approval of Minutes

Recommendation
Approve the minutes of the April 24, 2023, Orange County Transportation Authority and affiliated agencies' regular meeting.

Attachments:

Minutes

4. Fiscal Year 2022-23 Internal Audit Plan, Third Quarter Update
Janet Sutter

Overview
The Orange County Transportation Authority Board of Directors adopted the Orange County Transportation Authority Internal Audit Department Fiscal Year 2022-23 Internal Audit Plan on July 25, 2022. This report provides an update of activities for the third quarter of the fiscal year.

Recommendation
Receive and file the third quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2022-23 Internal Audit Plan as an information item.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B
Attachment C

5. Amendment to Agreement for Health Insurance Brokerage Services

Karen DeCrescenzo/Maggie McJilton

Overview

On May 22, 2020, the Orange County Transportation Authority Board of Directors approved an agreement with Alliant Insurance Services, Inc., for health insurance brokerage services for a three-year initial term with a two-year option term. Board of Directors' approval is requested to exercise the option term effective June 1, 2023 through May 31, 2025.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-0-2078 between the Orange County Transportation Authority and Alliant Insurance Services, Inc., to exercise the two-year option term effective June 1, 2023 through May 31, 2025, in the amount of $238,000, to continue providing health insurance brokerage services. This will increase the maximum obligation of the agreement to a total contract value of $580,000.

Attachments:

Transmittal
Staff Report
Attachment A

6. Regional Planning Update

Angel Garfio/Kia Mortazavi

Overview

Regular updates on regional planning matters are provided to highlight current transportation planning issues impacting the Orange County Transportation Authority and the Southern California region. This update focuses on the California Department of Transportation, District 12 Interstate 5 Managed Lanes Project and the Southern California Association of Governments' 2024-2050 Regional Transportation Plan/Sustainable Communities Strategy.

Recommendation

Receive and file as an information item.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B
Attachment C
Attachment D
Attachment E
Attachment F

7. Agreement for Demographic Research
Anup Kulkarni/Kia Mortazavi

Overview
Orange County's demographic data is developed by the Center for Demographic Research at California State University Fullerton and used for various planning activities. A recommendation to continue this effort through a multi-agency funding agreement is provided for review and approval.

Recommendation
Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-3-2445 with the California State University, Fullerton Center for Demographic Research, in an amount not to exceed $405,743, for a term of three years, to provide Orange County demographic data.

Attachments:

Transmittal
Staff Report
Attachment A

8. 2023 Board of Directors and Chief Executive Officer Initiatives and Action Plan - First Quarter Progress Report
Darrell E. Johnson

Overview
On January 23, 2023, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved the 2023 Board and Chief Executive Officer's (CEO) Initiatives and Action Plan. At the end of each quarter of the calendar year, the CEO provides progress reports discussing the activities and accomplishments from the CEO Initiatives and Action Plan with the Board. This report summarizes the first quarter progress of calendar year 2023 (January 1 through March 31, 2023). The CEO Initiatives and Action Plan directly support the values, vision, mission, and goals of the Board Initiatives.

Recommendation
Receive and file as an information item.

Attachments:

Staff Report
Attachment A
Attachment B

Orange County Transit District Consent Calendar Matters

9. Approval of the Fiscal Year 2023-24 Local Transportation Fund Claim for Laguna Beach Public Transportation Services

Sam Kaur/Andrew Oftelie

Overview

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

Recommendations

A. Approve the Laguna Beach Municipal Transit Lines Fiscal Year 2023-24 Local Transportation Fund Claim for public transportation services, in the amount of $1,531,335.

B. Authorize the Chief Executive Officer of the Orange County Transportation Authority to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the amount of the claim.

Attachments:

Transmittal

Staff Report

10. Approval of the Fiscal Year 2023-24 Local Transportation Fund Claim for Public Transportation and Community Transit Services

Sam Kaur/Andrew Oftelie

Overview

The Orange County Transit District is eligible to receive funding from the Local Transportation Fund for providing public transportation and community transit services throughout Orange County. To receive the funds, the Orange County Transit District must file a claim against the Local Transportation Fund with the Orange County Transportation Authority.

Recommendations

A. Approve the Orange County Transit District Fiscal Year 2023-24 Local Transportation Fund Claim for public transportation services, in the amount of $211,736,396, and for community transit services, in the amount of $11,224,618 for a total claim amount $222,961,014.

B. Authorize the Chief Executive Officer to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the full amount of the claims.

Attachments:

Transmittal

Staff Report

Orange County Local Transportation Authority Consent Calendar Matters

11. Orange County Local Transportation Authority Measure M2 Agreed-Upon Procedures Reports, Year Ended June 30, 2022

Janet Sutter

Overview

Crowe LLP, an independent accounting firm, has applied agreed-upon procedures related to Measure M2 Local Fair Share funds provided to seven cities, and Senior Mobility Program funds provided to four cities, for the fiscal year ended June 30, 2022. Local Fair Share program reports include observations of ineligible maintenance of effort expenditures, indirect charges lacking a reasonable methodology, reporting errors, and funded projects not reflected in Seven-Year Capital Improvement Program plans. Senior Mobility Program audits include observations relating to late submission of monthly reports, reporting errors, failure to allocate interest, and verification of participant eligibility.

Recommendations

A. Direct staff to monitor implementation of recommendations by cities.

B. Direct staff to review observations with legal counsel and develop recommendations for Board of Directors' consideration related to the City of Cypress' compliance with the Measure M2 Ordinance and Eligibility Guidelines.

Attachments:

Transmittal

Staff Report

Attachment A

Attachment B

Attachment C

Attachment D

12. Third Quarter Fiscal Year 2022-23 Capital Action Plan Performance Metrics

James G. Beil

Overview

Staff has prepared a quarterly progress report on capital project delivery for the period of January 2023 through March 2023, for review by the Orange County Transportation Authority Board of Directors. This report highlights the Capital Action Plan for project delivery, which is used as a performance metric to assess delivery progress on highway, transit, and rail projects.

Recommendation

Receive and file as an information item.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B

13. Consultant Selection for Construction Management Support Services for the State Route 91 Improvement Project Between State Route 55 and Lakeview Avenue
Jeannie Lee/James G. Beil

Overview
On December 12, 2022, the Orange County Transportation Authority Board of Directors authorized the release of a request for proposals to provide construction management support services for the State Route 91 Improvement Project between State Route 55 and Lakeview Avenue. Board of Directors' approval is requested for the selection of a firm to perform the required work.

Recommendations
A. Approve the selection of WSP USA Inc., as the firm to provide construction management support services for the State Route 91 Improvement Project between State Route 55 and Lakeview Avenue.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-2-2919 between the Orange County Transportation Authority and WSP USA Inc., to provide construction management support services for the State Route 91 Improvement Project between State Route 55 and Lakeview Avenue.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B
Attachment C

Regular Calendar

Orange County Transportation Authority Regular Calendar Matters

14. Final Draft Long-Range Transportation Plan

Gregory Nord/Kia Mortazavi

Overview

The Long-Range Transportation Plan provides a vision for Orange County's regional transportation system over the next 20+ years. The final draft plan has been prepared, incorporating feedback from public review of the draft document. With direction from the Board of Directors, the final draft plan will be finalized and submitted to the Southern California Association of Governments as input into the 2024 Regional Transportation Plan and Sustainable Communities Strategy that is currently in development.

Recommendation

Direct staff to finalize the Long-Range Transportation Plan and submit it to the Southern California Association of Governments as input into the 2024 Regional Transportation Plan and Sustainable Communities Strategy.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B
Presentation

Discussion Items

15. Public Comments

16. Chief Executive Officer's Report

17. Directors' Reports

18. Orange County Transportation Authority Fiscal Year 2023-24 Budget Workshop

Victor Velasquez/Andrew Oftelie

Overview

The Orange County Transportation Authority is developing the fiscal year 2023-24 budget, which identifies available revenues and costs associated with providing transportation services and programs for Orange County. The proposed budget will be reviewed in detail in an informal workshop following the May 8, 2023, Orange County Transportation Authority Board of Directors meeting.

Recommendation

Review the fiscal year 2023-24 proposed budget in a workshop setting following the regularly scheduled Orange County Transportation Authority Board of Directors meeting on May 8, 2023.

Attachments:

Staff Report

Attachment A

19. Adjournment

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

9:00 a.m., on Monday, May 22, 2023

OCTA Headquarters
Board Room
550 South Main Street
Orange, California

METROLINK

Proposed FY 24 Budget OCTA Finance and Administration Committee Meeting

April 26, 2023

Darren Kettle, Metrolink CEO

Linking People and Places in SoCal for 30 Years

6 counties served
7 lines
547 route miles
67 stations

Highest Ridership Lines
Orange County
San Bernardino
Antelope Valley

METROLINK

Proposed FY24 Operating Budget

METROLINK

FY24 Budget Assumptions

Service Level:
- Metrolink Board direction to return to 100% Pre-Pandemic Service Level
- Full Codeshare (Pending Rail-2-Rail Agreement with LOSSAN)
- Arrow Service is a Separate Budget

Revenue: (Revenue Constraints)
- Revenue / Ridership based on Sperry Capital / KPMG Low Forecast Scenario
- No Fare Increases
- New Fare Promotions

Expenses:
- Contractor Increases only as Mandated by Agreements
- No New FTE Headcount
- 5.0% Merit Pool (No COLA)

Reporting:
- Monthly
- Formal Mid-Year Budget Review
- Arrow Service Monthly Budget & Revenue / Ridership

METROLINK

Efficiency Actions & Growing Ridership

Studies in Progress – Results Due Spring 2023

- Metrolink has retained an outside consultant to provide optimizations for train crews and equipment usage. The results are intended to accomplish the following:
  - Optimize current stations pairs and identify new potential station
  - Model and cost peak-hour, off-peak and reverse-peak trains to be used to establish a performance evaluation model/matrix to aid in optimizing ongoing services.

- Schedule Integration Study
  - Collaborating with LOSSAN to optimize distribution of trains across travel hours

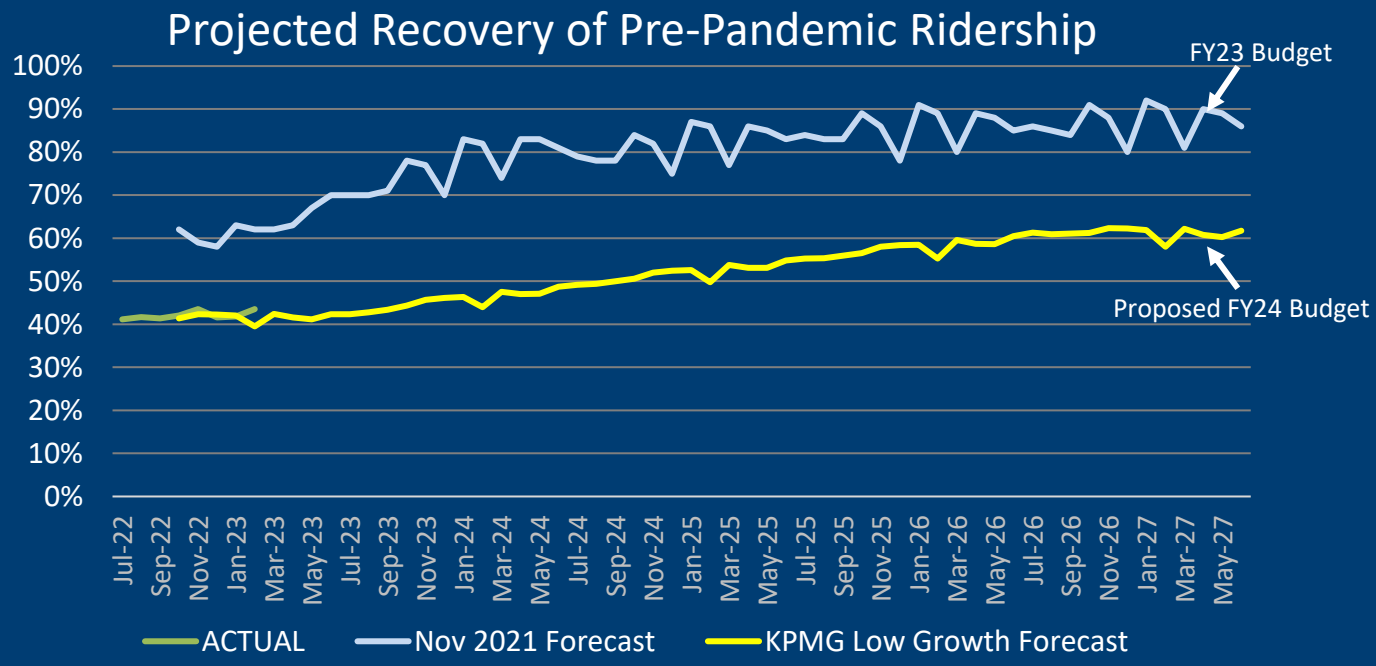
- Potential Rider Study
  - Focus Group to Encourage Non-Commuters usage

Proposed Study

- Fuel Efficiency Study / Pilot Implementation Program

METROLINK

Revenue/Ridership Recovery Scenarios (KPMG/Sperry Dec 2022)



METROLINK

Proposed FY24 Operating Budget Overview

Operating Revenue - $54.2M
- Decrease from FY23 of $12.3M or 18.5%

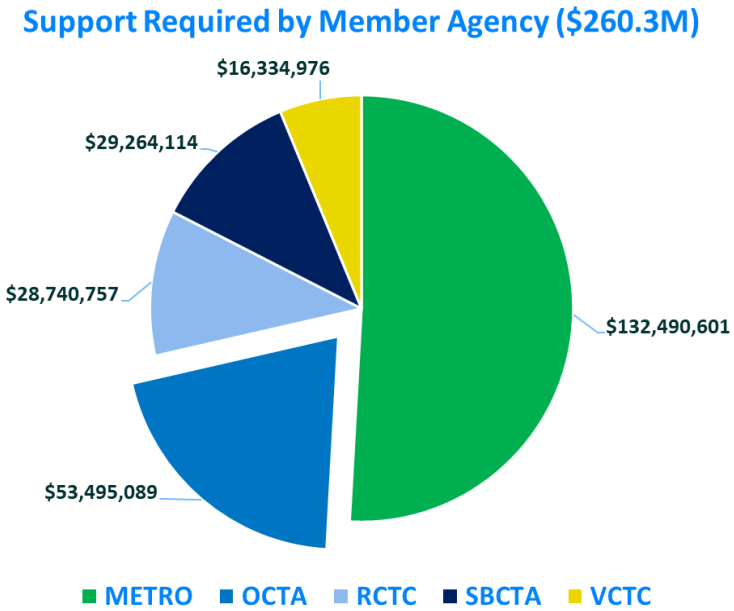
Total Expenses - $314.5M
- Increase from FY23 of $18.2M or 6.1%

Member Agency Support - $260.3M
- Increase from FY23 of $30.5M or 13.3%

Working Capital - $50.0M
- New request to address Cashflow Challenges

METROLINK

FY24 Operating Budget – Summary of Support by Member Agency

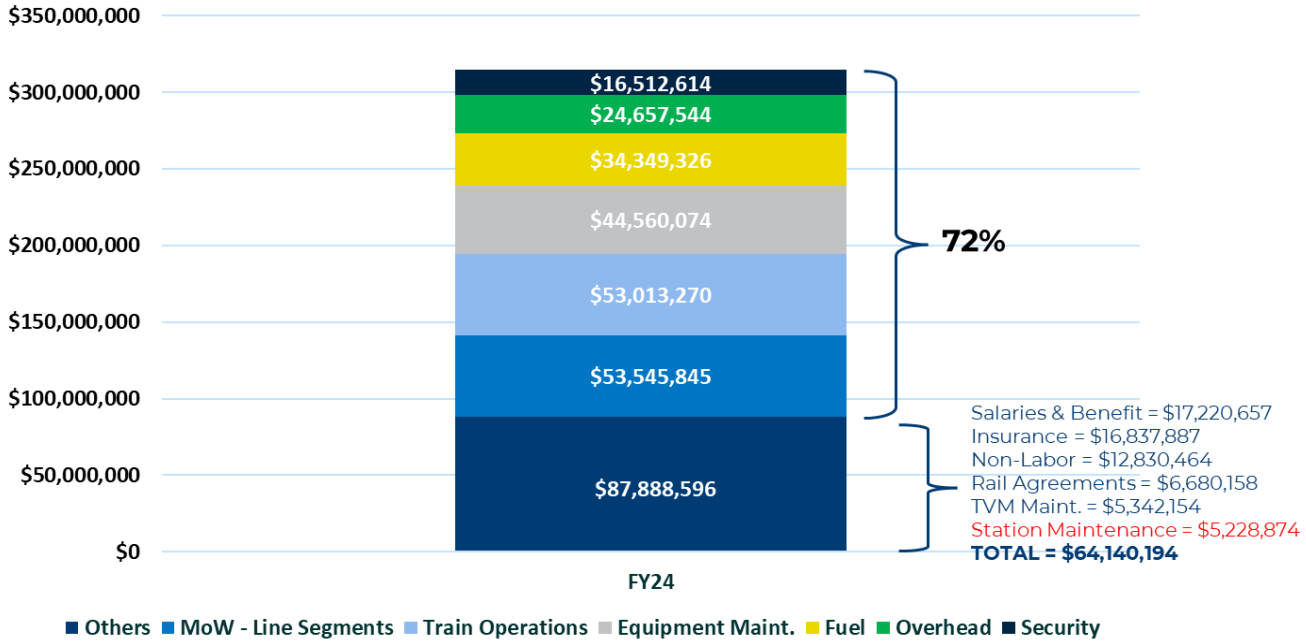


Notes:

- Total does not include "Working Capital" request

METROLINK

FY24 Operating Budget Increase Drivers



Note:

- MoW – Line Segments = Tracks & Signals and Structures
- Station Maintenance increase driven by CAM Union Station annual increase

METROLINK

Proposed FY24 Capital Budget

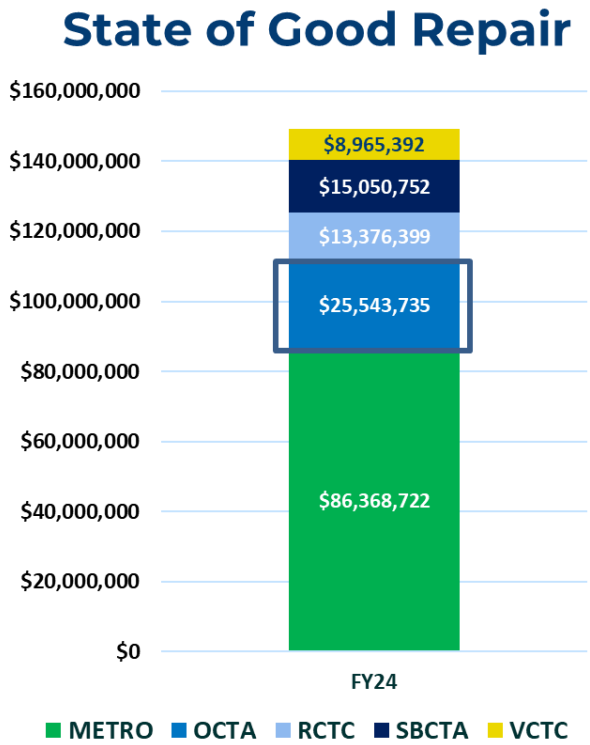
Proposed FY24 Capital Program Budget Overview

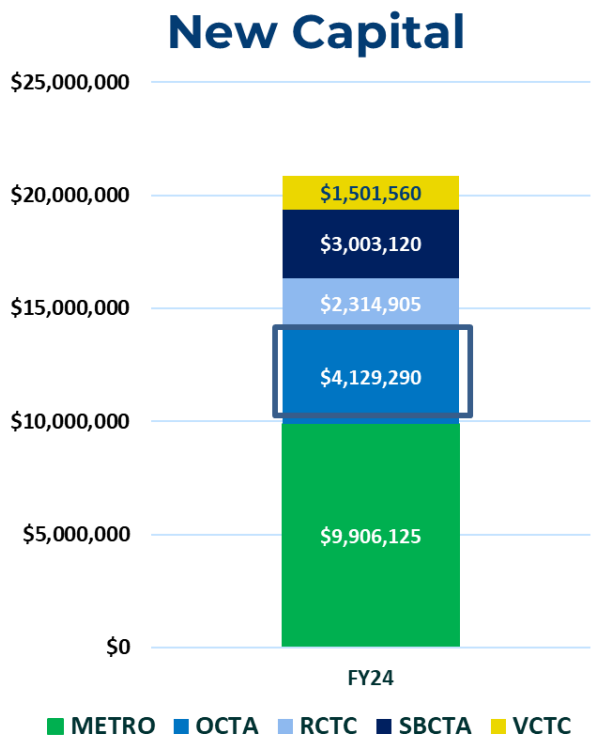
State of Good Repair - $149.3M
- Increase from FY23 of $54.9M or 58.1%

New Capital - $20.9M
- Increase from FY23 of $8.8M or 72.7%

METROLINK

FY24 Capital Program

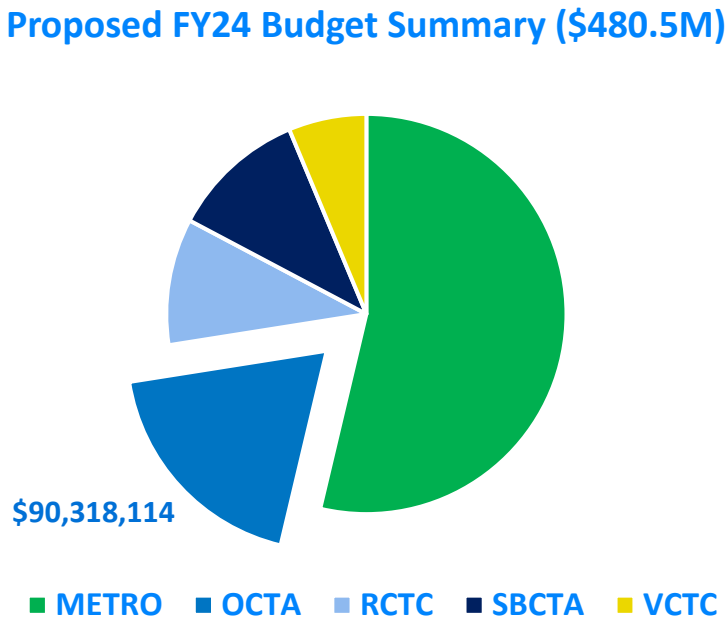




METROLINK

Proposed FY24 Budget Summary

Proposed FY24 Operating & Capital Support by Member Agency



- Total Proposed FY24 Budget with Working Capital

METROLINK

Proposed FY24 Operating & Capital Program Support by Member Agency

FY24 Proposed Budget (100%)

	TOTAL	METRO	OCTA	RCTC	SBCTA	VCTC
Total Operating Support	$ 260,325,537	$ 132,490,601	$ 53,495,089	$ 28,740,757	$ 29,264,114	$ 16,334,976
Total Capital Support	$ 170,160,000	$ 96,274,847	$ 29,673,025	$ 15,691,304	$ 18,053,872	$ 10,466,952
SUB-TOTAL =	**$ 430,485,537**	**$ 228,765,448**	**$ 83,168,114**	**$ 44,432,061**	**$ 47,317,986**	**$ 26,801,928**
Working Capital Request	$ 50,000,000	$ 29,290,000	$ 7,150,000	$ 4,765,000	$ 5,330,000	$ 3,465,000
TOTAL =	**$ 480,485,537**	**$ 258,055,448**	**$ 90,318,114**	**$ 49,197,061**	**$ 52,647,986**	**$ 30,266,928**

FY23 Amended Budget

	TOTAL	METRO	OCTA	RCTC	SBCTA	VCTC
Total Operating Support	$ 229,800,737	$ 117,951,427	$ 45,988,164	$ 25,890,809	$ 25,224,743	$ 14,745,594
Total Capital Support	$ 106,545,000	$ 47,958,000	$ 29,531,440	$ 9,688,080	$ 12,568,320	$ 6,284,160
Working Capital Request	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL =	**$ 336,345,737**	**$ 165,909,427**	**$ 75,519,604**	**$ 35,578,889**	**$ 37,793,063**	**$ 21,029,754**

Variance

	TOTAL	METRO	OCTA	RCTC	SBCTA	VCTC
Total w/o Working Capita	**$ 94,139,800**	**$ 62,856,021**	**$ 7,648,510**	**$ 8,853,172**	**$ 9,524,923**	**$ 5,772,174**
variance	28.0%	37.9%	10.1%	24.9%	25.2%	27.4%
Total w/ Working Capital	**$ 144,139,800**	**$ 92,146,021**	**$ 14,798,510**	**$ 13,618,172**	**$ 14,854,923**	**$ 9,237,174**
variance	42.9%	55.5%	19.6%	38.3%	39.3%	43.9%

METROLINK

Thank you! Questions?

Call to Order

The April 24, 2023, regular meeting of the Orange County Transportation Authority (OCTA) and affiliated agencies was called to order by Chairman Hernandez at 9:01 a.m. at the OCTA Headquarters, 550 South Main Street, Orange, California.

Directors Present:
Gene Hernandez, Chairman
Tam Nguyen, Vice Chairman
Doug Chaffee
Jose Diaz
Andrew Do
Jon Dumitru
Jamey Federico
Katrina Foley
Brian Goodell
Patrick Harper
Michael Hennessey
Steve Jones
Farrah N. Khan
Jessie Lopez
Vicente Sarmiento
Ryan Chamberlain, Ex-Officio

Directors Absent:
Fred Jung
Donald P. Wagner

Staff Present:
Darrell E. Johnson, Chief Executive Officer
Gina Ramirez, Clerk of the Board Specialist, Principal
Allison Cheshire, Clerk of the Board Specialist, Senior
Andrea West, Interim Clerk of the Board
James Donich, General Counsel

Special Calendar

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

Resolutions of Appreciation were presented to Kevin Driftmier, Coach Operator; Maichou Aparicio, Maintenance; and Eric Torres, Administration, as Employees of the Month for April 2023.

Consent Calendar (Items 2 through 23)

2. Approval of Minutes

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to approve the minutes of April 10, 2023, Orange County Transportation Authority and affiliated agencies' regular meeting.

Director Foley was not present to vote on this item.

3. Investments: Compliance, Controls, and Reporting, July 1 through December 31, 2022, Internal Audit Report No. 23-507

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to, direct staff to implement four recommendations provided in Investments: Compliance, Controls, and Reporting, July 1 through December 31, 2022, Internal Audit Report No. 23-507.

Director Foley was not present to vote on this item.

4. Orange County Transportation Authority Investment and Debt Programs Report - February 2023

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

Director Foley was not present to vote on this item.

5. Fiscal Year 2022-23 Second Quarter Budget Status Report

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

Director Foley was not present to vote on this item.

6. State Legislative Status Report

Director Diaz pulled this item to express his concerns with SB-434.

A motion was made by Chairman Hernandez, seconded by Director Sarmiento, and declared passed by those present to:

A. Adopt a SUPPORT position on AB 610 (Holden, D-Pasadena), which would, upon appropriation from the Legislature, create the Youth Transit Pass Program to be administered by the California Department of Transportation.

B. Adopt a SUPPORT position on AB 719 (Boerner Horvath, D-Carlsbad), which would require Medi-Cal Managed Care Plans to reimburse public transit operators for nonmedical transportation and non-emergency medical transportation services.

C. Adopt a SUPPORT position on AB 817 (Pacheco, D-Downey), which would permit a subsidiary body to use specified teleconferencing provisions indefinitely and without regard to a state of emergency.

D. Adopt a SUPPORT position on SB 434 (Min, D-Irvine), which would seek funding for the ten largest transit agencies in the State to survey riders on incidents of street harassment.

Director Diaz voted in opposition to Recommendation D.

Director Foley was not present to vote on this item.

7. Federal Legislative Status Report

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

Director Foley was not present to vote on this item.

8. Agreement for On-Call Planning Studies Public Outreach Consultant Services

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to:

A. Approve the selection of Arellano Associates, LLC, as the firm to provide public outreach services for planning studies.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-2-3053 between the Orange County Transportation Authority and Arellano Associates, LLC, in the amount of $300,000, for a three-year initial term with a two-year option term, to provide public outreach services for planning studies.

Director Foley was not present to vote on this item.

9. Low Carbon Transit Operations Program Recommendations for OC Bus Transit Projects

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to:

A. Approve Resolution No. 2023-014 to authorize the use of $9,664,358 in fiscal year 2022-23 Low Carbon Transit Operations Program funds for the Garden Grove hydrogen fueling station.

B. Authorize staff to make all necessary amendments to the Federal Transportation Improvement Program and negotiate and execute any necessary agreements with regional, state, or federal agencies to facilitate the recommendations above.

Director Foley was not present to vote on this item.

10. OC ACCESS Service Eligibility, Internal Audit Report No. 23-510

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to direct staff to implement one recommendation provided in OC ACCESS Service Eligibility, Internal Audit Report No. 23-510.

Director Foley was not present to vote on this item.

11. Agreement for Concrete Repairs at Fullerton Park-and-Ride

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to authorize the Chief Executive Officer to negotiate and execute Agreement No. C-2-3012 between the Orange County Transportation Authority and Falkon Construction, Inc., the lowest responsive, responsible bidder, in the amount of $72,888, for concrete repairs at the Fullerton Park-and-Ride.

Director Foley was not present to vote on this item.

12. Amendment to Agreement for the OC ACCESS Eligibility Determination Services

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-9-1621 between the Orange County Transportation Authority and MTM Transit, LLC, to exercise the option term of the agreement, in the amount of $2,038,620, for OC ACCESS eligibility determination services from July 1, 2023, through June 30, 2025. This will increase the maximum obligation of the agreement to a total contract value of $5,101,486.

Director Foley was not present to vote on this item.

13. Approval to Release Request for Proposals for Same-Day Taxi Service

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to:

A. Approve the proposed evaluation criteria and weightings for Request for Proposals 3-2396 to select a firm to manage and operate the Same-Day Taxi service.

B. Approve the release of Request for Proposals 3-2396 for the Same-Day Taxi service for a two-year initial term, effective December 1, 2023, through November 30, 2025, with one, two-year option term.

Director Foley was not present to vote on this item.

14. Bus Operations Performance Measurements Report for the Second Quarter of Fiscal Year 2022-23

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

Director Foley was not present to vote on this item.

15. Amendment to Agreement for Graphic Design Services for the Bus Service Change Materials

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-0-2178 between the Orange County Transportation Authority and Digital Graphics Centre, Inc., to exercise the first option term, in the amount of $50,000, effective July 1, 2023 through June 30, 2025, to provide graphic design services for bus service change materials. This amendment will increase the maximum obligation to a total contract value of $260,000.

Director Foley was not present to vote on this item.

16. Amendment to Agreement for Rideshare Average Vehicle Ridership Calculation Services

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-0-2167 between the Orange County Transportation Authority and Innovative TDM Solutions, to exercise the second option term, in the amount of $189,380, effective July 1, 2023 through June 30, 2024, to provide average vehicle ridership calculation services. This amendment will increase the maximum obligation to a total contract value of $757,401.

Director Foley was not present to vote on this item.

17. Agreement for the 2024 Orange County Transit Vision Master Plan

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to:

A. Approve the selection of Cambridge Systematics, Inc., as the firm to provide the Orange County Transit Vision Master Plan.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-2-2958 between the Orange County Transportation Authority and Cambridge Systematics, Inc., in the amount of $349,995, to provide the Orange County Transit Vision Master Plan for a two-year term effective May 1, 2023, to April 30, 2025.

Director Foley was not present to vote on this item.

18. Approval to Release Request for Proposals for Construction Management Support Services for the Interstate 605/Katella Avenue Interchange Project

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to:

A. Approve the proposed evaluation criteria and weightings for Request for Proposals 3-2270 for selection of a consultant for construction management support services for the Interstate 605/Katella Avenue Interchange Project.

B. Approve the release of Request for Proposals 3-2270 for construction management support services for the Interstate 605/Katella Avenue Interchange Project.

Director Foley was not present to vote on this item.

19. Approval to Release Request for Proposals for On-Call Property Maintenance and Related Services

Director Sarmiento pulled this item to inquire about the five-year term.

James G. Beil, Executive Director, Capital Programs, responded that this term length worked well for OCTA because the contractor became familiar with the project area while maintaining the property.

A motion was made by Director Sarmiento, seconded by Vice Chairman Nguyen, and declared passed by those present to:

A. Approve the proposed evaluation criteria and weightings for Request for Proposals 3-2283 to select a firm to provide on-call property maintenance and related services.

B. Approve the release of Request for Proposals 3-2283 for on-call property maintenance and related services for a five-year term.

Director Foley was not present to vote on this item.

20. Agreement for OC Streetcar Platform Validators

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C-2-3002 between the Orange County Transportation Authority and INIT Innovations in Transportation, Inc., in the amount of $269,469, for an 18-month term, for the purchase and installation of 34 platform validators for the OC Streetcar.

Director Foley was not present to vote on this item.

21. Award of Agreement for the Purchase of a Hi-Rail Bucket Truck with Articulating Lift for Use on the OC Streetcar System

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C-3-2296 between the Orange County Transportation Authority and Custom Truck One Source, in the amount of $417,342, to provide a hi-rail bucket truck with articulating lift.

Director Foley was not present to vote on this item.

22. Amendment to Agreement for Public Outreach Consultant Services for Rail Capital Improvement Projects

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-8-2074 between the Orange County Transportation Authority and Katz and Associates, Inc., to exercise the option term of the agreement, in the amount of $387,000, to continue providing public outreach consultant services for rail capital improvement projects, effective May 1, 2023 through April 30, 2024. This amendment will increase the maximum obligation of the agreement to a total contract value of $935,981.

Director Foley was not present to vote on this item.

23. Agreement for Public Outreach for the Interstate 5 El Toro Road Interchange Project

A motion was made by Director Sarmiento, seconded by Director Lopez, and declared passed by those present to:

A. Approve the selection of Barrios and Associates, LLC, doing business as Communications LAB, as the firm to provide public outreach services for the Interstate 5/El Toro Road Interchange Project.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-2-2891 between the Orange County Transportation Authority and Barrios and Associates, LLC, doing business as Communications LAB, in the amount of $349,850, for a three-year initial term and an option term of up to 24 months, to provide public outreach services for the Interstate 5/ El Toro Road Interchange Project.

Director Foley was not present to vote on this item.

Regular Calendar

24. Refunding of the 91 Express Lanes Bonds

A motion was made by Director Do, seconded by Director Hennessey, and declared passed by those present to:

A. Direct staff to pursue the refinancing of the outstanding $71.42 million of 91 Express Lanes Bonds.

B. Authorize the payment of all fees and expenses required to facilitate the refunding.

C. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-7-2137 between the Orange County Transportation Authority and Sperry Capital, Inc., in the amount of $40,000, to provide ongoing financial advisory services. This will increase the maximum obligation of the agreement to a total contract value of $1,105,000 and extend the term of the contract through August 31, 2023.

D. Direct staff to return to the Board of Directors for approval of the financing documents required to execute the closing of the transaction.

Director Foley was not present to vote on this item.

25. Interstate 405 Improvement Project Funding Update

A motion was made by Director Do, seconded by Vice Chairman Nguyen, and declared passed by those present to:

A. Authorize the use of an additional $79,765,373 in Measure M2 funds for the Interstate 405 Improvement Project to increase the overall project budget from $2,080,234,000 to $2,159,999,697.

B. Authorize staff to process all necessary amendments for the Federal Transportation Improvement Program and execute or amend all necessary agreements to facilitate the above action.

26. OC Streetcar Revised Funding Plan and Amendments to Supporting Agreements

Ross Lew, Project Manager, and Kelly Hart, Deputy Project Manager, provided a presentation on this item.

Public comment was received from Charles Johnson, Business Agent, Teamsters Local 952.

A discussion ensued between Members and staff regarding a grievance filed by Teamsters Local 952 with the California Public Employment Relations Board.

A motion was made by Director Do, seconded by Director Federico, and declared passed by those present to approve Recommendations A through F and H and defer action on Recommendation G at this time:

A. Approve the revised OC Streetcar Federal Transit Administration Full Funding Grant Agreement budget of $579.16 million.

B. Authorize the use of an additional $149.841 million Transit and Intercity Rail Capital Program funds, partially reducing the need for Measure M2, for the OC Streetcar Federal Transit Administration Full Funding Grant Agreement, increasing the total funding for the Full Funding Grant Agreement from $509.54 million to $579.16 million.

C. Authorize staff to make all necessary amendments to the Federal Transportation Improvement Program, update any air quality conformity requirements, and execute any required agreements, amendments, or grants with the Federal Transit Administration to facilitate the recommendation above.

D. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 187.1 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $2.84 million, for schedule impacts associated with time impact evaluation 08.

E. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 195.1 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $2 million, for schedule impacts associated with time impact evaluation 12 and Native American reburial memorial.

F. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 13 to Agreement No. C-5-3337 between the Orange County Transportation Authority and HNTB Corporation, in the amount of $3 million, and extend the agreement term through September 30, 2024, 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 $32.08 million.

G. Authorize an increase of up to $8 million to the award amount for the Chief Executive Officer to negotiate and execute Agreement No. C-8-2039 between the Orange County Transportation Authority and Herzog Transit Services, Inc., in the amount of $53.06 million, for start-up and pre-revenue period, and initial five-year revenue term through October 31, 2029, for operations and maintenance services for the OC Streetcar project.

H. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 4 to Agreement No. C-6-1445 between the Orange County Transportation Authority and Siemens Mobility, Inc., in the amount of $515,000, to design and install an onboard video surveillance system within the OC Streetcar vehicles. This will increase the maximum cumulative obligation of the agreement to a total contract value of $52.40 million.

Discussion Items

27. Public Comments

No public comments were received.

28. Chief Executive Officer's Report

Darrell E. Johnson, Chief Executive Officer, provided an update on the Coastal Rail Line.

29. Directors' Reports

Director Chamberlain wanted to recognize the 191 fatalities since Caltrans was created and noted how severely distracted driving and driving under the influence can affect highway workers.

Director Khan inquired about a labor dispute surrounding the outsourcing of works by First Transit to meet Disadvantaged Business Enterprise requirements.

Director Dumitru thanked OCTA staff for attending the City of Orange Council meeting and providing a presentation about seniors and transportation.

Director Foley acknowledged Lance Larson, Director of Government Relations, for attending the Reata Glen retirement community update with seniors concerned with the State Route 74 and Ortega highway construction project.

Chairman Hernandez also thanked Mr. Larson for attending the Orange County Business Council meeting and the organization of his staff members when dealing with any consultants or vendors.

30. Closed Session

There were no Closed Sessions scheduled.

31. Adjournment

The meeting was adjourned at 10:26 a.m. in honor of the 191 Caltrans workers that have lost their lives on California highways.

The next regularly scheduled meeting of this Board will be held:
9:00 a.m., on Monday, May 8, 2023
OCTA Headquarters
Board Room
550 South Main Street
Orange, California

COMMITTEE TRANSMITTAL

May 8, 2023

To: Members of the Board of Directors

From: Andrea West, Interim Clerk of the Board

Subject: Fiscal Year 2022-23 Internal Audit Plan, Third Quarter Update

Finance and Administration Committee Meeting of April 26, 2023

Present: Directors Do, Federico, Goodell, Harper, Hennessey, and Jones
Absent: Director Sarmiento

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Receive and file the third quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2022-23 Internal Audit Plan as an information item

April 26, 2023

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Janet Sutter, Executive Director
Internal Audit Department

Subject: Fiscal Year 2022-23 Internal Audit Plan, Third Quarter Update

Overview

The Orange County Transportation Authority Board of Directors adopted the Orange County Transportation Authority Internal Audit Department Fiscal Year 2022-23 Internal Audit Plan on July 25, 2022. This report provides an update of activities for the third quarter of the fiscal year.

Recommendation

Receive and file the third quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2022-23 Internal Audit Plan as an information item.

Background

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

Internal Audit performs a wide range of auditing services that include overseeing the annual financial and compliance audits, conducting operational and contract compliance reviews, investigations, price reviews, and Buy America reviews. In addition, audits initiated by entities outside of OCTA are coordinated through Internal Audit.

Discussion

The OCTA Internal Audit Department Fiscal Year (FY) 2022-23 Internal Audit Plan (Plan) (Attachment A) reflects the status of each project.

During the third quarter of the FY, Internal Audit issued results of an audit of administrative employee mandatory training and employee educational reimbursements and offered two recommendations to improve controls. Management agreed and indicated actions are being taken to address weaknesses noted.

An audit of state and federal consulting contracts was also issued and concluded that invoices are paid in accordance with the contracts, and adequate controls are in place to monitor consultants and provide required reporting. One recommendation was offered to ensure compliance with policy for procuring consultants and to improve file documentation. Management agreed and confirmed that improvements will be made.

An audit of OC ACCESS eligibility concluded that oversight, contract compliance, and invoice review controls are generally adequate, but recommended improved monitoring and enforcement of contract staffing requirements, and timely notification and removal of contractor system access. Management agreed and indicated that contract staffing requirements will be reviewed and amended and controls implemented to ensure compliance.

Results of the required semi-annual investments audit for the period July 1 through December 31, 2022, were also issued. Based on the audit, OCTA generally complied with its debt, investment, and reporting policies and procedures; however, four recommendations were made to improve review of monthly reports, improve documentation of monitoring reviews, ensure bank accounts are reconciled in accordance with policy, and ensure that invoices comply with terms of the contract with OCTA's financial advisor. Management responded that all recommendations will be implemented.

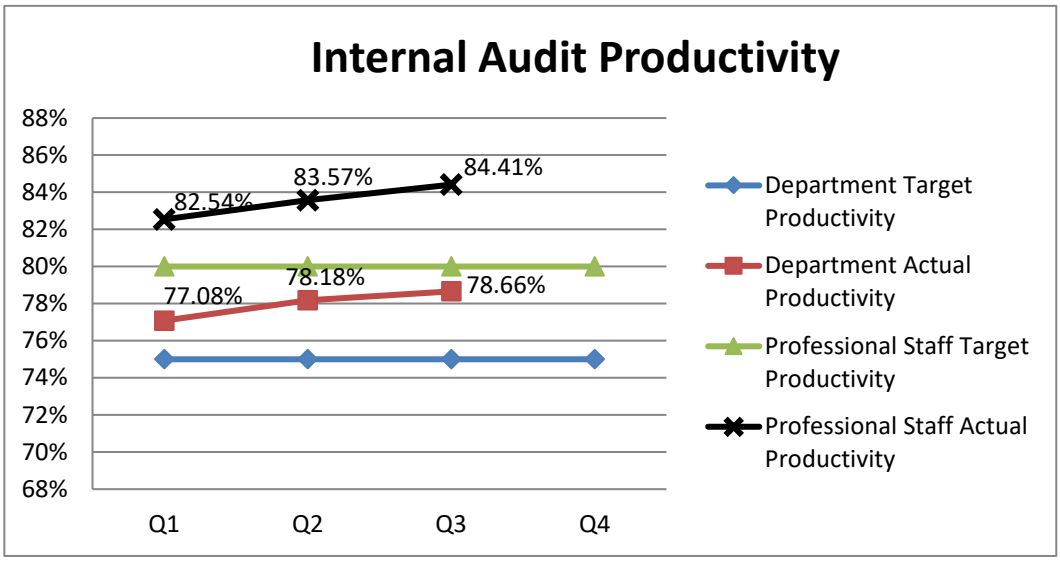
Another focus of Internal Audit during the quarter was to provide coordination and assistance related to agreed-upon procedure reviews of selected cities' compliance with Measure M2 Local Fair Share and Senior Mobility Programs. These audits are conducted by OCTA's independent financial statement auditor, Crowe LLP, and will be issued in the fourth quarter.

Internal Audit Productivity

Internal Audit measures the productivity of the department by calculating a productivity ratio. The ratio, used broadly throughout the audit industry, measures the amount of time auditors spend on audit projects versus time spent on administrative duties. Productivity goals are established for both the professional staff and for the department as a whole. Because the executive director regularly participates in non-audit management activities such as planning and committee meetings, the department-wide target is set at

75 percent. The target for Internal Audit professional staff, not including the executive director, is 80 percent.

As of the third quarter ended March 31, 2023, Internal Audit has achieved cumulative productivity of 79 percent, and the professional staff has achieved cumulative productivity of 84 percent.



Agreed-Upon Procedures Applied to Procurements

At the request of the Contracts Administration and Materials Management (CAMM) Department, and consistent with OCTA's procurement policy, Internal Audit applies agreed-upon procedures to single bid procurements, prices proposed by architectural and engineering (A&E) firms, and sole source proposals exceeding $50,000. These reviews are conducted to assist CAMM in determining whether single bid procurements were handled in accordance with policies, and whether pricing proposed by A&E firms and sole source contractors are fair and reasonable. In addition, at the request of CAMM, Internal Audit conducts pre-award and post-delivery agreed-upon procedures reviews of bus procurements to determine whether procurements are in accordance with federal Buy America laws. During the third quarter, Internal Audit issued results of six price reviews.

Fraud Hotline

During the quarter ended March 31, 2023, Internal Audit received two reports through OCTA's Fraud Hotline, www.ethicspoint.com. Based on the nature of the complaints, one report was referred to human resources management for review and disposition and the second complaint was reviewed by Internal Audit.

As part of the administration of the hotline, Internal Audit maintains documentation of each complaint and its disposition.

Internal Audit is committed to initial response to all hotline complaints within eight business days. During the quarter ended March 31, 2023, Internal Audit made initial contact within two business days.

Findings and Recommendations Tracking

At the request of the Finance and Administration Committee, unresolved audit recommendations are included with the quarterly updates to the Plan (Attachment B).

During the quarter ended March 31, 2022, Internal Audit completed follow-up reviews of 18 outstanding audit recommendations. Based on the follow-up reviews, ten recommendations have been adequately addressed and eight recommendations have not yet been fully implemented and will be reviewed again in six months. Twelve recommendations were added to the listing as a result of audits issued during the third quarter.

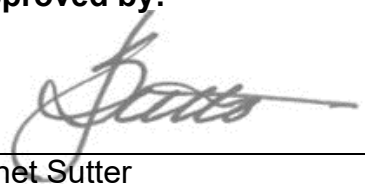
Summary

Internal Audit will continue to implement the Plan, report on performance metrics, follow up on outstanding audit recommendations, and report progress on a quarterly basis.

Attachments

A. Orange County Transportation Authority Internal Audit Department Fiscal Year 2022-23 Internal Audit Plan, Third Quarter Update
B. Outstanding Audit Recommendations, Audit Reports Issued Through March 31, 2023
C. Audit Recommendations Closed During Third Quarter, Fiscal Year 2022-23

Approved by:



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

ATTACHMENT A

Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2022-23 Internal Audit Plan
Third Quarter Update

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Under (Over)	Status (Date Issued)
Mandatory External Independent Audits							
Annual Financial Audits and Agreed-Upon Procedures (AUP) Reviews	FY23-001 through FY23-004	Coordinate and report on annual financial and AUP reviews for fiscal year (FY) 2021-22.	Financial	420	330	90	In Process
External Regulatory Audits	FY23-005	Coordinate and report on external audits by regulatory or funding agencies.	Compliance	60		60	
Internal Audit Department (Internal Audit) Projects							
Risk Assessment and Annual Audit Plan	FY23-100	Preparation of the annual audit plan, quarterly updates to the audit plan, and periodic assessment of risk throughout the year, including monitoring the audit results of related entities.	Audit Plan and Updates	180	46	134	
Quality Assurance and Self-Assessment	FY23-101	Update of Internal Audit Policies & Procedures. Annual self assessment of Internal Audit's compliance with Generally Accepted Government Auditing Standards.	Quality Assurance	180	244	(64)	
Fraud Hotline Activities	FY23-102	Administrative duties related to maintenance of the Fraud Hotline and work related to investigations of reports of fraud, waste, or abuse.	Fraud Hotline	160	77	83	6 Reports Received
Automated Workpaper Solution	FY23-103	System updates/training related to automated workpaper solution.	Workpaper System	40	30.5	10	
Internal Audits							
Clerk of the Board							
Public Records Requests	FY22-510	Assess and test controls in place to ensure compliance with regulations, policies, and procedures for processing Public Records Act requests.	Compliance	180	138	43	Complete 8-10-22
Planning							
Comprehensive Transportation Funding Programs	FY23-508	Audit selected projects for compliance with Measure M2 Ordinance, policies, and procedures.	Compliance	320	557	(237)	In Process
People and Community Engagement							
Training and Educational Reimbursement	FY23-503	Assess and test the adequacy of controls related to employee training administration and educational reimbursements, and determine compliance with policies and procedures.	Operational	240	380.5	(141)	Complete 1-10-23

Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2022-23 Internal Audit Plan
Third Quarter Update

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Under (Over)	Status (Date Issued)
Life Insurance Benefits	FY23-505	Assess and test policies, procedures, and controls over administration of employee life insurance benefits.	Operational	240	187	53	In Process
Workers' Compensation	FY23-501	Assess and test controls related to administration of Workers' Compensation claims, including contractor support.	Operational	300	439	(139)	Complete 2-28-23
Customer Information Center	FY23-514	Assess and test oversight, contract compliance, and invoice review controls related to the provision of services by the third-party provider.	Internal Control/ Compliance	240	67	173	In Process
Capital Programs							
OC Streetcar - Design and Construction	FY22-505	Assess and test oversight controls, contract compliance, and invoice review controls related to construction of the OC Streetcar project.	Internal Control / Compliance	24	18	6	Complete 7-13-22
On-Call Right-of-Way (ROW) and Appraisal Services	FY22-511	Assess and test oversight, contract compliance, and invoice review controls over the use of consultant services for ROW and appraisal services.	Internal Control / Compliance	80	180	(100)	Complete 11-16-22
Anaheim Canyon Station Improvements	FY23-5XX	Assess and test oversight controls, contract compliance, and invoice review controls related to the Anaheim Canyon Station Improvements project.	Internal Control / Compliance	300		300	
OC 405 Partners	FY23-5XX	Assess and test oversight controls, contract compliance, and invoice review controls related to the OC 405 design-build project.	Internal Control / Compliance	400		400	
Operations							
OC ACCESS Eligibility	FY23-510	Review ACCESS eligibility process, assess and test oversight controls, contract compliance, and invoice review controls.	Operational / Compliance	280	251.5	29	Complete 3-20-23
Non-Revenue Vehicle Purchases and Assignment	FY22-512	Review non-revenue vehicle and accessory purchases and assignments to determine compliance with policies and procedures and evaluate activities to assess economy and efficiency.	Internal Control/ Operational	40	48	(8)	Complete 8-23-22

Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2022-23 Internal Audit Plan
Third Quarter Update

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Under (Over)	Status (Date Issued)
Finance and Administration							
Treasury	FY23-502, FY23-507	Semi-annual review of investments: compliance, controls, and reporting.	Compliance	300	433	(133)	Complete 2 Reports Issued
Accounts Payable	FY23-504	Assess and test controls over accounts payable operations.	Operational	320	31	289	
Lost and Found Operations	FY23-513	Assess and test controls and activities of lost and found operations.	Operational	220	58.5	162	In Process
Cybersecurity	FY23-509	Design a scope of work and procure an audit consultant to evaluate OCTA's Cybersecurity program.	Internal Control/ Operational	100	44	56	In Process
Independent Cost Estimates	FY22-513	Review and test controls to ensure independent cost estimates are properly prepared and in compliance with regulations, policy, and procedures.	Internal Control/ Compliance	160	315	(155)	Complete 10-25-22
Price Reviews	PR23-XXX	As requested by the Contracts Administration and Materials Management (CAMM) Department, apply AUP to sole source, single bid, and architectural and engineering firm proposals.	Price Review	900	453	447	13 Reports Issued
Buy America	FY23-506	As requested by CAMM, apply AUP to determine compliance with Buy America requirements.	Buy America	120	157	(37)	1 Report Issued
Government Relations							
State and Federal Consultant Contracts	FY23-512	Assess and test oversight, contract compliance, and invoice review controls related to state and federal consultant activities.	Internal Control/ Compliance	240	114	126	Complete 3-10-23

Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2022-23 Internal Audit Plan
Third Quarter Update

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Under (Over)	Status (Date Issued)
Unscheduled Reviews and Special Requests							
Unscheduled Reviews and Special Requests	FY23-800	Time allowed for unplanned audits and requests from the Board of Directors (Board) or management.	Varies	240	21	219	
Monitoring Activities							
Measure M Taxpayer Oversight Committee (TOC)	FY23-601	Coordination of audit activities on behalf of the Audit Subcommittee of the TOC.	Administrative Support	60	17	43	
Metrolink Audit Activities	FY23-602	Review/monitor audit results of Metrolink activities.	Non-Audit Service	20		20	
Bus Base Inspections	FY23-603	At the request of the Operations Division, participate in annual base inspections.	Non-Audit Service	80	34	46	Complete
Follow-Up Reviews							
Follow-Up Reviews and Reporting	FY23-700	Follow-up on the status of management's implementation of audit recommendations.	Follow-Up	240	447	(207)	
			Total Audit Project Planned Hours (A)	**6,684**	**5,117**		

Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2022-23 Internal Audit Plan
Third Quarter Update

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Under (Over)	Status (Date Issued)
Internal Audit Administration							
Board and Committee Meetings				180	124	56	
Executive Steering and Agenda Setting Meetings				180	91.5	89	
Internal Audit Staff Meetings				140	125.5	15	
Other Administration				1,500	1,069	431	
			Total Hours (B)	**8,684**	**6,527**		
			Department Target Efficiency (A/B)	75%	79%		
			Target Efficiency - Professional Staff	80%	84%		
Contingency: Internal Audit							
Bus Advertising Revenue	FY23-5XX	Assess and test overisght and contract compliance controls related to the agreement for bus advertising.					

ATTACHMENT B

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2023

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
1/26/22	21-511	Executive Office	Physical Access Security	The Internal Audit Department (Internal Audit) recommends the Security and Emergency Preparedness (SEP) Department management develop, maintain, and test a comprehensive, appropriate, and up-to-date set of physical security plans, policies, and procedures based on evaluation of the organization using risk rating methodologies and assessments. A written Access Control Policy and related procedures should be developed and published, and management should address requirements included in the Physical Security Policy for implementing gate controls at all facilities. Finally, management should implement a regular training program to inform employees as to security policies, procedures, and protocols.	Jul-23	Management will work to document all processes and review assigned policies. SEP will make considerable updates to the Physical Security Policy to address gate controls and create an Orange County Transportation Authority (OCTA) Physical Access Control Policy. These updates will be completed by June 30, 2022. A "Record of Changes" section has been added to security plans to document reviews and updates. Management has hired a consultant to review OCTA policies, procedures, and security plans. The consultant will provide recommendations on program improvements, conduct a new Threat and Vulnerability Assessment, provide a new written security plan, and create a security training program to include curriculums for all employees. Management will implement a training program within 12 months.	Update August 2022: Updates to security plans, policies, and procedures have not yet been prepared and are expected to be completed between August and December 2022. Update March 2023: Certain policy updates are in process. Development of an updated Master Security Plan has been delayed and is now expected to be complete by the end of 2023.

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2023

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
1/26/22	21-511	Executive Office	Physical Access Security	Internal Audit recommends management define and document responsibilities, policies, and procedures related to physical access security and incorporate appropriate language in the Contracted Transportation Service (CTS) provider contracts. Written procedures for coordination with OCTA should be provided to CTS. Management should consider permitting CTS providers with access to Lenel system reports and/or notifications of access breaches and events.	Jul-23	During the review process of current policies, management will include language and definitions to provide clear delineation of duties. In the interim, and starting immediately, management will provide copies to the CTS project manager outlining equipment inspections and current states of functionality of security equipment. Policy review and creation will be completed by June 30, 2022. Afterward, language changes to CTS contracts will be addressed through contract amendments. Contract language will also address OCTA's expectation of CTS providers for event or incident response. This shall be fully implemented by September 30, 2022, or by contract execution.	Update August 2022: Management proposed language for inclusion in the agreements with CTS providers. Some language related to request for access card issuance and termination was included in the agreement with First Transit for ACCESS service, executed in October 2021. Additional language will be included in an amendment to the ACCESS service agreement. For the contracted fixed-route service provider, management has included language in a recently released request for proposals. Update March 2023: Additional language will be included in an amendment to the OC ACCESS service agreement. The agreement with the new fixed-route provider should be completed by April 2023. Management is working with the Information Systems department to develop an online portal for access badge requests. Completion of the portal is expected by April 2023.
1/26/22	21-511	Executive Office	Physical Access Security	Internal Audit recommends management develop and implement written policies, procedures, and protocols that address the timely issuance, termination, and use of badges. These procedures should be referenced in contracts with CTS providers and be communicated to OCTA staff. Management should also ensure secondary controls are operating as intended.	Jul-23	Management is reviewing the issuance and termination of access badges in order to document processes. Management will work with other departments, including CTS, to advise of procedures for issuing and terminating access badges and encourage those departments to include procedures in their contracts, as appropriate. Additionally, management is currently reviewing and documenting procedures to ensure secondary controls are being utilized. Review and updating of procedures will conclude with the creation of a new Physical Access Policy to be completed by June 30, 2022.	Update August 2022: Management has not yet developed policies, procedures, and protocols to address timely issuance, termination, and use of access badges coordinated through OCTA. Management indicated that, while an Access Control Policy was originally expected to be completed by June 30, 2022, it has taken longer than expected due to the need to update the Physical Security Policy first. Update March 2023: Management expects an updated Access Control Policy to be completed soon, and updates to agreements with CTS providers are in process.

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2023

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
2/9/22	21-507	Operations Division (Operations)	Facilities Maintenance (FM) Operations	Internal Audit recommends management implement a perpetual inventory system to track purchasing activity and maintain inventory of all parts and supplies. Purchasing, storage, issuance, and disposal activities should be centralized and include controls to ensure proper authorization for purchases, physical security of inventory items, and proper assignment of costs to work orders.	Aug-23	FM contracts for parts and supplies will be transferred to the Contracts Administration and Materials Management (CAMM) Department by July 2022. By February 2023, FM parts and supplies stored outside of CAMM's control will be brought into the inventory system for proper storage and issuance. The current Enterprise Asset Management (EAM) system is not capable of assigning all costs to FM work orders; however, a new EAM system is being implemented and should be capable of properly assigning costs to work orders. The new EAM system is estimated to be fully implemented in mid-2023.	Update September 2022: Management and CAMM have completed transferring contracts to CAMM, however, they are working to determine which items will be inventoried and which items will be ordered as needed. In terms of FM parts inventory, a process to bring these items into the CAMM inventory system for proper storage and issuance has been established and is on track to be completed by February 2023. As stated in the original response, the current asset management system is not capable of assigning all costs to work orders. A new system will be implemented in mid-2023. Update March 2023: Management is still in the process of implementing a centralized inventory system and expects that physical transfer of all inventory may take up to two years. Internal Audit will review status again in six months.
2/9/22	21-507	Operations and Finance and Administration (F&A) Division	FM	Management should enhance its invoice review process to ensure compliance with OCTA's Vendor Payment Policy and contract payment terms. Vendor mark-ups should be discontinued from time-and-expense contracts. For contracts related to the purchase of parts and materials only, any items not listed on the price summary sheet should include supporting cost documentation. If mark-ups are to be allowed on parts-and-materials contracts, the proposed mark-ups should be incorporated into the evaluation of costs during the vendor selection process.	Aug-23	Management will immediately begin working on enhancing the current invoice cover page to include a checklist that will require acknowledgement of review for sufficient detail as to quantity and rates of costs and justification. To address the issue of providing sufficient detail and complying with contract terms, the checklist being developed will improve oversight. In terms of discontinuing vendor mark-ups in time-and-expense contracts, management will work with CAMM to develop a solution that will address the issue of vendor mark-ups as well as incorporating an evaluation of cost, if mark-ups are allowed, during the vendor selection process.	Update September 2022: Management is working to enhance the invoice checklist to include a requirement for acknowledgement of review for sufficient detail as to quantity and rates of costs and justification. CAMM has implemented an evaluation methodology to assign a percentage of the cost score for items not listed on the price summary sheet. Management and CAMM continue to explore options including discounts from price sheets and using fair market values to justify and validate price mark-ups. Update March 2023: FM has enhanced its invoice review; however, Materials Management staff needs to enhance its review of invoices for contracts that were transferred to their control. Materials Management should obtain supporting documentation for parts and materials not listed in the contracts.

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2023

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
7/13/22	22-505	CAMM and Capital Programs	Oversight Controls and Contract Compliance related to the OC Streetcar Design and Construction Management	Management should reconsider use of a schedule of values (SOV) in firm-fixed priced contracts and initiate amendments in a timely manner. Management should also recover identified overbillings and unallowable charges and disallow payments for services not allowed by the SOVs.	Jul-23	Management agreed to amend the contract to remove the use of SOVs and agreed to recover identified overbillings but indicated that unallowable charges for services by an engineering manager will not be recovered as these services were requested by management.	Update February 2023: Management removed the SOVs from the contract and withheld $160,712 in overbillings; however, management should recover overbillings that occurred from January to April 2022, prior execution of the agreement to remove SOVs.
7/13/22	22-505	CAMM	Oversight Controls and Contract Compliance related to the OC Streetcar Design and Construction Management	Management should enhance controls over escalation when adding new staff, and ensure that the pricing of amendment values is based on the original contract or proposal rates.	Jul-23	Management agreed to enhance controls over escalation when adding new staff and to ensure pricing of amendment values is based on contract rates.	Update February 2023: CAMM has developed procedures for adding named staff via offer letters; however, Internal Audit noted that controls to ensure accurate pricing of amendment values has not yet been adequately implemented.
7/13/22	22-505	Capital Programs	Oversight Controls and Contract Compliance related to the OC Streetcar Design and Construction Management	Management should recover overbillings and require all subconsultants to submit timesheets, and enforce advance approval requirements.	Jul-23	Management will recover overbillings and missing timesheets will be obtained, and the timesheet requirement will be enforced. Advance approval for overtime work will be obtained.	Update February 2023: Management deducted identified overbillings; however, recommendations to enforce advance approval requirements and obtain timesheets from all subconsultants has not yet been implemented.
8/23/22	22-512	Operations and F&A	Non-Revenue Vehicle Purchases and Assignment	Invoice review procedures should be enhanced to include validation of all charges. In addition, Accounts Payable should recover the identified duplicate payment and updated policies to reflect whether a three-way match process is allowable for vehicle purchases. Accounts Payable should consistently confirm the three-way match prior to payment and individuals who receive vehicles in the system should physically verify their delivery.	Feb-23	Management will implement an invoice review checklist to ensure sufficient detail is provided and verified. The policy will be updated to allow for the three-way match process and Accounts Payable will consistently confirm the match prior to payment. Staff receiving vehicles in the system will be required to physically verify receipt going forward. Finally, Accounts Payable will recover the duplicate payment identified.	In process.

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2023

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
8/23/22	22-512	Operations and F&A	Non-Revenue Vehicle Purchases and Assignment	Management should enhance controls to ensure employees' eligibility to drive prior to granting a vehicle reservation. Management should re-evaluate whether employees should be allowed to reserve vehicles for weeks at a time. Finally, all relevant information should be reflected in the reservation system.	Feb-23	Management will work toward an automated solution for determining eligibility or develop an internal solution. Related policies will be updated as appropriate. Also, multi-day reservations will no longer be allowed and all reservation information will be entered into the system.	In process.
8/23/22	22-512	CAMM	Non-Revenue Vehicle Purchases and Assignment	CAMM should obtain all needed support and documentation for non-revenue vehicles purchased using state contracts. CAMM should also consider negotiating option pricing with the dealers.	Feb-23	CAMM will include all documentation in the contract file for future purchases using state contracts. Also, CAMM will negotiate option pricing prior to contract award, and will document these efforts.	In process.
10/25/22	23-513	CAMM	Independent Cost Estimates (ICEs)	CAMM should ensure ICEs include adequate detail support and are submitted in accordance with policies. CAMM should provide training to advise project managers that pricing should not be solicited directly from vendors and provide information on how and where to obtain pricing data for proper development of estimates.	Apr-23	Management will ensure all ICEs include adequate detail and will revise policies to address the appropriate timelines for submission of ICEs. Also, CAMM will conduct training, as recommended.	
10/25/22	23-513	F&A	ICEs	Management should develop tools to ensure proper oversight and management of the identified consulting services contract. This should include regular monitoring of contract burn rate and development of reasonable estimates to ensure funding is sufficient to achieve objectives.	Apr-23	Management agrees and will develop tools to ensure proper oversight of these services. Staff managing the contract will be required to attend procurement training to improve understanding of policies and to facilitate improved contract management in the future.	
11/16/22	22-511	CAMM	Right-of-Way (ROW) and Appraisal Services and Activities	Management should perform and document a price or cost analysis, as required, when contract pricing amendments are made. In addition, increases to rates already agreed-upon should be denied.	May-23	Management will ensure a cost or price analysis is performed and documented, as required, and will ensure there are no changes to rates already agreed-upon. Staff will also be provided a refresher training on how to conduct rate validation and document rate reasonableness.	

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2023

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
11/16/22	22-511	Capital Programs	ROW and Appraisal Services and Activities	Management should update policies to clarify procedures for determining settlement authorities.	May-23	Management will work with legal counsel to incorporate language into policies to address the recommendation.	
1/10/23	23-503	People and Community Engagement (PACE)	Administrative Employee Mandatory Training and Employee Educational Reimbursements	Management should improve controls to avoid duplicate reimbursements and to ensure all required documentation is on file. The system should be updated to accurately reflect payments and carryover amounts, and management should improve organization of supporting documentation. Management should obtain reimbursement from employees that received duplicate payments and should address payments made to employees over the allowable educational reimbursement limit. Going forward, management should implement effective controls for monitoring employee educational reimbursement activities for compliance with policy.	Jul-23	Management will implement controls to address the recommendations by March 31, 2023. Management will also make arrangements to collect overpayments made to the two employees identified and will address payments to employees over the allowable reimbursement limit.	
1/10/23	23-503	PACE	Administrative Employee Mandatory Training and Employee Educational Reimbursements	Management should implement monitoring controls to ensure all administrative employees obtain mandatory training within required timeframes. Management should also ensure mandatory annual training is obtained and employee merit increases are withheld for non-compliance, as required by policy.	Jul-23	Management will implement monitoring controls to ensure all new administrative employees obtain mandatory training within required timeframes. Management will also implement monitoring controls to ensure mandatory annual training is completed by all administrative employees prior to merit increases and will meet with Human Resources Department staff to implement a process by March 31, 2023.	

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2023

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
2/28/23	23-501	PACE	Worker's Compensation Program	Management should add Intercare service providers to the contract as subconsultants and identify their rates and fees. Once rates are identified in the contract, management should implement controls to ensure rates invoiced by the subcontractors agree to the contract rates.	Aug-23	Management will work with Intercare and CAMM to amend Intercare's contract, adding these providers and their rates / fees to it, and subsequently reviewing charges to ensure rates invoiced by them are consistent with the contract rates.	
2/28/23	23-501	PACE	Worker's Compensation Program	Management should implement a process to ensure adequate review and monitoring of monthly bank account details and reconciliations.	Aug-23	Management will work with Finance to ensure adequate review and monitoring of monthly bank account details and reconciliations.	
2/28/23	23-501	PACE	Worker's Compensation Program	Management should enhance monthly reviews of Intercare's check payments to include review of temporary benefit calculations and settlement calculations with supporting documentation. Management should also review paper transactions and reconcile Intercare's listing of checks sent to OCTA to what has been received and deposited. Checks received by OCTA should be deposited in a timely manner. Finally, management should request Intercare provide a detailed invoice from Express Scripts to support payments.	Aug-23	Management will enhance monthly reviews as recommended and will reconcile the listing of checks sent to what has been received and deposited. Management will also request Intercare provide detailed information for Express Scripts payments.	
2/28/23	23-501	PACE	Worker's Compensation Program	Management should request that Intercare standardize the calculation of temporary disability benefits. Intercare should instruct adjustors to use the first day of the beginning payroll period, instead of the pay period end date, in tallying the number of days of pay. Adjustors should also be instructed to consistently check for payment of light-duty and holidays before calculating temporary disability benefits. Finally, management should request Intercare recover the $1,553.60 overpayment.	Aug-23	Management will request Intercare standardize calculations, instruct adjustors to affirm the pay period start and end dates and to consistently check for payment of light-duty and holidays before calculating benefits. Management will also request Intercare recover the overpayment.	

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2023

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
3/10/23	23-512	CAMM	State and Federal Consulting Contracts	CAMM should ensure that procurements of state and federal contracts comply with all policy requirements.	Sep-23	CAMM will ensure evaluators complete evaluation forms and confirm scores to summary final scores and ensure all forms are on file, as required. CAMM will also ensure compliance with policy related to the number of evaluators required.	
3/20/23	23-510	Operations and CAMM	OC ACCESS Service Eligibility	Management should implement controls to ensure Medical Transportation Management, Incorporated (MTM) is providing key staff and qualified staff, as outlined in the contract. The process for notification, review, and update to MTM contract staffing should be improved to ensure that required staff is being provided, contract amendments to reflect staffing changes are processed timely, and access to OCTA's Trapeze system is terminated promptly upon termination of contract staff.	Sep-23	CAMM has processed the requisitions for key staffing changes and management will work with CAMM to amend the contract to update staff qualification requirements. Following the amendment, management will implement controls to ensure compliance. In addition, management will require MTM to provide notice of staff changes within 24 hours.	
3/28/23	23-507	F&A	Investments: Compliance, Controls, and Reporting July 1 through December 31, 2022	Management should consistently obtain secondary review of the monthly Investment and Debt Programs report and enhance review to include increased oversight over the presentation of individual securities.	Sep-23	Management has automated the process for creating the portfolio listing and will ensure this is not an issue going forward. Management will also enhance secondary review of monthly reports.	
3/29/23	23-508	F&A	Investments: Compliance, Controls, and Reporting July 1 through December 31, 2023	Management should add notes to Clearwater Holdings reports to address potential violations and ensure all notes are prepared in a timely manner.	Sep-23	Management will ensure notes are reflected in Clearwater as required.	

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2023

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
3/30/23	23-509	F&A	Investments: Compliance, Controls, and Reporting July 1 through December 31, 2024	Management should reconcile all accounts, including zero-balance accounts and ensure timely approval of reconciliations.	Sep-23	Management has implemented a control to ensure all accounts are reconciled and the reconciliations are reviewed timely.	
3/31/23	23-510	F&A	Investments: Compliance, Controls, and Reporting July 1 through December 31, 2025	Internal Audit recommends management obtain detailed support for invoiced charges by the financial advisor and ensure that when a key personnel's classification is changed, and such change is acceptable to management, the contract is amended accordingly.	Sep-23	Management will amend contract for key personnel more timely going forward. Management also obtained detailed documentation to support charges identified.	

ATTACHMENT C

Audit Recommendations Closed During
Third Quarter, Fiscal Year 2022-23

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Internal Audit Status Comments
7/15/21	21-510	Executive Office	Administrative Controls Related to Conflict of Interest Code Form 700 Statement of Economic Interests	The Internal Audit Department (Internal Audit) recommends management establish and implement a procedure to identify contractors, including those identified by Internal Audit, serving in roles that would otherwise be performed by a designated Orange County Transportation Authority (OCTA) employee and require filing. Management should also identify Transit Police Services (TPS) and Real Property consultant staff that should be filing and include them in the eDisclosure system so that they may file, as required.	Update March 2022: Management has reviewed the suggestion to include Real Property and TPS with legal counsel. Based on that review, Real Property consultants will be removed and TPS officers with a rank of captain and above will be required to file. A process has been developed to review scopes of work for positions that should be required to file form 700s and will be implemented in the new fiscal year. Update August 2022: Management has implemented a process effective July 1, 2022, for identifying new contractors that should file a Form 700. Internal Audit will return in six months to test the process. Update February 2023: Procedures to request General Counsel review of contracts that may include consultants that would be required to file Form 700 have been implemented. Internal Audit noted that General Counsel has not identified any consultants that should be required to file, including Information Systems Technology technical staffing services and consultant program management services for Capital Programs.
1/26/22	21-511	Executive Office	Physical Access Security	Internal Audit recommends management implement invoice review controls and enforce contract requirements. Overpayment of overtime should be recovered, along with charges for support fees that are not covered by the contract. Costs incurred that are not on the contract price listing should be accompanied by receipts or other supporting documentation and should be reimbursed "at cost". Management should ensure contract requirements are met prior to authorizing payment.	Update August 2022: The audit identified overtime and annual support charges not allowed by the contract. Management obtained an invoice credit for the overtime charges and obtained a receipt for $20,375, to support part of the $29,146 in annual support billings. Management is working to obtain a receipt to substantiate the remaining charges and intends to execute an amendment with Climatec to address provision of other direct costs. Update March 2023: Management terminated its contract with this vendor and has executed a new agreement with a different vendor. Management has also implemented an invoice review checklist process.
2/9/22	21-507	Operations	Facility Maintenance (FM) Operations	Management should update the FM Plan (Plan) on a periodic basis and document the results of the annual assessments of OCTA building structures.	Update September 2022: The Plan is on a schedule to be reviewed every two years. The posted plan is currently under review to include the latest laws and regulations. Further, capital needs assessments are now formally documented. Update March 2023: Management has updated the Plan to reflect regulatory changes and has performed and documented the annual assessment of OCTA building structures.
6/29/22	22-508	Finance and Administration (F&A)	Revenue Vehicle Procurement Audit	Management should update and expand policies and procedures to fully address revenue vehicle cooperative procurements, including allowable methods of solicitation, approval thresholds, and basis of award. In addition, management should enhance documentation to reflect requirements for use of agency contracts.	Update February 2023: The Contracts Administration and Materials Management (CAMM) Department has updated cooperative procurement procedures to include a specific process and method for revenue vehicle procurements. CAMM also asserted that the contract files for future procurements will include enhanced documentation of the rationale, as well as validation that the contract was awarded on a competitive basis that did not restrict competition.
6/29/22	22-508	Operations	Revenue Vehicle Procurement Audit	Management should revise the scope of work (SOW) for in-plant inspection service agreements to include a requirement for preparation of a Resident Inspector Report that complies with Federal Transit Administration Buy America requirements.	Update February 2023: Maintenance management revised the SOWs for two active in-plant inspection service agreements to include a requirement for a formal resident inspector's report.
7/13/22	22-505	Capital Programs	Oversight Controls and Contract Compliance related to the OC Streetcar Design and Construction Management	Project Controls should resume preparing its monthly status summary reports, in accordance with procedures.	Update February 2023: Project Controls has resumed its monthly status summary reports.

