

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

Call to Order

The July 22, 2019 regular meeting of the Orange County Transportation Authority (OCTA) and affiliated agencies was called to order by Vice Chairman Jones at 9:03 a.m. at the OCTA Headquarters, 550 South Main Street, Board Room – Conference Room 07-08, Orange, California.

Roll Call

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

Directors Present: Steve Jones, Vice Chairman
Lisa A. Bartlett
Doug Chaffee
Andrew Do
Laurie Davies
Barbara Delgleize
Gene Hernandez
Jose F. Moreno
Joe Muller
Mark A. Murphy
Richard Murphy
Miguel Pulido
Donald P. Wagner
Gregory T. Winterbottom
Ryan Chamberlain, District Director
California Department of Transportation District 12

Directors Absent: Tim Shaw, Chairman
Michael Hennessey
Michelle Steel

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

Special Calendar

Orange County Transportation Authority Special Calendar Matters

1. Presentation of Resolution of Appreciation for Employee of the Month for June 2019

Darrell E. Johnson, Chief Executive Officer (CEO), presented OCTA Resolution of Appreciation No. 2019-066 to Stella Lin, Administration, as Employee of the Month for June 2019.

2. Presentation of Resolutions of Appreciation for Employees of the Month for July 2019

Darrell E. Johnson, CEO, presented OCTA Resolutions of Appreciation Nos. 2019-067, 2019-068, and 2019-069 to Carlos Novelo, Coach Operator; Rafael Luna, Maintenance; and Iris Deneau, Administration, as Employees of the Month for July 2019.

3. Recognition of the Orange County Transportation Authority's 2019 Summer College Intern Program

Darrell E. Johnson, CEO, provided opening comments that this year, OCTA launched a new Summer College Intern Program to appeal to a wider pool of college students and market OCTA nationally. Mr. Johnson presented OCTA's 2019 Summer College Intern Program participants as follows:

- Joseph Chidiac, Pepperdine University, is working in External Affairs.
- Warren Collins, University of Georgia, is working in Human Resources and Organizational Development.
- Jett Zeimantz, Claremont McKenna College, is working in Operations.
- Nicole Thee, Northern Arizona University, is working in External Affairs.
- Katie Tam, John Hopkins University, is working in Planning.
- Mark Hyun, Chapman University, is working in Operations.
- Samantha Beck, Seattle Pacific University, is working in Operations.
- Camille Ituralde, University of California, Los Angeles, is working in Operations.
- Gauvri Nathwani, University of California, Santa Barbara, is working in Human Resources and Organizational Development.
- Frank Kiriakopoulos, University of California, Riverside, is working in Operations.
- Daniel Lim, University of California, Irvine, is working in Operations.
- Ceili Harrell-Tuttle, Columbia University, is working in Operations.

Consent Calendar (Items 4 through 12)

Orange County Transportation Authority Consent Calendar Matters

4. Approval of Minutes

A motion was made by Director Davies, seconded by Director Hernandez, and declared passed by those present, to approve the Orange County Transportation Authority and affiliated agencies' regular meeting minutes of July 8, 2019.

Director Moreno abstained from the vote due to being absent from the July 8, 2019 Board of Directors meeting.

Director Pulido was not present to vote on this item.

5. Amendment to the 91 Express Lanes Three-Party Operating Agreement

A motion was made by Director Davies, seconded by Director Hernandez, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Amendment No. 4 to Agreement No. C-3-1529 among the Orange County Transportation Authority, Riverside County Transportation Commission, and Cofiroute USA, LLC, in an amount not to exceed \$3,437,496, for six, one-month optional extension periods from July 1, 2021 through December 31, 2021, for continued operating services on the 91 Express Lanes.

Director Pulido was not present to vote on this item.

6. Amendment to Agreement for System Manager and Business Analyst Support

A motion was made by Director Davies, seconded by Director Hernandez, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-4-1559 between the Orange County Transportation Authority and Carpe Datum to exercise the two-year option term of the agreement, effective September 1, 2019 through August 31, 2021, in the amount of \$383,984, to provide system manager and business analyst support. This will increase the maximum obligation for a total contract value of \$1,398,192.

