



BOARD AGENDA

Orange County Transportation Authority Board Meeting
Orange County Transportation Authority Headquarters
Board Room - Conference Room 07-08
550 South Main Street
Orange, California
Monday, August 12, 2019 at 9:00 a.m.

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA Clerk of the Board, telephone (714) 560-5676, no less than two (2) business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

Agenda Descriptions

The 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 Board of Directors 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 Comments on Agenda Items

Members of the public may address the Board of Directors 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. A speaker's comments shall be limited to three (3) minutes.

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.

Call to Order

Invocation

Director Chaffee

Pledge of Allegiance

Director Chamberlain



BOARD AGENDA

Special Calendar

There are no Special Calendar matters.

Consent Calendar (Items 1 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

1. Approval of Minutes

Approval of the Orange County Transportation Authority and affiliated agencies' regular meeting minutes of July 22, 2019.

2. Fiscal Year 2018-19 Internal Audit Plan, Fourth Quarter Update

Janet Sutter

Overview

The Orange County Transportation Authority Board of Directors adopted the Orange County Transportation Authority Internal Audit Department Fiscal Year 2018-19 Internal Audit Plan on August 27, 2018. This update is for the fourth quarter of the fiscal year.

Recommendation

Receive and file the fourth quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2018-19 Internal Audit Plan as an information item.



BOARD AGENDA**3. Draft Fiscal Year 2019-20 Internal Audit Plan**

Janet Sutter

Overview

At the direction of the Orange County Transportation Authority's Board of Directors, the Internal Audit Department develops and implements an annual risk-based Internal Audit Plan. Implementation of an annual Internal Audit Plan assists management in evaluating the effectiveness and efficiency of projects, programs, and operations, while ensuring that adequate controls and safeguards are in place to protect the Orange County Transportation Authority's assets and resources.

Recommendations

- A. Approve the Draft Fiscal Year 2019-20 Internal Audit Plan.
- B. Direct the Executive Director of Internal Audit to provide quarterly updates on the Fiscal Year 2019-20 Internal Audit Plan.

4. Consultant Selection for South Orange County Multimodal Transportation Study

Warren Whiteaker/Kia Mortazavi

Overview

Pursuant to the 2019 Orange County Transportation Authority Board of Directors Strategic Initiatives, consultant services are needed to conduct a multimodal transportation study to identify solutions for south Orange County's current and future mobility needs. Proposals were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board of Directors' approval is requested to select a firm to conduct the South Orange County Multimodal Transportation Study.



BOARD AGENDA

4. (Continued)

Recommendations

- A. Approve the selection of HDR Engineering, Inc., as the firm to conduct the South Orange County Multimodal Transportation Study.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1121 between the Orange County Transportation Authority and HDR Engineering, Inc., in the amount of \$749,969, to conduct the South Orange County Multimodal Transportation Study for a two-year term.

5. 2020 State Transportation Improvement Program Overview Ben Ku/Kia Mortazavi

Overview

The State Transportation Improvement Program is a biennial five-year plan of projects adopted by the California Transportation Commission for future allocations of state transportation funds. Every two years, the Orange County Transportation Authority updates the program of projects to be funded through this program. An overview of the 2020 State Transportation Improvement Program process is presented for information purposes.

Recommendation

Receive and file as an information item.

6. SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program Recommendations for Fiscal Year 2019-20 Funds Ben Ku/Kia Mortazavi

Overview

Funding recommendations are presented for the SB 1 State of Good Repair Program for fiscal year 2019-20 funds. These funds will help sustain and upgrade the Orange County Transportation Authority bus system, consistent with state program goals.



BOARD AGENDA

6. (Continued)

Recommendations

- A. Approve Resolution No. 2019-058, consistent with the SB 1 State of Good Repair Program Guidelines, authorizing the use of \$5.720 million in fiscal year 2019-20 SB 1 State of Good Repair Program funding for:
- Replacement of up to seven iShuttle buses (\$3.030 million),
 - Replacement of up to six El Dorado Cutaways with 40-foot buses (\$1.890 million)
 - Replacement of the emergency equipment at the Anaheim and Irvine Construction Circle bus bases (\$0.800 million).
- B. Authorize staff to make all necessary amendments to the Federal Transportation Improvement Program, as well as execute any necessary agreements to facilitate the above recommendations.

Orange County Transit District Consent Calendar Matters

7. Sole Source Agreement for the Purchase of Nineteen Near-Zero Emission Bus Engines for the Midlife Overhaul of Articulated Buses Dayle Withers/Jennifer L. Bergener

Overview

The Orange County Transportation Authority's active revenue vehicle fleet includes 20 New Flyer 60-foot articulated, compressed natural gas-powered buses, that are model year 2013, and are in need of a midlife engine replacement. There is only one compressed natural gas engine currently available for purchase that has been certified by the State of California for transit buses. In order to advance the midlife engine replacement for the articulated bus fleet, a sole source agreement is required to proceed with the engine replacement.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C-9-1085 between the Orange County Transportation Authority and Cummins Pacific, LLC, in the amount of \$1,348,248, for the purchase of 19 replacement Cummins L9N near-zero emission compressed natural gas-powered engines.



BOARD AGENDA

Orange County Local Transportation Authority Consent Calendar Matters

8. Capital Programs Division - Fourth Quarter Fiscal Year 2018-19 and Planned Fiscal Year 2019-20 Capital Action Plan Performance Metrics

James G. Beil

Overview

The Orange County Transportation Authority's Strategic Plan key strategies and objectives to achieve the goals for Mobility and Stewardship include delivery of all Capital Action Plan projects on time and within budget. The Capital Action Plan is used to create a performance metric to assess capital project delivery progress on highway, grade separation, rail, and facility projects. This report provides an update on the Capital Action Plan delivery and performance metrics

Recommendation

Receive and file as an information item.

9. Contract Change Order for Removal and Disposal of Contaminated Materials Within the Orange County Transit District-Owned Pacific Electric Right-of-Way for the OC Streetcar Project

Mary Shavaliel/James G. Beil

Overview

On September 24, 2018, the Orange County Transportation Authority Board of Directors authorized Agreement No. C-7-1904 with Walsh Construction Company II, LLC, for construction of the OC Streetcar project. A contract change order is required for the removal and disposal of contaminated materials within the Orange County Transit District-Owned Pacific Electric Right-of-Way.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 3 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of \$1,600,000, for the removal and disposal of contaminated materials within the Orange County Transit District-Owned Pacific Electric Right-of-Way for the construction of the OC Streetcar project



BOARD AGENDA

10. Measure M2 Environmental Mitigation Program Update and Annual Report
Lesley Hill/Kia Mortazavi

Overview

Measure M2 includes a program to deliver comprehensive mitigation for the environmental impacts of 13 freeway projects in exchange for streamlined project approvals from the state and federal resources agencies. To date, the Environmental Mitigation Program has acquired conservation properties and provided funding for habitat restoration projects as part of the Natural Community Conservation Plan/Habitat Conservation Plan. On a parallel path, a similar approach was developed to obtain state and federal clean water permits to facilitate the implementation of the Measure M2 freeway projects. A summary of the first Annual Report for the Orange County Transportation Authority M2 Natural Community Conservation Plan/Habitat Conservation Plan covering all activities up to December 31, 2018, is provided. Additional Environmental Mitigation Program activities post 2018 are also provided in this report.

Recommendation

Receive and file as an information item.

11. Measure M2 Comprehensive Transportation Funding Programs - 2020 Annual Call for Projects
Alfonso Hernandez/Kia Mortazavi

Overview

The Comprehensive Transportation Funding Programs Guidelines provide the mechanism for administration of the annual competitive call for projects for Measure M2 programs, including the countywide Regional Capacity Program (Project O) and the Regional Traffic Signal Synchronization Program (Project P). The 2020 Regional Capacity Program and Regional Traffic Signal Synchronization Program call for projects is presented for review and approval.



BOARD AGENDA

11. (Continued)

Recommendations

- A. Approve proposed revisions to the Comprehensive Transportation Funding Programs Guidelines.
- B. Authorize staff to issue the 2020 annual call for projects for the Regional Capacity Program.
- C. Authorize staff to issue the 2020 annual call for projects for the Regional Traffic Signal Synchronization Program.

12. Cooperative Agreements for Regional Traffic Signal Synchronization Program Projects

Anup Kulkarni/Kia Mortazavi

Overview

On June 10, 2019, the Orange County Transportation Authority Board of Directors approved programming of funds for projects as part of the 2019 call for projects for the Measure M2 Regional Traffic Signal Synchronization Program. As part of the application process, the Orange County Transportation Authority was requested to be the lead agency on three of the six projects: Aliso Creek Road, Lake Forest Drive, and Red Hill Avenue. Separate cooperative agreements with local agencies are necessary for each of these projects to specify the amount of required local matching funds.

Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-9-1419 between the Orange County Transportation Authority and the cities of Aliso Viejo and Laguna Niguel for the Aliso Creek Road Regional Traffic Signal Synchronization Project, with required local matching funds of \$285,994.



BOARD AGENDA**12. (Continued)**

- B. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-9-1420 between the Orange County Transportation Authority and the cities of Irvine, Laguna Hills, and Lake Forest for the Lake Forest Drive Regional Traffic Signal Synchronization Project, with required local matching funds of \$360,411.
- C. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-9-1421 between the Orange County Transportation Authority and the cities of Costa Mesa, Irvine, and Tustin for the Red Hill Avenue Regional Traffic Signal Synchronization Project, with required local matching funds of \$419,018.

13. Measure M2 Community-Based Transit Circulators Program Project V Ridership Report

Joseph Alcock/Kia Mortazavi

Overview

Measure M2 establishes a competitive program through Project V to fund community-based local transit circulators, designed to complement regional transit services. A ridership report on 19 active Project V services operating through the second and third quarters of fiscal year 2018-2019 is provided for Board of Director's information.

Recommendation

Receive and file as an information item.



BOARD AGENDA**Regular Calendar****Orange County Local Transportation Authority Regular Calendar Matters****14. Local Agencies' Interest in Project V Call for Projects**

Alfonso Hernandez/Kia Mortazavi

Overview

Measure M2 establishes a competitive program through Project V to fund community-based transit services that complement regional transit services. Earlier this year, the Orange County Transportation Authority Transit Committee directed staff to determine local agencies' level of interest in applying for a fourth Project V call for projects. This report provides findings and recommendations emerging from these efforts.

Recommendation

Direct staff to return by fall 2019 with revised Comprehensive Transportation Funding Programs Guidelines to support a fourth Project V call for projects.

Discussion Items**15. Public Comments**

At this time, members of the public may address the Board of Directors regarding any items within the subject matter jurisdiction of the Board of Directors, but no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three (3) minutes per speaker, unless different time limits are set by the Chairman subject to the approval of the Board of Directors.

16. Chief Executive Officer's Report**17. Directors' Reports**



BOARD AGENDA

18. Closed Session

A Closed Session will be held as follows:

Pursuant to Government Code Section 54956.9(a) - Conference with General Counsel - Existing Litigation; Amalia Alvarado Cabrera v. Orange County Transportation Authority, et al. - OCSC Case No. 30-2017-00902010.

19. Adjournment

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, August 26, 2019**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07-08, Orange, California.

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 Yeretzian, 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 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



COMMITTEE TRANSMITTAL

August 12, 2019

To: Members of the Board of Directors
From: Laurena Weinert, Clerk of the Board
Subject: Fiscal Year 2018-19 Internal Audit Plan, Fourth Quarter Update

Finance and Administration Committee Meeting of July 24, 2019

Present: Directors Do, Hernandez, Jones, and R. Murphy
Absent: Directors Hennessey, Steel, and Wagner

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Receive and file the fourth quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2018-19 Internal Audit Plan as an information item.



July 24, 2019

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Janet Sutter, Executive Director
Internal Audit Department

Subject: Fiscal Year 2018-19 Internal Audit Plan, Fourth Quarter Update

Overview

The Orange County Transportation Authority Board of Directors adopted the Orange County Transportation Authority Internal Audit Department Fiscal Year 2018-19 Internal Audit Plan on August 27, 2018. This update is for the fourth quarter of the fiscal year.

Recommendation

Receive and file the fourth quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2018-19 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, and agreed-upon procedures reviews. Audits initiated by entities outside of OCTA are coordinated through Internal Audit.

Discussion

The OCTA Internal Audit Fiscal Year (FY) 2018-19 Internal Audit Plan (Plan), Attachment A, reflects the status of each audit project as of year-end. Thirteen projects were completed during the year and six more are in progress. One project has not been initiated and will be carried over to the FY 2019-20 Plan.