Audit Recommendations Closed During
Third Quarter, Fiscal Year 2022-23

7/13/22	22-505	CAMM	Oversight Controls and Contract Compliance related to the OC Streetcar Design and Construction Management	CAMM should develop procedures to ensure adequate insurance coverage by consultants throughout the contract term. If CAMM continues to use a third party as part of the monitoring process, then the contract should outline appropriate standards and timelines for follow-up activities.	Update February 2023: CAMM has developed new procedures for insurance tracking.
8/10/22	22-510	Clerk of the Board	Administration of Public Records Act Requests	Management should update the website and written procedures to outline all available methods of requesting documents and times for in-person viewing of records.	Update March 2023: Management has updated the website and procedures to outline methods for requesting documents and times available to view records.
9/30/22	23-502	F&A	Investments: Compliance, Controls and Reporting January 1 through June 30, 2022	Management should enhance secondary review of monthly reports to ensure accuracy of security classifications listed in the bond proceeds and debt service reserve fund portfolios.	Update March 2023: Security classifications in the schedule are now accurately reflected.
9/30/22	23-502	F&A	Investments: Compliance, Controls and Reporting January 1 through June 30, 2022	Management should maintain documentat&ion addressing all potential violations flagged by the system and consider updating the module to flag only violations of OCTA's policy.	Update March 2023: Management has customized the compliance module and creates notes in the compliance module to address any potential violations.

COMMITTEE TRANSMITTAL

May 8, 2023

To: Members of the Board of Directors

From: Andrea West, Interim Clerk of the Board

Subject: Amendment to Agreement for Health Insurance Brokerage Services

Finance and Administration Committee Meeting of April 26, 2023

Present: Directors Do, Federico, Goodell, Harper, Hennessey, and Jones
Absent: Director Sarmiento

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-0-2078 between the Orange County Transportation Authority and Alliant Insurance Services, Inc., to exercise the two-year option term effective June 1, 2023 through May 31, 2025, in the amount of $238,000, to continue providing health insurance brokerage services. This will increase the maximum obligation of the agreement to a total contract value of $580,000.

OCTA

April 26, 2023

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Agreement for Health Insurance Brokerage Services

Overview

On May 22, 2020, the Orange County Transportation Authority Board of Directors approved an agreement with Alliant Insurance Services, Inc., for health insurance brokerage services for a three-year initial term with a two-year option term. Board of Directors' approval is requested to exercise the option term effective June 1, 2023 through May 31, 2025.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-0-2078 between the Orange County Transportation Authority and Alliant Insurance Services, Inc., to exercise the two-year option term effective June 1, 2023 through May 31, 2025, in the amount of $238,000, to continue providing health insurance brokerage services. This will increase the maximum obligation of the agreement to a total contract value of $580,000.

Discussion

The Orange County Transportation Authority (OCTA) uses a broker of record to assist the Benefits section of the Human Resources Department to implement and maintain OCTA's benefit programs for its employees. The broker of record provides marketing and placing of coverage, assists OCTA in developing comprehensive, cost-effective health and welfare programs, and supports and assists OCTA in resolving any health insurance carrier problems. Additionally, the broker of record informs OCTA of new legislation that may affect the agency, performs research and analysis as requested, develops benefit communication pieces, and assists with open enrollment.

OCTA entered into a Joint Powers Agreement with Public Risk Innovation, Solutions, and Management (PRISM) in 2016 to participate in a purchasing insurance pool with other California counties and public entities for employee health and welfare insurance benefits. Alliant Insurance Services, Inc. (Alliant) is the exclusive broker of record for all PRISM programs, with exclusive rights to consult, underwrite, distribute, and service all PRISM programs and its members. The delivery of the PRISM programs is contractually provided based on the knowledge and expertise of the Alliant program and service teams. PRISM requires that OCTA and other pool members utilize Alliant as the primary broker of record. This is a normal rule of engagement for entry into risk sharing pools/programs.

As a member of the PRISM pool, staff recommends that the Board of Directors (Board) approve an amendment to exercise the option term to continue to contract with Alliant as its primary broker of record in accordance with the PRISM Joint Powers Agreement.

Procurement Approach

The original procurement was handled in accordance with OCTA's Board-approved policies and procedures for a sole source procurement. The original agreement included a three-year initial term for $342,000 and a two-year option term.

The proposed Amendment No.1 is to exercise the option term of the agreement through May 31, 2025. The budget for this amendment in the amount of $238,000 is based on the current and anticipated use of the services, and will increase the maximum obligation by $238,000, bringing the total contract value to $580,000. The option term pricing will remain as originally negotiated for the agreement. Exercising the option term will allow Alliant to continue providing health insurance brokerage services for an additional two years effective June 1, 2023 through May 31, 2025.

Fiscal Impact

Funds are included in OCTA's Fiscal Year 2022-23 Budget, People and Community Engagement Division, Human Resources Department, Account No. 1340-7519-A2307-FBE, and is funded through the Local Transportation Fund.

Summary

Staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-0-2078 between the Orange County Transportation Authority and Alliant Insurance Services, Inc., to exercise the two-year option term in the amount of $238,000, to continue providing health insurance brokerage services, effective June 1, 2023 through May 31, 2025. This amendment increases the maximum obligation of the agreement to a total contract value of $580,000.

Attachment

A. Alliant Insurance Services, Inc., Agreement C-0-2078 Fact Sheet

Prepared by:

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Approved by:

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ATTACHMENT A

Alliant Insurance Services, Inc.
Agreement No. C-0-2078 Fact Sheet

1. May 22, 2020, Agreement No. C-0-2078, $342,000, approved by the Board of Directors (Board).

    - Agreement to provide health insurance brokerage services for a three-year initial term effective June 1, 2020, through May 31, 2023, with a two-year option term.

2. May 8, 2023, Amendment No. 1 to Agreement No. C-0-2078, $238,000, pending approval by the Board.

    - Exercise the option term of the agreement effective June 1, 2023, through May 31, 2025.

The total amount committed to Alliant Insurance Services, Inc., under Agreement No. C-0-2078: $580,000.

COMMITTEE TRANSMITTAL

May 8, 2023

To: Members of the Board of Directors

From: Andrea West, Interim Clerk of the Board

Subject: Regional Planning Update

Regional Transportation Planning Committee Meeting of May 1, 2023

Present: Directors Do, Chaffee, Dumitru, Federico, and Harper
Absent: Directors Foley and Khan

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Receive and file as an information item.

May 1, 2023

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Regional Planning Update

Overview

Regular updates on regional planning matters are provided to highlight current transportation planning issues impacting the Orange County Transportation Authority and the Southern California region. This update focuses on the California Department of Transportation, District 12 Interstate 5 Managed Lanes Project and the Southern California Association of Governments' 2024-2050 Regional Transportation Plan/Sustainable Communities Strategy.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) regularly coordinates with other planning and regulatory agencies within the Southern California region. This coordination is conducted at many levels, involving the OCTA Board of Directors (Board), executives, and technical staff. Some examples of the regional planning forums in which OCTA participates include:

- Southern California Association of Governments (SCAG) Regional Council, policy committees, and technical working groups,
- State Route 91 Advisory Committee,
- Regional Chief Executive Officers meetings,
- South Coast Air Quality Management District working groups, and
- Interregional planning coordination meetings (OCTA, SCAG, the San Diego Association of Governments, and the California Department of Transportation [Caltrans] districts 7, 11, and 12).

Staff last provided a regional planning update to the Board in November 2022. Items previously presented and other ongoing regional planning activities are

summarized in Attachment A showing lead agencies, a summary of each activity, key dates, OCTA's interests, and current involvement.

Since the November 2022 update, new activities have emerged, including:

- Caltrans District 12 (Caltrans D12) update on the Interstate 5 (I-5) Managed Lanes Project from State Route 55 (SR-55) to Orange County/Los Angeles County Line (Project), and
- SCAG continued development of the 2024-2050 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS).

A discussion of each of these new activities is provided below.

Discussion

Caltrans I-5 Managed Lanes Project Update

In December 2019, Caltrans D12 provided the first of several managed lanes updates to the Regional Transportation Planning Committee and Board. The presentation covered proposed high-occupancy toll lanes (HOV) in north Orange County, HOV degradation, express lanes on a national scale, express lane benefits, and Caltrans D12 express lanes implementation priorities for Orange County. The update also provided an overview of prior managed lane studies that Caltrans had completed dating back to 2011. This included the completion of the I-5 Managed Lanes Project Study Report from State Route 91 (SR-91) to SR-55. The focus of the presentation was to inform the Board of Caltrans' intent to proceed with the Project Approval and Environmental Document (PA&ED) for the Project.

Following the December 2019 presentation, the Board requested that Caltrans include a non-tolled HOV 3+ alternative in the study. Additionally, OCTA staff requested that Caltrans explore options to avoid conflicts with Measure M2 (M2), Project A by adjusting the project limits to account for its recent completion in 2021. Project A added a second carpool lane in each direction of the I-5 between SR-55 and State Route 57 (SR-57). To formally address these issues and encourage further discussion regarding the project, OCTA submitted a letter to Caltrans D12 (Attachment B) in January 2020. In response, Caltrans D12 included an additional study alternative to evaluate HOV 3+ lanes as well as delayed the start of the PA&ED phase of the study to allow for further alternative analysis.

Caltrans D12 began the PA&ED in May 2022 to study alternatives to provide additional managed lane capacity and potentially convert HOV lanes to tolled express lanes.

In June 2022, OCTA staff provided a comment letter (Attachment C) for Caltrans' D12 Notice of Preparation for a Draft Environmental Impact Report. OCTA staff reiterated that Caltrans D12 should consider alternatives that limit the proposed project's southern terminus to the I-5/SR-57 interchange to avoid conflicts with M2 Project A. OCTA staff also requested consideration of HOV 2+ and HOV 3+ alternatives between SR-57 and SR-91 to avoid potential operational deficiencies and that Caltrans D12 hold monthly project development team meetings for adequate input from stakeholders.

At the April 2023, Regional Transportation Planning Committee and Board meetings, Caltrans D12 staff presented an update on the PA&ED for the proposed Project. The report showed the Project spans 15 miles, crossing through the cities of Anaheim, Buena Park, Fullerton, Orange, Santa Ana, and Tustin.

Caltrans D12 is planning to release the draft PA&ED in summer 2023. OCTA staff is recommending that Caltrans D12 expand stakeholder engagement opportunities, assess project alternatives that do not conflict with committed and/or planned efforts, as well as avoid potential operational deficiencies. Staff will coordinate more closely with Caltrans D12 in the coming months as information from technical studies becomes available. This will ensure that this proposed Project reflects OCTA's input when the draft PA&ED is released for public circulation.

Caltrans D12 is targeting fall/winter 2023 for the final PA&ED. Construction could be complete as early as 2029, based on Caltrans D12's current schedule:

- Begin plans, specifications, and estimates – winter 2023;
- Begin construction – 2025;
- End construction – 2029.

Caltrans D12 has requested that OCTA include the Project in planning and programming documents so Caltrans D12 can complete their environmental analyses and move to the next phase of work. OCTA can move forward with this request as more information becomes available through the environmental process, and as Caltrans D12 identifies a preferred alternative. In addition, as Caltrans D12 moves forward with further project development, OCTA will work with Caltrans D12 to ensure that construction issues, freeway operations at the transition points, local access, operations and tolling policy, funding and financing, distribution of revenues, and other policy issues are fully vetted with the Board for input and direction.

Progress Toward the Development of SCAG's 2024-2050 RTP/SCS

The RTP/SCS documents significant transportation investments in the SCAG region over a 20-year horizon and is required to be updated every four years under state and federal law. The RTP/SCS is a long-range visioning plan that balances future mobility and housing needs with economic and environmental goals. Additionally, the RTP/SCS will identify a combination of transportation and land-use strategies that help the SCAG region achieve state greenhouse gas emission reduction goals and federal Clean Air Act requirements, preserve open space areas, improve public health and roadway safety, and support goods movement. In preparation for the 2024-2050 RTP/SCS, OCTA has been coordinating with SCAG to provide an initial list of projects consistent with the OCTA Long-Range Transportation Plan (LRTP). This initial submittal provides project data to allow SCAG to begin its technical analysis. Coordination will continue throughout the development of the RTP/SCS to make necessary refinements to the Orange County project listing.

The framework for the 2024-2050 RTP/SCS is centered on maintaining and better managing the transportation network. This includes moving people and goods while expanding mobility choices by locating housing, jobs, and transit closer together and increasing investment in transit and complete streets. In alignment with this objective, SCAG initiated the development of three special Regional Council subcommittees designed to explore key issue areas which will be highlighted in the upcoming 2024 RTP/SCS: Racial Equity and Regional Planning, Resilience and Conservation, and Next Generation Infrastructure. The subcommittees met four to five times between September 2022 and February 2023. Each developed respective white papers which outlined subcommittee goals, key findings, and a series of recommendations to guide the ongoing development and policy discussions related to 2024 Connect SoCal. Subcommittee goals and key recommendations are further described below.

Racial Equity and Regional Planning (Attachment D)

Goal: Identify opportunities to advance racial equity through the policies and strategies in Connect SoCal 2024 and to guide how planning and investments over the next 30 years can address and rectify the effects of racially discriminatory policies in the SCAG region.

Key recommendations: Utilize Connect SoCal 2024 as a vehicle to promote racial equity to address historic impacts of systemic racism and coordinate equity centered activities across the region. Incorporate equity centered best practices in data collection and incorporate community perspective in data-informed decision making.

Resilience and Conservation (Attachment E)

Goal: Advance the direction set in the SCAG Regional Council resolution on climate change action. Consider opportunities for enhanced conservation and how Connect SoCal 2024 can support communities to adapt to changing conditions or mitigate risks to become more resilient.

Key recommendations: Define resilience. Prioritize vulnerable populations and communities subject to climate hazards. Build partnerships across multiple sectors, scales, and stakeholders to ensure access of natural and built systems.

Next Generation Infrastructure (Attachment F)

Goal: Provide guidance on the priorities and strategies for Connect SoCal 2024 to reflect rapidly evolving developments across the region specific to future mobility and public policy implications.

Key recommendations: Ensure that deployment of new technologies support the public's needs and larger goals such as advancing equitable access and increasing safety. Prioritize use of public right-of-way for users, especially focusing on the needs of non-single-occupant vehicle users. Continue to invest in system preservation and efficiency, "fix it first." Expand and enhance mobility options by focusing on meeting the needs of existing transit riders, supporting services across transit, active transportation, micromobility, and automobile options.

The respective white papers and associated recommendations were presented to SCAG's Joint Policy Committee for further discussion on March 2, 2023. The intent of these findings is to incorporate the recommendations in the Connect SoCal 2024 planning process across topic areas and further engage with SCAG policy committees and the public.

The development process for the 2024-2050 RTP/SCS is divided into four phases, which include:

- Foundation and framework,
- Data collection and policy development,
- Outreach and analysis, and
- Draft plan creation/adoption.

SCAG is currently in the outreach and analysis phase, anticipated to be complete in summer 2023. OCTA staff will continue to monitor these efforts to ensure the alignment of the LRTP is consistent with SCAG's requirements.

Summary

OCTA is engaged in ongoing regional planning activities in Orange County and Southern California. As drafts of these planning documents are released, staff will review and provide comments as needed to protect the interests of OCTA. Staff will continue to keep the Board informed of the status of these ongoing activities.

Attachments

A: Regional Planning Activities, May 2023
B: Letter from Darrell E. Johnson, Chief Executive Officer, Orange County Transportation Authority, to Ryan Chamberlain, District Director, California Department of Transportation, District 12, dated January 31, 2020, re: Proposed High-Occupancy Toll Lanes in North Orange County
C: Letter from Dan Phu, Sustainability Planning Manager, Orange County Transportation Authority, to Jayna Harris, Associate/Senior Environmental Planner, LSA Associates, dated June 2, 2022; re: Interstate 5 Managed Lanes Project (State Route 55 to Orange County/Los Angeles County Line) Notice of Preparation.
D: SCAG Connect SoCal 2024 Subcommittee Draft White Paper, Racial Equity and Regional Planning
E: SCAG Connect SoCal 2024 Subcommittee Draft White Paper, Resilience and Conservation
F: SCAG Connect SoCal 2024 Subcommittee Draft White Paper, Next Generation Infrastructure

Prepared by:

Angel Garfio
Planning and Analysis
Transportation Analyst, Associate
(714) 560-5822

Approved by:

Kia Mortazavi
Executive Director, Planning
(714) 560-5741

ATTACHMENT A

Regional Planning Activities
May 2023

California Department of Transportation (Caltrans)

	Summary	Key Dates	OCTA Interest	OCTA Role
Interstate 5 (I-5) High-Occupancy Toll (HOT) Lanes	Caltrans District 12 (Caltrans D12) is studying implementation of HOT lanes on I-5 between the Los Angeles County Line and State Route 55. Caltrans D12 finalized a project study report (PSR) and a concept of operations (ConOps) in November 2019 and presented a summary to the OCTA in December 2019. The OCTA Board requested that Caltrans D12 include a high-occupancy vehicle (3+ occupancy) alternative as part of the subsequent environmental studies that are currently underway. Caltrans D12 provided a project update to the OCTA Board in April 2023.	November 2019 – Caltrans D12 finalized ConOps and PSR May 2022 – Caltrans D12 initiated environmental studies for I-5 managed lanes Summer 2023 – Draft project report and environmental document Winter 2023 – Final project report and environmental document Winter 2023 – Begin design 2025 – Caltrans D12 anticipated to initiate construction	Prioritize corridor-wide (general purpose and carpool lanes) operational benefits and reliability. Development of toll policies, integration with adjacent toll facilities, equity considerations, support for transit services, and any necessary mitigation for vehicle miles traveled.	Coordinate executive-level meetings. Assist with planning efforts and provide technical support to Caltrans D12 and other partner agencies throughout development of the ConOps, PSR, and subsequent studies.

Board – Board of Directors
OCTA – Orange County Transportation Authority

Regional Planning Activities
May 2023

Caltrans (continued)

	Summary	Key Dates	OCTA Interest	OCTA Role
2023 California Freight Mobility Plan (CFMP)	Caltrans is developing the 2023 CFMP to provide a long-term vision for the future of freight in California. The CFMP is a comprehensive plan that governs immediate and long-term planning activities and capital investments by the state with respect to freight movement.	March 2023 – Release draft CFMP for three-week public review May 2023 – Submit to Federal Highway Administration (FHWA) July 2023 – Anticipated FHWA approval of CFMP	Ensure OCTA's plans are consistent with the CFMP.	Review and comment on technical documents.
2023 California State Rail Plan (Rail Plan)	The Rail Plan is the strategic funding and programming document for rail in California. In compliance with federal and state laws, the Rail Plan proposes a unified statewide network that aligns needs for passenger and freight service and connects passenger rail to other modes. The plan lays out a strategy for investments and needed steps designed to increase California's economic growth, improve quality of life, improve equity of the state's most vulnerable and impacted communities, and advance the state's ambitious climate action goals.	March 2023 – Release of draft Rail Plan for 60-day public comment period April 2023 – Caltrans to hold public workshops May 2023 – Public comment period ends	Ensure OCTA's rail plans and projects are reflected and consistent with the Rail Plan.	Review and comment on technical documents.

Regional Planning Activities
May 2023

California Air Resources Board (CARB)

	Summary	Key Dates	OCTA Interest	OCTA Role
2022 Scoping Plan for Achieving California's 2030 Greenhouse Gas (GHG) Target	The Scoping Plan identifies how the State can reach 2030 climate targets to reduce GHG emissions by 40 percent from 1990 levels and lay out a path to achieve carbon neutrality by 2045.	June 2021 – Initiation of workshops and meetings on Scoping Plan development Spring 2022 – Completion of workshops and meetings on Scoping Plan development May 2022 – Release of Draft Scoping Plan November 2022 – Release of final Scoping Plan December 2022 – CARB adopted final Scoping Plan	Ensure that OCTA plans or projects are consistent with the state's 2030 GHG targets.	Review and comment on technical documents.

Regional Planning Activities
May 2023

South Coast Air Quality Management District (AQMD)

	Summary	Key Dates	OCTA Interest	OCTA Role
2022 Air Quality Management Plan (AQMP)	The AQMP identifies strategies for achieving attainment with the National Ambient Air Quality Standards in the South Coast Air Basin. The AQMP provides input into the California State Implementation Plan (federally-required air quality plan).	March 2022 – Release draft AQMP March/April 2022 – Regional workshops and environmental scoping meeting May 2022 – Release draft 2022 AQMP July 2022 – Regional hearings August 2022 – AQMD and CARB consideration of AQMP and submittal to Environmental Protection Agency (EPA) December 2022 – Final AQMP adopted by AQMD Governing Board of Directors	Support development of attainment strategies that are within AQMD's regulatory authority. Ensure economic impacts are considered. Minimize impacts to mobility. Ensure 2020 Regional Transportation Plan/ Sustainable Communities Strategy (RTP/SCS) input is accurately incorporated.	Participate in advisory committee meetings. Review and comment on technical documents.

Regional Planning Activities
May 2023

Southern California Association of Governments (SCAG)

	Summary	Key Dates	OCTA Interest	OCTA Role
2024 RTP/SCS	The 2024 RTP/SCS is a federally required transportation planning document. The 2024 RTP/SCS addresses needs over a 20-plus year planning horizon and is constrained by a reasonably foreseeable revenue forecast. It must also demonstrate air quality conformity and GHG emission reductions with budgeted levels set by the United States EPA and CARB. The 2024 RTP/SCS is an update to 2020 RTP/SCS. Commonly known as Connect SoCal 2024.	2021-2022 – Initiate plan development process and establish foundation and frameworks Spring 2022 – Fall 2022 – Data collection and policy development; OCTA to submitted projects consistent with 2022 Long-Range Transportation Plan (LRTP) Winter 2023 – Outreach and analysis Spring 2023 – Draft plan policy discussions Fall 2023 – Draft plan, transportation conformity determination, and environmental document Spring 2024 – OCTA to submit comments on the draft 2024 RTP/SCS; comment response report and plan changes review; final plan, transportation conformity determination, and environmental document	Ensure inclusion of projects identified in OCTA's LRTP. Support policies that are consistent with OCTA positions.	Coordinate with SCAG and other partner agencies. Participate in working groups. Monitor SCAG policy committees. Review and comment on related materials.

Regional Planning Activities
May 2023

SCAG (continued)

	Summary	Key Dates	OCTA Interest	OCTA Role
SoCal Greenprint	SCAG is developing the SoCal Greenprint tool, a conservation mapping tool that highlights the benefits of natural lands, waters, and agricultural lands, including access to parks and trails, habitat protection and connectivity, clean water, clean air, food production, and increased resilience to climate change. SCAG is currently establishing a Technical Advisory Committee (TAC). The TAC will establish data guidelines, parameters, and criteria for the SoCal Greenprint tool that align with SCAG's Regional Advance Mitigation Program Policy Framework and RTP/SCS PEIR mitigation measures.	June 2023 – Formation of TAC June 2023 – Consultant selection for development of SoCal Greenprint Tool June-August 2023 – TAC will convene once per month Fall/Winter 2023 – Begin development of Greenprint tool June 2024 – completion of Greenprint tool	Monitor and provide input to ensure OCTA's environmental mitigation programs and policies are considered and not impacted	Review and comment on related materials.

PEIR – Programmatic Environmental Impact Report

Regional Planning Activities
May 2023

Los Angeles County Metropolitan Transportation Authority (Metro)

	Summary	Key Dates	OCTA Interest	OCTA Role
2028 Olympics	The Greater Los Angeles Area must begin preparing for the 2028 Olympics. This will include more involved coordination efforts between OCTA, Metro, and other planning agencies in the area. Metro's draft initial project list (210 total projects) is comprised of the following: • Congestion reduction (34 projects) • First-last mile and active transportation (32 projects) • Bus (32 projects) • Rail (56 projects) • Systemwide (25 projects) • Regional rail (17 projects) • Goods movement (14 projects)	December 2020 – Metro Board of Directors approved Mobility Concept Plan April 2022 – Mobility Concept Plan presented to stakeholders To Be Determined (TBD) – Submittal of project list for consideration by the Games Mobility Executives TBD – Metro Board of Directors approval of project list	Coordinate with Metro and the City of Los Angeles as preparations begin for the 2028 Olympics. Monitor development of financing/ funding strategy and potential implementation of program of projects.	Coordinate with Metro and other partner agencies.
Metro L (Gold) Line Eastside Transit Corridor Phase 2	Environmental process and advanced conceptual engineering for extending the Metro L (Gold) further east from its current terminus at Pomona Boulevard and Atlantic Boulevard in East Los Angeles potentially through the cities of Commerce, Montebello, Pico Rivera, Santa Fe Springs, Whittier, and the unincorporated communities of East Los Angeles and West Whittier-Los Nietos.	February 2020 – Metro Board of Directors approved proceeding with the California Environmental Quality Act only for the project's environmental process and withdrawing the State Route 60 and combined alternatives from further consideration in the environmental study 2023 – Anticipated completion of environmental process 2028 – Completion of final design 2029 – Start of construction 2035 – Phase 2 in service	Support alternatives that create potential for future connections into Orange County.	Monitoring.

Regional Planning Activities
May 2023

Metro (continued)

	Summary	Key Dates	OCTA Interest	OCTA Role
West Santa Ana Branch Transit Corridor Project	In January 2022, Metro Board of Directors approved Los Angeles Union Station as the northern terminus and the 14.8-mile route from Slauson/A (Blue) Line to Pioneer Boulevard in the City of Artesia as the locally preferred alternative for the initial segment between the City of Artesia and downtown Los Angeles. The new light rail transit line will connect downtown Los Angeles to southeastern Los Angeles County, which could provide potential for a future extension into Orange County along the Pacific Electric right-of-way.	July 2021 – Draft environmental document for public comment January 2022 – Selection of a locally preferred alternative and project terminus 2041 – Anticipate opening service of initial segment	Support alternatives that create potential for future connections into Orange County.	Monitoring.

Regional Planning Activities
May 2023

Transportation Corridor Agencies (TCA)

	Summary	Key Dates	OCTA Interest	OCTA Role
Transportation Control Measure (TCM) substitution	TCA is seeking to remove the TCM designation from three portions of TCA facilities: 1) the San Joaquin Hills Transportation Corridor (ORA10254), 2) the Eastern Transportation Corridor (ORA050), and 3) the Foothill Transportation Corridor-North (ORA051). TCA is working with OCTA and SCAG on the formal substitution and participated in interagency consultation through SCAG's Transportation Conformity Working Group (TCWG).	Summer 2020 – Initiated substitution process with SCAG June 2020 – Presentation to SCAG TCWG June 2021 – Presentation to SCAG TCWG August 2021 – Presentation to the SCAG TCWG February 2022 – Presentation to the SCAG TCWG April 2022 – Present to the SCAG Energy and Environment Committee (EEC) for approval May 2022 – Present to the SCAG Regional Council for approval November 2022 –CARB and EPA concurrence	Avoid potential impacts to regional transportation funding.	Coordinating with SCAG and TCA.

Regional Planning Activities
May 2023

OCTA

	Summary	Key Dates	OCTA Interest	OCTA Role
Express Lanes Network Study	The OCTA 2018 LRTP's Short-Term Action Plan recommended an Express Lanes Network Study to identify planning and policy positions in response to an initiative by Caltrans D12 to implement express lanes in Orange County. The study will establish OCTA's priorities for tolled express lanes implementation by evaluating quantitative and qualitative factors against stated goals and objectives to determine a preferred approach.	May 2019 – Study initiated December 2019 – Study update presented to OCTA Board Fall 2022 – Draft recommendations on a preferred approach for next steps to be presented to OCTA Board	Establish OCTA's priorities for tolled express lanes.	Study effort led by OCTA.

Regional Planning Activities
May 2023

OCTA (continued)

	Summary	Key Dates	OCTA Interest	OCTA Role
South Orange County Multimodal Transportation Study (SOCMTS)	SOCMTS is a strategic transportation study that will consider transportation needs of residents, commuters, and visitors to the area. Through collaboration with local stakeholders, the study will identify a broad range of improvement recommendations for all modes of transportation, including streets, transit, freeways and bikeways. The study will address south Orange County's mobility needs through the year 2045 and beyond. Study objectives • Work collaboratively with stakeholders • Leverage all modes of transportation • Address long-term mobility needs • Develop consensus on a set of transportation improvements across all modes	Summer/Fall 2020 – Phase 1: Identify issues and opportunities; develop purpose and need; and develop initial alternative strategies August 2020 – Study update presented to OCTA Board Winter 2020 - Spring 2021 – Phase 2: Analysis of alternative strategies February 2021 – Study update presented to OCTA Board Summer 2021 - Summer 2022 - Phase 3: Further analysis of reduced set of alternative strategies; recommend a locally preferred strategy June 2022 – Study update to be presented to OCTA Board Fall 2022 – Approved by OCTA Board	Establish a locally preferred strategy for south Orange County.	Study effort lead by OCTA.

Regional Planning Activities
May 2023

OCTA (continued)

	Summary	Key Dates	OCTA Interest	OCTA Role
State Route 91 (SR-91) Comprehensive Multimodal Corridor Plan	This study explored opportunities to improve mobility options and provide transportation choices on and around the corridor while preserving the character of the local communities.	January 2022 – Study initiated February-April 2022 – Public engagement May 2022 – Draft plan Fall 2022 – Final plan	Improving the SR-91 corridor in a manner that is consistent with sales tax measures of Orange and Riverside counties, as well as previously completed studies.	Study effort lead by OCTA, in partnership with the Riverside County Transportation Commission, and in coordination with Caltrans, TCA, and corridor cities.
TCM Substitution	The County of Orange has cancelled the Hazard Avenue Bikeway Project (ORA170205), which is a committed TCM. Additionally, schedule updates to two OCTA projects (Placentia Commuter Rail Transit Station [ORA030612] and Paratransit Expansion Vehicle Purchase [ORA130099]) also require TCM substitutions. OCTA is working with SCAG on next steps, including a formal substitution for the two OCTA projects. The bikeway project will follow an administrative substitution process. OCTA will participate in interagency consultation on TCM substitutions through the SCAG TCWG.	June 2021 – Presentation to SCAG TCWG February 2022 – Presentation to SCAG TCWG April 2022 – Presentation to SCAG TCWG June 2022 – Present to SCAG EEC for approval July 2022 – Present to SCAG Regional Council for approval February 2023 –CARB and EPA concurrence	Avoid potential impacts to regional transportation funding.	Coordinating with SCAG.

ATTACHMENT B

OCTA

AFFILIATED AGENCIES

Orange County Transit District

Local Transportation Authority

Service Authority for Freeway Emergencies

Consolidated Transportation Service Agency

Congestion Management Agency

January 31, 2020

Mr. Ryan Chamberlain
District Director
California Department of Transportation, District 12
1750 East Fourth Street, Suite 100
Santa Ana, CA 92705

Subject: **Proposed High-Occupancy Toll Lanes in North Orange County**

Dear Mr. Chamberlain:

At the December 9, 2019, Orange County Transportation Authority (OCTA) Board of Directors (Board) meeting, the California Department of Transportation (Caltrans) provided a presentation on proposed high-occupancy toll (HOT) lanes in north Orange County. Following the presentation, the Board requested Caltrans include a non-tolled high occupancy vehicle (HOV) 3+ alternative in future studies for Interstate 5 (I-5) managed lanes between State Route 55 (SR-55) and the Los Angeles County line. In addition, prior staff comments requested Caltrans explore alternatives north of State Route 57 (SR-57) to the Los Angeles County line to avoid conflicts with the Measure M HOV lanes currently under construction between SR-55 and SR-57. This project, known as Project A in the voter pamphlet, is adding a second carpool lane in each direction in this I-5 section and was environmentally cleared as an HOV project in 2015.

OCTA is very concerned that various Caltrans HOT lane proposals directly conflict with the Measure M freeway program and would result in a breach of trust and broken promises between OCTA and the Orange County voters. Therefore, we urge Caltrans to reconsider the timing of future HOT lane studies until such time the OCTA Board provides specific direction on a tolled express lane network in Orange County. OCTA staff expects to bring forward potential express lane phasing options and related policies for Board consideration by June 2020.

OCTA appreciates the time and effort you and your staff invested in the December 9, 2019 presentation. However, we believe a policy discussion and Board decision must precede HOT lane project development efforts. OCTA welcomes Caltrans participation in these discussions over the next few months.

Please direct any follow-up to Kia Mortazavi, Executive Director, Planning, at (714) 560-5741 or kmortazavi@octa.net.

Sincerely,

Darrell E. Johnson
Chief Executive Officer

DEJ:sc

c: Lan Zhou, Caltrans
OCTA Board of Directors
Kia Mortazavi, OCTA

ATTACHMENT C

OCTA

AFFILIATED AGENCIES

Orange County Transit District

Local Transportation Authority

Service Authority for Freeway Emergencies

Consolidated Transportation Service Agency

Congestion Management Agency

June 2, 2022

Ms. Jayna Harris
Associate/Senior Environmental Planner
LSA Associates
20 Executive Park, Suite 200
Irvine, CA 92614

Subject: **Interstate 5 Managed Lanes Project (State Route 55 to Orange County/Los Angeles County Line) Notice of Preparation**

Dear Ms. Harris:

The Orange County Transportation Authority (OCTA) appreciates the opportunity to review the Notice of Preparation (NOP) for the Interstate 5 (I-5) Managed Lanes Project. Although the Department of Transportation (Caltrans) has addressed some of OCTA's previously communicated comments (attached), the following additional input is provided for your consideration.

1. Caltrans and OCTA have completed construction of the Measure M2 (Orange County's half-cent transportation sales tax initiative) project to add a high occupancy vehicle (HOV) lane in each direction on I-5 between State Route 55 (SR-55) and State Route SR-57 (SR-57). With two HOV lanes now operating in each direction from SR-55 to SR-57, the need to address managed lane degradation should not apply to this segment. Caltrans should consider alternatives that limit the project's southern terminus to the I-5/SR-57 interchange.
2. Conversion of HOV lanes to express lanes between SR-55 and SR-57 (Alternatives 3 and 4A/4B) would conflict with the aforementioned project which is a commitment to Orange County voters and investment of taxpayer dollars.
3. OCTA requests consideration of HOV 2+ and HOV 3+ alternatives that include added managed lane capacity between SR-57 and State Route 91 (SR-91).
4. The proposed project's capacity expansion could lead to an operational conflict with existing capacity limitations north of the I-5/SR-91 interchange and at the Orange/Los Angeles County line, which may result in new bottlenecks, operational deficiencies, and reduced travel time reliability.
5. We strongly urge Caltrans to hold monthly project development team meetings so that stakeholders such as OCTA are given the opportunity to provide meaningful input.

6. Per prior correspondence, Caltrans does not intend to extend the NOP comment period, as previously requested by OCTA, and we appreciate Caltrans' willingness to include all comments received after the NOP comment period as part of the administrative records. However, OCTA's preference remains that Caltrans formally extend the NOP comment period to enable stakeholders to continue to be engaged in the process.
7. OCTA plans to bring this project to the Regional Planning & Highways Committee and Board of Directors meeting on June 6 and June 13, respectively. Any additional input from either of these meetings will be conveyed through subsequent correspondence. Therefore, it would be prudent for Caltrans to extend the NOP comment period for an additional 15 days.

OCTA looks forward to close communication with Caltrans throughout the Project Approval/Environmental Document process. If you have any questions, please feel free to reach me at (714) 560-5907 or dphu@octa.net.

Sincerely,

Dan Phu
Sustainability Planning Manager

DP:aa
Attachment

c: Chris Flynn, Caltrans District 12
Smita Deshpande, Caltrans District 12

SCAG
INNOVATING FOR A BETTER TOMORROW

CONNECT SoCal

Connect SoCal 2024 Subcommittee Draft White Paper

RACIAL EQUITY & REGIONAL PLANNING

Connect SoCal 2024 Subcommittee Draft White Paper

RACIAL EQUITY & REGIONAL PLANNING

Attachment: Racial Equity and Regional Planning Subcommittee White Paper (Connect SoCal 2024 Update)

INTRODUCTION

SCAG is currently developing Connect SoCal 2024. Three special Regional Council subcommittees have been created around Next Generation Infrastructure, Resilience and Conservation, and Racial Equity and Regional Planning. Each subcommittee met between September 2022 and January 2023, to identify recommendations that will inform how these emerging issues are addressed in Connect SoCal 2024.

The Racial Equity and Regional Planning Subcommittee was convened to respond to the following policy questions:

- What are the opportunities to advance racial equity through the policies and strategies in Connect SoCal? and
- How can Connect SoCal guide how planning and investments over the next 30 years can address and rectify the effects of racially discriminatory policies in the SCAG region?

The Racial Equity and Regional Planning Subcommittee convened four times between September 2022 and January 2023. Through the course of the Racial Equity and Regional Planning Subcommittee meetings, staff brought forth content and experts in the field to ground how SCAG could approach racial equity in Connect SoCal by first recognizing the history and current day prevalence of systemic racism, outlining how it has manifested in inequitable outcomes across the region, and uplifting a series of best practices and resources that SCAG can explore to advance racial equity in the Connect SoCal 2024.

SUBCOMMITTEE FOUNDATIONS

In July 2020, the SCAG Regional Council adopted Resolution No. 20-623-2 affirming that systemic racism is a human rights and public health crisis which results in disparities in family stability, health and mental wellness, education, employment, environmental justice, economic development, transportation, public safety, incarceration, and housing and reaffirming its commitment to advancing justice, equity, diversity, and inclusion in Southern California. The resolution directed a series of comprehensive actions that were grounded in building awareness, competency, and impact around racial equity in the SCAG region.

Of note, the resolution spurred the formation of the Special Committee on Equity and Social Justice in 2019 that led the development of the Racial Equity Early Action Plan in 2019. The Racial Equity Early Action Plan defined racial equity for SCAG and included a series of goals, strategies and actions grounded in building staff awareness and education, data, engagement, and economic activity. Informed by research, best practices, peer agency review, the Racial Equity Early Action Plan identified leading with racial equity as a focal point in addressing the pervasive and deep inequities faced by people of color across the region. SCAG recognizes that challenging racism is essential if

SCAG is to support the creation of a just and equitable society. Though all dimensions of equity are not addressed in the plan, by focusing on race, SCAG staff will develop the skills needed to address inequities faced by other marginalized groups based on gender, sexual orientation, ability and age, among others. A comprehensive status report on these efforts is included on SCAG's website.

The Connect SoCal Subcommittee on Racial Equity and Regional Planning was formed to explicitly focus and seek board direction on strategies to "Center Racial Equity in Regional Policy and Planning," which is one of the four goals identified in SCAG's Racial Equity Early Action Plan. Connect SoCal provides a regional vision for integrating land-use and transportation for increased mobility and more sustainable growth and serves as the guiding policy document for local planning and transportation funding across the region. Therefore, ensuring that Connect SoCal's goals, policies and metrics are centered on racial equity is critical to integrating and institutionalizing the Regional Council's commitment to advancing justice, equity, diversity, and inclusion in Southern California through regional planning.

SUBCOMMITTEE: DISCUSSION & KEY FINDINGS

DISCUSSION

The Racial Equity and Regional Planning Subcommittee met four times between September 2022 and January 2023. Each meeting included a presentation from SCAG staff, presentations from experts in the field, facilitated dialogue by Mr. Charles T. Brown, founder and principal of Equitable Cities, and feedback collected from Subcommittee members. The meeting topics included:

- **Historic and Contemporary Impacts of Systemic Racism in the United States**
  With a focus on housing and transportation, the first meeting examined the historic and contemporary impacts and outcomes of systemic racism in the United States. The content provided a national and historic perspective that illustrated the breadth of the systems that have created and perpetuated systemic racism across the country at every level of government.

  Despite both the ratification of the 14th Amendment in 1868, intended to provide equal protection under the law, and the 15th (1870) and 19th (1920) Amendments, which guaranteed citizens the right to vote, people of color have consistently not seen the full benefits of these rights. In 1896, the United States Supreme Court upheld the constitutionality of "separate but equal" laws in the case of Plessy v. Ferguson, ushering in the Jim Crow Era of racial segregation and disenfranchisement. During this era, major expansions in transportation infrastructure were encouraged by a stimulus of federal funding in California. In 1911, the newly established California Highway Commission implemented federal policy direction toward the creation of the Interstate Highway System, which included the 1921 and 1944 Federal Aid Highway Acts. The Commission determined project locations, and both state and local officials routed new freeways through existing communities of color, displacing thousands of households through eminent domain. Much of this freeway construction was in service of a suburban housing boom that was explicitly segregationist. Racist policies and decisions also influenced the siting of other types of transportation infrastructure, such as commuter railways, and the delivery of transit services.

  The content included a viewing of *Segregated by Design*, a short video that summarizes the book *The Color of Law*, which provides a historic overview of how systemic racism shaped housing policies and access to housing, homeownership opportunities for people of color, and racial segregation in the United States.

Attachment: Racial Equity and Regional Planning Subcommittee White Paper (Connect SoCal 2024 Update)

Segregated by Design highlighted how federal policies across the nation caused displacement of established and thriving Black communities for major infrastructure and public works projects. In addition, the video highlighted how a series of specific actions by the governmental actors, at all levels, across the nation, created segregated communities. For example, the United States Housing Authority of the New Deal Programs resulted in public housing projects that segregated different racial and ethnic groups. Another example was a program by the Federal Housing Administration which subsidized the development of suburbs with the requirement that the homes could only be sold to white families and the inclusion of deed restrictions that prohibited resale to African American families.

The meeting also included a presentation by Ms. Beth Osborne, Director of Transportation for America, on transportation and racial equity. Ms. Osborne highlighted the importance of roadway design and how it could create dangerous conditions for the most vulnerable users. She highlighted the increase in pedestrian fatalities (62%) between 2009-2020 and the higher risk for people of color, especially for Black and Native American pedestrians and those from low-income households.

- **Impacts and Outcomes of Systemic Racism in the SCAG region**

  Building on the historic perspective that was offered in the first meeting, the second Subcommittee meeting focused on the current day impacts and outcomes of systemic racism in the SCAG region. Content included a presentation on the updated *Racial Equity Baseline Conditions Report* that was published in 2019 and later updated in 2022. The Baseline Conditions Report highlights demographic information and important regional data on the economy, communities, mobility, the environment, and wherever possible, disaggregation of the data by race/ethnicity. The report is significant in furthering SCAG's racial equity work because it memorializes how communities across the region are faring around the above topic areas. In addition, the report disaggregates data by race/ethnicity which allows for an assessment of how people from different racial and ethnic groups are impacted around the various indicators.

  A few compelling SCAG region indicators and outcomes include:

  - Hispanic/Latinx (40%), Native American (39%), and Black households (38%) experience the highest poverty rates, almost twice the rates of White Households (20.2%), who have the lowest rates in the region.
  - Hispanic/Latinx full-time workers (29%) are three times more likely to be living in poverty than White full-time workers (10%).
  - Hispanic/Latinx Households have the highest Housing Cost Burden of any racial/ethnic group in the region with 42% of renters and 16.2% of homeowners experiencing a housing cost burden (meaning that 30% of more of household income goes towards housing cost). This is in comparison with 24.2% of White Households who are renters and 9.4% of White Households who are renters who experience a housing cost burden.
  - Black households have the lowest homeownership rates at 36% in the region, compared to White households with the highest at 61%.
  - Hispanic/Latinx households make up the largest percentage of residents living in census tracts with the highest CalEnviroScreen scores (highest environmental/pollution burden) in comparison to White Households who disproportionately live in the areas with the lowest percentile (least environmental/pollution burden).

Attachment: Racial Equity and Regional Planning Subcommittee White Paper (Connect SoCal 2024 Update)

Beyond the Baseline data, the Connect SoCal 2024 Plan will also include Equity Performance Measures. The proposed measures are organized around the economy, communities, mobility, and the environment. Sample measures include neighborhood change and displacement, share of transportation system usage, resilience and climate vulnerabilities, and public health impacts.

The meeting also included presentations from two community-based organizations (CBOs)/community partners, Just San Bernardino (Just SB) and Santa Ana Active Streets (SAAS). The community partners were invited to share their work to uplift the importance of equitably integrating the community perspective in ground-truthing data, meaningfully engaging vulnerable and marginalized people and communities, and working with stakeholders to identifying community needs, assets, and solutions.

- **Best Practices for Mitigating the Impacts of Systemic Racism**

  The third Racial Equity and Regional Planning Subcommittee meeting focused on best practices and strategies for mitigating impacts of systemic racism. The meeting started with a staff update on the Racial Equity Early Action Plan, followed by presentations by three guest speakers.

  – **Racial Equity Early Action Plan:** The Racial Equity Early Action Plan includes a series of activities for SCAG to advance racial equity in the region. For example, SCAG has funded several initiatives that have advanced equitable engagement and partnerships with Community Based Organizations and community leaders. The Call for Collaboration is funded by REAP 1, in partnership with three foundations. SCAG provided $1 million of its REAP 1.0 funding to develop a program that provided capacity-building technical assistance and grants to non-profits and CBOs. Fifteen organizations were invited to engage in land use planning efforts that support the acceleration of housing production, with an emphasis on ensuring principles of equity are included in planning processes, new funding programs, and policies.

    The Go Human Program completed its Mini Grant Program, which aimed to build street-level community resiliency and increase the safety of people most harmed by traffic injuries and fatalities, prioritizing Black, Indigenous and People of Color; people with disabilities; and frontline workers, particularly those walking and biking. The program emphasized community-driven co-creation and community engagement. Go Human awarded more than $350,000 to 26 CBO-identified and led projects, directly engaging more than 300,000 people.

    In addition, SCAG is in process of developing the Sustainable Communities Program Call 4, the Call for Civic Engagement, Equity, and Environmental Justice which will prioritize resources in historically disinvested areas and communities most impacted by adverse public health outcomes and air quality impacts. This program will catalyze planning activities to support housing, GHG and VMT reduction, advance equity and environmental justice, and provide needed funding to communities with the highest need.

    Addressing poverty and access to economic opportunity is one of the most impactful ways to address racial inequities. In July 2021 SCAG adopted the Inclusive Economic Recovery Strategy (IERS). The guiding principles for the IERS are: (1) center on racial and gender equity with regard to economic opportunity; (2) rebuilding the region's middle class; (3) contributing to a climate-ready region; (4) tailoring strategies to meet both regional factors and specific needs for targeted industries; and (5) reflect new and diverse voices. As a result of one-time State funding, SCAG created a limited-term Department of Inclusive

Attachment: Racial Equity and Regional Planning Subcommittee White Paper (Connect SoCal 2024 Update)

Economic Growth that is responsible for implementing targeted economic and workforce development projects that were direct recommendations from the IERS. These projects will expand access to economic opportunity in the region by centering the community in identifying pathways to quality jobs, promoting inclusive government contracting, and by building the business case for equity.

- **Ms. Jocelyn Gibson, Sr. Consultant, ZoneCo:** Ms. Gibson was the first speaker following the staff presentation on the Racial Equity Early Action Plan. She is an experienced city planner with extensive public and private sector planning, zoning, and commercial real estate experience. Ms. Gibson's presentation highlighted the history of zoning and how its roots are infused with racism and the intent to segregate people. Of note, the presentation highlighted the confluence of a series of actions that included policies that terrorized black families who moved into white neighborhoods, the destruction of property, racial covenants, race-based zoning, redlining, and housing finance, urban renewal, real estate practices that have shaped the segregation, housing, and wealth inequities that exist today.

  The equity-centered best practices that were discussed by Ms. Gibson focused on procedures, standards, and policies. For example, Ms. Gibson highlighted the value of limiting subjective review, requiring that public engagement is representative of the community, and that appointed bodies are representative of the community to ensure that a multitude of perspectives inform decision making. Zoning standards that were recommended to advance racial equity included promoting housing diversity in all zoning districts where residential uses are appropriate, removing parking minimums, and ensuring equal access to food, services, amenities, and public goods. Finally, policy recommendations included ensuring that equity-driven policy level frameworks at the general plan level related to the zoning level implementation tools.

- **Dr. Andre Perry, Senior Fellow, Brookings Metro:** Dr. Perry is a Senior Fellow at Brookings Metro, a scholar-in-residence at American University, and a professor of practice of economics at Washington University. A nationally known commentator on race, structural inequality, and education, Dr. Perry is the author of the book "Know Your Price: Valuing Black Lives and Property in America's Black Cities".

  Dr. Perry's presentation focused on the *Black Progress Index: Examining the social factors that influence Black well-being*. The research-based tool looked at life expectancy for black people from 1200 major black cities and metropolitan areas across the United States. The Black Progress Index highlighted, through research, the places where black people are thriving most and the social predictors that are in place.

  In the presentation, Dr. Perry highlighted the 13 key predictors of life expectancy that can generally be categorized around environmental quality, family health, human and social capital, safety, and wealth. Examples of these indicators include percent of black foreign-born adults, black higher educational attainment, black household income, black homeownership rates, black commuting via walking/biking, and black business ownership rates. The tool is a valuable resource because if uplifts the places where black people thrive in the United States and the factors that are in place to support this.

- **Mr. Christopher Coes, Assistant Secretary for Transportation Policy, U.S. Department of Transportation, Office of the Secretary:** Mr. Christopher Coes serves as the Assistant Secretary for Transportation Policy in the Office of the Secretary. Mr. Coes presented on Justice40 Program, which

Attachment: Racial Equity and Regional Planning Subcommittee White Paper (Connect SoCal 2024 Update)

established a commitment that 40% of federal investments and benefits will go to communities who have been overburdened with environmental justice harm and underserved from federal investments.

Mr. Coes highlighted that Justice40 is centered around seven areas, 39 funding programs, across five modes, and totaling $204 billion. The presentation included an overview of the process that U.S. DOT is pursuing to carry out Justice40 including the key indicators that they are using to define disadvantaged communities and how Metropolitan Planning Organizations (MPOs) could use the indicators to identify Justice40 communities in their region. Mr. Coes highlighted that MPOs should incorporate housing, land use, and equitable economic development in their transportation planning processes and identify and prioritize the areas in the region who have experienced the greatest harm, identify a baseline and strategy for how to address those needs, identify the projects that will help address those needs, and focus on project delivery.

The content from the Racial Equity and Regional Planning Subcommittee meetings included a wealth of information for subcommittee members to identify opportunities for integrating racial equity in Connect SoCal 2024. The feedback received from subcommittee members is summarized in the Key Findings section with the recommendations included in the following Subcommittee Recommendations section.

KEY FINDINGS

The overarching task of the Racial Equity and Regional Planning Subcommittee was to identify:

- What are the opportunities to advance racial equity through the policies and strategies in Connect SoCal? and
- How can Connect SoCal guide how planning and investments over the next 30 years can address and rectify the effects of racially discriminatory policies in the SCAG region?

Each of the subcommittee meetings included facilitated discussion led by Mr. Charles T. Brown of Equitable Cities with feedback collected at each meeting. The Racial Equity and Regional Planning subcommittee presentations and subsequent discussions highlighted the following key findings:

- Break down silos across governmental agencies and equity efforts.
- Important to identify short to long term recommendations and measure success.
- Systemic racism has shaped housing and transportation policy, funding, and implementation in the region.
- Housing cost burden (rental and ownership) is highest for households of color.
- People of color have lower homeownership rates in the region, with Black households experiencing the lowest homeownership rates.
- Predatory real estate practices have undervalued homes in black neighborhoods.
- Mobility infrastructure varies across the region (commuter community versus dense/transit rich community). However, the need to create walkable places is needed across the region.

Attachment: Racial Equity and Regional Planning Subcommittee White Paper (Connect SoCal 2024 Update)

- Need to identify economic development strategies to address poverty in the region, including employment opportunities for nonviolent offenders, contracting opportunities for people of color, improve wages and career ladders, and engaging the business community.
- There is a need to assess how to improve health outcomes for people of color.
- Environmental Injustice most negatively affects communities of color, with Latinx most affected in the region.
- Need to identify strategies to collect and use data and science to support black and brown communities in improving outcomes including affordable housing and mobility.
- Data should be disaggregated beyond racial/ethnic categories, identify historic trends, be shared widely, and vetted with affected communities. Essential to understand the underlying issues that are creating negative outcomes in communities of color.
- Need to include diversity and representation in jurisdictional staffing and decision making.
- Need to identify how to effectively engage affected disadvantaged communities and communities of color.
- Need to develop inclusive engagement practices, with accountability, that facilitate participation of historically underrepresented and marginalized groups.
- Need to document historic inequities as part of planning processes.
- Need to consult with indigenous and other marginalized people, beyond required consultation in environmental process.
- Broadly communicate SCAG's equity work.
- There is a need to analyze equity for SCAG and support jurisdictions to do this assessment.

SUBCOMMITTEE RECOMMENDATIONS

One of the most significant opportunities that SCAG has to advance racial equity is to first acknowledge that SCAG has a role in advancing racial equity. SCAG is in a unique position to advocate, convene, coordinate, and prioritize the implementation of racial equity-centered initiatives across the region. As the largest MPO in the United States, the infusion of racial equity policy direction in Connect SoCal will have a transformative impact in the region that will shape planning and investments that are grounded in recognition of historic harms with a keen focus on addressing inequities and prioritizing resources in the communities with the greatest need.

The following recommendations were informed by the feedback received at each of the Racial Equity and Regional Planning Subcommittee meetings. Given the intersectionality of racial equity, the recommendations are cross cutting and are centered on pursuing equitable processes and outcomes across all Connect SoCal topic areas.

1. Connect SoCal 2024 will be a vehicle to promote racial equity (as defined in the Racial Equity Early Action Plan), to address the historic impacts of systemic racism and coordinate and implement equity centered activities across the region.
2. Embed a racial equity lens in Connect SoCal implementation, prioritize equity as a process and outcome that benefits and reduces burdens for the most disadvantaged communities and people across the region, and identify opportunities to measure and track success and lessons learned.
3. Incorporate equity centered best practices in data collection to ensure that data assessments reflect community needs, disaggregate data by race/ethnicity and other important demographic factors, ground

Attachment: Racial Equity and Regional Planning Subcommittee White Paper (Connect SoCal 2024 Update)

truth data, widely distribute data to impacted stakeholders, and incorporate community perspective in data-informed decision making.

4. Break down silos-within SCAG and among other local, regional, and federal agencies that are doing equity-centered work, for example State Reparations Effort and Justice40.
5. Prioritize community-centered interventions, resources, and programming that serve the most disadvantaged communities and people in the region with strategies that can be implemented in the short-to-long-term.
6. Identify and target communities that are vulnerable to displacement and work towards stabilizing communities and increase access to housing that meets the needs of the region, with an emphasis on preserving and producing affordable housing, increasing homeownership opportunities, and reducing housing cost burden (for renters and homeowners), with a focus on the communities with the greatest need.
7. Incorporate equity-centered economic activities that increase access to opportunity and living wages for disadvantaged communities and individuals who face barriers to employment and economic mobility.
8. Increase equitable, inclusive, and meaningful representation and participation of people of color and disadvantaged communities in SCAG led and funded planning processes.

Beyond the above recommendations the following conceptual preliminary strategies are recommended for further consideration as regional policy priorities and/or implementation strategies for the plan:

1. Develop an agencywide Community Based Organization Partnering (CBO) Strategy that outlines tools and resources for partnering with CBOs to increase inclusive and equitable engagement opportunities.
2. Develop a Restorative Justice Pilot Program that prioritizes comprehensive solutions, capacity building, engagement, planning, and investment in the most underserved communities in the region (1 in each county in pilot phase).
3. Develop an Equity Assessment Tool that can be utilized by SCAG in program development and delivery and a complementary tool that can be incorporated into local assistance/subrecipient programming and delivery.
4. Identify, align with appropriate State and Federal partners, and utilize equity-centered measures to track outcomes, progress, and lessons learned on Connect SoCal implementation.
5. Identify innovative homeownership models that can reduce costs and increase housing production in the region and identify strategies to engage households of color that are underrepresented as homeowners.
6. Develop and deploy community stabilization (anti-displacement) resources that can be utilized to address displacement pressures for communities across the region and Affirmatively Further Fair Housing.
7. Deploy actions that expand access to training and employment, with an emphasis on lower income communities, communities of color, and others facing barriers to employment.
8. Implement strategies that support the creation and expansion of small, minority-, woman-, and veteran-owned businesses in the region.
9. Develop a resource guide and training for equitable stakeholder engagement for public agencies, including SCAG, that is culturally relevant, recognizes community contexts and histories, existing community resources and engagement opportunities, and inclusion of cultural and racial/ethnic groups.

Attachment: Racial Equity and Regional Planning Subcommittee White Paper (Connect SoCal 2024 Update)

The above list of conceptual strategies are preliminary ideas of how the recommendations move forward. Further assessment and evaluation of the policy recommendations and concept strategies will be explored through the SCAG Policy Committees and the Connect SoCal 2024 stakeholder engagement process.

NEXT STEPS

These recommendations are intended to inform the on-going development of the Connect SoCal Policy Development Framework to provide direction for addressing emerging and cross-cutting issues in Connect SoCal 2024. They will be considered by the Joint Policy Committee alongside recommendations from the Next Generation Infrastructure Subcommittee and the Resilience and Conservation Subcommittee in March. The scope of the subcommittee discussions also illuminated opportunities for broader recommendations to inform SCAG's work both in Connect SoCal implementation and other program areas.

Attachment: Racial Equity and Regional Planning Subcommittee White Paper (Connect SoCal 2024 Update)

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CONNECT SoCal

Connect SoCal 2024 Subcommittee Draft White Paper

RESILIENCE AND CONSERVATION

Connect SoCal 2024 Subcommittee Draft White Paper

RESILIENCE AND CONSERVATION

Attachment: Resilience and Conservation Subcommittee White Paper (Connect SoCal 2024 Update)

INTRODUCTION

SCAG is currently developing Connect SoCal 2024. Three special Regional Council subcommittees have been created around Next Generation Infrastructure, Resilience and Conservation, and Racial Equity and Regional Planning. Each subcommittee met four times between September 2022 and January 2023, to identify recommendations that will inform how these emerging issues are addressed in Connect SoCal 2024.

The purpose of the Resilience & Resource Conservation Subcommittee is to advance the direction set in the SCAG Regional Council Resolutions on Climate Change Action (21-628-1) and Water Action (22-647-3) to consider opportunities for enhanced conservation and how Connect SoCal can support our communities in adapting to changing conditions or mitigating risks to become more resilient in the context of future growth, as well as to identify and integrate policies and strategies to align investments in water infrastructure with housing needs and the adopted growth forecast and development pattern featured in Connect SoCal 2024.

By 2050, the SCAG region is anticipated to grow by an additional 1.7 million people, with a significant 15% increase in employment. Further, the region is expected to experience shocks and stressors related to climate change, such as more intense wildfires, drought, extreme heat and rising sea levels, as well as seismic events that will negatively impact the region's public health, welfare, and the greater economy. Our region's built environment, natural and social systems, as well as the greater economy could be significantly affected by these hazards as well as the associated constraint on essential resources, with particularly acute and disproportionate impacts on vulnerable communities. Significant regional public health and economic benefits could accrue if targeted strategies and investments are prioritized now to address potential impacts of climate-related shocks and stressors. Within the resilience policy space, shocks are commonly defined as sudden and acute events that threaten immediate safety and well-being, whereas stressors are commonly defined as chronic challenges that weaken natural, built, or human systems and resources.

As such, the Subcommittee's policy question at hand is:

- How can Connect SoCal mitigate and adapt to the impacts of climate and seismic-related hazards on our built and natural systems and increase our region's resilience?

To tackle this question and formulate recommendations for inclusion in Connect SoCal, the goals of the body, as established by the members, are to:

- Advance the direction set in the SCAG Regional Council Resolution on Climate Change Action and Water Action to consider opportunities for enhanced resilience & resource conservation; and

- Develop recommendations on how Connect SoCal can support our communities in adapting to changing conditions or mitigating risks to become more resilient.

SUBCOMMITTEE FOUNDATIONS

Resilience and conservation are embedded across the number of SCAG's work. Within Connect SoCal 2020, resilience and conservation were integrated into the core vision, key goals, and guiding principles of the plan. Looking further at the Connect SoCal 2020 goals, the following elements are featured:

- Enhance the preservation, security, and resilience of the regional transportation system;
- Reduce greenhouse gas emissions and improve air quality;
- Support healthy and equitable communities;
- Adapt to a changing climate and support an integrated regional development pattern and transportation network; and
- Promote conservation of natural and agricultural lands and restoration of habitats.

Additionally, SCAG includes a number of resilience and conservation mitigation measures in the Connect SoCal 2020 Program Environmental Impact Report (PEIR) that address resilience and resource conservation.

Through SCAG's unanimously adopted Climate Change Action Resolution (Resolution No. 21-628-1) from January 2021, SCAG resolved to develop a Regional Resilience Framework to "help the region plan and prepare for a changing climate, as well as potential near- and long-term disruptions to Southern California." As part of that work, SCAG conducted a landscape resilience assessment to understand how jurisdictions are planning for climate change. Looking towards the development of Connect SoCal 2024, the Climate Change Action Resolution also called on SCAG staff to "include climate adaptation and mitigation analysis and strategies in the 2024 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS)."

In October 2022, SCAG's Regional Council also unanimously adopted a Water Action Resolution that resolved to "further explore regional water challenges and solutions [through the Resource & Conservation Subcommittee] and report findings for consideration by SCAG's Energy & Environment Committee." This resolution called on local and regional partners to join together to adopt an "all of the above" approach to addressing the region's water challenges and catalyzing opportunities, and for SCAG to take action and support partners to reduce water use; improve water conservation, reuse, and efficiency; enhance water systems' health and resilience; pursue and potentially implement new water supply and storage opportunities; and support investments in water infrastructure and conservation practices that support the region's economic and population growth and fosters planning for the region's housing needs.

SUBCOMMITTEE: DISCUSSION & KEY FINDINGS

In fulfilling direction from SCAG's Regional Council, the four meetings of the Resilience & Conservation Subcommittee included presentations from staff and subject matter experts, followed by facilitated dialogue amongst subcommittee members. Each meeting built off the previous and informed and shaped the recommendations that are included in the white paper. Meeting topics included:

Attachment: Resilience and Conservation Subcommittee White Paper (Connect SoCal 2024 Update)

- **Where We Are: Level Setting & Work Plan Prioritization**
  Meeting 1 of the Resilience & Conservation Subcommittee provided the group with an overview of the Subcommittee's purpose and proposed outlook; SCAG's proposed definition of "resilience"; and resilience and conservation principles, goals, and strategies embedded in Connect SoCal 2020 and Connect SoCal 2020 Programmatic Environmental Impact Report (PEIR).

  Resilience and conservation are key parts of the core vision, key goals and guiding principles outlined in Connect SoCal to advance the region's economic vitality, improve mobility options, and grow in a sustainable way that builds healthy and vibrant communities. As part of the Connect SoCal Guiding Principles, resilience and conservation are most prominently featured across three major efforts: Land Use & Sustainable Development, Transportation & Mobility and Planning. Furthermore, the Connect SoCal 2020 PEIR includes approximately 20 mitigation measures which address resilience and resource conservation. These mitigation measures span efforts to address wildfire risk, water conservation and planning, greenhouse gas mitigation, agriculture and forestry, biological resources, and more.

  In evaluating the proposed definition of resilience for inclusion in Connect SoCal 2024, members of the Subcommittee provided feedback that the effectiveness of responding to climate hazards should be emphasized within the plan. As such, the definition was updated to include "effectively respond to climate hazards", and subsequently reviewed in Meeting 2 of the Subcommittee.

  Other guidance from members included the need to:
  - Prioritize strategies that promote long-term and short-term responses to resilience shocks and stressors, and monitor effectiveness;
  - Build strong partnerships to ensure shocks and stressors can be effectively addressed; and,
  - Secure resources for local agencies to promote disaster preparedness.

  Potential opportunities for integrating this guidance in Connect SoCal 2024 include:
  - Identify how Connect SoCal 2024 strategies address long-term and short-term responses to shocks and stressors;

- **How Can SCAG Have an Impact: Policy Areas of Focus & Implementation Tools**
  Meeting 2 of the Resilience & Conservation Subcommittee provided an overview of SCAG's landscape analysis of resilience planning efforts across the SCAG region, as well as a more detailed analysis of resilience planning within the Inland Southern California Region. Kristopher Eclarino, Technical Project Manager at Climate Resolve, and Michelle Baron, Consultant at Climate Resolve, provided a presentation examining the state of climate adaptation planning across jurisdictions within the Southern California region. The study explored the impacts of climate-related shocks and stressors on the SCAG region to further SCAG's understanding and approach to addressing resilience at a regional scale, and involved the review of climate-related resilience planning efforts and documents, such as climate action plans, sustainability plans, resilience plans, general plans, local hazard mitigation plans, and more.

  The study area consisted of 191 cities and two tribal nations within the SCAG region. Through the climate resilience landscape analysis, the following trends were found:

Attachment: Resilience and Conservation Subcommittee White Paper (Connect SoCal 2024 Update)

- 86 out of 193 (45%) of jurisdictions have adopted a standalone climate, sustainability and/or resilience plan, with 30 of the 86 plans including adaptation strategies;
- 141 out of 193 (73%) of jurisdictions have adopted a local hazard mitigation plan (LHMP) at either the local or multijurisdictional level, with 105 of the 141 LHMPs accounting for climate change impacts;
- 19 out of 193 (10%) of jurisdictions have updated generals plans to meet the requirements of SB 379 and SB 1035;
- 104 out of 193 (54%) of jurisdictions contain disadvantaged communities, as defined and identified via CalEnviroScreen 4.0. Of the 104 jurisdictions, 17 have adopted environmental justice goals, policies and objects and 10 have updated general plans which meet the requirements of SB 1000; and
- Drought, flood and wildfire were found to be the most frequently citied climate resilience disruption noted across jurisdiction plans.

Additionally, the following climate-related shocks and stressors were most commonly identified through the review of local planning documents:

SHOCKS	STRESSORS
SUDDEN OR ACUTE EVENTS THAT THREATEN IMMEDIATE SAFETY AND WELL-BEING	*CHRONIC CHALLENGES THAT WEAKEN NATURAL, BUILT, OR HUMAN RESOURCES*
• Avalanche • Drought • Earthquake • Extreme Cold • Extreme Heat • Flood • Hazard Material Release • Infrastructure Failure • Landslide • Non-heat-related Severe Weather	• Access & Function Needs Population • Access to Open Space • Age Dependency Ratio • Aging Infrastructure • Car-less Households • Economic Security • Educational Attainment • Female Head of Household • Food Insecurity • Foreign Born

Furthermore, following feedback from the Subcommittee, SCAG finalized the resilience definition to the following:

> ***The capacity of the SCAG region's built, social, economic and natural systems to anticipate and effectively respond to changing conditions, acute shocks, and chronic stressors by creating multiple opportunities for a sustainable, thriving and equitable future.***

Meeting 2 also included presentations from resilience experts within the region as a means of exploring resilience in the context of the region's built, economic, and natural systems. These speakers included Leah Fisher, Office Chief for Air Quality and Climate Change at Caltrans (CA DOT); Rutger de Koning and Robert Mens, Bouwinvest Real Estate Investors based in The Netherlands; Charles Wilson, Executive Director and

Attachment: Resilience and Conservation Subcommittee White Paper (Connect SoCal 2024 Update)

CEO of the Southern California Water Coalition; and, Dr. Qinqin Liu, scientist and former analyst at California Natural Resources Agency, Department of Fish and Wildlife, and Department of Water Resources.

Charles Wilson focused on the current state and future of water supplies in the SCAG region, noting that the SCAG's region's primary water sources are severely stressed. In the coming decades, the region will have to prioritize increased conservation, and invest in new infrastructure for stormwater capture, large scale recycling, and desalination to ensure water supply.

Leah Fisher's presentation provided an overview of Caltrans' work to implement State guidance on infrastructure resilience. Caltrans has updated their climate vulnerability assessments to keep pace with the latest climate science, and adaptation consideration of climate risks is now required for early project planning.

Rutger de Koning and Robert Mens of Bouwinvest Real Estate Investors demonstrated the emerging practice of considering climate change as an integral prart of risk management for real estate investment, and the need consider mitigation to lower investment risks.

Finally, Qinqin Liu, Ph.D., shared her conceptual model framework for water, energy, food and ecosystems with climate change, and its implications for integrated regional resource policy. For example, 12 percent of energy use is for water, so it is important to assess energy intensity for regional water planning on management. She concluded that resilience depends on the coordination of multiple sectors including water, energy, agriculture and fish and wildlife, and to assess benefits, trade-offs and conflicts between these systems.

From these presentations, members of the Subcommittee highlighted that data-driven climate vulnerability assessments can better inform decision-making in all areas, including infrastructure projects, natural resource systems, and financial investments. Other areas of importance for SCAG include:

- Providing widely accessible climate hazard and resource data to help inform small-scale and large-scale decision-making in the public and private sectors;
- Prioritizing the most vulnerable people, places, and infrastructure at risk for climate change impacts - recognizing that disadvantaged communities are often overburdened; and,
- Applying ecosystem-based approaches to promote sustainable resource management.

Actions to integrate these findings in Connect SoCal 2024 could include:

- Utilize climate hazard and resource areas data to help inform local input on jurisdictional and neighborhood-level forecasted growth, as demonstrated through SCAG's Local Data Exchange completed in December 2022;
- Integrate nature-based solutions and preservation/restoration of native plants to increase water resilience, and adaptation to climate change; and,
- Map climate hazards for disadvantaged communities.

Attachment: Resilience and Conservation Subcommittee White Paper (Connect SoCal 2024 Update)

- **How Can SCAG Have an Impact: Policy Areas of Focus & Implementation Tools**
  Meeting 3 of the Resilience & Conservation Subcommittee included a presentation from Dr. Meghan Jennings, conservation biologist from San Diego State University, who provided information examining ecosystem resilience in the context of climate change. SCAG Staff also provided further insight on social resilience via updates on SCAG's Regional Resilience Framework (RRF), and shared early feedback from community-based organizations (CBOs) and one tribal government participating in RRF outreach and engagement to supplement discussions on resilience and conservation principles and policies.

  Findings from these presentations emphasized that ecosystem resilience is important to minimize impacts of climate change in natural lands (e.g. wildfires) and can be improved through nature-based solutions. Jurisdictions need additional staff resources and funding to address climate adaptation needs. In addition, social resilience and community networks should be prioritized and improved to minimize the impacts of shocks and stressors on the most vulnerable populations.

  As such, members of the Subcommittee emphasized outreach with disadvantaged communities, and opportunities for maximizing co-benefits from conservation of wildlife and natural lands:

  – Outreach and early involvement with disadvantaged communities is essential to identify potential climate vulnerabilities and potential resilience strategies, especially in the area of social resilience; and,
  – Maximize mutual benefits to support resilience and conservation initiatives across built, social, economic, and natural systems, such as disaster preparedness, to ensure synergies across systems and reduce/avoid impacts of maladaptation.

  In carrying over these findings to the development of Connect SoCal, approaches could include:

  – Assessing and minimizing climate hazards for the most vulnerable populations, communities, natural systems, and infrastructure; and
  – Integrating climate adaptation strategies that are responsive to the unique shocks and stressors present for focus areas, and avoid maladaptive impacts;

- **Resilience & Conservation Final Draft White Paper**
  Meeting 4 included additional presentations from water experts and further discussion to solidify the resilience and conservation principles and policies for consideration by Policy Committees and Regional Council for inclusion in Connect SoCal 2024.

  Waverly Klaw, Director of the Growing Water Smart program at the Sonoran Institute, provided information on land use strategies for local jurisdictions that can increase the resilience of the built and natural environment to the impacts of climate change. Growing Water Smart is a joint project between the Lincoln Institute and the Sonoran Institute featuring workshops that introduce communities to the full range of collaboration, communication, public engagement, planning, and policy implementation tools to realize their watershed health and community resiliency goals. Through Growing Water Smart, communities learn to better integrate land use and water planning.

  David Sumi and Elise Goldman, Resource Specialists at Metropolitan Water District (MWD), spoke on the agency's WaterWise conservation efforts, as well as the 2020 Urban Water Management Plan that provides

Attachment: Resilience and Conservation Subcommittee White Paper (Connect SoCal 2024 Update)

an assessment of Metropolitan's water service reliability, describes and evaluates sources of water supply, efficient uses of water, demand management measures, implementation strategy and schedule, and other relevant information and programs. In addition to the water reliability assessments, the plan includes an evaluation of frequent and severe periods of droughts, as described in the Drought Risk Assessment, and the preparation and adoption of the Water Shortage Contingency Plan (WSCP).

In reviewing the draft Resilience & Conservation Subcommittee White Paper, members requested that additional recommended implementation actions be included to:

- Support equitable distribution of efforts in economic development to help vulnerable communities have greater resources to respond to resilience shocks and stressors; and,
- Foster engagements across industry sectors and areas of expertise to support research and solutions development.

As such, these revisions were included in the final draft White Paper.

SUBCOMMITTEE RECOMMENDATIONS

Overall, feedback from members of the Subcommittee can be grouped into four broad recommendations. These recommendations will inform the Connect SoCal Policy Development Framework and on-going development and policy discussions related to Connect SoCal 2024, and will be taken to the Regional Council for further deliberation:

- **Define Resilience:** The capacity of the SCAG region's built, social, economic and natural systems to anticipate and effectively respond to changing conditions, acute shocks, and chronic stressors by creating multiple opportunities for a sustainable, thriving and equitable future;
- **Prioritize the most vulnerable populations and communities subject to climate hazards:** Help the people, places, and infrastructure that are most at risk for climate change impacts, recognizing that disadvantaged communities are often overburdened;
- **Build strong partnerships:** Coordinate across multiple sectors, scales, and stakeholders to ensure all people have access to the fundamental physical, health, and social benefits of our natural and built systems;
- **Apply ecosystem-based approaches:** Incorporate ecosystem resilience, protection of ecosystem services, and sustainable resource management; and,
- **Maximize mutual benefits:** Support resilience and conservation initiatives across built, social, economic, and natural systems, such as disaster preparedness, to ensure synergies across systems and reduce/avoid impacts of maladaptation.

NEXT STEPS

The scope of the subcommittee discussions also illuminated opportunities for broader recommendations to inform SCAG's work both in Connect SoCal implementation and other program areas. To realize these recommendations, potential actions to support integration into Connect SoCal 2024 and its implementation are summarized below:

Attachment: Resilience and Conservation Subcommittee White Paper (Connect SoCal 2024 Update)

- **Prioritize the most vulnerable populations, communities, and infrastructure subject to climate hazards:** Help the people, places, and infrastructure that are most at risk for climate change impacts, recognizing that disadvantaged communities are often overburdened
  - Incorporate climate change considerations into Connect SoCal 2024;
  - Map disadvantaged communities with critical infrastructure and assets, and assess vulnerability to hazards in the Equity Analysis for Connect SoCal 2024;
  - Identify and support local agencies to protect communities vulnerable to climate effects;
  - Support implementing agencies in incorporating equity considerations in climate risk management and/or emergency management plans and preparedness procedures;
  - Support equitable distribution of efforts in economic development to help vulnerable communities have greater resources to respond to resilience shocks and stressors;

- **Build strong partnerships:** Coordinate across multiple sectors, scales, and stakeholders to ensure all people have access to the fundamental physical, health, and social benefits of our natural and built systems
  - Support expansion of public outreach activities for Connect SoCal 2024 to align implementation of strategies with community needs;
  - Collaborate with local and regional partners to support building resiliency through preparedness education, trainings, and resources;
  - Foster engagements across industry sectors and areas of expertise to support research and solutions development;
  - Expand public outreach and education to policymakers, businesses, and the general public;
  - Develop templates to support jurisdictions in preparing a community-wide outreach program to educate a diverse population on how to prepare and recover from climate change effects;

- **Apply ecosystem-based approaches:** Incorporate ecosystem resilience, protection of ecosystem services, and sustainable resource management
  - Support use of systems-based risk-management methods and tools for implementation agencies, and help prioritize options that take into account nature-based solutions and considerations for reducing vulnerabilities;
  - Support preservation, enhancements, and protection of open space, as well as natural and working lands, that have climate adaptation and resilience benefits – including carbon sequestration, as well as groundwater capture and storage;

- **Maximize mutual benefits:** Support resilience and conservation initiatives across built, social, economic, and natural systems, such as disaster preparedness, to ensure synergies across systems and reduce/avoid impacts of maladaptation.
  - Incorporate climate change adaptation for natural lands into Connect SoCal 2024;
  - Support implementing agencies' efforts to include climate-ready home hardening strategies in housing construction to minimize the potential loss of housing units stemming from climate-related hazards, including sea level rise, wildfires, landslides, and extreme flooding, among others;
  - Support development of Local Hazard Mitigation Plans to help jurisdictions prepare for disasters and access federal disaster relief resources; and,

Attachment: Resilience and Conservation Subcommittee White Paper (Connect SoCal 2024 Update)

- Support integration of climate vulnerability assessments into infrastructure planning and delivery for implementing agencies.