Director Pulido was not present to vote on this item.

7. Second Quarter 2019 Investment and Debt Report

A motion was made by Director Davies, seconded by Director Hernandez, and declared passed by those present, to receive and file the Quarterly Debt and Investment Report prepared by the Treasurer as an information item.

Director Pulido was not present to vote on this item.

Orange County Transit District Consent Calendar Matters

8. Bus Operations Performance Measurements Report for the Third Quarter of Fiscal Year 2018-19

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

Director Pulido was not present to vote on this item.

9. Agreement for Mobility Management Services

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

- A. Approve the selection of Mobility Management Partners, Inc., as the firm to provide mobility management services.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1244 between the Orange County Transportation Authority and Mobility Management Partners, Inc., in the amount of \$248,911, for a one-year initial term, with one, two-year option term, to provide mobility management services.

Director Pulido was not present to vote on this item.

Orange County Local Transportation Authority Consent Calendar Matters

10. Contract Change Order for Removal and Disposal of Contaminated Materials at the Maintenance and Storage Facility Property for the OC Streetcar Project

A motion was made by Director Davies, seconded by Director Hernandez, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 2.1 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of \$160,000, for the removal and disposal of contaminated materials at the maintenance and storage facility property for the OC Streetcar project.

Director Wagner voted in opposition of this item.

Director Pulido was not present to vote on this item.

11. Consultant Selection for the Preparation of Orange County Rail Infrastructure Defense Against Climate Change Plan

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

- A. Approve the selection of WSP USA, Inc., as the firm to prepare an Orange County Rail Infrastructure Defense Against Climate Change Plan.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-2072 between the Orange County Transportation Authority and WSP USA, Inc., in the amount of \$549,953, to prepare an Orange County Rail Infrastructure Defense Against Climate Change Plan.

Director Pulido was not present to vote on this item.

12. Agreement for the Intelligent Transportation Management System Integration and Engineering with the OC Streetcar Vehicles

A motion was made by Director Davies, seconded by Director Hernandez, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C-9-1192 between the Orange County Transportation Authority and Conduent Transport Solutions, Inc., in the amount of \$2,719,650, for the integration of the OC Streetcar vehicles into the existing Intelligent Transportation Management System.

Director Wagner voted in opposition of this item.

Director Pulido was not present to vote on this item.

Regular Calendar

Orange County Transportation Authority Regular Calendar Matters

13. Amendment to the Agreement with First Transit, Inc., for the Provision of Contracted Fixed-Route Service

Jennifer L. Bergener, Chief Operating Officer (COO), reported on this item as follows:

- An overview of the contracted service provided by First Transit, Inc. (First Transit), and how it maintains financial stability.
- First Transit has been experiencing a problem with rests and breaks and during February's service change, First Transit modified how they schedule Coach Operator assignments and breaks.
- Due to the shortage of coach operators, First Transit lost 2,300 trips which resulted in 2,800 lost service hours.
- First Transit took immediate action to remedy the shortage of operators by bringing operators from other properties and tour operators, using management team to operate vehicles, and increasing its starting wage.
- During the first four years of First Transit's contract, OCTA saved \$55 million and will save an additional \$24 million, if the recommendation is approved.
- The recommendations in the Staff Report were highlighted.

A discussion ensued regarding:

- Director Wagner stated the following:
 - OCTA could have gone out to bid instead of exercising the option term, as well as highlighted his concerns.
 - When the contract returns to exercise the second option term, Director Wagner suggested going out to bid.
 - The recommended price change of approximately \$6 million is not the way public contracting is supposed to work.
 - First Transit's Coach Operator shortage is not the responsibility of OCTA and the taxpayers to address.
 - Referenced Item 8 on today's Board agenda, Page 8, of the Staff Report that notes First Transit being below standards for courtesy and reliability which in part is attributed to the Coach Operator shortage.
 - Asked staff to consider going out to bid as an alternative to exercising the final two-year option term.

13. (Continued)

- Transit Committee Chairman Do stated:
 - The Transit Committee recently discussed this item at length, and the unanticipated economic pressures of low unemployment, minimum wage increasing, and ongoing high costs of housing contributed to First Transit's issues.
 - The recommendations would provide significant savings to OCTA.
 - First Transit has made significant strides to improve its performance issues.