For the Plan year, Internal Audit completed 42 projects, including 29 pre-award agreed-upon procedure reviews (price reviews), 12 internal audits, and one Buy America review. Internal Audit also underwent an external quality assurance review, as required by Generally Accepted Government Auditing Standards, for the period January 1, 2016 through December 31, 2018, and received an unqualified opinion.

During the fourth quarter, Internal Audit issued results of an audit of mobile ticketing operations. The audit concluded that controls over revenue collection, recording, reconciliation, and invoice review are adequate, and the contractor complies with contract terms. Two recommendations were made to improve system access controls and to develop written policies and procedures. Management agreed and indicated that recommendations will be implemented.

An audit of recruitment and employment operations was also completed and found that controls to ensure compliance with recruitment policies are generally adequate and functioning; however, a few instances of non-compliance with requirements were noted. Internal Audit also identified situations that should be addressed in policies and procedures and cited policy violations related to relocation costs. Finally, the audit outlined concerns about the removal of a requirement for bus service workers to hold a commercial driver license. Management agreed to implement three recommendations related to these observations.

The compliance, controls, and reporting audit of investments for the period July 1, 2018 through December 1, 2018, included two recommendations related to errors in reporting, monitoring of the ten percent threshold for asset-backed securities, and secondary review of daily holding reports. Management agreed with the recommendations and indicated corrective actions were taken.

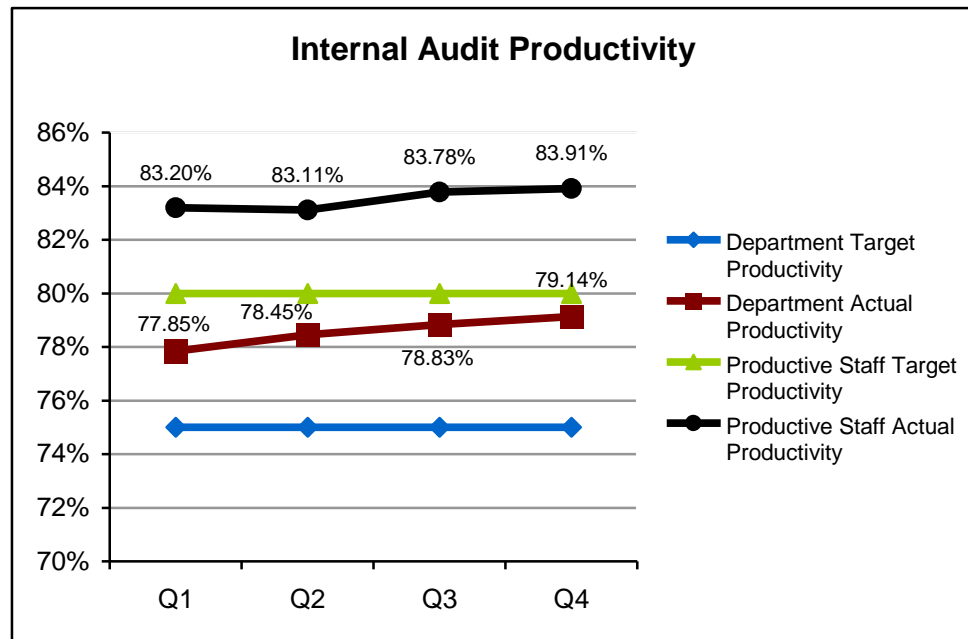
Finally, an audit of the Construction Safety Program (Program) was issued, concluding that the Program could be improved by enhancing policies and procedures, developing a training program, refining the process for identifying applicable contractors, and formalizing the process for documenting safety activities and reporting. Management responded that the Program will be revised to address the reported observations.

Also, during the quarter, Internal Audit provided results of the FY 2015-16 through FY 2017-18 State Triennial Performance Audits (STP Audits) of OCTA and Laguna Beach Municipal Transit Lines (LBMTL). The STP Audits found OCTA and the Orange County Transit District in compliance with all Transportation Development Act regulations and provided seven recommendations for consideration. The auditors also found LBMTL in compliance and offered three recommendations.

Internal Audit Department 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.

By the quarter ended June 30, 2019, Internal Audit had achieved cumulative productivity of 79 percent, and the professional staff achieved cumulative productivity of 84 percent.



Price Reviews

At the request of the Contracts Administration and Materials Management Department (Camm), and consistent with OCTA's procurement policy, Internal Audit conducts reviews of single bid procurements to ensure that Camm handled the procurement in a fair and competitive manner. Internal Audit also reviews prices proposed by architectural and engineering firms and sole source contractors to ensure that the prices are fair and reasonable. Internal Audit makes recommendations to adjust proposed rates where they exceed the rates per review. During the fourth quarter, Internal Audit completed 11 price reviews. For the year ended June 30, 2019, a total of 29 price reviews were issued.

Fraud Hotline

Internal Audit is responsible for administering the OCTA Fraud Hotline. The fraud hotline system allows reporters to file complaints anonymously through the internet or by calling a toll-free phone number. Complaints may also be received in person, by phone, or by mail directly to Internal Audit. To ensure proper recordkeeping, all complaints are recorded in the Ethicspoint system, regardless of how the complaint is received.

During the quarter ended June 30, 2019, Internal Audit received six reports. Four reports were customer complaints and were referred to management for disposition. Two complaints did not involve OCTA; one reporter was given contact information for the applicable agency and information from the second reporter was communicated to the internal audit department of the subject agency.

Outstanding Audit Recommendations Tracking

At the request of the Finance and Administration Committee, a listing of outstanding audit recommendations is included with the quarterly updates to the Plan as Attachment B.

Management will begin enforcing a one percent threshold for fare revenue variances on July 1, 2019, when the contract amendment is effective. Management has not implemented a procedure to monitor coupons collected by Yellow Cab.

For the quarter ended June 30, 2019, Internal Audit completed follow-up reviews of five outstanding audit recommendations from the ACCESS Service audit. Four of the recommendations were adequately addressed by management and were closed out and one had not yet been implemented. Follow-up of another three recommendations, from the Interstate 5 Improvement Project audit, are in

process. Eleven recommendations were added to the listing based on the audits summarized above in the Discussion section of this report.

Summary

The OCTA Internal Audit FY 2018-19 Plan is being closed-out. Projects that are in process, and one project that has not been initiated, will be carried forward to the OCTA Internal Audit FY 2019-20 Plan. Internal Audit will continue to perform follow-up of all outstanding findings and recommendations.

Attachments

- A. Orange County Transportation Authority Internal Audit Department
Fiscal Year 2018-19 Internal Audit Plan, Fourth Quarter Update
- B. Outstanding Audit Recommendations, Audit Reports Issued Through
June 30, 2019
- C. Audit Recommendations Closed During Fourth Quarter, Fiscal Year 2018-19

Prepared by:



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

**Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2018-19 Internal Audit Plan
Fourth Quarter Update**

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Over (Under)	Status (Date Issued)
Mandatory External Independent Audits							
Annual Financial Audits and Agreed-Upon Procedures Reviews	FY19-001 through FY19-004	Procure independent financial audit firm and coordinate and report on annual financial and agreed-upon procedures reviews for fiscal year 2018-19.	Financial	450	520	(70)	Complete
State Triennial Audit	FY19-007	Procure independent audit firm and coordinate and report on the required State Triennial Performance audits of the Orange County Transportation Authority (OCTA), Orange County Transit District, and Laguna Beach Municipal Transit Lines.	Compliance	180	246	(66)	Complete April 2019
Federal Triennial Audits	FY19-006	Coordinate and report on results of the required Federal Transit Administration's Triennial Review.	Compliance	80		80	
External Regulatory Audits	FY19-005	Coordinate and report on external audits by regulatory or funding agencies.	Compliance	60	54	6	
Internal Audit Department Projects							
Risk Assessment and Annual Audit Plan	FY19-100	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	200	148	52	
Quality Assurance and Self-Assessment	FY19-101	Update of Internal Audit Policies & Procedures. Annual self assessment of the Internal Audit Department's (Internal Audit) compliance with Government Auditing Standards.	Quality Assurance	160	122	39	
Peer Review	FY19-104	Participate in peer reviews of other internal audit agencies in exchange for reciprocal credit towards required peer review of OCTA's Internal Audit. Report results of peer review to Finance and Administration Committee and the Board of Directors (Board).	Peer Review	120	77	43	Complete 2-7-19
Fraud Hotline Activities	FY19-102	Administrative duties related to maintenance of the fraud hotline and work related to investigations of reports of fraud, waste, or abuse.	Fraud Hotline	240	103	137	31 Reports Received
Automated Workpaper Solution	FY19-103	System updates/training related to automated workpaper solution.	Workpaper System	40	38	2	
Internal Audits							
Clerk of the Board							
Board Compensation and Ethics Compliance	FY19-513	Review procedures and record-keeping processes evidencing compliance with Assembly Bill 1234.	Compliance	180	32	148	In Process
Express Lanes Program							
Master Custodial Agreement	FY19-514	Review and test activities related to the Master Custodial Agreement between OCTA, Riverside County Transportation Commission, and the Bank of the West for tracking and deposit of revenues and transponder deposits.	Compliance	300	2	298	In Process
Human Resources and Organizational Development							
Recruiting and Employment	FY19-503	Review procedures, controls, and effectiveness of recruiting and employment operations.	Operational	300	393	(93)	Complete 4-9-19
Construction Safety	FY19-506	Assess the adequacy of policies, procedures, and controls related to the Construction Safety Program function.	Operational	200	571	(371)	Complete 6-17-19

**Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2018-19 Internal Audit Plan
Fourth Quarter Update**

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Over (Under)	Status (Date Issued)
Capital Programs							
Interstate 405 (I-405) Improvement Project: Project Management Contract	FY18-505	Assess and test contract compliance and oversight controls of project management services provided for the I-405 Improvement Project.	Compliance	40	19	22	Complete 7-12-18
Interstate 5 (I-5) Improvements: Pacific Coast Highway (PCH) to San Juan Creek (SJC) Road	FY18-512	Assess adequacy of contract compliance, oversight, and reporting controls related to the I-5 Improvement Project between PCH and SJC Road.	Internal Control	240	310	(70)	Complete 11-29-18
City of Orange Parking Expansion	FY19-508	Review of the Orange Parking Expansion project, including project administration, oversight controls, and contract compliance.	Internal Control	300	182	119	In Process
Planning							
Comprehensive Transportation Funding Programs Projects	FY18-513	Review selected projects for compliance with Measure M2 Ordinance, policies, and procedures.	Compliance	100	315	(215)	Complete 10-8-18
Operations							
Right-of-Way (ROW) Maintenance	FY19-502	Evaluate the ROW maintenance program and oversight controls and contract compliance related to the agreement for ROW maintenance.	Compliance	240	423	(183)	Complete 1-14-19
Transit Operations							
Coach Operator Scheduling	FY19-505	Review the coach operator scheduling process, including use of the HASTUS application.	Operational	300	386	(86)	In Process
ACCESS Service	FY18-514	Review and test compliance with key contract provisions, with consideration of program effectiveness and efficiency.	Operational	240	278	(38)	Complete 10-10-18
Finance and Accounting							
Treasury	FY19-501 FY19-507	Semi-annual review of investments: compliance, controls, and reporting.	Compliance	200	372	(172)	Complete 10-8-18 and 4-30-19
Grant Closeouts	FY18-510 FY19-510	As-needed, required financial and compliance audits of grants at closeout to ensure propriety of expenditures.	Compliance	40	42	(2)	Complete 8-13-18
Mobile Ticketing	FY19-504	Assess and test controls for mobile ticketing revenue collection and recording.	Internal Control	240	407	(167)	Complete 4-5-19
Renewable Natural Gas Credits	FY19-511	Review and test compliance with the agreement with Element Markets for renewable gas credits.	Compliance	180	125	55	In Process
Information Systems							
Patch Management	FY19-5XX	Assess the adequacy of the patch management program.	Operational	120		120	

**Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2018-19 Internal Audit Plan
Fourth Quarter Update**

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Over (Under)	Status (Date Issued)
Contract Administration and Materials Management (Camm)							
Price Reviews	PR19-XXX	Cost and price analyses as requested by OCTA's Camm Department.	Price Review	750	944	(194)	29 Reports Issued
Buy America	FY19-509	Pre-award and post-delivery reviews to ensure vendors and OCTA are in compliance with federal Buy America requirements.	Compliance	80	95	(15)	Complete 2-20-19
Warranty Administration	FY18-510	Assess adequacy of controls in place for tracking and recording of warranty repairs and credits.	Internal Control	80	182	(102)	Complete 8-22-18
External Affairs							
Bus Marketing	FY19-512	Review Bus Marketing program; assess and test oversight controls and contract compliance over contracts for bus marketing, public outreach, etc.	Compliance	240	136	104	In Process
Unscheduled Reviews and Special Requests							
Unscheduled Reviews and Special Requests	FY19-800	Time allowed for unplanned audits, coordination of external agency audits, and requests from the Board and management.	Varies	240	9	232	
Monitoring Activities							
Measure M Taxpayer Oversight Committee (TOC)	FY19-601	Coordination of audit activities on behalf of the Audit Subcommittee of the TOC.	Administrative Support	60	48	12	
Metrolink Audit Activities	FY19-602	Obtain and review audit results of Metrolink activities	Non-Audit Service	40	14	27	
Bus Base Inspections	FY19-603	At the request of the Transit Division, participation on annual base inspection teams.	Non-Audit Service	40	37	3	
Follow-up Reviews							
Follow-up Reviews and Reporting	FY19-700	Follow-up on the status of management's implementation of audit recommendations.	Follow-up	320	350	(30)	
Total Audit Project Planned Hours (A)				6,600	6,974	(374)	

Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2018-19 Internal Audit Plan
Fourth Quarter Update

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Over (Under)	Status (Date Issued)
Internal Audit Administration							
Board and Committee Meetings				180	148	32	
Executive Steering and Agenda Setting Meetings				180	128	52	
Internal Audit Staff Meetings				150	110	40	
Other Administration				1,500	1,452	48	
Total Hours (B)				8,610	8,812	(202)	
Department Target Efficiency (A/B)				75%	79%		
Target Efficiency - Professional Staff				80%	84%		

Outstanding Audit Recommendations
Audit Reports Issued Through June 30, 2019

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response and Status	Internal Audit Status
7/12/18	18-505	Capital Programs	Interstate-405 (I-405) Improvement Project: Project Management Contracts	The Internal Audit Department (Internal Audit) recommends that management develop and implement appropriate controls to ensure labor classifications are only used as intended and all labor rates are held to contract escalation limits. Invoices should be monitored to ensure staff working steadily on the project are added to the contract in a timely manner.	Jul-19	Management agrees with the recommendation to develop and implement controls regarding the use of labor classifications. Staff that works, or is proposed to work, on a continuous basis for a period of six months or more will be added as named personnel to the contract. Labor classifications will continue to be utilized for staff working temporarily on the project. Additionally, management will require that consultants receive approval from the Orange County Transportation Authority's (OCTA) project manager in writing prior to adjusting the salary of individuals within labor classifications at a rate greater than the contractually allowable escalation rate for named personnel. Update July 2019: Following Internal Audit's April update, management implemented monitoring controls, processed amendments to consultant agreements to add applicable staff, and is requiring both consultants to confirm on invoices that there have been no rate increases greater than the contract escalation rate, based on their own internal monitoring.	Update April 2019: Management has not implemented sufficient controls. While language on labor classifications has been added to the standard agreement templates, the existing contracts have not been amended to incorporate the new requirements. Internal Audit identified multiple staff that have been billed for over six continuous months on the two program management contracts but have not been added as named staff. Also, while one contractor has begun confirming in its invoices that there are no rate increases greater than the contract escalation rate, OCTA staff is not monitoring compliance by the consultants.
10/10/18	18-514	Operations Division (Operations) and Finance and Administration (F&A)	ACCESS Service	Internal Audit recommends that management enhance procedures for monitoring of ACCESS fare revenue. Procedures should include monitoring of coupons collected by both MV Transportation, Inc. (MV) and Yellow Cab, reconciliation of MV's daily coupon count sheets to the farebox reconciliation document, and investigation of variances exceeding a stated threshold.	Oct-19	Management agrees to enhance procedures for monitoring of ACCESS fare revenue and coupons collected by both MV and Yellow Cab. In addition, management will continue to reconcile count sheets to the farebox reconciliation report and will establish a threshold for researching variances.	Update June 2019: Management will begin enforcing a 1 percent threshold for fare revenue variances on July 1, 2019, when the contract amendment is effective. Management has not implemented a procedure to monitor coupons collected by Yellow Cab.
11/29/18	18-512	F&A	Interstate 5 (I-5) High Occupancy Vehicle (HOV) Improvement Project: Pacific Coast Highway (PCH) to San Juan Creek Road	Internal Audit recommends management enforce procurement policy or update the policy to include parameters for back-dating of formal amendments. Management should also remind staff that amendments should be requested in a timely fashion to ensure processing before contracts expire	May-19	Management agrees to enforce the current policy regarding processing of formal amendments. Management will conduct training for Contracts Administration and Materials Management (Camm) staff and review the requirements for processing formal amendments. Staff is also working with the general counsel's office to address the changes in contract templates to eliminate any conflicts related to the interpretation of the "effective dates". Camm also plans to conduct training for OCTA staff on the amendment process in 2019 through the Procurement 101 training series.	In Process

Outstanding Audit Recommendations
Audit Reports Issued Through June 30, 2019

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response and Status	Internal Audit Status
11/29/18	18-512	F&A	I-5 HOV Improvement Project: PCH to San Juan Creek Road	Internal Audit recommends that changes to firm fixed pricing of individual tasks, as established in contracts, be made through the amendment process. Management should ensure amendments needed for additional services are requested and processed in a timely manner.	May-19	Management agrees with the recommendation to request amendments for changes to firm fixed pricing of individual tasks, as established in contracts which were procured with price as a factor. Management will reinforce with staff the need to request and process amendments for additional services in a timely manner.	In Process
11/29/18	18-512	F&A	I- 5 HOV Improvement Project: PCH to San Juan Creek Road	Management should either update its Program Management Procedures to reflect state and federal requirements or enhance controls to ensure that projects comply with all procedures identified in the manual.	May-19	Management agrees with the recommendation and will review the relevant procedures from the Program Management Procedures Manual with staff to ensure that projects are in compliance. Project managers will ensure that project management plans are prepared for each project.	In Process
3/12/19	N/A	Planning Division (Planning) and F&A	Measure M (M2) City Audits: Local Fair Share and Senior Mobility Program	M2 Local Programs staff should review observations with legal counsel and develop recommendations for the Board of Directors' (Board) consideration. In addition, Planning and F&A staff should monitor implementation of corrective action by cities.	Sep-19	Staff will review observations and make recommendations for the Boards' action. Staff will follow-up with the cities to verify implementation of corrective actions.	Not yet due.
4/5/19	19-504	F&A	Mobile Ticketing Operations	Controls should be implemented to ensure timely removal of system access upon employee termination.	Oct-19	Information Systems management agrees to put procedures in place to ensure timely removal of system access upon employee termination or reassignment.	Not yet due.
4/5/19	19-504	F&A	Mobile Ticketing Operations	Written policies and procedures should be developed for mobile ticketing operations and activities.	Oct-19	Management agrees with the recommendation and will develop policies and procedures to ensure proper identification and assignment of responsibilities, and continuity of operations in the absence of key staff.	Not yet due.
4/9/19	19-503	Human Resources and Organizational Development (HROD)	Recruitment and Employment	Internal Audit recommended management develop and implement detailed procedures that address all recruitment steps and reconsider whether to hire applicants with pending license suspensions or implement monitoring controls.	Oct-19	Management is in the process of revamping its procedures to address all recruitment steps, including procedures specific to coach operator and maintenance employee recruitments. Procedures will be developed to address the screening, hiring, and monitoring of applicants with pending license suspensions, pending criminal cases, and unfavorable or missing references, consistent with California law.	Not yet due.

Outstanding Audit Recommendations
Audit Reports Issued Through June 30, 2019

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response and Status	Internal Audit Status
4/9/19	19-503	HROD	Recruitment and Employment	Internal Audit recommended management enhance procedures to ensure offers of relocation are properly approved and adequately documented. Management should also implement monitoring controls to enhance compliance with recruitment policies and procedures.	Oct-19	A Reimbursement of Relocation Expenses Procedure has been provided to staff. In addition, template language has been developed to insert into any candidate offer letter that includes relocation expenses. The offer letter requires the candidate's signature and acknowledges receipt of, and agreement with, the Relocation Expenses Policy, which includes a payback provision. Management will determine the best means to implement controls to ensure compliance with policy.	Not yet due.
4/9/19	19-503	HROD	Recruitment and Employment	Since service workers are required to operate buses, even on a limited basis, Internal Audit recommends that management reconsider the removal of the commercial driver license requirement. Alternatively, management should issue a formal directive to base management that service workers should never be asked or allowed to drive buses outside base property.	Oct-19	Management will update the Commercial Driver License (CDL) and Renewal Policy, to address the licensing of all Maintenance employees including what is required for each position. For positions that do not require a CDL, the policy will state those individuals shall not operate a vehicle outside of the base property. The policy changes will be tailgated, and Maintenance employees will sign an acknowledgement receipt of the policy. In addition, the policy will be included in new Maintenance employee orientation. Policy update, tailgating, and distribution will be completed within 30 days.	Not yet due.
4/30/19	19-507	F&A	Investments: Compliance, Controls and Reporting July 1, 2018 - December 31, 2018	Internal Audit recommends that additional training be provided on the preparation of investment worksheets and reports. Also, Internal Audit recommends that Treasury use custodial statements as the basis for preparing the reports or, if Clearwater book values are used for reporting, that reconciliations be performed and documented.	Oct-19	Management agrees with the recommendation. In the future, if Clearwater book values are used for reporting, then staff will reconcile any differences between Clearwater book values and custodial statement book values. In addition, staff has already provided additional training and modified the review process in order to improve the reporting process going forward.	Not yet due.
4/30/19	19-507	F&A	Investments: Compliance, Controls and Reporting July 1, 2018 - December 31, 2018	Internal Audit recommends Treasury implement controls to monitor the ten percent threshold for asset-backed securities and ensure secondary review of daily holding reports is performed as required.	Oct-19	Staff has worked with Clearwater and is already using a report which segregates mortgage and asset-backed securities so that the ten percent threshold on asset-backed securities can be monitored. In addition, staff has reviewed balances for asset-backed securities for all investment managers during the period and all investment managers were in compliance. In addition, a process has been put in place to ensure secondary review of the daily holdings reports is performed.	Not yet due.

Outstanding Audit Recommendations
Audit Reports Issued Through June 30, 2019

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response and Status	Internal Audit Status
4/1/19	N/A	Operations, Planning, and F&A	Fiscal Year (FY) 2016-18 Transportation Development Act (TDA) Performance Audit OCTA	Kimley Horn provided seven recommendations for consideration. The recommendations focused primarily on continuing existing efforts to enhance reporting processes, increase ridership, maximize revenues, improve documentation of the farebox recovery ratio, and planning for impacts of longer bus lives and clean fleet requirements. Kimley Horn also offered recommendations to improve paratransit services by performing recurring route efficiency reviews and considering alternative contracting models for the service.	Oct-19	Management agreed to continue existing efforts and consider recommendations for enhancements.	Not yet due.
4/1/19	N/A	F&A	FY 2016-18 TDA Performance Audit Laguna Beach Municipal Transit Lines (LBMTL)	Direct staff to monitor implementation of recommendations included in the FY 2016-18 Triennial Performance Audit of LBMTL.	Oct-19	Staff will monitor implementation of recommendations by LBMTL.	Not yet due.
6/17/19	19-506	HROD	Construction Safety Program	Internal Audit recommends that management further develop policies, procedures, and guidelines to provide a comprehensive, risk-based framework for monitoring contractor compliance with construction safety regulations.	Dec-19	Management concurs with the recommendation and will further evaluate the safety specifications levels and make appropriate revisions to streamline the requirements of submittal deliverables for lower risk contracts. Management will also implement procedures to ensure safety-related training for project managers and safety reporting by applicable contractors.	Not yet due.
6/17/19	19-506	HROD	Construction Safety Program	Internal Audit recommends that management develop procedures for documenting and tracking safety activities. Documented activities, and follow-up of safety issues observed, should be retained and used to complete monthly activity reports.	Dec-19	Management concurs with the recommendation and will develop a tracking tool to document applicable construction safety activities and observations.	Not yet due.