Attachment: Resilience and Conservation Subcommittee White Paper (Connect SoCal 2024 Update)

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CONNECT SoCal

Connect SoCal 2024 Subcommittee Draft White Paper

NEXT GENERATION INFRASTRUCTURE

Attachment: Next Generation Infrastructure Subcommittee White Paper (Connect SoCal 2024 Update)

Connect SoCal 2024 Subcommittee Draft White Paper

NEXT GENERATION INFRASTRUCTURE

INTRODUCTION

SCAG is currently developing Connect SoCal 2024. Three special Regional Council subcommittees have been created around Next Generation Infrastructure, Resilience and Conservation, and Racial Equity and Regional Planning. The Resilience and Conservation Subcommittee and Racial Equity and Regional Planning Subcommittee each met four times between September 2022 and January 2023 and the Next Generation Infrastructure Subcommittee met five times between September 2022 and February 2023, to identify recommendations that will inform how these emerging issues are addressed in Connect SoCal 2024.

The goal of the Next Generation Infrastructure Subcommittee was to build on Connect SoCal 2020 and provide guidance on the priorities and strategies for Connect SoCal 2024, reflecting the rapidly evolving developments across the region specific to the future of mobility and associated implications for public policy. The need for a more comprehensive understanding of these developments and consensus building on key regional strategies and policies is even more evident today in preparation for Connect SoCal 2024 as we continue to grapple with the pandemic, a more challenging economic environment, and shifting state and federal priorities with increasing uncertainties across the planning horizon.

The Next Generation Infrastructure Subcommittee convened five times between September 2022 and February 2023. To facilitate greater policy discussion of key areas anticipated to be critical for the development of Connect SoCal 2024, the Next Generation Infrastructure Subcommittee discussed and responded to the following policy questions:

- How has travel changed with COVID and what will this mean for long-range transportation planning?
- (How) should our objectives for highway investment evolve?
- How do we ensure transit recovery?
- (How) should we better align the way we pay for and fund transportation with equity and resiliency goals?

SUBCOMMITTEE FOUNDATIONS

SCAG prepares a long-range Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) every four years, which provides a vision for integrating land use and transportation for increased mobility and more sustainable growth. SCAG's next RTP/SCS, Connect SoCal 2024, will incorporate important updates of fundamental data, enhanced strategies and investments based on, and intended to strengthen, the plan adopted by the SCAG Regional Council in 2020. The pillars of Connect SoCal 2020 are anticipated to continue into Connect SoCal 2024, including a focus on maintaining and better managing the transportation network we have for moving people and goods, while expanding mobility choices by locating housing, jobs, and transit closer together and increasing investment in transit and complete streets.

Attachment: Next Generation Infrastructure Subcommittee White Paper (Connect SoCal 2024 Update)

The adoption of Connect SoCal 2020 illustrated the complexity of long-range planning with rapidly evolving developments across the region ranging from broader sustainability and air quality issues to the future of mobility and associated implications for public policy. The need for more comprehensive understanding of these developments and consensus building on key regional strategies and policies is even more evident today in preparation for Connect SoCal 2024 as we continue to grapple with the pandemic, a more challenging economic environment, and increasing uncertainties across the planning horizon. The emerging landscape will be complex, likely exacerbating many of our existing core challenges.

Over the course of the next fiscal year, SCAG staff will be seeking direction from our policy makers, through the relevant Policy Committees, on the priorities and strategies for Connect SoCal 2024 to better align investments across the region.

SUBCOMMITTEE: DISCUSSION & KEY FINDINGS

On September 21, 2022, the first meeting of the Subcommittee focused on how travel behavior is evolving. The meeting explored telecommuting/hybrid work, including implications of on job centers and future commute patterns. Despite higher levels of telecommuting/hybrid work, travel volumes have rebounded from pandemic lows. The meeting also explored the contribution of non-commute travel to increasing traffic and investment strategy alignment with the non-commute geospatial patterns and modal choices. Professor Giovanni Circella, the Director of the 3 Revolutions Future Mobility Program at the University of California, Davis and Professor Brian Taylor, the Director of the Institute of Transportation Studies at the University of California, Los Angeles provided presentations exploring emerging trends and engaged Subcommittee members with implications for investment strategies.

The second Subcommittee meeting was held on October 19, 2022, and focused on evolving objectives for highway investment. A panel discussion comprised the bulk of the meeting. The panelists were:

- Fran Inman, Senior Vice President, Majestic Realty
- Benito Pérez, Policy Director, Transportation for America
- Jeanie Ward-Waller, Deputy Director, Planning & Modal Programs, Caltrans
- Raymond Wolfe, Executive Director, San Bernardino County Transportation Authority

The panelists explored how highway investment policies have evolved in recent years, including shifting away from highway capacity investments. The discussion also explored the implications of changing highway objectives for goods movement and the supply chain. The panelist addressed how we might reimagine use of our public rights-of-way, including for Complete Streets, safety improvements, and curb space management.

On November 16, 2022, the third Subcommittee meeting focused on how the region can work together to ensure transit recovery. A panel discussion comprised the bulk of the meeting. The panelists were:

- Rolando Cruz, Chief Transportation Officer, City of Culver City, Culver CityBus
- Roderick Diaz, Director of Planning and Development, Metrolink
- Krista Glotzbach, Partnerships Lead, Via
- Lauren McCarthy, Director and Strategic Lead, Shared-Use Mobility Center

Attachment: Next Generation Infrastructure Subcommittee White Paper (Connect SoCal 2024 Update)

The panelists explored how transit has changed in recent years and in light of the pandemic, and the ways in which public and private organizations can work together to motivate increased transit ridership.

The final Subcommittee meeting was held on January 18, 2023. Seleta Reynolds, Chief Innovation Officer at the Los Angeles County Metropolitan Transportation Authority, addressed universal basic mobility and Professor Michael Manville, UCLA Department of Urban Planning Vice Chair, highlighted his research on how we should better align the way we pay for, fund, and manage our transportation system with equity and resiliency goals.

Each of the Subcommittee meetings included facilitated discussions led by the Subcommittee Chair. The Subcommittee presentations and subsequent discussions highlighted the following key findings:

- Increases in telework are changing the dynamics of travel both in time and in location.
- Post-pandemic, the region is experiencing more short trips throughout the day, especially across the afternoon period.
- Transportation system preservation remains a universal priority, and with greater needs associated with transition to zero emissions vehicles.
- The deployment of new technology should focus on people and addressing larger shared goals (e.g., advancing equitable access).
- Expanding highway capacity may be warranted but should be aligned with efforts to mitigate potential increases in vehicle miles traveled, especially single-occupant vehicle travel.
- Transportation solutions should involve increasing choices beyond driving, including connecting communities with pedestrian and bicycle facilities, and prioritizing transit to make it competitive with driving.
- Center solutions on people and their evolving travel needs, for example supporting more local short trips versus long commutes.
- Focus on understanding and meeting the needs of existing transit riders because this will also help attract new riders.
- Leverage technology and data to better understand people's needs, communicate information and invite feedback, attract riders that might otherwise never consider transit, and facilitate unified planning and payment for multimodal trips.
- Public agencies should partner across agencies and sectors to develop projects and in doing so, minimize risk, build trust, and recognize/leverage unique strengths that each party brings.
- Cities should encourage the shift of the mobility paradigm by enhancing and supporting services across all modes including transit, micromobility, and automobiles.
- Public agencies need to engage and assert a role in management of the transportation digital realm.
- Re-envision the transportation system more like a utility.
- Rethink the role of the automobile in our daily lives, but in a sophisticated manner that goes beyond just focusing on the need to reduce vehicle miles traveled.
- Place greater importance on valuing accessibility.
- Recognize that we can achieve many environmental goals with modest changes in travel behavior.
- Plan and manage the transportation system like an investor.
- Road pricing can be revenue source, mechanism to improve driving and system performance, and tool for addressing equity concerns.

Attachment: Next Generation Infrastructure Subcommittee White Paper (Connect SoCal 2024 Update)

SUBCOMMITTEE RECOMMENDATIONS

Overall, feedback from members of the Subcommittee can be grouped into four broad recommendations. These recommendations will inform the Connect SoCal Policy Development Framework and on-going policy discussions related to Connect SoCal 2024, and will be taken to the Regional Council for further deliberation:

- **Maintain a people-centric transportation investment strategy**: Ensure that deployment of new technologies support people's needs and address larger shared goals like advancing equitable access and reducing traffic fatalities and series injuries. Prioritize use of our public rights-of-way for all roadway users, especially focusing on the needs of non-single occupant vehicle users.
- **Continue to invest in system preservation and efficiency investments**: Fix-it-first remains a key strategy for Connect SoCal, especially recognizing greater needs associated with the transition to zero emission vehicles and ensuring system resilience. Within this context, operational improvements and targeted strategic highway capacity expansion are warranted when coupled with complementary efforts to offset any potential increases in vehicle miles traveled and especially single-occupant vehicle travel.
- **Expand and enhance mobility choices**: Focus on understanding and meeting the needs of existing transit riders, which will also attract new riders. Increase choices beyond driving by enhancing and supporting services across all modes of travel including transit, active transportation, micromobility, and automobiles. Reconsider the role of the automobile in our daily lives and how mobility options can increase reliable accessibility.
- **Re-envision how we plan, fund, and manage the transportation system**: Plan and manage the transportation system more like an investor, including asserting a role in the management of the transportation digital realm. Appropriately pricing the transportation system ensures that the system functions for all users (even during peak demand periods), generates reliable revenue, and established resources for addressing equity concerns.

NEXT STEPS

These recommendations are intended to inform the on-going development of the Connect SoCal Policy Development Framework to provide direction for addressing emerging and cross-cutting issues in Connect SoCal 2024. They will be considered by the Joint Policy Committee alongside recommendations from the Racial Equity and Regional Planning Subcommittee and the Resilience and Conservation Subcommittee in March. The scope of the Subcommittee discussions also illuminated opportunities for broader recommendations to inform SCAG's work both in Connect SoCal implementation and other program areas. To realize these recommendations, potential actions to support integration into Connect SoCal 2024 and its implementation are summarized below:

- Incorporate and analyze data from surveys, other location-based services data as available to incorporate emerging travel patterns and behaviors.
- Evaluate options to assess transit priority treatments and on-demand shared mobility services, including directly within regional models.
- Explore mitigation strategies to combine with efforts to build out the express lane system and improve the flow of goods.

Attachment: Next Generation Infrastructure Subcommittee White Paper (Connect SoCal 2024 Update)

- Conduct research and engagement with disadvantaged communities and communities of color to better understand and plan for mobility needs.
- Conduct research, engagement, and pilot projects for advancing funding strategies that transition the region to a user fee-based system that better reflects the true costs of transportation and ensures an equitable distribution of costs and benefits.

Attachment: Next Generation Infrastructure Subcommittee White Paper (Connect SoCal 2024 Update)

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COMMITTEE TRANSMITTAL

May 8, 2023

To: Members of the Board of Directors

From: Andrea West, Interim Clerk of the Board

Subject: Agreement for Demographic Research

Regional Transportation Planning Committee Meeting of May 1, 2023

Present: Directors Do, Chaffee, Dumitru, Federico, and Harper
Absent: Directors Foley and Khan

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Authorize the Chief Executive Director to negotiate and execute Agreement No. C-3-2445 with the California State University, Fullerton Center for Demographic Research, in an amount not to exceed $405,743, for a term of three years, to provide Orange County demographic data.

OCTA

May 1, 2023

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Agreement for Demographic Research

Overview

Orange County's demographic data is developed by the Center for Demographic Research at California State University Fullerton and used for various planning activities. A recommendation to continue this effort through a multi-agency funding agreement is provided for review and approval.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-3-2445 with the California State University, Fullerton Center for Demographic Research, in an amount not to exceed $405,743, for a term of three years, to provide Orange County demographic data.

Background

The Orange County Transportation Authority (OCTA) and other agencies have agreed to jointly fund the Center for Demographic Research (CDR) at California State University, Fullerton, for the preparation of demographic projections for use in various planning activities. In addition, the participating agencies use the work by CDR as input into the Southern California Association of Government's (SCAG) Regional Transportation Plan process, infrastructure planning, and travel demand forecasting.

CDR is supported by various agencies including OCTA, the County of Orange, Orange County Council of Governments, Transportation Corridor Agencies, Orange County Sanitation District, Municipal Water District of Orange County, Orange County Water District, SCAG, California State University, Fullerton, and the Orange County Local Agency Formation Commission. The proposed agreement will provide services by CDR through fiscal year (FY) 2025-26 and was developed jointly by all the participating agencies.

Discussion

As part of the agreement, CDR will develop the 2026 Orange County Projections (OCP-2026), which are baseline and future projection data for Orange County, including population, housing, and employment. The basic population, housing, and employment variables will be expanded to 14 travel demand forecasting variables covering almost 2,000 traffic analysis zones for input into travel forecasting models, including the Orange County Transportation Analysis Model. Further, the OCP-2026 will be used in developing the Orange County growth forecast for the 2028 SCAG Regional Transportation Plan/Sustainable Communities Strategy and OCTA's next Long-Range Transportation Plan. Each local agency will be directly involved in demographic data development with CDR. This "bottom-up" approach has worked well in developing consensus on the forecasts. The agreement also supports other important CDR activities, including the preparation of the annual Orange County Progress Report containing a variety of statistical and demographic data depicting Orange County and its 34 cities.

OCTA's financial commitment for Agreement No. C-3-2445 is $405,743. Funding for this agreement will be included in the OCTA FY 2023-24 Budget, Planning Division, Account No. 0001-7519-M0201-F5F.

Summary

Staff is recommending the Board of Directors authorize the Chief Executive Officer to negotiate and execute Agreement No. C-3-2445 with the California State University, Fullerton Center for Demographic Research, in an amount not to exceed $405,743, for a term of three years, to provide Orange County demographic data.

Attachment

A. Memorandum of Understanding by and between Orange County Interests and CSU Fullerton Auxiliary Services Corporation for the Continued Operation of the Center For Demographic Research at California State University, Fullerton

Prepared by:

Anup Kulkarni
Section Manager, Regional Modeling
(714) 560-5867

Approved by:

Kia Mortazavi
Executive Director, Planning
(714) 560-5471

ATTACHMENT A

AGREEMENT NO. C-3-2445

MEMORANDUM OF UNDERSTANDING
by and between
ORANGE COUNTY INTERESTS
and
CSU FULLERTON AUXILIARY SERVICES CORPORATION
for the
CONTINUED OPERATION OF THE CENTER FOR DEMOGRAPHIC RESEARCH
AT CALIFORNIA STATE UNIVERSITY, FULLERTON

This Memorandum of Understanding ("MOU") is entered into between the County of Orange, Transportation Corridor Agencies, Orange County Transportation Authority, Municipal Water District of Orange County, Orange County Water District, Orange County Council of Governments, Southern California Association of Governments ("SPONSORS"); the Orange County Local Agency Formation Commission and Orange County Sanitation District ("CONTRIBUTING PARTNERS") and the CSU Fullerton Auxiliary Services Corporation, ("ASC"), which is a 501 (c)3 California corporation organized under California law as an auxiliary organization of California State University, Fullerton ("CSUF"). This MOU is for the development of demographic data and related support products. Obligations and rights specified for CSUF in the MOU shall be exercised by the ASC.

WHEREAS, the development of demographic and related information for Orange County is a vital data source used for a wide range of local, subregional and regional applications, including, transportation infrastructure planning, facilities planning and timing, development of fee programs, bond revenue stream analysis, general planning and other applications; and

WHEREAS, a number of primary users of data in Orange County have recognized the benefit of having a local area expertise in developing demographic projections and associated products; and

WHEREAS, these SPONSORS, CONTRIBUTING PARTNERS, and CSUF agree on the importance of having a single entity in Orange County developing demographic products and providing such products to data users; and

WHEREAS, these agencies also desire to establish a long-term process which allows each individual agency participation in the development and review of demographic products; and

WHEREAS, the Center for Demographic Research ("CDR") located at CSUF provides an opportunity to place demographic activities in a setting that accomplishes SPONSORS' and CONTRIBUTING PARTNERS' objectives and provides augmented educational opportunities for CSUF; and

WHEREAS, CSUF will be listed as a "SPONSOR" based upon their financial contribution as outlined in the budget in Attachment 1 and in-kind contributions for the balance of the remaining Sponsor seat; and

WHEREAS, the SPONSORS have worked cooperatively in supporting and organizing the Center for Demographic Research for 27 years and wish to continue their cooperation; and

WHEREAS, the CONTRIBUTING PARTNERS wish to participate in supporting the Center for Demographic Research beginning in Fiscal Year 2010/2011; and

NOW, THEREFORE, IT IS RESOLVED that the **SPONSORS, CONTRIBUTING PARTNERS**, and the **ASC** agree as follows:

1. The SPONSORS and CONTRIBUTING PARTNERS will fund the CDR for the next three years for an annual total fee as set forth in Item IV below and Attachment 1.

2. Process and Structure

   A. Orange County Projections

      The Orange County Council of Governments ("OCCOG") will be responsible for the approval of the Orange County Projections at the Regional Statistical Area level and subsequent to that action the County of Orange will approve the Orange County Projections. The OCCOG will work with CDR staff to integrate the Orange County Projections as approved into the Southern California Association of Governments ("SCAG") Regional Growth Forecast. Sponsors will make good faith efforts to use the Orange County Projections data in all future forecasting and planning efforts.

   B. Management Oversight

      The Management Oversight Committee ("MOC") shall meet at least four (4) times each year to (1) consider policy matters associated with the operations of the Center for Demographic Research, (2) review products status and activities which are part of the core Work Program, (3) review the Center for Demographic Research's financial status and status of MOU signatures, (4) set CDR budget and modify staff salaries funded by this MOU (5) consider requests from additional agencies wishing to become sponsors or contributing partners, (6) modify budget and work program upon addition or termination of a sponsor or contributing partner, (7) address other matters vital to the function of the Center for Demographic Research, and (8) undertake additional tasks as requested by the SPONSORS.

      The Management Oversight Committee will be comprised of staff representing the SPONSORS, CONTRIBUTING PARTNERS and CSUF. Each SPONSOR will have one voting member of equal standing on the Management Oversight Committee including one member jointly representing the Municipal Water District of Orange County and the Orange County Water District; each CONTRIBUTING PARTNER will have one non-voting Ex-Officio member. The designees from each SPONSOR, CONTRIBUTING PARTNER, and the university shall be named by July 1 of each year. An organization may also designate an individual(s) to serve as an alternate

member of the Management Oversight Committee. The committee chair and vice-chair will be elected for a three-year term from voting members.

C. Technical Oversight:

The Technical Advisory Committee ("TAC") provides technical guidance and input into the development of each product produced under this MOU before they are reviewed by the Management Oversight Committee. The Technical Advisory Committee advises the Director of the Center for Demographic Research, as well as reports to the Management Oversight Committee. The Committee will include one voting representative from each SPONSOR including a member representing the Municipal Water District of Orange County and the Orange County Water District; each CONTRIBUTING PARTNER will have one non-voting Ex-Officio member. University participation on the Technical Advisory Committee will include at least one voting member from CSUF, and one voting member each from the University of California, Irvine and Chapman University. The Director of the Center for Demographic Research will coordinate with research centers at these universities to ensure data consistency. The designees from each SPONSOR, CONTRIBUTING PARTNER, and agency shall be named by July 1 of each year. The committee chair and vice-chair will be elected for a three-year term from voting members.

The Technical Advisory Committee shall schedule at least four (4) meetings each year. It will (1) provide a report to the Management Oversight Committee summarizing its meetings, (2) provide advice on the approach, techniques, data sources and methods used to develop new products, (3) facilitate the acquisition of data necessary to produce products, (4) provide suggestions on the interpretation and analysis incorporated into deliverables, (5) provide input on assumptions for the development of the growth projections, (6) provide review of deliverables prior to approval by the Management Oversight Committee and (7) undertake other tasks as identified by the Management Oversight Committee.

D. Transportation Modeling Data

The Orange County Transportation Authority ("OCTA") will be responsible for the approval of all transportation modeling variables used in the Orange County Transportation Analysis Model ("OCTAM") at the Traffic Analysis Zone level. The transportation modeling variables shall be consistent with the Orange County Projections, as approved by the Orange County Council of Governments and the County of Orange at the Regional Statistical Area Level. The OCTA and SCAG will exercise user agreements for their consultants to access the transportation modeling variables.

3. Duration and Terminations

This agreement will become effective upon execution and ends on June 30, 2026. A review of the performance of the Center for Demographic Research in meeting its obligations under this MOU will be conducted by the Management Oversight Committee throughout the term July 2023 through June 2026. This MOU may be extended and/or amended by mutual agreement of all signatories.

A party may terminate its participation under this MOU by giving each of the other parties sixty (60) days written notice thereof. Upon said notice of termination, the SPONSOR or CONTRIBUTING PARTNER terminating its participation shall pay the balance of fees owed by the SPONSOR or CONTRIBUTING PARTNER for that given fiscal year. Each fiscal year, the SPONSORS and CONTRIBUTING PARTNERS shall review and approve in writing the MOU, work program, and funding arrangement. Such written approval shall constitute a SPONSOR'S or CONTRIBUTING PARTNER'S agreement to participate in this Agreement. In the event that ASC wishes to terminate its participation, it shall reimburse the SPONSORS and CONTRIBUTING PARTNERS any advance payments, less an amount to cover expenses related to work in progress and less costs reasonably necessary to effect such termination. If a party wishes to withdraw from the agreement, said notice shall be affected by delivery of such notice in person or by depositing said notice in the United States mail, registered or certified mail, return receipt required, postage prepaid.

4. Funding and Schedule

Respective fees shall be as follows for the following fiscal year:

Payment Schedule for 2023-2026	**2023-2024**	**2024-2025**	**2025-2026**	**Three-Year Total**
County of Orange	$124,866.28	$135,578.86	$145,297.07	$405,742.21
Orange County Council of Governments	$124,866.28	$135,578.86	$145,297.07	$405,742.21
Orange County Transportation Authority	$124,866.28	$135,578.86	$145,297.07	$405,742.21
Transportation Corridor Agencies	$124,866.28	$135,578.86	$145,297.07	$405,742.21
Southern California Association of Governments	$124,866.28	$135,578.86	$145,297.07	$405,742.21
Municipal Water District of Orange County	$62,433.14	$67,789.43	$72,648.54	$202,871.11
Orange County Water District	$62,433.14	$67,789.43	$72,648.54	$202,871.11
Orange County Local Agency Formation Commission	$19,500.00	$20,000.00	$20,500.00	$19,500.00
Orange County Sanitation District	$65,433.14	$69,789.43	$72,648.54	$207,871.11
NON-CSUF TOTAL	$834,130.82	$903,262.59	$964,930.96	$2,702,324.37
California State University, Fullerton	$198,533.03	$204,854.98	$210,701.64	$614,089.65
TOTAL	$1,068,663.83	$1,132,117.57	$1,175,632.57	$3,376,413.98

Payments shall be made in accordance with invoicing policies of the ASC according to the schedule below. SPONSORS and CONTRIBUTING PARTNERS will be invoiced at the beginning of each quarter. Quarterly payments equal to 25% of the annual fees shall follow invoices submitted according to the calendar below:

Fiscal Year 2023/2024:	July 2023, October 2023, January 2024, April 2024
Fiscal Year 2024/2025:	July 2024, October 2024, January 2025, April 2025
Fiscal Year 2025/2026:	July 2025, October 2025, January 2026, April 2026

SPONSORS and CONTRIBUTING PARTNERS shall pay one-quarter of their annual fees upon receipt of said invoices or may prepay for an entire fiscal year. Prepayment does not imply a discounted rate.

5. Administrative Representatives

A. The Principal Investigator for the operations and management of the Center for Demographic Research and the conduct of this MOU is Deborah Diep, Director. The Assistant Director, Rubaiya Zaman, will serve as the Principal Investigator in the Director's absence. They are authorized to negotiate supplemental services with the SPONSORS, CONTRIBUTING PARTNERS, and Non-sponsors as noted in Section VII. Sydney Dawes, Director, ASC Office of Sponsored Programs is designated as the administrative representative for the ASC. Should the Principal Investigators become unavailable for any reason, no other Principal Investigator shall be chosen by CSUF or the ASC without the approval of the SPONSORS. Furthermore, the ASC agrees that the Management Oversight Committee shall make the recommendation on the selection of the Director or interim Director of the Center for Demographic Research and no Director or interim Director shall be appointed without approval of the Management Oversight Committee. The Management Oversight Committee will serve as the search committee if a search committee for the Director is required by the ASC.

B. Equipment and furniture purchased by ASC under the terms of this MOU shall remain the property of the SPONSORS. In the event that the Center for Demographic Research is disbanded, the equipment remains the property of the SPONSORS and the Management Oversight Committee shall determine its disposition.

C. Databases and applications developed and maintained for the Center for Demographic Research purposes shall remain under control of the SPONSORS. In the event that Center for Demographic Research is relocated from CSUF, all Center for Demographic Research functions and designations shall accompany the Center for Demographic Research.

6. Additional Sponsorships and Revenues

Other agencies and entities can become sponsors or contributing partners of the Center for Demographic Research with unanimous agreement among the SPONSORS as determined by a vote of the Management Oversight Committee. Adjustments in sponsor fees found necessary resulting from the addition of sponsors shall be determined by the Management Oversight Committee with consultation from the Center for Demographic Research Principal Investigators.

The disposition of additional revenues generated through additional sponsors, and the sale of products and services to non-sponsors shall be determined by the Management Oversight Committee. The additional funds shall be prorated according to the respective sponsor fee. SPONSORS shall have the option of expending their share of the additional funds on CDR activities, products or equipment or having the funds returned to the SPONSORS at the end of the fiscal year.

7. Products and Deliverables

A. The Center for Demographic Research will produce the identified core Demographic Products and Services as described in Attachment 2 and listed in Attachment 3. Each SPONSOR will receive ten (10) copies in printed form and one (1) copy of estimates and projections in electronic form.

B. The SPONSORS and CONTRIBUTING PARTNERS have the right to request supplemental products and support services from the Center for Demographic Research through a purchase order. Projects above the amount of $35,000 shall be approved by the ASC. Such purchases may be entered into if the SPONSOR or CONTRIBUTING PARTNER agrees to pay ASC all additional costs resulting from the additional products or services, including an indirect cost of 22%, and if the activities do not interfere with the normal functioning of the CDR. If requests for additional products or services require interference with the normal functioning of the CDR as determined by the Management Oversight Committee or additional resources from the CDR's basic budget the proposal for such products and services will be forwarded to the Management Oversight Committee for their advice and consent prior to finalization of the agreement. In all cases, supplemental work for SPONSORS and CONTRIBUTING PARTNERS shall be assessed indirect costs of 22%.

C. Non-sponsors can contract with the Center for Demographic Research through the ASC for its services or obtain supplemental products and support services from the Center for Demographic Research through a Non-sponsor purchase order. A list of these projects will be submitted to the MOC on a quarterly basis. If the Director assesses a proposed project contains a conflict of interest, conflict of time commitment, or interference with the normal functioning of CDR, the Management Oversight Committee will be informed of the request for services and will review it for any potential conflicts. The Director shall notify the Management Oversight Committee of any such proposed agreement and provide the committee with draft text and budget, before the intended start of work. The Management Oversight Committee shall review the proposed project for possible conflicts of interests, conflicts of time commitment, and budgetary adequacy. The Management Oversight Committee may at its discretion impose a surcharge of funds to be used at its discretion. Action on these matters may be taken only with the concurrence of a majority of the members of the Management Oversight Committee and all such supplemental work for Non-sponsors shall be assessed normal indirect costs of 35.5% unless negotiated otherwise.

D. Use of revenues generated by the sale of products produced by the Center for Demographic Research shall be determined by the Management Oversight Committee. A quarterly report on product sales will be presented to the Management Oversight Committee.

E. Additional projects should not adversely affect the schedule of deliverables unless otherwise agreed to by the Management Oversight Committee.

8. Sponsorship

This Agreement shall be signed by all SPONSORS and CONTRIBUTING PARTNERS by June 30, 2023 with the exception of the Southern California Association of Governments. The Southern California Association of Governments shall sign this Agreement by September 30, 2023. If all SPONSORS and CONTRIBUTING PARTNERS listed in Section XVIII do not sign by September 30, 2023, the work program and budget will be modified to reflect the committed funding. If any SPONSOR or CONTRIBUTING PARTNER does not sign this Agreement, the funding amounts of the remaining SPONSORS and CONTRIBUTING PARTNERS will not change. The remaining SPONSORS and CONTRIBUTING PARTNERS are not required to make up the difference in the reduced budget. Any SPONSOR or CONTRIBUTING PARTNER listed as an ORANGE COUNTY INTEREST that does not sign this Agreement forfeits all rights, services, and privileges as a CDR SPONSOR or CONTRIBUTING PARTNER unless otherwise negotiated. A formal status report on execution will be delivered at each Management Oversight Committee meeting until all SPONSORS and CONTRIBUTING PARTNERS sign this Agreement.

9. Liability and Insurance

Each party to this MOU hereby assumes any and all risks for personal injury and property damage attributable to the negligent acts or omissions of that party and the officers, employees, and agents thereof. ASC warrants that it has adequate Worker's Compensation Insurance and liability insurance for its own employees. The ASC, the SPONSORS (the County of Orange, Transportation Corridor Agencies, Orange County Transportation Authority, Municipal Water District of Orange County, Orange County Water District, Orange County Council of Governments, and Southern California Association of Governments), and the CONTRIBUTING PARTNERS (the Orange County Local Agency Formation Commission and Orange County Sanitation District) agree to indemnify and hold each other, their respective officers, employees, students, agents, harmless from and against all liability, loss, expense (including reasonable attorney's fees), or claims for injury of damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorney's fees, or claims for injury or damages are caused by or result from negligent or intentional acts or omissions of the indemnifying party, its officers, employees, students or agents.

10. Independent Contractor

In the performance of all services and obligations under this agreement, SPONSORS, CONTRIBUTING PARTNERS, and ASC shall act as independent contractors. None shall be considered an employee or agent of the other.

11. Use of Names

SPONSORS and CONTRIBUTING PARTNERS agree not to use the names of the ASC or CSUF in any commercial connection with work performed under this Agreement without prior written permission from the ASC. SPONSORS and CONTRIBUTING PARTNERS may use said names in ordinary internal business reports concerning this Agreement and may use the names of the Center for Demographic Research and the Principal Investigators in non-commercial publicity announcing the results of the project.

ASC agrees not to use the names of SPONSORS and/or CONTRIBUTING PARTNERS in any commercial connection with this work without prior written permission from SPONSORS and/or CONTRIBUTING PARTNERS. ASC may use SPONSORS' and/or CONTRIBUTING PARTNERS' name in ordinary internal business reports concerning this agreement and in non-commercial publicity announcing the awarding of the contract.

The provisions of this Section of the Agreement shall survive for two (2) years beyond any termination date specified in Section III or any extension thereof.

12. Force Majeure

SPONSORS, CONTRIBUTING PARTNERS, and ASC shall not be liable or deemed to be in default for any delay or failure in performance under this Agreement or interruption of services resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, strikes, labor disputes, or any similar cause beyond the reasonable control of SPONSORS, CONTRIBUTING PARTNERS, or ASC, provided the affected party notifies the other party of the delay in writing within ten days of the onset of the delay.

13. Assignment

This Agreement shall inure to the benefit of and be binding upon and enforceable by the parties and their successors and permitted assigns. However, neither party may assign any of its rights or obligations under this Agreement without the prior written consent of the other.

14. Modification and Waiver

None of the terms of the Agreement may be waived or modified except by an express agreement in writing signed by SPONSORS, CONTRIBUTING PARTNERS, and ASC. Modifications not documented in writing cannot be enforced. The failure or delay of

either party in enforcing any of its rights under this Agreement shall not be deemed a continuing waiver or a modification by such party of such right.

15. Governing Law

The validity and interpretation of this Agreement shall be governed by the laws of the State of California.

16. Federal Statutes Relating to Nondiscrimination

ASC will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S. C. sections 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S. C. section 794), which prohibits discrimination on the basis of handicaps; (d) Age discrimination Act of 1975, as amended (42 U.S.C. sections 6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (P.O. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) sections 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-d and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. section 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (I) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirement of any other federal nondiscrimination statue(s) which may apply to the application.

17. Execution of MOU

This MOU, or any amendment related thereto, may be executed in multiple counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. The signature page of this MOU or any amendment may be executed by way of a manual or authorized digital signature. Delivery of an executed counterpart of a signature page to this MOU or an amendment by electronic transmission scanned pages shall be deemed effective as a delivery of a manually or digitally executed counterpart to this MOU or any amendment.

18. Special Terms and Conditions

ASC, SPONSORS, and CONTRIBUTING PARTNERS agree to comply with other Special Provisions as outlined in Attachment 4 if applicable and where a Subconsultant shall provide engineering and design related or other work that are part of services provided by ASC, SPONSOR or CONTRIBUTING PARTNER, serving as recipient (as

defined in Uniform Guidance 2 CFR § 200.1) or subrecipient (as defined in Uniform Guidance 2 CFR § 200.1) of Federal assistance.

19. Notices

Notices under this agreement shall be provided via email to the individuals listed below:

For SPONSORS:

Linh Ly
County of Orange
400 W. Civic Center Drive, Fifth Floor
Santa Ana, CA 92701
linh.ly@ocgov.com

Marnie O'Brien Primmer
Orange County Council of Governments
3972 Barranca Pkwy, Suite J-127
Irvine, CA 92606
marnie@occog.com

Kurt Brotcke
Orange County Transportation Authority
550 S. Main Street
2nd Floor
Orange, CA 92868
kbrotcke@octa.net

Kome Ajise
Southern California Association of Governments
c/o Michael Houston, SCAG Chief Counsel
900 Wilshire Blvd., Suite 1700
Los Angeles, CA 90017
houston@scag.ca.gov

Valarie McFall
Transportation Corridor Agencies
125 Pacifica, Suite 100
Irvine, CA 92618-3304
vmcfall@thetollroads.com

Harvey De La Torre
Municipal Water District of Orange County
18700 Ward Street
Fountain Valley, CA 92728
hdelatorre@mwdoc.com

Michael R. Markus
Orange County Water District
18700 Ward Street
Fountain Valley, CA 92728-8300
MMarkus@ocwd.com

Alexander Porter
Administration and Finance, California State University, Fullerton
800 N. State College Blvd., LH-802
Fullerton, CA 92831-3599
porter@fullerton.edu

For CONTRIBUTING PARTNERS:

Carolyn Emery
Orange County Local Agency Formation Commission
2677 N. Main Street, Suite 1050
Santa Ana, CA 92705
cemery@oclafco.org

Robert Thompson
Orange County Sanitation District
10844 Ellis Avenue
Fountain Valley, CA 92738-8127
rthompson@ocsan.gov

For CSU FULLERTON AUXILIARY SERVICES CORPORATION

Sydney Dawes, Director, ASC Office of Sponsored Programs
CSU Fullerton Auxiliary Services Corporation
1121 N. State College Blvd.
Fullerton, CA 92831-3014
sdawes@fullerton.edu

20. Execution

IN WITNESS THEREOF, the SPONSORS, CONTRIBUTING PARTNERS, and the ASC have executed this Agreement on the date first herein written. This Agreement is to be signed in counter parts.

For the CSU Fullerton Auxiliary Services Corporation:

_____ _____
Charles D. Kissel, Executive Director Date

For the County of Orange:

_____ _____
Frank Kim, County Executive Officer Date

For the Orange County Council of Governments:

_____ _____
Marnie O'Brien Primmer, Executive Director Date

For the Orange County Transportation Authority:

_____ _____
Darrell E. Johnson, Chief Executive Officer Date

For the Southern California Association of Governments:

_____ _____
Kome Ajise, Executive Director Date

For the Foothill/Eastern Transportation Corridor Agency:

_____ _____
Valarie McFall, Interim Chief Executive Officer Date

For the San Joaquin Hills Transportation Corridor Agency:

_____ _____
Valarie McFall, Interim Chief Executive Officer Date

For the Municipal Water District of Orange County:

Megan Yoo Schneider, President of the Board	Date
Harvey De La Torre, Interim General Manager	Date

For the Orange County Water District:

Cathy Green, President	Date
Michael R. Markus, General Manager	Date

For the Orange County Local Agency Formation Commission:

Carolyn Emery, Executive Officer	Date

For the Orange County Sanitation District:

Robert Thompson, General Manager	Date

For California State University, Fullerton:

Alexander Porter, Vice President for Administration & Finance/CFO	Date

Attachment 1: Center for Demographic Research
DRAFT Annual Budget: July 1, 2023 through June 30, 2026

		2023-24	2024-25	2025-26
1	Salaries	$506,994.46	$538,091.84	$555,010.54
2	Benefits	$197,002.10	$212,734.05	$226,691.04
3	Supplies	$5,500.00	$5,500.00	$5,500.00
4	Printing & Publications	$11,000.00	$11,000.00	$11,000.00
5	Meetings, Mileage, & Training	$1,950.00	$1,950.00	$1,950.00
6	Equipment & Virtual Data Server	$4,300.00	$4,300.00	$4,300.00
7	**Expenses**	**$726,746.56**	**$773,575.89**	**$804,451.58**
8	Federally-negotiated Indirect Cost (IDC) / Overhead: 35.5%	$257,995.03	$274,619.44	$285,580.31
9	Office space rent (not subject to IDC)	$83,922.24	$83,922.24	$85,600.68
10	**(A) Gross Total Program Costs**	**$1,068,663.83**	**$1,132,117.57**	**$1,175,632.57**
11	Contributions toward IDC			
12	Non-CSUF SPONSORS/Contributing Partner (22.0%)	$159,884.24	$170,186.70	$176,979.35
13	CSUF contribution (IDC reduction from 35.5% to 22%)	$98,110.79	$104,432.74	$108,600.96
14	Total Indirect Cost (IDC) / Overhead	$257,995.03	$274,619.44	$285,580.31
15	**CSUF Contribution Summary**			
16	Office space rent: 100%[1]	$83,922.24	$83,922.24	$85,600.68
17	Administrative Asst. salary support from HSS Dean[1]	$16,500.00	$16,500.00	$16,500.00
18	Subtotal of CSUF Monetary Contributions	$100,422.24	$100,422.24	$102,100.68
19	IDC / Overhead (Rate reduction from 35.5% to 22%)[2]	$98,110.79	$104,432.74	$108,600.96
20	**(B) Total CSUF Contribution**	**$198,533.03**	**$204,854.98**	**$210,701.64**
21	**NET CDR BUDGET TOTAL: (A) - (B) {Also (C) + (D)}**	**$870,130.80**	**$927,262.59**	**$964,930.93**
22	Contributing Partner (no seat): LAFCO	$19,500.00	$20,000.00	$20,500.00
23	Contributing Partner (no seat, equiv. to 1/2 seat): OC San	$65,433.14	$69,789.43	$72,648.54
24	Cost per full Sponsorship Seat to cover full budget= (Net Budget - LAFCO)/ 6.5 seat equivalent	$130,866.28	$139,578.86	$145,297.07
25	**(C)** 2020-2023 MOU carryover to apply to remaining 6 full seats[3]	$36,000.00	$24,000.00	$0.00
26	Cost per Sponsorship Seat= (Net Budget - LAFCO - OC San - carryover[3])/ 6 remaining seats	$124,866.28	$135,578.86	$145,297.07

		Number of Seats			
27	COUNTY	1	$124,866.28	$135,578.86	$145,297.07
28	OCCOG	1	$124,866.28	$135,578.86	$145,297.07
29	OCTA	1	$124,866.28	$135,578.86	$145,297.07
30	TCA	1	$124,866.28	$135,578.86	$145,297.07
31	SCAG	1	$124,866.28	$135,578.86	$145,297.07
32	MWDOC[4]	0.5	$62,433.14	$67,789.43	$72,648.54
33	OCWD[4]	0.5	$62,433.14	$67,789.43	$72,648.54
34	CSUF	1	see above	see above	see above
35	OC San	0	$65,433.14	$69,789.43	$72,648.54
36	LAFCO	0	$19,500.00	$20,000.00	$20,500.00
37	**(D) TOTAL**	**7**	**$834,130.82**	**$903,262.59**	**$964,930.96**

[1]Monetary contribution

[2]Non-monetary contribution (rate reduction); not included in IV. Funding and Schedule: Payment Schedule for 2020-2023, Page 4.

[3]Carryover is from 2020-2023 CDR MOU and is applied only to those agencies providing full seat sponsorship. $6,000 per full seat in FY 1; $4,000 in FY 2, $0 in FY 3.

[4]MWDOC and OCWD partner to fund one sponsor seat.

Attachment 2
Proposed CDR 2023-2026 Services and Products

REPORTS

Orange County Progress Report

Produce an annual Orange County Progress Report. This document presents a unified and a comprehensive picture of Orange County and its 34 cities including its economic health, its demographic status and trends, and other information of interest to those who might wish to relocate to Orange County, do business in the County, or otherwise have an interest in the economic and demographic status and future of Orange County.

Orange County Projections

Preparation and development of OCP-2026 will begin during this three-year MOU with completion and adoption expected in late 2026. OCP-2026 will include continued development of Tier 3/city TAZ level for three cities (Anaheim, Irvine, and Newport Beach) that volunteered to participate in the OCP-2022 pilot Tier 3 program. This data will also be provided to SCAG for use in their modeling efforts at the Tier 3 level. The OCP dataset contains population, housing, and employment projections by 2020 census tract, jurisdiction, Community Analysis Area, and Regional Statistical Area for a 25-year period. This iteration will include agency boundaries for MWDOC & OCWD.

Orange County Facts and Figures

Update quarterly the Orange County Facts and Figures. This document focuses on the most frequently asked questions about Orange County demographics and related information.

Boundary and Annexation Report

Working with information provided by OC LAFCO, CDR staff will produce an annual report of the jurisdictional boundary changes. This multi-page report will contain a map of the year to year boundary changes and a table listing the area change and specific annexations and incorporations for each calendar year. Detailed annexation and vicinity maps from OC LAFCO's approved changes of organization documents will also be included in the report. For ease of reference and to make the information publicly available, the report will be posted on OC LAFCO's website.

Housing Activity Report

Using information from the Housing Inventory System (HIS), CDR staff will produce an annual report on the housing construction and demolition activity by jurisdiction. Information will be released in aggregate form at the jurisdiction level in a PDF.

PUBLIC INFORMATION SERVICES

Provide Public Information on Orange County Demographics as Requested

Provide information in response to numerous requests made by government agencies, elected officials, private companies, non-profit organizations, schools, students, and citizens regarding demographic and related information about Orange County.

Maintain CDR Website

Update the information currently on the CDR website on a regular basis and expand as information becomes available. CDR will continue to host the Orange County Data Acquisition Partnership (OCDAP) website as a subsite to CDR's website.

Provide Information and Analysis to News Media

Provide information, description, interviews, and analysis of demographics to news media to assist them in doing stories where demographics is the focus.

Update RHNA Allocations

Develop allocations of 2020 RHNA for annexations and incorporations as requested. Provide data support to local jurisdictions and SCAG during development of the 2020 RHNA. Monitor RHNA development process to ensure Orange County data is incorporated.

Process Decennial Census and American Community Survey Data

Process Bureau of Census data as it pertains to development of the Orange County Projections and at the request of CDR Sponsors.

State Data Center Affiliate

The CDR will serve as a State Data Center Affiliate to the Demographic Research Unit of the California Department of Finance. As an Affiliate, CDR will assist the SDC and Orange County in disseminating census data and improving public access to census data products consistent with services CDR already provides.

DATA BASES

Housing Inventory System

The Housing Inventory System (HIS) is a data system that includes all changes to each jurisdiction's housing stock, including recent changes to accessory dwelling units. Data is collected at the address level and converted into a GIS database by geocoding. After geocoding, quality analysis efforts include tying activity to parcels and building footprints. Depending on the jurisdiction, different documents are used to record added units including certificates of use and occupancy, utility release log, or building final documents. Demolitions and conversions are recorded though other recordation. Changes to the mobile home inventory will be verified with HCD data. This project includes an annual review and sign off process by each jurisdiction of their geocoded data to ensure accuracy.

Census Data by Partial TAZ

Update the correspondence tables of 2020 Census blocks to the TAZs after release of Census Bureau data and GIS shapefiles. As the various census files become available, transportation modeling variables and other key variables useful for projecting the modeling variables will be aggregated to TAZ.

Calibrate Age Cohort Component, Shift-Share and Headship Rate Models

Based on data from the Census Bureau, DOF, and EDD data, calibrate the models used to project county-wide population, housing and employment.

Master Polygon File

Update master polygon file based on the 2020 Census block file for use in development of OCP dataset and annual population and housing unit estimates. Allocate Census block data to TAZ, CAA, RSA, MWDOC and OCWD. Working with information from OC LAFCO, the master polygon file will be updated annually to include changes to agency boundaries: jurisdiction, MWDOC and OCWD.

Population and Housing Estimates by TAZ (OCP)

Estimates of population and housing by unit type will be developed using the 2010 Census and American Community Survey data at the split TAZ. From 2014 onwards, housing unit changes will be geocoded and aggregated to the TAZ. Annual estimates of population and housing will be produced by TAZ for maintenance of the OCP base file.

Annual Population and Housing Estimates by Partial Census Tract and Sponsor Agency

Estimates of population and housing units developed using the 2020 Census for each of the special district sponsors will be updated annually. From 2014 onwards, annual estimates (January 1) of population and housing will be produced by partial census tract and for each of the special district sponsor agencies: MWDOC and OCWD.

Project Total County Population, Housing, and Employment

Draft assumptions for OCP-2026 will be developed and reviewed by the CDR TAC. These will then be incorporated into the macro level models used to project population, housing, and employment. The resulting projections will be reviewed by the CDR TAC and MOC and then brought to the OCCOG TAC and Board for approval as the controls totals for OCP-2026.

Projected Population, Housing and Employment by TAZ (OCP)

Preparation and development of OCP-2026 will begin during this MOU cycle. Countywide population, housing, and employment for years 2020 through 2050 will be allocated to Traffic Analysis Zones split by jurisdictions. Following the allocation, extensive review and refinement will occur to assure the accuracy of the projections.

Secondary Variables by TAZ (OCTAM)

Preparation of the base year OCTAM data for OCP-2026 will begin in this MOU cycle. The basic projected population, housing, and employment from OCP-2026 will be expanded to the 14 OCTAM variables. These variables will include resident population, group quarters population, employed residents, median income, occupied single family dwelling units, occupied multiple family dwelling units, household size, retail employment, service employment, K-12 public school employment, all other employment, school enrollment, university enrollment, and area.

Entitlement Dataset & Support Services

Provide support to Orange County jurisdictions in the development of the entitlements database and other data requested by SCAG during the development of the 2024 and 2028 RTP/SCS. Monitor development process to ensure Orange County data is incorporated.

Consolidated Boundary and Annexation Program (CBAS)

CDR staff will report annual jurisdictional boundary and feature changes through the voluntary program of the U.S. Census Bureau that allows for a consolidated annual review of jurisdiction boundaries. This review will be done using the official County Surveyor/OC LAFCO jurisdiction GIS boundary file. Orange County jurisdictions will be able to opt in or out of this CDR service annually. CDR will notify each participating jurisdiction and OC LAFCO of the outcome of the BAS review, i.e., whether there were any areas where jurisdiction boundaries needed to be corrected.

COMMITTEES

Participate in Sponsor Technical Advisory Committees as Requested

Participate in appropriate Sponsor technical advisory committees, such as OCCOG TAC, County's Demographic Steering Committee, OCTA's Modeling TAC, Orange County Data Acquisition Partnership Steering and Technical Advisory Committee, and SCAG's Technical Working Group and other regional working groups.

Coordinate with SCAG and SCAG Committees

This service revolves around the incorporation of OCP into the SCAG growth forecast. This service includes participation in SCAG expert panels and workshops to develop assumptions for their population and employment projections; monitoring the discussions relevant to the development of SCAG's growth forecast at SCAG policy committees and subregional coordinator meetings; and coordinating with relevant SCAG staff on this issue.

Coordinate with University Research Centers

CDR staff will coordinate with UCI and Chapman University research centers to ensure consistency between the CDR's forecast and estimates and those produced by these institutes.

2023-2026 CONTRIBUTING PARTNER LAFCO FUNDED PROJECT: Sphere of Influence Estimates

CDR will update its master polygon file on an annual basis with changes to the county islands and sphere of influence (SOI) boundaries. CDR will produce annual estimate of January 1 population, housing, and acreage for each of the county islands, 2020 Census Designated Places (CDPs) and SOI polygons upon completion of the annual Housing Inventory System to maintain this information in preparation for OC LAFCO's municipal service reviews. This effort includes updates covering the period from current January 1 back to the most recent Decennial Census using population control totals from the State Department of Finance.

Boundary and Annexation Report: Working with OC LAFCO over the three-year MOU cycle, CDR will attempt to build a historical reference collection of these reports going back to 2000 as information is available.

NEW PROJECTS & SERVICES

Building Footprints

Using the building footprint geodatabase deliverable accessed through OCDAP, for CDR's internal use, CDR will work to append and expand the building footprint attributes in Orange County by general use type, e.g., residential (with ADUs; using CDR's HIS address-level housing activity geodatabase), employment, schools, and accessory structures like carports.

2023-2026 LAFCO FUNDED PROJECT: Disadvantaged Unincorporated Communities (DUCs)

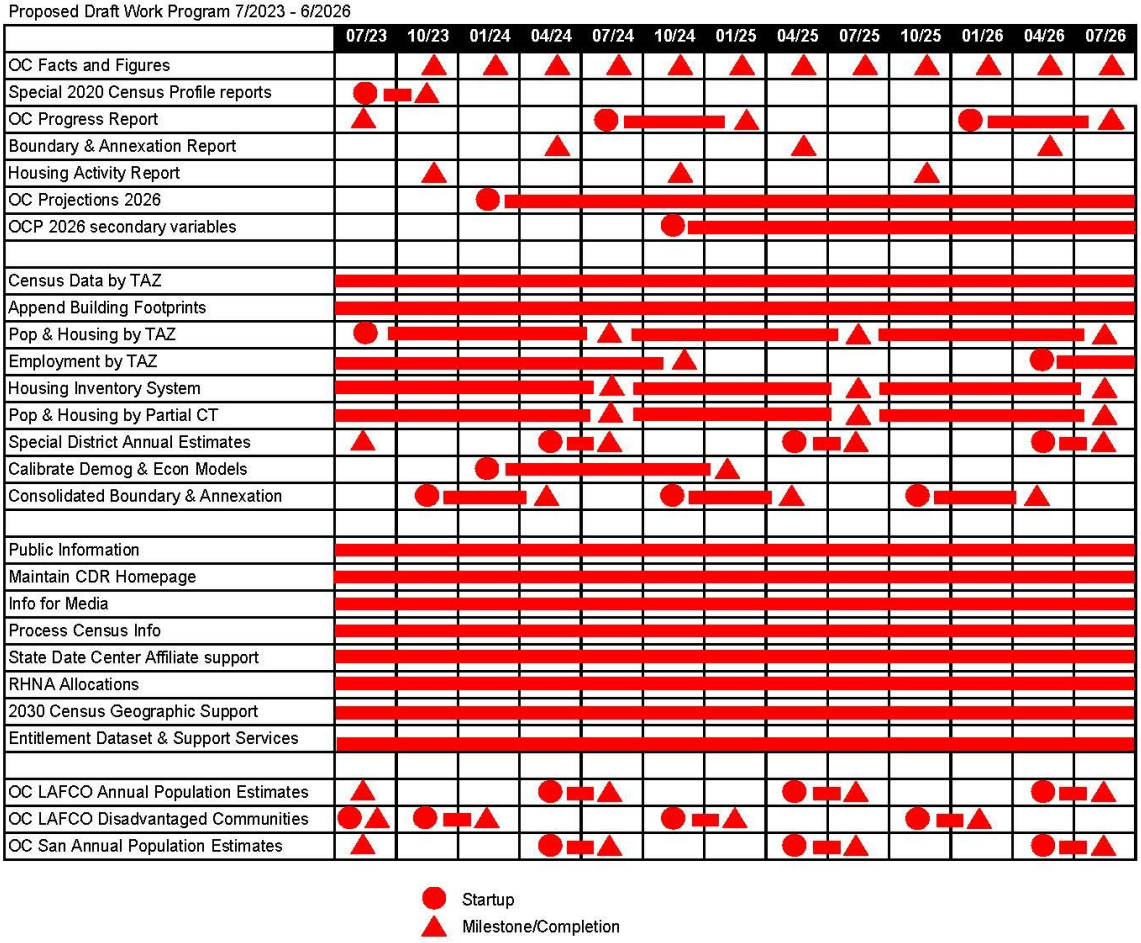
On an annual basis after the ACS 5-year block group data is released, CDR will calculate and identify the Disadvantaged Unincorporated Communities (DUCs) within Orange County based on LAFCO's definition. Each year, CDR will provide LAFCO with a shapefile of the DUCs in Orange County and a shapefile of the DUC portions within the unincorporated portions of Orange County. The first regular annual deliverable will be January 2024. The initial deliverable will include DUC shapefiles for latest ACS data available as of July 2023 for delivery in August 2023.

2023-2026 CONTRIBUTING PARTNER OC SAN FUNDED PROJECT: Population Estimates

CDR will update its master polygon file on an annual basis with changes to the OC San boundaries. CDR will produce annual estimate of January 1 population upon completion of the annual Housing Inventory System. This effort includes updates covering the period from current January 1 back to the most recent Decennial Census using population control totals from the State Department of Finance.

Attachment 3

Proposed Draft Work Program 7/2023 - 6/2026



Attachment 4: Special Terms and Conditions

1. Invoicing for Payment

   Prompt Payment to Subconsultants, if applicable: ASC or Subconsultant shall pay any sub-tier consultant for satisfactorily completed work no later than ten (10) days of receipt of each payment from SPONSOR or CONTRIBUTING PARTNER unless a longer period is agreed to in writing. Any delay or postponement of payment over thirty (30) calendar days may take place only for good cause and with SPONSOR or CONTRIBUTING PARTNER's prior written approval. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise available to the ASC or Subconsultant in the event of a dispute involving late payment or nonpayment by the ASC, deficient subconsultant performance, and/or noncompliance by a subconsultant. This clause applies to both Disadvantaged Business Enterprise (DBE) and non-DBE subconsultants.

2. Written and Electronic Versions of Work Products and Related Work Materials

   All work products produced under the Agreement shall contain the following disclaimer:

   "The preparation of this report has been financed in part through grant(s) from the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) through the U.S. Department of Transportation (DOT). The contents of this report reflect the views of the author who is responsible for the facts and accuracy of the data presented herein. The contents do not necessarily reflect the official views or policies of CDR Sponsors, Contributing Partners, or DOT. This report does not constitute a standard, specification or regulation."

3. Compliance with Laws, Rules, and Regulations

   ASC shall perform all services under the Agreement in accordance and in full compliance with all applicable Federal, State and local statutes, rules, regulations, and policies and procedures and shall secure and maintain all licenses or permits required by law.

4. Contingency Fees or other Unlawful Consideration

   a. ASC certifies, by execution of this MOU, except bona fide employees or bona fide established commercial or selling agencies maintained by ASC for the purpose of securing business, no person or external agency has been employed or retained by ASC to solicit or secure the Agreement for a commission, percentage, brokerage, or contingency fee for breach or violation of this warranty, SPONSOR or CONTRIBUTING PARTNER has the right in its sole discretion to terminate its partnership from the Agreement with its only obligation to pay for the value of the work actually performed, or to deduct from the Agreement price, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingency fee.

   b. ASC further certifies that the Agreement was not obtained or secured through rebates,

kickbacks or other unlawful consideration either promised or paid to any SPONSOR or CONTRIBUTING PARTNER employee. For breach or violation of this warranty, SPONSOR or CONTRIBUTING PARTNER shall have the right, in its discretion, to terminate its partnership from the Agreement without liability, to pay only for the value of work performed, or to deduct from the Agreement price or otherwise recover the full amount of each rebate, kickback or other unlawful consideration.

5. Records Retention and Audits

    a. ASC and its Subconsultant(s), if applicable, shall maintain all source documents, books, and records connected with their performance of the Agreement for a minimum of three (3) years from the date that SPONSOR or CONTRIBUTING PARTNER makes final payment to ASC or until audit resolution is achieved for each annual OWP Agreement (between SPONSOR or CONTRIBUTING PARTNER and Caltrans), whichever is later, and all other related, pending matters are closed.

    b. ASC shall establish and maintain, an accounting system conforming to Generally Accepted Accounting Principles (GAAP) to support invoices which segregate and accumulate the costs of the applicable Project Number(s) by line item and produce Quarterly Reports which clearly identify reimbursable costs and other expenditures related to such Project Number(s).

    c. Upon request, at any time during normal business hours and as often as SPONSOR or CONTRIBUTING PARTNER, The State Controller, County Auditors (in SCAG region), or other government agencies or any duly authorized representative may deem necessary, ASC shall make available for examination all of its records with respect to all matters covered by the Agreement for purposes of audit, examination, or to make copies or transcripts of such records, including, but not limited to, contracts, invoices, payrolls, personnel records, conditions of employment and other records relating to all matters covered by the Agreement. Such records and access to the facilities and premises of ASC shall be made available during the period of performance of the Agreement, and for a minimum of four (4) years following the close of SPONSOR or CONTRIBUTING PARTNER's Fiscal Year.

    d. ASC agrees and shall require that all of its agreements with Subconsultant(s), if applicable, contain provisions requiring adherence to this section in its entirety.

6. Federal and State Lobbying Activities Certification

    a. ASC certifies, to the best of its knowledge and belief, that no State or Federal funds have been paid or will be paid, by or on behalf of SPONSOR or CONTRIBUTING PARTNER, to any person for influencing or attempting to influence an officer or employee of any State or Federal agency, a Member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the

Legislature or Congress in connection with the awarding of any State or Federal contract, the making of any State or Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any State or Federal contract, grant, loan, or cooperative agreement.

b. If any funds other than State or Federal funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, ASC shall complete and submit Federal Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with those form instructions.

c. This certification is a material representation of fact, upon which reliance was placed when the Agreement was entered into. Submission of this certification is a prerequisite for making or entering into the Agreement pursuant to 31 U.S.C. 1352.

d. ASC also agrees that it will require that the language of this certification be included in all agreements with subconsultants which are funded wholly or in part by any funds provided herein and which exceed $100,000 and that all such Subconsultants, if applicable, shall certify and disclose accordingly.

7. Certifications and Assurances

a. ASC shall adhere to the requirements contained in SPONSOR or CONTRIBUTING PARTNER's annual Certification and Assurances (FHWA and FTA "Metropolitan Transportation Planning Process Certification") submitted as part of SPONSOR or CONTRIBUTING PARTNER's OWP, pursuant to 23 CFR 450.334 and 23 U.S.C. 134. This Certification shall be published annually in SPONSOR or CONTRIBUTING PARTNER's OWP. Such requirements shall apply to ASC to the same extent as SPONSOR or CONTRIBUTING PARTNER and may include, but are not limited to:

(1) Title VI of the Civil Rights Act of 1964 and Title VI Assurance executed by California under 23 U.S.C. 324 and 29 U.S.C. 794;
(2) The Americans with Disabilities Act of 1990 (Pub. L. 101-336, 104 Stat. 327, as amended) and the United States Department of Transportation (US DOT) implementing regulations (49 CFR 27, 37, and 38).

b. ASC shall additionally comply with the requirements contained in the annual FTA "Certifications and Assurances for FTA Assistance," including "Certifications and Assurances Required of Each Applicant" and the "Lobbying Certification" in compliance with 49 U.S.C. Chapter 53; published annually in SPONSOR or CONTRIBUTING PARTNER's OWP. Such assurances shall apply to ASC to the same extent as SPONSOR or CONTRIBUTING PARTNER, and include but are not limited to the following areas:

(1) Standard Assurances
(2) Debarment, Suspension, and Other Responsibility Matters for Primary Covered

Transactions
(3) Drug Free Work Place Agreement
(4) Intergovernmental Review Assurance
(5) Nondiscrimination Assurance
(6) Nondiscrimination on the Basis of Disability
(7) Certification and Assurances required by the U.S. Office of Management and Budget

c. ASC shall require its Subconsultant(s), if applicable, to comply with these Certifications, and agrees to furnish documentation at no cost to SPONSOR or CONTRIBUTING PARTNER to support this requirement that all of its agreements with Subconsultant(s) contain provisions requiring adherence to this section in its entirety.

8. Cost Principles

a. ASC agrees to comply with the following:

(1) the Contract Cost Principles and Procedures, 48 Code of Federal Regulations, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., 2 CFR Part 225 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards), "Cost Principles for State, Local, and Indian Tribal Governments," and successors thereto, shall be used to determine the allowability of individual project cost items, and

(2) the Federal administrative procedures in accordance with "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards," 2 CFR Part 200, et seq., and successors thereto.

b. Any costs for which ASC receives payment or credit that is determined by a subsequent audit or other review by either SPONSOR or CONTRIBUTING PARTNER, Caltrans or other State or Federal authorities to be unallowable under, but not limited to, 2 CFR Part 225 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, or successor there to); 48 CFR, Chapter 1, Part 31; or 2 CFR Part 200, et seq., and successors thereto, are to be repaid by ASC within thirty (30) days of ASC receiving notice of audit findings. Should ASC fail to reimburse moneys due SPONSOR or CONTRIBUTING PARTNER within thirty (30) days of demand, or within such other period as may be agreed between Parties hereto, SPONSOR or CONTRIBUTING PARTNER is authorized to withhold future payments due ASC.

c. ASC agrees to furnish documentation to SPONSOR or CONTRIBUTING PARTNER to support this requirement that all of its agreements with Subconsultants, if applicable, contain provisions requiring adherence to this section in its entirety.

OCTA

May 8, 2023

To: Members of the Board of Directors

From: Darrell E. Johnson, Chief Executive Officer

Subject: 2023 Board of Directors and Chief Executive Officer Initiatives and Action Plan – First Quarter Progress Report

On January 23, 2023, the Orange County Transportation Authority (OCTA) Board of Directors' (Board) approved the 2023 Board and Chief Executive Officer (CEO) Initiatives (Attachment A) and Action Plan (Attachment B). The Action Plan consists of three Board initiatives and nine CEO initiatives monitored through 98 milestones throughout the calendar year. Reports detailing the progress on these milestones are provided on a quarterly basis for Board review. This report provides a summary of progress on first quarter (Q1) milestones from January 1, 2023, through March 31, 2023. At the conclusion of Q1, 11 of the 98 milestones have been completed. Highlights of these accomplishments are provided below.

Q1 Progress Report

During Q1 of the calendar year 2023, 13 milestones were scheduled for completion. At the end of Q1, ten milestones have been completed and one milestone was completed ahead of schedule. Some of the highlights include:

- Awarded a new agreement for the management, operation, and maintenance of OC Bus contracted fixed-route services, which is essential to maintaining service continuity;
- Initiated efforts to assess the vulnerability of the railroad right-of-way in south Orange County to climate impacts, such as sea level rise and beach erosion, and determine short- and mid-term solutions;
- Received the last remaining plug-in battery-electric bus (BEB), as part of the zero-emission bus pilot, and deployed all BEBs into service;
- Updated and completed the fiscal year 2022-23 Comprehensive Business Plan, ensuring the financial viability of OCTA's programs and services; and
- Released the draft Long-Range Transportation Plan for public review to help continue planning for an efficient, balanced, and sustainable transportation network in the future.

In addition, one milestone will be carried over and reconsidered in the future. Originally planned for completion in the second quarter, OCTA was to select a consultant to conduct a Transit Chokepoint Study. The goal of this study will be to identify bus operation impediments that result in reduced speeds and reliability challenges. However, OCTA first needs to carry out its Making Better Connections Study, which began in February 2023 and is expected to continue over a 24-month period. To accurately assess transit “chokepoints” for the OC Bus service area, it is necessary to implement a majority of the Making Better Connections Study service plan to better determine where additional improvements may be needed. As a result, OCTA now anticipates preparing the scope of work and initiating the procurement process for the Transit Chokepoint Study in 2024.

The Q1 progress report is provided for your review. I am pleased with the progress OCTA has made and am looking forward to the ongoing progress we will make on the 2023 Board and CEO Initiatives as we continue to address the immediate needs of the public, our customers, and our employees to keep Orange County moving. Please contact me at (714) 560-5343 with any questions or suggestions.

DEJ:ls
Attachments

ATTACHMENT A

OCTA

2023 BOARD & CEO INITIATIVES

Equitable, Reliable, and Balanced Transportation

- Provide Effective and Accessible Transportation Modes
- Advance Measure M2 Improvements
- Engage with Local Stakeholders in All Communities

Financial and Environmental Sustainability and Resilience

- Champion Fiscal Responsibility and Prudently Administer Public Funds
- Anticipate and Plan for Future Conditions
- Demonstrate Environmental Stewardship and Sustainability

Organizational Excellence, Leadership, and Accountability

- Enhance Regional Partnerships and Relationships with Stakeholders
- Strengthen Inclusivity and Diversity in the Work Environment
- Promote Employee Development and a Safe and Modern Workplace

GENE HERNANDEZ
CHAIRMAN

DARRELL E. JOHNSON
CHIEF EXECUTIVE OFFICER

ATTACHMENT B

OCTA

2023 BOARD & CEO INITIATIVES

Equitable, Reliable, and Balanced Transportation

- Provide Effective and Accessible Transportation Modes
- Advance Measure M2 Improvements
- Engage with Local Stakeholders in All Communities

Financial and Environmental Sustainability and Resilience

- Champion Fiscal Responsibility and Prudently Administer Public Funds
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Organizational Excellence, Leadership, and Accountability

- Enhance Regional Partnerships and Relationships with Stakeholders
- Strengthen Inclusivity and Diversity in the Work Environment
- Promote Employee Development and a Safe and Modern Workplace

GENE HERNANDEZ
CHAIRMAN

DARRELL E. JOHNSON
CHIEF EXECUTIVE OFFICER

ORANGE COUNTY TRANSPORTATION AUTHORITY

2023 Board Initiatives

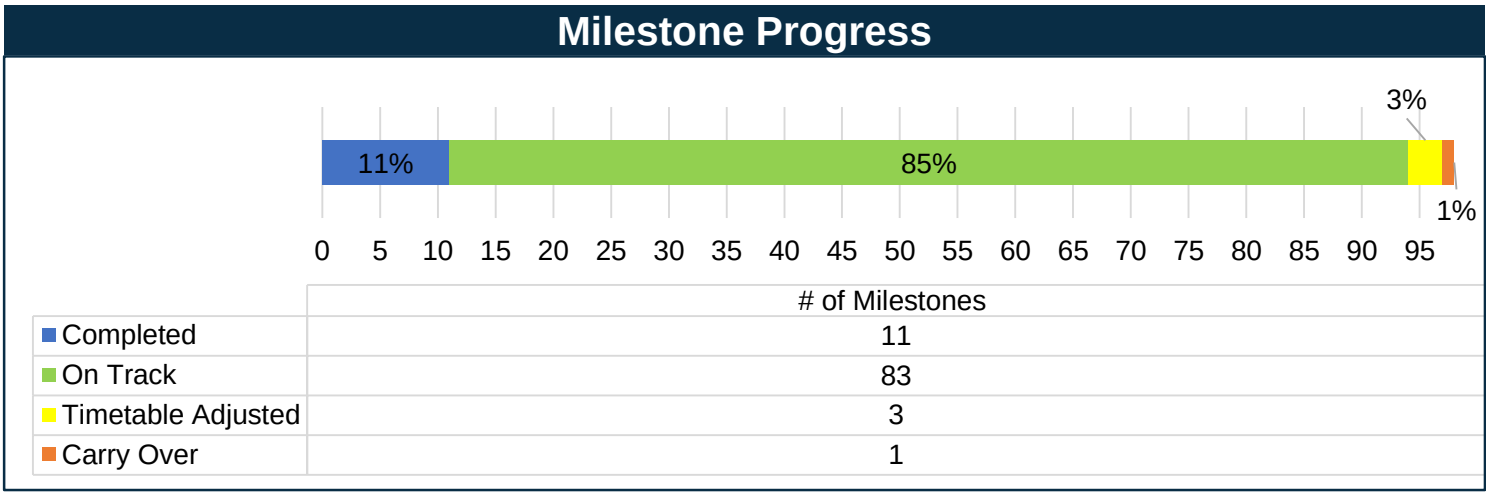
1. Equitable, Reliable, and Balanced Transportation
2. Financial and Environmental Sustainability and Resilience
3. Organizational Excellence, Leadership, and Accountability

2023 CEO Initiatives

1. Provide Effective and Accessible Transportation Modes
2. Advance Measure M2 Improvements
3. Engage with Local Stakeholders in All Communities
4. Champion Fiscal Responsibility and Prudently Administer Public Funds
5. Anticipate and Plan for Future Conditions
6. Demonstrate Environmental Stewardship and Sustainability
7. Enhance Regional Partnerships and Relationships with Stakeholders
8. Strengthen Inclusivity and Diversity in the Work Environment
9. Promote Employee Development and a Safe and Modern Workplace

2023 CEO Milestone Summary

Number of Milestones by Quarter	
Quarter Due	**Number**
First Quarter	13
Second Quarter	12
Third Quarter	25
Fourth Quarter	48
TOTAL	**98**



FIRST QUARTER (Q1)			10 of 13 Completed - 77%				
# Project/Program	Objective	Milestone	Notes	Q1	Q2	Q3	Q4
1. I-405 Project*	Continue to Advance Construction	Complete and fully open bridge at Goldenwest Street - Q1	Due to weather and underground utility challenges, the completion and opening of the Goldenwest Street bridge has been delayed; June 2023 - anticipated to complete and fully open.				
2. I-5, El Toro Road Interchange	Assess Potential Additional Build Alternatives	Restart the environmental phase incorporating new alternatives - Q1	January 2023 - restarted environmental phase.				
3. San Juan Creek Bridge Replacement*	Ensure Asset Preservation	Complete ROW activities and coordinate with Metrolink to advertise for construction - Q1	January 26, 2023 - completed ROW certification. Coordination with Metrolink is ongoing; Metrolink anticipates advertising for construction by June 2023.				
4. Transit Security and Operations Center (TSOC)*	Ensure Transit Service Continuity	Complete design phase - Q1	Due to ongoing plan checks by the City of Anaheim and Division of the State Architect (authorities having jurisdiction), completion of the design phase has been delayed; May 31, 2023 - anticipated to complete design phase.				
5. Comprehensive Business Plan (CBP)*	Develop OCTA's Business Plan	Present CBP to Board for adoption - Q1	February 27, 2023 - presented CBP to Board.				
6. Bus Fleet Management	Maintain Fleet in a State of Good Repair	Finalize agreement to acquire replacement CNG buses - Q1	February 16, 2023 - finalized agreement.				
7. Contracted Fixed-Route	Award New Agreement for Contracted Fixed-Route Service Provision	Present to Board for approval to award contract - Q1	March 13, 2023 - presented to and approved by the Board.				

*2022 Carryover

COMPLETED | ON TRACK | TIMETABLE ADJUSTED | CARRYOVER

Q1 (Continued)

#	Project/Program	Objective	Milestone	Notes	Q1	Q2	Q3	Q4
8.	OC Streetcar*	Prepare for OC Streetcar Operations	Issue NTP to Herzog for operations and maintenance services - Q1	To be consistent with the timing of the update on the overall OC Streetcar project schedule, issuance of the NTP to Herzog has been delayed; May 2023 - anticipated to issue NTP.				
9.	Zero-Emission Battery-Electric Buses*	Reduce Emissions in Orange County	Receive delivery of last remaining plug-in battery-electric bus and put all into service - Q1	January 25, 2023 - received last battery-electric bus; February 28, 2023 - all five BRAVO! branded and regular battery-electric buses have been deployed into service.				
10.	Core Competency Integration	Provide Clear Growth and Development Pathways for Staff and Bridge Gaps Between Performance and Opportunity by Articulating which Competencies are Needed for Various Positions	Continue development of a "road map" for core competency implementation and roll-out plan to implement core competencies into the job descriptions of all divisions at OCTA. Present roll-out plan to ESC - Q1	March 27, 2023 - presented roll-out plan to division leads, in lieu of ESC.				
11.	Public Transportation Agency Safety Plan (PTASP)	Reinforce the Value of Safety and Organizational Commitment to Reduce Safety Incidents	Present annual PTASP to Board for approval - Q1	March 13, 2023 - presented to Board for approval.				
12.	Long-Range Transportation Plan (LRTP)*	Develop the LRTP	Release draft LRTP for public review - Q1	January 6, 2023 - released draft LRTP.				
13.	Rail Coastal Protection	Assess Vulnerability of the Railroad ROW in South Orange County to Address the Impacts of Sea Level Rise, Erosion, Etc.	Develop scope of work and seek grant funding - Q1	February 10, 2023 - submitted grant application, which includes scope of work; March 13, 2023 - presented scope of work to Board for approval to release RFP for short- and mid-term solutions.				

*2022 Carryover

SECOND QUARTER (Q2)				1 of 12 Completed - 8%				
#	Project/Program	Objective	Milestone	Notes	Q1	Q2	Q3	Q4
1.	Anaheim Canyon Metrolink Station Improvement*	Close Out Construction and Commission New Platform	Complete construction and provide update to Board - Q2	January 30, 2023 - completed construction.				
2.	I-5, SR-73 to El Toro Road Project	Continue to Advance Construction on All Segments	Provide construction update to Board - Q2	May 2023 - anticipated to provide update to Board.				
3.	TSOC	Ensure Transit Service Continuity	Advertise for construction - Q2					
4.	OCTA's Operating and Capital Budget	Develop a FY 2023-24 Balanced Budget	Present a comprehensive balanced OCTA FY 2023-24 Budget for adoption to Board - Q2	June 12, 2023 - anticipated to present FY 2023-24 Budget to Board.				
5.	Procurement	Ensure Transparency and Organizational Excellence	Conduct a procurement workshop with the Board - Q2	March 27, 2023 - conducted Board workshop.	Early Complete			
6.	Metrolink Service	Plan, Fund, and Administer Sustainable Metrolink Service	Continue to work with Metrolink to develop a sustainable service plan consistent with market demand - Q2	May 8, 2023 - Metrolink anticipated to present its draft FY 24 budget, including service assumptions, to Board.				
7.	Paratransit Vehicles	Replace Cutaway Buses with a Mix of Cutaways and Vans	Initiate procurement of replacement paratransit vehicles - Q2	May 22, 2023 - anticipated to present to Board for approval to release RFP.				
8.	Personnel and Salary Resolution	Attract and Retain Top Talent	Present recommendations to Board as part of the OCTA FY 2023-24 budget - Q2	June 12, 2023 - anticipated to present to Board.				
9.	LRTP	Finalize the LRTP	Incorporate public feedback and present draft final LRTP to Board - Q2	May 2023 - anticipated to present final draft to Board.				
10.	Signal Synchronization	Improve Roadway Efficiency	Provide update to Board on signal synchronization projects (Project P) - Q2	June 12, 2023 - anticipated to provide update to Board.				