- Director Muller stated the following:
 - Agrees with Director Wagner's concerns.
 - To address the driver shortage, consider Uber or Lyft to deliver the same service.
 - Move forward with the recommendations and review other modes of transportation to deliver the same services at a lower cost.

- Director Bartlett stated the following:
 - When First Transit's contract was initiated in 2015, the California minimum wage increases were not determined.
 - It is difficult for First Transit to be competitive with the minimum wage increases.
 - The overall labor market has changed over the past few years, and OCTA needs to have a competitive working environment.

- Director Winterbottom stated the following:
 - Asked how long it would take if OCTA went out to bid. Ms. Bergener, COO, responded that it would take approximately six to nine months.
 - The bus service could be cut which would save a lot of money.
 - Uber type service would put more cars on the road.
 - Gave an example of when he managed the same type of service, and 35 years later not much has changed.

- Director R. Murphy stated the following:
 - Asked when OCTA awards the contract, what percentage of it is cost. Ms. Bergener, COO, responded 25 percent.
 - Concerned about the fairness when a firm considered the 25 percent higher costs and was not awarded the contract due its higher bid.
 - It is a bad precedent when the higher bidder is being put in an unfair position, and OCTA is getting a reputation of adjusting the contracts because a firm cannot foresee actual costs.

13. (Continued)

- Darrell E. Johnson, CEO, stated the following:
 - The initial 2015 contract bid had only two bidders.
 - In order to lower costs, OCTA contracts 40 percent of its bus service.
 - During the implementation of this contract, OCTA implemented the OC Bus 360°, OC Flex pilot program, and demonstration project with Lyft in San Clemente.
 - OCTA believes going out to bid is a high-risk, which was discussed with the Transit Committee and the Board.
 - OCTA's Coach Operator attrition rate is approximately three times higher, and the economic factors are a challenge.
 - The recommendations are the lowest risk path.
 - OCTA understands the Uber and Lyft voucher suggestions.
 - To receive federal funds for bus service, the Federal Transit Administration has specific regulations, and Uber and Lyft service is not allowed when using federal funds.

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

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 9 to Agreement No. C-4-1737 between the Orange County Transportation Authority and First Transit, Inc., in the amount of \$6,544,810, to allow First Transit, Inc. to implement wage adjustments for operating staff. This will increase the maximum obligation of the agreement to a total contract value of \$242,571,788.
- B. Approve an amendment to the Orange County Transportation Authority Fiscal Year 2019-20, Operations Division Budget, in the amount of \$4,520,537.

Orange County Transit District Regular Calendar Matters

14. October 2019 and February 2020 Bus Service Plan Recommendations

Darrell E. Johnson, CEO, provided opening comments and introduced Gary Hewitt, Section Manager of Transit Planning, who provided a PowerPoint presentation as follows:

- OC Bus 360°;
- Service Design Framework;
- Outreach;
- What We Heard;
- Changes to Draft Recommendations;
- Final October 2019 Service Changes;

14. (Continued)

- Final February 2020 Service Changes;
- Resource Impacts; and
- Next Steps.

Staff was thanked for listening to the public, especially in the Fifth District for Routes 83, 86, and 206. Additionally, staff was complimented for the helpful formatting of the draft and final service plan changes provided in the Staff Report.

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

- A. Approve the final October 2019 and February 2020 Bus Service Plan and direct staff to begin implementation.
- B. Receive and file the October 2019 and February 2020 Bus Service Plan Public Involvement Program final report.
- C. Direct the Executive Director of Planning, or his designee, to file a Notice of Exemption from the California Environmental Quality Act related to the bus service changes.

Orange County Local Transportation Authority Regular Calendar Matters

15. OC Streetcar Project Quarterly Update

Darrell E. Johnson, CEO, opened with comments and a co-presentation of the PowerPoint was provided as follows:

Jim Beil, Executive Director of Capital Programs, presented:

- Background;
- OC Streetcar Features;
- Utilities;
- Construction – Segment 1;
- Santa Ana River Bridge;
- Maintenance and Storage Facility; and
- Construction – Segments 2 through 5.