**Audit Recommendations Closed During
Fourth Quarter, Fiscal Year 2018-19**

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Management Response
10/10/18	18-514	Operations Division (Operations) and Finance and Administration (F&A)	ACCESS Service	Internal Audit recommends that management consider a policy update that requires Board of Directors (Board) approval for amendments that obligate Orange County Transportation Authority (OCTA) to additional costs exceeding \$250,000, even when the increase can be accommodated within the contract maximum. Internal Audit also recommends that staff ensure the validity of consultant assumptions before relying on them to derive cost estimates. Finally, the justification and responsibility for selecting between various cost estimates should be documented and approved.	Management to consider a policy change to require Board approval for amendments where individual tasks may increase beyond \$250,000. Regarding the recommendation for staff to ensure the validity of consultant assumptions before relying on them to derive cost estimates, management agrees to comply. Lastly, management agrees that the justification and responsibility for selecting between various cost estimates should be documented and approved in writing by the project manager. Update June 2019: Changes to operational and management contracts that obligate OCTA to additional costs, without changing the contract maximum, will be reported to the Board in the quarterly procurement status reports as regular items.
10/10/18	18-514	Operations	ACCESS Service	Internal Audit recommends that staff consistently perform monthly monitoring of preventative maintenance inspections (PMI).	Management agrees with the finding and will perform consistent inspections of preventive maintenance records to ensure compliance with all regulatory agencies and contract requirements. Update June 2019: Newly-drafted procedures state that reviews of PMI records will be conducted on a monthly basis. Management consistently performed the PMI reviews during the follow up period.
10/10/18	18-514	F&A	ACCESS Service	Internal Audit recommends that management review performance bonds at contract inception to ensure that the bonds meet the contract requirements. When amendments to increase the contract amount are executed, management should ensure that the bonds are increased accordingly.	CAMM has recently implemented services from a third-party vendor, Insurance Tracking Services, Inc. (ITS), to review bond and insurance documentation for compliance to ensure contract requirements are met. CAMM management will review the bond amount in the ITS system following amendment execution to ensure accuracy of the bond requirements, as well as the bond amount provided. Update June 2019: As of follow up review, the performance bond provided by the contractor meets the contract requirement.
10/10/18	18-514	Operations	ACCESS Service	Internal Audit recommends that management instruct MV Transportation, Inc. (MV) to correct the calculation of percentage of calls answered within five minutes. Further, management should increase oversight of the performance standard by periodically validating the data and the calculation.	Management will correct the calculation of percentage of calls answered within five minutes. In addition, management will enhance procedures for monitoring the calculation of percentage of calls answered within five minutes. Update June 2019: The flaw in the calculation has been removed, with requests for Same Day Taxi (SDT) trips going to the new SDT contractor instead of MV. Management has implemented a review process of performance standards, including the call center standards, for five randomly selected days; however, there is no documentation retained for these reviews. The recommendation will be closed; however, Internal Audit verbally recommended that management retain documentation of its review of performance standards.



COMMITTEE TRANSMITTAL

August 12, 2019

To: Members of the Board of Directors
From: Laurena Weinert, Clerk of the Board
Subject: Draft Fiscal Year 2019-20 Internal Audit Plan

Finance and Administration Committee Meeting of July 24, 2019

Present: Directors Do, Hernandez, Jones, and R. Murphy
Absent: Directors Hennessey, Steel, and Wagner

Committee Vote

This item was passed by the Members present.

Committee Recommendations

- A. Approve the Draft Fiscal Year 2019-20 Internal Audit Plan.
- B. Direct the Executive Director of Internal Audit to provide quarterly updates on the Fiscal Year 2019-20 Internal Audit Plan.



July 24, 2019

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer
Janet Sutter, Executive Director
Internal Audit Department

Subject: Draft Fiscal Year 2019-20 Internal Audit Plan

Overview

At the direction of the Orange County Transportation Authority's Board of Directors, the Internal Audit Department develops and implements an annual risk-based Internal Audit Plan. Implementation of an annual Internal Audit Plan assists management in evaluating the effectiveness and efficiency of projects, programs, and operations, while ensuring that adequate controls and safeguards are in place to protect the Orange County Transportation Authority's assets and resources.

Recommendations

- A. Approve the Draft Fiscal Year 2019-20 Internal Audit Plan.
- B. Direct the Executive Director of Internal Audit to provide quarterly updates on the Fiscal Year 2019-20 Internal Audit Plan.

Background

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

Discussion

Internal Audit is presenting the Draft Fiscal Year 2019-20 Internal Audit Plan (Audit Plan) for the Board's approval. The Audit Plan was developed from

an enterprise-wide risk assessment. The Audit Plan will be implemented using Internal Audit staff, on-call consultants, an independent financial audit firm, and other firms, as needed.

Fiscal Impact

The Audit Plan has been developed within the resources available in the adopted budget for fiscal year 2019-20.

Summary

The Audit Plan has been developed to support the Board and OCTA management in the discharge of their duties and responsibilities to safeguard assets of OCTA while ensuring those assets are used in an efficient and effective manner.

Attachment

A. Draft Fiscal Year 2019-20 Internal Audit Plan

Prepared by:



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

ORANGE COUNTY TRANSPORTATION AUTHORITY

Internal Audit Department



Draft Fiscal Year 2019-20 Internal Audit Plan



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ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
Draft Fiscal Year 2019-20
Internal Audit Plan

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Mission of the Internal Audit Department

The mission of the Internal Audit Department (Internal Audit) of the Orange County Transportation Authority (OCTA) is to assist management and the Board of Directors (Board) in the effective discharge of their duty and responsibility to safeguard the assets of OCTA, while ensuring those assets are used in an efficient and effective manner. To this end, Internal Audit serves as an independent appraisal function to examine and evaluate OCTA's operations, activities, internal controls, compliance, opportunities, and risks.

Internal Audit Department Activities

Internal Audit is responsible for examining and evaluating financial, administrative, and operational activities of OCTA, and supplying management with information to assist in its control of assets and operations for which it is responsible.

Internal Audit provides a wide range of auditing services including annual financial and compliance audit oversight, operational reviews, compliance reviews, internal control assessments, investigations, pre-award and post-delivery Buy America reviews, and price reviews. In addition, all audits initiated by entities outside of OCTA are coordinated through Internal Audit.

Internal Audit measures the efficiency 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 the professional audit staff and for the department. The department-wide target includes all professional staff and the Executive Director. For fiscal year (FY) 2019-20, Internal Audit set a department-wide target productivity ratio of 75 percent and a professional audit staff productivity ratio of 80 percent. Because the Executive Director is required to regularly participate in non-audit management activities such as executive planning and committee meetings, the department ratio is set lower than that of the professional staff.

The Government Accountability Office (GAO) broadly defines audits as financial, attestation, or performance audits. Financial audits, including financial statement audits, are assessments of, and assurance about, an entity's financial condition, operating results, or other defined financial criteria. Attestation engagements are both financial and non-financial and result in varying degrees of assurances about specific subject matter. Agreed-upon procedures price reviews, performed by Internal Audit, are an example of attestation engagements whereby Internal Audit applies procedures to specific elements of contractor price proposals.

Internal Audit's efforts, however, are focused primarily on the third category of audits, performance audits, as defined by the GAO. Performance audit objectives vary widely and include review of internal controls, assessment of compliance with laws, regulations, policies and procedures, and assessments of program effectiveness, economy, and efficiency. To more accurately define the objectives of these performance audits, Internal Audit categorizes audit projects in a more descriptive manner as indicated below. It is important to note, however, that most audit projects include objectives consistent with one or more of these audit types.

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Compliance – Compliance audits are performed to ensure that the terms and conditions of contracts, grants, memorandums of understanding, or other agreements are being followed and that there is compliance with Board-adopted policies and procedures, management policies and procedures, and applicable regulatory requirements.

Price Review – Price reviews refer to the agreed-upon procedures reviews performed for architectural and engineering price proposals or sole source proposals to determine if proposed pricing is fair and reasonable. Agreed-upon procedure reviews are also performed on single bid procurements to determine whether the Contracts Administration and Materials Management Department (CAMM) complied with policies and procedures to ensure a fair and competitive process. The procedures are performed based on an agreement with CAMM.

Buy America Review – Buy America reviews refer to the pre-award and post-delivery agreed-upon procedures reviews of vehicle purchases in accordance with federal Buy America laws. The procedures are performed based on an agreement with CAMM.

Financial - Financial audits focus on verification of financial transactions and balances. Financial audits include the financial statement audits of OCTA and related legal entities, as well as other attestation audits performed by an independent certified public accounting firm, to ensure compliance with the Measure M2 (M2) ordinance or other legally mandated requirements.

Internal Control – Internal control reviews are performed to assess whether controls in place are adequate to protect the assets and resources of OCTA and to ensure compliance with laws, regulations, and policies.

Operational - An operational audit is performed to evaluate current operating procedures to determine if they provide for an adequate control environment and to assess whether processes are efficient and effective ways to accomplish the goals of the project, program, or activity. Operational audits generally include elements of both an internal control review and a compliance review.

Internal Audit also performs other activities outlined in the Internal Audit plan as follows:

Monitoring – These activities include providing information to the Audit Subcommittee of the Taxpayers Oversight Committee (TOC) to assist in their duty to exercise oversight of the expenditure of M2 funds, participation in annual Transit Division bus base inspections, and observation of biennial capital asset inventory counts. Internal Audit also monitors results of audits issued related to Metrolink activities.

Follow-Up Activities – These activities are undertaken to determine whether audit recommendations have been implemented or otherwise satisfactorily addressed.

Investigations – Investigative activities that are performed in response to a complaint or allegation received through OCTA's Fraud Hotline.

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Fiscal Year 2018-19 Accomplishments

- Completed 12 audit projects, resulting in 24 recommendations for improvement to policies, procedures, and/or internal controls. Also, at the request of CAMM, completed 29 agreed-upon procedures reviews of architectural and engineering, sole source, or single bid proposals and one post-delivery Buy America review related to the purchase of six, 40-foot alternative fuel buses manufactured by New Flyer, Inc.
- Passed an external quality assurance (peer) review conducted by the Association of Local Government Auditors, in accordance with Generally Accepted Government Auditing Standards (Standards). The peer review team recognized Internal Audit for its organized and easy-to-follow audit workpapers, its well-documented policies and procedures, and its highly skilled and experienced staff.
- Prepared a scope of work and made recommendations to the Finance and Administration (F&A) Committee on the selection of an independent certified public accounting firm to perform financial and agreed-upon procedures reviews of OCTA starting in FY 2018-19.
- Procured an audit firm to conduct the required FY 2015-16 through FY 2017-18 State Triennial Performance Audits of OCTA, the Orange County Transit District, and the Laguna Beach Municipal Transit Lines, and coordinated the audits.
- Exceeded both the department-wide productivity goal of 75 percent and the professional audit staff productivity goal of 80 percent.
- Provided written quarterly updates to the F&A Committee on the status of audit projects and activities and provided these updates no later than 30 days following quarter-end.
- Conducted follow-up of management's implementation of audit recommendations within six months of report issuance or earlier.
- Provided administration of OCTA's Fraud Hotline and reviewed 32 complaints received during the FY. Referred complaints to management and/or appropriate outside agencies, and conducted investigations of allegations, where appropriate.
- Provided assistance to the Audit Subcommittee of the TOC including, but not limited to, design of agreed-upon procedures for testing compliance with M2 Local Fair Share, Project U Senior Mobility Program, and Senior Non-Emergency Medical Transportation Program expenditures, and for evaluation of the M2 status report. Also, reported results of annual audits and agreed-upon procedures reviews as they relate to M2.

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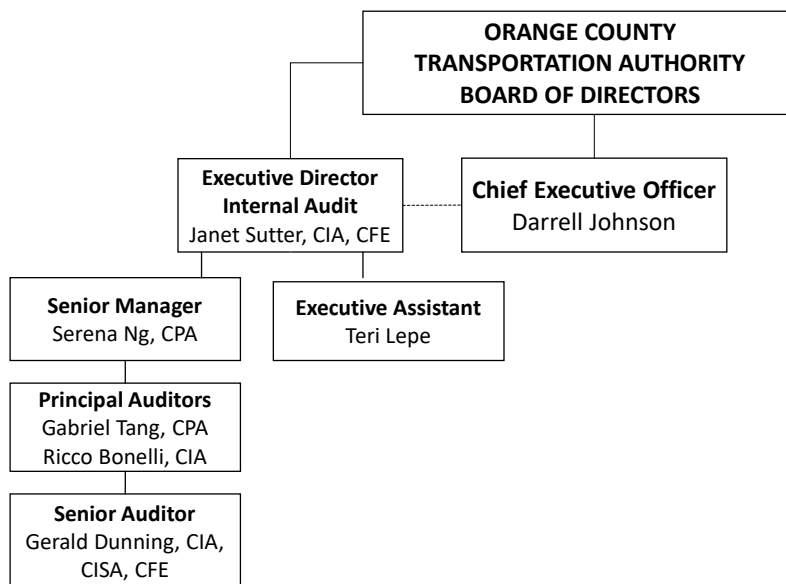
Fiscal Year 2019-20 Goals

- Implement the FY 2019-20 Internal Audit Plan and provide quarterly updates on the status of audit projects and activities no later than 30 days after quarter-end.
- Conduct agreed-upon procedures reviews, at the request of CAMM, of all architectural and engineering price proposals exceeding \$150,000, to establish the reasonableness of proposed rates. Also, apply agreed-upon procedures to sole source proposals exceeding \$50,000, single bid procurements, and vehicle purchases in accordance with Buy America laws.
- Evaluate and update Internal Audit policies, procedures, and practices to ensure compliance with the Standards, which have been revised and are effective for all audits initiated after July 1, 2019.
- Coordinate and report the results of the required Federal Transit Administration's Triennial Review.
- Achieve a department-wide productivity ratio of at least 75 percent and professional staff productivity ratio of at least 80 percent.
- Conduct follow-up of management's implementation of audit recommendations within six months of report issuance or earlier, and report results as part of the quarterly updates to the Internal Audit Plan.
- Assist the Audit Subcommittee of the TOC with the design and update of agreed-upon procedures for M2-related audits and provide progress updates and results of all M2-related audits.
- Perform Internal Audit's annual internal Quality Assurance and Self-Assessment review by March 31, 2020, and make any noted improvements to Internal Audit's processes, policies, and procedures.
- Provide administration of the OCTA Fraud Hotline; provide initial contact response to all reports within two business days.