*2022 Carryover

COMPLETED | ON TRACK | TIMETABLE ADJUSTED | CARRYOVER

Q2 (Continued)

#	Project/Program	Objective	Milestone	Notes	Q1	Q2	Q3	Q4
11.	Transit Chokepoint Study	Identify Bus Operation Impediments that Lead to Reduced Speed and Reliability Challenges	Award contract - Q2	OCTA needs to implement the Making Better Connections Study over a 24-month period, which began in February 2023. To accurately assess transit "chokepoints" for the OC Bus service area, it is necessary to implement a majority of the Making Better Connections Study service plan to determine where additional improvements may be warranted. As a result, the scope and procurement package for this study will not be prepared until September 2023, with the contract anticipated to be awarded in May 2024. This will be carried over to Q2 of 2024.				
12.	Transit Vision Update (Connections Plan Follow-Up Study)	Ensure Appeal of Transit as a Long-Term Multimodal Transportation Option	Present to Board for approval to award contract - Q2	April 24, 2023 - anticipated to present to Board.				

THIRD QUARTER (Q3) — 0 of 25 Completed - 0%

#	Project/Program	Objective	Milestone	Notes	Q1	Q2	Q3	Q4
1.	I-405 Project	Continue to Advance Construction	Complete and fully open remaining bridge replacements at Brookhurst Street, Bolsa Avenue, Warner Avenue, Newland Street, and Springdale Street - Q3					
2.	I-5, Avenida Pico to San Diego County Line	Advance Environmental Phase	Release Draft EIR and provide update to Board - Q3					
3.	SR-55, I-405 to I-5 Project	Continue to Advance Construction	Provide construction update to Board - Q3					
4.	405 Express Lanes Customer Service Center (CSC)	Open 405 Express Lanes CSC for Service	Complete construction, install equipment, and provide furniture in the 405 Express Lanes CSC - Q3					
5.	91 Express Lanes	Potentially Re-finance Outstanding Debt	Evaluate whether to move forward on refinancing outstanding debt - Q3					
6.	Credit Ratings	Maintain OCTA's Positive Credit Rating	Conduct annual rating agency meeting - Q3					
7.	Cybersecurity	Protect OCTA's Information Systems	Require completion of annual cybersecurity training for all employees - Q3					
8.	Cybersecurity (TSA Security Directive)	Fulfill TSA Security Directive	Complete initial cybersecurity assessment and incident response plan - Q3					
9.	Headquarters Building	Implement Long-Term Strategy for the OCTA Headquarters	Present a design agreement to Board - Q3					
10.	Human Resources Information System (HRIS)	Implement a Modernized HRIS	Present to Board for approval to award contract - Q3					
11.	Rider Validation System	Continue Modernization of OCTA's Fare System	Present vendor selection to Board - Q3					
12.	Bus Fleet Management	Maintain Fleet in a State of Good Repair	Receive delivery of initial order of CNG buses - Q3					
13.	OC Streetcar	Complete Vehicle Production	Begin receiving delivery of streetcar vehicles - Q3					
14.	OC Streetcar	Prepare for OC Streetcar Operations	Complete operations and maintenance agreements with the cities of Garden Grove and Santa Ana - Q3					

COMPLETED | ON TRACK | TIMETABLE ADJUSTED | CARRYOVER

Q3 (Continued)

#	Project/Program	Objective	Milestone	Notes	Q1	Q2	Q3	Q4
15.	Same-Day Taxi	Deliver Enhanced ACCESS Service	Award service contract - Q3					
16.	Zero-Emission Paratransit Buses	Replace Ten Gasoline OC ACCESS Buses with Ten Battery-Electric Vehicles	Initiate procurement - Q3					
17.	College Pass Program	Extend College Pass Program Beyond Initial Pilot Term	Develop a new agreement with Santiago Canyon College - Q3					
18.	Diversity, Equity, Inclusion, and Belonging - Affirmative Action Plan/Equal Employment Opportunity (AAP/EEO)	Provide Updates on Progress of AAP/EEO Development and Implementation and Adhere to Federal Requirements	Present biannual updates to ESC - Q1 and Q3	February 13, 2023 - presented first biannual update to ESC.				
19.	Employee Health Insurance Renewal Programs	Secure Competitive Health Benefits	Present health insurance recommendations to Board - Q3					
20.	Management Development Academy (MDA)	Provide Management Professional Development	Launch fifth cohort of MDA - Q3					
21.	OC Streetcar Operations Safety Education and Public Awareness	Provide Safety Education to Affected Audiences and General Public	Create and implement a safety education campaign to raise public awareness once testing begins on tracks - Q3					
22.	PTASP	Adopt OC Streetcar PTASP as Required by the FTA and the CPUC's State Safety Oversight Program	Submit draft OC Streetcar PTASP to the CPUC for review and comment for revenue service preparation and/or requirements - Q3					
23.	South Orange County Rail Station Feasibility Study	Assess Feasibility of a New Rail Station South of Existing Laguna Niguel Metrolink Station	Complete study and present to Board - Q3					
24.	SR-91 Implementation Plan	Collaborate with RCTC to Update the Plan in Support of Regional SR-91 Corridor Transportation Improvements	Present Plan to Board - Q3					

Q3 (Continued)

#	Project/Program	Objective	Milestone	Notes	Q1	Q2	Q3	Q4
25.	Streets and Roads Grants	Fund Streets and Roads Improvements	Present recommendations for RCP (Project O) and RTSSP (Project P) projects grant awards to Board - Q3					

FOURTH QUARTER (Q4) — 0 of 48 Completed - 0%

#	Project/Program	Objective	Milestone	Notes	Q1	Q2	Q3	Q4
1.	I-405 Project	Open All I-405 Improvements to Traffic	Achieve substantial completion of construction (all lanes open) and opening of the 405 Express Lanes - Q4					
2.	OC Streetcar	Continue to Advance Construction	Report on status of construction and updates to target service startup date Q1-Q4	January 23, 2023 - presented update to Board. April and July 2023 - anticipated to present updates to Board.				
3.	Serra Siding Extension	Advance Environmental Phase	Release Draft EIR and provide update to Board - Q4					
4.	SR-91, SR-55 to Lakeview Avenue	Advance Project to Construction Phase	Complete the construction bid package for Caltrans' advertisement for bids - Q4					
5.	241/91 Express Lanes Connector (ELC)*	Provide 241/91 ELC Project Progress	Provide update to Board on the status of the project with a discussion on next steps - Q4					
6.	405 Express Lanes	Commence Operations on the 405 Express Lanes	Begin processing transaction and collecting revenues on the 405 Express Lanes - Q4					
7.	91 Express Lanes*	Install Toll Entrance Readers to Register Vehicles Entering the 91 Express Lanes	Complete installation of infrastructure gantries, cameras, and readers at the three entrances of the 91 Express Lanes - Q4					
8.	Crisis Communications	Ensure Agency and Staff Preparedness	Conduct a tabletop exercise for the Crisis Communications team and revise Crisis Communications Plan as appropriate - Q4					
9.	Diversity, Equity, Inclusion, and Belonging	Review OCTA Organizational Policies, Practices and Programs Related to Diversity, Equity and Inclusion, and Develop Recommendations to Enhance Efforts in this Area and Help Guide Future Agency Decisions	Review and implement appropriate recommendations from the third-party organizational diversity, equity, and inclusion study - Q4					
10.	Rail Coastal Protection	Support State Efforts to Develop Long-Term Solutions for Coastal Rail Infrastructure	Work with external stakeholders and provide periodic updates to Board - Q2 and Q4					

*2022 Carryover

COMPLETED | ON TRACK | TIMETABLE ADJUSTED | CARRYOVER

Q4 (Continued)

#	Project/Program	Objective	Milestone	Notes	Q1	Q2	Q3	Q4
11.	Annual Comprehensive Financial Report	Ensure Accountability and Transparency	Obtain an unmodified opinion from the external auditors and provide the annual financial statements to Board - Q4					
12.	Enterprise Asset Management (EAM)	Implement New EAM System	Transition Infor EAM System from test into full production - Q4					
13.	Renewable Energy Assessment	Assess Feasibility of Using Renewable Energy at OCTA Facilities	Evaluate OCTA's ability to implement renewable energy options and provide update to Board - Q4					
14.	Federal Triennial Review	Provide a Well-Coordinated Response, Evidenced by Documentation, During FTA's Triennial Review to Convey the Agency's Outstanding Performance as a Federal Grantee	Complete the necessary steps and actions as part of the FTA Triennial Review process - Q4					
15.	Legislative Forums	Communicate Transportation Needs and Challenges and OCTA's Ongoing Plans, Programs, and Projects	Conduct forums with local delegation representatives and report to management team - Q1-Q4	March 29, 2023 - conducted first round of forums.				
16.	Legislative Platforms	Set Legislative Priorities	Present final 2024 state and federal legislative platforms to Board for approval - Q4					
17.	Legislative Priorities	Provide End of Session Report	Discuss outcomes of legislative priorities with L&C - Q4					
18.	Local Government Forums	Conduct Mayors Forums by District	Conduct forums with local delegation representatives and report to management team - Q1-Q4	All five local government forums anticipated to be conducted in Q3.				
19.	Zero-Emission Bus (ZEB) Pilots*	Evaluate ZEBs for Operational Effectiveness	Provide progress report to Board on ZEB pilots, including the hydrogen fuel-cell electric buses and plug-in battery-electric buses - Q4	January 9, 2023 - provided ZEB pilot update to Board.				
20.	Coach Operator Workforce	Implement Programs to Support Increase in Recruitment and Retention	Review current efforts on coach operator recruitment and retention and include coach operator headcount in the quarterly bus operations report to Board - Q4					

*2022 Carryover

Q4 (Continued)

#	Project/Program	Objective	Milestone	Notes	Q1	Q2	Q3	Q4
21.	Core Competency Integration	Provide Clear Growth and Development Pathways for Staff and Bridge Gaps Between Performance and Opportunity by Articulating which Competencies are Needed for Various Positions	Implement core competencies into all job descriptions at OCTA - Q4					
22.	Diversity, Equity, Inclusion, and Belonging	Provide Microaggression Training to Ensure Coach Operators Understand OCTA's Commitment to Diversity, Equity, Inclusion, and Belonging	Conduct microaggressions training for all coach operators during annual required training - Q4					
23.	Diversity, Equity, Inclusion, and Belonging	Identify and Develop Enhancements to Support Employees' Voices Throughout the Organization	Implement one additional Employee Resource Group - Q4					
24.	Diversity, Equity, Inclusion, and Belonging - Diverse Community Leaders Group (DCLG)	Maximize Relationships with Key Stakeholders and Leaders that Represent Diverse Communities to Gain Feedback	Enhance engagement opportunities with OCTA's DCLG as part of transportation programs, projects, and plans with update to L&C - Q4					
25.	Diversity, Equity, Inclusion, and Belonging - Outreach Update	Conduct Diversity Outreach Programs to Support Capital Projects, Planning Studies, and Transit Marketing	Develop proactive diversity outreach and inclusion strategies using traditional and digital tactics to engage with diverse and underrepresented communities on OCTA initiatives and activities with update to L&C - Q4					
26.	Early Career Academy (ECA)	Provide Early Career Development to Grow New Professionals	Launch fourth cohort of ECA - Q4					
27.	Market Research	Obtain Public Input and Preferences for OCTA's Various Programs and Services	Conduct qualitative and quantitative surveys to support marketing programs,LRTP/M2 Ten-Year Review, and other planning studies - Q4					

Q4 (Continued)

#	Project/Program	Objective	Milestone	Notes	Q1	Q2	Q3	Q4
28.	Marketing Activities	Promote and Educate Public on OCTA Services	Develop campaigns and programs to promote the Making Better Connections Bus Service Plan and other activities - Q4					
29.	Marketing Activities*	Promote and Educate Public on OCTA Services	Present biannual updates on ongoing campaigns promoting bus, rail, OC Flex, rideshare, and vanpool services to L&C - Q2 and Q4	February 16, 2023 - presented update to L&C as carryover from November 2022. June 2023 - anticipated to present next update to L&C.				
30.	Outreach Activities	Conduct Outreach to Support Capital Projects	Provide quarterly I-405 and OC Streetcar outreach updates, as well as I-5 south and SR-55, and other projects to Board - Q1-Q4	January 23, 2023 - presented OC Streetcar update to Board; February 13, 2023 - presented I-405 Project update to Board. May 8, 2023 - anticipated to present I-5 (SR-73 to El Toro Road) Project update to Board; June 12, 2023 - anticipated to present I-405 Project update to Board; July 2023 - anticipated to present OC Streetcar update to Board.				
31.	Outreach Activities	Conduct Outreach to Support Planning Studies	Provide outreach updates for planning studies, including the LRTP, South Orange County Rail Station Feasibility Study, and others as appropriate to Board - Q1-Q4	February 13, 2023 - presented LRTP update to Board. May 2023 - anticipated to present final LRTP staff report to Board.				
32.	2023 Congestion Management Program (CMP) Report	Report on the CMP Status and Local Jurisdiction Compliance	Adopt CMP report and submit to SCAG - Q4					
33.	2024 State Transportation Improvement Program (STIP)	Maximize State Funding Opportunities	Present the 2024 STIP proposal to Board for approval - Q4					
34.	Active Transportation Initiatives	Implement Programs in Support of Non-Motorized Transportation	Provide biannual updates on active transportation initiatives to Board - Q2 and Q4					

*2022 Carryover

Q4 (Continued)

#	Project/Program	Objective	Milestone	Notes	Q1	Q2	Q3	Q4
35.	Bus Base Charge Ready Infrastructure Plan	Evaluate Charging Infrastructure Needs and Facilities for ZEB Rollout Plan	Present update to ESC - Q4					
36.	Climate Adaptation and Sustainability Plan (CASP)	Advance Agency Sustainability Practices and Resiliency Efforts to Adapt to Climate Change Impacts	Present update on final CASP development to ESC - Q4					
37.	Community Circulators and Shuttles (Project V)	Fund Development of Local Bus Transit Services	Solicit letters of interest for a Project V call for projects - Q4					
38.	Complete Streets Funding Program	Develop Funding Approach for Bicycle and Pedestrian Projects that Reduce Traffic Congestion and Improve Air Quality	Update guidelines and present to ESC - Q4					
39.	E-Bicycles (E-Bike) Safety Plan	Define Approach for E-Bike Use and Safety	Coordinate with local partners to develop best practices for consideration in the development of local E-bike policies - Q4					
40.	M2 Environmental Cleanup Program	Fund Water Quality Improvements	Present programming recommendations for Tier 1 water quality projects (Project X) grant awards to Board - Q4					
41.	M2 Environmental Mitigation Programs	Ensure Comprehensive Freeway Program Mitigation	Present biannual progress reports to Board - Q2 and Q4					
42.	M2 Quarterly Reports	Provide Updates on Progress of M2 Implementation and Fulfill the Requirements of the M2 Ordinance No. 3	Present quarterly reports to Board - Q1-Q4					
43.	M2 Triennial Performance Assessment	Evaluate the Efficiency, Effectiveness, Economy, and Results of the Agency's Delivery of M2	Present closeout of the 2018-2021 M2 Triennial Performance Assessment Report Recommendations to Board - Q4					
44.	Making Better Connections Program	Continue to Improve the Quality of Public Transportation	Complete implementation plan and schedule and provide updates to ESC - Q2 and Q4					
45.	Next 10 Delivery Plan	Ensure M2 Delivery Commitment	Review and present status of the Next 10 Delivery Plan deliverables to Board - Q4					

Q4 (Continued)

#	Project/Program	Objective	Milestone	Notes	Q1	Q2	Q3	Q4
46.	OC Streetcar Bus-Rail Interface Study and Fleet Management Plan	Update OC Streetcar Interface and Fleet Management Plans to Ensure Seamless Connection Between OC Streetcar and OC Bus Operations	Present update to ESC - Q4					
47.	On-Board Bus Survey	Determine the Origin and Destination of Transit Trips	Initiate procurement of consultant contract - Q4					
48.	Regional Planning Activities	Highlight Transportation Planning Activities	Present biannual reports on activities underway that impact OCTA and the Southern California region to Board - Q2 and Q4					

Acronyms

AAP/EEO - Affirmative Action Plan/Equal Employment Opportunity	I-405 - Interstate 405
Board - Board of Directors	L&C - Legislative and Communications Committee
Caltrans - California Department of Transportation	LRTP - Long-Range Transportation Plan
CASP - Climate Adaptation and Sustainability Plan	M2 - Measure M2
CBP - Comprehensive Business Plan	MDA - Management Development Academy
CEO - Chief Executive Officer	NTP - Notice to Proceed
CMP - Congestion Management Program	OCTA - Orange County Transportation Authority
CNG - Compressed Natural Gas	PTASP - Public Transportation Agency Safety Plan
CPUC - California Public Utilities Commission	RCTC - Riverside County Transportation Commission
CSC - Customer Service Center	RCP - Regional Capacity Program
DCLG - Diverse Community Leaders Group	RFP - Request for Proposals
E-Bike - E-Bicycles	ROW - Right-of-Way
EAM - Enterprise Asset Management	RTSSP - Regional Transportation Signal Synchronization Program
ECA - Early Career Academy	SCAG - Southern California Association of Governments
EIR - Environmental Impact Report	SR-55 - State Route 55
ELC - Express Lanes Connector	SR-73 - State Route 73
ESC - Executive Steering Committee	SR-91 - State Route 91
FTA - Federal Transit Administration	STIP - State Transportation Improvement Program
FY - Fiscal Year	TSA - Transportation Security Administration
HRIS - Human Resources Information System	TSOC - Transit Security and Operations Center
I-5 - Interstate 5	ZEB - Zero-Emission Bus

COMMITTEE TRANSMITTAL

May 8, 2023

To: Members of the Board of Directors

From: Andrea West, Interim Clerk of the Board

Subject: Approval of the Fiscal Year 2023-24 Local Transportation Fund Claim for Laguna Beach Public Transportation Services

Finance and Administration Committee Meeting of April 26, 2023

Present: Directors Do, Federico, Goodell, Harper, Hennessey, and Jones
Absent: Director Sarmiento

Committee Vote

This item was passed by the Members present.

Committee Recommendations

A. Approve the Laguna Beach Municipal Transit Lines Fiscal Year 2023-24 Local Transportation Fund Claim for public transportation services, in the amount of $1,531,335.

B. Authorize the Chief Executive Officer of the Orange County Transportation Authority to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the amount of the claim.

April 26,2023

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Approval of the Fiscal Year 2023-24 Local Transportation Fund Claim for Laguna Beach Public Transportation Services

Overview

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

Recommendations

A. Approve the Laguna Beach Municipal Transit Lines Fiscal Year 2023-24 Local Transportation Fund Claim for public transportation services, in the amount of $1,531,335.

B. Authorize the Chief Executive Officer of the Orange County Transportation Authority to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the amount of the claim.

Background

The Transportation Development Act (TDA) of 1971 established a funding source dedicated to public transit and non-transit-related projects. The TDA created a Local Transportation Fund (LTF) for transportation purposes specified in the TDA in each county in California. Revenues are derived from 1/4 cent of the current retail sales tax. The LTF revenues are collected by the California Department of Tax and Fee Administration and returned to the local jurisdictions based on the volume of sales during each month.

As required by the TDA, in Orange County, the LTF receipts are deposited in the Orange County LTF account (Fund 182) in the Orange County Treasury and are administered by the Orange County Auditor-Controller (OCAC).

In Orange County, the Orange County Transportation Authority (OCTA) is the Transportation Planning Agency (TPA) responsible for the allocation of the LTF within its jurisdiction. Upon instructions from OCTA, LTF receipts are distributed by the OCAC among the various administrative, planning, and public transportation apportionments as specified in the TDA.

The Orange County Transit District and the Laguna Beach Municipal Transit Lines (LBMTL) are the only public transit operators in Orange County eligible to receive allocations from the LTF. Article 4 of TDA Section 6630 of the California Code of Regulations requires the City of Laguna Beach (City) to file a claim with OCTA to receive an allocation from the LTF for providing public transportation throughout the City.

Discussion

On February 27, 2023, the OCTA Board of Directors approved the LTF fiscal year (FY) 2023-24 apportionments. The total apportionment approved for LBMTL equaled $1,531,335.

On March 21, 2023, the Laguna Beach City Council adopted a resolution authorizing the filing of an LTF claim with OCTA for public transportation services. The City submitted its FY 2023-24 LTF claim in the amount of $1,531,335, that will be used by LBMTL to meet FY 2023-24 operating expenses. OCTA, as the TPA for Orange County, is authorized to approve LTF claims and make payments from the LTF through written instructions to the OCAC.

Summary

OCTA's approval of the City claim against the Orange County LTF in the amount of $1,531,335, will enable the LBMTL to continue providing public transportation services throughout the City during FY 2023-24.

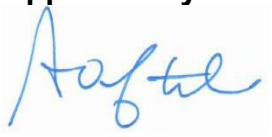
Attachment

None.

Prepared by:

Sam Kaur
Department Manager,
Revenue and Grants Administration
(714) 560-5889

Approved by:



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

COMMITTEE TRANSMITTAL

May 8, 2023

To: Members of the Board of Directors

From: Andrea West, Interim Clerk of the Board

Subject: Approval of the Fiscal Year 2023-24 Local Transportation Fund Claim for Public Transportation and Community Transit Services

Finance and Administration Committee Meeting of April 26, 2023

Present: Directors Do, Federico, Goodell, Harper, Hennessey, and Jones
Absent: Director Sarmiento

Committee Vote

This item was passed by the Members present.

Committee Recommendations

A. Approve the Orange County Transit District Fiscal Year 2023-24 Local Transportation Fund Claim for public transportation services, in the amount of $211,736,396, and for community transit services, in the amount of $11,224,618 for a total claim amount $222,961,014.

B. Authorize the Chief Executive Officer to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the full amount of the claims.

OCTA

April 26, 2023

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Approval of the Fiscal Year 2023-24 Local Transportation Fund Claim for Public Transportation and Community Transit Services

Overview

The Orange County Transit District is eligible to receive funding from the Local Transportation Fund for providing public transportation and community transit services throughout Orange County. To receive the funds, the Orange County Transit District must file a claim against the Local Transportation Fund with the Orange County Transportation Authority.

Recommendations

A. Approve the Orange County Transit District Fiscal Year 2023-24 Local Transportation Fund Claim for public transportation services in the amount of $211,736,396, and for community transit services in the amount of $11,224,618 for a total claim amount of $222,961,014.

B. Authorize the Chief Executive Officer to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the full amount of the claims.

Background

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

The LTF revenues are collected by the California Department of Tax and Fee Administration and returned to local jurisdictions based on the volume of sales during each month. As required by the TDA, LTF receipts are deposited with the

Orange County Treasury (Fund 182) and are administered by the Orange County Auditor-Controller (OCAC). The Orange County Transportation Authority (OCTA) is the Transportation Planning Agency (TPA) responsible for the allocation of the LTF. Upon instructions from OCTA, LTF receipts are disbursed by the OCAC among the various administrative, planning, and public transportation apportionments as specified in the TDA.

In Orange County, OCTA has designated the Orange County Transit District (OCTD) as the public transportation services operator and the Consolidated Transportation Services Agency. Therefore, OCTD is the claimant for Article 4 and 4.5 funds. Section 6630 of the California Code of Regulations requires OCTD to file a claim with OCTA to receive an allocation from the LTF for providing public transportation and community transit services under Articles 4 and 4.5 of the TDA.

Discussion

On February 27, 2023, the OCTA Board of Directors (Board) approved the LTF fiscal year (FY) 2023-24 apportionments. A total of $222,961,014 was approved for OCTD, consisting of $211,736,396 for Article 4 public transit services and $11,224,618 for Article 4.5 community transit services. Public transit services provide support to the public transportation system and aid to public transportation research and demonstration projects, while community transit services are services for those, such as the disabled, who cannot use conventional transit services.

On March 13, 2023, the OCTD Board adopted a resolution authorizing the filing of the LTF claim for a total of $222,961,014 for funding public transportation and community transit services for FY 2023-24. OCTA, as the TPA for Orange County, is authorized to approve LTF claims and make payments from the LTF to OCTD as the consolidation transportation service agency for Orange County.

Summary

OCTA's approval of the OCTD claim against the LTF in the amount of $222,961,014, will enable the OCTD to continue providing public transportation and community transit services throughout Orange County in FY 2023-24.

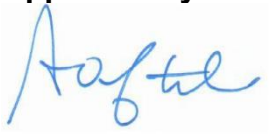
Attachment

None.

Prepared by:

Sam Kaur
Department Manager
Revenue and Grants Administration
(714) 560-5889

Approved by:



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

COMMITTEE TRANSMITTAL

May 8, 2023

To: Members of the Board of Directors

From: Andrea West, Interim Clerk of the Board

Subject: Orange County Local Transportation Authority Measure M2 Agreed-Upon Procedures Reports, Year Ended June 30, 2022

Finance and Administration Committee Meeting of April 26, 2023

Present: Directors Do, Federico, Goodell, Harper, Hennessey, and Jones
Absent: Director Sarmiento

Committee Vote

This item was passed by the Members present.

Committee Recommendations

A. Direct staff to monitor implementation of recommendations by cities.

B. Direct staff to review observations with legal counsel and develop recommendations for Board of Directors' consideration related to the City of Cypress' compliance with the Measure M2 Ordinance and Eligibility Guidelines.

OCTA

April 26, 2023

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Janet Sutter, Executive Director
Internal Audit Department

Subject: Orange County Local Transportation Authority Measure M2 Agreed-Upon Procedures Reports, Year Ended June 30, 2022

Overview

Crowe LLP, an independent accounting firm, has applied agreed-upon procedures related to Measure M2 Local Fair Share funds provided to seven cities, and Senior Mobility Program funds provided to four cities, for the fiscal year ended June 30, 2022. Local Fair Share program reports include observations of ineligible maintenance of effort expenditures, indirect charges lacking a reasonable methodology, reporting errors, and funded projects not reflected in Seven-Year Capital Improvement Program plans. Senior Mobility Program audits include observations relating to late submission of monthly reports, reporting errors, failure to allocate interest, and verification of participant eligibility.

Recommendations

A. Direct staff to monitor implementation of recommendations by cities.

B. Direct staff to review observations with legal counsel and develop recommendations for Board of Directors' consideration related to the City of Cypress' compliance with the Measure M2 Ordinance and Eligibility Guidelines.

Background

Annually, the Audit Subcommittee (Subcommittee) of the Taxpayers Oversight Committee selects a sample of local jurisdictions receiving Measure M2 (M2) funding for audit to determine the local jurisdictions' level of compliance with provisions of the M2 Ordinance. For the fiscal year (FY) ended June 30, 2022, the Subcommittee selected the seven cities for review of Local Fair Share (LFS)

program funding, and four cities for review of Senior Mobility Program (SMP) funding. The agreed-upon procedures (AUP) applied for these reviews were approved by the Subcommittee.

The LFS program is a formula-based allocation provided to eligible jurisdictions for use on allowable transportation planning and implementation activities. Since the LFS program is intended to augment, not replace, existing transportation expenditures, each jurisdiction is required to maintain a minimum level of local street and roads expenditures to conform to a defined maintenance of effort (MOE) requirement. MOE expenditures are required to conform to State Controller's Office Gas Tax Guidelines (Guidelines). Cities are required to submit copies of their Seven-Year Capital Improvement Plan (CIP), reflecting projects that will be funded with LFS.

The SMP funds local community transportation services for seniors. This program provides 80 percent of the funding allocation, and participating local jurisdictions provide a 20 percent match. Seniors must be age 60 or older to be eligible to participate in the program. A cooperative agreement, along with a written Service Plan, is executed between the local jurisdiction and the Orange County Local Transportation Authority (OCLTA) to outline requirements of the program and to describe services to be provided. Cities are required to submit monthly SMP activity reports within 30 days of month end.

All M2 revenues, interest earned on net revenues, expenditures, and expenditures of earned interest are required to be reflected on an annual Expenditure Report. The Expenditure Report requires certification by the respective city's finance director and must be adopted by the city council and filed with OCLTA within six months of FY end.

Discussion

Crowe LLP (auditors), made site visits to each of the selected cities, conducted interviews of city finance and program-related staff, and applied the AUPs, including testing of expenditures for compliance with program requirements, review of indirect costs for adequate support and reasonableness, testing to ensure allocation of interest, and testing of annual Expenditure Reports for accuracy.

Agreed-Upon Procedures: LFS Program Funds

The auditors examined the cities of Cypress, Irvine, Laguna Beach, Los Alamitos, Rancho Santa Margarita, San Juan Capistrano, and Villa Park. No observations resulted from the audits of Rancho Santa Margarita and San Juan Capistrano.

Auditors identified reporting errors on the Expenditure Reports submitted by five cities and identified projects not listed in the Seven-Year CIP of one city. At two cities, the auditors identified expenditures that were not properly classified as MOE expenditures; however, after removal of the ineligible amounts, the cities continued to meet the minimum MOE requirement.

Four cities lacked adequate documentation to support indirect costs allocated to MOE. Without sufficient documentation to support how allocation methodologies were derived, auditors are unable to determine that the allocation of these costs is fair and equitable, as required. At three cities, if indirect costs were removed from total MOE expenditures, the cities continue to meet the minimum MOE requirement. However, if indirect charges by the City of Cypress (Cypress) are removed from total MOE expenditures, Cypress no longer meets the minimum MOE requirement of $3,607,878. The shortfall would amount to $1,381,048.

Cypress responded to the finding and indicated that management believes the current process for allocating internal service charges is documented and represents a fair and reasonable allocation of costs. Auditors, and the Internal Audit Department (Internal Audit), disagree with this statement. Cypress only provided excel spreadsheets indicating allocation of budgeted costs from various internal service funds and could not produce, after multiple requests, support for how the allocation percentages were derived or demonstrate that the allocations represented actual costs (rather than budgeted amounts).

Cypress also asserted that the methodology for allocating indirect costs has been used for 30 years and has been accepted and audited by OCLTA. Internal Audit has reviewed three prior audits from FY 2007-08, FY 20012-13, and FY 2016-17. In FY 2007-08, auditors did not identify indirect costs charged to MOE and city staff confirmed indirect costs were not charged. During the FY 2012-13 audit, auditors identified indirect costs charged to MOE and tested a sample of $35,861 of those charges and reported no exceptions. In the FY 2016-17 audit, auditors also identified indirect costs charged to MOE and tested a sample of $171,324 of those charges and reported no exceptions.

Cypress acknowledged that its documentation and method of allocating costs can be improved and pointed out that its indirect costs represent more than 45 percent of its MOE benchmark. Cypress stated that the documentation standard for determining if indirect costs are fair and reasonable “does not appear clear and obvious”. In response, it should be noted that OCLTA provides regular guidance to cities, both in writing and through annual workshops. After two cities were found ineligible following audits of their MOE for FY 2017-18, OCLTA took additional steps to notify cities by sending a letter to all city managers and a detailed email to all city finance directors. Cities were reminded

that MOE expenditures must conform to Guidelines and were urged to thoroughly review MOE expenditures against Guidelines before closing their books each year.

A summary of all findings and city management responses can be found at Attachment A, and the detailed reports, along with written management letters, can be found at Attachment B.

Agreed-Upon Procedures: SMP Funds

The auditors examined the cities of Anaheim, Garden Grove, Huntington Beach, and Santa Ana.

Auditors identified errors in reporting of direct and indirect expenditures in Expenditure Reports submitted by two cities and another city did not allocate interest to the SMP fund, as required. Two cities were found to have submitted one or more monthly reports beyond the required timeframe of 30 days after month-end. Auditors also noted that participant age is not being verified at one city.

A summary of all findings and city management responses can be found at Attachment C, and the detailed reports, along with written management letters, can be found at Attachment D.

Summary

The auditors have completed agreed-upon procedures related to M2 LFS and SMP funds provided to 11 cities for the FY ended June 30, 2022.

Attachments

A. Summary of Results of Agreed-Upon Procedures Reports Orange County Local Transportation Authority Measure M2 Local Fair Share for the Year Ended June 30, 2022
B. Orange County Local Transportation Authority Measure M2 Local Fair Share Agreed-Upon Procedures Reports Year Ended June 30, 2022
C. Summary of Results of Agreed-Upon Procedures Audits Orange County Local Transportation Authority Measure M2 Senior Mobility Program for the Year Ended June 30, 2022
D. Orange County Local Transportation Authority Measure M2 Senior Mobility Program Agreed-Upon Procedures Reports Year Ended June 30, 2022

Prepared by:

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

ATTACHMENT A

SUMMARY OF AGREED-UPON PROCEDURES REPORTS
Orange County Local Transportation Authority
Measure M2 Local Fair Share for the Year Ended June 30, 2022

City	Result	City Management Response
City of Cypress (Cypress)	Testing of direct maintenance of effort (MOE) expenditures identified five expenditures totaling $632, that were not properly classified as street and road expenditures. Expenditures included costs of a retirement lunch for a public works employee, a grilling tools set, a phone case, a renewal fee to South Coast Air Quality Management District and membership dues to the American Public Works Association. However, after removing the amounts from total MOE expenditures, the Cypress continued to meet the minimum MOE requirement.	Management accepts the determination that these expenditures are not eligibile to be classified as direct street and road expenditures.
	Cypress reported $20,201 of indirect expenditures as direct expenditures.	Management accepts the determination that these expenditures are not eligibile to be classified as direct street and road expenditures.
	Testing of indirect MOE expenditures found that Cypress applied internal service allocations based on fiscal year 2022 budget amounts for various indirect/overhead expenditures. These expenses included payroll and benefits, liability insurance, monthly print shop/mail/phone charges, monthly office rental charges, monthly tools and equipment replacement charges, monthly compter website maintenance charges, monthly vehicle replacement charges, and various other charges. For indirect costs, the methodology used to allocate the actual costs should be documented and represent a fair and reasonable allocation of costs. Cypress was unable to provide a documented methodology used to support the allocation of costs. As such, the auditors lack information necessary to confirm these costs as fair and reasonable. If unsupported indirect costs were removed from MOE, Cypress would no longer meet the benchmark requirement of $3,607,878. The shortfall would amount to $1,381,048.	Management acknowledges the finding and indicated it has been standard practice to allocate a variety of service costs to departments that utilize the services. Management asserts that the methodology is documented and represents a fair and reasonable allocation of costs that has been accepted by the Orange County Transportation Authority (OCTA) in the past. Despite this, management agrees that an update to its methodology is appropriate. Management requests OCTA allow the current methodology to be used until the city can complete a cost alllocation study in the next 12 months.
City of Irvine (Irvine)	Irvine reported four indirect Local Fair Share (LFS) expenditures, totaling $49,624, as direct expenditures.	Management will implement reporting of these types of expenditures in the indirect LFS costs section in future expenditure reports.
City of Laguna Beach (Laguna Beach)	Laguna Beach reported total MOE expenditures of $7,555,442 on its expenditure report. Actual expenditures, per the general ledger, totaled $8,269,834, a variance of $714,392. The variance was due to an indirect cost charge that was counted twice and a prior period audit adjustment that was not accounted for.	Management has identified this discrepancy and will correct it in future reporting. In addition, management could refile the expendtiure report with the adjustments.
	Laguna Beach was unable to provide a documented methodology used to support indirect allocations to the MOE totaling $343,485. However, if these unsupported costs are removed from total MOE expenditures, Laguna Beach continues to meet its MOE benchmark.	Management will refile the expenditure report and remove overhead costs. Management will document the indirect cost allocation methodology for future submittals or exclude it from expenditure reporting.
City of Los Alamitos (Los Alamitos)	Los Alamitos reported total MOE expenditures of $694,824 on its expenditure report. Actual expenditures, per the general ledger, totaled $655,511, a variance of $39,313. The variance was primarily due to an indirect cost charge that was counted twice and a prior year audit adjustment that was not accounted for.	Management will record direct and indirect expenditures separately going forward so there is a clear delineation of MOE expenditures.
	Los Alamitos reported $47,880 in indirect costs as direct costs on its expenditure report. Los Alamitos was unable to provide a documented methodology used to support these indirect allocations to the MOE. However, after removing these costs from total MOE expenditures, Los Alamitos continues to meet its MOE benchmark.	Management has engaged a consultant to conduct a cost recovery study, including review of internal service fund cost allocation methodology. Once the study is complete, management will draft procedures to support the internal cost allocation.
	Two LFS expenditures, totaling $72,058, related to two projects that were not listed on Los Alamitos' Seven Year Capital Improvement Program (CIP).	Management agreed and will ensure that partially completed projects, appearing on prior CIP plans will be noted as such and carried forward for inclusion in subsequent CIP plans.
City of Rancho Santa Margarita	None	None
City of San Juan Capistrano	None	None

SUMMARY OF AGREED-UPON PROCEDURES REPORTS
Orange County Local Transportation Authority
Measure M2 Local Fair Share for the Year Ended June 30, 2022

City	Result	City Management Response
City of Villa Park (Villa Park)	One direct expenditure for city-wide electricity of $1,535 for the civic center was charged to Villa Park's direct MOE expenditures. However, after removing this transaction from total MOE expenditures, Villa Park continued to meet its MOE benchmark.	Management has implemented procedures to ensure that transactions are entered and posted correctly to general ledger accounts.
	Testing of indirect MOE expenditures found that Villa Park applied 50 percent of contractor expenditures, totaling $55,286, to indirect MOE expenditures. Villa Park could not provide a written methodology to support this allocation of costs. After removing these costs from total MOE expenditures, Villa Park continued to meet its MOE benchmark.	Management will develop a a written methodology for allocation purposes.

ATTACHMENT B

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

MEASURE M2 LOCAL FAIR SHARE

AGREED-UPON PROCEDURES REPORTS

Year Ended June 30, 2022

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

MEASURE M2 LOCAL FAIR SHARE

AGREED-UPON PROCEDURES REPORTS

Year Ended June 30, 2022

The cities listed below were selected by the Audit Subcommittee of the Taxpayers Oversight Committee to perform agreed-upon procedures for the fiscal year ended June 30, 2022. Please refer to the individual divider tab for our report on each Agency.

Cypress

Irvine

Laguna Beach

Los Alamitos

Rancho Santa Margarita

San Juan Capistrano

Villa Park

Crowe LLP
Independent Member Crowe Global

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES CITY OF CYPRESS

Board of Directors
Orange County Local Transportation Authority and
the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

We have performed the procedures enumerated below, which were agreed to by the Taxpayers Oversight Committee of the Orange County Local Transportation Authority (OCLTA) (the specified party), related to the City of Cypress's (City) compliance with certain provisions of the Measure M2 Local Transportation Ordinance (Ordinance) as of and for the fiscal year ended June 30, 2022. The City's management is responsible for compliance with the Ordinance and for its cash, revenue, and expenditure records.

The Taxpayers Oversight Committee of the OCLTA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the City compliance with certain provisions of the Ordinance as of and for the fiscal year ended June 30, 2022. We make no representation regarding the appropriateness of the procedures either for the purpose for which this report has been requested or for any other purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

The procedures and associated findings were as follows:

1. Describe which funds the Eligible Jurisdiction used to track all street and road expenditures and inquire how the Eligible Jurisdiction identifies Maintenance of Effort (MOE) expenditures in its general ledger.

   Findings: The MOE expenditures were tracked in the City's general ledger by fund and account number. The City recorded its MOE expenditures in its General Fund (111), Storm Drainage Fund (261), Capital Projects Fund (415) and various account numbers. No exceptions were found as a result of this procedure.

2. Obtain the detail of MOE expenditures for the fiscal year ended June 30, 2022 and determine whether the Eligible Jurisdiction met the minimum MOE requirement as outlined in the Measure M2 Eligibility Guidelines Fiscal Year 2021/2022. Agree the total MOE expenditures to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 18). Explain any differences.

(Continued)

Findings: The City's MOE expenditures for the fiscal year ended June 30, 2022, were $3,892,903 (see Schedule A) which originally exceeded the MOE benchmark requirement of $3,607,878. We agreed the total expenditures of $3,892,903 to the amount reported on the City's Expenditure Report (Schedule 3, line 18), with no differences. However, after removal of indirect costs, outlined at Procedure #4, the City no longer met the minimum MOE benchmark requirement. No other exceptions were found as a result of this procedure.

3. Select a sample of MOE expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected, perform the following:

   a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal voucher or other appropriate supporting documentation; and

   b. Determine whether the expenditure was properly classified as a local street and road expenditure and is allowable per the Ordinance.

   Findings: We selected 25 direct MOE expenditures totaling $949,195, which represented approximately 42% of direct MOE expenditures of $2,247,663 for the fiscal year ended June 30, 2022. We agreed the dollar amount listed on the general ledger to supporting documentation provided by the City. After inspecting the supporting documentation, and through discussion with the City's accounting personnel, we identified one expenditure related to a retirement lunch for a public works maintenance employee in the amount of $97, which was not properly classified as a local street and road expenditure and is not allowable per the Ordinance. We selected an additional five direct MOE expenditures totaling $535, which were comprised of $48 for a grilling tools set, $53 for reimbursement of a phone case and a screen protector, $143 for an annual renewal fee to South Coast Air Quality Management District, $269 for membership dues to American Public Works Association, and $22 for picture frames. We found these expenditures were also not properly classified as local street and road expenditures, nor are they allowable per the Ordinance. We also identified $20,201 of direct charges that should have been reported as indirect costs. They represented charges for pump station support, National Pollutant Discharge Elimination System (NPDES) annual license fee, data acquisition service, water quality permit fees, and other water quality contract services that were allocated 5% as direct charges. After removing the transactions above from total direct MOE expenditures, the City continued to meet the MOE benchmark requirement; however, if indirect costs were removed as outlined at Procedure #4 the City would no longer met the minimum MOE benchmark requirement. No other exceptions were found as a result of this procedure.

4. Identify whether indirect costs were charged as MOE expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, obtain detail of indirect costs charged, and select a sample of charges for inspection. Inspect supporting documentation for reasonableness and appropriate methodology.

   Findings: We agreed the total indirect expenditures of $1,645,240 to the amount reported on the City's Expenditure Report (Schedule 3, line 18), with no differences. We selected 25 indirect MOE costs for inspection totaling $223,883, representing 14% of the total indirect MOE costs of $1,645,240. During testing of direct expenditures, we also identified $20,201 of direct costs that should have been reported as indirect costs. Refer to Procedure #3 above. The City applied internal service allocations based on fiscal year 2022 budget amounts for various indirect/overhead expenses. These expenses included payroll and benefits, liability insurance, monthly print shop/mail/phone charges, monthly office rental charges, monthly tools and equipment maintenance/replacement charges, monthly computer website maintenance charges, monthly vehicle replacement charges and various other charges. For indirect costs, the methodology used to allocate the actual costs to projects should be documented and represent a fair and reasonable allocation of costs. The City was unable to provide a documented methodology used to support the allocation of charges for the samples selected, including the $20,201, identified in Procedure #3, that should have been reported as indirect costs.

(Continued)

We then requested the City to provide a documented methodology used to support the allocation of the remaining indirect costs and the City was unable to provide documentation to support these allocations. As such, we lack information necessary to confirm these costs as fair and reasonable. After removing ineligible direct costs at Procedure #3, if unsupported indirect costs were removed from MOE, the City would no longer meet the benchmark requirement. The shortfall would amount to $1,381,048.

5. Obtain a listing of Measure M2 Local Fair Share payments made from OCLTA to the Eligible Jurisdiction and calculate the amount the Eligible Jurisdiction received for the past three fiscal years. Obtain the fund balance of the Eligible Jurisdiction's Measure M2 Local Fair Share Fund as of June 30, 2022 and agree to the balance as listed on the Eligible Jurisdiction's Expenditure Report (Schedule 1, line 20) and determine whether funds were expended within three years of receipt or within five years, if an extension was granted. Explain any differences.

   Findings: The City received $3,002,853 for the past three fiscal years ended June 30, 2020, 2021 and 2022. We agreed the fund balance of $1,553,813 from the general ledger detail to the City's Expenditure Report (Schedule 1, line 20), with no differences. We determined funds were expended within three years of receipt. No exceptions were found as a result of this procedure.

6. Describe which fund the Eligible Jurisdiction used to track expenditures relating to Measure M2 Local Fair Share monies in its general ledger and the amount spent during the fiscal year ended June 30, 2022. Agree the total Local Fair Share expenditures per the general ledger to the amounts reflected on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 17, and detail listed at Schedule 4). Explain any differences.

   Findings: The LFS expenditures were tracked in the City's general ledger by fund and account number. The City recorded its LFS expenditures in its Measure M Fund and in various account numbers. Total Measure M2 Local Fair Share expenditures per the general ledger during the Fiscal Year ended June 30, 2022 were $693,309 (see Schedule A), which agreed to the City's Expenditure Report (Schedule 2, line 17, and detail listed at Schedule 4). No exceptions were found as a result of this procedure.

7. Obtain the Eligible Jurisdiction's Seven-Year Capital Improvement Program (CIP). Compare the projects listed on the Eligible Jurisdiction's Expenditure Report (Schedule 4) to the Seven-Year CIP, explaining any differences. Select a sample of Measure M2 Local Fair Share expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

   a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

   b. Determine that the expenditures selected in (a) above were related to projects included in the Eligible Jurisdiction's Seven-Year CIP and are properly classified as Measure M2 Local Fair Share projects.

   Findings: We compared the projects listed on the City's Expenditure Report (Schedule 4) to the Seven-Year CIP, without any exception. We selected five direct Measure M2 Local Fair Share expenditures for inspection totaling $489,656 representing approximately 71% of total direct Measure M2 Local Fair Share expenditures of $693,309 for the Fiscal Year ended June 30, 2022. We agreed the dollar amount to supporting documentation and determined the that the expenditures selected were related to projects included in the City's Seven-Year CIP and were properly classified as Measure M2 Local Fair Share projects. No exceptions were found as a result of this procedure.

(Continued)

8. Identify whether indirect costs were charged as Measure M2 Local Fair Share expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, select a sample of charges. Describe the dollar amount inspected. Identify the amounts charged and inspect supporting documentation for reasonableness and appropriate methodology.

   Findings: Based upon inspection of the general ledger detail, the Expenditure Report (Schedule 3, line 1), and discussion with the City's accounting personnel, no indirect costs were identified as Measure M2 Local Fair Share expenditures for the Fiscal Year ended June 30, 2022. No exceptions were found as a result of this procedure.

9. Obtain and inspect the Eligible Jurisdiction's interest allocation methodology and amount of interest allocated to the Measure M2 Local Fair Share Fund to ensure the proper amount of interest was credited. Agree the amount reflected to the amount of interest listed on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 4). Explain any differences.

   Findings: We inspected the amount of interest allocated to the Measure M2 Local Fair Share Fund and agreed the amount reflected to the amount of interest totaling $6,864 listed on the City's Expenditure Report (Schedule 2, line 4). We inspected the interest allocation methodology and recomputed the amount based on the interest allocation methodology. No exceptions were found as a result of this procedure.

10. Determine whether the Jurisdiction was found eligible by the Board of Directors for the applicable year (FY22) by inspecting the OCLTA Board agenda and action items.

    Findings: No exceptions were noted as a result of this procedure.

We were engaged by OCLTA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records, any indirect cost allocation plans and compliance with the provisions of the Measure M2 Local Transportation Ordinance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City's management and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

At the request of OCLTA, the City's responses to certain findings are included in Exhibit 1. The responses are included for the purpose of additional information and were not subjected to the procedures described above. Accordingly, we did not perform any procedures on the City's responses and express no assurance or opinion on them.

This report is intended solely for the information and use of and is not intended to be, and should not be, used by anyone other than the specified party.

Crowe LLP

Crowe LLP

Costa Mesa, California
April 13, 2023

CITY OF CYPRESS, CALIFORNIA
SCHEDULE OF MEASURE M2 LOCAL FAIR SHARE EXPENDITURES
Year ended June 30, 2022
(Unaudited)

SCHEDULE A

Maintenance of Effort (MOE) Expenditures:	
Indirect and/ or Overhead - Schedule 3, line 1	$ 1,645,240
Construction & Right-of-Way	
Street Reconstruction	736,174
Pedestrian Ways & Bikepaths	193,933
Maintenance	
Overlay & Sealing	58,627
Street Lights & Traffic Signals	93,371
Other Street Purpose Maintenance	1,165,558
Total MOE Expenditures	$ 3,892,903
Measure M2 Local Fair Share Expenditures (Schedule 4):	
Residential Street Resurfacing	$ 600,000
Traffic Signal Improvements	93,309
Total Measure M2 Local Fair Share Expenditures	$ 693,309
Total MOE and Measure M2 Local Fair Share Expenditures	$ 4,586,212

Note: The above amounts were taken directly from the financial records of the City of Cypress and were not audited.

CITY of CYPRESS
5275 Orange Avenue, Cypress, California 90630
Phone 714-229-6700 www.cypressca.org

April 13, 2023

Exhibit 1

Board of Directors
Orange County Local Transportation Authority
and the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

The following response is being submitted to address results from the agreed upon procedures performed for the Measure M2 Local Fair Share program for the City of Cypress as of and for the fiscal year ended June 30, 2022.

Procedure #3

Select a sample of MOE expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected, perform the following:

a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

b. Determine whether the expenditure was properly classified as a local street and road expenditure and is allowable per the Ordinance.

Findings: We selected 25 direct MOE expenditures totaling $949,195, which represented approximately 42% of direct MOE expenditures of $2,247,663 for the fiscal year ended June 30, 2022. We agreed the dollar amount listed on the general ledger to supporting documentation provided by the City. After inspecting the supporting documentation, and through discussion with the City's accounting personnel, we identified one expenditure related to a retirement lunch for a public works maintenance employee in the amount of $97, which was not properly classified as a local street and road expenditure and is not allowable per the Ordinance. We selected an additional five direct MOE expenditures totaling $535, which were comprised of $48 for a grilling tools set, $53 for reimbursement of a phone case and a screen protector, $143 for an annual renewal fee to South Coast Air Quality Management District, $269 for membership dues to American Public Works Association, and $22 for picture frames. We found these expenditures were also not properly classified as local street and road expenditures, nor are they allowable per the Ordinance. We also identified $20,201 of direct charges that should have been reported as indirect costs. They represented charges for pump station support, National Pollutant Discharge Elimination System (NPDES) annual license fee, data acquisition service, water quality permit fees, and other water quality contract services that were allocated 5% as direct charges. After removing the transactions above from total direct MOE expenditures, the City continued to meet the MOE benchmark requirement; however, if indirect costs were removed as outlined at Procedure #4 the City

Anne Hertz-Mallari, Mayor
Scott Minikus, Mayor Pro Tem **David Burke**, Council Member
Frances Marquez, Ph.D., Council Member **Bonnie Peat**, Council Member

would no longer met the minimum MOE benchmark requirement. No other exceptions were found as a result of this procedure.

City's Response:
We accept the determination these expenditures are not eligible to be classified as direct local street and road expenditures.

Procedure #4

Identify whether indirect costs were charged as MOE expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, obtain detail of indirect costs charged, and select a sample of charges for inspection. Inspect supporting documentation for reasonableness and appropriate methodology.

Findings: We agreed the total indirect expenditures of $1,645,240 to the amount reported on the City's Expenditure Report (Schedule 3, line 18), with no differences. We selected 25 indirect MOE costs for inspection totaling $223,883, representing 14% of the total indirect MOE costs of $1,645,240. During testing of direct expenditures, we also identified $20,201 of direct costs that should have been reported as indirect costs. Refer to Procedure #3 above. The City applied internal service allocations based on fiscal year 2022 budget amounts for various indirect/overhead expenses. These expenses included payroll and benefits, liability insurance, monthly print shop/mail/phone charges, monthly office rental charges, monthly tools and equipment maintenance/replacement charges, monthly computer website maintenance charges, monthly vehicle replacement charges and various other charges. For indirect costs, the methodology used to allocate the actual costs to projects should be documented and represent a fair and reasonable allocation of costs. The City was unable to provide a documented methodology used to support the allocation of charges for the samples selected, including the $20,201, identified in Procedure #3, that should have been reported as indirect costs. We then requested the City to provide a documented methodology used to support the allocation of the remaining indirect costs and the City was unable to provide documentation to support these allocations. As such, we lack information necessary to confirm these costs as fair and reasonable. After removing ineligible direct costs at Procedure #3, if unsupported indirect costs were removed from MOE, the City would no longer meet the benchmark requirement. The shortfall would amount to $1,381,048.

City's Response:
We acknowledge the above finding. The City uses internal service funds to allocate a variety of service costs to those departments/programs that utilize the services. This is a standard practice in municipal government and we assert the allocation methodology is documented and represents a fair and reasonable allocation of costs. Despite using this allocation methodology since Measure M was passed in 1990, it appears the City's documentation (which is largely based on the annual budget and historical trends) is no longer sufficient for OCTA. OCTA audit representatives have indicated documentation, such as a formal cost allocation plan and/or time and motion studies, would meet its needs. However, this was not previously requested of the City and the City has not had the need for such a plan to be prepared, nor is there sufficient time to prepare such a plan during the timeline for this audit. Further, the City calculates its MOE expenditures annually using

the same methodology that OCTA has repeatedly audited without any findings. In fact, during the FY 2017 audit, the costs that OCTA now identifies as undocumented, were specifically reviewed and reclassified (for reporting purposes) to the indirect cost line item at the suggestion of OCTA's auditor. No other suggestions or concerns were raised as part of the 2017 audit or during any previous audit review process. However, despite these facts we agree an update to our allocation methodology is appropriate to ensure the documentation is sufficient to meet OCTA standards.

Even though the City's documentation of its method of allocating indirect costs can be improved upon, a determination to potentially remove all indirect costs is not reasonable. For more than 30 years, the current indirect cost allocation documentation has been accepted. These indirect costs ($1.6 million) represents more than 45% of Cypress' Maintenance of Effort (MOE) benchmark. Many of these costs are considered indirect because of how they are recorded in the City's general ledger (in separate internal service funds). For example, all fleet costs associated with street and right-of-way maintenance (including fuel, repairs, and vehicle replacement) are recorded as indirect costs and excluding these costs from the MOE calculation would not be appropriate. These costs are directly related to MOE activities and should be included for MOE purposes.

The City recognizes auditing standards and processes have evolved since the MOE benchmark was established; however, the documentation standard for determining if indirect costs are fair and reasonable does not appear clear and obvious. As Cypress' situation demonstrates, this determination may have significant impacts and requires a reasonable, common sense-based response and implementation. The City requests OCTA allow the current methodology for indirect costs until the City can complete a cost allocation study in the next 12 months. This study would provide the basis for an updated methodology for determining MOE eligible costs.

Cypress is one of the most financially stable cities in Orange County and takes great pride in the quality of its streets and roads. The City has not changed its cost allocation methodology in attempts to meet its MOE and it has always been a forthright, enthusiastic partner to OCTA. We appreciate and value the audit process and simply ask OCTA to provide the City the opportunity and necessary time to update past practices that have been consistently applied, reviewed and audited over the years. We look forward to continuing to partner with OCTA to address these concerns.

Peter Grant, City Manager

Matt Burton,
Director of Finance and Administrative Services

Doug Dancs, Director of Public Works

Crowe LLP
Independent Member Crowe Global

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES
CITY OF IRVINE

Board of Directors
Orange County Local Transportation Authority and
the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

We have performed the procedures enumerated below, which were agreed to by the Taxpayers Oversight Committee of the Orange County Local Transportation Authority (OCLTA) (the specified party), related to the City of Irvine's (City) compliance with certain provisions of the Measure M2 Local Transportation Ordinance (Ordinance) as of and for the fiscal year ended June 30, 2022. The City's management is responsible for compliance with the Ordinance and for its cash, revenue, and expenditure records.

The Taxpayers Oversight Committee of the OCLTA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the City compliance with certain provisions of the Ordinance as of and for the fiscal year ended June 30, 2022. We make no representation regarding the appropriateness of the procedures either for the purpose for which this report has been requested or for any other purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

The procedures and associated findings were as follows:

1. Describe which funds the Eligible Jurisdiction used to track all street and road expenditures and inquire how the Eligible Jurisdiction identifies (Maintenance of Effort) MOE expenditures in its general ledger.

   Findings: The MOE expenditures were tracked in the City's general ledger by fund, department codes, section codes, and object codes. The City records its MOE expenditures in its General Fund (001) and is identified by a 14-digit account number composed of a 2-digit fund code, 3-digit section code, 3-digit service code, and a 4-digit object code. No exceptions were found as a result of this procedure.

2. Obtain the detail of MOE expenditures for the fiscal year ended June 30, 2022 and determine whether the Eligible Jurisdiction met the minimum MOE requirement as outlined in the Measure M2 Eligibility Guidelines Fiscal Year 2021/2022. Agree the total MOE expenditures to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 18). Explain any differences.

   Findings: The City's MOE expenditures for the fiscal year ended June 30, 2022 were $20,295,487 (see Schedule A), which exceeded the MOE benchmark requirement of $8,001,915. We agreed the total expenditures of $20,295,487 to the amount reported on the City's Expenditure Report (Schedule 3, line 18). No exceptions were found as a result of this procedure.

(Continued)

3. Select a sample of MOE expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected, perform the following:

    a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal voucher or other appropriate supporting documentation; and

    b. Determine whether the expenditure was properly classified as a local street and road expenditure and is allowable per the Ordinance.

    Findings: We selected 25 direct MOE expenditures totaling $2,770,758, which represented approximately 21% of direct MOE expenditures of $13,386,551 for the fiscal year ended June 30, 2022. No exceptions were found as a result of this procedure.

4. Identify whether indirect costs were charged as MOE expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, obtain detail of indirect costs charged, and select a sample of charges for inspection. Inspect supporting documentation for reasonableness and appropriate methodology.

    Findings: Based upon inspection of the general ledger detail, the Expenditure Report (Schedule 3, line 1), and discussion with the City's accounting personnel, indirect costs were identified as MOE expenditures for the fiscal year ended June 30, 2022. We agreed $6,908,936 of indirect costs per the Expenditure Report (Schedule 3, line 1) to the general ledger detail. We selected 25 charges for inspection with a total amount of $1,211,831 representing 18% of the total MOE indirect costs. We recomputed the selected indirect costs using the City's allocation methodology and identified no exceptions. The indirect costs included salaries for accountants for LFS related projects. Upon inspecting the supporting documentation for the samples selected, we determined that the indirect MOE costs were properly classified as indirect expenditures and based upon a reasonable and appropriate methodology. No exceptions were found as a result of this procedure.

5. Obtain a listing of Measure M2 Local Fair Share payments made from OCLTA to the Eligible Jurisdiction and calculate the amount the Eligible Jurisdiction received for the past three fiscal years. Obtain the fund balance of the Eligible Jurisdiction's Measure M2 Local Fair Share Fund as of June 30, 2022 and agree to the balance as listed on the Eligible Jurisdiction's Expenditure Report (Schedule 1, line 20) and determine whether funds were expended within three years of receipt or within five years, if an extension was granted. Explain any differences.

    Findings: The City received $16,588,159 for the past three fiscal years ended June 30, 2020, 2021, and 2022. We agreed the fund balance of $6,076,723 from the general ledger detail to the City's Expenditure Report (Schedule 1, line 20), with no differences. We determined funds were expended within three years of receipt. No exceptions were found as a result of this procedure.

6. Describe which fund the Eligible Jurisdiction used to track expenditures relating to Measure M2 Local Fair Share monies in its general ledger and the amount spent during the fiscal year ended June 30, 2022. Agree the total Local Fair Share expenditures per the general ledger to the amounts reflected on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 17, and detail listed at Schedule 4). Explain any differences.

    Findings: The LFS expenditures were tracked in the City's general ledger by fund, organization codes, and object codes. The City recorded LFS expenditures in its Measure M2 Fund (154) and is identified by 10-digit organization codes, and 4-digit object codes. Total Measure M2 Local Fair Share expenditures per the general ledger during the fiscal year ended June 30, 2022, were $5,493,136 (see Schedule A), which agreed to the City's Expenditure Report (Schedule 2, line 17, and detail listed on Schedule 4). No exceptions were found as a result of this procedure.

(Continued)

7. Obtain the Eligible Jurisdiction's Seven-Year Capital Improvement Program (CIP). Compare the projects listed on the Eligible Jurisdiction's Expenditure Report (Schedule 4) to the Seven-Year CIP, explaining any differences. Select a sample of Measure M2 Local Fair Share expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

   a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

   b. Determine that the expenditures selected in (a) above were related to projects included in the Eligible Jurisdiction's Seven-Year CIP and are properly classified as Measure M2 Local Fair Share projects.

   Findings: We selected eight direct Measure M2 Local Fair Share expenditures for inspection totaling $5,279,788 representing approximately 96% of total direct Measure M2 Local Fair Share expenditures of $5,460,527 for the fiscal year ended June 30, 2022. We agreed the dollar amount to supporting documentation. When comparing the projects listed on the Eligible Jurisdiction's Expenditure Report (Schedule 4) to the Seven-Year CIP and per discussion with the City's accounting personnel and the Public Works and Transportation department, Crowe was unable to trace four expenditures to specific projects included in the City's 7-year CIP. After further inspection, Crowe identified these four expenditures should have been reported as indirect costs. They relate to contracted services of $39,385, wages for transportation analysts of $7,238, and Public Works and Transportation employees benefits of $3,001. No other exceptions were found as a result of this procedure.

8. Identify whether indirect costs were charged as Measure M2 Local Fair Share expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, select a sample of charges. Describe the dollar amount inspected. Identify the amounts charged and inspect supporting documentation for reasonableness and appropriate methodology.

   Findings: Based upon inspection of the general ledger detail, the Expenditure Report (Schedule 3, line 1), and discussion with the City's accounting personnel, indirect costs were identified as Local Fair Share expenditures for the fiscal year ended June 30, 2022. We agreed $32,609 of indirect costs per the Expenditure Report (Schedule 3, line 1) to the general ledger detail. We selected 25 samples for inspection with a total amount of $22,733 representing 70% of the total indirect Local Fair Share costs. We recomputed the selected indirect costs using the City's allocation methodology and identified no exceptions. Upon inspection of the supporting documentation for the samples selected, we determined that the expenditures were properly classified as indirect Local Fair Share costs and were allowable per the Ordinance. In addition, the indirect LFS costs were substantiated by a written Indirect Cost Allocation Plan prepared within five years. No exceptions were found as a result of this procedure.

9. Obtain and inspect the Eligible Jurisdiction's interest allocation methodology and amount of interest allocated to the Measure M2 Local Fair Share Fund to ensure the proper amount of interest was credited. Agree the amount reflected to the amount of interest listed on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 4). Explain any differences.

   Findings: We inspected the amount of interest allocated to the Measure M2 Local Fair Share Fund and agreed the amount reflected to the amount of interest totaling ($239,869) listed on the City's Expenditure Report (Schedule 2, line 4). The interest earned and the market value loss was $93,427 and ($333,296), respectively. We inspected the interest allocation methodology and recomputed the amount based on the interest allocation methodology. Crowe found that the interest was negative due to the unrealized loss of investment market value at year end, as required by government accounting standards. We inspected the interest allocation methodology and recomputed the amount based on the interest allocation methodology. No exceptions were found as a result of this procedure.

(Continued)

10. Determine whether the Jurisdiction was found eligible by the Board of Directors for the applicable year (FY22) by inspecting the OCLTA Board agenda and action items.

    Findings: No exceptions were found as a result of this procedure.

We were engaged by OCLTA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records, any indirect cost allocation plans and compliance with the provisions of the Measure M2 Local Transportation Ordinance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City's management and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

At the request of OCLTA, the City's responses to certain findings are included in Exhibit 1. The responses are included for the purpose of additional information and were not subjected to the procedures described above. Accordingly, we did not perform any procedures on the City's responses and express no assurance or opinion on them.

This report is intended solely for the information and use of and is not intended to be, and should not be, used by anyone other than the specified party.

Crowe LLP

Crowe LLP

Costa Mesa, California
March 28, 2023

CITY OF IRVINE, CALIFORNIA
SCHEDULE OF MEASURE M2 LOCAL FAIR SHARE EXPENDITURES
Year ended June 30, 2022
(Unaudited)

SCHEDULE A

Maintenance of Effort (MOE) Expenditures:	
Indirect and/ or Overhead - Schedule 3, line 1	$ 6,908,936
Maintenance	
Overlay & Sealing	$ 5,955,937
Street Lights & Traffic Signals	965,635
Other Street Purpose Maintenance	6,464,979
Total MOE Expenditures	$ 20,295,487
Measure M2 Local Fair Share Expenditures (Schedule 4):	
M2 Fairshare Administrative	$ 82,233
M2 Fairshare Operation And Maintenance	120,316
FY21 Slurry Seal/Local Streets	4,092,137
FY22 Slurry Seal/Local Streets Rehab	1,171,932
Walnut Pavement Rehabilitation (Harvard Culver)	26,518
Total Measure M2 Local Fair Share Expenditures	$ 5,493,136
Total MOE and Measure M2 Local Fair Share Expenditures	$ 25,788,623

Note: The above amounts were taken directly from the financial records of the City of Irvine and were not audited.

cityofirvine.org

City of Irvine, 1 Civic Center Plaza, P.O. Box 19575, Irvine, California 92623-9575 949-724-6000

March 28, 2023

Board of Directors
Orange County Local Transportation Authority
and the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

The following response is being submitted to address results from the agreed upon procedures performed for the Measure M2 Local Fair Share program for the City of Irvine as of and for the fiscal year ended June 30, 2022.

Procedure #7

Obtain the Eligible Jurisdiction's Seven-Year Capital Improvement Program (CIP). Compare the projects listed on the Eligible Jurisdiction's Expenditure Report (Schedule 4) to the Seven-Year CIP, explaining any differences. Select a sample of Measure M2 Local Fair Share expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

b. Determine whether the expenditure was properly classified as a local street and road expenditure and is allowable per the Ordinance.

Findings: We selected eight direct Measure M2 Local Fair Share expenditures for inspection totaling $5,279,788 representing approximately 93% of total direct Measure M2 Local Fair Share expenditures of $5,700,395 for the fiscal year ended June 30, 2022. We agreed the dollar amount to supporting documentation. When comparing the projects listed on the Eligible Jurisdiction's Expenditure Report (Schedule 4) to the Seven-Year CIP and per discussion with the City's accounting personnel and the Public Works and Transportation department, Crowe was unable to trace four expenditures to specific projects included in the City's 7-year CIP. After further inspection, Crowe identified these four expenditures should have been reported as indirect costs. They relate to contracted services of $39,385, wages for transportation analysts of $7,238, and Public Works and Transportation employees benefits of $3,001.

No other exceptions were found as a result of this procedure.

City's Response:

The above finding is merely a reporting observation and no impact to MOE benchmark. The City will immediately implement the reporting of any direct expenditures to Local Fair Share (LFS) funding besides the Capital Improvement Program (CIP) in the upcoming Seven-Year report that will be submitted to Orange County Transportation Authority (OCTA) in June 2023. In addition, staff will report these types of expenditures in the indirect LFS costs section in future Measure M2 expenditure report (Schedule 3). Public Works and Transportation and Finance staff will incorporate these updates to OCTA procedural and methodological reporting for the Seven-Year CIP and Measure M2 expenditure reports.

Signed:

Name: Oliver C. Chi

Title: City Manager

Signed:

Name: Dahle Bulosan

Title: Director of Administrative Services

Signed:

Name: Jaimee Bourgeois

Title: Director of Public Works & Transportation

Crowe LLP
Independent Member Crowe Global

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES
CITY OF LAGUNA BEACH

Board of Directors
Orange County Local Transportation Authority and
the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

We have performed the procedures enumerated below, which were agreed to by the Taxpayers Oversight Committee of the Orange County Local Transportation Authority (OCLTA) (the specified party), related to the City of Laguna Beach's (City) compliance with certain provisions of the Measure M2 Local Transportation Ordinance (Ordinance) as of and for the fiscal year ended June 30, 2022. The City's management is responsible for compliance with the Ordinance and for its cash, revenue, and expenditure records.

The Taxpayers Oversight Committee of the OCLTA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the City compliance with certain provisions of the Ordinance as of and for the fiscal year ended June 30, 2022. We make no representation regarding the appropriateness of the procedures either for the purpose for which this report has been requested or for any other purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

The procedures and associated findings were as follows:

1. Describe which funds the Eligible Jurisdiction used to track all street and road expenditures and inquire how the Eligible Jurisdiction identifies Maintenance of Effort (MOE) expenditures in its general ledger.

   Findings: The MOE expenditures were tracked in the City's general ledger by fund, department codes, and object codes. The City records its MOE expenditures in its General Fund (110), Capital Improvement Fund (116), Gas Tax Fund (132), and Street Lighting Fund (134) and identified by a 4-digit department code, and a 4-digit object codes. No exceptions were found as a result of this procedure.

2. Obtain the detail of MOE expenditures for the fiscal year ended June 30, 2022 and determine whether the Eligible Jurisdiction met the minimum MOE requirement as outlined in the Measure M2 Eligibility Guidelines Fiscal Year 2021/2022. Agree the total MOE expenditures to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 18). Explain any differences.

(Continued)

Findings: The City's MOE expenditures for the fiscal year ended June 30, 2022 were $7,555,442 (see Schedule A), which exceeded the MOE benchmark requirement of $1,806,353. Actual MOE expenditures per the general ledger expenditure detail totaled $8,269,834, a variance of $714,392. The variance was due to an indirect cost charge of $330,597 that was counted twice when preparing the City's Expenditure Report. The remaining variance was due to a prior year audit adjustment of $383,795 that was not accounted for in the Expenditure Report. No other exceptions were found as a result of this procedure.

3. Select a sample of MOE expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected, perform the following:

   a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal voucher or other appropriate supporting documentation; and

   b. Determine whether the expenditure was properly classified as a local street and road expenditure and is allowable per the Ordinance.

   Findings: We selected 25 direct MOE expenditures totaling $3,594,052, which represented approximately 50% of direct MOE expenditures of $7,211,957 for the fiscal year ended June 30, 2022. No exceptions were found as a result of this procedure.

4. Identify whether indirect costs were charged as MOE expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, obtain detail of indirect costs charged, and select a sample of charges for inspection. Inspect supporting documentation for reasonableness and appropriate methodology.

   Findings: We selected 25 indirect MOE costs for inspection totaling $142,485, representing 41% of the total indirect MOE costs of $343,485. These charges include payroll and benefits, monthly group insurance, copier charges, and others. For indirect costs, the methodology used to allocate the actual costs to projects should be documented and represent a fair and reasonable allocation of costs. The City was unable to provide a documented methodology used to support the allocations mentioned above. As a result, the entire amount of indirect costs were removed from MOE expenditures. After removing these costs from total MOE expenditures, the City continued to meet the MOE benchmark requirement. No other exceptions were found as a result of this procedure.

5. Obtain a listing of Measure M2 Local Fair Share payments made from OCLTA to the Eligible Jurisdiction and calculate the amount the Eligible Jurisdiction received for the past three fiscal years. Obtain the fund balance of the Eligible Jurisdiction's Measure M2 Local Fair Share Fund as of June 30, 2022 and agree to the balance as listed on the Eligible Jurisdiction's Expenditure Report (Schedule 1, line 20) and determine whether funds were expended within three years of receipt or within five years, if an extension was granted. Explain any differences.

   Findings: The City received $1,432,868 for the past three fiscal years ended June 30, 2020, 2021, and 2022. We agreed the fund balance of $0 from the general ledger detail to the City's Expenditure Report (Schedule 1, line 20), with no differences. We determined funds were expended within three years of receipt. No exceptions were found as a result of this procedure.

6. Describe which fund the Eligible Jurisdiction used to track expenditures relating to Measure M2 Local Fair Share monies in its general ledger and the amount spent during the fiscal year ended June 30, 2022. Agree the total Local Fair Share expenditures per the general ledger to the amounts reflected on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 17, and detail listed at Schedule 4). Explain any differences.

(Continued)

Findings: The LFS expenditures were tracked in the City's general ledger by fund number, department Number, program Number, and various object codes. The City recorded its LFS expenditures in its Gas Tax Fund (132). Total Measure M2 Local Fair Share expenditures per the general ledger during the fiscal year ended June 30, 2022 were $536,756, which agreed to the City's Expenditure Report. (Schedule 2, line 17, and detail listed at Schedule 4). No exceptions were found as a result of this procedure.

7. Obtain the Eligible Jurisdiction's Seven-Year Capital Improvement Program (CIP). Compare the projects listed on the Eligible Jurisdiction's Expenditure Report (Schedule 4) to the Seven-Year CIP, explaining any differences. Select a sample of Measure M2 Local Fair Share expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

   a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

   b. Determine that the expenditures selected in (a) above were related to projects included in the Eligible Jurisdiction's Seven-Year CIP and are properly classified as Measure M2 Local Fair Share projects.

   Findings: We compared the projects listed on the City's Expenditure Report (Schedule 4) to the Seven-Year CIP, without any exception. We selected seven direct Measure M2 Local Fair Share expenditures for inspection totaling $275,623 representing approximately 51% of total direct Measure M2 Local Fair Share expenditures of $536,756 for the Fiscal Year ended June 30, 2022. We agreed the dollar amount to supporting documentation and determined the that the expenditures selected were related to projects included in the City's Seven-Year CIP and were properly classified as Measure M2 Local Fair Share projects. No exceptions were found as a result of this procedure.

8. Identify whether indirect costs were charged as Measure M2 Local Fair Share expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, select a sample of charges. Describe the dollar amount inspected. Identify the amounts charged and inspect supporting documentation for reasonableness and appropriate methodology.

   Findings: Based upon inspection of the general ledger detail, the Expenditure Report (Schedule 3, line 1), and discussion with the City's accounting personnel, no indirect costs were identified as Measure M2 Local Fair Share expenditures for the fiscal year ended June 30, 2022. No exceptions were found as a result of this procedure.

9. Obtain and inspect the Eligible Jurisdiction's interest allocation methodology and amount of interest allocated to the Measure M2 Local Fair Share Fund to ensure the proper amount of interest was credited. Agree the amount reflected to the amount of interest listed on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 4). Explain any differences.

   Findings: We inspected the amount of interest allocated to the Measure M2 Local Fair Share Fund and agreed the amount reflected to the amount of interest totaling $6,824 listed on the City's Expenditure Report (Schedule 2, line 4). We inspected the interest allocation methodology and recomputed the amount based on the interest allocation methodology. No exceptions were found as a result of this procedure.

