



May 22, 2019

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Agreement with the California Highway Patrol for Enforcement Services on the 91 Express Lanes

Overview

The Amended and Restated Development Franchise Agreement, entered into between the California Department of Transportation and the California Private Transportation Company, requires the California Highway Patrol to provide enforcement services on the 91 Express Lanes. With the purchase of the 91 Express Lanes, the Orange County Transportation Authority assumed all agreements from the California Private Transportation Company. The California Highway Patrol is requiring a new agreement to be established with the Orange County Transportation Authority for toll and traffic enforcement services on the 91 Express Lanes.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1172, between the Orange County Transportation Authority and California Highway Patrol, for a contract term of ten years, in an amount not to exceed \$12,326,335, for toll and traffic enforcement services on the 91 Express Lanes.

Background

The California Private Transportation Company (CPTC) entered into an Amended and Restated Development Franchise Agreement (Franchise Agreement) with the California Department of Transportation to which CPTC was granted the right to develop, construct, and operate the 91 Express Lanes. Pursuant to the Franchise Agreement, CPTC was required to enter into a Police Services Agreement (PSA) with the California Highway Patrol (CHP) to provide toll and traffic enforcement services for the 91 Express Lanes. The PSA was executed in June 1993, with the contract term expiring upon the termination of the Franchise Agreement.

Discussion

In January 2003, the Orange County Transportation Authority (OCTA) acquired the assets and franchise rights to operate the 91 Express Lanes from CPTC. As part of the purchase, OCTA assumed CPTC's liabilities and agreements that were in place, including the PSA with the CHP. The CHP provides routine patrol services, including toll and traffic enforcements, incident response, traffic control, and other services, in addition to supplemental enforcement services, at the request of OCTA. On a regular basis, the CHP provides OCTA with the average hourly and mileage rates, although the invoices reflect the actual rates of the officers that worked the assignments and mileage used during the patrols.

In late December 2018, the CHP informed OCTA staff that since the PSA was executed more than 15 years ago, the CHP is requiring a new agreement to be established for the enforcement services for the 91 Express Lanes. This agreement would be retroactive to July 1, 2018, as the CHP has not yet billed for the prior period.

Consistent with the PSA, OCTA will reimburse the CHP for the actual costs, which are comprised of officer rates and any associated mileage incurred at the time services are provided. The CHP will provide officers daily during the hours of 5:30 a.m. to 10:00 p.m., as well as any supplemental enforcement services as requested by OCTA and agreed upon by the CHP. This agreement would be effective as of July 1, 2018 through June 30, 2028, with a not-to-exceed maximum obligation of \$12,326,335. The amount requested includes an additional 20 percent to accommodate increased enforcement services at the request of OCTA.

Fiscal Impact

Funds are included in OCTA's Fiscal Year 2018-19 Budget, 91 Express Lanes Account 0036-7616-B0200-9Y4, and will be included in the 91 Express Lanes budget for the subsequent years.

Summary

Staff is recommending the Board of Directors authorize the Chief Executive Officer to execute Agreement No. C-9-1172, with the California Highway Patrol, to provide toll and traffic enforcement services for the 91 Express Lanes, in an amount not to exceed \$12,326,335, for a contract term of ten years.

Attachment

- A. State of California – Department of General Services, Standard Agreement

Prepared by:



Kirk Avila
General Manager
Express Lanes Programs
(714) 560-5674

Approved by:



Ken Phipps
Deputy Chief Executive Officer
Executive Office
(714) 560-5637



Virginia Abadessa
Director, Contracts Administration and
Materials Management
(714) 560-5623