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Internal Audit Organization

Standards provide a framework for government auditors in the areas of transparency, independence, accountability, and quality. These Standards require that auditors be independent in both mind and appearance with respect to the entities for which they perform audit services. Internal Audit has established policies and procedures to comply with the Standards and OCTA has established an internal audit function that is organizationally independent. As indicated below, Internal Audit reports functionally to the Board, and administratively to the Chief Executive Officer:



Risk Assessment Process

It is the responsibility of OCTA management to identify, assess, and manage risk. It is Internal Audit's responsibility to facilitate the identification and assessment of risk, and to monitor and report on how well risks are being managed by OCTA. All organizations face risks, which are defined as those events, actions, or inactions that could cause key business objectives not to be achieved. To mitigate and manage these risks, an organization typically implements internal controls, anticipates and plans for disruptions, develops risk management programs, and engages in other risk mitigation activities.

The key business objective of OCTA is imbedded in its mission statement to "*Develop and deliver transportation solutions to enhance quality of life and keep Orange County moving.*" Delivering these "*transportation solutions*" are several core business units of OCTA, including Transit, Planning, and Capital Programs Divisions. These business units are supported by administrative functions, and all these services are delivered through a variety

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of projects, programs, and activities. With a budget exceeding \$1 billion, OCTA delivers transportation solutions through numerous channels, with a variety of stakeholders, with the assistance of the private sector, and for the benefit of diverse customers.

Recognizing both the number and size of OCTA's projects, programs, and activities, as well as the constraints of Internal Audit resources, Internal Audit maximizes its effectiveness by engaging in an annual risk assessment process to establish the priorities of the department for the upcoming fiscal year.

Risk Assessment Methodology

Internal Audit established the architecture of the Risk Assessment by first identifying all OCTA projects, programs, contracts, and functions (auditable entities). Internal Audit then identified six categories of risks and assigned weightings as follows:

Financial and Compliance Risks (20%) – The magnitude of financial exposure to OCTA and the degree of regulatory oversight and/or the volume of regulation with substantial fines, penalties, or other sanctions for noncompliance.

Security and Safety Risks (15%) – The impact of a security breach to OCTA customers, contractors, employees, or the public, and the degree of severity (catastrophic, significant, moderate, or minimal) resulting from incidents or accidents.

Operational and Strategic Risks (15%) – The impact severity of a disruption in the operation of this OCTA project or program on Orange County travelers, and the significance of this project or program to OCTA's strategic success.

Image and Reputation Risks (15%) – The intensity of public interest and awareness, and the visibility of the project, program, or function to the media.

Complexity of Operations (15%) – The number of individuals, departments, contractors, information systems, and manual processes involved in the delivery of this project or program, and the degree to which transactions require professional judgment or technical expertise.

Time Since Last Audit (20%) – The length of time since the last audit or review was conducted and the results of that review.

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Internal Audit then developed the following assigned ratings for each risk:

Risk Rating	Description
4.0 – 5.0	High Risk
3.0 – 3.9	Moderate to High Risk
2.1 – 2.9	Moderate Risk
1.6 – 2.0	Low to Moderate Risk
1.0 – 1.5	Low Risk

Following are examples of the Risk Assessment results for four different auditable entity types:

Auditable Entity	Audit History	Audit Requirement	Time Since & Results of Last Audit	Financial & Compliance Risk	Security & Safety Risk	Operational & Strategic Risk	Image & Reputation Risk	Complexity of Operations	Weighted Average Risk
			20%	20%	15%	15%	15%	15%	
Project Controls	2016	No	1	5	1	4	3	4	3
Purchasing Cards	2018	No	1	1	1	2	4	1	1.6
ACCESS Eligibility	2015	No	1	4	3	4	5	3	3.3
Buy America Compliance	2018	Yes	As Needed						N/A

Following the risk assessment of each of approximately 250 auditable entities within OCTA, Internal Audit summarized the results on the heat chart in Appendix A. The heat chart translates the numerical risk ratings of each auditable entity into a more visually appealing format. Auditable entities that require an audit, either by regulation or at the direction of the Audit Subcommittee of the TOC, are not risk rated, and are reflected as “Required”.

Internal Audit Plan Development

The FY 2019-20 Internal Audit Plan (Audit Plan), Appendix B, calls for approximately 8,600 Internal Audit hours, exclusive of vacation, sick, holiday, and continuing professional education hours. Of the 8,600 hours, approximately 2,000 relate to administrative activities, including Board and committee meeting attendance, Internal Audit staff meetings, and other

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administrative tasks. The purpose of including these hours is to monitor and measure Internal Audit's productivity.

The Audit Plan includes 590 hours for mandatory audit activities, including hours anticipated to coordinate, review, and report on the results of the Federal Triennial Review, other regulatory agency audits, and required financial audits and agreed-upon procedures reviews performed by OCTA's independent public accounting firm. Approximately 640 hours are anticipated for internal audit projects and non-audit activities, such as the annual risk assessment and audit planning process, quality assurance and self-assessment activities, administration and investigation of complaints received through OCTA's Fraud Hotline, and updates to audit policies, procedures, and workpaper templates.

The Audit Plan also includes 750 hours for price review services and 200 hours for Buy America review services. While requests for price reviews are unpredictable, this budget is based on both the extent of current procedures and the volume of requests in prior years. Hours for Buy America services assume two requests for review will be received during the year.

The Risk Assessment developed by Internal Audit is the primary, but not absolute, means by which Internal Audit prioritizes and selects audit projects. There remain other factors that are not considered in the Risk Assessment. For example, some high-risk auditable entities are not selected because they are projects in their infancy and it would be more suitable to perform an audit after the project is better underway. Other high-risk auditable entities are not selected because of Internal Audit's knowledge of related review activities, such as the upcoming Federal Triennial Review. Knowledge of this control review activity reduces the likelihood that audits of the Disadvantaged Business Enterprise program or Drug and Alcohol Program will be selected, since these areas are included in the Federal Triennial Review. Other subjective factors that affect the selection of audit projects include knowledge about external or regulatory auditor interest, project or program failures or successes, consideration of the impact to individual departments and/or divisions, and staffing resources.

The proposed FY 2019-20 Audit Plan includes operational audits of revenue vehicle maintenance, corporate credit cards, and interagency revenue agreements with the Southern California Regional Rail Authority and the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency. Also, audits of oversight controls and contract compliance related to provision of Same-Day Taxi Service, monitoring and reporting of Measure M2 Comprehensive Transportation Funding Programs activities, and project controls related to the Interstate 5 Project have also been added. Finally, audits of compliance with the requirements for medical certification of safety-sensitive employees, and administration of the Department of Motor Vehicle Pull Notice program have been selected.

Each of the planned projects, along with projects carried over from the prior year Audit Plan, is reflected at Appendix A, along with a brief description and the estimated staff hours required for the audit.

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Conclusion

The Audit Plan seeks to align limited audit resources with risk throughout the organization while considering prior audit effort and other factors, as identified in Appendix B. Internal Audit will continue to refine the Risk Assessment to include emerging OCTA projects, programs, contracts, and functions. Internal Audit will also continue to assess the risk ratings and weightings included to most accurately reflect the risk profile of the organization and to allow the greatest coverage of that risk in the annual audit planning process.

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Risk Assessment by Program/Project/Contract/Function
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Division	Department/Functional Area	RISK ASSESSMENT	7 Year Audit History
Executive			
	Clerk of the Board		
	Public Records Requests	Low to Moderate	2014
	Form 700 Disclosures	Moderate	
	Brown Act Compliance	Low to Moderate	2018
	Board of Directors Compensation and Ethics Compliance	Moderate	
	Services of Legal Process	Low to Moderate	
	Legal Services		
	Woodruff, Spradlin, & Smart	Moderate	2015
	Security and Emergency Preparedness		
	Continuity of Operations/Emergency Response	Moderate to High	2014
	Emergency Operation Plans	Moderate to High	
	System Security and Emergency Preparedness Plan	Moderate	2017
	Physical Security - All Facilities	Moderate to High	
	Security Grants	Low to Moderate	
	Transit Police Services	Moderate	
	Express Lanes Program		
	Master Custodial Agreement	Moderate to High	
	Operations and Management	Moderate to High	
	Collections	Moderate to High	
	Building Leases	Low	
	Revenue Account Management System	Moderate to High	
	Riverside County Transportation Corridor Agreement	Moderate	
	Toll Lanes Integrator Services	Moderate	
	Ethics Program	Moderate	
	Public Information Office		
	Crisis Communications Plan	Moderate	

Capital Programs

Highway Projects

Interstate 5 (I-5) Improvements

I-5 (between State Route (SR)-57 and SR-55) - Measure M2 (M2) Project A	Moderate to High	
I-5 (between Interstate 405 (I-405) and SR-55) - M2 Project B	Moderate	
I-5 (South of El Toro Road) - M2 Project C		
Pacific Coast Highway (PCH) to San Juan Creek Road	Moderate to High	2018
Avenida Pico to Avenida Vista Hermosa	Moderate	
Avenida Vista Hermosa to PCH	Moderate	
SR-73 to El Toro Road		
SR-73 to Oso Parkway	Moderate to High	
Oso Parkway to Alicia Parkway	Moderate to High	
Alicia Parkway to El Toro Road	Moderate to High	

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Division			
Department/Functional Area		RISK	7 Year
Project/Program/Function		ASSESSMENT	Audit History
I-5 Interchange Projects - M2 Project D			
Ortega Highway Interchange		Moderate	
El Toro Road Interchange		Low to Moderate	
SR-57 Improvements - M2 Project G			
Orangewood Avenue to Katella Avenue		Moderate	
Lambert Road to Tonner Canyon Road		Low to Moderate	
SR-55 Improvements - M2 Project F			
I-405 to I-5		Moderate to High	
SR-91 Improvements			
Improvements from I-5 to SR-57 - M2 Project H		Moderate	2015
Improvements from SR-57 to SR-55 - M2 Project I		Moderate	
91 Express Lanes to SR-241 Toll Connector		Moderate to High	
I-405 Improvements			
Improvements from I-605 and SR-55 - M2 Project K			
Design-Build Contract Management		High	
Right-of-Way (ROW) Activities and Reporting		Moderate	2017
Program Management Activities		High	2018
I-405 Improvements between SR-55 and I-5-M2 Project L		Low to Moderate	
Highway Project Management			
Highway Project Management - Mott MacDonald		Moderate to High	2018
Project Controls		Moderate to High	2016
Real Estate Administration		Moderate	
ROW Operations		Moderate to High	
Facilities Engineering			
Facilities Project Management		Moderate	2015
Transit Security Operations Center		Moderate to High	
Rail Programs and Facilities Engineering			
Program Management Support: Rail Programs		Moderate to High	
Local Initiatives			
Project S: Go Local Fixed Guideway Projects			
OC Streetcar Project		High	
Passenger Rail Operations and Metrolink Expansion			
City of Orange Parking Expansion		Moderate to High	
Fullerton Transportation Center - Elevator Upgrades		Moderate	
Placentia Metrolink Station Project		Moderate	
Anaheim Canyon Station Improvements		Moderate	
San Juan Capistrano Passing Siding		Moderate	
San Juan Creek Bridge Replacement		Moderate	
Control Point 4th St - Santa Ana		Low to Moderate	2018