10. Determine whether the Jurisdiction was found eligible by the Board of Directors for the applicable year (FY22) by inspecting the OCLTA Board agenda and action items.

    Findings: No exceptions were noted as a result of this procedure.

(Continued)

We were engaged by OCLTA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records, any indirect cost allocation plans and compliance with the provisions of the Measure M2 Local Transportation Ordinance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City's management and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

At the request of OCLTA, the City's responses to certain findings are included in Exhibit 1. The responses are included for the purpose of additional information and were not subjected to the procedures described above. Accordingly, we did not perform any procedures on the City's responses and express no assurance or opinion on them.

This report is intended solely for the information and use of and is not intended to be, and should not be, used by anyone other than the specified party.

Crowe LLP

Crowe LLP

Costa Mesa, California
March 31, 2023

CITY OF LAGUNA BEACH, CALIFORNIA
SCHEDULE OF MEASURE M2 LOCAL FAIR SHARE EXPENDITURES
Year ended June 30, 2022
(Unaudited)

SCHEDULE A

Maintenance of Effort (MOE) Expenditures:	
Indirect and/ or Overhead - Schedule 3, line 1	$ 343,485
Construction & Right-of-Way	
New Street Reconstruction	$ 824,098
Signals, Safety Devices & Street Lights	101,055
Pedestrian Ways & Bikepaths	223,302
Storm Drains	2,074,045
Maintenance	
Patching	$ 2,774,593
Overlay & Sealing	964,174
Street Lights & Traffic Signals	41,817
Other Street Purpose Maintenance	208,874
Total MOE Expenditures	$ 7,555,442
Measure M2 Local Fair Share Expenditures (Schedule 4):	
Slurry Seal & Rehab Zone 2,3,5	$ 536,756
Total Measure M2 Local Fair Share Expenditures	$ 536,756
Total MOE and Measure M2 Local Fair Share Expenditures	$ 8,092,198

Note: The above amounts were taken directly from the financial records of the City of Laguna Beach and were not audited.

March 31, 2023

Board of Directors
Orange County Local Transportation Authority
and the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

The following response is being submitted to address results from the agreed upon procedures performed for the Measure M2 Local Fair Share program for the City of Laguna Beach as of and for the fiscal year ended June 30, 2022.

Procedure #2

Obtain the detail of MOE expenditures for the fiscal year ended June 30, 2022 and determine whether the Eligible Jurisdiction met the minimum MOE requirement as outlined in the Measure M2 Eligibility Guidelines Fiscal Year 2021/2022. Agree the total MOE expenditures to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, Line 18). Explain any differences.

Findings: The City's MOE expenditures for the fiscal year ended June 30, 2022 were $7,555,442 (see Schedule A), which exceeded the MOE benchmark requirement of $1,806,353. Actual MOE expenditures per the general ledger expenditure detail totaled $8,269,834, a variance of $714,392. The variance was due to an indirect cost charge of $330,597 that was counted twice when preparing the City's Expenditure Report. The remaining variance was due to a prior year audit adjustment of $383,795 that was not accounted for in the Expenditure Report. No other exceptions were found as a result of this procedure.

City's Response:

The City inadvertently included the indirect costs of $330,597 as both MOE undistributed engineering and administration and maintenance costs in the report. The City has identified this discrepancy, which will be corrected in future reporting related to the Measure M2 Local Fair Share Program. In addition, the City can refile the Measure M2 report with the adjustments to correct the current year report.

Procedure #4

Identify whether indirect costs were charged as MOE expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule

3, line 1). Explain any differences. If applicable, obtain detail of indirect costs charged, and select a sample of charges for inspection. Inspect supporting documentation for reasonableness and appropriate methodology.

Findings: We selected 25 indirect MOE costs for inspection totaling $142,485, representing 41% of the total indirect MOE costs of $343,485. These charges include payroll and benefits, monthly group insurance, copier charges, and others. For indirect costs, the methodology used to allocate the actual costs to projects should be documented and represent a fair and reasonable allocation of costs. The City was unable to provide a documented methodology used to support the allocations mentioned above. As a result, the entire amount of indirect costs were removed from MOE expenditures. After removing these costs from total MOE expenditures, the City continued to meet the MOE benchmark requirement. No other exceptions were found as a result of this procedure.

City's Response:

The City believes the methodology used to calculate the indirect Maintenance of Effort costs as submitted is fair and reasonable. However, since the indirect cost rate allocation methodology was not approved by a third-party and documented in writing, the City can refile the Measure M2 report, excluding the administrative overhead expenditures. The City plans to document the indirect cost allocation methodology for future submittals or exclude it from the reporting. After removing indirect MOE costs, City's MOE expenditures for the fiscal year ended June 30, 2022, far exceeded the Maintenance of Effort benchmark requirement of approximately $1.8 million.

Gavin Curran, Acting City Manager

Gavin Curran, Assistant City Manager/CFO

Mark McAvoy, Public Works Director

Crowe LLP
Independent Member Crowe Global

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES CITY OF LOS ALAMITOS

Board of Directors
Orange County Local Transportation Authority and
the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

We have performed the procedures enumerated below, which were agreed to by the Taxpayers Oversight Committee of the Orange County Local Transportation Authority (OCLTA) (the specified party), related to the City of Los Alamitos's (City) compliance with certain provisions of the Measure M2 Local Transportation Ordinance (Ordinance) as of and for the fiscal year ended June 30, 2022. The City's management is responsible for compliance with the Ordinance and for its cash, revenue, and expenditure records.

The Taxpayers Oversight Committee of the OCLTA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the City compliance with certain provisions of the Ordinance as of and for the fiscal year ended June 30, 2022. We make no representation regarding the appropriateness of the procedures either for the purpose for which this report has been requested or for any other purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

The procedures and associated findings were as follows:

1. Describe which funds the Eligible Jurisdiction used to track all street and road expenditures and inquire how the Eligible Jurisdiction identifies Maintenance of Effort (MOE) expenditures in its general ledger.

   Findings: The MOE expenditures were tracked in the City's general ledger by fund and account numbers. The City records its MOE expenditures in its General Fund (10) and is identified by account number. No exceptions were found as a result of this procedure.

2. Obtain the detail of MOE expenditures for the fiscal year ended June 30, 2022 and determine whether the Eligible Jurisdiction met the minimum MOE requirement as outlined in the Measure M2 Eligibility Guidelines Fiscal Year 2021/2022. Agree the total MOE expenditures to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, Line 18). Explain any differences.

   Findings: The City reported total MOE expenditures of $694,824 on its Expenditure Report (Schedule 3, line18) for fiscal year 2022, which exceeded the MOE benchmark requirement of $182,250. Actual MOE expenditures per the general ledger expenditure detail totaled $655,511, a variance of $39,313. The variance was primarily due to an indirect cost charge of $47,880 that was counted twice when preparing the City's Expenditure Report. The remaining variance was due to a prior year audit adjustment of ($8,567) that was not accounted for in the Expenditure Report. No other exceptions were found as a result of this procedure.

(Continued)

3. Select a sample of MOE expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected, perform the following:

    a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal voucher or other appropriate supporting documentation; and

    b. Determine whether the expenditure was properly classified as a local street and road expenditure and is allowable per the Ordinance.

    Findings: We selected 25 direct MOE expenditures totaling $330,719, which represented approximately 54% of direct MOE expenditures of $607,631 for the fiscal year ended June 30, 2022. No exceptions were found as a result of this procedure.

4. Identify whether indirect costs were charged as MOE expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, obtain detail of indirect costs charged, and select a sample of charges for inspection. Inspect supporting documentation for reasonableness and appropriate methodology.

    Findings: Based upon inspection of the City's Expenditure Report, we noted that no indirect costs were reflected on Schedule 3, Line 1. After further investigating the direct expenditure detail from the City's general ledger and through discussion with City personnel, we noted that a $47,880 of indirect costs were included in total direct costs on Schedule 3, line 15 of the City's M2 Expenditure Report for the fiscal year ended June 30, 2022. Crowe selected 8 MOE indirect expenditures with a total amount of $47,880 representing 100% of the total indirect costs. Upon inspection of supporting documentation, we determined that the entirety of the indirect costs were not developed using a reasonable methodology. However, after removing these expenditures from total MOE expenditures, the City continued to meet the MOE benchmark requirement. No other exceptions were found as a result of this procedure.

5. Obtain a listing of Measure M2 Local Fair Share payments made from OCLTA to the Eligible Jurisdiction and calculate the amount the Eligible Jurisdiction received for the past three fiscal years. Obtain the fund balance of the Eligible Jurisdiction's Measure M2 Local Fair Share Fund as of June 30, 2022 and agree to the balance as listed on the Eligible Jurisdiction's Expenditure Report (Schedule 1, line 20) and determine whether funds were expended within three years of receipt or within five years, if an extension was granted. Explain any differences.

    Findings: The City received $759,956 for the past three fiscal years ended June 30, 2020, 2021, and 2022. We agreed the fund balance of $593,413 from the general ledger detail to the City's Expenditure Report (Schedule 1, Line 20), with no differences. We determined funds were expended within three years of receipt. No exceptions were found as a result of this procedure.

6. Describe which fund the Eligible Jurisdiction used to track expenditures relating to Measure M2 Local Fair Share monies in its general ledger and the amount spent during the fiscal year ended June 30, 2022. Agree the total Local Fair Share expenditures per the general ledger to the amounts reflected on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 17, and detail listed at Schedule 4). Explain any differences.

    Findings: The LFS expenditures were tracked in the City's general ledger in its Measure M2 Fund (26). Total Measure M2 Local Fair Share expenditures per the general ledger during the fiscal year ended June 30, 2022 were $201,146 (see Schedule A), which agreed to the City's Expenditure Report. (Schedule 2, line 17, and detail listed at Schedule 4). No exceptions were found as a result of this procedure.

(Continued)

7. Obtain the Eligible Jurisdiction's Seven-Year Capital Improvement Program (CIP). Compare the projects listed on the Eligible Jurisdiction's Expenditure Report (Schedule 4) to the Seven-Year CIP, explaining any differences. Select a sample of Measure M2 Local Fair Share expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

    a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

    b. Determine that the expenditures selected in (a) above were related to projects included in the Eligible Jurisdiction's Seven-Year CIP and are properly classified as Measure M2 Local Fair Share projects.

    Findings: We selected 10 Measure M2 Local Fair Share direct expenditures for inspection totaling $148,681 representing approximately 74% of total Measure M2 direct Local Fair Share expenditures of $201,146 for the fiscal year ended June 30, 2022. Crowe agreed the dollar amount listed on the general ledger to supporting documentation. When comparing the projects listed on the City's Expenditure Report (Schedule 4) to the Seven-Year CIP, we noted that two expenditures in the amount of $72,058, relating to the Suburbia Rehab and Cerritos Guardrail projects, were not listed on the City's Seven-Year CIP. Although projects related to the expenditure samples are not shown on the current year Seven-Year CIP, Crowe notes that the projects were shown in prior year's Seven-Year CIPs' but not rolled forward to the current year. No other exceptions were noted as a result of this procedure.

8. Identify whether indirect costs were charged as Measure M2 Local Fair Share expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, select a sample of charges. Describe the dollar amount inspected. Identify the amounts charged and inspect supporting documentation for reasonableness and appropriate methodology.

    Findings: Based upon inspection of the general ledger detail, the Expenditure Report (Schedule 3, Line 1), and discussion with the City's accounting personnel, no indirect costs were identified as Local Fair Share expenditures for the fiscal year ended June 30, 2022. No exceptions were found as a result of this procedure.

9. Obtain and inspect the Eligible Jurisdiction's interest allocation methodology and amount of interest allocated to the Measure M2 Local Fair Share Fund to ensure the proper amount of interest was credited. Agree the amount reflected to the amount of interest listed on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 4). Explain any differences.

    Findings: We inspected the amount of interest allocated to the Measure M2 Local Fair Share Fund and agreed the amount reflected to the amount of interest totaling $4,052 listed on the City's Expenditure Report (Schedule 2, line 4). We inspected the interest allocation methodology and recomputed the amount based on the interest allocation methodology. No exceptions were found as a result of this procedure.

10. Determine whether the Jurisdiction was found eligible by the Board of Directors for the applicable year (FY22) by inspecting the OCLTA Board agenda and action items.

    Findings: No exceptions were noted as a result of this procedure.

(Continued)

We were engaged by OCLTA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records, any indirect cost allocation plans and compliance with the provisions of the Measure M2 Local Transportation Ordinance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City's management and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

At the request of OCLTA, the City's responses to certain findings are included in Exhibit 1. The responses are included for the purpose of additional information and were not subjected to the procedures described above. Accordingly, we did not perform any procedures on the City's responses and express no assurance or opinion on them.

This report is intended solely for the information and use of and is not intended to be, and should not be, used by anyone other than the specified party.

Crowe LLP

Crowe LLP

Costa Mesa, California
March 22, 2023

CITY OF LOS ALAMITOS, CALIFORNIA
SCHEDULE OF MEASURE M2 LOCAL FAIR SHARE EXPENDITURES
Year ended June 30, 2022
(Unaudited)

SCHEDULE A

Maintenance of Effort (MOE) Expenditures:	
Indirect and/ or Overhead - Schedule 3, line 1	$ 47,880
Maintenance	
Other Street Purpose Maintenance	607,631
Total MOE Expenditures	$ 655,511
Measure M2 Local Fair Share Expenditures (Schedule 4):	
ADA Access Ramps	$ 39,533
Surbrbia Rehab	49,978
Cerritos Ave Guardrail	55,540
St Signs at Intersections	950
Strret Marking/Striping	12,067
Tree Palnting Citywide	42,149
Speed Survey	540
Catch Basin CPS Project	389
Total Measure M2 Local Fair Share Expenditures	$ 201,146
Total MOE and Measure M2 Local Fair Share Expenditures	$ 856,657

Note: The above amounts were taken directly from the financial records of the City of Los Alamitos and were not audited.

CITY OF
Los Alamitos
California

3191 Katella Avenue
Los Alamitos, CA 90720-5600
Telephone: (562) 431-3538
FAX: (562) 493-1255
www.cityoflosalamitos.org

Exhibit 1

March 22, 2023

Board of Directors
Orange County Local Transportation Authority
and the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

The following response is being submitted to address results from the agreed upon procedures performed for the Measure M2 Local Fair Share program for the City of Los Alamitos as of and for the fiscal year ended June 30, 2022.

Procedure #2

Obtain the detail of MOE expenditures for the fiscal year ended June 30, 2022 and determine whether the Eligible Jurisdiction met the minimum MOE requirement as outlined in the Measure M2 Eligibility Guidelines Fiscal Year 2021/2022. Agree the total MOE expenditures to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, Line 18). Explain any differences.

Findings: The City reported total MOE expenditures of $694,824 on its Expenditure Report (Schedule 3, line18) for fiscal year 2022. Actual MOE expenditures per the general ledger expenditure detail totaled $655,511, a variance of $39,313. The variance was primarily due to an indirect cost charge of $47,880 that was counted twice when preparing the City's Expenditure Report. The remaining variance was due to a prior year audit adjustment of ($8,567) that was not accounted for in the Expenditure Report. No other exceptions were found as a result of this procedure.

City's Response:

The City agrees with the auditor's finding. City management maintains that the number represented in Schedule 3, Line 18 is for the purpose of reference to verify that expenditures exceed the MOE benchmark. Since expenditures after the noted adjustment exceed the established MOE benchmark by $464,694 (254%), the error is of little consequence. For future reporting, the City will record indirect and direct costs separately so that OCTA has a clear delineation of the City's MOE expenditures.

Procedure #4

Identify whether indirect costs were charged as MOE expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, obtain detail of indirect costs charged, and select a sample of charges for inspection. Inspect supporting documentation for reasonableness and appropriate methodology.

Findings: Based upon inspection of the City's Expenditure Report, we noted that no indirect costs were reflected on Schedule 3, Line 1. After further investigating the direct expenditure detail from the City's general ledger and through discussion with City personnel, we noted that a $47,880 of indirect costs were included in total direct costs on Schedule 3, line 15 of the City's M2 Expenditure Report for the fiscal year ended June 30, 2022. Crowe selected 8 MOE indirect expenditures with a total amount of $47,880 representing 100% of the total indirect costs. Upon inspection of supporting documentation, we determined

that the entirety of the indirect costs were not developed using a reasonable methodology. However, after removing these expenditures from total MOE expenditures, the City continued to meet the MOE benchmark requirement. No other exceptions were found as a result of this procedure.

City's Response:

The City agrees with the auditors finding. City management is not aware of any written cost allocation methodology for calculating indirect cost allocation. Further, City management believes the methodology that is being used is sound based on best practices. The City has engaged a consultant to conduct a cost recovery study, including review of internal service fund cost allocation methodology. Once the study has been completed, City management will request that the consultant also draft written procedures to support internal cost allocation that will be compliant with SCO and OCTA.

Procedure #7

Obtain the Eligible Jurisdiction's Seven-Year Capital Improvement Program (CIP). Compare the projects listed on the Eligible Jurisdiction's Expenditure Report (Schedule 4) to the Seven-Year CIP, explaining any differences. Select a sample of Measure M2 Local Fair Share expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

b. Determine whether the expenditure was properly classified as a local street and road expenditure and is allowable per the Ordinance.

Findings: We selected 10 Measure M2 Local Fair Share direct expenditures for inspection totaling $148,681 representing approximately 74% of total Measure M2 direct Local Fair Share expenditures of $201,146 for the fiscal year ended June 30, 2022. Crowe agreed the dollar amount listed on the general ledger to supporting documentation. When comparing the projects listed on the City's Expenditure Report (Schedule 4) to the Seven-Year CIP, we noted that two expenditures in the amount of $72,058, relating to the Suburbia Rehab and Cerritos Guardrail projects, were not listed on the City's Seven-Year CIP. Although projects related to the expenditure samples are not shown on the current year Seven-Year CIP, Crowe notes that the projects were shown in prior year's Seven-Year CIPs' but not rolled forward to the current year. No other exceptions were noted as a result of this procedure.

City's Response:

The City agrees with the auditor's finding. City management has discussed this process with the City's Engineer. Partially completed projects appearing on the prior year's Seven-Year CIP list will be noted as such and carried forward for inclusion in the subsequent year's Seven-Year CIP list, as well as inclusion for the Measure M2 Local Fair Share direct expenditures accordingly.

Craig Koehler, Finance Director 3/22/23 Dated

R. Noda 03/22/2023
Ron Noda, Development Services Director Dated

3-22-23
Chet Simmons, City Manager Dated

Crowe LLP
Independent Member Crowe Global

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES CITY OF RANCHO SANTA MARGARITA

Board of Directors
Orange County Local Transportation Authority and
the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

We have performed the procedures enumerated below, which were agreed to by the Taxpayers Oversight Committee of the Orange County Local Transportation Authority (OCLTA) (the specified party), related to the City of Rancho Santa Margarita's (City) compliance with certain provisions of the Measure M2 Local Transportation Ordinance (Ordinance) as of and for the fiscal year ended June 30, 2022. The City's management is responsible for compliance with the Ordinance and for its cash, revenue, and expenditure records.

The Taxpayers Oversight Committee of the OCLTA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the City compliance with certain provisions of the Ordinance as of and for the fiscal year ended June 30, 2022. We make no representation regarding the appropriateness of the procedures either for the purpose for which this report has been requested or for any other purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

The procedures and associated findings were as follows:

1. Describe which funds the Eligible Jurisdiction used to track all street and road expenditures and inquire how the Eligible Jurisdiction identifies Maintenance of Effort (MOE) expenditures in its general ledger.

   Findings: The MOE expenditures were tracked in the City's general ledger by fund, department codes, and various other codes. The City records its MOE expenditures in its General Fund (100) and CIP Fund (410) and is identified by a 3-digit department number, and various other codes. No exceptions were found as a result of this procedure.

2. Obtain the detail of MOE expenditures for the fiscal year ended June 30, 2022 and determine whether the Eligible Jurisdiction met the minimum MOE requirement as outlined in the Measure M2 Eligibility Guidelines Fiscal Year 2021/2022. Agree the total MOE expenditures to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 18). Explain any differences.

   Findings: The City's MOE expenditures for the fiscal year ended June 30, 2022, were $688,337 which exceeded the MOE benchmark requirement of $428,337. We agreed the total expenditures of $688,337 to the amount reported on the City's Expenditure Report (Schedule 3, line 18), with no differences. No exceptions were found as a result of this procedure.

(Continued)

3. Select a sample of MOE expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected, perform the following:

    a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal voucher or other appropriate supporting documentation; and

    b. Determine whether the expenditure was properly classified as a local street and road expenditure and is allowable per the Ordinance.

    Findings: The City does not separately account for MOE and LFS expenditures, rather, the City accumulates all expenditures in one account and then allocates expense amounts to LFS and MOE at the end of each year. City staff advised that all expenditures are both MOE and LFS eligible expenditures. Crowe selected 15 direct expenditures from the total population of expenditures for inspection. Expenditures inspected totaled $662,388, representing 52% of the total population of LFS and MOE direct expenditures of $1,265,098. We agreed the dollar amount to supporting documentation and the expenditures tested were allowable under both the MOE and LFS guidelines. No exceptions were found.

4. Identify whether indirect costs were charged as MOE expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, obtain detail of indirect costs charged, and select a sample of charges for inspection. Inspect supporting documentation for reasonableness and appropriate methodology.

    Findings: Based upon inspection of the general ledger detail, the Expenditure Report (Schedule 3, line 1), and discussion with the City's accounting personnel, no indirect costs were identified as MOE expenditures for the Fiscal Year ended June 30, 2022. No exceptions were found as a result of this procedure.

5. Obtain a listing of Measure M2 Local Fair Share payments made from OCLTA to the Eligible Jurisdiction and calculate the amount the Eligible Jurisdiction received for the past three fiscal years. Obtain the fund balance of the Eligible Jurisdiction's Measure M2 Local Fair Share Fund as of June 30, 2022 and agree to the balance as listed on the Eligible Jurisdiction's Expenditure Report (Schedule 1, line 20) and determine whether funds were expended within three years of receipt or within five years, if an extension was granted. Explain any differences.

    Findings: The City received $2,440,211 for the past three fiscal years ended June 30, 2020, 2021, and 2022. We agreed the fund balance of $698,914 from the general ledger detail to the City's Expenditure Report (Schedule 1, line 20), with no differences. We determined funds were expended within three years of receipt. No exceptions were found as a result of this procedure.

6. Describe which fund the Eligible Jurisdiction used to track expenditures relating to Measure M2 Local Fair Share monies in its general ledger and the amount spent during the fiscal year ended June 30, 2022. Agree the total Local Fair Share expenditures per the general ledger to the amounts reflected on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 17, and detail listed at Schedule 4). Explain any differences.

    Findings: The City tracks its LFS expenditures in its Measure M2 Fund (212). Total Measure M2 Local Fair Share expenditures per the general ledger during the Fiscal Year ended June 30, 2022 was $576,761 (see Schedule A), which agreed to the City's Expenditure Report. (Schedule 2, line 17, and detail listed at Schedule 4). No exceptions were found as a result of this procedure.

(Continued)

7. Obtain the Eligible Jurisdiction's Seven-Year Capital Improvement Program (CIP). Compare the projects listed on the Eligible Jurisdiction's Expenditure Report (Schedule 4) to the Seven-Year CIP, explaining any differences. Select a sample of Measure M2 Local Fair Share expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

    a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

    b. Determine that the expenditures selected in (a) above were related to projects included in the Eligible Jurisdiction's Seven-Year CIP and are properly classified as Measure M2 Local Fair Share projects.

    Findings: We compared the projects listed on the City's Expenditure Report (Schedule 4) to the Seven Year CIP, without any exception. The City does not separately account for MOE and LFS expenditures, rather, the City accumulates all expenditures in one account and then allocates expense amounts to LFS and MOE at the end of each year. City staff advised that all expenditures are both MOE and LFS eligible expenditures. Crowe selected 15 direct expenditures from the total population of expenditures for inspection. Expenditures inspected totaled $662,388, representing 52% of the total population of LFS and MOE direct expenditures of $1,265,098. The expenditures tested were allowable under both the MOE and LFS guidelines. We agreed the dollar amount to supporting documentation and determined the that the expenditures selected were related to projects included in the City's Seven-Year CIP and were properly classified as Measure M2 Local Fair Share projects. No exceptions were found as a result of this procedure.

8. Identify whether indirect costs were charged as Measure M2 Local Fair Share expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, select a sample of charges. Describe the dollar amount inspected. Identify the amounts charged and inspect supporting documentation for reasonableness and appropriate methodology.

    Findings: Based upon inspection of the general ledger detail, the Expenditure Report (Schedule 3, line 1), and discussion with the City's accounting personnel, no indirect costs were identified as Local Fair Share expenditures for the Fiscal Year ended June 30, 2022. No exceptions were found as a result of this procedure.

9. Obtain and inspect the Eligible Jurisdiction's interest allocation methodology and amount of interest allocated to the Measure M2 Local Fair Share Fund to ensure the proper amount of interest was credited. Agree the amount reflected to the amount of interest listed on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 4). Explain any differences.

    Findings: We inspected the amount of interest allocated to the Measure M2 Local Fair Share Fund and agreed the amount reflected to the amount of interest totaling ($4,135) listed on the City's Expenditure Report (Schedule 2, line 4). We inspected the interest allocation methodology and recomputed the amount based on the interest allocation methodology. Crowe found that the interest was negative due to unrealized losses of investment market value at year end, as required by government accounting standards. We inspected the interest allocation methodology and recomputed the amount based on the interest allocation methodology. No exceptions were found as a result of this procedure.

10. Determine whether the Jurisdiction was found eligible by the Board of Directors for the applicable year (FY22) by inspecting the OCLTA Board agenda and action items.

    Findings: No exceptions were noted as a result of this procedure.

(Continued)

We were engaged by OCLTA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records, any indirect cost allocation plans and compliance with the provisions of the Measure M2 Local Transportation Ordinance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City's management and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of and is not intended to be, and should not be, used by anyone other than the specified party.

Crowe LLP

Crowe LLP

Costa Mesa, California
March 28, 2023

CITY OF RANCHO SANTA MARGARITA, CALIFORNIA
SCHEDULE OF MEASURE M2 LOCAL FAIR SHARE EXPENDITURES
Year ended June 30, 2022
(Unaudited)

SCHEDULE A

Maintenance of Effort (MOE) Expenditures:	
Maintenance	
Street Lights & Traffic Signals	$ 260,000
Other Street Purpose Maintenance	428,337
Total MOE Expenditures	$ 688,337
Measure M2 Local Fair Share Expenditures (Schedule 4):	
Antonio Parkway Gateway Improvements 410-900-916.003	$ 20,130
Traffic Signal Enhancements 410-900-921.005	107,155
Traffic Signal System Maintenance 410-900-921.009	10,203
Street Maintenance	326,746
Traffic Signal Maintenance	112,527
Total Measure M2 Local Fair Share Expenditures	$ 576,761
Total MOE and Measure M2 Local Fair Share Expenditures	$ 1,265,098

Note: The above amounts were taken directly from the financial records of the City of Rancho Santa Margarita and were not audited.

Crowe LLP
Independent Member Crowe Global

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES CITY OF SAN JUAN CAPISTRANO

Board of Directors
Orange County Local Transportation Authority and
the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

We have performed the procedures enumerated below, which were agreed to by the Taxpayers Oversight Committee of the Orange County Local Transportation Authority (OCLTA) (the specified party), related to the City of San Juan Capistrano's (City) compliance with certain provisions of the Measure M2 Local Transportation Ordinance (Ordinance) as of and for the fiscal year ended June 30, 2022. The City's management is responsible for compliance with the Ordinance and for its cash, revenue, and expenditure records.

The Taxpayers Oversight Committee of the OCLTA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the City compliance with certain provisions of the Ordinance as of and for the fiscal year ended June 30, 2022. We make no representation regarding the appropriateness of the procedures either for the purpose for which this report has been requested or for any other purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

The procedures and associated findings were as follows:

1. Describe which funds the Eligible Jurisdiction used to track all street and road expenditures and inquire how the Eligible Jurisdiction identifies Maintenance of Effort (MOE) expenditures in its general ledger.

   Findings: The MOE expenditures were tracked in the City's general ledger by fund, division codes, account codes, and department codes. MOE expenditures are identified in the General Fund (01) followed by a 5-digit division code, 5-digit account code, and a 3-digit department code. No exceptions were found as a result of this procedure.

2. Obtain the detail of MOE expenditures for the fiscal year ended June 30, 2022 and determine whether the Eligible Jurisdiction met the minimum MOE requirement as outlined in the Measure M2 Eligibility Guidelines Fiscal Year 2021/2022. Agree the total MOE expenditures to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 18). Explain any differences.

   Findings: The City's MOE expenditures for the fiscal year ended June 30, 2022, were $2,577,297 (see Schedule A), which exceeded the MOE benchmark requirement of $492,518. We agreed the total expenditures of $2,577,297 to the amount reported on the City's Expenditure Report (Schedule 3, line 18). No exceptions were found as a result of this procedure.

(Continued)

3. Select a sample of MOE expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected, perform the following:

    a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal voucher or other appropriate supporting documentation; and

    b. Determine whether the expenditure was properly classified as a local street and road expenditure and is allowable per the Ordinance.

    Findings: We selected 25 direct MOE expenditures totaling $490,015, which represented approximately 37% of direct MOE expenditures of $1,335,394 for the fiscal year ended June 30, 2022. No exceptions were found as a result of this procedure.

4. Identify whether indirect costs were charged as MOE expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, obtain detail of indirect costs charged, and select a sample of charges for inspection. Inspect supporting documentation for reasonableness and appropriate methodology.

    Findings: Based upon inspection of the general ledger detail, the Expenditure Report (Schedule 3, line 1), and discussion with the City's accounting personnel, indirect costs were identified as MOE expenditures for the fiscal year ended June 30, 2022. We agreed $1,241,903 of indirect costs per the Expenditure Report (Schedule 3, line 1) to the general ledger detail. We selected 18 charges for inspection with a total amount of $268,206 representing 22% of the total MOE indirect costs. We recomputed the selected indirect costs using the City's allocation methodology and identified no exceptions. The indirect costs included maintenance labor charges for the Public Works department. Upon inspecting the supporting documentation for the samples selected, we determined that the indirect MOE costs were properly classified as indirect expenditures and based upon a reasonable and appropriate methodology. No exceptions were found as a result of this procedure.

5. Obtain a listing of Measure M2 Local Fair Share payments made from OCLTA to the Eligible Jurisdiction and calculate the amount the Eligible Jurisdiction received for the past three fiscal years. Obtain the fund balance of the Eligible Jurisdiction's Measure M2 Local Fair Share Fund as of June 30, 2022 and agree to the balance as listed on the Eligible Jurisdiction's Expenditure Report (Schedule 1, line 20) and determine whether funds were expended within three years of receipt or within five years, if an extension was granted. Explain any differences.

    Findings: The City received $2,080,345 for the past three fiscal years ended June 30, 2020, 2021, and 2022. We agreed the fund balance of $1,057,844 from the general ledger detail to the City's Expenditure Report (Schedule 1, line 20), with no differences. We determined funds were expended within three years of receipt. No exceptions were found as a result of this procedure.

6. Describe which fund the Eligible Jurisdiction used to track expenditures relating to Measure M2 Local Fair Share monies in its general ledger and the amount spent during the fiscal year ended June 30, 2022. Agree the total Local Fair Share expenditures per the general ledger to the amounts reflected on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 17, and detail listed at Schedule 4). Explain any differences.

    Findings: The LFS expenditures were tracked in the City's general ledger by fund and Account Number. The City recorded its LFS expenditures in its Capital Projects Fund (50) and various account numbers. Total Measure M2 Local Fair Share expenditures per the general ledger during the fiscal year ended June 30, 2022 were $229,913 (see Schedule A), which agreed to the City's Expenditure Report. (Schedule 2, line 17, and detail listed at Schedule 4). No exceptions were found as a result of this procedure.

(Continued)

7. Obtain the Eligible Jurisdiction's Seven-Year Capital Improvement Program (CIP). Compare the projects listed on the Eligible Jurisdiction's Expenditure Report (Schedule 4) to the Seven-Year CIP, explaining any differences. Select a sample of Measure M2 Local Fair Share expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

   a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

   b. Determine that the expenditures selected in (a) above were related to projects included in the Eligible Jurisdiction's Seven-Year CIP and are properly classified as Measure M2 Local Fair Share projects.

   Findings: We compared the projects listed on the City's Expenditure Report (Schedule 4) to the Seven Year CIP, without any exception. We selected 20 Measure M2 Local Fair Share direct expenditures for inspection totaling $134,914 representing approximately 64% of total Measure M2 direct Local Fair Share expenditures of $211,756 for the fiscal year ended June 30, 2022. We agreed the dollar amount to supporting documentation and determined the that the expenditures selected were related to projects included in the City's Seven-Year CIP and were properly classified as Measure M2 Local Fair Share projects. No exceptions were found as a result of this procedure.

8. Identify whether indirect costs were charged as Measure M2 Local Fair Share expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, select a sample of charges. Describe the dollar amount inspected. Identify the amounts charged and inspect supporting documentation for reasonableness and appropriate methodology.

   Findings: Based upon inspection of the general ledger detail, the Expenditure Report (Schedule 3, line 1), and discussion with the City's accounting personnel, indirect costs were identified as Local Fair Share expenditures for the fiscal year ended June 30, 2022. We agreed $18,157 of indirect costs per the Expenditure Report (Schedule 3, line 1) to the general ledger detail. We selected 15 charges for inspection with a total amount of $9,415 representing 52% of the total indirect Local Fair Share costs. We recomputed the selected indirect costs using the City's allocation methodology and identified no exceptions. The indirect costs included allocated general city and department/divisional overhead. Upon inspecting the supporting documentation for the samples selected, we determined that the expenditures were properly classified as indirect Local Fair Share costs and were allowable per the Ordinance and percentages allocated to Local Fair Share were justifiable. In addition, the indirect LFS costs were substantiated by a written Indirect Cost Allocation Plan prepared within five years. No exceptions were found as a result of this procedure.

9. Obtain and inspect the Eligible Jurisdiction's interest allocation methodology and amount of interest allocated to the Measure M2 Local Fair Share Fund to ensure the proper amount of interest was credited. Agree the amount reflected to the amount of interest listed on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 4). Explain any differences.

   Findings: We inspected the amount of interest allocated to the Measure M2 Local Fair Share Fund and agreed the amount reflected to the amount of interest totaling ($17,192) listed on the City's Expenditure Report (Schedule 2, line 4). We inspected the interest allocation methodology and recomputed the amount based on the interest allocation methodology. Crowe found that the interest was negative due to the unrealized loss of investment market value at year end, as required by government accounting standards. We inspected the interest allocation methodology and recomputed the amount based on the interest allocation methodology. No exceptions were found as a result of this procedure.

(Continued)

10. Determine whether the Jurisdiction was found eligible by the Board of Directors for the applicable year (FY22) by inspecting the OCLTA Board agenda and action items.

    Findings: No exceptions were found as a result of this procedure.

We were engaged by OCLTA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records, any indirect cost allocation plans and compliance with the provisions of the Measure M2 Local Transportation Ordinance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City's management and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of and is not intended to be, and should not be, used by anyone other than the specified party.

Crowe LLP

Crowe LLP

Costa Mesa, California
March 23, 2023

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
SCHEDULE OF MEASURE M2 LOCAL FAIR SHARE EXPENDITURES
Year ended June 30, 2022
(Unaudited)

SCHEDULE A

Maintenance of Effort (MOE) Expenditures:	
Indirect and/ or Overhead - Schedule 3, line 1	$ 1,241,903
Maintenance	
Patching	$ 188,544
Street Lights & Traffic Signals	487,945
Storm Damage	69,719
Other Street Purpose Maintenance	589,186
Total MOE Expenditures	$ 2,577,297
Measure M2 Local Fair Share Expenditures (Schedule 4):	
Camino Capistrano Pavement Rehabilitation	$ 181,104
Indirect Cost Administration Overhead	18,157
Pavement Management Program	30,652
Total Measure M2 Local Fair Share Expenditures	$ 229,913
Total MOE and Measure M2 Local Fair Share Expenditures	$ 2,807,210

Note: The above amounts were taken directly from the financial records of the City of San Juan Capistrano and were not audited.

Crowe LLP
Independent Member Crowe Global

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES CITY OF VILLA PARK

Board of Directors
Orange County Local Transportation Authority
and the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

We have performed the procedures enumerated below, which were agreed to by the Taxpayers Oversight Committee of the Orange County Local Transportation Authority (OCLTA) (the specified party), related to the City of Villa Park's (City) compliance with certain provisions of the Measure M2 Local Transportation Ordinance (Ordinance) as of and for the fiscal year ended June 30, 2022. The City's management is responsible for compliance with the Ordinance and for its cash, revenue, and expenditure records.

The Taxpayers Oversight Committee of the OCLTA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the City compliance with certain provisions of the Ordinance as of and for the fiscal year ended June 30, 2022. We make no representation regarding the appropriateness of the procedures either for the purpose for which this report has been requested or for any other purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

The procedures and associated findings were as follows:

1. Describe which funds the Eligible Jurisdiction used to track all street and road expenditures and inquire how the Eligible Jurisdiction identifies Maintenance of Effort (MOE) expenditures in its general ledger.

   Findings: The MOE expenditures were tracked in the City's general ledger by fund, department codes, division codes, and object codes. The City records its MOE expenditures in its General Fund (001) and is identified by an 8-digit account number composed of a 2-digit department code, 2-digit division code, and 4-digit object code. No exceptions were found as a result of this procedure.

2. Obtain the detail of MOE expenditures for the fiscal year ended June 30, 2022 and determine whether the Eligible Jurisdiction met the minimum MOE requirement as outlined in the Measure M2 Eligibility Guidelines Fiscal Year 2021/2022. Agree the total MOE expenditures to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 18). Explain any differences.

   Findings: The City's MOE expenditures for the fiscal year ended June 30, 2022, were $480,163 (see Schedule A, which exceeded the MOE benchmark requirement of $373,104. We agreed the total expenditures of $480,163 to the amount reported on the City's Expenditure Report (Schedule 3, line 18), with no differences. No exceptions were found as a result of this procedure.

(Continued)

3. Select a sample of MOE expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected, perform the following:

    a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal voucher or other appropriate supporting documentation; and

    b. Determine whether the expenditure was properly classified as a local street and road expenditure and is allowable per the Ordinance.

    Findings: We selected 21 direct MOE expenditures totaling $298,050, which represented approximately 70% of direct MOE expenditures of $424,877 for fiscal year ended June 30, 2022. Crowe agreed the dollar amount listed on the general ledger to supporting documentation provided by the City. After inspecting the supporting documentation and through discussion with the City's accounting personnel, Crowe found that one expenditure related to the City-wide electricity bill in the amount of $1,535 was mistakenly inputted into the MOE expenditure detail under traffic and street lights. Per our discussion with the City, this expenditure does not relate to the traffic and street lights as it only relates to the Civic Center. As a result, this amount is considered disallowed, and should be removed from the total MOE expenditures. However, after removing this transaction from total MOE expenditures, the City continued to meet the MOE benchmark requirement. No other exceptions were found as a result of this procedure.

4. Identify whether indirect costs were charged as MOE expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, obtain detail of indirect costs charged, and select a sample of charges for inspection. Inspect supporting documentation for reasonableness and appropriate methodology.

    Findings: We selected 15 indirect MOE costs for inspection totaling $36,042, representing 65% of the total indirect MOE costs of $55,286. The City contracts with a vendor to provide staff augmentation for various engineering services and allocated 50% of the contract costs to MOE; however, the City did not provide supporting documentation for a reasonable methodology used to support this allocation. As a result, the total amount of indirect costs was removed from MOE expenditures. However, after removing these costs, the City continued to meet the MOE benchmark requirement. No other exceptions were found as a result of this procedure.

5. Obtain a listing of Measure M2 Local Fair Share payments made from OCLTA to the Eligible Jurisdiction and calculate the amount the Eligible Jurisdiction received for the past three fiscal years. Obtain the fund balance of the Eligible Jurisdiction's Measure M2 Local Fair Share Fund as of June 30, 2022 and agree to the balance as listed on the Eligible Jurisdiction's Expenditure Report (Schedule 1, line 20) and determine whether funds were expended within three years of receipt or within five years, if an extension was granted. Explain any differences.

    Findings: The City received $300,380 for the past three fiscal years ended June 30, 2020, 2021, and 2022. We agreed the fund balance of $135,608 from the general ledger detail to the City's Expenditure Report (Schedule 1, line 20), with no differences. We determined funds were expended within three years of receipt. No exceptions were found as a result of this procedure.

6. Describe which fund the Eligible Jurisdiction used to track expenditures relating to Measure M2 Local Fair Share monies in its general ledger and the amount spent during the fiscal year ended June 30, 2022. Agree the total Local Fair Share expenditures per the general ledger to the amounts reflected on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 17, and detail listed at Schedule 4). Explain any differences.

(Continued)

Findings: The LFS expenditures were tracked in the City's general ledger by fund, department codes, division codes, and object codes. The City records its LFS expenditures in its Measure M2 Fund (05) and is identified by an 8-digit account number composed of a 2-digit department code, 2-digit division code, and 4-digit object code. Total Measure M2 Local Fair Share expenditures per the general ledger during the fiscal year ended June 30, 2022, were $51,878, which agreed to the City's Expenditure Report (Schedule 2, line 17, and detail listed at Schedule 4). No exceptions were found as a result of this procedure.

7. Obtain the Eligible Jurisdiction's Seven-Year Capital Improvement Program (CIP). Compare the projects listed on the Eligible Jurisdiction's Expenditure Report (Schedule 4) to the Seven-Year CIP, explaining any differences. Select a sample of Measure M2 Local Fair Share expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

   a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

   b. Determine that the expenditures selected in (a) above were related to projects included in the Eligible Jurisdiction's Seven-Year CIP and are properly classified as Measure M2 Local Fair Share projects.

   Findings: We compared the projects listed on the City's Expenditure Report (Schedule 4) to the Seven-Year CIP, without any exception. We selected three direct Measure M2 Local Fair Share expenditures for inspection totaling $51,878 and representing 100% of total direct Measure M2 Local Fair Share expenditures of $51,878 for the fiscal year ended June 30, 2022. We agreed the dollar amount to supporting documentation and determined that the expenditures selected were related to projects listed on the Seven-Year CIP and were properly classified. No exceptions were found as a result of this procedure.

8. Identify whether indirect costs were charged as Measure M2 Local Fair Share expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, select a sample of charges. Describe the dollar amount inspected. Identify the amounts charged and inspect supporting documentation for reasonableness and appropriate methodology.

   Findings: Based upon inspection of the general ledger detail, the Expenditure Report (Schedule 3, line 1), and discussion with the City's accounting personnel, no indirect costs were identified as Measure M2 Local Fair Share expenditures for the fiscal year ended June 30, 2022. No exceptions were found as a result of this procedure.

9. Obtain and inspect the Eligible Jurisdiction's interest allocation methodology and amount of interest allocated to the Measure M2 Local Fair Share Fund to ensure the proper amount of interest was credited. Agree the amount reflected to the amount of interest listed on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 4). Explain any differences.

   Findings: We inspected the amount of interest allocated to the Measure M2 Local Fair Share Fund and agreed the amount reflected to the amount of interest totaling ($1,135) listed on the City's Expenditure Report (Schedule 2, line 4). We inspected the interest allocation methodology and recomputed the amount based on the interest allocation methodology. Crowe found that the interest was negative due to the unrealized loss of investment market value at year end, as required by government accounting standards. We inspected the interest allocation methodology and recomputed the amount based on the interest allocation methodology. No exceptions were found as a result of this procedure. No exceptions were found as a result of this procedure.

10. Determine whether the Jurisdiction was found eligible by the Board of Directors for the applicable year (FY22) by inspecting the OCLTA Board agenda and action items.

    Findings: No exceptions were found as a result of this procedure.

(Continued)

We were engaged by OCLTA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records, any indirect cost allocation plans and compliance with the provisions of the Measure M2 Local Transportation Ordinance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City's management and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

At the request of OCLTA, the City's responses to certain findings are included in Exhibit 1. The responses are included for the purpose of additional information and were not subjected to the procedures described above. Accordingly, we did not perform any procedures on the City's responses and express no assurance or opinion on them.

This report is intended solely for the information and use of and is not intended to be, and should not be, used by anyone other than the specified party.

Crowe LLP

Crowe LLP

Costa Mesa, California
March 22, 2023

CITY OF VILLA PARK, CALIFORNIA
SCHEDULE OF MEASURE M2 LOCAL FAIR SHARE EXPENDITURES
Year ended June 30, 2022
(Unaudited)

SCHEDULE A

Maintenance of Effort (MOE) Expenditures:		
Indirect and/ or Overhead - Schedule 3, line 1	$	55,286
Construction & Right-of-Way		
Street Reconstruction		34,457
Maintenance		
Overlay & Sealing	$	90,945
Street Lights & Traffic Signals		24,802
Other Street Purpose Maintenance		274,673
Total MOE Expenditures	$	480,163
Measure M2 Local Fair Share Expenditures (Schedule 4):		
FY 21-22 Street Slurry Seal Project	$	51,878
Total Measure M2 Local Fair Share Expenditures	$	51,878
Total MOE and Measure M2 Local Fair Share Expenditures	$	532,041

Note: The above amounts were taken directly from the financial records of the City of Villa Park and were not audited.

City of Villa Park

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www.villapark.org

March 22, 2023

Board of Directors
Orange County Local Transportation Authority
and the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

The following response is being submitted to address results from the agreed upon procedures performed for the Measure M2 Local Fair Share program for the City of Villa Park as of and for the fiscal year ended June 30, 2022.

Procedure #3

Select a sample of MOE expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected, perform the following:

a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

b. Determine whether the expenditure was properly classified as a local street and road expenditure and is allowable per the Ordinance.

Findings: We selected 21 direct MOE expenditures totaling $298,050, which represented approximately 70% of direct MOE expenditures of $424,877 for fiscal year ended June 30, 2022. Crowe agreed the dollar amount listed on the general ledger to supporting documentation provided by the City. After inspecting the supporting documentation and through discussion with the City's accounting personnel, Crowe found that one expenditure related to the City-wide electricity bill in the amount of $1,535 was mistakenly inputted into the MOE expenditure detail under traffic and street lights. Per our discussion with the City, this expenditure does not relate to the traffic and street lights as it only relates to the Civic Center. As a result, this amount is considered disallowed, and should be removed from the total MOE expenditures. However, after removing this transaction from total MOE expenditures, the City continued to meet the MOE benchmark requirement. No other exceptions were found as a result of this procedure

City's Response: The City agrees with the finding. The City has implemented procedures to ensure that transactions are entered and posted to general ledger accounts accurately.

ROBBIE PITTS, Mayor • VINCE ROSSINI, Mayor Pro Tem
NICOL JONES, Councilmember • CRYSTAL MILES, Councilmember • JORDAN WU, Councilmember

Procedure #4

Identify whether indirect costs were charged as MOE expenditures. If applicable, compare indirect costs identified to the amount reported on the Eligible Jurisdiction's Expenditure Report (Schedule 3, line 1). Explain any differences. If applicable, obtain detail of indirect costs charged, and select a sample of charges for inspection. Inspect supporting documentation for reasonableness and appropriate methodology.

Findings: We selected 15 indirect MOE costs for inspection totaling $36,042, representing 65% of the total indirect MOE costs of $55,286. The City contracts with a vendor to provide staff augmentation for various engineering services and allocated 50% of the contract costs to MOE; however, the City did not provide a written methodology used to support this allocation. As a result, the total amount of indirect costs were removed from MOE expenditures. However, after removing these costs, the City continued to meet the MOE benchmark requirement. No other exceptions were found as a result of this procedure.

City's Response: The City has an on-going contract with consulting firm for engineering professional services to act in a staff capacity as City Engineer and Assistant Engineer in the areas of project management, construction inspections, surveying, grant management, pavement management, and any other engineering related matters for City's streets, storm drains, and other infrastructures. The City agrees with the finding. The City will develop a written methodology for allocation purposes.

Steve Franks, City Manager

Lee Siow, Finance Director

Hamid Torkamanha, City Engineer

ATTACHMENT C

SUMMARY OF AGREED-UPON PROCEDURES REPORTS
Orange County Local Transportation Authority
Measure M2 Senior Mobility Program for the Year Ended June 30, 2022

City	Result	City Management Response
City of Anaheim (Anaheim)	Anaheim did not allocate interest to Senior Mobility Program (SMP) funds. Anaheim should have allocated $12,202 of interest revenues to the program.	Management will submit an amended expenditure report to include the interest revenue. Management will also implement procedures to ensure interest revenue is reported.
City of Garden Grove	Three of four monthly reports tested were not submitted within 30 days of month end, as required.	Management asserted that this issue has been addressed and that cross-training has been implemented to ensure timely filing moving forward.
The City of Huntington Beach (Huntington Beach)	Huntington Beach reported $266,154 of direct SMP expenditures as indirect expenditures on its expenditure report.	Management will review reporting processes and implement procedures to ensure accurate reporting of expenditures.
	Based on inquiry, Huntington Beach does not verify participant age as part of the process for determining eligibility. Participants call and provide a birthdate to certify their age and sign up for services.	Management will update its intake procedure to include verification of age and residency.
The City of Santa Ana (Santa Ana)	Santa Ana reported $12,711 in indirect SMP expenditures as direct expenditures on its expenditure report.	Management responded that future expenditure reports will be completed as indicated.
	One of four monthly reports tested were not submitted within 30 days of month end, as required.	Management responded that staff will ensure that reports are submitted timely going forward.

ATTACHMENT D

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

MEASURE M2 SENIOR MOBILITY PROGRAM

AGREED-UPON PROCEDURES REPORTS

Year Ended June 30, 2022

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

MEASURE M2 SENIOR MOBILITY PROGRAM

AGREED-UPON PROCEDURES REPORT

Year Ended June 30, 2022

The cities listed below were selected by the Audit Subcommittee of the Taxpayers Oversight Committee to perform agreed-upon procedures for the fiscal year ended June 30, 2022. Please refer to the individual divider tab for our report on each Agency.

Anaheim

Garden Grove

Huntington Beach

Santa Ana

Crowe LLP
Independent Member Crowe Global

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES CITY OF ANAHEIM

Board of Directors
Orange County Local Transportation Authority
and the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

We have performed the procedures enumerated below, which were agreed to by the Taxpayers Oversight Committee of the Orange County Local Transportation Authority (OCLTA) (the specified party), related to the City of Anaheim's (City) compliance with certain provisions of the Measure M2 Local Transportation Ordinance (Ordinance) as of and for the fiscal year ended June 30, 2022. The City's management is responsible for compliance with the Ordinance and for its cash, revenue and expenditure records.

The Taxpayers Oversight Committee of the OCLTA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the City compliance with certain provisions of the Ordinance as of and for the fiscal year ended June 30, 2022. We make no representation regarding the appropriateness of the procedures either for the purpose for which this report has been requested or for any other purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

The procedures and associated findings were as follows:

1. Obtain and read the Cooperative Agreement for the Senior Mobility Program between OCLTA and the Eligible Jurisdiction and determine that the agreement was properly approved and executed.

   Findings: No exceptions were found as a result of this procedure.

2. Describe which fund(s) the Eligible Jurisdiction used to track expenditures relating to Measure M2 Senior Mobility Program monies in its general ledger and the amount spent during the fiscal year ended June 30, 2022. Agree to amount listed as expended on Eligible Jurisdiction's Expenditure Report (Schedule 2, line 21 for Project U). Explain any differences.

   Findings: The City's expenditures related to the Measure M2 Senior Mobility Program were tracked in the general ledger by fund, department codes, and object code. The City recorded its Senior Mobility Program expenditures in its General Fund (101), department code (213), and object code (7278). The City did not report any program expenditures on the Expenditure Report (Schedule 2, line 21 for Project U) which agreed to the M2 funded portion of total expenditures. No exceptions were found as a result of this procedure.

(Continued)

3. Obtain a listing of Measure M2 Senior Mobility Program payments made from OCLTA to the Eligible Jurisdiction and calculate the amount the Eligible Jurisdiction received for the past three fiscal years. Obtain the fund balance of the Eligible Jurisdiction's Measure M2 Senior Mobility Program as of June 30, 2022, agree to the balance as listed on the Eligible Jurisdictions' Expenditure Report (Schedule 1, line 24) and determine whether funds were expended within three years of receipt or within five years, if an extension was granted. For payments received during the fiscal year ended June 30, 2022, agree to amount listed as received on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 8 for Project U). Explain any differences.

   Findings: The City received $900,882 for the past three years fiscal years ended June 30, 2020, 2021, and 2022. We compared the fund balance of $657,466 from the general ledger detail to the fund balance reported in the City's Expenditure Report (Schedule 1, line 24) of $657,466; no difference was identified. We determined funds were expended within three years of receipt. We agreed payments received from OCLTA totaling $310,663 during the fiscal year ended June 30, 2022, to the general ledger detail and to the amount listed as received on the City's Expenditure Report (Schedule 2, line 8 for Project U) without exception. No exceptions were identified as a result of this procedure.

4. Determine if the Eligible Jurisdiction's interest allocation and fare collection methodologies are adequate to ensure the proper amount of interest/program revenue was credited to the Measure M2 Senior Mobility Program Fund. Agree the amount reflected to the amount of interest listed on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 8 – Project U). Explain any differences.

   Findings: Based on the Expenditure Report (Schedule 2, line 8 – Project U), the City reported $0 in interest revenue. Per discussion with the City's accounting personnel and inspection of the general ledger expenditure detail, there should have been $12,202 of interest revenues allocated to the fiscal year ended June 30, 2022. We inspected the interest allocation methodology. The City of Anaheim methodology for interest calculation was to calculate the average monthly cash balance, then using the City Treasurer's investment portfolio interest rates. Additionally, we inquired of City personnel and inspected the City's general ledger detail regarding fare collection methodologies. Eligible participants of the Senior Mobility Program must purchase travel vouchers from the City prior to their trip. No other exceptions were found as a result of this procedure.

5. Determine that the Eligible Jurisdiction satisfied the requirement of twenty percent (20%) matching of the total annual formula allocation (i.e., accrual-basis funding allocation) for the fiscal year ended June 30, 2022.

   Findings: The City did not have any expenditures during the year that were related to the Senior Mobility Program; therefore, the matching requirement was not applicable for the City. No exceptions were found as a result of this procedure.

6. Select a sample of Measure M2 Senior Mobility Program expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

   a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

   b. Determine whether the expenditures selected in (a) above are exclusively for Senior Mobility Program and meets requirements outlined in the Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines and the cooperative agreement.

   Findings: We inspected the Expenditure report and also the general ledger detail and found that there were no expenditures related to the Senior Mobility Program recorded. In addition, we obtained the expenditure detail support related to the Senior Mobility Program and found no expenditures using SMP funding occurred. As a result, we did not select any expenditures for inspection. No exceptions were found as a result of this procedure.

(Continued)

7. Inquire as to the procedures used by the Eligible Jurisdictions to ensure that services are provided only to eligible participants in accordance with the Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines and the cooperative agreement.

   Findings: We inquired of management as to the procedures used to ensure services are provided only to eligible participants. Any person who wants to join the Senior Transportation Program must fill out an application and provide a copy of their driver's license or Department of Motor Vehicles issued identification card for age verification. The City then verifies that the applicant is a resident of the City of Anaheim, and 60 years or older in accordance with the Senior/Disabled Program Funding Policy Guidelines and the Cooperative Agreement. No exceptions found as a result of this procedure.

8. Identify whether administrative costs were charged as Measure M2 Senior Mobility Program expenditures. If applicable, confirm that administrative costs do not exceed 10 percent, as dictated in Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines.

   Findings: Based on the Expenditure Report (Schedule 3, line 1), the City reported $0 in administrative costs. Per discussion with the City's accounting personnel and inspection of the general ledger expenditure detail, no administrative costs were identified as Measure M2 Senior Mobility Program expenditures for the fiscal year ended June 30, 2022. No exceptions were found as a result of this procedure.

9. Determine if the Eligible Jurisdiction contracts with a third-party service provider to provide senior transportation service, and perform the following:

   a. Determine whether Contractor was selected using a competitive procurement process.

   b. Inspect the contract agreement to ensure that wheelchair accessible vehicles are available and used as needed.

   Findings: Based on discussion with City personnel and inspection of the general ledger detail of expenditures, the City was not currently in an engagement with a contractor that was determined using a competitive procurement process. Due to the COVID-19 Pandemic, their original service provider (Keolis Transit) was no longer able to provide services for the City. Since the contract between the City and Keolis was terminated early, the City was unable to conduct a competitive procurement process as required by the SMP Guidelines under section 6.0. The City did not claim SMP funding for FY22 because the City was aware that they were not in compliance with the competitive procurement requirements. No exceptions were found as a result of this procedure.

10. Obtain the proof of insurance coverage for the Eligible Jurisdiction's Contractor and perform the following:

    a. Inspect the insurance coverage to ensure the terms satisfy the requirements established in the Cooperative Agreement.

    b. Determine whether the current year proof of insurance was submitted and is on file with OCLTA in accordance with the Cooperative Agreement.

    Findings: Based on interview with City personnel and inspection of the general ledger detail of expenditures, the City used a contracted provider that was not competitively procured and, therefore, did not claim any funding under the Senior Mobility Program. As a result, we did not perform the procedures listed above.

(Continued)

11. Obtain and sample four monthly summary operations reports and determine whether the reports were properly prepared and submitted within 30 days after the end of the service month.

    Findings: The City did not submit monthly summary operations reports to OCLTA because they did not claim Senior Mobility Program funding for operations. No exceptions were found as a result of this procedure.

We were engaged by OCLTA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records, any indirect cost allocation plans and compliance with the provisions of the Measure M2 Local Transportation Ordinance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City's management and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

At the request of OCLTA, the City's responses to certain findings are included in Exhibit 1. The responses are included for the purpose of additional information and were not subjected to the procedures described above. Accordingly, we did not perform any procedures on the City's responses and express no assurance or opinion on them.

This report is intended solely for the information and use of and is not intended to be, and should not be, used by anyone other than the specified party.

Crowe LLP

Crowe LLP

Costa Mesa, California
March 29, 2023

CITY OF ANAHEIM, CALIFORNIA
SCHEDULE OF MEASURE M2 SENIOR MOBILITY PROGRAM EXPENDITURES
Year ended June 30, 2022
(Unaudited)

SCHEDULE A

Measure M2 Senior Mobility Program Expenditures:	
Indirect and/ or Overhead - Schedule 3, line 1	$ -
Other Senior Mobility Project U	-
Total Measure M2 Senior Mobility Program Expenditures	$ -

Note: The above amounts were taken directly from the financial records of the City of Anaheim and were not audited.

City of Anaheim
FINANCE DEPARTMENT

Exhibit 1

March 29, 2023

Board of Directors
Orange County Local Transportation Authority
and the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

The following response is being submitted to address results from the agreed upon procedures performed
for the Measure M2 Senior Mobility program for the City of Anaheim as of and for the fiscal year ended June 30, 2022.

Procedure #4

Determine if the Eligible Jurisdiction's interest allocation and fare collection methodologies are adequate to ensure the proper amount of interest/program revenue was credited to the Measure M2 Senior Mobility Program Fund. Agree the amount reflected to the amount of interest listed on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 8 – Project U). Explain any differences.

Findings: Based on the Expenditure Report (Schedule 2, line 8 – Project U), the City reported $0 in interest revenue. Per discussion with the City's accounting personnel and inspection of the general ledger expenditure detail, there should have been $12,202 of interest revenues allocated to the fiscal year ended June 30, 2022. We inspected the interest allocation methodology. The City of Anaheim methodology for interest calculation was to calculate the average monthly cash balance, then using the City Treasurer's investment portfolio interest rates. Additionally, we inquired of City personnel and inspected the City's general ledger detail regarding fare collection methodologies. Eligible participants of the Senior Mobility Program must purchase travel vouchers from the City prior to their trip. No other exceptions were found as a result of this procedure.

City's Response:

The City will submit amended fiscal year 2022 M2 Expenditure Report to include the interest revenue to OCTA for consideration. The City will also implement procedures going forward to ensure interest revenue for the Senior Mobility Program is reported in the M2 Expenditure Report.

Jim Vanderpool
City Manager

Deborah A. Moreno
Finance Director/City Treasurer

Sjany Larson-Cash
Community Services Director

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Anaheim, California 92805

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Crowe LLP
Independent Member Crowe Global

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES
CITY OF GARDEN GROVE

Board of Directors
Orange County Local Transportation Authority
and the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

We have performed the procedures enumerated below, which were agreed to by the Taxpayers Oversight Committee of the Orange County Local Transportation Authority (OCLTA) (the specified party), related to the City of Garden Grove's (City) compliance with certain provisions of the Measure M2 Local Transportation Ordinance (Ordinance) as of and for the fiscal year ended June 30, 2022. The City's management is responsible for compliance with the Ordinance and for its cash, revenue and expenditure records.

The Taxpayers Oversight Committee of the OCLTA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the City compliance with certain provisions of the Ordinance as of and for the fiscal year ended June 30, 2022. We make no representation regarding the appropriateness of the procedures either for the purpose for which this report has been requested or for any other purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

The procedures and associated findings were as follows:

1. Obtain and read the Cooperative Agreement for the Senior Mobility Program between OCLTA and the Eligible Jurisdiction and determine that the agreement was properly approved and executed.

   Findings: No exceptions were found as a result of this procedure.

2. Describe which fund(s) the Eligible Jurisdiction used to track expenditures relating to Measure M2 Senior Mobility Program monies in its general ledger and the amount spent during the fiscal year ended June 30, 2022. Agree to amount listed as expended on Eligible Jurisdiction's Expenditure Report (Schedule 2, line 21 for Project U). Explain any differences.

   Findings: The City's expenditures related to the Measure M2 Senior Mobility Program were tracked and recorded in the general ledger by general fund (111), Federal Grants (242), and Measure M2-CTFP (248), followed by a 7-digit number. The City reported $84,745 in program expenditures on the Expenditure Report (Schedule 2, line 21 for Project U) which agreed to the M2 funded portion of total expenditures, excluding the match funds. No exceptions were found as a result of this procedure.

(Continued)

3. Obtain a listing of Measure M2 Senior Mobility Program payments made from OCLTA to the Eligible Jurisdiction and calculate the amount the Eligible Jurisdiction received for the past three fiscal years. Obtain the fund balance of the Eligible Jurisdiction's Measure M2 Senior Mobility Program as of June 30, 2022, agree to the balance as listed on the Eligible Jurisdictions' Expenditure Report (Schedule 1, line 24) and determine whether funds were expended within three years of receipt or within five years, if an extension was granted. For payments received during the fiscal year ended June 30, 2022, agree to amount listed as received on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 8 for Project U). Explain any differences.

   Findings: The City received $550,723 for the past three fiscal years ended June 30, 2020, 2021, and 2022. We compared the fund balance of $361,727 from the general ledger detail to the fund balance reported in the City's Expenditure Report (Schedule 1, line 21) of $361,727; no difference was identified. We determined funds were expended within three years of receipt. We agreed payments received from OCLTA totaling $210,100 during the fiscal year ended June 30, 2022, to the general ledger detail and to the amount listed as received on the City's Expenditure Report (Schedule 2, line 8 for Project U) without exception. No exceptions were identified as a result of this procedure.

4. Determine if the Eligible Jurisdiction's interest allocation and fare collection methodologies are adequate to ensure the proper amount of interest/program revenue was credited to the Measure M2 Senior Mobility Program Fund. Agree the amount reflected to the amount of interest listed on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 8 – Project U). Explain any differences.

   Findings: We obtained and inspected the City's interest allocation methodology. We identified interest income of $1,324, which was calculated by determining the percentage of Senior Mobility Program (SMP) quarterly cash balance in the Measure M2 CTFP Fund. The Senior Mobility Program cash balance percentage was then applied to the quarterly interest income generated by all funds. The City reported $1,324 of interest income for the year ended June 30, 2022 which agreed to the City's Expenditure Report (Schedule 2, line 8 for Project U). Additionally, we inquired of City personnel and inspected the City's general ledger detail regarding fare collection methodologies. The City did not charge fares for senior transportation services to the City's senior center, however they charged $4 for all other one-way trips. We deemed that the fare collection methodology was adequate to ensure the program revenue was credited to the Measure M2 Senior Mobility Program Fund. No exceptions were found as a result of this procedure.

5. Determine that the Eligible Jurisdiction satisfied the requirement of twenty percent (20%) matching of the total annual formula allocation (i.e., accrual-basis funding allocation) for the fiscal year ended June 30, 2022.

   Findings: We received the City's general ledger detail of matching expenditures, scanned for the types and sources of matching and agreed to supporting documentation, such as invoices, to determine whether the match amounts were justifiable and acceptable under the Ordinance and Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines. The total match expenditures amounted to $43,720 which was approximately 34% of the total expenditures of $128,465 (M2 funded portion of $84,745 and City's matching portion of $43,720) which agreed to the City's general ledger detail of the M2 total expenditures. No exceptions were found as a result of this procedure.

6. Select a sample of Measure M2 Senior Mobility Program expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

   a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

   b. Determine whether the expenditures selected in (a) above are exclusively for Senior Mobility Program and meets requirements outlined in the Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines and the cooperative agreement.

(Continued)

Findings: We selected 25 Measure M2 Senior Mobility Program expenditures for inspection totaling $52,129 representing approximately 62% of total Measure M2 Senior Mobility Program expenditures for the fiscal year ended June 30, 2022. We agreed the dollar amount to supporting documentation and determined that the expenditures selected were used exclusively for the Senior Mobility Program and met the requirements outlined in the Measure M2 Project U Senior/ Disabled Program Funding Policy Guidelines and the Cooperative Agreement. No exceptions were found as a result of this procedure.

7. Inquire as to the procedures used by the Eligible Jurisdictions to ensure that services are provided only to eligible participants in accordance with the Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines and the cooperative agreement.

   Findings: We inquired with management as to the procedures used to ensure services are provided only to eligible participants. Any person who wants to join the Senior Transportation Program must fill out an application and provide a form of state ID. The City then verifies that the applicant is a resident of the City of Garden Grove, and 60 years of age or older in accordance with the Senior/Disabled Program Funding Policy Guidelines and the Cooperative Agreement. The City also maintains a copy of each application and the forms of verification on file. No exceptions were found as a result of this procedure.

8. Identify whether administrative costs were charged as Measure M2 Senior Mobility Program expenditures. If applicable, confirm that administrative costs do not exceed 10 percent, as dictated in Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines.

   Findings: Based on the Expenditure Report (Schedule 3, line 1), the City reported $0 in administrative costs. Per discussion with the City's accounting personnel and inspection of the general ledger expenditure detail, no administrative costs were identified as Measure M2 Senior Mobility Program expenditures for the fiscal year ended June 30, 2022. No exceptions were found as a result of this procedure.

9. Determine if the Eligible Jurisdiction contracts with a third-party service provider to provide senior transportation service, and perform the following:

   a. Determine whether Contractor was selected using a competitive procurement process.

   b. Inspect the contract agreement to ensure that wheelchair accessible vehicles are available and used as needed.

   Findings: Based on interview with City personnel, the City contracted with CABCO Yellow, Inc. to provide senior transportation services under the Senior Mobility Program. From inspecting the CABCO Yellow, Inc. procurement document, we found that the contractor was selected using a competitive procurement process. In addition, per inspection of the original contract, we found the language requiring that wheelchair accessible vehicles be made available and used as needed was included, as required. No exceptions were found as a result of this procedure.

10. Obtain the proof of insurance coverage for the Eligible Jurisdiction's Contractor and perform the following:

    a. Inspect the insurance coverage to ensure the terms satisfy the requirements established in the Cooperative Agreement.

    b. Determine whether the current year proof of insurance was submitted and is on file with OCLTA in accordance with the Cooperative Agreement.

    Findings: Based on interview with City personnel and inspection of general ledger detail of expenditures, the City did not contract with a third-party provider to provide senior transportation services under the Senior Mobility Program. As a result, we did not perform the procedures listed above.

(Continued)

11. Obtain and sample four monthly summary operations reports and determine whether the reports were properly prepared and submitted within 30 days after the end of the service month.

    Findings: We sampled four monthly summary reports (November 2021, December 2021, February 2022, and June 2022). Orange County Local Transportation Authority (OCLTA) staff confirmed that reports were received on the following dates:

Reporting Month	Due Date	Date Received	Days Late
November 2021	December 30, 2022	January 24, 2022	25
December 2021	January 30, 2022	January 24, 2022	-
February 2022	March 30, 2022	April 1, 2022	2
June 2022	July 30, 2022	August 3, 2022	4

    Through inspection, we determined that three of the four reports were not submitted within 30 days of month end to OCLTA. No other exceptions were found as a result of this procedure.

We were engaged by OCLTA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records, any indirect cost allocation plans and compliance with the provisions of the Measure M2 Local Transportation Ordinance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City's management and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

At the request of OCLTA, the City's responses to certain findings are included in Exhibit 1. The responses are included for the purpose of additional information and were not subjected to the procedures described above. Accordingly, we did not perform any procedures on the City's responses and express no assurance or opinion on them.

This report is intended solely for the information and use of and is not intended to be, and should not be, used by anyone other than the specified party.

Crowe LLP

Crowe LLP

Costa Mesa, California
March 28, 2023

CITY OF GARDEN GROVE, CALIFORNIA
SCHEDULE OF MEASURE M2 SENIOR MOBILITY PROGRAM EXPENDITURES
Year ended June 30, 2022
(Unaudited)

SCHEDULE A

Measure M2 Senior Mobility Program Expenditures:	
Indirect and/ or Overhead - Schedule 3, line 1	$ -
Other Senior Mobility Project U	84,745
Total Measure M2 Senior Mobility Program Expenditures	$ 84,745

Note: The above amounts were taken directly from the financial records of the City of Garden Grove and were not audited.

GARDEN GROVE

CITY OF GARDEN GROVE

Steve Jones
Mayor
George S. Brietigam
Mayor Pro Tem - District 1
John R. O'Neill
Council Member - District 2
Cindy Ngoc Tran
Council Member - District 3
Joe DoVinh
Council Member - District 4
Stephanie Klopfenstein
Council Member - District 5
Kim Bernice Nguyen
Council Member - District 6

Exhibit 1

March 28, 2023

Board of Directors
Orange County Local Transportation Authority
and the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

The following response is being submitted to address results from the agreed upon procedures performed for the Measure M2 Senior Mobility program for the City of Garden Grove as of and for the fiscal year ended June 30, 2022.

Procedure #11

Obtain and sample four monthly summary operations reports and determine whether the reports were properly prepared and submitted within 30 days after the end of the service month.

Findings: We sampled four monthly summary reports (November 2021, December 2021, February 2022, and June 2022). Orange County Local Transportation Authority (OCLTA) staff confirmed that reports were received on the following dates:

Reporting Month	Due Date	Date Received	Days Late
November 2021	December 30, 2022	January 24, 2022	25
December 2021	January 30, 2022	January 24, 2022	-
February 2022	March 30, 2022	April 1, 2022	2
June 2022	July 30, 2022	August 3, 2022	4

Through inspection, we determined that three of the four reports were not submitted within 30 days of month end to OCLTA. No other exceptions were found as a result of this procedure.

City's Response:

The delay in filing the monthly reports cited above was primarily due to internal staff changes and the gap created accordingly. The City's program coordinator resigned from her position in late 2021. Timely report filing was adversely impacted for several months until a new employee was hired to oversee the program. This issue has been addressed and corrected. Additionally, cross training has been

completed to ensure coverage and program administrative task list was developed to address timely filing moving forward.

3/28/23
City Manager Date

3/28/2023
Director of Finance Date

3/28/23
Director of Community Services Date

Crowe LLP
Independent Member Crowe Global

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES CITY OF HUNTINGTON BEACH

Board of Directors
Orange County Local Transportation Authority
and the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

We have performed the procedures enumerated below, which were agreed to by the Taxpayers Oversight Committee of the Orange County Local Transportation Authority (OCLTA) (the specified party), related to the City of Huntington Beach's (City) compliance with certain provisions of the Measure M2 Local Transportation Ordinance (Ordinance) as of and for the fiscal year ended June 30, 2022. The City's management is responsible for compliance with the Ordinance and for its cash, revenue and expenditure records.

The Taxpayers Oversight Committee of the OCLTA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the City compliance with certain provisions of the Ordinance as of and for the fiscal year ended June 30, 2022. We make no representation regarding the appropriateness of the procedures either for the purpose for which this report has been requested or for any other purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

The procedures and associated findings were as follows:

1. Obtain and read the Cooperative Agreement for the Senior Mobility Program between OCLTA and the Eligible Jurisdiction and determine that the agreement was properly approved and executed.

   Findings: No exceptions were found as a result of this procedure.

2. Describe which fund(s) the Eligible Jurisdiction used to track expenditures relating to Measure M2 Senior Mobility Program monies in its general ledger and the amount spent during the fiscal year ended June 30, 2022. Agree to amount listed as expended on Eligible Jurisdiction's Expenditure Report (Schedule 2, line 21 for Project U). Explain any differences.

   Findings: The City's expenditures related to the Measure M2 Senior Mobility Program were tracked in the general ledger by account number. The City recorded its expenditures in Senior Mobility Program Fund (963) and various account numbers. The City reported $266,154 in program expenditures on the Expenditure Report (Schedule 2, line 21 for Project U), which agreed to the M2 funded portion of total expenditures, excluding the match funds. No exceptions were found as a result of this procedure.

(Continued)

3. Obtain a listing of Measure M2 Senior Mobility Program payments made from OCLTA to the Eligible Jurisdiction and calculate the amount the Eligible Jurisdiction received for the past three fiscal years. Obtain the fund balance of the Eligible Jurisdiction's Measure M2 Senior Mobility Program as of June 30, 2022, agree to the balance as listed on the Eligible Jurisdictions' Expenditure Report (Schedule 1, line 24) and determine whether funds were expended within three years of receipt or within five years, if an extension was granted. For payments received during the fiscal year ended June 30, 2022, agree to amount listed as received on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 8 for Project U). Explain any differences.

   Findings: The City received $815,108 for the past three fiscal years ended June 30, 2020, 2021, and 2022. We compared the fund balance of $115,543 from the general ledger detail to the fund balance reported in the City's Expenditure Report (Schedule 1, line 21) of $115,543; no differences were identified. We determined funds were expended within three years of receipt. We agreed payments received from OCLTA totaling $310,963 during the fiscal year ended June 30, 2022, to the general ledger detail and to the amount listed of $310,963, as received on the City's Expenditure Report (Schedule 2, line 8 for Project U). No exceptions were identified as a result of this procedure.

4. Determine if the Eligible Jurisdiction's interest allocation and fare collection methodologies are adequate to ensure the proper amount of interest/program revenue was credited to the Measure M2 Senior Mobility Program Fund. Agree the amount reflected to the amount of interest listed on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 8 – Project U). Explain any differences.