Kelly Hart, Project Manager, presented:

- Vehicles and Other Key OC Streetcar Updates.

Tresa Oliveri, Principal Community Relations Specialist, presented:

- Outreach.

15. (Continued)

A discussion ensued regarding:

- As the contractor goes through discovery, there is staff on-site analyzing/testing for toxins.
- OCTA's outreach team is working with the City of Santa Ana (Santa Ana) and communicating back to the construction team Santa Ana's requests. Additionally, OCTA is responding to the community's requests.

No action was taken on this receive and file information item.

16. Public Comments

There were no public comments.

17. Chief Executive Officer's Report

Darrell E. Johnson, CEO, reported:

OC Fair Express:

- Yesterday, OCTA completed the second weekend of service on the OC Fair Express and ridership is doing well.
- So far, OCTA recorded more than 28,000 boardings which is about 4.4 percent higher than last year's 26,862 boardings at this time.

Interstate 5 (I-5) Central Project:

- A second carpool lane will be added, in each direction, on the I-5 between the State Route (SR) 55 and SR-57.
- The I-5/Main Street high-occupancy vehicle bridge demolition is scheduled for Friday night, August 2, and Saturday night, August 3. The bridge demolition will require a full closure of the northbound I-5 from the SR-55 to the SR-22.
- There will also be lane closures on the southbound I-5 beginning at Gene Autry Way and continuing through the project area.
- The carpool connector from the southbound SR-57 to the southbound I-5 will be closed.
- Main Street will be closed in both directions from Santa Clara Avenue to Main Place Drive.
- OCTA continues to notify the public through all its regular channels including an interactive map online at www.octa.net/i5centralmap.

17. (Continued)

“Be Safe Be Seen” Workshops:

- OCTA is launching a bicycle safety campaign called “Be Safe Be Seen,” which includes a series of free workshops.
- The first workshop was on Saturday in City of La Habra and workshops will continue throughout the summer as follows:
 - 5:30 p.m. on July 25 at the City of Orange, Civic Center
 - 10:00 a.m. on August 3 at the City of Fullerton Main Library
 - 5:30 p.m. on August 13 at the City of Huntington Beach City Hall
 - 9:00 a.m. on August 31 at the City of Tustin Senior Center
- If the Board Members want further information, contact OCTA’s CEO.

18. Directors’ Reports

Director Davies thanked Alice Rogan, Director of External Affairs, and Nora Yeretian, Principal Marketing Specialist, for providing the OC Flex outreach at the recent summer concert in the City of Laguna Niguel (Laguna Niguel), and Director Davies highlighted what was promoted.

Director Davies reported that OCTA staff will also provide OC Flex outreach at additional summer concerts in Laguna Niguel and in the cities of Aliso Viejo and Mission Viejo.

Director Davies requested “Be Safe Be Seen” workshops in south Orange County.

Director Moreno asked that this Board meeting be adjourned in memory of former OCTA Board Member Irv Pickler, a long-time Anaheim resident, public servant, and community volunteer who passed away on July 17, 2019 at 98, and Director Moreno provided an obituary.

Director Bartlett reported that First Transit’s contract was effective in 2015. Additionally, she stated that pursuant to Senate Bill 3 (minimum wage), there were modifications to the California Labor Code in 2016. She explained that is why First Transit came to OCTA about implementing wage adjustments, which is needed to remain competitive in the job market.

19. Closed Session

A Closed Session was be held as follows:

Pursuant to Government Code Section 54956.9(d) - Conference with General Counsel - Potential Litigation - One Matter.

Director Pulido was not present for the Closed Session item.

There was no report out for the Closed Session item.

20. Adjournment

The meeting adjourned at 10:17 a.m. in memory of former OCTA Board Member Irv Pickler, OCTA's Vice Chairman in 1991, who passed away on July 17, 2019.

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, August 12, 2019**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room – Conference Room 07-08, Orange, California.

ATTEST:

Laurena Weinert
Clerk of the Board

Steve Jones
OCTA Vice Chairman