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Division Department/Functional Area Project/Program/Function	RISK ASSESSMENT	7 Year Audit History
Planning		
M2 Program Management Office	Moderate	
Strategic Planning		
Transportation Planning		
M2 Environmental Mitigation Program		
Program Administration	Moderate	2013
Land Management Contracts	Moderate	
Habitat Restoration and Mitigation Funding Contracts	Moderate	
Transit and Non-Motorized Planning		
Bus Facilities Asset Management / Capital Plan	Moderate	
Fleet Outlook / Rollout Plan	Moderate	
Bikeway Master Plans	Low	
Transit Master Plan	Moderate	
Fullerton Park and Ride - Development Study	Low to Moderate	
Bristol Street Study	Low to Moderate	
Strategic Initiatives		
Strategic Plan - Development and Monitoring	Low to Moderate	
Performance Metrics	Low to Moderate	
Southern California Association of Governments Agreement / Workplan	Low to Moderate	
Geographic Information System Services	Low to Moderate	
State/Federal Programs		
State/Federal Improvement Program Funding Administration	Moderate	
Annual 5307 Program of Projects	Moderate	
Proposition 1B Project Monitoring	Moderate	
Calls for Projects	Low to Moderate	
Local Programs		
Measure M Eligibility	Moderate to High	2018
Comprehensive Transportation Funding Programs (CTFP)	Moderate	
Oversight and Reporting: CTFP	Moderate	

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Division Department/Functional Area Project/Program/Function	RISK ASSESSMENT	7 Year Audit History
M2 Local Projects		
Project Q - Local Fair Share	Required	
Project V - Community Based Transit Circulators	Moderate	
Project W - Safe Transit Stops	Low to Moderate	
Operations		
Passenger Rail Operations & Metrolink		
ROW Maintenance - Joshua Grading & Excavating	Moderate	2018
Joint Powers Agreement Allocation Southern California Regional Rail Authority	Moderate to High	
Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency		
Managing Agency Contracts	Moderate	
Transit		
OC Streetcar Operations	Moderate to High	
Service Planning and Scheduling		
National Transit Database (NTD) Reporting	Required	
Coach Operator Scheduling	Moderate	
Stops & Zones	Low to Moderate	2013
Schedule Checkers	Low to Moderate	2013
Service Change Implementation	Moderate	
Bus Operations		
Operator Bidding Process	Moderate to High	
Overtime: Scheduled and Unscheduled	Moderate to High	
Operations Training	Moderate	
Field Supervision	Moderate	
Central Communications	Moderate to High	
Timekeeping System	Moderate	
Uniform Allowance	Low	
Contracted Services		
ACCESS Eligibility	Moderate to High	2015
Reduced Fare Program - ACCESS Riders	Moderate	
Regional Center Day Programs	Moderate to High	
Adult Day Health Care Program Agreements	Low to Moderate	2013
Job Access and Reverse Commute and New Freedom Grant Administration	Moderate	
Senior Mobility Program (M2 - Project U & Transportation Development Act-funded)	Required	Annual
Senior Non-Emergency Medical Transportation (M2 - Project U)	As Required	2016
First Transit - Contracted Fixed Route Operations	High	2017
ACCESS Service	High	2018
Same Day Taxi Service - Yellow Cab of North Orange County	Moderate to High	
EZ Wallet Program	Moderate	
Vanpool Operations	Moderate	2014
OC Flex Operations	Moderate	

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Division			
Department/Functional Area		RISK	7 Year
Project/Program/Function		ASSESSMENT	Audit History
Maintenance			
Maintenance Employee Incentives		Moderate	
Rolling Stock and Inventory Contracts			
Bridgestone/Firestone Tire Lease		Moderate	
Trillium USA - Operate & Maintain Compressed Natural Gas Stations		Moderate	
Cummins Cal Pacific		Moderate	
Revenue Vehicle Maintenance		Moderate to High	
Specialty Shop Maintenance		Moderate	
Company Assigned Vehicles		Low to Moderate	
Fuel Management		Moderate	2018
Transit Technical Services		Moderate to High	
Revenue Vehicle Purchase / Acceptance		Moderate	
Non-Revenue Vehicle Purchase		Low to Moderate	
Decommission and Auction of Retired Vehicles		Low to Moderate	
Maintenance Resource Management		Moderate to High	
Timekeeping		Low to Moderate	
Equipment Assignments and Tracking		Low	2016
Uniform Rental and Cleaning		Low to Moderate	
Facilities Maintenance		Moderate	
Maintenance Training		Low to Moderate	
Motorist Services			
Freeway Service Patrol (M2 Project N)		Moderate	2013
Call Box Program		Low to Moderate	
511 Motorist Aid		Moderate	
Finance and Administration			
Project U - Fare Stabilization		Moderate	
Financial Planning and Analysis			
Budget Development and Monitoring		Moderate to High	2017
Comprehensive Business Plan		Moderate	
Transit Performance Metrics		Moderate	2015
Treasury and Public Finance			
Investments			
Investments - Compliance, Controls, and Reporting		Required	Semi-Annual
Investment Management Service Contracts		Moderate to High	2017
Endowment Funds		Moderate	
Accounting and Financial Reporting			
General Accounting		Moderate	
Financial Reporting		Required	Annual
Cost Allocation Plan		Low to Moderate	
M2 Accounting and Reporting		Required	Annual
Sales Tax Revenue Accounting		Low to Moderate	

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Division	RISK ASSESSMENT	7 Year Audit History
Department/Functional Area		
Project/Program/Function		
Accounts Payable	Moderate	2016
Purchasing Cards	Low to Moderate	2018
Corporate Credit Cards	Low to Moderate	
Capital Assets	Moderate	
Pass Sales Program	Low to Moderate	2013
Payroll Operations	Moderate	
Administrative Employee Overtime	Moderate	2014
Payroll Garnishments	Low	
Farebox Revenue and Collection	Moderate	2015
Petty Cash Funds Administration	Low	
Banking Services	Moderate	
General Services		
Printing and Reprographics	Low to Moderate	
Records Management	Moderate	
Lease Management	Low to Moderate	
Employee Programs	Low	
Asset Management and Inventory	Moderate	
Internal Communications and OCTA Policies	Low	2017
Commuter Club Program	Low to Moderate	2014
Metrolink Reimbursement Program	Low to Moderate	
OCTA Store	Low to Moderate	2014
Lost and Found Operations	Low	
Revenue Administration		
GFI Farebox Operations	Moderate	2015
Mobile Ticketing Operations	Moderate	2019
Revenue and Revenue Sharing Contracts	Moderate to High	
Grant Administration & Accounting	Moderate to High	
STIP-PPM Compliance	As Required	2018
Transportation Development Act	Required	Annual
Subrecipient Monitoring	Moderate	

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Division			7 Year
Department/Functional Area		RISK	Audit
Project/Program/Function		ASSESSMENT	History
Contract Administration and Materials Management			
Contract Amendments		Moderate to High	
Independent Cost Estimates		Moderate	
Proposal Evaluations		Low to Moderate	
Protests		Low to Moderate	2015
Small Purchases		Low to Moderate	
Buy America Compliance		As Required	
Purchase Order and Blanket Purchase Orders		Moderate	2014
Maintenance Inventory Management		Moderate	
Warranty Administration		Moderate	2018
Disadvantaged Business Enterprise Program		Moderate	
Inventory Contracts			
Unleaded Fuel		Moderate	
Diesel Fuel		Low to Moderate	
Liquified Natural Gas Contract		Moderate	2015
Renewable Natural Gas Credits Contract		Low to Moderate	2019
Information Systems			
Applications			
ITMS Radio System		Moderate to High	
OCTA.net Website		Moderate to High	
Application Infrastructure		Moderate to High	
Database Systems		Moderate	
Vendor Management		Moderate to High	
Information Technology (IT) Systems & Security		Moderate to High	
System Development and Acquisition		Moderate	
Patch Management		Moderate to High	
IT Operations (User Mgmt, Authentication, Access Controls)		Moderate to High	
Technology Project Management		Moderate	
Business Continuity/Disaster Recovery		Moderate	
Change Management		Moderate	
Payment Card Industry Compliance		Moderate	2017
Incident Response Program		Moderate	
Asset Management		Moderate	
Operating Systems		Moderate	
IT Contract Services		Moderate	
Switch Data Center		Moderate to High	
Human Resources and Organizational Development			
Risk Management			
Insurance Program Administration		Moderate	
Liability Claims Management and Subrogation		Moderate to High	
Worker's Compensation and Subrogation		Moderate	

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Risk Assessment by Program/Project/Contract/Function
Fiscal Year 2019-20

Division	Department/Functional Area	RISK ASSESSMENT	7 Year Audit History
	Project/Program/Function		
	Employment & Compensation		
	Terminations	Low to Moderate	2019
	Extra Help and Contract Staffing	Low to Moderate	
	Recruitment and Employment	Moderate	
	Compensation	Moderate to High	
	Benefits		
	Healthcare Plans	Moderate to High	2017
	Coach Operator Healthcare	Moderate	
	Maintenance Employee Healthcare	Moderate	
	Protected Leave	Moderate to High	2014
	Flexible Benefits	Low to Moderate	2013
	Health Savings Account	Moderate	2017
	Orange County Employees Retirement System	Moderate to High	
	Teamsters Pension Fund Trust	Low to Moderate	
	Employee Assistance Program	Low	
	Deferred Compensation Plans	Moderate	
	Wellness Program	Low	
	Life Insurance Benefit	Low	
	Alternative/Remote Work Program	Low to Moderate	
	Employee and Labor Relations		
	Labor Contracts	Moderate	
	Unemployment Claims	Low	
	Grievances	Low to Moderate	
	Equal Employment Opportunity	Moderate	
	Title VI Compliance	Moderate	
	Medical Exams	Moderate	
	Training & Development		
	Training (Learning Management System)	Low to Moderate	2014
	Educational Reimbursements	Low	2014
	Safety and Environmental Compliance		
	Drug and Alcohol Program	Moderate	2019
	Construction Safety	Moderate to High	
	Employee Safety	Moderate to High	
	Motor Vehicle and Traffic Safety		
	Pull Notice Program	Moderate	
	Safety Specifications	Moderate	
	NTD Accident Reporting	Low to Moderate	

**Orange County Transportation Authority
Internal Audit Department
Risk Assessment by Program/Project/Contract/Function
Fiscal Year 2019-20**

Division	Department/Functional Area	RISK ASSESSMENT	7 Year Audit History
	Project/Program/Function		
	Environmental Compliance Program		
	Storm Water Pollution Prevention Program	Moderate to High	2017
	Spill Prevention Countermeasure and Control Plan	Moderate to High	
	Hazardous Waste Removal	Moderate to High	
	Air Quality Management District Permitting and Compliance	Moderate to High	
	Environmental Specifications - Contracts	Moderate	
	Underground Storage Tank Removal Program	Moderate to High	
	Safety Management Plan	Moderate	
External Affairs			
	Marketing and Public Outreach		
	Marketing and Customer Engagement		
	Digital and Creative Services	Low to Moderate	
	OCTA Bus Marketing	Moderate	
	Bus Advertising Revenue Contracts	Low to Moderate	2013
	Rideshare Program	Moderate	
	Customer Engagement & Data Analytics		
	Data Analytics / Performance Management	Moderate	
	In-House Customer Relations	Low to Moderate	2017
	Customer Information Center	Moderate	
	Diversity Outreach and Economic Opportunity Programs	Low to Moderate	
	Public Outreach		
	Project Outreach Contract Management		
	SR-91	Moderate	2019
	I-5	Moderate	
	SR-55	Moderate	
	OC Streetcar Project	Moderate to High	
	Grade Separation	Moderate	
	I-405 Improvement Project	Moderate to High	
	State and Federal Relations		
	Lobbying Contracts	Low to Moderate	
	Grants Development (Application and Oversight)	Moderate	
	Subrecipient Monitoring	Moderate to High	

**Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2019-20 Internal Audit Plan**

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours
Mandatory External Independent Audits				
Annual Financial Audits and Agreed-Upon Procedures Reviews	FY20-001 through FY20-004	Coordinate and report on annual financial and agreed-upon procedures reviews for fiscal year 2019-20.	Financial	450
Federal Triennial Review	FY20-006	Coordinate and report on results of the required Federal Transit Administration's Triennial Review.	Compliance	80
External Regulatory Audits	FY20-005	Coordinate and report on external audits by regulatory or funding agencies.	Compliance	60
Internal Audit Department Projects				
Risk Assessment and Annual Audit Plan	FY20-100	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	200
Quality Assurance and Self-Assessment	FY20-101	Update of Internal Audit Policies & Procedures. Annual self assessment of the Internal Audit Department's (Internal Audit) compliance with Generally Accepted Government Auditing Standards.	Quality Assurance	160
Fraud Hotline Activities	FY20-102	Administrative duties related to maintenance of the Fraud Hotline and work related to investigations of reports of fraud, waste, or abuse.	Fraud Hotline	240
Automated Workpaper Solution	FY20-103	System updates/training related to automated workpaper solution.	Workpaper System	40
Internal Audits				
Clerk of the Board				
Board of Directors (Board) Compensation and Ethics Compliance	FY19-513	Assess and test controls in place to ensure compliance with Board compensation and training requirements.	Compliance	180
Express Lanes Program				
Master Custodial Agreement	FY19-514	Review and test activities related to the Master Custodial Agreement between OCTA, Riverside County Transportation Commission, and the Bank of the West for tracking and deposit of revenues.	Operational	300

**Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2019-20 Internal Audit Plan**

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours
Human Resources and Organizational Development				
Medical Exams	FY20-5XX	Assess and test controls to ensure compliance with Federal Motor Carrier Safety Administration regulations, policy, and procedures related to employee medical certifications.	Compliance	180
Department of Motor Vehicles (DMV) Pull Notice Program	FY20-5XX	Assess and test operation of the DMV Pull Notice Program.	Compliance	240
Capital Programs				
Interstate 5 (I-5) Project: State Route (SR) 55 to SR-57	FY20-5XX	Review of the I-5 Project: SR-55 to SR-57, including project administration, oversight controls, and contract compliance.	Internal Control / Compliance	300
City of Orange Parking Expansion	FY19-508	Review of the Orange Parking Expansion project, including project administration, oversight controls, and contract compliance.	Internal Control / Compliance	220
Planning				
Comprehensive Transportation Funding Programs (CTFP): Oversight and Reporting	FY20-5XX	Review of OCTA monitoring and reporting controls over CTFP projects.	Internal Control	240
Operations				
Coach Operator Scheduling	FY19-505	Review the coach operator scheduling process, including use of the HASTUS application.	Operational	80
Same-Day Taxi Service	FY20-5XX	Assess adequacy of oversight controls and contract compliance with key provisions of the agreement with Yellow Cab of Orange County for the provision of Same-Day Taxi Service.	Internal Control / Compliance	300
Revenue Vehicle Maintenance	FY20-5XX	Evaluate the adequacy of controls in place to ensure compliance with revenue vehicle maintenance standards and test for compliance with maintenance policy and procedures.	Operational	300

**Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2019-20 Internal Audit Plan**

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours
Finance and Accounting				
Treasury	FY20-5XX	Semi-annual review of investments: compliance, controls, and reporting.	Compliance	200
Grant Closeouts	FY19-510	As-needed, required financial and compliance audits of grants at closeout to ensure propriety of expenditures.	Compliance	40
Corporate Credit Cards	FY20-5XX	Evaluate the adequacy of controls over corporate credit cards and test for compliance with policy and procedures.	Operational	240
Banking Services - Bank of the West	FY20-5XX	Assess and test controls to ensure compliance with the agreement between OCTA and Bank of the West for banking services.	Operational / Compliance	240
Renewable Natural Gas Credits	FY19-511	Review and test compliance with the agreement with Element Markets for renewable gas credits.	Compliance	60
Interagency Revenue Agreements	FY20-5XX	Review and test activities related to the Interagency Fare Revenue Agreements between OCTA and Southern California Regional Rail Authority and Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency.	Operational	240
Information Systems				
Patch Management	FY19-5XX	Assess the adequacy of the patch management program.	Operational	120
Contract Administration and Materials Management (CAMM)				
Price Reviews	PR20-XXX	As requested by the Contracts Administration and Materials Management Department, apply agreed-upon procedures to Sole Source, Single Bid, and Architectural and Engineering firm proposals.	Price Review	800
Buy America	PR20-XXX	As requested by the Contracts Administration and Materials Management Department, apply agreed-upon procedures to determine compliance with Buy America requirements.	Buy America	200
External Affairs				
Bus Marketing	FY19-512	Review Bus Marketing program; assess and test controls related to bus marketing programs.	Operational / Compliance	160

**Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2019-20 Internal Audit Plan**

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours
Unscheduled Reviews and Special Requests				
Unscheduled Reviews and Special Requests	FY20-800	Time allowed for unplanned audits, coordination of external agency audits, and requests from the Board and management.	Varies	240
Monitoring Activities				
Measure M Taxpayer Oversight Committee (TOC)	FY20-601	Coordination of audit activities on behalf of the Audit Subcommittee of the TOC.	Administrative Support	60
Metrolink Audit Activities	FY20-602	Obtain and review audit results of Metrolink activities	Non-Audit Service	40
Capital Asset Inventory Observation	FY20-603	At the request of the Finance and Administration Department, observe and apply limited procedures related to the bi-annual capital asset inventory counts.	Non-Audit Service	80
Bus Base Inspections	FY20-604	At the request of the Transit Division, participation on annual base inspection teams.	Non-Audit Service	40
Follow-up Reviews				
Follow-up Reviews and Reporting	FY20-700	Follow-up on the status of management's implementation of audit recommendations.	Follow-up	320
Total Audit Project Planned Hours (A)				6,650

Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2019-20 Internal Audit Plan


Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours
Internal Audit Administration				
Board and Committee Meetings				180
Executive Steering and Agenda Setting Meetings				180
Internal Audit Staff Meetings				150
Other Administration				1,500
			Total Hours (B)	8,660
			Department Target Efficiency (A/B)	75%
			Target Efficiency - Professional Staff	80%



COMMITTEE TRANSMITTAL

August 12, 2019

To: Members of the Board of Directors

From: Laurena Weinert,  Clerk of the Board

Subject: Consultant Selection for South Orange County Multimodal Transportation Study

Regional Planning and Highways Committee Meeting of August 5, 2019

Present: Directors Bartlett, Chaffee, Delgleize, M. Murphy, R. Murphy, and Pulido

Absent: Director Muller

Committee Vote

This item was passed by the Members present.

Director Pulido was not present to vote on this item.


Committee Recommendations

- A. Approve the selection of HDR Engineering, Inc., as the firm to conduct the South Orange County Multimodal Transportation Study.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1121 between the Orange County Transportation Authority and HDR Engineering, Inc., in the amount of \$749,969, to conduct the South Orange County Multimodal Transportation Study for a two-year term.



August 5, 2019

To: Regional Planning and Highways Committee

From: Darrell E. Johnson, Chief Executive Officer 

Subject: Consultant Selection for South Orange County Multimodal Transportation Study

Overview

Pursuant to the 2019 Orange County Transportation Authority Board of Directors Strategic Initiatives, consultant services are needed to conduct a multimodal transportation study to identify solutions for south Orange County's current and future mobility needs. Proposals were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board of Directors' approval is requested to select a firm to conduct the South Orange County Multimodal Transportation Study.

Recommendations

- A. Approve the selection of HDR Engineering, Inc., as the firm to conduct the South Orange County Multimodal Transportation Study.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1121 between the Orange County Transportation Authority and HDR Engineering, Inc., in the amount of \$749,969, to conduct the South Orange County Multimodal Transportation Study for a two-year term.

Discussion

The 2019 Orange County Transportation Authority (OCTA) Board of Directors (Board) Strategic Initiatives call for the initiation of a transportation study to identify recommendations for south Orange County's current and future mobility issues. The South Orange County Multimodal Transportation Study will identify a broad range of recommendations for the area, including multimodal transportation improvements and transportation demand management strategies.

Consideration will be given to strategies that reduce congestion by providing more transportation choices for residents, commuters, and visitors, while preserving the local sense of community.

The South Orange County Multimodal Transportation Study is intended, in part, to update the South Orange County Major Investment Study completed in 2008. While many of the recommendations from the 2008 study continue to be relevant today, much has also changed over the last decade. Such changes include the completion of several projects comprising the Locally Preferred Strategy from the 2008 study, slower socioeconomic growth projections, a decline in transit ridership, the introduction of transportation network companies, an expanding fleet of electric vehicles, widespread use of navigation/traffic apps, and emerging connected and autonomous vehicle technologies.

The transportation planning context has changed significantly, including how transportation impacts are evaluated under the California Environmental Quality Act. This will likely continue to change as new legislation and guidance continue to develop that focus on reducing growth in vehicle miles traveled as an integral strategy for reducing greenhouse gas emissions.

The objective of the South Orange County Multimodal Transportation Study is to define the mobility needs, identify a range of multimodal transportation improvement options, and carry forward a set of preferred improvements and strategies into subsequent project development and selection processes. Stakeholders will be engaged to help evaluate study area transportation system performance, define transportation deficiencies, develop a purpose and need statement, establish goals, objectives and performance measures, and evaluate a set of viable conceptual alternatives for future project development processes.

Procurement Approach

This procurement was handled in accordance with OCTA's Board-approved procedures for professional and technical services. In addition to cost, many other factors are considered in an award for professional and technical services. Award is recommended to the firm offering the most comprehensive overall proposal considering such factors as staffing and project organization, prior experience with similar projects, work plan, as well as fair and reasonable costs.

On April 2, 2019, Request for Proposals (RFP) 9-1121 was issued electronically on CAMM NET. The project was advertised in a newspaper of general circulation on April 2 and 9, 2019. A pre-proposal conference was held on April 9, 2019,

with attendees representing 13 firms. Three addenda were issued to make available a copy of the pre-proposal conference registration sheet, pre-proposal presentations, respond to questions related to the RFP, and for administrative changes.

On April 30, 2019, two proposals were received, which collectively reflect the combined input from 12 individual firms as illustrated in Attachment A. An evaluation committee consisting of OCTA staff from Contracts Administration and Materials Management, Planning and Analysis, and Government Relations departments, as well as external representatives from the California Department of Transportation and the Southern California Association of Governments (SCAG) met to review both proposals.

The proposals were evaluated based on the following evaluation criteria and weightings:

- | | |
|-------------------------------------|------------|
| • Work Plan | 20 percent |
| • Qualifications of the Firm | 25 percent |
| • Cost and Price | 25 percent |
| • Staffing and Project Organization | 30 percent |

Several factors were considered in developing the evaluation criteria weightings. The work plan was assigned a 20 percent weighting to ensure the firm demonstrated its understanding of the identified tasks, deliverables, and schedules. Qualifications of the firm, as well as cost, were each assigned a 25 percent weighting. Similar knowledge and experience conducting corridor studies, long-range transportation plans, transit, and rail studies illustrate qualifications of the firm.

Staffing and project organization was weighted the highest at 30 percent to emphasize the importance of the proposed project team's qualifications and experience performing similar studies. Also, the project managers experience will be critical in leading the development and delivery of the multimodal transportation study identified in the scope of work.

On May 21, 2019, the evaluation committee reviewed the two proposals received based on the evaluation criteria and conducted interviews with both firms listed below in alphabetical order:

Firm and Location

HDR Engineering, Inc. (HDR)
Irvine, California

Iteris, Inc. (Iteris)
Santa Ana, California

The interviews took place on May 28, 2019, and consisted of a presentation to demonstrate the firms' understanding of OCTA's requirements. The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the evaluation committee's questions. Questions were asked relative to the proposed key personnel's experience on similar projects, experience collecting and analyzing traffic patterns, and current and potential future multimodal challenges and opportunities. Finally, each team was asked specific clarification questions related to their proposal.

After considering the responses to the questions asked during the interviews, the evaluation committee reviewed the preliminary ranking for both firms and made adjustments to individual scores. However, HDR remained the highest ranked firm with the highest cumulative score.

Based on the evaluation of the written proposals, the firms' qualifications, proposed costs, and the information obtained from the interviews, the evaluation committee recommends HDR for consideration of the award. The following is a summary of the proposal evaluation results.

Qualifications of the Firm

Both firms demonstrated experience conducting multimodal studies throughout Southern California.

HDR was founded in 1917, with a local office in the City of Irvine. The firm has experience conducting various multimodal studies for the City of Long Beach, Los Angeles County Metropolitan Transportation Authority (LACMTA), Riverside County Transportation Commission (RCTC), San Bernardino County Transportation Authority, and OCTA. HDR conducted the Pacific Coast Highway (PCH) Corridor Study for OCTA, which included a broad range of transportation opportunities and improvements along PCH. Lastly, HDR and its subcontractors demonstrated experience with different aspects of transportation planning projects, including the Orange County foothills and districts 1 and 2 bikeways strategy reports, regional modeling and traffic operation, and the Orange County Transit Vision – Transit Master Plan.