   Findings: We obtained and inspected the City's interest allocation methodology. We identified interest income of $622, which was calculated by determining the City's total interest for the month, which is then compared to the total cash balance for all funds to create a monthly interest rate to be used for all funds. The interest percentage is then applied to the monthly cash balance of the Senior Mobility Program (SMP). We recalculated each month's interest rate, which was then applied to the SMP cash balance. The City reported $622 of interest income for the year ended June 30, 2022, which agreed to the City's Expenditure Report (Schedule 2, line 8 for Project U). Additionally, we inquired of City personnel and inspected the City's general ledger detail regarding fare collection methodologies. The City did not charge fares for senior transportation services during the year. No exceptions were found as a result of this procedure.

5. Determine that the Eligible Jurisdiction satisfied the requirement of twenty percent (20%) matching of the total annual formula allocation (i.e., accrual-basis funding allocation) for the fiscal year ended June 30, 2022.

   Findings: We received the City's general ledger detail of matching expenditures, scanned for the types and sources of matching, and agreed to supporting documentation, such as invoices, to determine whether the match amounts were justifiable and acceptable under the Ordinance and Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines. The total match expenditures amounted to $70,164, which was approximately 21% of the total expenditures of $336,318 (M2 funded portion of $266,154 and City's matching portion of $70,164), which agreed to the City's general ledger detail of the M2 total expenditures. No exceptions were found as a result of this procedure.

6. Select a sample of Measure M2 Senior Mobility Program expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

   a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

   b. Determine whether the expenditures selected in (a) above are exclusively for Senior Mobility Program and meets requirements outlined in the Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines and the cooperative agreement.

(Continued)

Findings: We identified that the City reported Senior Mobility Program indirect costs totaling $266,154 on (Schedule 3, line 1) of the Expenditure Report. However, per our discussion with the City, inspection of the general ledger expenditure detail, and testing of the expenditure detail, these costs were improperly reported, and should have been reported as SMP direct charges under (Other) charges on the City's Expenditure Report (Schedule 3, line 17). We then selected 25 Measure M2 Senior Mobility Program expenditures for inspection totaling $30,823 representing approximately 12% of total Measure M2 Senior Mobility Program expenditures for the fiscal year ended June 30, 2022. Crowe agreed the dollar amount listed on the general ledger to invoices provided by the City and determined that the expenditures selected were used exclusively for the Senior Mobility Program and met the requirements outlined in the Measure M2 Project U Senior/ Disabled Program Funding Policy Guidelines and the Cooperative Agreement. No other exceptions were found as a result of this procedure.

7. Inquire as to the procedures used by the Eligible Jurisdictions to ensure that services are provided only to eligible participants in accordance with the Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines and the cooperative agreement.

   Findings: We inquired of management as to the procedures used to ensure services are provided to eligible participants. To use the transportation program, they must be residents of the City and 60 years or older. To register, they must make a phone call and provide their birthdate and Huntington Beach residency to self-certify their age. The information is recorded by dispatchers in the transportation program's software. Only individuals on the eligibility list can book a ride and detailed statistics are kept, including miles driven, hours per vehicle, passenger count, and driver identification. However, the current procedures do not include verification of age and proof of residency. No other exceptions were found as a result of this procedure.

8. Identify whether administrative costs were charged as Measure M2 Senior Mobility Program expenditures. If applicable, confirm that administrative costs do not exceed 10 percent, as dictated in Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines.

   Findings: Based on the Expenditure Report (Schedule 3, line 1), the City reported $0 in administrative costs. Per discussion with the City's accounting personnel and inspection of the general ledger expenditure detail, no administrative costs were identified as Measure M2 Senior Mobility Program expenditures for the fiscal year ended June 30, 2022. No exceptions were found as a result of this procedure.

9. Determine if the Eligible Jurisdiction contracts with a third-party service provider to provide senior transportation service, and perform the following:

   a. Determine whether Contractor was selected using a competitive procurement process.

   b. Inspect the contract agreement to ensure that wheelchair accessible vehicles are available and used as needed.

   Findings: Based on interview with City personnel and inspection of the general ledger detail of expenditures, the City did not contract with a third-party provider to provide senior transportation services under the Senior Mobility Program. As a result, we did not perform the procedures listed above.

10. Obtain the proof of insurance coverage for the Eligible Jurisdiction's Contractor and perform the following:

    a. Inspect the insurance coverage to ensure the terms satisfy the requirements established in the Cooperative Agreement.

    b. Determine whether the current year proof of insurance was submitted and is on file with OCLTA in accordance with the Cooperative Agreement.

(Continued)

Findings: We obtained and inspected the insurance coverage for the City of Huntington Beach. Crowe notes that the City used in-house staff to provide services for the Senior Mobility Program and determined that the requirements established in the Cooperative Agreement were met. Additionally, the current year proof of insurance for the City was submitted and on file with OCLTA. No exceptions were found as a result of this procedure.

11. Obtain and sample four monthly summary operations reports and determine whether the reports were properly prepared and submitted within 30 days after the end of the service month.

    Findings: We sampled four monthly summary reports (November 2021, December 2021, February 2022, and June 2022). Through inspection, we determined all four reports were timely submitted within 30 days of the following month end. OCLTA staff confirmed that reports were received on the following dates:

Reporting Month	Due Date	Date Received	Days Late
November 2021	December 30, 2022	December 7, 2021	-
December 2021	January 30, 2022	January 4, 2022	-
February 2022	March 30, 2022	March 9, 2022	-
June 2022	July 30, 2022	June 11, 2022	-

    No exceptions were found as a result of this procedure.

We were engaged by OCLTA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records, any indirect cost allocation plans and compliance with the provisions of the Measure M2 Local Transportation Ordinance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City's management and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

At the request of OCLTA, the City's responses to certain findings are included in Exhibit 1. The responses are included for the purpose of additional information and were not subjected to the procedures described above. Accordingly, we did not perform any procedures on the City's responses and express no assurance or opinion on them.

This report is intended solely for the information and use of and is not intended to be, and should not be, used by anyone other than the specified party.

Crowe LLP

Crowe LLP

Costa Mesa, California
March 28, 2023

CITY OF HUNTINGTON BEACH, CALIFORNIA
SCHEDULE OF MEASURE M2 SENIOR MOBILITY PROGRAM EXPENDITURES
Year ended June 30, 2022
(Unaudited)

SCHEDULE A

Measure M2 Senior Mobility Program Expenditures:	
Indirect and/ or Overhead - Schedule 3, line 1	$ -
Other Senior Mobility Project U	266,154
Total Measure M2 Senior Mobility Program Expenditures	$ 266,154

Note: The above amounts were taken directly from the financial records of the City of Huntington Beach and were not audited.

CITY OF HUNTINGTON BEACH

Finance Department

March 28, 2023

Board of Directors
Orange County Local Transportation Authority
and the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

The following response is being submitted to address results from the agreed upon procedures performed for the Measure M2 Senior Mobility program for the City of Huntington Beach as of and for the fiscal year ended June 30, 2022.

Procedure #6

Select a sample of Measure M2 Senior Mobility Program expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

b. Determine whether the expenditures selected in (a) above are exclusively for Senior Mobility Program and meets requirements outlined in the Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines and the cooperative agreement.
Findings: We identified that the City reported Senior Mobility Program indirect costs totaling $266,154 on (Schedule 3, line 1) of the Expenditure Report. However, per our discussion with the City, inspection of the general ledger expenditure detail, and testing of the expenditure detail, these costs were improperly reported, and should have been reported as SMP direct charges under (Other) charges on the City's Expenditure Report (Schedule 3, line 17). We then selected 25 Measure M2 Senior Mobility Program expenditures for inspection totaling $30,823 representing approximately 12% of total Measure M2 Senior Mobility Program expenditures for the fiscal year ended June 30, 2022. Crowe agreed the dollar amount listed on the general ledger to invoices provided by the City and determined that the expenditures selected were used exclusively for the Senior Mobility Program and met the requirements outlined in the Measure M2 Project U Senior/ Disabled Program Funding Policy Guidelines and the Cooperative Agreement. No other exceptions were found as a result of this procedure.

City's Response:

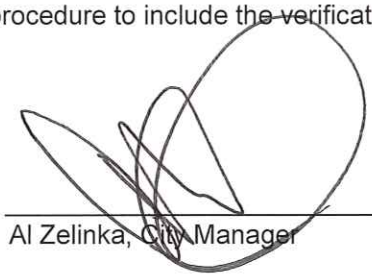
They City will review its current financial reporting processes and implement procedures to ensure total expenditures are reported accurately and in the proper category.

Procedure #7

Inquire as to the procedures used by the Eligible Jurisdictions to ensure that services are provided only to eligible participants in accordance with the Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines and the cooperative agreement.
Findings: We inquired of management as to the procedures used to ensure services are provided to eligible participants. To use the transportation program, they must be residents of the City and 60 years or older. To register, they must make a phone call and provide their birthdate and Huntington Beach residency to self-certify their age. The information is recorded by dispatchers in the transportation program's software. Only individuals on the eligibility list can book a ride and detailed statistics are kept, including miles driven, hours per vehicle, passenger count, and driver identification. However, the current procedures do not include verification of age and proof of residency. No other exceptions were found as a result of this procedure.

City's Response:

The City of Huntington Beach will update its intake procedure to include the verification of age and residency requirements for existing and new riders.

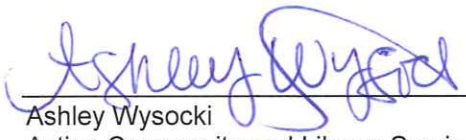


3/27/23

Al Zelinka, City Manager — Date

3/28/2023

Sunny Han, Acting Chief Financial Officer — Date



3/29/23

Ashley Wysocki — Date
Acting Community and Library Services Director

Crowe LLP
Independent Member Crowe Global

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES
CITY OF SANTA ANA

Board of Directors
Orange County Local Transportation Authority
and the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

We have performed the procedures enumerated below, which were agreed to by the Taxpayers Oversight Committee of the Orange County Local Transportation Authority (OCLTA) (the specified party), related to the City of Santa Ana's (City) compliance with certain provisions of the Measure M2 Local Transportation Ordinance (Ordinance) as of and for the fiscal year ended June 30, 2022. The City's management is responsible for compliance with the Ordinance and for its cash, revenue and expenditure records.

The Taxpayers Oversight Committee of the OCLTA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the City compliance with certain provisions of the Ordinance as of and for the fiscal year ended June 30, 2022. We make no representation regarding the appropriateness of the procedures either for the purpose for which this report has been requested or for any other purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

The procedures and associated findings were as follows:

1. Obtain and read the Cooperative Agreement for the Senior Mobility Program between OCLTA and the Eligible Jurisdiction and determine that the agreement was properly approved and executed.

   Findings: No exceptions were found as a result of this procedure.

2. Describe which fund(s) the Eligible Jurisdiction used to track expenditures relating to Measure M2 Senior Mobility Program monies in its general ledger and the amount spent during the fiscal year ended June 30, 2022. Agree to amount listed as expended on Eligible Jurisdiction's Expenditure Report (Schedule 2, line 21 for Project U). Explain any differences.

   Findings: The City's expenditures related to the Measure M2 Senior Mobility Program were tracked in the general ledger by accounting unit, account, and activity number. The City reported $126,781 in program expenditures on the Expenditure Report (Schedule 2, line 21 for Project U), which agreed to the M2 funded portion of total expenditures, excluding the match funds. No exceptions were found as a result of this procedure.

(Continued)

3. Obtain a listing of Measure M2 Senior Mobility Program payments made from OCLTA to the Eligible Jurisdiction and calculate the amount the Eligible Jurisdiction received for the past three fiscal years. Obtain the fund balance of the Eligible Jurisdiction's Measure M2 Senior Mobility Program as of June 30, 2022, agree to the balance as listed on the Eligible Jurisdictions' Expenditure Report (Schedule 1, line 24) and determine whether funds were expended within three years of receipt or within five years, if an extension was granted. For payments received during the fiscal year ended June 30, 2022, agree to amount listed as received on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 8 for Project U). Explain any differences.

   Findings: The City received $744,466 for the past three fiscal years ended June 30, 2020, 2021 and 2022. We compared the fund balance of $492,678 from the general ledger detail to the fund balance reported in the City's Expenditure Report (Schedule 1, line 24) of $492,678; no difference was identified. We determined funds were expended within three years of receipt. We agreed payments received from OCLTA totaling $262,539 during the fiscal year ended June 30, 2022, to the general ledger detail and to the amount listed of $262,539 as received on the City's Expenditure Report (Schedule 2, line 8 for Project U). No exceptions were identified as a result of this procedure.

4. Determine if the Eligible Jurisdiction's interest allocation and fare collection methodologies are adequate to ensure the proper amount of interest/program revenue was credited to the Measure M2 Senior Mobility Program Fund. Agree the amount reflected to the amount of interest listed on the Eligible Jurisdiction's Expenditure Report (Schedule 2, line 8 – Project U). Explain any differences.

   Findings: We obtained and inspected the City's interest allocation methodology. We identified interest income of $3,497, which was calculated by taking the monthly unspent cash balance for the Senior Mobility Program and dividing it by the total adjusted monthly cash balance for all funds. This percentage of allocation is then multiplied by the total amount of interest to be allocated for all funds leaving the final interest allocated to the Senior Mobility Program. The City reported $3,497 of interest income for the year ended June 30, 2022 which agreed to the City's Expenditure Report (Schedule 2, line 8 for Project U). Additionally, we inquired of City personnel and inspected the City's General Ledger detail regarding fare collections methodologies. The City did not charge fares for senior transportation services during the year. No exceptions were found as a result of this procedure.

5. Determine that the Eligible Jurisdiction satisfied the requirement of twenty percent (20%) matching of the total annual formula allocation (i.e., accrual-basis funding allocation) for the fiscal year ended June 30, 2022.

   Findings: We received the City's general ledger detail of matching expenditures, scanned for the types and sources of matching and agreed to supporting documentation, such as invoices, to determine whether the match amounts were justifiable and acceptable under the Ordinance and Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines. The total match expenditures amounted to $31,695 which was 20% of the total expenditures of $158,476 (M2 funded portion of $126,781 and City's matching portion of $31,695) which agrees to the City's general ledger detail of the M2 total expenditures. No exceptions were found as a result of this procedure.

6. Select a sample of Measure M2 Senior Mobility Program expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

   a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

   b. Determine whether the expenditures selected in (a) above are exclusively for Senior Mobility Program and meets requirements outlined in the Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines and the cooperative agreement.

(Continued)

Findings: We selected 25 Measure M2 Senior Mobility Program expenditures for inspection totaling $63,416 representing approximately 56% of total Measure M2 Senior Mobility Program expenditures for the fiscal year ended June 30, 2022. Crowe agreed the dollar amount listed on the general ledger to invoices provided by the City and determined that the expenditures selected were used exclusively for the Senior Mobility Program and met the requirements outlined in the Measure M2 Project U Senior/ Disabled Program Funding Policy Guidelines and the Cooperative Agreement. However, Crowe identified $12,711 of direct costs that should have been reported as indirect costs for Measure M2 Senior Mobility Program for the fiscal year ended June 30, 2022. No other exceptions were found as a result of this procedure.

7. Inquire as to the procedures used by the Eligible Jurisdictions to ensure that services are provided only to eligible participants in accordance with the Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines and the cooperative agreement.

   Findings: We inquired of management as to the procedures used to ensure services are provided only to eligible participants. Anyone who wants to join the Senior Transportation Program is required to complete a Registration Application, specifying DOB, place of residence, along with a photo ID. All applicants must be SA residents and 60 years of age or older in accordance with the Senior/Disabled Program Funding Policy Guidelines and the Cooperative Agreement. The City also maintains a copy of each application and the forms of verification on file. No exceptions were found as a result of this procedure.

8. Identify whether administrative costs were charged as Measure M2 Senior Mobility Program expenditures. If applicable, confirm that administrative costs do not exceed 10 percent, as dictated in Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines.

   Findings: Based on the Expenditure Report (Schedule 3, line 1), the City reported $0 in administrative costs. Per discussion with the City's accounting personnel and inspection of the general ledger expenditure detail, no administrative costs were identified as Measure M2 Senior Mobility Program expenditures for the fiscal year ended June 30, 2022. No exceptions were found as a result of this procedure.

9. Determine if the Eligible Jurisdiction contracts with a third-party service provider to provide senior transportation service, and perform the following:

   a. Determine whether Contractor was selected using a competitive procurement process.

   b. Inspect the contract agreement to ensure that wheelchair accessible vehicles are available and used as needed.

   Findings: Based on interview with City personnel, the City contracted with American Transportation, Inc. to provide senior transportation services under the Senior Mobility Program. From inspecting the American Transportation, Inc. procurement document, we found that the contractor was selected using a competitive procurement process. In addition, per inspection of the original contract, we found the language requiring that wheelchair accessible vehicles be made available and used as needed was included, as required. No exceptions were found as a result of this procedure.

10. Obtain the proof of insurance coverage for the Eligible Jurisdiction's Contractor and perform the following:

    a. Inspect the insurance coverage to ensure the terms satisfy the requirements established in the Cooperative Agreement.

    b. Determine whether the current year proof of insurance was submitted and is on file with OCLTA in accordance with the Cooperative Agreement.

(Continued)

Findings: We obtained and inspected the insurance coverage for the contractor, and determined that the requirements established in the Cooperative Agreement were met. Additionally, the current year proof of insurance for the City's contractor was submitted and on file with OCLTA. No exceptions were found as a result of this procedure.

11. Obtain and sample four monthly summary operations reports and determine whether the reports were properly prepared and submitted within 30 days after the end of the service month.

    Findings: We sampled four monthly summary reports (November 2021, December 2021, February 2022, and June 2022). Orange County Local Transportation Authority (OCLTA) staff confirmed that reports were received on the following dates:

Reporting Month	Due Date	Date Received	Days Late
November 2021	December 30, 2022	December 28, 2021	-
December 2021	January 30, 2022	February 28, 2022	-
February 2022	March 30, 2022	April 2, 2022	3
June 2022	July 30, 2022	September 28, 2022	-

    Through inspection, we determined that one out of four reports were not submitted within 30 days of month end to OCLTA. No other exceptions were found as a result of this procedure.

We were engaged by OCLTA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records, any indirect cost allocation plans and compliance with the provisions of the Measure M2 Local Transportation Ordinance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City's management and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

At the request of OCLTA, the City's responses to certain findings are included in Exhibit 1. The responses are included for the purpose of additional information and were not subjected to the procedures described above. Accordingly, we did not perform any procedures on the City's responses and express no assurance or opinion on them.

This report is intended solely for the information and use of and is not intended to be, and should not be, used by anyone other than the specified party.

Crowe LLP

Crowe LLP

Costa Mesa, California
March 29, 2023

CITY OF SANTA ANA, CALIFORNIA
SCHEDULE OF MEASURE M2 SENIOR MOBILITY PROGRAM EXPENDITURES
Year ended June 30, 2022
(Unaudited)

SCHEDULE A

Measure M2 Senior Mobility Program Expenditures:		
Indirect and/ or Overhead - Schedule 3, line 1	$	12,771
Other Senior Mobility Project U		114,010
Total Measure M2 Senior Mobility Program Expenditures	$	126,781

Note: The above amounts were taken directly from the financial records of the City of Santa Ana and were not audited.

MAYOR
Valerie Amezcua
MAYOR PRO TEM
Jessie Lopez
COUNCILMEMBERS
Phil Bacerra
Johnathan Ryan Hernandez
David Penaloza
Thai Viet Phan
Benjamin Vazquez

CITY OF SANTA ANA
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CITY MANAGER
Kristine Ridge
CITY ATTORNEY
Sonia R. Carvalho
CITY CLERK
Jennifer L. Hall

Exhibit 1

March 29, 2023

Board of Directors
Orange County Local Transportation Authority
and the Taxpayers Oversight Committee of the
Orange County Local Transportation Authority
Orange, California

The following response is being submitted to address results from the agreed upon procedures performed for the Measure M2 Senior Mobility program for the City of Santa Ana as of and for the fiscal year ended June 30, 2022.

Procedure #6

Select a sample of Measure M2 Senior Mobility Program expenditures from the Eligible Jurisdiction's general ledger expenditure detail. Describe the percentage of total expenditures selected for inspection. For each item selected perform the following:

a. Agree the dollar amount listed on the general ledger to supporting documentation, which may include a check copy or wire transfer, vendor invoice, payroll registers and timecards, journal vouchers or other appropriate supporting documentation; and

b. Determine whether the expenditures selected in (a) above are exclusively for Senior Mobility Program and meets requirements outlined in the Measure M2 Project U Senior/Disabled Program Funding Policy Guidelines and the cooperative agreement.

Findings: We selected 25 Measure M2 Senior Mobility Program expenditures for inspection totaling $63,416 representing approximately 56% of total Measure M2 Senior Mobility Program expenditures for the fiscal year ended June 30, 2022. Crowe agreed the dollar amount listed on the general ledger to invoices provided by the City and determined that the expenditures selected were used exclusively for the Senior Mobility Program and met the requirements outlined in the Measure M2 Project U Senior/ Disabled Program Funding Policy Guidelines and the Cooperative Agreement. However, Crowe identified $12,711 of direct costs that should have been reported as indirect costs for Measure M2 Senior Mobility Program for the fiscal year ended June 30, 2022. No other exceptions were found as a result of this procedure.

SANTA ANA CITY COUNCIL

Valerie Amezcua, Mayor, vamezcua@santa-ana.org
Jessie Lopez, Mayor Pro Tem, Ward 3, jessielopez@santa-ana.org
Thai Viet Phan, Ward 1, tphan@santa-ana.org
Benjamin Vazquez, Ward 2, bvazquez@santa-ana.org
Phil Bacerra, Ward 4, pbacerra@santa-ana.org
Johnathan Ryan Hernandez, Ward 5, jryanhernandez@santa-ana.org
David Penaloza, Ward 6, dpenaloza@santa-ana.org

City's Response:

The City has been informed that indirect costs need to be specifically identified on line 1 of the M2 Expenditure Report. All future reports will be completed accordingly.

Procedure #11

Obtain and sample four monthly summary operations reports and determine whether the reports were properly prepared and submitted within 30 days after the end of the service month.

Findings: We sampled four monthly summary reports (November 2021, December 2021, February 2022, and June 2022). Orange County Local Transportation Authority (OCLTA) staff confirmed that reports were received on the following dates:

Reporting Month	Due Date	Date Received	Days Late
November 2021	December 30, 2022	December 28, 2021	-
December 2021	January 30, 2022	February 28, 2022	-
February 2022	March 30, 2022	April 2, 2022	3
June 2022	July 30, 2022	September 28, 2022	-

Through inspection, we determined that three out of four reports were submitted within 30 days of month end to OCLTA. No other exceptions were found as a result of this procedure.

City's Response:

Due to an oversight, the City missed the due date of March 30, 2022 by 3 days. Moving forward, city staff will work with its team to make sure that the reports are submitted on time. City staff will take into consideration any staff planned and unplanned time off when gathering the data, make sure to complete the report by the 3rd Friday of the month, giving sufficient time to review, finalize and submit by the 30th of the month. This new process and timeline will be implemented effective immediately.

Kristine Ridge
City Manager

Kathryn Downs
Executive Director-Finance & Management Services

Hawk Scott
Executive Director-Parks, Recreation & Community Services

SANTA ANA CITY COUNCIL

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COMMITTEE TRANSMITTAL

May 8, 2023

To: Members of the Board of Directors

From: Andrea West, Interim Clerk of the Board

Subject: Third Quarter Fiscal Year 2022-23 Capital Action Plan Performance Metrics

Executive Committee Meeting of May 1, 2023

Present: Chairman Hernandez, Vice Chairman Nguyen, Directors Do, Goodell, Hennessey, and Jones
Absent: None

Committee Vote

Following the discussion, no action was taken on this item.

Staff Recommendation

Receive and file as an information item.

OCTA

May 1, 2023

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Third Quarter Fiscal Year 2022-23 Capital Action Plan Performance Metrics

Overview

Staff has prepared a quarterly progress report on capital project delivery for the period of January 2023 through March 2023, for review by the Orange County Transportation Authority Board of Directors. This report highlights the Capital Action Plan for project delivery, which is used as a performance metric to assess delivery progress on highway, transit, and rail projects.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) delivers highway, transit, rail, and facility projects from the beginning of the environmental approval phase through construction completion. Project delivery milestones are planned carefully with consideration of project scope, costs, schedule, and assessment of risks. The milestones reflected in the Capital Action Plan (CAP) are OCTA's planned and budgeted major project delivery commitments.

This report is a quarterly progress report on the CAP performance metrics, which are a snapshot of the planned CAP project delivery milestones in the budgeted fiscal year (FY).

Discussion

OCTA's objective is to deliver projects on schedule and within the approved project budget. Key project cost and schedule commitments are captured in the CAP (Attachment A), which is regularly updated with project status and any new

projects. The CAP is categorized into four key project groupings of freeway, railroad grade separation, and rail and station projects. Schedule milestones are used as performance indicators of progress in project delivery. The CAP performance metrics report provides a FY snapshot of the milestones targeted for delivery in the FY and provides transparency and performance measurement of capital project delivery.

The CAP project costs represent the total cost across all phases of project delivery, including support costs, right-of-way (ROW), and construction capital costs. Baseline costs, if established, are shown in comparison to either the actual or forecast cost. Baseline costs may be shown as to-be-determined (TBD) if project scoping studies and estimates have not been developed or approved and may be updated as delivery progresses, and milestones achieved. Projects identified in the Orange County local transportation sales tax Measure M2 (M2) are identified with the corresponding M2 project logo. The CAP status update is also included in the M2 Quarterly Progress Report.

The CAP summarizes the very complex capital project critical path delivery schedules into eight key milestones.

Begin Environmental	The date work on the environmental clearance, project report, or preliminary engineering phase begins.
Complete Environmental	The date environmental clearance and project approval is achieved.
Begin Design	The date final design work begins, or the date when a design-build contract begins.
Complete Design	The date final design work is 100 percent complete and approved.
Construction Ready	The date contract bid documents are ready for advertisement, including certification of ROW, all agreements executed, and contract constraints cleared.
Advertise for Construction	The date a construction contract is advertised for construction bids.
Award Contract	The date the construction contract is awarded.
Construction Complete	The date all construction work is completed, and the project is open to public use.

These delivery milestones reflect progression across the project delivery phases shown below.

Project schedules reflect planned baseline milestone dates in comparison to forecast or actual milestone dates. Milestone dates may be shown as TBD if project scoping or approval documents have not been finalized and approved, or if the delivery schedule has not been negotiated with a partnering agency or consultant implementing the specific phase of a project. Planned milestone dates can be revised to reflect new dates from approved baseline schedule changes. Project schedules are reviewed monthly, and milestone achievements and updated forecast dates are included to reflect project delivery status.

CAP milestones achieved in the third quarter FY 2022-23 include:

Freeway Projects

- The begin design milestone was achieved for the Interstate 5 (I-5) replacement planting project between State Route 73 (SR-73) and El Toro Road. This project re-establishes landscaping throughout the associated Measure M2 freeway improvement project limits. The project is planned to be construction ready by 2025.

- The complete design milestone was achieved for the State Route 91 (SR-91) improvements between State Route 55 (SR-55) and Lakeview Avenue. This project includes the complete reconstruction of the Lakeview Avenue overcrossing and is planned to be construction ready in the first quarter of FY 2023-24.

- The complete design milestone for the Interstate 605 Katella Avenue interchange improvement project was achieved one month early. However, the remaining scheduled milestones have been delayed by the ROW acquisition schedule. The project is planned to be construction ready in the first quarter FY 2023-24.

Rail and Station Projects

- Construction was completed on the Anaheim Canyon Metrolink Station expansion and both the new westerly platform and extended easterly platform were commissioned and placed into service.

Previously reported CAP milestones that were missed through the third quarter FY 2022-23 include:

Freeway Projects

- The complete design milestone for the SR-91 to State Route 241 direct toll connector project was missed in the second quarter. The Transportation Corridor Agencies have submitted the final design to the California Department of Transportation (Caltrans) and OCTA for final review and approval. Additionally, two separate environmental documents that cover features of the project require revalidation and approval by Caltrans. The remaining delivery milestones for construction ready, advertise construction, and award contract are still under review with Caltrans. The engineers' estimate of cost for construction and construction management is reported to be $338,000,000.

Rail and Station Projects

- The complete environmental milestone for the Orange County Metrolink Maintenance Facility project was missed in the second quarter. OCTA's planned release of the final environmental document has been delayed due to the City of Irvine's concerns regarding land-use zoning and conditional-use permitting. The environmental completion schedule is on hold pending resolution of these issues with the City of Irvine.

Recap of FY 2022-23 Performance Metrics Through the Third Quarter

The performance metrics snapshot provided at the beginning of FY 2022-23 reflects nine major project delivery milestones to be accomplished within the FY (Attachment B). Three of six milestones planned through the third quarter were achieved, two were missed, and one fourth quarter milestone delivered early.

CAP Milestones and Cost Updates

- The emergency railroad track stabilization project in San Clemente was added to the CAP.

- The OC Streetcar project budget and schedule were updated to reflect the risk adjusted cost and schedule approved by the OCTA Board of Directors (Board) on April 24, 2023.

FY 2022-23 Cost and Performance Metrics Risks

Cost escalation and scope creep are impacting estimated construction costs for projects currently in the design phase, including three segments of SR-91 from La Palma Avenue to SR-55, and two segments of I-5 from Interstate 405 to SR-55. When design phase estimates are updated and vetted, staff will bring proposed capital programming plan adjustments to the Board for approval.

The three I-5 improvement construction contracts between SR-73 and El Toro Road, administered by Caltrans, are experiencing some construction delays and unforeseen changes. Construction contract change orders are forecast to deplete available contingency funding quicker than anticipated. Staff is preparing amendments to the cooperative agreement with Caltrans which will be brought to the Board for approval to assure there is enough funding to complete the work.

Construction contractors continue to experience increased labor, material, and supply pricing pressure. Staff will continue to monitor market pricing trends and material availability impacts on heavy civil construction in the region.

Summary

Capital project delivery is progressing and is reflected in the CAP. The FY 2022-23 performance metrics created from forecast project schedules at the beginning of the FY will be used as a general project delivery performance indicator throughout the FY. Staff will continue to manage project costs and schedules across all project phases to meet project delivery commitments and report quarterly.

Attachments

A. Capital Action Plan, Status Through March 2023
B. Capital Programs Division, Fiscal Year 2022-23 Performance Metrics Through March 2023

Prepared by:

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

ATTACHMENT A

Capital Action Plan

Status Through March 2023

Updated: April 14, 2023

Capital Projects	Cost Baseline/Forecast (millions)	Schedule Plan/Forecast: Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
Freeway Projects:									
I-5, Pico to San Diego County	TBD	Feb-21	Apr-24	TBD	TBD	TBD	TBD	TBD	TBD
	TBD	**Feb-21**	Apr-24	TBD	TBD	TBD	TBD	TBD	TBD
I-5, Pico to Vista Hermosa	$113.0	Jun-09	Dec-11	Jun-11	Oct-13	Feb-14	Oct-14	Dec-14	Aug-18
Project C	$83.6	**Jun-09**	**Oct-11**	**Jun-11**	**Oct-13**	**May-14**	**Sep-14**	**Dec-14**	**Aug-18**
I-5, Vista Hermosa to Pacific Coast Highway	$75.6	Jun-09	Dec-11	Jun-11	Feb-13	Jun-13	Oct-13	Dec-13	Mar-17
Project C	$75.3	**Jun-09**	**Oct-11**	**Jun-11**	**May-13**	**Aug-13**	**Feb-14**	**Jun-14**	**Jul-17**
I-5, Pacific Coast Highway to San Juan Creek Road	$70.7	Jun-09	Dec-11	Jun-11	Jan-13	May-13	Aug-13	Oct-13	Sep-16
Project C	$74.3	**Jun-09**	**Oct-11**	**Jun-11**	**Jan-13**	**Apr-13**	**Aug-13**	**Dec-13**	**Jul-18**
I-5, I-5/Ortega Interchange	$90.9	Sep-05	Jun-09	Jan-09	Nov-11	Mar-12	Jun-12	Aug-12	Sep-15
Project D	$79.8	**Sep-05**	**Jun-09**	**Jan-09**	**Dec-11**	**Apr-12**	**Jun-12**	**Aug-12**	**Jan-16**
I-5, I-5/Ortega Interchange (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project D	N/A	N/A	N/A	**Jan-14**	**Oct-14**	**Feb-15**	**Aug-15**	**Sep-15**	**Sep-16**
I-5, SR-73 to Oso Parkway	$151.9	Sep-11	Jun-14	Mar-15	Jan-18	May-18	Aug-18	Dec-18	Apr-25
Project C & D	$195.8	**Oct-11**	**May-14**	**Mar-15**	**Aug-18**	**May-19**	**Aug-19**	**Dec-19**	Sep-24
I-5, Oso Parkway to Alicia Parkway	$196.2	Sep-11	Jun-14	Nov-14	Jun-17	Dec-17	Feb-18	Jun-18	Nov-23
Project C & D	$203.1	**Oct-11**	**May-14**	**Nov-14**	**Dec-17**	**Jun-18**	**Nov-18**	**Mar-19**	Sep-24
I-5, Alicia Parkway to El Toro Road	$133.6	Sep-11	Jun-14	Mar-15	Jun-18	Dec-18	Jan-19	May-19	Oct-24
Project C	$165.9	**Oct-11**	**May-14**	**Mar-15**	**May-19**	**Apr-20**	**May-20**	**Sep-20**	Oct-24
I-5, SR-73 to El Toro Road (Landscape)	TBD	N/A	N/A	N/A	TBD	TBD	TBD	TBD	TBD
Project C	$12.4	N/A	N/A	**Mar-23**	Nov-24	Mar-25	May-25	Jul-25	Feb-27
I-5, I-5/El Toro Road Interchange	TBD	Apr-17	Nov-19	TBD	TBD	TBD	TBD	TBD	TBD
Project D **Cost/Schedule Risk**	TBD	**Apr-17**	Jan-25	TBD	TBD	TBD	TBD	TBD	TBD
I-5, I-405 to Yale Avenue	$230.5	May-14	Aug-18	Oct-21	May-24	May-25	Dec-25	Feb-26	Sep-29
Project B	$230.5	**May-14**	**Jan-20**	**Oct-21**	May-24	May-25	Dec-25	Feb-26	Sep-29
I-5, Yale Avenue to SR-55	$200.4	May-14	Aug-18	May-21	Feb-25	Aug-25	Nov-25	Mar-26	Sep-29
Project B **Cost/Schedule Risk**	$200.4	**May-14**	**Jan-20**	**May-21**	Jan-24	Aug-25	Nov-25	Mar-26	Sep-29
I-5, SR-55 to SR-57	$38.1	Jul-11	Jun-13	Jun-15	Mar-17	Jul-17	Sep-17	Dec-17	Apr-21
Project A	$38.9	**Jun-11**	**Apr-15**	**Jun-15**	**Jun-17**	**Dec-17**	**Mar-18**	**Nov-18**	**Jan-21**
SR-55, I-405 to I-5	$410.9	Feb-11	Nov-13	Sep-17	Apr-20	Dec-20	Apr-21	May-22	Feb-27
Project F **Cost/Schedule Risk**	$505.7	**May-11**	**Aug-17**	**Sep-17**	**Apr-20**	**Sep-21**	**Dec-21**	**May-22**	Feb-27

Capital Action Plan

Status Through March 2023

Updated: April 14, 2023

Capital Projects	Cost Baseline/Forecast (millions)	Schedule Plan/Forecast: Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
SR-55, I-5 to SR-91	$131.3	Dec-16	Jan-20	Aug-22	Jul-25	Dec-25	Apr-26	Jul-26	Oct-29
Project F	$131.3	**Dec-16**	**Mar-20**	**Aug-22**	Jul-25	Dec-25	Apr-26	Jul-26	Oct-29
SR-57 Northbound (NB), Orangewood Avenue to Katella Avenue	$71.8	Apr-16	Dec-18	Mar-22	TBD	TBD	TBD	TBD	TBD
Project G	$71.8	**Apr-16**	**Mar-19**	**Mar-22**	Jul-24	Nov-24	Mar-25	Jul-25	Feb-28
SR-57 (NB), Katella Avenue to Lincoln Avenue	$78.7	Apr-08	Jul-09	Jul-08	Nov-10	Mar-11	May-11	Aug-11	Sep-14
Project G	$38.0	**Apr-08**	**Nov-09**	**Aug-08**	**Dec-10**	**Apr-11**	**Jul-11**	**Oct-11**	**Apr-15**
SR-57 (NB), Katella Avenue to Lincoln Avenue (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project G	N/A	N/A	N/A	**May-09**	**Jul-10**	**Jun-17**	**Jul-17**	**Sep-17**	**Jun-18**
SR-57 (NB), Orangethorpe Avenue to Yorba Linda Boulevard	$80.2	Aug-05	Dec-07	Feb-08	Dec-09	Apr-10	Jun-10	Oct-10	May-14
Project G	$52.3	**Aug-05**	**Dec-07**	**Feb-08**	**Jul-09**	**Dec-09**	**May-10**	**Oct-10**	**Nov-14**
SR-57 (NB), Yorba Linda Boulevard to Lambert Road	$79.3	Aug-05	Dec-07	Feb-08	Dec-09	Apr-10	Jun-10	Oct-10	Sep-14
Project G	$54.1	**Aug-05**	**Dec-07**	**Feb-08**	**Jul-09**	**Mar-10**	**May-10**	**Oct-10**	**May-14**
SR-57 (NB), Orangethorpe Avenue to Lambert Road (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project G	N/A	N/A	N/A	**Oct-14**	**Aug-17**	**Dec-17**	**Jan-18**	**Feb-18**	**Apr-19**
SR-57 (NB), Lambert Road to Tonner Canyon	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Project G	TBD	Sep-25	May-28	TBD	TBD	TBD	TBD	TBD	TBD
SR-91 Westbound (WB), I-5 to SR-57	$78.1	Jul-07	Apr-10	Oct-09	Feb-12	Jul-12	Aug-12	Nov-12	Apr-16
Project H	$59.2	**Jul-07**	**Jun-10**	**Mar-10**	**Apr-12**	**Aug-12**	**Oct-12**	**Jan-13**	**Jun-16**
SR-91 Westbound (WB), I-5 to SR-57 (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project H	N/A	N/A	N/A	**Nov-14**	**Aug-16**	**Dec-16**	**Feb-17**	**Mar-17**	**Nov-17**
SR-91, SR-55 to Lakeview Avenue (Segment 1)	$100.9	Jan-15	Oct-18	Mar-20	Jan-23	Aug-23	Oct-23	Feb-24	Sep-27
Project I	$100.9	**Jan-15**	**Jun-20**	**Mar-20**	**Mar-23**	Sep-23	Nov-23	Mar-24	Nov-27
SR-91, La Palma Avenue to SR-55 (Segment 2)	$208.4	Jan-15	Oct-18	Jun-20	Jul-23	Feb-24	Mar-24	Jul-24	Mar-28
Project I	$208.4	**Jan-15**	**Jun-20**	**Jun-20**	Jun-24	Apr-25	Jun-25	Sep-25	Sep-29
SR-91, Acacia Street to La Palma Avenue (Segment 3)	$116.2	Jan-15	Oct-18	Nov-20	Apr-24	Nov-24	Jan-25	Apr-25	Sep-28
Project I	$116.2	**Jan-15**	**Jun-20**	**Nov-20**	Aug-24	May-25	Sep-25	Dec-25	Jun-29
SR-91 (WB), Tustin Interchange to SR-55	$49.9	Jul-08	Jul-11	Jul-11	Mar-13	Jul-13	Aug-13	Oct-13	Jul-16
Project I	$42.5	**Jul-08**	**May-11**	**Jun-11**	**Feb-13**	**Apr-13**	**Jun-13**	**Oct-13**	**Jul-16**
SR-91, SR-55 to SR-241	$128.4	Jul-07	Jul-09	Jun-09	Jan-11	Apr-11	Jun-11	Sep-11	Dec-12
Project J	$79.7	**Jul-07**	**Apr-09**	**Apr-09**	**Aug-10**	**Dec-10**	**Feb-11**	**May-11**	**Mar-13**

Capital Action Plan

Status Through March 2023

Updated: April 14, 2023

Capital Projects	Cost Baseline/Forecast (millions)	Schedule Plan/Forecast: Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
SR-91, SR-55 to SR-241 (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project J	N/A	N/A	N/A	**May-12**	**Feb-13**	**Apr-13**	**Jul-13**	**Oct-13**	**Feb-15**
SR-91 Eastbound, SR-241 to SR-71	$104.5	Mar-05	Dec-07	Jul-07	Dec-08	Mar-09	May-09	Jul-09	Nov-10
Project J	$57.8	**Mar-05**	**Dec-07**	**Jul-07**	**Dec-08**	**May-09**	**Jun-09**	**Aug-09**	**Jan-11**
91 Express Lanes to SR-241 Toll Connector	TBD	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	TBD	**Nov-13**	**Jan-20**	**Jun-16**	Jun-23	Sep-23	Sep-23	Feb-24	Feb-27
I-405, I-5 to SR-55	TBD	Dec-14	Jul-18	TBD	TBD	TBD	TBD	TBD	TBD
Project L	TBD	**Dec-14**	**Aug-18**	TBD	TBD	TBD	TBD	TBD	TBD
I-405, SR-55 to I-605 (Design-Build)	$2,080.2	Mar-09	Mar-13	Mar-14	Nov-15	Feb-16	Mar-16	Nov-16	Feb-24
Project K	$2,080.2	**Mar-09**	**May-15**	**Mar-14**	**Nov-15**	**Feb-16**	**Mar-16**	**Nov-16**	Feb-24
I-405/SR-22 HOV Connector	$195.9	N/A	N/A	Sep-07	Sep-09	Mar-10	May-10	Aug-10	Aug-14
	$120.8	N/A	N/A	**Sep-07**	**Jun-09**	**Sep-09**	**Feb-10**	**Jun-10**	**Mar-15**
I-405/I-605 HOV Connector	$260.4	N/A	N/A	Sep-07	Sep-09	Mar-10	May-10	Oct-10	Jan-15
	$172.6	N/A	N/A	**Sep-07**	**Sep-09**	**Feb-10**	**May-10**	**Oct-10**	**Mar-15**
I-405/SR-22/I-605 HOV Connector (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	**Jun-08**	**May-09**	**Feb-16**	**May-16**	**Jul-16**	**Feb-18**
I-605, I-605/Katella Avenue Interchange	$29.0	Aug-16	Nov-18	Dec-20	Mar-23	Jul-23	Nov-23	Feb-24	Nov-25
Project M	$29.0	**Aug-16**	**Oct-18**	**Dec-20**	**Jan-23**	Apr-24	Aug-24	Nov-24	Jul-26
Grade Separation Projects:									
Sand Canyon Avenue Railroad Grade Separation	$55.6	N/A	Sep-03	Jan-04	Jul-10	Jul-10	Oct-10	Feb-11	May-14
Project R	$61.9	N/A	**Sep-03**	**Jan-04**	**Jul-10**	**Jul-10**	**Oct-10**	**Feb-11**	**Jan-16**
Raymond Avenue Railroad Grade Separation	$77.2	Feb-09	Nov-09	Mar-10	Aug-12	Nov-12	Feb-13	May-13	Aug-18
Project O	$126.2	**Feb-09**	**Nov-09**	**Mar-10**	**Dec-12**	**Jul-13**	**Oct-13**	**Feb-14**	**May-18**
State College Boulevard Railroad Grade Separation (Fullerton)	$73.6	Dec-08	Jan-11	Jul-06	Aug-12	Nov-12	Feb-13	May-13	May-18
Project O	$99.6	**Dec-08**	**Apr-11**	**Jul-06**	**Feb-13**	**May-13**	**Sep-13**	**Feb-14**	**Mar-18**
Placentia Avenue Railroad Grade Separation	$78.2	Jan-01	May-01	Jan-09	Mar-10	May-10	Mar-11	Jun-11	Nov-14
Project O	$64.5	**Jan-01**	**May-01**	**Jan-09**	**Jun-10**	**Jan-11**	**Mar-11**	**Jul-11**	**Dec-14**
Kraemer Boulevard Railroad Grade Separation	$70.4	Jan-01	Sep-09	Jan-09	Jul-10	Jul-10	Apr-11	Aug-11	Oct-14
Project O	$63.8	**Jan-01**	**Sep-09**	**Feb-09**	**Jul-10**	**Jan-11**	**Jun-11**	**Sep-11**	**Dec-14**

Capital Action Plan

Status Through March 2023

Updated: April 14, 2023

Capital Projects	Cost Baseline/Forecast (millions)	Schedule Plan/Forecast: Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
Orangethorpe Avenue Railroad Grade Separation	$117.4	Jan-01	Sep-09	Feb-09	Dec-11	Dec-11	Feb-12	May-12	Sep-16
Project O	$105.9	**Jan-01**	**Sep-09**	**Feb-09**	**Oct-11**	**Apr-12**	**Sep-12**	**Jan-13**	**Oct-16**
Tustin Avenue/Rose Drive Railroad Grade Separation	$103.0	Jan-01	Sep-09	Feb-09	Dec-11	Mar-12	May-12	Aug-12	May-16
Project O	$96.6	**Jan-01**	**Sep-09**	**Feb-09**	**Jul-11**	**Jun-12**	**Oct-12**	**Feb-13**	**Oct-16**
Lakeview Avenue Railroad Grade Separation	$70.2	Jan-01	Sep-09	Feb-09	Oct-11	Oct-12	Feb-13	May-13	Mar-17
Project O	$110.7	**Jan-01**	**Sep-09**	**Feb-09**	**Jan-13**	**Apr-13**	**Sep-13**	**Nov-13**	**Jun-17**
17th Street Railroad Grade Separation	TBD	Oct-14	Jun-16	TBD	TBD	TBD	TBD	TBD	TBD
Project R	TBD	**Oct-14**	**Nov-17**	TBD	TBD	TBD	TBD	TBD	TBD
Rail and Station Projects:									
Rail-Highway Grade Crossing Safety Enhancement	$94.4	Jan-08	Oct-08	Jan-08	Sep-08	Sep-08	Sep-08	Aug-09	Dec-11
Project R	$90.4	**Jan-08**	**Oct-08**	**Jan-08**	**Sep-08**	**Sep-08**	**Sep-08**	**Aug-09**	**Dec-11**
San Clemente Beach Trail Safety Enhancements	$6.0	Sep-10	Jul-11	Feb-12	Apr-12	Apr-12	Jul-12	Oct-12	Jan-14
Project R	$5.0	**Sep-10**	**Jul-11**	**Feb-12**	**Jun-12**	**Jun-12**	**Oct-12**	**May-13**	**Mar-14**
Emergency Track Stabilization at Mile Post 206.8	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project R **Cost/Schedule**	$13.7	N/A	N/A	N/A	N/A	N/A	**Sep-22**	**Oct-22**	Jun-23
San Juan Capistrano Passing Siding	$25.3	Aug-11	Jan-13	Mar-15	May-16	May-16	Aug-16	Dec-16	Feb-21
	$33.2	**Aug-11**	**Mar-14**	**Mar-15**	**Aug-18**	**Aug-18**	**Aug-18**	**Mar-19**	**Nov-20**
OC Streetcar	$595.8	Aug-09	Mar-12	Feb-16	Sep-17	Oct-17	Dec-17	Aug-18	Nov-24
Project S **Cost/Schedule Risk**	$595.8	**Aug-09**	**Mar-15**	**Feb-16**	**Nov-17**	**Dec-17**	**Dec-17**	**Sep-18**	Nov-24
Placentia Metrolink Station and Parking Structure	$34.8	Jan-03	May-07	Oct-08	Jan-11	TBD	TBD	TBD	TBD
Project R **Cost/Schedule Risk**	$40.1	**Jan-03**	**May-07**	**Oct-08**	**Feb-11**	TBD	TBD	TBD	TBD
Orange County Maintenance Facility - ON HOLD	TBD	Apr-20	Apr-22	TBD	TBD	TBD	TBD	TBD	TBD
Project R	TBD	**Apr-20**	Jul-23	TBD	TBD	TBD	TBD	TBD	TBD
Irvine Metrolink Station Improvements - ON HOLD	TBD	Jan-22	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Project R	TBD	**Jan-22**	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Anaheim Canyon Metrolink Station	$27.9	Jan-16	Dec-16	Mar-19	May-19	May-19	Jul-19	Nov-19	Jan-23
	$34.2	**Jan-16**	**Jun-17**	**Mar-18**	**Oct-20**	**Oct-20**	**Oct-20**	**Mar-21**	**Jan-23**
Orange Metrolink Station Parking Expansion	$33.2	Dec-09	Dec-12	Nov-10	Apr-13	Jul-16	Jul-16	Nov-16	Feb-19
	$30.9	**Dec-09**	**May-16**	**Nov-10**	**Apr-16**	**Jul-16**	**Jul-16**	**Jun-17**	**Feb-19**
Fullerton Transportation Center - Elevator Upgrades	$3.5	N/A	N/A	Jan-12	Dec-13	Dec-13	Jun-14	Sep-14	Mar-17
	$4.2	N/A	N/A	**Jan-12**	**Dec-13**	**Dec-13**	**Aug-14**	**Apr-15**	**May-19**

Capital Action Plan

Status Through March 2023

Updated: April 14, 2023

Capital Projects	Cost Baseline/Forecast (millions)	Schedule Plan/Forecast Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
Laguna Niguel/Mission Viejo Station ADA Ramps	$3.5	Jul-13	Jan-14	Jul-13	Aug-14	Aug-14	Sep-14	Jan-15	Apr-17
	$5.2	**Jul-13**	**Feb-14**	**Jul-13**	**Jul-15**	**Jul-15**	**Jul-15**	**Oct-15**	**Sep-17**
Anaheim Regional Transportation Intermodal Center	$227.4	Apr-09	Feb-11	Jun-09	Feb-12	Feb-12	May-12	Jul-12	Nov-14
Project R & T	$232.2	**Apr-09**	**Feb-12**	**Jun-09**	**May-12**	**May-12**	**May-12**	**Sep-12**	**Dec-14**

Note: Costs associated with landscape projects are included in respective freeway projects.

Grey = Milestone achieved
Green = Forecast milestone meets or exceeds plan
Yellow = Forecast milestone is one to three months later than plan
Red = Forecast milestone is over three months later than plan

Begin Environmental: The date work on the environmental clearance, project report, or preliminary engineering phase begins.
Complete Environmental: The date environmental clearance and project approval is achieved.
Begin Design: The date final design work begins, or the date when a design-build contract begins.
Complete Design: The date final design work is 100 percent complete and approved.
Construction Ready: The date contract bid documents are ready for advertisement, including certification of right-of-way, all agreements executed, contract constraints are cleared.
Advertise for Construction: The date a construction contract is both funded and advertised for bids.
Award Contract: The date the construction contract is awarded.
Construction Complete: The date all construction work is completed and the project is open to public use.

Acronyms

I-5 - Santa Ana Freeway (Interstate 5)
SR-73 - San Joaquin Freeway (State Route 73)
SR-55 - Costa Mesa Freeway (State Route 55)
SR-57 - Orange Freeway (State Route 57)
SR-91 - Riverside Freeway (State Route 91)
SR-71 - Corona Expressway (State Route 71)
SR-22 - Garden Grove Freeway (State Route 22)
I-405 - San Diego Freeway (Interstate 405)
SR-241 - Foothill/Eastern Transportation Corridor (State Route 241)
I-605 - San Gabriel River Freeway (Interstate 605)
HOV - High-Occupany Vehicle
ADA - Americans with Disabilities Act

ATTACHMENT B

Capital Programs Division
Fiscal Year 2022-23 Performance Metrics Through March 2023

Begin Environmental

Project Description	FY 23 Qtr 1 Fcst	FY 23 Qtr 1 Actual	FY 23 Qtr 2 Fcst	FY 23 Qtr 2 Actual	FY 23 Qtr 3 Fcst	FY 23 Qtr 3 Actual	FY 23 Qtr 4 Fcst	FY 23 Qtr 4 Actual	FY 23 Fcst
No "Begin Environmental" Milestones Scheduled for FY 2022-23									
Total Forecast/Actual	0	0	0	0	0	0	0	0	0

Complete Environmental

Project Description	FY 23 Qtr 1 Fcst	FY 23 Qtr 1 Actual	FY 23 Qtr 2 Fcst	FY 23 Qtr 2 Actual	FY 23 Qtr 3 Fcst	FY 23 Qtr 3 Actual	FY 23 Qtr 4 Fcst	FY 23 Qtr 4 Actual	FY 23 Fcst
Orange County Maintenanace Facility			X						
Total Forecast/Actual	0	0	1	0	0	0	0	0	1

Begin Design

Project Description	FY 23 Qtr 1 Fcst	FY 23 Qtr 1 Actual	FY 23 Qtr 2 Fcst	FY 23 Qtr 2 Actual	FY 23 Qtr 3 Fcst	FY 23 Qtr 3 Actual	FY 23 Qtr 4 Fcst	FY 23 Qtr 4 Actual	FY 23 Fcst
SR-55, I-5 to SR-91	X	✔							
I-5, SR-73 to El Toro Road Interchange (Landscape)					X	✔			
Total Forecast/Actual	1	1	0	0	1	1	0	0	2

Complete Design

Project Description	FY 23 Qtr 1 Fcst	FY 23 Qtr 1 Actual	FY 23 Qtr 2 Fcst	FY 23 Qtr 2 Actual	FY 23 Qtr 3 Fcst	FY 23 Qtr 3 Actual	FY 23 Qtr 4 Fcst	FY 23 Qtr 4 Actual	FY 23 Fcst
91 Express lanes to SR-241 Toll Connector			X						
SR-91, SR-55 to Lakeview Avenue (Segment 1)					X	✔			
I-605, I-605/Katella Aveneu Interchange						✔	X		
Total Forecast/Actual	0	0	1	0	1	2	1	0	3

Construction Ready

Project Description	FY 23 Qtr 1 Fcst	FY 23 Qtr 1 Actual	FY 23 Qtr 2 Fcst	FY 23 Qtr 2 Actual	FY 23 Qtr 3 Fcst	FY 23 Qtr 3 Actual	FY 23 Qtr 4 Fcst	FY 23 Qtr 4 Actual	FY 23 Fcst
91 Express lanes to SR-241 Toll Connector							X		
Total Forecast/Actual	0	0	0	0	0	0	1	0	1

Advertise Construction

Project Description	FY 23 Qtr 1 Fcst	FY 23 Qtr 1 Actual	FY 23 Qtr 2 Fcst	FY 23 Qtr 2 Actual	FY 23 Qtr 3 Fcst	FY 23 Qtr 3 Actual	FY 23 Qtr 4 Fcst	FY 23 Qtr 4 Actual	FY 23 Fcst
91 Express lanes to SR-241 Toll Connector							X		
Total Forecast/Actual	0	0	0	0	0	0	1	0	1

Capital Programs Division
Fiscal Year 2022-23 Performance Metrics Through March 2023

Award Contract

Project Description	FY 23 Qtr 1 Fcst	FY 23 Qtr 1 Actual	FY 23 Qtr 2 Fcst	FY 23 Qtr 2 Actual	FY 23 Qtr 3 Fcst	FY 23 Qtr 3 Actual	FY 23 Qtr 4 Fcst	FY 23 Qtr 4 Actual	FY 23 Fcst
No "Award Contract" Milestones Scheduled for FY 2022-23									
Total Forecast/Actual	0	0	0	0	0	0	0	0	0

Complete Construction

Project Description	FY 23 Qtr 1 Fcst	FY 23 Qtr 1 Actual	FY 23 Qtr 2 Fcst	FY 23 Qtr 2 Actual	FY 23 Qtr 3 Fcst	FY 23 Qtr 3 Actual	FY 23 Qtr 4 Fcst	FY 23 Qtr 4 Actual	FY 23 Fcst
Anaheim Canyon Metrolink Station					X	✔			
Total Forecast/Actual	0	0	0	0	1	1	0	0	1

Totals	1	1	2	0	3	4	3	0	9

Begin Environmental: The date work on the environmental clearance, project report, or preliminary engineering phase begins.
Complete Environmental: The date environmental clearance and project approval is achieved.
Begin Design: The date final design work begins or the date when a design-build contract begins.
Complete Design: The date final design work is 100 percent complete and approved.
Construction Ready: The date contract bid documents are ready for advertisement, right-of-way certified, all agreements executed, and contract constraints are cleared.
Advertise for Construction: The date a construction contract is both funded and advertised for bids.
Award Contract: The date the construction contract is awarded.
Construction Complete: The date all construction work is completed and the project is open to public use.

Acronyms

FY - Fiscal Year
SR-55 - Costa Mesa Freeway (State Route 55)
I-5 - Santa Ana Freeway (Interstate 5)
SR-91 - Riverside Freeway (State Route 91)
SR-73 - San Joaquin Freeway (State Route 73)
SR-241 - Foothill/Eastern Transportation Corridor (State Route 241)
I-605 - San Gabriel River Freeway (Interstate 605)

X = milestone forecast in quarter
✔ = milestone accomplished in quarter

COMMITTEE TRANSMITTAL

May 8, 2023

To: Members of the Board of Directors

From: Andrea West, Interim Clerk of the Board

Subject: Consultant Selection for Construction Management Support Services for the State Route 91 Improvement Project Between State Route 55 and Lakeview Avenue

Regional Transportation Planning Committee Meeting of May 1, 2023

Present: Directors Do, Chaffee, Dumitru, Federico, and Harper
Absent: Directors Foley and Khan

Committee Vote

This item was passed by the Members present.

Committee Recommendations

A. Approve the selection of WSP USA Inc., as the firm to provide construction management support services for the State Route 91 Improvement Project between State Route 55 and Lakeview Avenue.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-2-2919 between the Orange County Transportation Authority and WSP USA Inc., to provide construction management support services for the State Route 91 Improvement Project between State Route 55 and Lakeview Avenue.

May 1, 2023

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Consultant Selection for Construction Management Support Services for the State Route 91 Improvement Project Between State Route 55 and Lakeview Avenue

Overview

On December 12, 2022, the Orange County Transportation Authority Board of Directors authorized the release of a request for proposals to provide construction management support services for the State Route 91 Improvement Project between State Route 55 and Lakeview Avenue. Board of Directors' approval is requested for the selection of a firm to perform the required work.

Recommendations

A. Approve the selection of WSP USA Inc., as the firm to provide construction management support services for the State Route 91 Improvement Project between State Route 55 and Lakeview Avenue.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-2-2919 between the Orange County Transportation Authority and WSP USA Inc., to provide construction management support services for the State Route 91 Improvement Project between State Route 55 and Lakeview Avenue.

Discussion

The Orange County Transportation Authority (OCTA), in partnership with the California Department of Transportation (Caltrans), is implementing the State Route 91 (SR-91) Improvement Project between State Route 55 (SR-55) and Lakeview Avenue (Project). The Project is part of Project I in the Measure M2 (M2) freeway program and is being advanced through the updated Next 10 Delivery Plan approved by the OCTA Board of Directors (Board) in November 2022.

The Project will improve freeway operations within the SR-91/SR-55 interchange area by separating westbound (WB) SR-91 traffic from southbound (SB) SR-55 traffic through the realignment of the existing WB SR-91 on- and off-ramps to direct traffic to WB SR-91 and the addition of a new on-ramp from the Lakeview Avenue bridge that connects directly to SB SR-55.The existing Lakeview Avenue overcrossing bridge will be replaced with a new bridge that will include six lanes with shoulders and sidewalks. Caltrans has also developed a multi-asset project (MAP) within the project limits that is funded by the State Highway Operation and Protection Program. The Caltrans MAP scope includes pavement rehabilitation, existing safety device upgrades, census stations installation, lighting replacement, conduit replacement, and Smart Street Lighting. The Project and MAP 100 percent design plans were combined and submitted to Caltrans as one package in late March 2023. The construction contract is expected to be advertised for bids by Caltrans in fall 2023.

OCTA staff proposes that Caltrans administer the construction contract. As the implementing agency for the construction phase, Caltrans will provide the resident engineer, structures representative, and other field personnel, along with construction administrative support and environmental monitoring. OCTA will provide consultant field staff for construction inspection, the office engineer, scheduling, claims support, materials testing, and field surveying. Through separate contracts, OCTA will lead the public outreach and freeway service patrol efforts.

Procurement Approach

This procurement was handled in accordance with Board-approved procedures for A&E services that conform to both federal and state laws. Proposals are evaluated and ranked in accordance with the qualifications of the firm, staffing and project organization, and work plan. As this is an A&E procurement, pursuant to state and federal laws, price is not an evaluation criterion. An evaluation of the proposals was conducted based on overall qualifications to develop a competitive range of offerors. The highest-ranked firm is requested to submit a cost proposal, and the final agreement is negotiated. Should negotiations fail with the highest-ranked firm, a cost proposal will be solicited from the second-ranked firm in accordance with Board-approved procurement policies.

On December 12, 2022, Request for Proposals (RFP) 2-2919 was issued electronically on CAMM NET. The RFP was advertised in a newspaper of general circulation on December 12 and 19, 2022. A pre-proposal conference was held on December 20, 2022, with 17 attendees representing five firms.

Three addenda were issued to make available the pre-proposal conference registration sheets and presentation materials, provide responses to questions received, and address administrative issues related to the RFP.

On January 23, 2023, four proposals were received. An evaluation committee consisting of staff from OCTA's Contracts Administration and Materials Management and Highway Programs departments, as well as external representatives from Caltrans and the City of Anaheim, met to review the submitted proposals. The proposals were evaluated utilizing the following Board-approved evaluation criteria and weightings:

- Qualifications of the Firm 20 percent
- Staffing and Project Organization 40 percent
- Work Plan 40 percent

Several factors were considered in developing the criteria and weightings. The firms' qualifications and experience in performing relevant work of similar scope, size, and complexity are important to the success of the Project. Next, staff assigned a high level of importance to staffing and project organization, as the qualifications of the project manager (PM) and other key task leaders are critical to understanding the Project requirements and to the timely delivery and successful performance of the work. An equal level of importance is also assigned to the work plan, as an understanding of freeway construction and other required critical activities, such as utility relocations and coordination, control of the contractor's work within temporary construction easement limits, and management of anticipated critical work elements in the risk register is critical to the success of the Project.

The evaluation committee reviewed and discussed the four proposals received based on the evaluation criteria and found two firms most qualified to perform the required services. The most qualified firms are listed below in alphabetical order:

Firms and Location

Harris and Associates, Inc. (Harris)
Irvine, California

WSP USA Inc. (WSP)
Orange, California

On March 14, 2023, the evaluation committee interviewed the two short-listed firms. The interviews consisted of a presentation allowing each team to discuss its qualifications, highlight its proposal, and respond to evaluation committee questions. Each firm highlighted its staffing plan, work plan, and perceived Project challenges. The firms were asked general questions regarding their approach to the requirements of the scope of work (SOW), management of the Project, coordination with various agencies, experiences with similar projects, and solutions in achieving the Project goals. After considering the presentations and responses to questions asked during the interviews, the evaluation committee adjusted the preliminary scores for WSP. However, WSP remained as the top-ranked firm with the highest cumulative score.

Based on the evaluation of the written proposals and information obtained during the interviews, the evaluation committee recommends WSP as the top-ranked firm to provide construction management (CM) support services for the Project. WSP submitted a comprehensive proposal that was responsive to the requirements of the RFP and presented a cohesive interview highlighting the firm's experience, staffing, and the technical approach to the work plan.

Qualifications of the Firm

The two shortlisted firms are qualified to perform the required services and have demonstrated expertise in providing CM services. Both firms are established firms with the resources and relevant experience providing construction inspection services for freeway and bridge replacement projects. Positive references were received for both firms.

WSP is a national firm that was founded in 1885 and has 66,000 technical and professional staff across the United States. The firm has four offices in Southern California, and over 190 staff in its Orange County office. With over 130 CM staff in California, the firm has specialized in transportation-related local construction projects for the last 30 years. WSP has provided CM support services in Southern California for freeway widening, roadway improvement, interchange/overcrossing replacement, and bridge replacement projects as a prime consultant and as part of an integrated team.

WSP has demonstrated proficiency in providing CM support services such as inspection for freeway widening, street improvements, bridge and retaining wall construction, electrical installation, traffic management, oversight of utility relocations, office engineering, scheduling, claims analysis, constructability review, and Caltrans and public agency coordination. Similar project experience includes CM services on a Transportation Corridor Agency (TCA) contract for

program management and specialty support services, including constructability review services, the Port of Long Beach's Gerald Desmond Bridge Replacement and Interstage 710 (I-710) Connectors, San Gabriel Valley Council of Governments' (SGVCOG) Fairway Drive Grade Separation and Lemon Avenue Interchange, and OCTA's Interstate 5 (I-5) South County Improvements between Avenida Pico and Avenida Vista Hermosa (I-5 high-occupancy vehicle (HOV) Segment 1), I-5 South County Improvements between Vista Hermosa to Pacific Coast Highway (I-5 HOV Segment 2), Interstate 405 (I-405)/ State Route 22 (SR-22) HOV Connector, and I-405/Interstate 605 (I-605) HOV Connector. Most of the proposed subconsultants have experience working with WSP and will support WSP with additional construction inspection, field materials testing, and survey services.

Harris is a California firm that was founded in 1974 and has specialized in transportation-related construction projects for Caltrans for over 30 years. The firm has eight offices in California with 251 employees and 90 CM staff, with five offices in Southern California. Harris has provided CM support services in Southern California for freeway widening, freeway interchange construction, and bridge construction as a prime consultant as well as part of an integrated team.

Harris has demonstrated proficiency in providing CM support services, including inspections for freeway widening, bridge and retaining wall construction, electrical installation, traffic management, office engineering, scheduling, and Caltrans and public agency coordination. Examples of relevant experience include CM support services for OCTA's I-405 Improvement Project Design-Build (DB) (I-405 DB Project) and I-405/SR-22 HOV Connector, and the California High-Speed Rail Authority's High-Speed Rail (HSR) Construction Package 1. The proposed subconsultants have experience working with Harris and are proposed to support Harris with additional construction inspection, office engineering, field materials testing, and survey services.

Staffing and Project Organization

Both short-listed firms proposed qualified PMs, key personnel, and subconsultants with relevant CM experience in freeway and bridge widening, and roadway and structure inspection.

WSP proposed a qualified project team with each key personnel demonstrating relevant and comprehensive CM experience with freeway and bridge replacement projects. The team has demonstrated experience in roadway and structures inspections, utility relocations, bridge reconstruction, traffic management plan and staging, and has extensive experience working with

Caltrans. WSP's proposed PM has over 30 years of project management and CM experience on similar freeway/bridge construction projects and performed the PM role for OCTA's I-5 Improvement Project between SR-55 and State Route 57, I-5 HOV Segment 2, and SGVCOG's Fairway Drive Grade Separation and Lemon Avenue Interchange. The proposed PM also performed as a contract manager/task manager for the I-405 DB Project and for the construction engineering and inspection services contract for Caltrans, and for the On-Call Program and Signage Enhancements project for TCA, as well as a principal assistant resident engineer (RE) for I-405/I-605 HOV Connector project.

WSP's proposed senior roadway inspector has successfully delivered freeway and bridge widening, bridge replacement, and interchange improvement projects for over 30 years. While at Caltrans, the proposed senior roadway inspector managed the SR-91 Slab Replacement and Express Lane Pavement Rehabilitation from SR-55 to Riverside County Line, I-5 HOV Segment 1, I-405/SR-22 HOV Connector, and I-5 Improvement Project from La Paz Road to Oso Parkway as a senior construction engineer/senior RE. Additional relevant experience includes serving as the senior RE for TCA's On-Call Program and Signage Enhancements project.

WSP's proposed structure inspector has more than 18 years of experience with various methods of bridge construction, administering all phases of construction from beginning to closeout, including multi-span freeway interchange connector bridges, bridges over major highways, bridges over creeks and rivers, and various other types of bridges and walls. The proposed structure inspector has delivered 17 pre-cast girder bridges and demonstrated knowledge and experience during the interview. With pile driving analyzer certification, the proposed inspector is a readily available resource to mitigate potential pile conflicts with the existing bridge. Relevant experience includes OCTA's I-5 Improvement Project from Oso Parkway to Alicia Parkway, Caltrans' I-710 Freeway Widening, San Bernardino County Transportation Authority's Interstate 15/Baseline Road Interchange Improvements, and Caltrans' 60 SWARM Three Bridge Replacements as structure inspector/assistant structure representative, as well as TCA's On-Call Program and Signage Enhancements project as structures constructability reviewer.

WSP presented a cross-trained staff in roadway inspection and structures inspection. Having cross-trained personnel provides efficiencies for OCTA by quickly mobilizing personnel who can bring different perspectives to the work based on the team's varied experiences.

The WSP team presented an interview demonstrating comprehensive knowledge of its proposed approach to the SOW, a clear understanding of the team's roles and responsibilities, and the process to resolve any potential challenges while keeping the project on schedule. All team members contributed detailed responses to interview questions.

Harris proposed a qualified project team with CM experience. The team's expertise includes a range of relevant CM services, including roadway inspection, structures inspection, electrical inspection, and scheduling support, among other relevant expertise. Harris' proposed PM has over 33 years of professional consulting experience, including HSR Construction Package 1 and OCTA's I-405 DB Project as principal-in-charge, the City of Torrance's Pacific Coast Highway at Hawthorne Boulevard Intersection Improvements for the design phase as project director, and the Interstate 10 Interchange Project Study Report as assistant PM.

Harris' proposed senior roadway inspector has 27 years of experience with Caltrans in all aspects of infrastructure projects, mostly in construction. Relevant project experience includes RE for the I-405 DB Project Segment 2, assistant PM for I-405/I-22 HOV Connector, assistant structures representative for SR-22 DB, and PM/RE for Riverside County Transportation Department's Sunset Avenue Grade Separation project.

Harris proposed a structures inspector with over 31 years of experience in design, construction, and surveying. The proposed inspector is a former Caltrans employee and performed as the senior bridge engineer/structure representative for State Route 60/91/215 Design Sequencing Interchange, provided oversight on locally funded projects in Riverside County, and was the RE for the State Route 60/91 project. Additional relevant experiences include the I-405 DB Project Segment 1 as a lead engineer, and Riverside County Transportation Commission's SR-91 Improvements project as senior structures RE.

The proposed PM and key personnel were responsive to interview questions; however, there was limited participation from other personnel. In addition, some responses to specific questions were general and did not fully address the interview questions.

Work Plan

Both short-listed firms met the requirements of the RFP, and each firm discussed its approach to the Project, identified risks, and discussed utility relocation, quality, budget, and schedule control methods.

WSP presented a Project-specific and comprehensive work plan. The work plan included a complete discussion of Project issues and challenges with realistic recommendations and proposed solutions demonstrating the firm's knowledge and experience. The team identified the top three project risks and demonstrated methodical, detailed, and well-thought-out approaches to address those risks throughout the proposal and interview. Solutions to challenges included timely monitoring of utility relocations, coordination on electrical compliance, proactive management of temporary construction easements (TCE) to minimize impacts to property owners, identification of time-saving construction staging, identification of a maintenance of traffic (MOT) plan for long-term ramp closures, mitigation measures for all the potential risk items related to structures precast girders, and proactive documentation for claims prevention.

A clear map illustrating the step-by-step construction staging of Lakeview Avenue bridge reconstruction over the 91 Express Lanes was presented. The work plan also identified many critical issues that may be encountered, along with proposed mitigations supported by relevant project experience. The workplan described the efforts needed to minimize impacts and prevent delays to the overall project schedule. A detailed construction schedule was provided with potential schedule savings related to construction staging and the identification of potential schedule risk elements.

Harris presented an organized work plan with a Project-specific approach for identified risk elements. The team demonstrated an understanding of the overall Project issues and challenges. The work plan identified challenges and proposed solutions for utility work, bridge and retaining wall construction, construction staging, MOT, and TCEs. The sequential outline of activities provided proposed personnel responsibility by task throughout the Project. A detailed construction schedule was provided with critical elements highlighted. The Harris team presented an interview demonstrating knowledge of its proposed approach to the SOW.

Procurement Summary

Based on the evaluation of the written proposals, team qualifications, and information obtained during the interviews, the evaluation committee

recommends the selection of WSP as the top-ranked firm to provide CM support services for the Project.

Fiscal Impact

Funding for the Project will be included in OCTA's proposed Fiscal Year 2023-24 Budget and subsequent fiscal year budgets, Capital Programs Division, Account No. 0017-9085-FI106-1OQ and will be funded with a combination of net excess 91 Express Lanes revenue, and federal and state grants.

Summary

Staff requests Board of Directors' authorization for the Chief Executive Officer to negotiate and execute Agreement No. C-2-2919 with WSP USA Inc., as the firm to provide construction management support services for the State Route 91 Improvement Project between State Route 55 and Lakeview Avenue.

Attachments

A. Review of Proposals, RFP 2-2919 Construction Management Support Services for the State Route 91 Improvement Project Between State Route 55 and Lakeview Avenue
B. Proposal Evaluation Criteria Matrix (Short-Listed), RFP 2-2919 Construction Management Support Services for the State Route 91 Improvement Project Between State Route 55 and Lakeview Avenue
C. Contract History for the Past Two Years, RFP 2-2919, Construction Management Support Services for the State Route 91 Improvement Project Between State Route 55 and Lakeview Avenue

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ATTACHMENT A

Review of Proposals

RFP 2-2919 Construction Management Support Services for the State Route 91 Improvement Project Between State Route 55 and Lakeview Avenue

Presented to the Regional Transportation Planning Committee - May 1, 2023

4 proposals were received, 2 firms were interviewed, 1 firm is being recommended

Overall Ranking	Overall Score	Firm & Location	Subconsultants	Evaluation Committee Comments
1	91	WSP USA Inc. Orange, California	Analyzer International Inc. Coast Surveying, Inc. Dynamic Engineering Services, Inc. Leighton Consulting, Inc. TRC Engineers, Inc.	Firm has demonstrated relevant construction management (CM) support experience, including with highway and bridge construction projects, as well as scheduling, California Department of Transportation (Caltrans) and public agency coordination, claims analysis, and constructability review. Qualified team, including project manager (PM), roadway inspector, structures inspector, and subconsultants. Proposed PM has over 30 years of project management and CM experience. Proposed senior roadway inspector has delivered freeway and and bridge widening, bridge replacement, and interchange improvement projects for over 30 years. Proposed structural inspector, with more than 18 years of experience, has delivered 17 pre-cast girder bridges and has experience with various methods of bridge construction. Clear understanding of the scope of work. Project-specific and comprehensive work plan, demonstrating potential issues and challenges, with realistic solutions and project experience applying similar solutions. Comprehensive interview with contributions from all team members with detailed responses to all questions. Positive references received.
2	80	Harris & Associates, Inc. Irvine, California	Jacobs Project Management Co. AESCO, Inc. Coast Surveying, Inc. Construction Quality Management Solutions, Inc. EarthSpectives	Firm has demonstrated relevant CM support experience, including with highway and bridge construction projects, as well as scheduling and Caltrans and public agency coordination. Qualified team, including PM, roadway inspector, structures inspector, and subconsultants. Proposed PM has 33 years of professional consultant experience. Proposed senior roadway inspector has 27 years of experience with Caltrans in all aspects of infrastructure projects. Proposed structures inspector has over 31 years of experience in design, construction, and surveying. Overall understanding of the scope of work. Project-specific and organized work plan demonstrating an overall understanding of the project issues and challenges. Limited participation to interview questions from some team members, and overall responses to some questions were general and did not fully address all questions. Positive references received.

Evaluation Panel: Six Members

Internal:
- Contracts Administration and Materials Management (1)
- Highway Programs (2)

External:
- California Department of Transportation (2)
- City of Anaheim (1)

Evaluation Criteria:	Weight Factors
Qualifications of the Firm	20 percent
Staffing and Project Organization	40 percent
Work Plan	40 percent

ATTACHMENT B

PROPOSAL EVALUATION CRITERIA MATRIX (SHORT-LISTED)
RFP 2-2919 Construction Management Support Services for the State Route 91 Improvement Project Between State Route 55 and Lakeview Avenue

WSP USA Inc.								
Evaluator Number	1	2	3	4	5	6	Weights	Criteria Score
Qualifications of Firm	4.5	4.0	4.0	4.0	4.0	4.5	4	16.7
Staffing/Project Organization	4.5	4.5	4.5	4.5	4.5	4.5	8	36.0
Work Plan	5.0	4.5	5.0	5.0	4.5	4.5	8	38.0
Overall Score	**94.0**	**88.0**	**92.0**	**92.0**	**88.0**	**90.0**		**91**

Harris & Associates, Inc.								
Evaluator Number	1	2	3	4	5	6	Weights	Criteria Score
Qualifications of Firm	4.0	4.0	3.5	4.0	4.0	4.0	4	15.7
Staffing/Project Organization	4.0	4.0	4.0	4.0	4.0	3.5	8	31.3
Work Plan	4.0	4.0	4.0	4.5	4.0	4.0	8	32.7
Overall Score	**80.0**	**80.0**	**78.0**	**84.0**	**80.0**	**76.0**		**80**

Range of scores for the non short-listed firms was 56 to 68.

ATTACHMENT C

CONTRACT HISTORY FOR THE PAST TWO YEARS

RFP 2-2919
Construction Management Support Services for the State Route 91 Improvement Project Between State Route 55 and Lakeview Avenue

Prime and Subconsultants	Contract No.	Description	Contract Start Date	Contract End Date	Subconsultant Amount	Total Contract Amount
WSP USA Inc.						
Contract Type: Firm-Fixed and Variable Price	C-0-2690	Back Office System and Customer Service Center for 405 Express Lanes	January 14, 2022	July 15, 2030		$ 106,069,864
Subconsultants:						
None						
Contract Type: Contract Task Order	C-8-1465	On-Call Consulting Services for the 91 Express Lanes	June 21, 2018	March 31, 2023		$ -
Subconsultants:						
None						
Contract Type: Firm-Fixed Price	L-1-0001	Preliminary Design and Environmental Document for San Diego County Maintenance and Layover Facility	December 15, 2021	July 31, 2024		$ 2,058,678
Subconsultants:						
None						
Contract Type: Firm-Fixed Price	C-8-1629	Bristol Street Transit Corridor Study	October 24, 2018	July 31, 2021		$ 538,157
Subconsultants:						
Arellano Associates					$ 53,084	
Kal Krishnan Consulting Services, Inc.					$ 20,000	
STV Incorporated					$ 170,854	
				Total		**$ 108,666,699**
Harris & Associates, Inc.						
Contract Type:		No contracts awarded.				
Subconsultants:						

COMMITTEE TRANSMITTAL

May 8, 2023

To: Members of the Board of Directors

From: Andrea West, Interim Clerk of the Board

Subject: Final Draft Long-Range Transportation Plan

Regional Transportation Planning Committee Meeting of May 1, 2023

Present: Directors Do, Chaffee, Dumitru, Federico, and Harper
Absent: Directors Foley and Khan

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Direct staff to finalize the Long-Range Transportation Plan and submit it to the Southern California Association of Governments as input into the 2024 Regional Transportation Plan and Sustainable Communities Strategy.

OCTA

May 1, 2023

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Final Draft Long-Range Transportation Plan

Overview

The Long-Range Transportation Plan provides a vision for Orange County's regional transportation system over the next 20+ years. The final draft plan has been prepared, incorporating feedback from public review of the draft document. With direction from the Board of Directors, the final draft plan will be finalized and submitted to the Southern California Association of Governments as input into the 2024 Regional Transportation Plan and Sustainable Communities Strategy that is currently in development.

Recommendation

Direct staff to finalize the Long-Range Transportation Plan and submit it to the Southern California Association of Governments as input into the 2024 Regional Transportation Plan and Sustainable Communities Strategy.

Background

The Long-Range Transportation Plan (LRTP) is a long-term visioning document that analyzes anticipated demographic and travel demand growth in consideration of established and potential transportation priorities. The LRTP is updated every four years to adjust for changing conditions, as well as to coincide with the Orange County Transportation Authority's (OCTA) input into the Southern California Association of Governments' (SCAG) Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS). Regionally significant transportation projects cannot proceed through the project development process without being included in the RTP/SCS.

The comprehensive technical work to prepare the LRTP was complemented by a two-phase outreach effort conducted in fall 2021 and concluded in winter 2023. This included a pre-draft element (Phase One) and a post-draft element (Phase Two). Phase One efforts engaged the public-at-large, elected officials, local jurisdiction staff, advocacy groups, and industry professionals. Discussions were conducted in the context of OCTA's commitment to delivering Measure M2 (M2) projects and – for the first time in an LRTP – the sunset of the M2 sales tax in 2041.

The results of the Phase One outreach effort were considered in the development of the draft LRTP, and particularly in the development of the Paths to Success that identify strategies that look beyond the sunset of M2 and respond to 2045 socioeconomic and travel conditions.

The draft LRTP was released for public review in January 2023. The release initiated Phase Two of the outreach effort. The comments received resulted in updates and clarifications to the draft LRTP but did not change the performance results.

Discussion

The final draft LRTP, Directions 2045, and executive summary (Attachment A) have been prepared and are ready to be finalized and submitted to SCAG as input into the 2024 RTP/SCS, pending Board of Directors (Board) direction. Two 2045 scenarios are analyzed in Directions 2045, including the 2045 no-build scenario (reflecting how the 2019 transportation network performs based on 2045 travel demand) and the 2045 Preferred Plan (reflecting improvements envisioned for 2045). A 2019 base year was used, consistent with the 2024 RTP/SCS. The 2019 data also avoids the atypical pandemic-era traffic data from later years.

By 2045, an additional 1.35 million daily person-trips are projected in Orange County, amounting to an eight percent increase from 2019. This increase in travel demand is due to anticipated socioeconomic growth that is outside the control of OCTA. Orange County Projections (OCP)-2018, developed by the Center for Demographic Research at California State University, Fullerton, provided the basis for the 2019 and 2045 socioeconomic conditions. OCP-2018 was the latest approved forecast when the LRTP scenarios were being developed and analyzed. The recently approved OCP-2022 will be used in future analyses once the Orange County Transportation Analysis Model is updated.

The LRTP forecast estimates increases of more than 284,000 residents and approximately 220,000 jobs in Orange County between 2019 and 2045. The

2045 no-build scenario reflects how this socioeconomic growth would impact the 2019 transportation system. The no-build scenario analysis highlights the transportation challenges presented by travel demand increases over the next 20+ years. One challenge of note in the 2045 no-build scenario is the projected 33 percent increase in daily vehicle hours of delay due to congestion.

In addition to the projects outlined in M2, OCTA has undertaken critical planning efforts in recent years which identify priorities, projects, and programs that address many of Orange County's transportation needs using a multimodal approach. These efforts include major investment studies, the South Orange County Multimodal Transportation Study, Making Better Connections Study, OC Transit Vision, OC Active, and the Next 10 Delivery Plan. These studies represent research, design work, coordination, cost and benefit analysis, and public input that have gone into planning for mobility in Orange County.

The M2 Investment Plan and the associated Next 10 Delivery Plan make up the cornerstone of the 2045 Preferred Plan scenario. The 2045 Preferred Plan also draws from the seven Paths to Success that identify strategies that support the LRTP goals of expanding transportation system choices, improving system performance, and supporting sustainability. The table below highlights how projected growth in travel demand between 2019 and 2045 impacts the transportation system and the benefits of the 2045 Preferred Plan. In short, the 2045 Preferred Plan does well to mitigate increases in travel demand due to projected socioeconomic changes, while keeping growth in vehicle miles traveled (VMT) to less than one percent compared with the 2045 no-build scenario.

	2019 Base Year	2045 No-Build Scenario	2045 Preferred Plan
Daily Transit Trips	131,000	138,000	185,000
Total Vehicle Hours of Delay	341,000	454,000	316,000
Delay as Percent of Travel Time	15%	18%	14%
Daily VMT	76,400,000	81,900,000	82,100,000
Average Freeway Speed (mph) – Peak Period	41	40	42
Average Arterial Speed (mph) – Peak Period	26	25	27

mph – miles per hour

The public input received through the comprehensive outreach effort was important when preparing the draft document and refining the final draft LRTP. The goal of Phase One outreach was to identify transportation options, priorities, and challenges that would help shape the LRTP, while Phase Two focused on gathering feedback on the draft plan. A summary of Phase Two is provided below. Further details about both phases of community engagement are included in the Community Engagement Summary Report (Attachment B).

Phase Two outreach included a variety of activities designed to solicit public input from a broad spectrum of people including an online survey (6,508 respondents), telephone town hall (up to 1,800 callers), public webinar (51 attendees), Community Leaders Roundtable (29 attendees), social media and geofencing campaigns (331,000 impressions), and 13 pop-up events. These events engaged the public, transportation professionals/organizations, business and community leaders, elected officials, city/county officials, diverse community leaders, OCTA's public committees, students, and environmental groups. The qualitative survey and notification materials were available in English, Spanish, and Vietnamese. Multilingual advertisements were placed to connect with the Spanish and Vietnamese communities, including newspaper, radio, Facebook and geofencing advertisements. Both the public webinar and telephone townhall were offered in Spanish and a multilingual telephone helpline also was available throughout the outreach phases.

Through this engagement, the following key themes were identified that showed public support for the projects and strategies included in the 2045 Preferred Plan:

- Focus on improving transportation efficiencies more than on new major widening projects,
- Enhance bus service,
- Increase mobility options for seniors, those with disabilities and underrepresented communities,
- Improve bicycle and pedestrian safety, and
- Develop electric vehicle infrastructure.

Eight comment letters were also received from state and local agencies and organizations, which are included in the Community Engagement Summary Report. The comment letters requested clarifications on data sources, project descriptions, and topics of specific interest to the individual agencies and organizations, and several letters also expressed support for strategies included in the LRTP. The final draft LRTP addresses many of the requests by incorporating clarifying language and updated figures as appropriate. The Community Engagement Summary Report also includes a record of responses to the comments received.

Three of the four commenting local jurisdictions questioned the inclusion of some transit improvement projects in the 2045 Preferred Plan. This is due to concerns with state and regional land-use processes that leverage high-quality transit corridors (including corridors with existing or planned bus routes with headways of 15 minutes or better) and major transit stops (including transfer points served by two or more existing or planned high-quality transit corridors). While the land-use implications raise valid concerns, OCTA has a responsibility as a transit provider and as the County Transportation Commission to plan for transit service improvements that benefit Orange County travelers. The planned improvements are consistent with the OC Transit Vision, which was developed before the state and regional processes were established and are not intended to influence land use, rather support development of existing local agency general plans.

By including the OC Transit Vision projects in the LRTP and SCAG's RTP/SCS, transit improvements become eligible to receive external funding and can be advanced through implementation. This process has allowed OCTA to successfully implement four Bravo! routes to date, along with the nearly completed OC Streetcar. To avoid delaying future transit improvements, staff has retained these projects as part of the 2045 Preferred Plan. However, OCTA is committed to engaging stakeholders, including local jurisdictions, in ongoing and upcoming planning efforts, particularly the update to the OC Transit Vision. This will ensure that stakeholder concerns are understood and appropriately addressed. Additionally, staff is coordinating with SCAG to limit the potential land-use implications from planned transit projects, particularly for those projects that have not been programmed for funding in the Federal Transportation Improvement Program.

Refinements made in response to the feedback received on the draft LRTP did not significantly change the project list; therefore, the revisions made did not require additional technical analysis for the final draft LRTP. Much of the feedback received will be further addressed through activities to be undertaken over the next few years, as outlined in the Short-Term Action Plan, included in Attachment A. The activities are grouped into the following four categories:

- Orange County Planning Activities,
- Regional Planning Activities,
- Emerging Issues, and
- Transportation Outreach and Education.

The results of these activities will be incorporated into the next LRTP to help steer the continued development of Orange County's transportation system. It should also be noted that the Short-Term Action Plan includes activities addressing the California Department of Transportation's plan for managed lanes, the 2028 Olympics, and emerging technologies and services – all of which

are anticipated to be major topics of discussion during the development of SCAG's 2024 RTP/SCS.

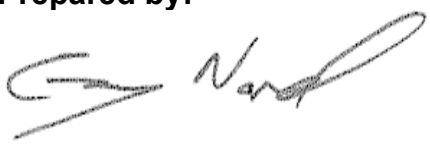
Summary

The final draft LRTP, Directions 2045, has been prepared. This LRTP incorporates input received during the public review period and proposes a Short-Term Action Plan that identifies efforts to be pursued by staff over the next four years. With direction from the Board, staff will finalize the LRTP and submit it to SCAG as input for the 2024 RTP/SCS.

Attachments

A. Directions 2045, Long Range Transportation Plan, Executive Summary, Final Draft – May 2023
B. Directions 2045, Long Range Transportation Plan, Community Engagement Summary Report, March 2023

Prepared by:



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Approved by:

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ATTACHMENT A

DIRECTIONS 2045

LONG RANGE TRANSPORTATION PLAN

Sustainable, Equitable, and Innovative Transportation Solutions

OCTA

EXECUTIVE SUMMARY

Final Draft – May 2023

EXECUTIVE SUMMARY

This Long-Range Transportation Plan (LRTP) looks out to the year 2045 to identify strategies that we can begin developing today to meet Orange County's transportation challenges anticipated for tomorrow. These strategies chart the path that will improve mobility, protect transportation resources, and enhance the quality of life for all Orange County travelers.

The Orange County Transportation Authority (OCTA) prepares an LRTP every four years to provide a system-level vision for Orange County. The LRTP is also used to provide input into the Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS) prepared by the Southern California Association of Governments (SCAG). Similar to the LRTP, SCAG's RTP/SCS provides a system-level vision but at a larger scale, covering the counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura. Projects must be included in an approved RTP/SCS to be programmed for state and federal funding through the Federal Transportation Improvement Program (FTIP) and to receive project-level approvals. This is a continuous planning process as shown in Figure 1-1.

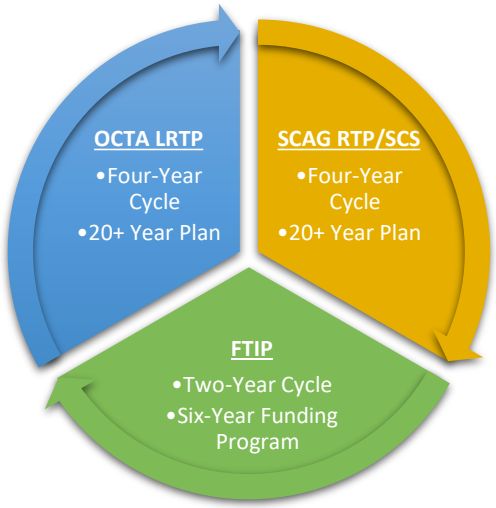


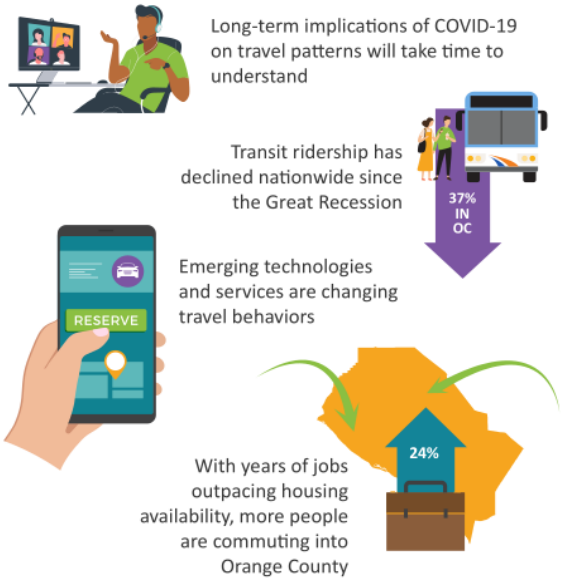
Figure 1: Continuous Planning Process

Planning for 2045

Many factors affect how people travel and how to plan for reliable mobility. Five key factors were identified as being particularly influential in this LRTP.

1. Growing Travel Demand and a Built-Out Roadway System

2. Evolving Travel Trends

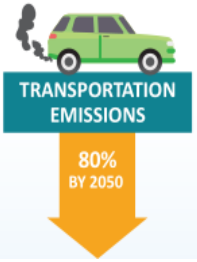


EXECUTIVE SUMMARY

3. Increasing Climate-Related Risks

Orange County residents and infrastructure are impacted by high heat, wildfires, drought, coastal flooding and inland flooding

State and regional plans and policies include strategies to meet ambitious greenhouse gas emissions reduction goals



4. Changing Funding Outlook

Orange County's local transportation sales tax is set to end in 2041

The state is leveraging its more than $5 billion transportation budget to reduce greenhouse gas emissions and address inequities in transportation

5. Diversity, Equity, and Inclusion

Nationwide, disadvantaged populations have historically been disproportionately burdened by transportation inequities that have limited access to opportunities

Policies and practices need to be considered to make transportation options more equitable for all

Goals for 2045

While new challenges have emerged over the years, the goals of the LRTP remain steady, thereby allowing plans, programs, and projects to stay on course.

Goal 1: Deliver on Commitments
Prioritize the voter-approved OC Go programs and fulfill OCTA's responsibility for providing safe and reliable transit service.

Goal 2: Improve System Performance
Improve overall travel conditions with conventional and innovative solutions that respond to Orange County's growing travel demand.

Goal 3: Expand System Choices
Provide travelers with convenient and equitable travel options and reduce the number of single occupant vehicle (SOV) trips.

Goal 4: Support Sustainability
Include adaptation and resiliency strategies that reduce climate-related risks, while also supporting Orange County's economy, infrastructure maintenance, and environmental health.

2045 Preferred Plan

The 2045 Preferred Plan provides a long-term vision for Orange County's transportation system that supports the LRTP goals. This vision prioritizes programs funded by the Measure M2 half-cent sales tax, also known as OC Go, the OC Go program of projects, but also includes seven strategy sets, referred to as the Paths to Success.

Deliver OC Go Programs

In 2006, nearly 70 percent of voters approved the OC Got sales tax, to improve transportation in Orange County. Collection of the OC Go sales tax began in 2011 and will continue through 2041 to support the following OC Go programs:

EXECUTIVE SUMMARY

Freeway Projects

Implement 17 remaining projects to relieve congestion and improve safety

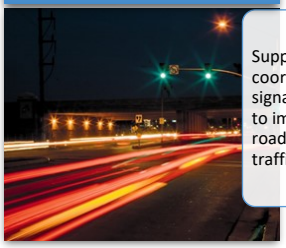
Motorist Services

Assists motorists and removes congestion-causing debris

Street Improvements

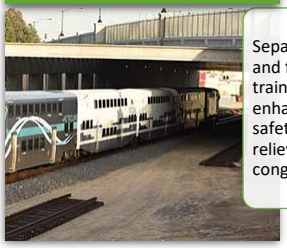
Over $1 billion invested so far to support local street improvement projects

Signal Synchronization



Supports coordinated signal timing to improve roadway traffic flow

Bridges & Underpasses



Separates cars and freight trains to enhance safety and relieve congestion

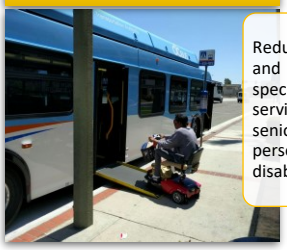
Metrolink Station Improvements

Expands service, enhances the experience, and improves safety

OC Streetcar

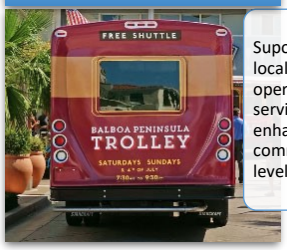
Construction is underway with service to begin in 2024

Transit Access



Reduced fares and specialized services for seniors and persons with disabilities

Local Transit



Supoorts locally operated services to enhance community level mobility

Safe Transit Stops

Projects to improve the 100 busiest transit stops

Freeway Mitigation

1300 acres aquired and preserved as open space

Environmental Cleanup

Removes pollutants from roads before they reach waterways

The Paths to Success

The Paths to Success, outlined below, identify seven sets of transportation strategies that are proposed in addition to delivering the OC Go program. These paths look beyond the 2041 sunset of OC Go to achieve the LRTP goals by responding to the five key factors, discussed above, and public engagement feedback.

Extend or Modify Programs Funded by OC Go

Fund popular and effective programs beyond 2041

Signal synchronization | Roadway improvements | Community circulators | Metrolink service | Transit accessibility | Senior mobility | Environmental mitigation

Expand Transit Services

Provide more service tailored to local needs

Rapid bus (BRAVO!) | Microtransit (OC Flex/SC Rides) | High-capacity transit | Reduced or free transit fares

Enhance Active Transportation

Provide safe and attractive facilities through coordination with local jurisdictions

Coordinate regional routes | Support local routes | Reallocation of excess roadway space

Explore Mobility Integration

Improve access to more options and overcome first-and last-mile challenges

Mobility hubs | Mobility as a Service | Micromobility

Eliminate Freeway Chokepoints

Enhance safety and reduce driving delays within existing right-of-way (ROW)

Auxiliary lanes | Braided ramps | Address lane drops | System management

Embrace Technology

Leverage technology to provide more options and improve efficiency

Electric vehicle (EV) charging | Remote work/Teleservices | E-bicycles/neighborhood EVs | Connected Vehicles | Enhanced signal Synchronization | Monitor emerging technology

Elevate Maintenance and Resilience Priorities

Protect travelers and preserve transportation investments

Maintain existing infrastructure | Assess risks and mitigations | Electric bus fleet by 2040

Achieving the Goals

The Preferred Plan combines the benefits from OC Go and the Paths to Success to achieve the LRTP goals. The findings below compare the 2045 Preferred Plan to the 2045 No-Build scenario, which considers how the 2019 transportation system would perform with the 2045 socioeconomic conditions forecasted in Orange County Projections (OCP)-2018. This analysis is used to determine if the projects and programs

proposed in the 2045 Preferred Plan are supporting the LRTP goals. Note that the 2045 No-Build and 2045 Preferred Plan both assume that, by 2045, the California Department of Transportation (Caltrans) will have converted all freeway carpool lanes to tolled express lanes that require vehicles with fewer than three persons to pay a fee to access the lane(s).

Goal 1: Deliver on Commitments

The cornerstone of the LRTP is the delivery of the voter-approved OC Go programs and fulfilling OCTA's responsibility for delivering safe and reliable transit service. Therefore, this goal is achieved by prioritizing the voter-approved OC Go programs and safe and reliable transit service in the 2045 Preferred Plan.

Goal 2: Improve System Performance

The Preferred Plan successfully addresses system performance by improving travel time reliability and reducing the time spent in congestion by 30 percent. This provides for faster and safer travel for all forms of transportation on our roads and freeways.

Performance Metrics – Improve System Performance				
Performance Measure	Unit	2045 No-Build	2045 Preferred Plan	% Change (2045 Preferred - 2045 No-Build)
Daily Vehicle Hours of Delay	Vehicle-Hours	454,000	316,000	-30%
Delay as Percent of Travel Time	Percent	18%	14%	--
Freeway Average Speed	Miles/Hour			
Peak Period		40	42	5%
AM Peak		38	40	5%
PM Peak		41	43	5%
Arterial Average Speed	Miles/Hour			
Peak Period		25	27	8%
AM Peak		25	26	4%
PM Peak		26	27	4%
Managed Lane Average Speed	Miles/Hour			24%
Peak Period		49	61	
Average Travel Time	Minutes			
Transit		63	60	-5%
Automobile		14	14	0%

Goal 3: Expand System Choices

By investing in transit, active transportation, and mobility integration, the Preferred Plan provides a combination of services that effectively expand system choices and reduce the number of drive-alone trips, resulting in a 12 percent increase in non-single occupant vehicle (non-SOV) trips.

Performance Metrics – Expand System Choices				
Performance Measure	Units	2045 No-Build	2045 Preferred Plan	% Change (2045 Preferred - 2045 No-Build)
Total Number of Daily Trips	Person-Trips	17,600,000	17,700,000	0%
Daily Transit Trips	Person-Trips	138,000	185,000	34%
Non-SOV Mode Share	Percent	51%	57%	--
Average Bus Headways	Minutes	36.8	35.2	--
Revenue Service Hours (All Transit)	Hours	1,651,000	2,061,000	25%
Revenue Service Hours (Frequent Transit Service[1])	Hours	74,000	688,000	828%
Households with Access to High-Capacity Transit Stops	Households	73,000	259,000	254%
Microtransit Service Area	Square Miles	7	112	1,437%
Multimodal/Rideshare Facilities	Facilities	28	67	--
Bikeways (Class, I, II, III, IV)	Miles	1,238	2,045	65%
Jobs Accessible: By Transit within 30 minutes By Automobile within 30 minutes	Jobs	 71,000 1,366,000	 79,000 1,640,000	 11% 20%
Key Destinations Accessible: By Transit within 30 minutes By Automobile within 30 minutes	Destinations	 70 1,200	 80 1,420	 8% 19%
Average Household Spending on Transportation as a Percent of Income	Percent	--[2]	↓2% vs. No-Build[2]	--

Notes:

1 Includes OC Streetcar

2 Future household income information unavailable; assumed to be constant for 2045 No-Build and 2045 Preferred.

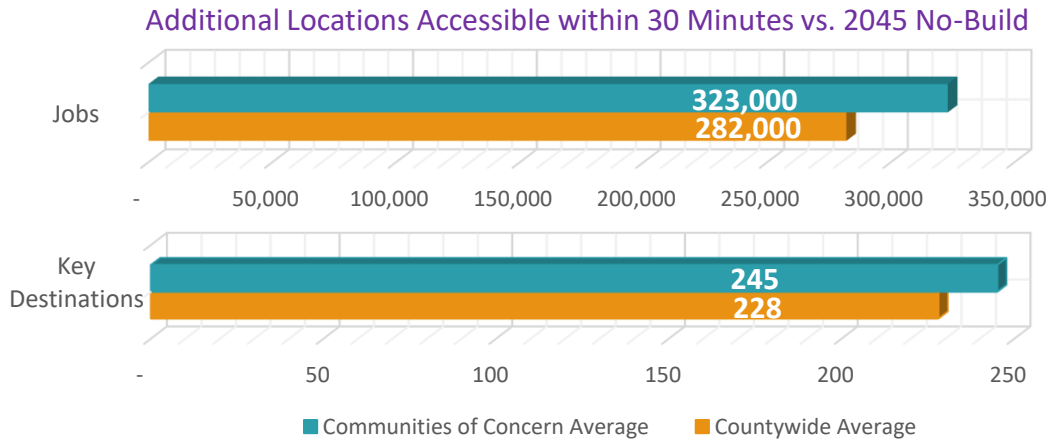
Goal 4: Support Sustainability

Although the Preferred Plan includes roadway and freeway improvements that are generally thought to increase how much people drive, vehicle miles traveled (VMT) only increased by less than one percent. With more people choosing travel modes other than driving, and by allowing vehicles to travel at more efficient speeds, greenhouse gas and smog forming emissions are reduced, which supports a more sustainable system. Additionally, by elevating maintenance and resiliency priorities, the Preferred Plan provides for improved pavement conditions on Orange County roadways.

Performance Metrics – Support Sustainability			
Performance Measure	2045 No-Build	2045 Preferred Plan	% Change (2045 Preferred - 2045 No-Build)
Vehicle Miles Traveled per Capita	23.2	23.2	--
Greenhouse Gas Emissions (CO_2e lbs/day) from vehicles	41,500,000	40,400,000	-3%
Criteria Pollutant Emissions (lbs/day) from vehicles			
Reactive Organic Gases (ROG)	1,200	1,100	-8%
Nitrogen Oxides (NO_X)	4,200	4,000	-3%
Carbon Monoxide (CO)	98,100	94,900	-3%
Sulfur Oxides (SO_X)	400	400	0%
Particulate Matter – 10 micrometers (PM_{10})	3,810	3,870	2%
Particulate Matter – 2.5 micrometers ($PM_{2.5}$)	1,240	1,260	1%
Arterial Pavement Condition Index weighted average	79.9	82.4	--
Jobs Created or Supported by Transportation Investment	--	745,000	--

Equitable Access Analysis

In addition to reporting on the specific LRTP goals, equity was also analyzed by assessing access to jobs and key destinations that serve essential needs. The results were compared between the County as a whole and the Communities of Concern within Orange County. Access for Orange County households showed an improvement over the 2045 No-Build conditions. However, accessibility improved even more within the communities of concern. The results show access to jobs and key destinations increases by approximately 15 percent and 7 percent more than the county average, respectively. OCTA's future planning efforts will focus on maintaining this positive trend.



Project List

Below is a detailed listing of the projects and programs included in the 2045 Preferred Plan.

Table 4.6: 2045 Preferred Plan	
Project	**Description**
Local Facilities	
Master Plan of Arterial Highways (MPAH)	Coordinate with local jurisdictions to implement the MPAH
Regional Traffic Signal Synchronization Program	Coordinate with local jurisdictions to maintain and expand the Orange County signal synchronization network
Enhanced signal synchronization and integration with connected vehicles	Incorporate technologies in the signal synchronization network that further improve the efficiency and safety of roadways
Pavement Maintenance	Coordinate with local jurisdictions to maintain or improve pavement quality on Orange County roads
Local Fair Share Program	Continue to provide funding to qualifying local jurisdictions to support transportation improvements that address local needs
Active Transportation Network	Coordinate with local jurisdictions to implement and enhance regional and local bicycle and pedestrian networks
State Facilities	
I-5: SR-55 to SR-57 (Project A, Complete)	Add one managed lane in each direction
I-5: I-405 to SR-55 (Project B)	Add one general purpose lane in each direction from I-405 to Yale Avenue; add one general purpose lane in each direction from Yale Avenue to SR-55; improve merging
I-5: SR-73 to Oso Parkway (Projects C and D)	Add one general purpose lane in each direction, plus auxiliary lanes as needed and improve Avery Parkway interchange
I-5: Oso Parkway to Alicia Parkway (Projects C and D)	Add one general purpose lane in each direction, plus auxiliary lanes as needed and improve La Paz Road interchange
I-5: Alicia Parkway to El Toro Road (Project C)	Add one managed lane in each direction; add auxiliary lanes as needed
I-5: El Toro Road (Project D)	Improve access and merging in the vicinity of I-5/El Toro Road interchange
I-5: Avenida Pico to San Diego County Line	Add one managed lane in each direction
I-5: Barranca Parkway	Add southbound managed lane on-ramp and northbound managed lane off-ramp
I-5: SR-57 to SR-91	Add one managed lane in each direction
SR-22: at I-5/SR-57 (Complete)	Improve operations and merging in vicinity of I-5/SR-57 interchange
SR-55: I-405 to I-5 (Project F)	Add one general purpose lane and one managed lane in each direction and fix chokepoints; add auxiliary lanes between select on/off ramps and other operational improvements through project limits
SR-55: I-5 to SR-91 (Project F)	Add one general purpose lane in each direction and fix chokepoints from I-5 to SR-22; and other operational improvements throughout project limits
SR-57: Orangewood Avenue to Katella Avenue (Project G)	Add one northbound general purpose lane
SR-57: Lambert Road	Improve SR-57/Lambert Road interchange

Table 4.6: 2045 Preferred Plan	
Project	**Description**
SR-57: Lambert Road to Los Angeles County Line (Project G)	Add one northbound truck climbing lane
SR-73: I-405 to MacArthur Boulevard	Add one managed lane in each direction
SR-73: SR-133 to Newport Coast Drive	Add one toll lane in each direction
SR-91: SR-57 to SR-55 (Project I)	Improve westbound operations from Lakeview Avenue to SR-55; add one eastbound general-purpose lane from La Palma Avenue to SR-55; add one westbound general-purpose lane from La Palma Avenue to Acacia Street.
SR-91: SR-241 to SR-71 (Project J)	Add one eastbound general-purpose lane; Add one westbound general-purpose lane from Green River Road to SR-241 (Westbound Lane Complete)
SR-91: Fairmont Boulevard	Add SR-91/Fairmont Boulevard interchange and overcrossing to the north
SR-91: at SR-241	Add Express Lane Connector at SR-91/SR-241
SR-91 Express Lanes operations & maintenance	Operations & maintenance expenses for the 91 Express Lanes
SR-241: Oso Parkway to Los Patrones Parkway (Complete)	Add overcrossing and SR-241/Oso Parkway/Los Patrones Parkway interchange
SR-241: SR-133 to north of SR-261	Add one toll lane in each direction
I-405: SR-73 to I-605 (Project K)	Add one express lane in each direction and convert the existing managed lane to an express lane from SR-73 to I-605; Add one general purpose lane in each direction from Euclid Street to I-605; improve operations
I-405 Express Lanes operations & maintenance	Operations & maintenance expenses for the 405 Express Lanes
I-405: I-5 to SR-55 (Project L)	Add one general-purpose lane in each direction and add one southbound auxiliary lane from SR-133 to Irvine Center Drive
I-405: University Drive to SR-133 (Complete)	Add auxiliary lanes – University Drive to Sand Canyon Avenue and Sand Canyon Avenue to SR-133
I-605: Katella Avenue (Project M)	Improve I-605/Katella Avenue interchange
Freeway Chokepoint Safety Projects	Improve safety and supply chain efficiency on Orange County freeways
Conversion of carpool lanes to tolled Express Lanes by 2045 (Caltrans initiative)	Modify operations of carpool lanes to allow tolled access for vehicles with fewer than three passengers (vehicles with three or more persons have toll-free access)
Freeway Program Economic Uncertainties	Funding reserve to cover unforeseeable cost or revenue fluctuations
Motorist Services (Project N)	Freeway Service Patrol: assist motorists and remove congestion-causing debris
Transit	
OC Streetcar (Project S)	Implement streetcar service from Santa Ana Regional Transportation Center to Harbor Boulevard/Westminster Avenue
OC Bus and OC ACCESS	Zero-emission bus fleet by 2040; Increase to 1.926 million revenue vehicle hours of service – includes: • Making Better Connections recommendations • Main Street BRAVO!

Table 4.6: 2045 Preferred Plan	
Project	**Description**
	• Expanded Main Street BRAVO! • Expanded Beach Boulevard BRAVO! • Lincoln Avenue/La Palma Avenue BRAVO! • Chapman Avenue BRAVO! • McFadden Boulevard/Bolsa Avenue BRAVO! • Westminster Avenue/17th Street/Bristol Street high-capacity transit • Bristol Street/State College Boulevard high-capacity transit • South Harbor Boulevard high-capacity transit • North Harbor Boulevard high-capacity transit • I-5 BRT • SR-55 BRT
Mobility Accessibility Programs (Project U)	Expand mobility choices for seniors and persons with disabilities: • Senior Mobility Program • Senior Non-Emergency Medical Transportation Program • Fare Stabilization Program
Community-Based Circulators (Project V)	Work with local jurisdictions to maintain successful community circulator projects and potentially provide grant opportunities for expanded or new services
Safe Transit Stops (Project W)	Continue to improve the top 100 busiest transit stops to enhance customer experience
Reduced or fare-free transit service	Continue and potentially expand programs to reduce transit fares
Transit Security & Operations Center	New operations center for transit and emergency security functions
Microtransit service	Expand service (e.g., OC Flex) in suitable areas
Metrolink Service	Increase service to 86 weekday trains through coordinated improvements with the Southern California Regional Rail Authority
Anaheim Canyon Station improvements (Project R, Complete)	Add a second passenger platform, new amenities, new second track, and improvements to at-grade crossings at La Palma Avenue and Tustin Avenue
Placentia Metrolink Station (Project R)	New rail station in the City of Placentia
OC Rail Maintenance Facility (Project R)	A new rail maintenance facility that allows for expanded transit services to meet the needs of a growing population and to support employment growth and sustainability objectives
Grade Separations	LOSSAN rail corridor bridge and underpass projects at: • 17th Street • State College Boulevard • Santa Ana Boulevard • Ball Road • Grand Avenue • Main Street • Orangethorpe Avenue
Transportation Demand Management (TDM) Strategies	
Vanpool & Rideshare Programs	Continue and potentially expand vanpool and rideshare programs
Mobility Hubs Network	Coordinate with partners to implement and operate a network of mobility hubs
Remote Work Incentive Program	Reduce trips and vehicle miles traveled through an incentive-based program
Additional TDM Initiatives	Continue to explore and develop additional TDM strategies

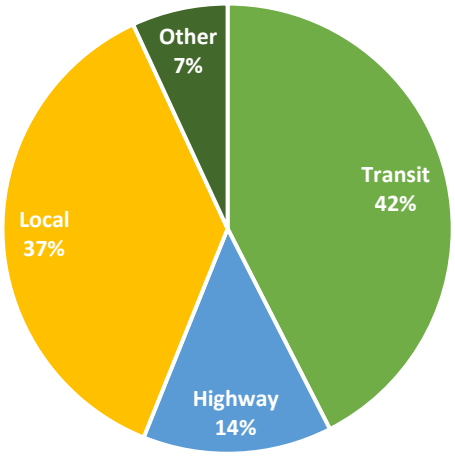
Table 4.6: 2045 Preferred Plan	
Project	**Description**
Other	
Environmental Cleanup Program	Transportation-related water quality program (Project X)
Environmental Mitigation Program	Environmental mitigation for the OC Go freeway program (Projects A - M)
Adaptation & Resiliency Initiatives	Continue to explore and develop adaptation and resiliency initiatives including, but not limited to, addressing concerns with coastal rail infrastructure
EV Charging Infrastructure	Coordinate implementation of publicly accessible EV charging stations that accounts for equity and infrastructure needs
Debt Service	Payments against bonding

Notes:
BRT = Bus Rapid Transit
I-5 = Interstate 5
I-405 = Interstate 405
I-605 = Interstate 605
SR-22 = State Route 22
SR-55 = State Route 55
SR-57 = State Route 57
SR-71 = State Route 71
SR-73 = State Route 73
SR-91 = State Route 91
SR-133 = State Route 133
SR-241 = State Route 241
SR-261 = State Route 261
LOSSAN = Los Angeles – San Diego – San Luis Obispo

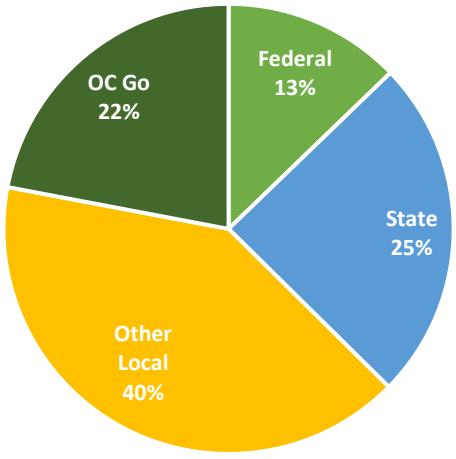
Financial Forecast

Total expenditure to implement the 2045 Preferred Plan is projected to be approximately $57.3 billion. The forecasted transportation revenues between 2023 and 2045 are estimated at $52.4 billion. This results in a shortfall of approximately $4.9 billion. To address this shortfall, the Short-Term Action Plan, outlined in the next section, recommends a strategy be developed to identify funding sources that can offset the 2041 sunset of the OC Go sales tax revenues and meet the long-term funding needs of the 2045 Preferred Plan.

Expenditures by Type
Total (in millions) = $57,291



LRTP Funding by Source
Total (in millions) = $52,425



Public & Stakeholder Engagement

A two-phase outreach effort was conducted in fall 2021 and concluded in winter 2023. These efforts are summarized below.

- Collected **8,300+** multilingual surveys
- Hosted **25** briefings, community meetings, and roundtables
- Engaged **15,000+** community members at **20** events
- Reached **103,000+** readers through Spanish/Vietnamese newspapers; placed **34** radio ads
- Promoted via social media posts and geofencing ads with nearly **540,000** views

Phase Two focused on gathering feedback on the strategies and findings reported in the LRTP. A summary of Phase Two survey is provided below, which shows that a significant majority of participants either agreed or strongly agreed with all seven statements.

PHASE TWO SURVEY STATEMENTS	Strongly Agree / Agree	Neutral	Disagree / Strongly Disagree
1. The LRTP should include transportation options that support equitable mobility solutions for all.	78%	15%	7%
2. Orange County would benefit from transportation solutions that provide alternatives to driving alone.	76%	16%	8%
3. Improving the efficiency and safety of roads and freeways is becoming more important as an alternative to major widening projects	76%	15%	9%
4. Orange County's many diverse communities require a wide variety of transportation options to address local mobility needs.	78%	15%	7%
5. A variety of solutions should be studied to reduce threats like wildfires, flooding, coastal erosion, and extreme heat on transportation infrastructure.	78%	13%	9%
6. It's important to continue programs that maintain infrastructure, signal synchronization, transit accessibility, senior mobility, Metrolink service, and other programs.	78%	14%	8%
7. Monitoring developing technologies and services to identify opportunities that demonstrate a benefit to the transportation system should be a priority.	78%	15%	7%

A Living Document

Orange County's LRTP is updated every four years to adapt to changing conditions and includes a Short-Term Action Plan that advances the LRTP Preferred Plan strategies. Additionally, OCTA maintains a Conceptual Projects listing that identifies projects that require further development before being included in the Preferred Plan.

Short-Term Action Plan

OCTA has identified several short-term activities that are outlined in the table below. These are intended to support the Preferred Plan and development of the next LRTP.

Short-Term Action Plan	
Activity	Description
Orange County Planning Activities	
Coordination with Local Partner Agencies	Continue the dialogue with local jurisdictions –Caltrans District 12, Transportation Corridor Agencies (TCA), local transit operators, and other local agencies as needed to further intra-county connectivity.
Diversity, Equity, and Inclusion	Explore opportunities to improve equity-related analyses in OCTA planning processes.
Long-Term Transportation Funding Strategy	Develop and recommend strategies for securing funds for addressing transportation needs beyond the 2041 sunset of the OC Go sales tax.
Corridor Studies and Improvements	Conduct studies evaluating the feasibility of multimodal corridor enhancements.
OC Transit Vision Update	Update the long-term transit vision for Orange County.
Transit Chokepoints Study	Evaluate areas where buses experience acute delay and the source(s) of the cause of delay and make recommendations to improve operating speed and reliability. This could include improvements to routing and scheduling, as well as capital improvements such as transit signal priority.
Transit Support Services	Establish a long-term plan for Orange County transit supportive services, such as OC Flex, vanpools, and park-and-rides.
OC Metrolink Vision	Develop a long-term Metrolink operations vision for Orange County.
Coastal Infrastructure Study	Study sustainable solutions for infrastructure along Orange County's southern coast.
Managed Lane Studies	Coordinate with Caltrans District 12 on the I-5 Managed Lanes Project from Red Hill to the Los Angeles County Line. Explore additional operational enhancements to the high-occupancy vehicle network and potential expansion of priced managed lanes on SR-91 and SR-57.
Future of the Toll Roads	Coordinate with Caltrans District 12 and TCA to plan for toll road improvements and operational approaches on the Toll Road corridors related to the State assuming full control of the facilities.
Freeway Chokepoints	Study and develop projects to improve freeway safety and system efficiency.
Signal Synchronization	Support local initiatives to maintain signal synchronization corridors countywide and study opportunities for integrating advanced technologies.
TDM	Study opportunities for new or expanded TDM projects.

Short-Term Action Plan	
Activity	**Description**
Mobility Hubs	Develop a concept of operations for a future demonstration project to be pursued with public and private partners.
Active Transportation Investments	Continue evaluating Orange County's Active Transportation needs, develop long-term plans, and implement programs that address data collection, data management, and safety education.
Complete Streets	Analyze the MPAH for opportunities to reallocate excess capacity in support of active transportation and transit.
Sustainable Transportation Strategies	Study potential for a mitigation program designed to offset VMT induced by transportation and land-use projects within Orange County.
EV Charging Infrastructure	Develop a strategy for Orange County's EV charging infrastructure to ensure equitable and affordable access as the EV fleet rapidly grows.
Joint Development Studies	Evaluate opportunities for joint developments at OCTA transit terminals to improve transit facilities and connectivity with employment/housing.
Asset Management	Monitor maintenance needs for existing and new facilities and equipment. Update fleet plans to address zero-emission bus requirements.
Adaptation Planning	Study infrastructure needs and develop recommendations.
Traffic Model Update	Update the Orange County Traffic Analysis Model to incorporate the latest socioeconomic data.
Regional Planning Activities	
Coordination with Regional Partner Agencies	Continue the dialogue with the SCAG, San Diego Association of Governments (SANDAG), County Transportation Commissions, South Coast Air Quality Management District, Caltrans, and other regional agencies as needed to further inter-county connectivity.
Trade Corridors/Goods Movement	Coordinate with partner agencies to plan for projected growth in regional goods movement.
2024 RTP/SCS	Participate in the development of the 2024 RTP/SCS and initiate dialogue with SCAG and local jurisdictions.
2028 Olympics	Coordinate with Los Angeles County Metropolitan Transportation Authority (Metro) on preparations for the 2028 Olympics.
Metro Countywide Express Lanes Strategic Plan	Continue the dialogue with Metro and appropriate agencies to identify impacts and opportunities for connectivity with Orange County's transportation network.
San Diego's I-5 High Occupancy Toll Lane Project	Continue the dialogue with SANDAG and appropriate agencies to identify impacts and opportunities for connectivity with Orange County's transportation network.
West Santa Ana Branch/ Pacific Electric ROW	Continue the dialogue with Metro and appropriate agencies to identify impacts and opportunities for connectivity with Orange County's transportation network.
Gold Line Eastern Extension – Phase 2	Continue the dialogue with Metro and appropriate agencies to identify impacts and opportunities for connectivity with Orange County's transportation network.

Short-Term Action Plan	
Activity	Description
Emerging Issues	
Monitor Technology	Monitor developing technologies and their potential impacts on transportation (e.g., autonomous and connected vehicles, remote work trends, vertiports, and air taxis).
Connected Infrastructure Needs Assessment	Study infrastructure needs and identify opportunities to implement and/or complement emerging transportation technologies.
State and Federal Regulation	Monitor State and federal legislation/regulations/policies.
State and Federal Funding	Identify strategies and opportunities to access and leverage State and federal funding.
Transportation Outreach and Education	
Diversity, Equity, and Inclusion	Provide all members of the public with equal opportunities to provide input into OCTA planning efforts.
Active Transportation Safety	Seek opportunities to enhance public outreach and education related to active transportation safety.
Transit Use and Trip Planning	Explore new approaches to increase the use of modes other than single-occupant vehicles, including enhanced transit and active transportation facilities, public education, and incentives.

Conceptual Project List

Several transportation concepts and projects have been identified in the table below that support the LRTP goals, but require more research, development, funding, and/or public input. Through additional development, they may be considered for inclusion in future Preferred Plan scenarios.

Conceptual Project List
Local Facility
Crown Valley Parkway – I-5 to Greenfield Drive Lane Additions beyond MPAH
Cabot Road – Paseo De Colinas to Camino Capistrano Lane Additions beyond MPAH
Pedestrian Bridge Improvements in the Anaheim Resort Area
Harbor Boulevard – Warner Avenue to 17th Street Lane Additions beyond MPAH
Laguna Canyon Road – El Toro Road to Canyon Acres Drive
MPAH Complete Streets Assessment – Reuse of Excess Capacity
State Facility
Ortega Highway – Operational Improvements
I-5 – Avenida Pico to Avenida Vaquero Truck Lane
Additional Freeway Chokepoint Relief & System Management Projects (TBD)
Direct access ramps (TBD) – Managed Lane and High-Capacity Transit Support
SR-73, SR-261, SR-241 North – Buildout to Planned Capacity – TCA Project
SR-73/Glenwood Drive Intersection Improvement – TCA Project
SR-133/Great Park Boulevard Interchange – City of Irvine Project
SR-55/Meats Avenue Interchange
SR-55 – Extend Managed Lanes to Southern Terminus

TBD – To Be Determined

Conceptual Project List
Transit
Enhanced East/West OCTA transit service connecting Anaheim Regional Transportation Intermodal Center mobility hub to areas of high employee and visitor travel demand
California High-Speed Rail
New Southern OC Metrolink Station
Metrolink Expansion (Southern California Regional Rail Authority vision to increase above 86-weekday trains)
Other
Goods Movement – Supply Chain Resiliency

DIRECTIONS 2045

LONG RANGE TRANSPORTATION PLAN

Sustainable, equitable, and innovative transportation solutions.

Community Engagement Summary Report

March 2023

Prepared for: Orange County Transportation Authority
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Table of Contents

EXECUTIVE SUMMARY 1
Outreach Approach 1
Diversity Outreach 2
Key Themes 3
Engagement Highlights 3
I. **MEETINGS & EVENTS 5**
A. Virtual Public Meetings 5
B. Telephone Town Hall Meeting 6
C. Community Leaders Roundtable Meetings 7
D. Agency Stakeholder Engagements 8
E. Stakeholder Briefings 9
F. Community & Pop-up Events 10
II. **INFORMATION RESOURCES & TOOLS 12**
A. Stakeholder Database 12
B. Comment Log 12
C. Fact Sheet 12
D. Project Video 13
E. Webpage 13
F. Story Map 13
G. Community Surveys 14
III. **NOTIFICATION EFFORTS 17**
A. Mailers and Handouts 17
B. Print Advertisements 19
C. Radio 19
D. Online Advertisements 20
i. Geofencing Advertisements 20
ii. Social Media Advertisements 21
E. Social Media Posts 22
F. Electronic Mail Notifications 23
i. Community Leader Eblasts 25

G. Text Messaging 26
H. Website Notice 27
I. Story Map Notice 27
J. OCTA Blog & Media 27
K. Stakeholder E-Communications Toolkits 28
L. Earned Media 29
IV. **CONCLUSION 31**

Tables

Table 1: Live Community Webinars Held 6
Table 2: Live Telephone Town Hall Meeting Held 6
Table 3: Community Leaders Stakeholder Roundtable Meetings Held 8
Table 4: Agency Stakeholder Engagements 8
Table 5: Stakeholder Briefings 9
Table 6: Community & Pop-ups Events Held 11
Table 7: Survey Participation 15
Table 8: Direct Mail Distributions 18
Table 9: Public Counters and Other Direct Distributions 18
Table 10: Published Newspaper Advertisements 19
Table 11: Radio Advertisements 19
Table 12: Distributed Geofencing Campaigns 20
Table 13: Distributed Facebook Advertisements 21
Table 14: OCTA Facebook Posts 22
Table 15: OCTA Twitter Posts 23
Table 16: OCTA Instagram Post 23
Table 17: Electronic Mail Distributions 24
Table 18: Community Leaders Stakeholder Roundtable Email Distributions 25
Table 19: Text Distributions 26
Table 20: OCTA Blog & Media Notifications 28
Table 21: E-Communications Tool Kit Distribution List 29
Table 22: Identified Earned Media 30

Figures

Figure 1: Meeting Poll on Mobile Device 5
Figure 2: Webinar Screenshot 7
Figure 3: Fullerton Farmers Market, La Carreta Market & UVSA Tet Festival Events 10
Figure 4: LRTP Website Video Widget 13
Figure 5: LRTP Paths to Success Widget 14
Figure 6: Vietnamese Handout 17
Figure 7: Geofencing Ads 20
Figure 8: Spanish Facebook Ad 21
Figure 9: MMS-SMS Text 25
Figure 10: Website Meeting Notice 27
Figure 11: Story Map Notice 27
Figure 12: Local Cable TV Notice 28
Figure 13: Local Cable TV Notice 28

Appendix

Appendix 32
Appendix A: Virtual Public Meetings A1
Appendix B: Telephone Town Hall Meeting A29
Appendix C: Community Leaders Stakeholder Roundtables A37
Appendix D: Agency Stakeholder Engagements A107
Appendix E: Community & Pop-up Events A134
Appendix F: Comments A138
Appendix G: Fact Sheets A206
Appendix H: Webpage A213
Appendix I: Interactive Story Map A215
Appendix J: Community Surveys A217
Appendix K: Mailers & Handouts A332
Appendix L: Print Advertisements A339
Appendix M: Online Advertisements A344

Appendix N: Social Media Posts A351
Appendix O: Electronic Mail Notices A357
Appendix P: Text Messages A380
Appendix Q: OCTA Blog Posts & Media A383
Appendix R: E-Communications Toolkits A399
Appendix S: Earned Media A424

EXECUTIVE SUMMARY

The Orange County Transportation Authority (OCTA) updated the Long-Range Transportation Plan (LRTP) to define a vision for Orange County to address future mobility needs. The LRTP is updated every four years to reflect current OCTA policies and commitments, transportation study findings, and input from local jurisdictions, business leaders, community leaders, county residents, commuters, and transportation planning professionals.

Evolving travel trends, increasing climate-related impacts, limited land, available funding and the need for an equitable transportation system are the key reasons for building upon the LRTP. As part of this study, multiple interactive meetings took place with the public and key stakeholders. In addition, two qualitative surveys were designed and administered to gather public input and identify community preference and level of agreement with the proposed priorities, initiatives and programs going forward. Public meetings and surveys were promoted at events. The feedback received was used to develop the LRTP as well as provide local input for the Southern California Association of Government's (SCAG) Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS).

Outreach Approach

A dynamic, multi-layered Public Participation Plan (PPP) was created, coordinated, and executed to build awareness, educate and engage the public, and gather community input toward greater consensus and endorsement of the Draft LRTP. A variety of notification materials and a range of outreach tactics were developed and implemented to promote stakeholder engagement and increase public involvement in the process. This was comprised of branded print and digital collateral materials and a robust web-presence, including an interactive story map. The engagement strategy featured a number of meetings with the public and community leaders in addition to forums with elected officials, city staff and others. Surveys were also used to capture the attention of the public and gather focused input.

The study included two outreach phases, *Blue Sky* and *Draft Release,* each promoting community meetings and survey engagements. The *Blue Sky* phase occurred during the COVID-19 pandemic which limited in-person stakeholder engagement. This phase focused on building project awareness and education and sought to gather input on the public's transportation habits and needs. Most *Blue Sky* communications occurred between September 28 and October 31, 2021. The second phase centered on the strategies outlined in the draft plan. The *Draft Release* engagement and notifications included a second round of community meetings and a survey, which ran from January 3

to February 6, 2023. The goal of this effort was to gain input and consensus in which to refine and complete the LRTP for OCTA Board approval and adoption.

As the outreach process advanced, methods and tools were evaluated for their effectiveness, and new or modified means of engagement were applied to promote greater project awareness, participation, and feedback from the community. Due to the ongoing pandemic, the early phase of the study primarily utilized digital tools, such as eblasts, text messaging and social media, to promote a public webinar and online survey while also abiding to current COVID-19 protocols. An increased focus on in-person engagement took place in the second phase, including more community events and pop-up information tables in high traffic areas, in addition to the distribution of flyers at community centers, libraries and food banks. A telephone town hall meeting was also held, as well as an increased radio presence to promote awareness of the draft LRTP.

Diversity Outreach

To align with OCTA's diversity, equity and inclusion goals, outreach methods were created and implemented with a diverse audience in mind to engage hard to reach segments of the community and ensure all voices had the opportunity to be heard, regardless of ethnicity, language or socioeconomic background. To accommodate multilingual speakers, the online survey, project collateral, a helpline, and notification materials, such as fact sheets, eblasts, social media, print and digital advertisements, and other notices were made available in English, Spanish and Vietnamese. The helpline provided an alternative to the internet for those interested in requesting print versions of the survey, wishing to comment by phone or engage by means other than the internet. Closed captioning and simultaneous English-Spanish interpretation was also used during public webinars to encourage participation and ensure clarity of messaging. Community leaders from more than 100 community-based organizations and key stakeholder organizations were also actively engaged throughout the study. In addition, presentations and public webinar video recordings were posted to the website for those who were not able to attend. Lastly, a telephone town hall, simulcasted in Spanish, was offered as an optional meeting format to engage a broader audience, providing an alternative to meetings convened via the internet.

Key Themes

Following is a summary of common themes shared regarding how OCTA should plan for the future.

- Enhance bus service
- Focus on improving transportation efficiencies more than on new major widening projects
- Increase mobility options for seniors, those with disabilities and under represented communities
- Improve bike and pedestrian safety
- Develop electric vehicle infrastructure

Engagement Highlights

Highlights of the comprehensive outreach efforts conducted during the LRTP are as follows:

Collected more than **8,300** survey responses with **at least 60%** from Orange County residents

Hosted **3** community leader roundtables, **2** public webinars, **1** telephone town hall, **1** Transportation Planning Forum, **1** Elected Officials Roundtable, attracting nearly **2,000** participants

Engaged **15,000+** community members at **20** Orange County events throughout the **5** County Supervisor Districts

Assembled a stakeholder contact database with approximately **9,100** key stakeholders and interested parties

Sent **460** mailers to key stakeholders and interested parties

Distributed over **4,000** multi-lingual flyers to **13** organizations that serve diverse and disadvantaged communities in Orange County

Reached more than **103,000** readers through Spanish and Vietnamese newspapers

Emailed **32** project notices to more than **7,200** interested community stakeholders

Signed-up nearly **4,700** project followers to receive text messages by the end of the second survey

Promoted community meetings and surveys by way of **14** Facebook, **13** Twitter and **4** Instagram posts reaching approximately **133,000** interested parties as well as **20** geofencing and **15** Facebook online advertisements with nearly **540,000** views

Developed and distributed an **e-communications toolkit**, providing an easy-to-share communication resource, to elected officials, agencies and key stakeholder groups, generating at least **25** earned notifications

Broadcast meeting and survey announcements **34 times** on local Spanish and Vietnamese radio stations

Created an educational project video that was shared through notifications and in meetings

Announced the project through **OCTA's On the Move** blog and via media press releases

Featured a webpage and an interactive story map viewed by more than **5,100+** and **3,600+** unique visitors, respectively

Provided a **multi-language helpline** for interested parties to take the survey and comment on the plan

Shared materials in **English**, **Spanish** and **Vietnamese**

I. MEETINGS & EVENTS

The public was included in the outreach process through a number of general and focused meeting opportunities as well as at local events. Each engagement provided project information, built community awareness, provided education on the study purpose, encouraged participation and feedback, and was recorded for project record.

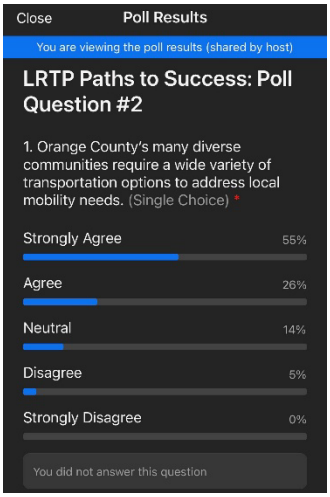
A. Virtual Public Meetings

Two (2) virtual community meetings took place during the development of this LRTP. Each live, Zoom webinar was held during a weekday evening to increase the potential of public participation. Meetings included a PowerPoint presentation, interactive polling to provoke thought and initiate conversation, and question-and-answer sessions, led by OCTA staff.

Virtual community meeting goals were to:

- Build LRTP awareness,
- Educate the public on the goals and purpose,
- Share an overview of the dynamic range of studies and initiatives that would result from the LRTP, and
- Provide an opportunity for public feedback to inform the evolving plan.

Figure 1: Meeting Poll on Mobile Device



The webinars offered a call-in phone number for those without internet access. The meetings were simulcast with live Spanish interpretation as well as offering Closed Captioning service to provide greater access and increased active participation from those with language or auditory disadvantages. Additional language service and accommodations were offered through meeting notifications with 72-hour advanced notice, whenever possible, to help ensure that no one was left out of the process. A unique URL (LRTP-meeting.com) was created to easily inform interested parties about how to access the meeting and to provide a memorable name for the public to share by word-of-mouth. In addition, each presentation was recorded and posted to the study website within days following the meeting allowing interested parties to view the webinar if they had not been able to attend on the day. The PowerPoints were also posted for those that wished to download or share the presentations with others.

A brief meeting overview is shown in the table below. Reference Appendix A for a copy of webinar presentations and a detailed summary of each webinar's highlights, process, polling response and review of comments.

Table 1: Live Community Webinars Held

Phase	Date	Time	Format	Attended	Questions / Comments			Recorded Meeting Video Views*
					Commentors	Written	Oral	
Blue Sky	10/19/21	5:30 – 6:30 p.m.	Zoom Webinar	30	9	14	3	107
Draft Release	01/24/23	5:30 – 6:30 p.m.	Zoom Webinar	51	20 Named 11 Anonymous	59	13	English 28 Spanish 7
			Total	**81**	**>20**	**73**	**16**	**142**

* Views as of February 15, 2023.

B. Telephone Town Hall Meeting

In addition to webinar meetings, OCTA held one (1) telephone town hall during the second phase to gather input on the Draft LRTP. As with the webinars, the public was offered advanced registration to attend through various notifications and the meeting was simulcasted with live Spanish interpretation. Approximately 75,000 phone numbers were directly dialed on the day of the meeting, inviting those that had registered, known project stakeholders, and others from throughout the County. The telephone-based format provided increased opportunity for those that could not or preferred not to participate by internet. The meeting led with an overview of the project and its intentions and offered a forum for discussion with those interested in learning more. Participant callers were also encouraged to participate in the subsequent webinar and current survey to provide greater input on the project and learn more. In addition, the meeting recordings were posted on the study website. See Appendix B for more on the process and review the comments and questions voiced during the town hall.

Table 2: Live Telephone Town Hall Meeting Held

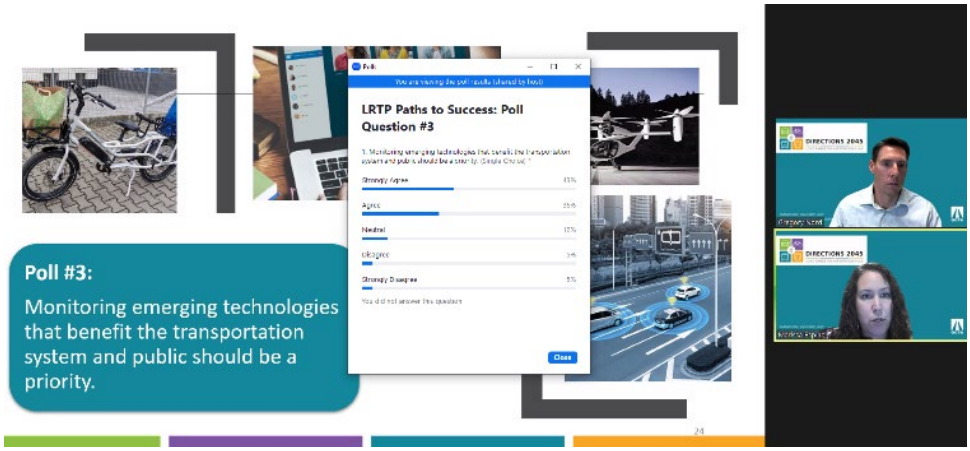
Phase	Date	Time	Language	Dials	Accepts	Web Opt-in	Participation		Question / Comment			Total Question / Comments
							First 15 Min.	At End	Speaker Queue	Oral	Voice mail	
Draft Release	01/19/23	5:30 – 6:30 p.m.	English & Spanish	73,748	12,557	130	1,800	200	51	15	13	28

C. Community Leaders Roundtable Meetings

Two (2) rounds of community leaders roundtable meetings were conducted during the development of the LRTP. A diverse and broad range of special interest groups were invited with attendees including representatives from local and regional community empowerment, environmental social justice, green-environmental interest, unions, faith-based organizations, cultural/historic resource interests, utilities, healthcare organizations, high education institutions, as well as housing and other business interests.

During the first phase, two (2) meetings were held to engage community leaders in the LRTP and the OC Mobility Hubs Study process. In coordination with OCTA's Diversity Engagement team, staff provided an overview presentation of each project and probed participant leaders on how the projects fit with their vision for the future of Orange County, specifically their community's transit and travel needs. Roundtable sessions also provided an overview on a third study, the Bikeways Gap Closure Study, which had the goal of enhancing connectivity and expanding alternative modes of transportation. Each meeting was convened virtually, with the Zoom Meeting platform, and provided attendees an opportunity to openly express their comments and questions on the studies as well as gain valuable insight in which to inform their unique representative communities.

Figure 2: Webinar Screenshot



During the release of the Draft LRTP, a third roundtable was conducted prior to a round of community meetings to share the plan with interested leaders. The Zoom meeting assisted the development of the LRTP by gathering input on the proposed strategies or "paths to success." Stakeholder input aided in the refinement of public messaging in advance of the scheduled community meetings.

Below are highlights of the roundtable meeting series.

Table 3: Community Leaders Stakeholder Roundtable Meetings Held

Phase	No	Date	Time	Format	Registered	Attended	Commentors	Total Question / Comments
Blue Sky	1	10/14/21	1:00 p.m. – 2:30 p.m.	Zoom Meeting	11	11	14	61
	2	10/21/21	10:30 a.m. – 12:00 p.m.	Zoom Meeting	8	8		
Draft Release	3	01/12/23	1:30 p.m. – 3:00 p.m.	Zoom Meeting	42	29	15	56
				Total	**61**	**48**	**29**	**117**

For a full list of invitees, presentations and summary of process and comments, see Appendix C.

D. Agency Stakeholder Engagements

Six (6) agency stakeholder engagements were organized to educate and gather feedback from state, regional, and local jurisdictions. One (1) meeting was held with the California Department of Transportation (Caltrans) and three (3) were status briefings conducted as part of reoccurring meetings with elected officials and city staff from throughout the County. The other two (2) were special engagements, which shared more detail and included open discussion with the project team.

The first of the special engagements, a Transportation Planning Forum, was held in July 2022 and invited city and County of Orange staff to learn about the project and offer input to ensure planning outcomes considered and aligned with local and regional policy and projects. The second special engagement, an Elected Officials Roundtable, took place in September 2022 to seek input from local elected city leaders on their vision for Orange County's transportation future.

A quick summary of these engagements is shown below with more in Appendix D.

Table 4: Agency Stakeholder Engagements

Phase	No	Date	Agency Stakeholder Engagement
Blue Sky	1	10/07/21	Mayor's Forum
Draft Release	2	07/21/22	Orange County Transportation Planning Forum
	3	09/28/22	Elected Officials Roundtable

Phase	No	Date	Agency Stakeholder Engagement
	4	11/01/22	Orange County Council of Governments (OCCOG) Technical Advisory Committee
	5	11/10/22	California Department of Transportation (CALTRANS), District 12
	6	01/26/23	Orange County Council of Governments (OCCOG) Board Meeting

E. Stakeholder Briefings

Briefings were provided to key stakeholder groups to provide open communication on clear expectations and LRTP's progress. These engagements also provided an opportunity to promote study awareness and to encourage the promotion of the survey to the broader stakeholder organizations. As seen in the efforts below, the team conducted 13 stakeholder briefings throughout the LRTP, including: six (6) OCTA Citizen Advisory Committee briefings, five (5) OCTA Diverse Community Leaders Committee briefings, one (1) OCTA Accessible Transit Advisory Committee briefing, and one (1) Orange County Business Council briefing.

Table 5: Stakeholder Briefings

Phase	No	Date	Committee
Blue Sky	1	01/19/21	OCTA Citizens Advisory Committee (CAC)
	2	04/20/21	OCTA Citizens Advisory Committee (CAC)
	3	05/27/21	OCTA Diverse Community Leaders (DCL)
	4	07/07/21	OCTA Diverse Community Leaders (DCL)
	5	07/20/21	OCTA Citizens Advisory Committee (CAC)
	6	10/19/21	OCTA Diverse Community Leaders (DCL)
	7	10/25/21	OCTA Accessible Transit Advisory Committee (ATAC)
Draft Release	8	05/03/22	OCTA Diverse Community Leaders (DCL)
	9	07/12/22	Orange County Business Council (OCBC)
	10	07/19/22	OCTA Citizens Advisory Committee (CAC)
	11	10/18/22	OCTA Citizens Advisory Committee (CAC)
	12	12/03/22	OCTA Diverse Community Leaders (DCL)
	13	01/17/23	OCTA Citizens Advisory Committee (CAC)

F. Community & Pop-up Events

A list of scheduled community and impromptu pop-up events were identified and attended in support of the LRTP. A total of 20 events took place throughout the five County Supervisorial Districts. The team favored events located in diverse and disadvantaged communities, such as those with above average Spanish and/or Vietnamese speaking populations, to improve reach and inclusion in the process.

Events featured a tri-lingual display board and fact sheets in English, Spanish and Vietnamese to increase public awareness and education. Events were staffed with bi-lingual team members, which promoted survey input, encouraged meeting participation, and solicited public comment on the Draft LRTP. Event staff also prompted participating individuals to sign-up to receive future notices related to LRTP.

In all, staff engaged over 15,000 people at these tabled events. In addition, staff also made public announcements on stage during the larger events to increase project awareness and encourage community input.

Figure 3: Fullerton Farmers Market, La Carreta Market & UVSA Tet Festival Events

Table 6: Community & Pop-ups Events Held

Phase	No	Date Sent	Purpose	Reach
Blue Sky	1	10/07/21	Garden Grove Local Harvest Farmers' Market	45
	2	10/21/21	Downtown Fullerton Farmers' Market	40
	3	10/23/21	Revive Santa Ana 5k Run: Health & Resource Fair	30
	4	10/24/21	Bower's Museum: Dia de los Muertos	40
	5	10/27/21	H. Louis Senior Center Senior Resources Fair	30
	6	10/28/21	Tustin Metrolink Station Pop-up	15
	7	10/29/21	Westminster Halloween Movie Night	8
Draft Release	8	01/12/13	Pre-Tet Festival with LSTV at Asian Garden Mall	596
	9	01/20/23 – 01/22/23	Fountain Valley Tet Festival at Mile Square Park	7,915
	10	01/23/23	Advance Beauty College	50
	11	01/23/23	California State Fullerton – Titan Walk	70
	12	01/26/23	La Carreta Supermarket Pop-up	20
	13	01/27/23	Target at The District Pop-up	20
	14	01/27/23 – 01/29/23	UVSA Tet Festival at the OC Fairgrounds	5,304
	15	01/28/23	South OC Cars and Coffee	30
	16	01/31/23	KidWorks Community Development Corporation	80
	17	02/02/23	Northgate Supermarket	55
	18	02/04/23	Mission Viejo Farmers Market	70
	19	02/04/23	Anaheim Indoor Marketplace	344
	20	02/04/23	Black History Parade	531
			Total	**15,293**

Event display boards can be found in Appendix E.

II. INFORMATION RESOURCES & TOOLS

The outreach team utilized a variety of information resources and tools to facilitate public engagement and documentation, including the development of a stakeholder database, comment log, website, ESRI StoryMap, collateral, video, in addition to community surveys. The following section provides a review of each, detailing how they were used for the LRTP study project.

A. Stakeholder Database

A master contact database was developed at the start of the project to identify key stakeholders and served as the official stakeholder list. The database was comprised of local residents and businesses, business associations, local agencies, transportation agencies and groups, academic institutions, community and healthcare organizations, other social interest groups, as well as interested parties. The database was utilized when distributing emails, texts and postal notices and was regularly updated. New contacts were collected throughout the study via the website contact form, surveys, public meetings, and community events. By the project's end, the stakeholder database included contacts for 9,112 project stakeholders.

B. Comment Log

A comment log was created and maintained during the LRTP project. The log organized comments and inquiries received by surveys, meetings, social media, phone, or email and archived them by source, type of stakeholder, date, and category of statement. Eight comment letters were received from state and local agencies and organizations. All comments and a comment letters response matrix can be viewed in Appendix F.

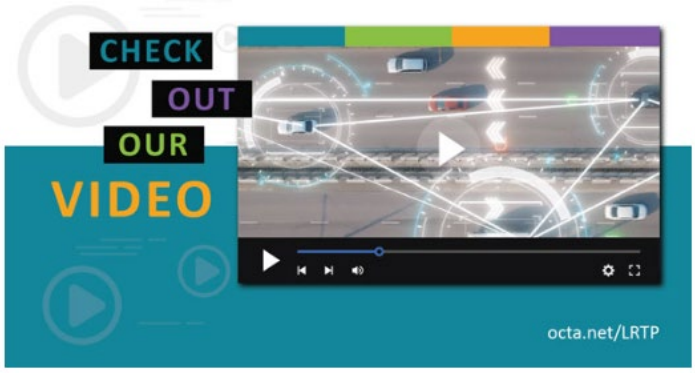
C. Fact Sheet

The project included two branded fact sheets which served as the primary information handouts. The first was an overview fact sheet providing the LRTP's general purpose, background and schedule. The second, an infographic fact sheet, was developed as a fun and easy-to-digest information resource, characterizing the LRTP's transportation challenges and opportunities going into 2045. The fact sheets were made available in English, Spanish and Vietnamese to expand community reach and participation. Fact sheets were available in print form for in-person engagements or mail request and digitally available for download from the website. All versions of the fact sheet are available for viewing in Appendix G.

D. Project Video

A project video was also developed to help spread awareness and more importantly educate the public on the topic of a long-range transportation plan. The video was posted to the project webpage, shared in meeting notices, and featured in meetings to help enlighten the public and build interest in and excitement about the LRTP. The video was also updated to include meeting and survey announcements.

Figure 4: LRTP Website Video Widget



E. Webpage

A project webpage was created and maintained to serve as the anchor resource for the LRTP project. It provided a project overview and schedule, fact sheets, and a digital form to comment or be added to the study database. Prior to each community meeting, the webpage was updated to include current project information and promote meeting and/or survey participation. The webpage was revised again following each meeting to promote and post webinar video recordings, downloadable presentation PDFs, and other related materials for those that missed the opportunity to participate on the day-of event. The webpage has been viewed by more than 5,130 unique visitors since the start off the project. Examples of website updates are available in Appendix H.

F. Story Map

A web-based Story Map was created for the release of the Draft LRTP to educate the public on the dynamic nature of the studies and proposed paths to success. Linked on the project webpage and promoted by notifications, the LRTP story was viewed by more than 3,644 unique visitors. The information portal provided a visual narrative using interactive maps to explain several factors that will likely influence future mobility in Orange County. It highlighted the importance of equity, diversity, and inclusion through illustrative maps featuring, communities of concern, a health index, limited English speaking populations, poverty levels and more. See Appendix I for screen images of the LRTP story.

Figure 5: LRTP Paths to Success Widget

G. Community Surveys

Two (2) surveys (offered online and as a hard copy) were developed and distributed to engage those that travel in Orange County. This survey research was qualitative, which means that results cannot be considered representative of the total population of interest. Informal research methods are useful to explore a group's opinions and views, allowing for the collection of verifiable data. This data can reveal information that may warrant further study and is often a cornerstone for generating new ideas.

Keeping the importance of equity, diversity and inclusion in mind, the surveys were offered and promoted in English, Spanish, and Vietnamese to maximize community reach. To assist with the understanding of existing conditions and community needs, the first survey was created and implemented online during the initial project phase to gather public input and insight in order to better identify and frame transportation initiatives and priorities that will shape the LRTP. The second qualitative survey was created during the release of the Draft LRTP to gather public input on the plan's proposed *"paths to success"* transportation initiatives and priorities. More than 8,300 surveys were collected during the study with more than 13% of the surveys gathered in Vietnamese or Spanish.

The first survey comprised of 20 questions and was developed to spread public awareness; determine participant habits, use and conditional strategies for change; assess improvement opportunities; and receive input to identify and shape future transportation initiatives. Due to the COVID-19 pandemic, the LRTP team primarily utilized digital tools, such as eblasts, texts, geofencing, and social media messaging to promote the survey, virtual community meetings and other outreach opportunities to engage the public while abiding by current health and safety protocols. More than 1,800 surveys were collected in 2021.

The second survey was created and implemented in early 2023 to gather public input on the Draft LRTP. Like the initial survey, this survey was created using Typeform and distributed using digital tools, such as eblasts, texts, geofencing, and social media messaging to reach community stakeholders. Staff also attended more than 10 community events and high foot traffic areas throughout the County. More than 6,500 surveys were collected during this time.

Features of the LRTP surveys are listed below:

- Each survey was offered in three languages (English, Spanish, and Vietnamese);
- A total of **8,333** surveys were collected and analyzed (7,237 English, 242 Spanish and 854 in Vietnamese);
- Surveys were promoted using a variety of methods including digital, print, radio advertisements, direct and electronic mail, text promotion, and online meetings and in-person events among other methods of communication;
- A vanity URL (LRTP-survey.com) was created for easy online access;
- The survey was made available in print version with pre-paid postage for those who may not be connected to the internet and was also accessible online; and
- Eight (8) survey respondents (four for each survey), were selected as opportunity drawing winners and each awarded a $50 gift card.

Table 7: Survey Participation

Phase	Date	Surveys Collected by Language			Total Surveys Collected
		English	Spanish	Vietnamese	
Blue Sky	09/27/21 – 10/31/21	1,781	43	1	1,825
Draft Release	01/06/23 – 02/06/23	5,456	199	853	6,508
Total		**7,237**	**242**	**854**	**8,333**

The surveys, analysis, and infographic summaries for both LRTP surveys can be found in Appendix J.

In June 2021, OCTA conducted its triennial Attitudinal and Awareness Survey, which included a few questions designed to obtain input to inform the development of the LRTP. A total of 2,564 randomly selected Orange County adult residents participated in the survey between June 3 and June 27, 2021. The survey followed a mixed-method design that employed multiple recruiting methods (telephone and email) and multiple data collection methods (telephone and online). The interviews averaged 18 minutes in length and were conducted in English, Spanish, and Vietnamese.

The questions related to the LRTP were intended to obtain feedback on transportation priorities and strategies. Key themes from the quantitative survey results include:

- Among strategies OCTA could pursue to reduce driving trips, VMT, and congestion, Orange County residents expressed the strongest support for encouraging businesses to allow employees to work from home at least one day per week, where possible (88% strongly + somewhat support), creating safe routes to school to encourage more kids to walk and bike to school (86%), and encouraging more walking by improving sidewalks, crosswalks, pedestrian safety, signs, and infrastructure (84%).
- Approximately eight-in-ten respondents also supported improving and expanding commuter rail services including Metrolink and Amtrak (81%), modifying streets so they can safely accommodate all forms of transportation including cars, transit, pedestrians and bicyclists (80%), making it easier for transit riders to get to their final destination by offering shuttles, e-bikes, e-scooters, and rideshare services at transit stations (79%), improving and expanding bus services (79%), and increasing programs that encourage carpooling, vanpooling, and ridesharing (79%).
- More than two-thirds of respondents also supported offering a guaranteed ride home for those who use transit, carpool, vanpool or bike and find themselves in need of an emergency ride home (75%), encouraging more bicycling by expanding the network of dedicated bike lanes and shared lanes (73%), and creating a network of light rail streetcars, similar to the San Diego trolley system (68%).
- When presented with pricing and policy strategies OCTA could pursue to reduce vehicle trips and congestion in the future, creating programs and incentives that encourage employees to work remotely at home (83% support) and that encourage businesses and employees to make greater use of transit, carpooling, and bicycling for their commutes (82%) were the most popular, along with reducing the cost of transit passes and tickets to encourage more transit use (81%).
- Three-quarters of respondents were also supportive of focusing future transit improvements in areas that have a high percentage of multifamily housing (80%) and creating dedicated lanes for transit so that it is faster and avoids traffic (74%).
- Whether described as the conversion of a single carpool lane to an express lane (49%) or as converting carpool lanes on freeways throughout the County to create a network of connected express lanes (51%), approximately half of respondents supported this strategy that would require three people per vehicle to use an express lane, but also allowing vehicles with fewer occupants to use the lane for a toll.
- Just one-third of respondents supported charging for parking in areas that receive a lot of traffic (34%) or requiring at least three people in a vehicle to qualify for the carpool lane (33%) as strategies for reducing traffic congestion in Orange County.

- When presented with a series of capacity and infrastructure improvements, fixing potholes and repairing roadways received the highest percentage of individuals stating it should be a high or medium priority for inclusion in the LRTP (93%), followed by making more efficient use of existing freeways, lanes, roads, and infrastructure (88%), and synchronizing traffic signals on major roadways (86%). Approximately three-quarters of respondents also rated widening freeways where possible (75%) and improving and repairing the network of sidewalks (75%) as a high or medium priority for inclusion in the LRTP.
- When compared to the other items tested, enhancing infrastructure to accommodate autonomous, driverless vehicles had far fewer respondents rate the item as a high or medium priority (40%).

To learn more about this survey, visit: http://www.octa.net/pdf/2021OCTAAttitudinalAwarenessSurveyReport.pdf.

III. NOTIFICATION EFFORTS

For each phase of the project, print and electronic notifications were distributed to stakeholders and the general public promoting community meetings and surveys to increase public awareness and participation. Outreach notification plans were developed and carried out to ensure timely notices were accessible on multiple platforms. The comprehensive notification plans detailed communication run dates, targeting, budget, messaging, languages, and featured graphics/visuals. Most notifications featured meeting and survey invitations during concentrated periods during two phases of outreach. The first period spanned from September 28 to October 31, 2021, while the second took place from January 3 to February 6, 2023. Notifications were prepared and distributed in English, Spanish, and Vietnamese to promote inclusion and facilitate the greatest project reach.

Figure 6: Vietnamese Handout

A. Mailers and Handouts

A direct mailer and handout were developed in support of the draft LRTP release notification campaign. The mailer consisted of a multi-lingual (English, Spanish and Vietnamese), 11”x17” brochure design that was sent to existing stakeholder database

contacts that did have an email address. The mailer encouraged meeting and survey participation in addition to general comment on the Draft LRTP. A total of 460 mailers were distributed.

Table 8: Direct Mail Distributions

Phase	No	Date	Purpose	Format	Language	Audience	Count
Draft Release	1	01/17/23	Town Hall, Webinar & Survey Invitation	11”x17” bi-fold	English, Spanish & Vietnamese	Stakeholder database contacts with postal address only	460

Handout versions of the mailer were also prepared in double-sided, English-Spanish and English-Vietnamese formats to be shared at public counters and passed-out at select food banks to better include the whole of the public in the process. A list of these distributions is below.

Table 9: Public Counters and Other Direct Distributions

Phase	No	Date	Location	Count
Draft Release	1	01/19/23	Anaheim Central Public Library	400
	2	01/19/23	Community Action Partnership of Orange County Food Bank	400
	3	01/19/23	Downtown Anaheim Community Center	400
	4	01/19/23	Delhi Center	400
	5	01/19/23	El Salvador Community Center	400
	6	01/19/23	Families Forward	400
	7	01/19/23	Garden Grove Main Library	400
	8	01/19/23	Garden Grove Sports & Recreation Center	400
	9	01/19/23	SEVA Collective	600
	10	01/19/23	Santa Ana Main Public Library	50
	11	01/19/23	Stanton Community Center	50
	12	01/19/23	Stanton Family Resource Center	50
	13	01/19/23	Stanton Library	50
			Total	**4,000**

Appendix K includes copies of the mailer and handouts.

B. Print Advertisements

Print newspaper advertisements were used to boost LTRP awareness and promote meeting and survey participation among the Spanish and Vietnamese language communities. The print ads also offered an opportunity to reach disadvantaged populations that lack or choose not to use internet access. Three (3) local papers with diverse audiences and language preference were identified and used in this notification effort. Collectively, newspaper circulation reached more than 100,000 community addresses. Find ads in Appendix L.

Table 10: Published Newspaper Advertisements

Phase	No	Date	Newspaper	Language	Format	Circulation
Blue Sky	1	10/01/21	Excelsior	Spanish	Black & White; ¼ Page	71,230
	2	10/01/21	Viet Bao Daily News	Vietnamese	Black & White; ½ Page	25,000
Draft Release	3	01/13/23	Nguoi Viet Daily	Vietnamese	Color; ¼ Page	7,000
	4	01/13/23	Excelsior	Spanish	Black & White; ¼ Page	71,230
					Total	**103,230**

C. Radio

Radio advertisements were developed and broadcasted among local language-specific radio stations serving the Spanish and Vietnamese community. These ads served as another means of broadening project reach to the greater public in Orange and Los Angeles Counties. Two (2) radio stations promoted project meetings and surveys 34 times.

Table 11: Radio Advertisements

Phase	No	Dates	Station	Language	Listening Audience	Run Spots
Blue Sky	1	10/04/21 – 10/08/21	Saigon Radio	Vietnamese	Orange & Los Angeles Counties	20
Draft Release	2	01/16/23 – 01/24/23	Que Buena Radio	Spanish	Orange County & the Greater Los Angeles Area	4
	3	01/13/23 – 01/23/23	Saigon Radio	Vietnamese	Orange & Los Angeles Counties	10
					Total	**34**

D. Online Advertisements

To reach a wide range of stakeholders, online advertising was developed and implemented. The campaigns aimed to reach those within and traveling through Orange County to promote public meetings and ensure quality and relevant survey data. Online ads (Appendix M) were distributed through geofencing and via Facebook.

i. Geofencing Advertisements

Geotargeted advertising was used to push notifications to drivers that traveled throughout Orange County. Two (2) geofencing campaigns were conducted sharing more than 300,000 impressions to encourage project participation.

The first campaign was distributed prior to the first community meeting to promote the project survey and increase meeting participation. A single ad was designed in eight (8) sizes to fit different media. The ads utilized zip and parcel data to place digital notices on web-based platforms for those that drive through select zip codes (or fenced area) throughout the County.

Figure 7: Geofencing Ads

The later round pushed notices to reach commuters that travel through key freeway interchanges on I-405, I-5, SR-22, SR-55, SR-57, and SR-91 further broadening potential participation from those that travel through as well as reside in the County. The campaign included 12 advertisements for targeted commuters and the images and messaging were varied to broaden project understanding.

Table 12: Distributed Geofencing Campaigns

Phase	No	Dates	Language	Impressions	Clicks
Blue Sky	1	10/11/21 – 10/17/21	English	150,097	249
Draft Release	2	01/21/23 – 01/24/23	English	150,016	96
			Total	**300,113**	**345**

ii. Social Media Advertisements

Facebooks ads were used to increase public meeting and survey engagement, as well as provide an interactive tool for stakeholders to comment, like, and share project notices with others. Ads were directed to those 18 years and older with interest in transit, biking and/or walking. To increase involvement from the Spanish and Vietnamese communities, language specific ads were further focused to County zip codes with the greatest percentage of the designated language speaking communities. In all, 15 ads were distributed through Facebook, sharing more than 235,000 ad impressions.

Figure 8: Spanish Facebook

Table 13: Distributed Facebook Advertisements

Phase	No	Dates	Purpose	Language	Impressions	Clicks
Blue Sky	1	09/28/21 – 10/03/21	Webinar & Survey Invite	English	39,399	439
	2	09/28/21 – 10/03/21		Spanish	24,441	153
	3	09/29/21 – 10/03/21		Vietnamese	16,120	90
	4	10/06/21 – 10/10/21	Webinar & Survey Invite	English	32,571	251
	5	10/06/21 – 10/10/21		Spanish	20,350	152
	6	10/06/21 – 10/10/21		Vietnamese	11,443	81
	7	10/11/21 – 10/17/21	Webinar & Survey Invite	English	33,882	223
	8	10/11/21 – 10/17/21		Spanish	16,830	121
	9	10/11/21 – 10/17/21		Vietnamese	11,130	76
Draft Release	10	01/13/23 – 01/18/23	Town Hall, Webinar & Survey Invite	English	10,637	132
	11	01/13/23 – 01/18/23		Spanish	2,919	28
	12	01/13/23 – 01/18/23		Vietnamese	1,385	16
	13	01/20/23 – 01/24/23	Webinar & Survey Invite	English	9,272	99
	14	01/20/23 – 01/24/23		Spanish	2,722	18
	15	01/20/23 – 01/24/23		Vietnamese	4,831	43
				Total	**237,932**	**1,922**

E. Social Media Posts

Social media posts were utilized to promote the community survey and meetings to OCTA's community of followers. Facebook, Twitter and Instagram were used to reach users who regularly engage OCTA's platforms. A total of 31 posts were published on the three social media platforms. Nearly 81,000 stakeholders were reached through the combined social media posts. A complete list of these posts, their timing and level of engagement are shown in the table below. See Appendix N for copies of each communication.

OCTA promoted the project and/or project featured events in 14 posts across two Facebook pages: @GoOCTA and @OCBus.

Table 14: OCTA Facebook Posts

Phase	No	Platform & Post	Date	Reach	Views
Blue Sky	1	@GoOCTA Facebook Post #1	09/28/21	352	385
	2	@OCBus Facebook Post #1	09/28/21	466	493
	3	@OCBus Facebook Post #2	10/14/21	678	736
	4	@GoOCTA Facebook Post #2	10/19/21	236	257
	5	@GoOCTA Facebook Post #3	10/28/21	174	189
Draft Release	6	@GoOCTA Facebook Post #4	12/14/22	263	310
	7	@OCBus Facebook Post #3	12/28/22	567	619
	8	@OCBus Facebook Post #4	01/05/23	674	795
	9	@GoOCTA Facebook Post #5	01/06/23	470	584
	10	@OCBus Facebook Post #5	01/12/23	826	1k
	11	@OCBus Facebook Post #6	01/24/23	531	598
	12	@GoOCTA Facebook Post #6	01/24/23	214	231
	13	@GoOCTA Facebook Post #7	02/01/23	178	190
	14	@GoOCTA Facebook Post #8	02/02/23	189	200
			Total	**5,818**	**5,587**

OCTA promoted the project and/or project featured events in 13 posts across two Twitter pages: @GoOCTA and @RideOCBus.

Table 15: OCTA Twitter Posts

Phase	No	Platform & Post	Date	Reach	Views
Blue Sky	1	@GoOCTA Twitter Post #1	09/28/21	6,093	392
	2	@RideOCBus Twitter Post #1	09/28/21	5,499	276
	3	@GoOCTA Twitter Post #2	10/19/21	11,963	1,010
	4	@RideOCBus Twitter Post #2	10/21/21	16,651	473
Draft Release	5	@RideOCBus Twitter Post #3	12/15/22	2,969	209
	6	@GoOCTA Twitter Post #3	12/27/22	3,974	243
	7	@GoOCTA Twitter Post #4	01/05/23	5,432	921
	8	@RideOCBus Twitter Post #4	01/11/23	2,979	181
	9	@GoOCTA Twitter Post #5	01/19/23	4,384	218
	10	@RideOCBus Twitter Post #5	01/19/23	3,045	326
	11	@RideOCBus Twitter Post #6	01/24/23	2,977	172
	12	@GoOCTA Twitter Post #6	01/27/23	3,985	285
	13	@GoOCTA Twitter Post #7	02/02/23	3,991	242
			Total	73,942	4,948

The project was featured in four (4) Instagram posts.

Table 16: OCTA Instagram Post

Phase	No	Platform & Post	Date	Impressions	Reach
Blue Sky	1	@GoOCTA Instagram Story Post #1	09/28/21	158	152
Draft Release	2	@GoOCTA Instagram Story Post #2	12/20/22	334	326
	3	@GoOCTA Instagram Story Post #3	01/19/23	319	309
	4	@GoOCTA Instagram Story Post #4	02/02/23	296	291
			Total	1,107	1,078

F. Electronic Mail Notifications

Eblasts were a fundamental method of communicating with public stakeholders, including the Spanish and Vietnamese language communities. In all, 32 eblasts were

distributed in English, Spanish and Vietnamese over the course of the project to invite stakeholders to option-in to receive project updates, build awareness about the study, encourage meeting participation, and encourage public comment and survey participation during both project phases. Most eblasts were directed to the project's stakeholder database list, which was updated routinely as new parties engaged with the project. The project also was promoted to Metrolink and bus transit riders as well as to the OCTA ride share community. A sample of the emails are available in Appendix O.

Table 17: Electronic Mail Distributions

Phase	No	Date	Audience	Purpose	Language	Sent	Open Rate
Blue Sky	1	09/08/21	OCTA Prior Projects Interested Parties	Opt-in #1	English	1,538	38.1%
	2	09/09/21	Stakeholder Database	Contact Update	English	2,715	40.4%
	6	09/14/21	SOCMTS Project's Interested Parties	Opt-in #2	English	602	53.7%
	3	09/17/21	Transit Rider Contacts	Opt-in #3	English	22,922	17.9%
	4	09/17/21	Metrolink Contacts	Opt-in #4	English	32,447	23.5%
	5	09/17/21	Rideshare Contacts	Opt-in #5	English	3,135	19.0%
	7	09/28/21	Stakeholder Database	Survey Kick-Off and Meeting #1 Save the Date	English, Spanish & Vietnamese	2,897	34%
	8	10/05/21	Stakeholder Database	Survey #1 and Meeting #1 Invitation	English, Spanish & Vietnamese	2,899	32.9%
	9	10/19/21	Transit Rider Contacts	Survey #1 Reminder	English	22,711	19.8%
	10	10/19/21	Metrolink Contacts	Survey #1 Reminder	English	31,603	26.3%
	11	10/19/21	Rideshare Contacts	Survey #1 Reminder	English	2,994	11.5%
	12	10/19/21	Stakeholder Database	Survey #1 and Meeting #1 Reminder	English, Spanish & Vietnamese	3,092	32.7%
	13	10/27/21	Stakeholder Database	Meeting #1 Thank You and Survey Last Chance Reminder	English	2,909	41.4%
	14	02/04/22	Stakeholder Database	Survey #1 Thank You	English	4,392	51.5%
Draft Release	15	01/10/23	Stakeholder Database	Survey #2 and Meeting #2 Invitation	English, Spanish & Vietnamese	4,307	46%

Phase	No	Date	Audience	Purpose	Language	Sent	Open Rate
	16	01/18/23	Stakeholder Database	Survey #2 and Meeting #2 Reminder	English, Spanish & Vietnamese	4,782	40.9%
	17	01/23/23	Stakeholder Database	Survey #2 and Meeting #2 Reminder	English, Spanish & Vietnamese	4,822	38.1%
	18	02/01/23	Stakeholder Database	Survey #2 Reminder	English, Spanish & Vietnamese	4,771	38.1%
	19	03/06/23	Stakeholder Database	Survey #2 and Meeting #2 Thank you	English	7,206	54.6%

i. Community Leader Eblasts

In addition to public email communications, community leaders were notified of project updates and invited to attend the stakeholder roundtable meetings. A total of 108 leaders were invited by email and/or phone to participate in these critical engagement meetings and share their opinions and unique perspectives. Eight (8) e-mail notices were distributed for the first round of meeting and five for the second round. Thank you emails were shared following each meeting to recognize participation and share the prior presentation, project collateral and other project information with attendees and with those who did not participate. Leaders were also encouraged to share the e-communications toolkits to aid, as they saw fit, in the notification of project meetings and surveys to their communities. Record of communication between the project team and community leaders is logged in the table below (Appendix C).

Figure 9: MMS-SMS Text

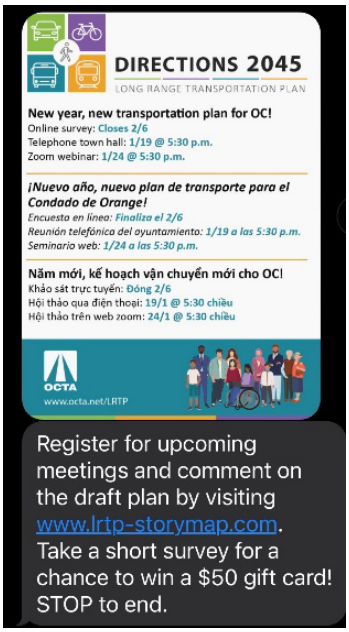


Table 18: Community Leaders Stakeholder Roundtable Email Distributions

Phase	No	Date Sent	Purpose	Sent	Open Rate
Blue Sky	1	10/01/21	Meeting #1 & #2 - Invitation	103	32.1%
	2	10/07/21	Meeting #1 & #2 - Reminder #1	94	27.5%
	3	10/13/21	Meeting #1 & #2 - Reminder #2	94	27.5%
	4	10/14/21	Meeting #1 - RSVP Only Reminder #3	12	N/A

Phase	No	Date Sent	Purpose	Sent	Open Rate
	5	10/20/21	Meeting #1 - Thank You	10	N/A
	6	10/20/21	Meeting #2 - Reminder #4	110	26.1%
	7	10/21/21	Meeting #2 - RSVP Additions Reminder #5	2	N/A
	8	10/26/21	Meeting #2 - Thank You	115	N/A
Draft Release	9	12/21/22	Meeting #3 - Save the Date	107	44.6%
	10	12/28/22	Meeting #3 - Reminder #1	107	37.8%
	11	01/05/23	Meeting #3 - Invitation	108	45.8%
	12	01/10/23	Meeting #3 - Reminder #2	109	41.2%
	13	01/26/23	Meeting #3 - Thank you	109	34.7%

G. Text Messaging

Text messaging was also used to reach those that preferred phone notifications. Throughout the project interested parties were provided an option to opt-in to receive Short Message Service (SMS) and/or Multimedia Message Service (MMS) LRTP text message updates. Stakeholders opted-in through eblast invitation, webpage comment form and by survey and helpline. Seven (7) texts were shared with nearly 4,300 notifications distributed to community stakeholders. By the end of the project, the opt-in list grew to 4,698 contact numbers. The text messages are in Appendix P.

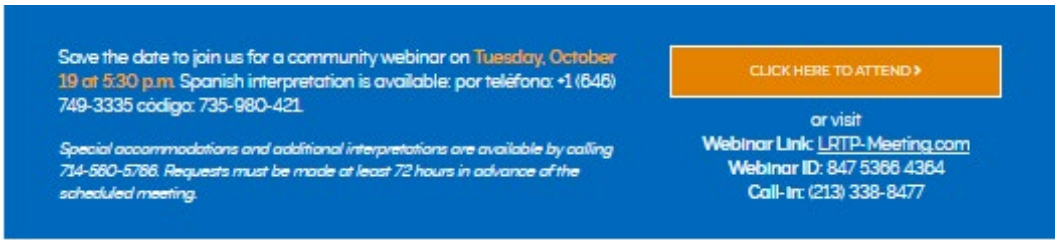
Table 19: Text Distributions

Phase	No	Date	Format	Purpose	Languages	Sent
Blue Sky	1	09/29/21	SMS-MMS	Meeting Save the Date	English, Spanish & Vietnamese	220
	2	10/05/21	SMS-MMS	Survey Reminder	English, Spanish & Vietnamese	220
	3	10/18/21	SMS-MMS	Meeting Reminder	English, Spanish & Vietnamese	199
	4	10/19/21	SMS-MMS	Meeting Reminder #2	English, Spanish & Vietnamese	163
	5	10/27/21	SMS-MMS	Survey Reminder #2	English, Spanish & Vietnamese	285
Draft Release	6	01/12/23	SMS-MMS	Register for Meetings	English, Spanish & Vietnamese	1,401
	7	01/24/23	SMS-MMS	Take the Survey	English & Spanish	1,784

H. Website Notice

The project webpage underwent periodic updates prior to and following each community meeting. Prior to each community webinar the webpage was updated to include current project information and promote meeting and/or survey participation. The webpage was reset again following each meeting to promote webinar video recordings, downloadable presentation PDFs, and other related materials for those who did not participate on the day of event. Examples of website notices can be seen below and are in Appendix H.

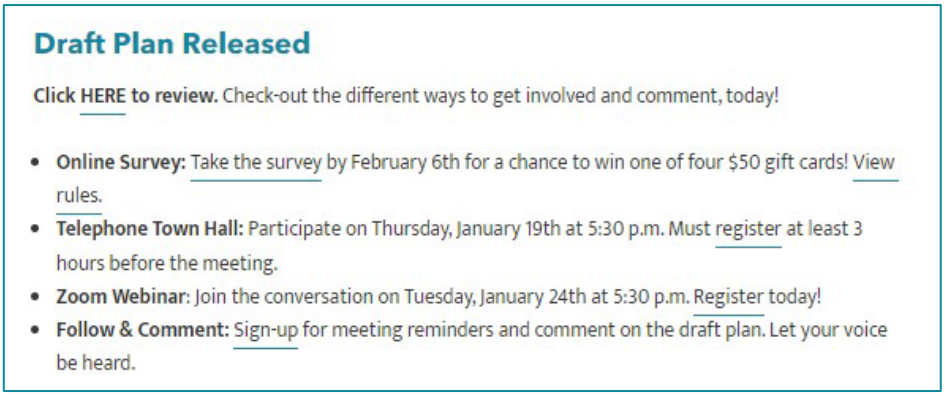
Figure 10: Website Meeting Notice



I. Story Map Notice

During the second phase, notification efforts directed interested parties to visit the LRTP story map. Upon landing, visitors were encouraged to get involved in the draft release process by giving feedback on the draft, taking the online survey, and registering for the telephone town hall and Zoom community webinar. Copies of these notices can be found in Appendix I.

Figure 11: Story Map Notice



J. OCTA Blog & Media

In addition, LRTP meetings and surveys were announced in press releases and via OCTA's *"On the Move"* blog. A schedule of these announcements is shared below. Copies of each blog post, newsletter and press releases are in Appendix Q.

Table 20: OCTA Blog & Media Notifications

Phase	No	Date	Format
Blue Sky	1	10/06/21	On the Move Blog Post
	2	10/07/21	On the Move Newsletter
	3	10/18/21	OCTA Press Release
	4	10/21/21	On the Move Blog Post
	5	11/03/21	On the Move Blog Post
	6	11/05/21	On the Move Newsletter
Draft Release	7	07/20/22	On the Move Blog Post
	8	07/22/22	On the Move Newsletter
	9	01/16/23	Press Release
	10	01/18/23	On the Move Blog Post
	11	01/20/23	On the Move Newsletter

K. Stakeholder E-Communications Toolkits

Figure 12: Local Cable TV Notice

Electronic communications toolkits were developed to promote study awareness through local agencies, a diverse range of community organizations, and other key stakeholders that represent various segments of the public including the harder-to-reach populations throughout the County. These toolkits were designed to be an easy resource to share information about the study and upcoming webinar. Some of the outreach elements of the toolkits included social media copy for Facebook, Instagram and Twitter posts, e-blasts and newsletter content, next door blog posts, as well as website and calendar posting update information and a phone script for groups to push messaging through pre-recorded audio announcements. The toolkit was provided in English, Spanish, and Vietnamese. Offering a multitude of outreach tools gave supporters a choice on how best to assist in engaging their respective organization's stakeholders.

For the draft release, a second toolkit was created specifically for Orange County cities. It was customized for the cities needs and included messaging for digital marquees and local cable channels. A sample of the toolkits are in Appendix R.

Table 21: E-Communications Tool Kit Distribution List

No	Organization	Phase	
		Blue Sky	Draft Release
1	Orange County Cities & County of Orange	✔	✔
2	State and Fed Elected Officials staff	✔	✔
3	Community Leaders Stakeholder Roundtable Members	✔	✔
4	Association of California Cities (ACCOC)	✔	
5	California Department of Transportation (Caltrans), District 12	✔	
6	Environmental Community Leaders	✔	✔
8	Mobility 21	✔	✔
9	OCTA Accessible Transit Advisory Committee (ATAC)	✔	✔
10	OCTA Capital Projects	✔	
11	OCTA Citizens Advisory Committee (CAC)	✔	✔
12	OCTA Diversity Leaders Committee (DLC)	✔	✔
13	OCTA Taxpayer Oversight Committee (TOC)	✔	✔
14	The Orange County Business Council (OCBC)	✔	✔
15	Women in Transportation (WTS)	✔	✔

L. Earned Media

In response to outreach efforts, cities (8) and stakeholder organizations (6) helped to spread the word about the LRTP by promoting project awareness about surveys and meeting engagements. Over the course of the project, 18 organic social media posts were identified on Facebook and Twitter, as well as project support via three (3) webpage announcements, two (2) online news feeds, and two (2) e-newsletters. Most (21) communications were distributed in support of the draft release. Appendix S includes found earned media.

Table 22: Identified Earned Media

Phase	No	Date	Source	Media
Blue Sky	1	10/10/21	City of Laguna Beach	Facebook
	2	10/11/21	Friends of Harbors Beaches and Parks	Facebook
	3	10/12/21	City of Cypress	Twitter
	4	10/29/21	Event-News Enterprise	Online News
Draft Release	5	01/05/23	Friends of Harbors Beaches and Parks	Twitter
	6	01/12/23	Friends of Harbors Beaches and Parks	Facebook
	7	01/12/23	Friends of Harbors Beaches and Parks	Twitter
	8	01/13/23	RSM Chamber of Commerce	Webpage News
	9	01/16/23	Unincorporated Rossmoor	Facebook
	10	01/16/23	Voice of OC	E-Newsletter
	11	01/18/23	City of Laguna Niguel	Facebook
	12	01/18/23	City of Rancho Santa Margarita	Webpage News
	13	01/18/23	OC Independent	Online News
	14	01/18/23	Senator Josh Newman	Facebook
	15	01/18/23	Senator Josh Newman	Facebook
	16	01/19/23	City of Tustin	Facebook
	17	01/19/23	City of Tustin	Twitter
	18	01/20/23	City of Newport Beach	E-Newsletter
	19	01/23/23	City of Stanton	Webpage News
	20	01/23/23	Unincorporated Rossmoor	Facebook
	21	01/27/23	City of Laguna Niguel	Facebook
	22	01/27/23	City of Laguna Niguel	Twitter
	23	01/30/23	City of Huntington Beach	Facebook
	24	01/31/23	City of Laguna Niguel	Facebook
	25	01/31/23	City of Laguna Niguel	Twitter

IV. CONCLUSION

The comprehensive outreach efforts were carried out thoughtfully and inclusively. Each form of engagement and communication aimed to involve a diverse audience and the largest number of stakeholders possible. As the outreach process advanced, methods and tools were evaluated for their effectiveness, and new or modified means of engagement or approach were applied to promote greater project awareness, participation and feedback from the community. The outreach performed captured diverse viewpoints and insights and aided in the development of the LRTP. This public feedback is vital and will help guide OCTA when planning for the future of transportation in Orange County.

Final Draft
Long-Range Transportation Plan

OCTA

Delivering on Commitments

Freeways
- Deliver 17 freeway projects
- Continue annual endowment deposits

Streets and Roads
- Return 18 percent to local agencies for transportation needs
- Provide annual grants to improve streets
- Fund traffic signal coordination

Transit
- Operate Metrolink and fund station improvements
- Implement and operate OC Streetcar
- Offer enhanced mobility options for seniors and persons with disabilities
- Support local transit circulators
- Improve priority transit stops

Environmental Cleanup
- Provide grants for water cleanup

ENVIRONMENTAL

A total of 5% of OC Go Freeway Program funds is allocated to the Freeway Environmental Mitigation Program

A total of 2% of the overall OC Go Program funds is allocated to the Environmental Cleanup Program

LRTP: Paths to Success

DIRECTIONS 2045

LONG RANGE TRANSPORTATION PLAN

Sustainable, equitable, and innovative transportation solutions.

1. Extend or modify select M2 programs beyond 2041
2. Expand transit services
3. Enhance active transportation
4. Explore mobility integration
5. Eliminate freeway chokepoints
6. Embrace technology
7. Elevate maintenance and resilience priorities

LRTP – Long-Range Transportation Plan
M2 – Measure M2

Achieving the Goals

Improve System Performance	30% fewer Hours in Traffic
Expand System Choices	10% fewer Drive Alone Trips
Support Sustainability	0% change in Vehicle Miles Traveled
Jobs & Key Destinations Accessible within 30 minutes	+ 282,000 on Average for Orange County + 323,000 on Average for Communities of Concern

Short-Term Action Plan

Orange County Planning Activities	
Coordination with Local Partner Agencies	Transportation Demand Management
Diversity, Equity, and Inclusion	Transit Chokepoints Study
Long-Term Transportation Funding Strategy	Mobility Hubs
Corridor Studies and Improvements	Active Transportation Investments
OC Transit Vision Update	Complete Streets
Transit Support Services	Sustainable Transportation Strategies
OC Metrolink Vision	Electric Vehicle Charging Infrastructure
Coastal Infrastructure Study	Joint Development Studies
Managed Lane Studies	Asset Management
Future of the Toll Roads	Adaptation Planning
Freeway Chokepoints	Traffic Model Update
Signal Synchronization Strategies	

Short-Term Action Plan (continued)

Regional Planning Activities
Coordination with Regional Partner Agencies
Trade Corridors/Goods Movement
2024 RTP/SCS
2028 Olympics
LA Metro Countywide ExpressLanes Strategic Plan
San Diego's I-5 HOT Lane Project
West Santa Ana Branch/Pacific Electric Right-of-Way
Gold Line Eastern Extension – Phase 2

Emerging Issues
Monitor Technology
Connected Infrastructure Needs Assessment
State and Federal Regulation
State and Federal Funding

Transportation Outreach and Education
Active Transportation Safety
Transit Use and Trip Planning
Diversity, Equity, and Inclusion

HOT – High-occupancy toll
I-5 – Interstate 5
LA Metro – Los Angeles Metropolitan Transportation Authority
RTP/SCS – Regional Transportation Plan/ Sustainable Community Strategies

Response to Comments Summary

- Clarifications
  - Transit route assumptions
  - Express lane assumptions
  - Modeling process and socioeconomic assumptions
  - Identification of Key Destinations
  - Refinements to maps
- Refinements to project list and Short-Term Action Plan
  - Coordination with Caltrans on the I-5 Managed Lanes Project between Red Hill Avenue and Los Angeles County Line – included in Short-Term Action Plan
  - Transit Chokepoints Study – added to Short-Term Action Plan
  - Pedestrian Bridge Improvements in the Anaheim Resort – added to conceptual list
  - Enhanced East/West OCTA transit service in Anaheim – added to conceptual list

OCTA – Orange County Transportation Authority

Public and Stakeholder Engagement

Collected **8,300+** multilingual surveys

Hosted **25** briefings, community meetings, and roundtables

Engaged **15,000+** community members at **20** events

Reached **103,000+** readers through Spanish/Vietnamese newspapers; placed **34** radio ads

Promoted via social media posts and geofencing ads with nearly **540,000** views

Next Steps

Finalize the LRTP and submit to the Southern California Association of Governments

Participate in development of the 2024 Regional Transportation Plan / Sustainable Communities Strategy

Proceed with:

- Project development & implementation
- Short-Term Action Plan elements

OCTA

May 8, 2023

To: Members of the Board of Directors

From: Darrell E. Johnson, Chief Executive Officer

Subject: Orange County Transportation Authority Fiscal Year 2023-24 Budget Workshop

Overview

The Orange County Transportation Authority is developing the fiscal year 2023-24 budget, which identifies available revenues and costs associated with providing transportation services and programs for Orange County. The proposed budget will be reviewed in detail in an informal workshop following the May 8, 2023, Orange County Transportation Authority Board of Directors meeting.

Recommendation

Review the fiscal year 2023-24 proposed budget in a workshop setting following the regularly scheduled Orange County Transportation Authority Board of Directors meeting on May 8, 2023.

Discussion

The preparation of the Orange County Transportation Authority's (OCTA) annual budget began in December 2022, with the development of initial revenue projections, a service plan, and program goals and objectives for the upcoming fiscal year (FY). Through sound financial planning, OCTA is in a strong position to propose a budget that has the flexibility to adapt to increased demand for services and programs. The service plan, program goals, and objectives included in the budget are in accordance with those of the Board of Directors (Board) and Chief Executive Officer (CEO).

Each division developed and submitted its budget requests in January, which were subject to successive internal reviews. The proposed budget was reviewed by a CEO-appointed internal budget review committee, consisting of the Deputy CEO, Chief Financial Officer, and Executive Director of People and Community Engagement, to ensure a balanced and fiscally responsible budget

is delivered consistent with the Board's goals, CEO's goals, OCTA Strategic Plan, Comprehensive Business Plan, and the Next 10 Delivery Plan.

The development of the FY 2023-24 proposed budget was based on a series of programmatic assumptions that were presented to the Finance and Administration Committee on April 12, 2023. The presentation covered the guiding principles and assumptions used to develop the budget for OCTA's major programs, including Measure M2 (M2), bus, regional rail, local rail, motorist services, and Express Lanes.

In FY 2023-24, the growth rate for the M2 Program half-cent Local Transportation Authority sales tax revenue is forecasted to be 2.6 percent. The growth rate for the Local Transportation Fund sales tax revenue, which is used primarily to support bus operations, is forecasted to be 1.9 percent. These growth rates were provided by MuniServices, LLC forecasts based on the Board-approved sales tax forecasting methodology.

The FY 2023-24 proposed budget represents a balanced plan of sources and uses of funds. Sources of funds include new revenues received within the year, as well as planned uses of prior year designations. Planned uses of prior year designations are funds set aside (designated) in prior FYs to be utilized in the current FY. The uses of these funds are planned and do not represent a utilization of funds, as a result of deficit spending. Expenditures include current year expenditures, as well as funds designated in the current FY to be used in a future FY.

The combination of estimated revenues and planned uses of prior year designations produces available funding of $1,698.5 million, while proposed expenditures and designations yield a total use of funds of $1,698.5 million. On a year-over-year comparison to the approved FY 2022-23 budget, the FY 2023-24 proposed budget is 2.93 percent, or $48.3 million, more than the FY 2022-23 approved budget.

Under the M2 Program, sales tax revenue growth is anticipated to remain strong, and the program will continue to improve freeways and streets and roads throughout Orange County, as well as fund transit programs. Included in the proposed budget are freeway improvement projects on State Route 55, Interstate 5, Interstate 405, and State Route 91. Streets and Roads Improvements include the Local Fair Share Program, the Regional Capacity Program, and the Regional Traffic Signal Synchronization Program. In addition, the budget also includes funding for multiple M2 transit programs, including Metrolink and the OC Streetcar.

The FY 2023-24 budget assumes service levels for bus operations of 1.47 million service hours with approximately 60 percent of the hours directly operated by OCTA and approximately 40 percent of the hours provided by OCTA's contractor. Paratransit service trips are anticipated to increase from current levels of 1.21 million to 1.48 million. In addition, OC Flex service will continue to maintain current service levels.

The Metrolink budget assumes service levels at 90 percent of pre-pandemic service levels within Orange County given the changed landscape of commuter rail ridership post pandemic.

The 91 Express Lanes budget anticipates traffic volumes will decrease slightly by 0.2 million trips to 19.5 million trips in the FY 2023-24 budget. This decrease is based on the potential for a recession in FY 2023-24 as well as the impact of high inflation and high gas prices on trips. The 405 Express Lanes is anticipated to open for use in October 2023, after the completion of construction, and assumes 56.3 million trips along five segments over the first nine months of operations.

Staff will present the FY 2023-24 budget in detail in an informal workshop setting on May 8, 2023. The workshop is planned for two hours, and the presentation will include a discussion of program goals and objectives, proposed staffing plan, and the sources and uses of funds planned to meet specified program goals. The presentation will be solely informational for the Board. No public hearing will be held at the meeting, nor will the Board be asked to vote on the budget at the meeting. A public hearing for the budget is scheduled to occur at the June 12, 2023, Board meeting, after which staff anticipates seeking Board approval of the budget.

Summary

Staff will conduct a budget workshop for the Board at the May 8, 2023, OCTA Board meeting. The presentation will be solely informational for the Board. No public hearing will be held at the meeting, nor will the Board be asked to vote on the budget at the meeting. A public hearing for the budget is scheduled to occur at the June 12, 2023, Board meeting, after which staff anticipates seeking Board approval of the budget.

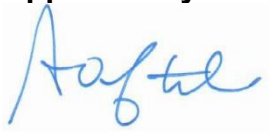
Attachment

A. Fiscal Year 2023-24 Budget Workshop

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

Orange County Transportation Authority
Fiscal Year 2023-24 Budget Workshop

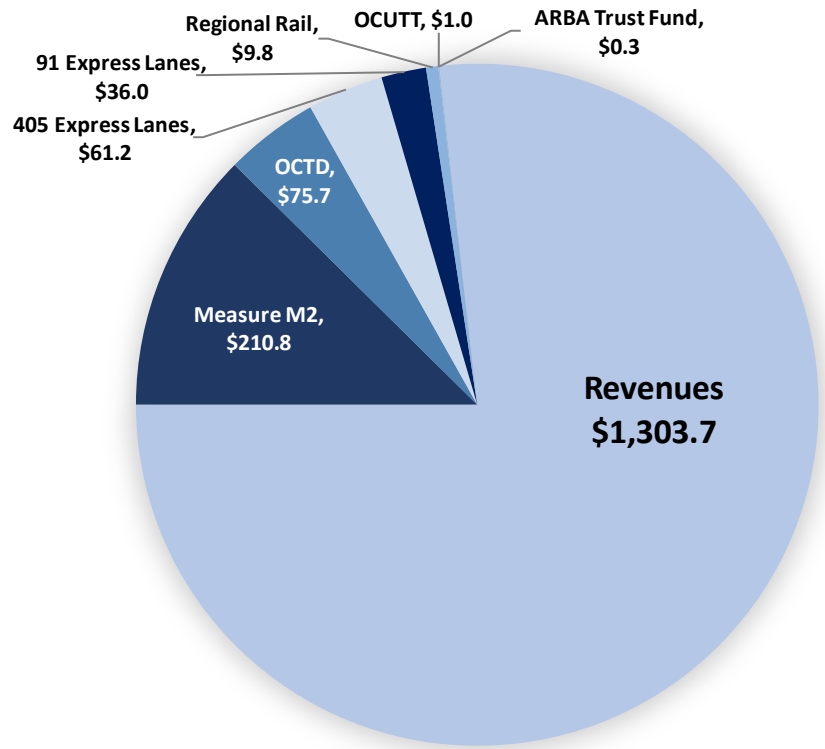
Budget Themes

- Anticipating moderate increase in sales tax receipts
- Sustaining bus operations despite exhausting federal relief funds
- Ongoing investment in zero-emission buses and infrastructure
- 91 Express Lanes continues to meet commitments
- Opening of 405 Express Lanes in late 2023 with completion of construction
- Delivering Measure M2 Next 10 Plan as promised
- Metrolink service continues at 90 percent of pre-pandemic service levels
- Advancing coastal rail resiliency planning
- OC Streetcar construction continues

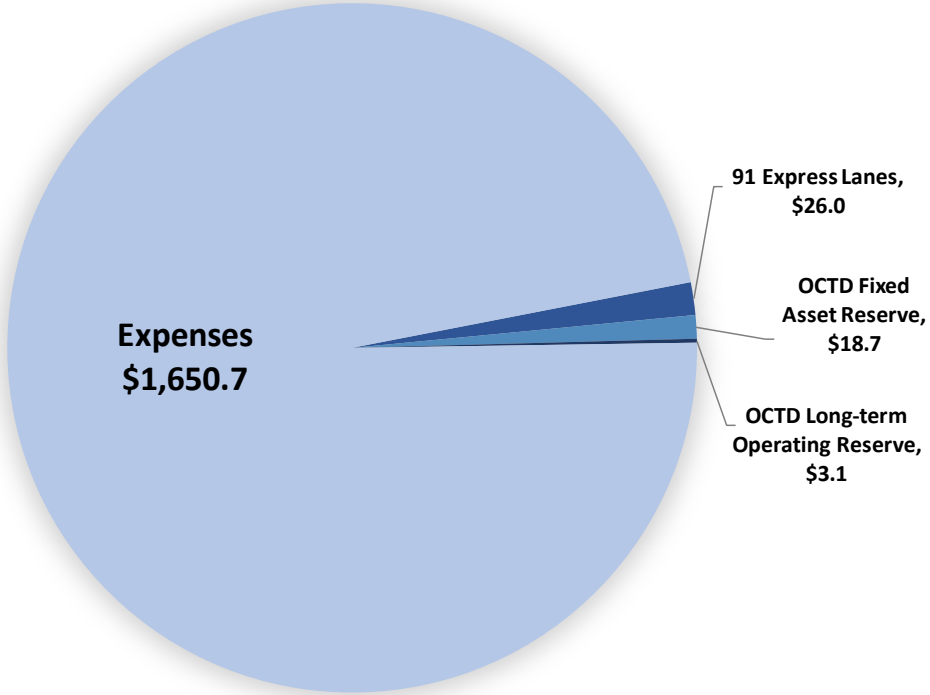
Budget Overview

Use of Prior Year Designations $394.8 million

Source of Funds $1,698.5 million



Use of Funds $1,698.5 million



Designations $47.8 million

Planned Use of Prior Year Designations

In Millions Fund	Program	FY 2022-23 Approved Budget	FY 2023-24 Proposed Budget
Local Transportation Authority Measure M2	*Freeways, Streets & Roads, and M2 Transit*	$ 154.9	$ 210.8
Orange County Transit District	*Bus Capital*	132.0	75.7
405 Express Lanes	*Express Lanes*	88.7	61.2
91 Express Lanes	*SR-91 and Rail Station Corridor Improvements*	39.9	36.0
Regional Rail	*Regional Rail Capital and Operations*	-	9.8
Orange County Unified Transportation Trust	*Freeways*	0.0	1.0
Additional Retiree Benefit Account (ARBA) Fund	*ARBA Contributions*	-	0.3
Total Use of Prior Year Designations		**$ 415.5**	**$ 394.8**

Budget Sources and Uses

In Millions	FY 2022-23 Approved Budget	FY 2023-24 Proposed Budget	Change $
Sources			
Revenues	$ 1,234.7	$ 1,303.7	$ 69.0
Use of Prior Year Designations	415.5	394.8	(20.7)
Total Revenue / Use of Designations	**$ 1,650.2**	**$ 1,698.5**	**$ 48.3**
Uses			
Salaries and Benefits	$ 187.3	$ 200.5	$ 13.2
Deferred Compensation Payment	-	8.0	8.0
LOSSAN Funded Salaries and Benefits	3.9	4.1	0.2
Services and Supplies	339.6	475.6	136.0
Contributions to Other Agencies	181.3	211.7	30.4
Interest/Debt Service	97.8	77.8	(20.0)
Capital	635.2	673.0	37.8
Designations	205.1	47.8	(157.3)
Total Expenditures / Designations	**$ 1,650.2**	**$ 1,698.5**	**$ 48.3**

FY – Fiscal Year
LOSSAN - Los Angeles – San Diego – San Luis Obispo Rail Corridor

Revenues

In Millions Sources	FY 2022-23 Approved Budget	FY 2023-24 Proposed Budget	Change $
M2 Local Transportation Authority 1/2 Cent Sales Tax	$417.2	$461.6	$44.4
Federal Grants	247.8	271.6	23.8
Local Transportation Fund 1/4 Cent Sales Tax	212.6	230.7	18.1
Interest	30.2	83.4	53.2
Express Lanes (Toll and Non-Toll)	54.6	77.2	22.6
State Transit Assistance	21.9	51.3	29.4
Passenger Fares	37.7	40.6	2.9
Senate Bill 1 (SB-1)	29.7	29.6	(0.1)
Property Tax	17.8	18.4	0.6
State Grants	14.0	17.8	3.8
Other	8.7	10.5	1.8
Senate Bill 1 (SB-1) - State Transit Assistance	24.7	6.9	(17.8)
Advertising	4.0	4.1	0.1
Federal Relief Revenue	113.8	-	(113.8)
Subtotal Sources	**$ 1,234.7**	**$ 1,303.7**	**$ 69.0**
Use of Prior Year Designations	415.5	394.8	(20.7)
Total Revenues / Use of Designations	**$ 1,650.2**	**$ 1,698.5**	**$ 48.3**

M2 – Measure M2

Sales Tax Revenues

In Millions

Sales Tax	LTA	LTF
FY 2022-23 Approved Budget	$ 417.2	$ 212.6
FY 2022-23 Year-End Estimate	449.9	226.4
FY 2023-24 Sales Tax Growth Rate	**2.6%**	**1.9%**
FY 2023-24 Proposed Budget	**$ 461.6**	**$ 230.7**

LTA – Local Transportation Authority
LTF – Local Transportation Fund

Expenditures

In Millions Uses	FY 2022-23 Approved Budget	FY 2023-24 Proposed Budget	Change $
Salaries and Benefits	**$ 191.2**	**$ 212.6**	**$ 21.4**
OCTA Salaries and Benefits	187.3	200.5	13.2
Deferred Compensation Payment	-	8.0	8.0
LOSSAN Funded Salaries and Benefits	3.9	4.1	0.2
Services and Supplies	**$ 339.7**	**$ 475.6**	**$ 135.9**
Professional and Outside Services	180.2	258.1	77.9
Contract Transportation Services	109.9	153.5	43.6
Maintenance Parts and Fuel	25.7	32.7	7.0
General & Administration	11.2	18.8	7.6
Insurance Claims/Premiums	12.7	12.5	(0.2)
Contributions to Other Agencies	**$ 181.3**	**$ 211.7**	**$ 30.4**
Measure M2 Local Fair Share	71.0	81.0	10.0
Contributions to Other Agencies	61.3	74.6	13.3
Measure M2 Regional Capacity	49.0	56.1	7.1
Interest / Debt Service	**$ 97.7**	**$ 77.8**	**$ (19.9)**
Interest Expense	70.7	49.4	(21.3)
Long-Term Debt Principal Payments	27.0	28.4	1.4
Capital	**$ 635.2**	**$ 673.0**	**$ 37.8**
Subtotal Uses	**$ 1,445.1**	**$ 1,650.7**	**$ 205.6**
Designations	205.1	47.8	(157.3)
Total Expenditures / Designations	**$ 1,650.2**	**$ 1,698.5**	**$ 48.3**

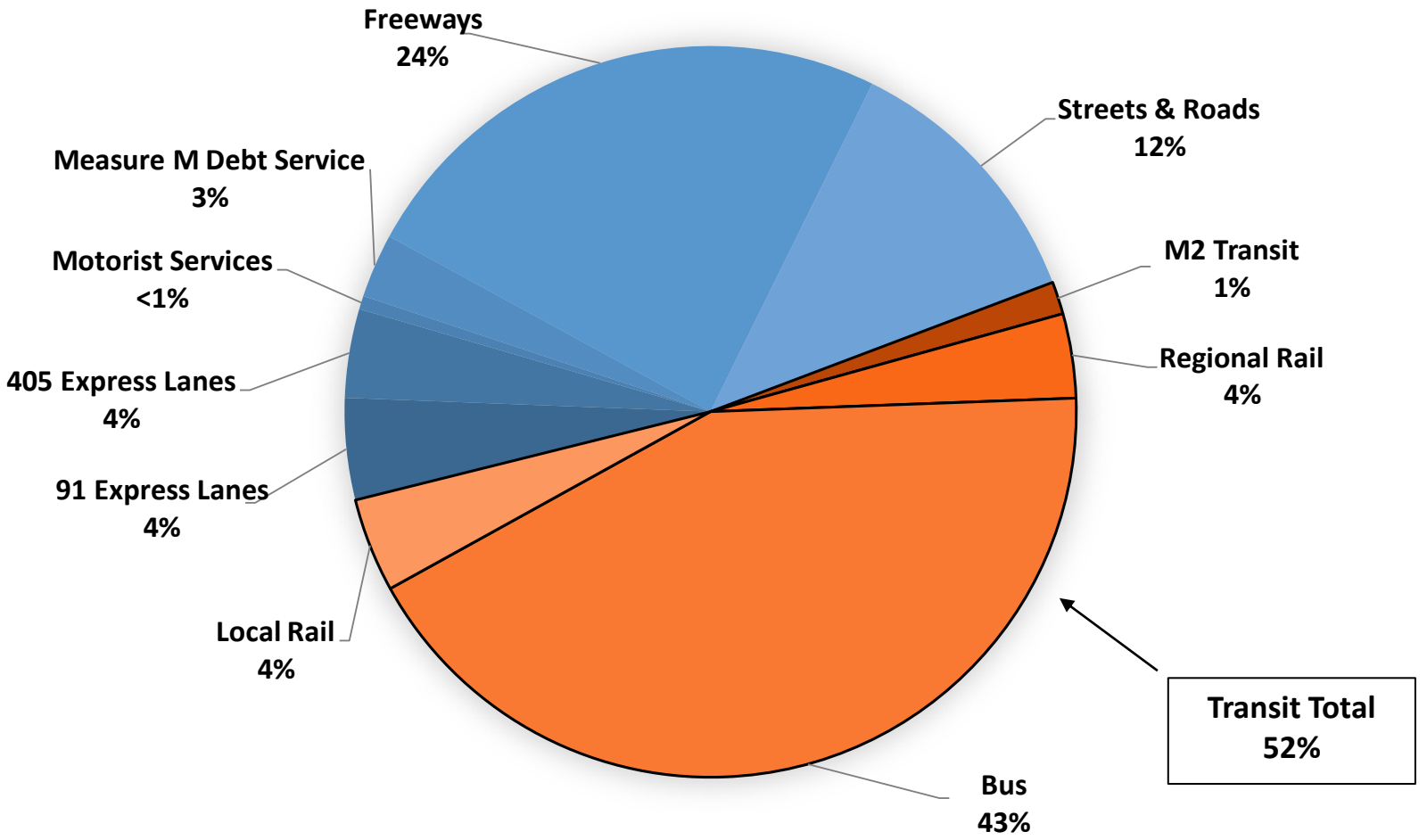
Key Expenditures by Fund

General Fund	Human Resources Information System (HRIS)	$	7,750,000	Human Resources Information System replacement project
	Transportation Planning and Studies	$	4,745,250	Transit corridor and regional mobility studies
	Bicycle and Pedestrian Facilities	$	4,608,740	OCTA awards to local agencies for bicycle and pedestrian facilities
	Hardware/Software Maintenance	$	1,577,754	Annual OCTA maintenance and support for infrastructure hardware and software
	Data Center Co-Location Hardware/Software	$	1,100,000	Annual data center co-location hardware and software expenses
Measure M2	SR-55, I-405 to SR-91 (Project F)	$	145,401,627	Right-of-way capital, utilities, and support services
	I-5, SR-73 to El Toro Road (Project C)	$	93,671,200	Construction capital, right-of-way capital, and construction management services
	I-405, SR-73 to I-605 (Project K)	$	85,274,407	Construction and right-of-way capital and utilities
	Local Fair Share (Project Q)	$	81,212,172	18 percent of M2 net revenues to local agencies for streets and roads
	Regional Capacity Program (Project O)	$	56,368,500	Competitive funding for local agency streets and roads projects
	Regional Traffic Signal Synchronization (Project P)	$	47,234,000	Signal synchronization projects to be implemented along OC Corridors
	I-5, I-405 to SR-55 (Project B)	$	25,366,000	Right-of-way capital and support services
	SR-91, SR-55 to SR-57 (Project I)	$	21,770,612	Right-of-way capital, utilities, and design services funded by 91 Express Lanes
	Clean-up Highway/Street Runoff (Project X)	$	15,818,150	Payments for M2 environmental cleanup program projects
	Community-Based Transit Circulator (Project V)	$	9,890,000	Payments to local jurisdictions to operate community transit circulators
	Senior Mobility and Non-Emergency Medical Programs (Project U)	$	8,857,244	Senior Non-Emergency Medical Transportation and Senior Mobility Program payments to local agencies
	Freeway Environmental Mitigation	$	6,481,162	M2 mitigation program endowment, property acquisition, and restoration projects
	Local Transportation Authority (LTA) - California Department of Tax and Fee Administration (CDTFA)	$	4,569,901	LTA CDTFA fees for the collection and distribution of the local sales tax
	I-605, Katella Ave. Interchange (Project M)	$	2,833,000	Construction capital and right-of-way capital and utilities
	SR-57, Orangewood Ave. to Katella Ave. (Project G)	$	1,785,000	Right-of-way capital, utilities, and design services
	Safe Transit Stops (Project W)	$	1,325,000	Grants to cities for previously approved bus stop improvement projects
Measure M2 Debt	Tax-Exempt Bonds	$	54,871,900	Interest and principal payment for Measure M2 bonds
Local Rail	OC Streetcar	$	80,907,906	Construction, construction management, right-of-way, site work, and start-up
91 Express Lanes	91 Express Lanes	$	34,980,352	Contracted operations, debt repayment, and roadway operations contractor
405 Express Lanes	405 Express Lanes	$	81,140,260	Contracted operations, construction capital, toll management, and back office system
Internal Service Funds	Workers' Compensation	$	7,367,120	Claims expense and liability insurance related to workers' compensation
	Personal Liability and Property Damage Legal, Insurance, and Claims	$	4,846,170	Legal fees, liability and property insurance, and broker services
Motorist Services	Motorist Services	$	10,996,692	Freeway Service Patrol (FSP) tow service, 511 program, and call box maintenance

Key Expenditures by Fund (Continued)

Regional Rail	Southern California Regional Rail Authority (SCRRA) Budget	$	41,065,223	Metrolink operating subsidy (Net of federal funds)
	Placentia Metrolink Rail Station	$	10,000,000	Design services funded by 91 Express Lanes
	Mission Viejo/Laguna Niguel Slope Stabilization	$	5,715,000	Construction, construction management, and design services
	San Juan Creek Bridge Replacement	$	4,995,000	Right-of-way capital, utility, and support services
	Coastal Slope Stabilization	$	3,655,000	Right-of-way capital and construction
	Regional Rail Project Support (Project R)	$	1,992,750	Project management support for rail capital projects
OCTD	Bus Purchases	$	94,140,000	Fixed-route and paratransit revenue vehicle purchases
	Contracted Fixed-Route Services	$	63,399,329	Contracted fixed-route fixed and variable costs
	Transit Security & Operations Center	$	58,869,000	Construction and construction management
	Paratransit Services	$	53,746,542	Americans with Disabilities Act (ADA) ACCESS service and ADA supplemental taxi services
	Bus Base and Transit Center Projects	$	38,473,600	Facility maintenance and upgrades at bus bases and transit centers
	Fuels	$	22,045,446	Compressed natural gas (CNG), gasoline, hydrogen fuel, and electricity costs
	Directly Operated Fixed Route Services and Supplies	$	12,921,518	General services and supplies for directly operated facilities
	Farebox Replacement	$	11,862,000	Replacement of fareboxes for fixed-route fleet
	Transit Security Sheriff Services	$	9,668,651	Orange County Sheriff's transit police services
	Transit Technology and Communications Capital	$	8,210,000	Fixed-route and paratransit revenue vehicle radio retrofit
	Maintenance Parts	$	7,990,687	Maintenance parts for revenue vehicles
	Contracted Special Agency Services	$	5,030,826	OCTA subsidy of transportation services provided by agencies for senior and disabled passengers
	Utilities	$	3,312,956	Gas, electric, water, and waste management for all OCTA owned locations
	Local Transportation Fund (LTF) - External Contributions	$	3,236,909	Southern California Association of Governments (SCAG) and Laguna Beach Municipal Transit Lines
	Transit Technology and Communications	$	2,442,250	On-board video surveillance system administration and Integrated transportation management system services
	Tires	$	1,957,027	Tire replacement and leasing for OCTA owned revenue vehicles
	New Freedoms & Job Access and Reverse Commute Programs	$	1,858,258	Transportation services for persons of low income, seniors, and persons with disabilities
	iShuttle Operations	$	1,731,992	Contribution to the Irvine iShuttle service as part of funding exchange
	Customer Information Center	$	1,180,880	Operating costs for call center to provide information on OCTA's bus program
	Anaheim Transportation Network	$	1,100,000	Anaheim Transportation Network pass-through
ARBA	Additional Retiree Benefit Account (ARBA) Payments	$	1,838,359	ARBA benefit payment
OCUTT	Orange County Unified Transportation Trust (OCUTT)	$	1,122,990	Freeway project study report and project initiation documents
		$	**1,376,312,312**	**These items represent 83 percent of the proposed budget expenditures**

Total Budget by Program



Measure M2 Freeways Summary

In Millions

Freeways		FY 2023-24 Proposed Budget
State Route 55, Interstate 405 to State Route 91 (Project F)	$	145.4
Interstate 5, State Route 73 to El Toro Road (Project C)		93.6
Interstate 405, State Route 73 to Interstate 605 (Project K)		85.3
Interstate 5, Interstate 405 to State Route 55 (Project B)		25.4
State Route 91, State Route 55 to State Route 57 (Project I)		21.8
Interstate 605, Katella Avenue Interchange (Project M)		2.8
State Route 57, Orangewood Avenue to Katella Avenue (Project G)		1.8
Interstate 5, El Toro Road Interchange (Project D)		0.7
Total	**$**	**376.8**

Measure M2 City Contributions

In Millions

Measure M2 Streets & Roads

		FY 2023-24 Proposed Budget
Local Fair Share (Project Q)	$	81.2
Regional Capacity Program (Project O)		56.6
Regional Traffic Signal Synchronization (Project P)		47.2
Total	**$**	**185.0**

In Millions

Measure M2 Transit

		FY 2023-24 Proposed Budget
Community-Based Transit Circulator (Project V)	$	9.9
Senior Mobility and Non-Emergency Medical Programs (Project U)		8.9
Safe Transit Stops (Project W)		1.3
Total	**$**	**20.1**

In Millions

Measure M2 Environmental

		FY 2023-24 Proposed Budget
Clean-up Highway/Street Runoff (Project X)	$	15.8
Freeway Environmental Mitigation		6.5
Total	**$**	**22.3**

91 Express Lanes Operations Sources and Uses

In Millions Operating Sources	FY 2022-23 Approved Budget	FY 2023-24 Proposed Budget	Change $
Toll Revenue	$ 50.7	$ 49.2	$ (1.5)
Interest Income	1.9	6.9	5.0
Non-Toll Revenue	3.9	4.5	0.6
Reimbursement from Other Agencies	0.3	0.4	0.1
Use of Prior Year Designations	-	0.5	0.5
Total Revenue / Use of Designations	**$ 56.8**	**$ 61.5**	**$ 4.7**
Operating Uses			
Debt & Interest Expense	$ 10.8	$ 10.8	$ -
Professional Services	10.1	10.7	0.6
Tollroad Management Contract	7.7	8.1	0.4
Overhead Allocation	3.6	4.6	1.0
Leases and Other Office Expenses	0.9	0.9	-
Insurance Claims/Premiums	0.8	0.4	(0.4)
Designations	22.8	26.0	3.2
Total Expenditures / Designations	**$ 56.8**	**$ 61.5**	**$ 4.7**

In Millions Capital Sources	FY 2022-23 Approved Budget	FY 2023-24 Proposed Budget	Change $
Use of Prior Year Designations	$ 39.9	$ 35.5	$ (4.4)
Total Revenue / Use of Designations	**$ 39.9**	**$ 35.5**	**$ (4.4)**
Capital Uses			
SR-91 and Rail Corridor Contributions	$ 35.9	$ 31.3	$ (4.6)
Capital	4.0	4.2	0.2
Total Expenditures / Designations	**$ 39.9**	**$ 35.5**	**$ (4.4)**

405 Express Lanes Operations Sources and Uses

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In Millions		FY 2023-24 Proposed Budget
Operating Sources		
Toll Revenue	$	23.2
Non-Toll Revenue		0.3
Total Revenue / Use of Designations	**$**	**23.5**
Operating Uses		
Tollroad Management Contract	$	12.4
Professional Services		9.1
Overhead Allocation		2.0
Total Expenditures / Designations	**$**	**23.5**

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In Millions		FY 2023-24 Proposed Budget
Capital Sources		
Use of Prior Year Designations	$	18.9
Total Revenue / Use of Designations	**$**	**18.9**
Capital Uses		
Capital	$	17.3
Overhead Allocation		1.6
Total Expenditures / Designations	**$**	**18.9**

Bus Program Assumptions

- Operations
  - Fixed-route service
    - Budgeted revenue hours are anticipated at 1.47 million with 40 percent contracted service
  - Paratransit service
    - Total trips increase from the current budget of 1.21 to 1.48 million to accommodate potential increases in demand
  - Microtransit service
    - OC Flex service budgeted at 11,500 thousand service hours

- Major Capital Projects
  - Advancement of zero emissions bus pilot
  - Transit Security Operations Center (TSOC)

OCTD Sources and Uses

In Millions Operating Sources	FY 2022-23 Approved Budget	FY 2023-24 Proposed Budget	Change $
Local Transportation Fund Sales Tax	$ 175.9	$ 188.2	$ 12.3
State Transit Assistance	21.9	51.4	29.5
Federal Operating Grants	53.6	43.6	(10.0)
Passenger Fares	37.7	40.5	2.8
Interest Income	7.9	26.5	18.6
Property Taxes	17.8	18.4	0.6
Other OCTD Revenue	9.0	11.4	2.4
Senate Bill 1 (SB-1) Operating	24.7	6.9	(17.8)
Regional Rail Funds	5.7	6.3	0.6
Vanpool Revenue	0.6	1.1	0.5
Reimbursements from Other Agencies	0.2	0.1	(0.1)
Federal Relief Revenue	113.8	-	(113.8)
Measure M2 Sales Tax	0.7	-	(0.7)
Total Revenue / Use of Designations	**$ 469.7**	**$ 394.4**	**$ (75.3)**

Operating Uses			
Salary and Benefits	$ 126.0	$ 134.8	$ 8.8
Contracted Fixed-Route Services	51.9	63.4	11.5
Paratransit Services	42.1	53.7	11.6
Overhead Allocation	47.5	49.9	2.4
Operating Services & Supplies	22.8	24.1	1.3
Fuels	17.3	22.0	4.7
Directly Operated Fixed Route Services and Supplies	11.7	12.9	1.2
Transit Security Sheriff Services	8.6	9.7	1.1
Maintenance Parts	6.2	8.0	1.8
Deferred Compensation Payment	-	5.8	5.8
Special Programs	4.3	5.1	0.8
Rail and M2 Transit Extensions	2.2	1.8	(0.4)
Long-term Operating Designation	129.0	3.1	(125.9)
Total Expenditures / Designations	**$ 469.7**	**$ 394.4**	**$ (75.3)**

In Millions Capital Sources	FY 2022-23 Approved Budget	FY 2023-24 Proposed Budget	Change $
Federal Capital Grants	$ 23.0	$ 95.1	$ 72.1
Local Transportation Fund Sales Tax	26.7	31.8	5.1
Senate Bill 1 (SB-1) Capital	22.7	27.5	4.8
State Grants	2.4	0.3	(2.1)
Use of Prior Year Designations	132.0	75.7	(56.3)
Total Revenue / Use of Designations	**$ 206.8**	**$ 230.4**	**$ 23.6**

Capital Uses			
Capital Projects	$ 174.6	$ 212.0	$ 37.4
Capital Designation	32.2	18.4	(13.8)
Total Expenditures / Designations	**$ 206.8**	**$ 230.4**	**$ 23.6**

OCTD – Orange County Transit District

Zero Emissions Buses Pilot Program

In Millions

Zero Emission Bus Capital		FY 2023-24 Proposed Budget
Vehicles		
(40) Fixed-Route Bus, 40-foot Fuel Cell Electric		62.0
(10) Fixed-Route Bus, 40-foot Battery Electric		12.5
(10) Paratransit Vehicle, 22-foot Battery Electric		3.3
Infrastructure		
Hydrogen Fueling Station		13.5
Electric Vehicle Charging Station		6.1
Metered Electrical Switchgear		4.3
Total	**$**	**101.7**

Regional Rail Program Assumptions

- Operating Subsidy Budget Assumptions
  - Comprehensive Business Plan (CBP) – operating subsidy $47.5 million
  - FY 2023-24 OCTA Budget - 90 percent operating subsidy $50.6 million

- Major Capital Projects
  - Placentia Metrolink Station
  - Mission Viejo/Laguna Niguel slope stabilization
  - San Juan Creek Bridge replacement

Regional Rail Sources and Uses

In Millions Operating Sources	FY 2022-23 Approved Budget	FY 2023-24 Proposed Budget	Change $
Measure M2 Sales Tax	$ 33.1	$ 42.9	$ 9.8
Interest Income	1.9	6.0	4.1
Proceeds Sale of Capital Asset	2.0	1.9	(0.1)
Other Commuter Rail Revenue	1.0	0.0	(1.0)
Use of Prior Year Designations	-	9.8	9.8
Total Revenue / Use of Designations	**$ 38.0**	**$ 60.6**	**$ 22.6**

Operating Uses			
SCRRA Operating Subsidy	$ -	$ 41.1	$ 41.1
Operating Expenses	7.6	8.2	0.6
Contributions to Operating Services	5.7	6.4	0.7
Overhead Allocation	3.7	4.9	1.2
Designations	21.1	-	(21.1)
Total Expenditures / Designations	**$ 38.0**	**$ 60.6**	**$ 22.6**

In Millions Capital Sources	FY 2022-23 Approved Budget	FY 2023-24 Proposed Budget	Change $
Measure M2 Sales Tax	$ 10.5	$ 10.9	$ 0.4
91 Express Lanes	-	10.0	10.0
Federal Grants	2.1	4.2	2.1
State Grants	0.1	0.6	0.5
Total Revenue / Use of Designations	**$ 12.8**	**$ 25.7**	**$ 12.9**

Capital Uses			
Capital Projects	$ 12.8	$ 25.7	$ 12.9
Total Expenditures / Designations	**$ 12.8**	**$ 25.7**	**$ 12.9**

Regional Rail Capital Summary

In Millions

Regional Rail Capital		FY 2023-24 Proposed Budget
Placentia Metrolink Rail Station	$	10.0
Mission Viejo/Laguna Niguel Slope Stabilization		5.7
San Juan Creek Bridge Replacement		5.0
Coastal Slope Stabilization		3.7
Anaheim Canyon Metrolink Station		0.3
Serra Siding Environmental		0.3
Orange County Maintenance Facility Environmental		0.3
Irvine Station Environmental		0.2
Signal Respacing and Control Point		0.2
Total	**$**	**25.7**

Local Rail Assumptions

- OC Streetcar
  - Construction will continue through federal, state, and M2 funding
  - Capital is estimated at $83.8 million primarily for construction, start-up, vehicles, site work, and right-of-way

Motorist Services Assumptions

- Freeway Service Patrol
  - Scheduled beats will increase from 33 to 35 to support the 405 Express Lanes
  - Freeway service patrol budget of $9.5 million
- Call Box and 511 Program
  - Call Box proposed budget of $375,000
  - 511 Program proposed budget of $502,000
- Overall, SAFE budget of $12.2 million

SAFE - Services Authority for Freeway Emergencies Program.

Motorist Services Sources and Uses

In Millions Operating Sources	FY 2022-23 Approved Budget	FY 2023-24 Proposed Budget	Change $
Measure M2 Sales Tax	$ 4.0	$ 5.7	$ 1.7
Department of Motor Vehicles Fees	2.6	2.9	0.3
SB-1 Operating	1.9	1.9	-
Freeway Service Patrol Revenue	2.2	1.6	(0.6)
Interest Income	0.0	0.1	0.1
Total Revenue / Use of Designations	**$ 10.6**	**$ 12.2**	**$ 1.6**

Operating Uses			
Freeway Service Patrol Services	$ 8.7	$ 9.5	$ 0.8
Overhead Allocation	1.2	1.8	0.6
511 Program & Other Office Expenses	0.3	0.5	0.2
Call Box Maintenance Services & Support	0.4	0.4	-
Total Expenditures / Designations	**$ 10.6**	**$ 12.2**	**$ 1.6**

In Millions Capital Sources	FY 2022-23 Approved Budget	FY 2023-24 Proposed Budget	Change $
Freeway Service Patrol Revenue	$ 0.1	$ 0.7	$ 0.6
Total Revenue / Use of Designations	**$ 0.1**	**$ 0.7**	**$ 0.6**

Capital Uses			
Freeway Service Patrol Capital	$ 0.1	$ 0.7	$ 0.6
Total Expenditures / Designations	**$ 0.1**	**$ 0.7**	**$ 0.6**

Staffing Levels

OCTA Staffing	FY 2022-23 Full-time Equivalent	FY 2023-24 Full-time Equivalent	FY 2023-24 New Hires	FY 2023-24 Reductions	Difference
Administrative	**520.5**	**532.5**	**13.0**	**(1.0)**	**12.0**
Union	**823.0**	**819.0**	**4.0**	**(8.0)**	**(4.0)**
Coach Operators	631.0	623.0	-	(8.0)	(8.0)
Maintenance	153.0	155.0	2.0	-	2.0
Facility Technicians and Parts Clerks	39.0	41.0	2.0	-	2.0
OCTA Positions	**1,343.5**	**1,351.5**	**17.0**	**(9.0)**	**8.0**
LOSSAN Funded OCTA Positions	**18.0**	**18.0**	**-**	**-**	**-**
Total Authority Positions	**1,361.5**	**1,369.5**	**17.0**	**(9.0)**	**8.0**

Employee Compensation Assumptions

- Employees Subject to Collective Bargaining Agreement
  - Coach Operators (623 employees)
    - Collective bargaining agreement effective through April 30, 2024
  - Maintenance (155 employees)
    - Collective bargaining agreement effective through September 30, 2025
  - Facilities technicians and parts clerks (41 employees)
    - Collective bargaining agreement effective through March 31, 2024
- Administrative Employees (532.5 + 18 LOSSAN employees)
  - Employees are not represented
  - Compensation governed by the Personnel and Salary Resolution, which is approved annually as part of the budget
  - Salary grade ranges are developed based upon scope, level of work performed, and external market data
    - Recommend four percent adjustment to grade ranges

Personnel and Salary Resolutions

- Pertaining to Administrative employees
  - Employees are at-will
  - Administrative employees do not receive cost-of-living adjustments, step increases, or automatic increases of any type
- Merit Pool of 4.5 percent
  - Salary increases are based on a pay-for-performance program
  - Every employee has a performance plan and receives an annual performance review
  - Base-building adjustment to annual salary
- Bonus Pool of 4 percent
  - Non-base building – does not increase annual salary
  - Bonuses are given throughout the year for specific, exceptional performance in a defined goal area
  - Part of employee rewards and recognition strategy

Next Steps

- Committee meetings and one-on-one meetings with Board Members — May 9-June 9
- Public Hearing Preview – Finance and Administration Committee — May 24
- Public Hearing – Board (public hearing and approval) — June 12
- Back-up Public Hearing – Board (public hearing and approval) — June 26