Iteris was founded in 1987, with a local office in the City of Santa Ana. The firm has experience conducting multimodal studies for local agencies and cities including the Long-Range Transportation Plan for RCTC and the US-101 Multimodal Mobility Plan for the County of Ventura. Iteris proposed using a subcontractor with relevant experience in transportation studies, including the Interstate 5 Corridor Sustainability Study for SCAG, the Beach Boulevard Corridor Specific Plan and Environmental Impact Report for the City of Anaheim, and the Master Plan of Arterial Highways Complete Streets Assessment for OCTA.

Staffing and Project Organization

Both firms proposed project teams with experience and knowledge of multimodal transportation studies. Key project staff proposed by the firms include individuals that have worked with OCTA on previous transportation study related projects.

The project manager for HDR has 39 years of experience in planning transportation systems throughout Southern California and has been with the firm nine years. Specifically, the project manager has led multimodal studies projects within the project area, including the PCH Corridor Highway Study and the Orange County Freeway Study for OCTA. HDR's proposed key personnel have worked in the transportation industry for an average of 20 years and have relevant experience on similar projects in the counties of Los Angeles, Orange, Riverside, and San Bernardino. Other key personnel experience includes multiple bus, pedestrian, freeway, transit corridor studies, road improvement and rail projects, such as the Laguna Canyon Road State Route 133 Project Study Report, Interstate 405 Corridor Major Investment Study, and the Orange County Freeway Study.

The project manager for Iteris has 30 years of experience in planning transportation systems throughout Southern California and ten years with the firm. He has led multimodal studies including the RCTC Long-Range Transportation Plan and the LACMTA State Route 138 Project Approval and Environmental Document. Other key personnel have worked in the transportation industry for an average of 22 years and have relevant experience on similar projects. The key personnel's experience includes the US-101 Multimodal Mobility Plan for the County of Ventura and work as a subconsultant on the Orange County Freeway Study for OCTA. The proposed project organization was unclear as the firm proposed to utilize subcontractors to perform key job functions by individuals not identified as key personnel.

Work Plan

Both firms proposed similar timelines to meet the project schedule.

HDR presented a work plan that demonstrated its approach to completing the tasks and deliverables identified in the scope of work. The firm's approach to the work plan considered the recommendations and findings of the 2008 South Orange County Major Investment Study, as well as new modes of transportation, such as on-demand rideshare services and mobile travel apps. The firm also included a detailed flow chart of the project development and technical process with all major and minor phases in each task identified. HDR proposed enhancements using big data and Orange County Transportation Analysis Model to understand south Orange County travel patterns. This approach will allow HDR to collect and review data beyond the scope of the project.

Iteris' work plan acknowledged all of the tasks in the scope of work; however, its approach to completing all of the deliverables, specifically the potential alternatives for the study, was not described in its proposal or clarified in the interview.

Cost and Price

Pricing scores were based on a formula that assigned the higher score to the firm with the lower total firm-fixed price for the tasks to be completed, and scored the other proposal's total firm-fixed price based on its relation to the lower total firm-fixed price. HDR's proposed firm-fixed price is competitive with the lower proposed firm-fixed price.

Procurement Summary

Based on the evaluation of the written proposals, the firms' qualifications, and the information obtained from the interviews, the evaluation committee recommends the selection of HDR as the top-ranked firm to conduct the South Orange County Multimodal Transportation Study. HDR demonstrated strong relevant experience, competitive pricing, and submitted a thorough and comprehensive proposal that was responsive to all requirements of the RFP.

Fiscal Impact

The project is included in OCTA's Fiscal Year 2019-20 Budget, Planning and Analysis Division, Account 1531-7519-A4461-0QK, and is funded by Federal Regional Surface Transportation Program funds.

Summary

Based on the information provided, staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1121 between OCTA and HDR, in the amount of \$749,969, to conduct the South Orange County Multimodal Transportation Study for a two-year term.

Attachments

- A. Review of Proposals, RFP 9-1121 South Orange County Multimodal Study
- B. Proposal Evaluation Criteria Matrix, RFP 9-1121 South Orange County Multimodal Study
- C. Contract History for the Past Two Years, RFP 9-1121 South Orange County Multimodal Study

Prepared by:

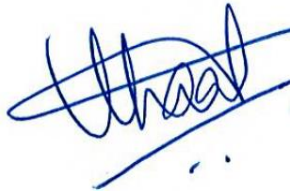


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Review of Proposals
RFP 9-1121 South Orange County Multimodal Study

Presented to the Regional Planning and Highways Committee - August 5, 2019

Two proposals were received, two firms were interviewed, one firm is being recommended.

Overall Ranking	Proposal Score	Firm & Location	Sub-Contractors	Evaluation Committee Comments	Firm-Fixed Price
1	87	HDR Engineering, Inc. Irvine, California	Alta Planning + Design Land CM Corporation Nelson/Nygaard Consulting Associates, Inc. PlaceWorks System Metrics Group, Inc. UrbanTrans North America VCS Environmental	Experience analyzing and developing multimodal studies. Firm established in 1917. Firm's experience includes the Pacific Coast Highway Corridor study. Recent studies for City of Long Beach, Los Angeles County Metropolitan Transportation Authority, Riverside County Transportation Commission, San Bernardino County Transportation Authority, and OCTA. Proposed subconsultants with extensive experience in local transportation planning. Project team has multimodal project experience. Demonstrated a thorough and concise understanding of OCTA's requirements. Provided a detailed flow chart of the technical process with all major and minor phases identified. Proposed the use of big data and OCTAM to understand south Orange County travel patterns. Demonstrated during the interview easy to understand technical presentations to non-technical audiences. References provided positive comments and feedback.	\$ 749,969.00
2	79	Iteris, Inc. Santa Ana, California	CHS Consulting Group JMDiaz Kittelson & Associates PlaceWorks	Experience analyzing and developing multimodal studies. Firm established in 1987. Recent studies for City of Anaheim, Riverside County Transportation Commission, Los Angeles Metropolitan Transportation Authority, Ventura County, and OCTA. Proposed subconsultants with strong experience in local transportation planning studies. Key personnel have limited experience with collecting data of prior studies and defining mobility challenges. Subconsultants have experience in multimodal transportation studies. Good overall understanding of the scope of work. Identified possible mobility issues in south Orange County. Clarified the approach to provide a multimodal study with many different user groups. References provided positive comments and feedback.	\$ 739,697.00

Evaluation Panel:

Internal:

Contracts Administration and Materials Management (1)
Strategic Planning (2)
Government Relations (1)

Proposal Criteria

Qualifications of the Firm
Staffing and Project Organization
Work Plan
Cost and Price

Weight Factors

25%
30%
20%
25%

External:

Southern California Association of Governments (1)
California Department of Transportation (1)

Acronyms

OCTA - Orange County Transportation Authority
OCTAM - Orange County Transportation Analysis Model
RFP - Request for Proposals

PROPOSAL EVALUATION CRITERIA MATRIX
RFP 9-1121 South Orange County Multimodal Study

HDR Engineering, Inc.							Weights	Overall Score
Evaluator Number	1	2	3	4	5	6		
Qualifications of Firm	4.0	4.0	4.0	4.0	4.5	4.0	5	20.4
Staffing/Project Organization	4.5	4.5	4.0	4.0	4.0	4.0	6	25.0
Work Plan	4.0	4.5	4.5	4.5	4.5	4.0	4	17.3
Cost and Price	4.9	4.9	4.9	4.9	4.9	4.9	5	24.5
Overall Score	87.5	89.5	86.5	86.5	89.0	84.5		87
Iteris, Inc.							Weights	Overall Score
Evaluator Number	1	2	3	4	5	6		
Qualifications of Firm	4.0	4.0	4.0	4.0	4.0	4.0	5	20.0
Staffing/Project Organization	3.5	3.5	3.5	3.5	3.0	3.0	6	20.0
Work Plan	3.5	4.0	3.5	3.5	3.5	3.5	4	14.3
Cost and Price	5.0	5.0	5.0	5.0	5.0	5.0	5	25.0
Overall Score	80.0	82.0	80.0	80.0	77.0	77.0		79

Acronyms

RFP - Request for Proposals

CONTRACT HISTORY FOR THE PAST TWO YEARS
RFP 9-1121 SOUTH ORANGE COUNTY MULTIMODAL STUDY

Prime and Subconsultants	Contract No.	Description	Contract Start Date	Contract End Date	Subconsultant Amount	Total Contract Amount
HDR Engineering, Inc.						
Contract Type: Firm-Fixed Price Subconsultants: None	C-8-2075	Traffic Operations Analysis Services	April 1, 2019	March 31, 2021		\$ 49,800
Contract Type: Time and Expense Subconsultants:	C-8-1512	Management Consultant Services for Regional Rail Programs	March 28, 2019	March 31, 2024		\$ 7,500,000
AP Engineering & Testing						
BA, Inc.						
Civil Works Engineers, Inc.						
Cogstone Resource Management, Inc.						
DB Engineering & Consulting USA, Inc.						
Meadows Consulting						
Mott MacDonald, LLC						
PreScience Corporation						
Project Design Consultants						
Tri-County Drilling						
VSCE Inc.						
Contract Type: Time-and-Expense Subconsultants:	C-8-1418	CM Services - I-5 Widening Project - OSO Parkway	March 27, 2019	February 29, 2024		\$ 49,800
Coast Surveying						
Ghirardelli Associates						
Jacobs Project Management						
S2 Engineering						
Contract Type: Time and Expense Subconsultants: None	C-8-1840	GIS Technical Support Consultant	November 15, 2018	September 30, 2019		\$ 50,000
Contract Type: Firm-Fixed Price Subconsultants: None	C-7-1613	Traffic Operations Analysis Services	May 10, 2017	May 31, 2018		\$ 15,100
Contract Type: Firm-Fixed Price Subconsultants: None	C-6-1514	GIS Toolkit to Plan Bus Route SVC Change	January 11, 2017	December 31, 2017		\$ 60,000
Contract Type: Firm-Fixed Price Subconsultants:	C-6-1003	Consultant Services for Freeway Study	April 27, 2016	June 30, 2018		\$ 99,998
Fehr & Peers					\$ 819.00	

**CONTRACT HISTORY FOR THE PAST TWO YEARS
RFP 9-1121 SOUTH ORANGE COUNTY MULTIMODAL STUDY**

Prime and Subconsultants	Contract No.	Description	Contract Start Date	Contract End Date	Subconsultant Amount	Total Contract Amount
Contract Type: Time-and-Expense	C-4-1854	Project Management Consultant Services for the Santa Ana - Garden Grove Streetcar Project	September 4, 2015	May 30, 2020		\$ 20,962,005
Subconsultants:						
Arellano Associates						
Boothe Transit Consulting, LLC						
Civilsource						
HDR MDG						
IBI Group						
Intueor Consulting, Inc.						
MOTT MacDonald, LLC						
Nossman, LLP						
Shiels Oblatz Johnsen						
SNC-Lavalin Constructors						
Sperry Capital, Inc.						
Contract Type: Time and Expense	C-4-1786	On-Call Right of Way Property Management Services	March 1, 2015	February 29, 2020		\$ 10,000,000
Subconsultants:						
APA Engineering, Inc.						
Cal Pacific Land Services, inc.						
Coast Surveying, Inc.						
Commonwealth Land Title Company						
Desmond, Marcello & Amster						
Donna Desmond Associates						
Environmental Resources Management						
Hennessey & Hennessey LLC						
Hodges Lacey & Associates, LLC						
Kiley Company						
VSCE Inc.						
Pacific Environmental Company						
Pacific Real Estate Consulting						
Real Estate Consulting & Services						
The Bernard Johnson Group, Inc.						
Title365						
VA Consulting, Inc.						
Wiggans & Willett, Inc.						
Contract Type: Firm-Fixed Price	C-0-1587	Environmental Document & Project Report for the SR-55 between I-405 and I-5	March 21, 2011	December 31, 2019		\$ 6,508,026
Subconsultants:						
Fehr & Peers					\$ 682,343	
Guida Surveying, Inc.					\$ 507,106	
Leighton Consulting, Inc.					\$ 348,974	
LESA Associates					\$ 1,169,372	
MTS Engineers					\$ 402,443	
Transystems RMC, Inc.					\$ 275,356	

CONTRACT HISTORY FOR THE PAST TWO YEARS
RFP 9-1121 SOUTH ORANGE COUNTY MULTIMODAL STUDY

Prime and Subconsultants	Contract No.	Description	Contract Start Date	Contract End Date	Subconsultant Amount	Total Contract Amount
Contract Type: Firm-Fixed Price	C-7-0938	Improvements to SR-57 Northbound Between Katella Avenue and Lincoln Avenue	April 10, 2008	December 31, 2018		\$ 4,658,888
<i>Subconsultants:</i>						
<i>Fehr & Peers</i>					\$ 89,904	
<i>Guida Surveying, Inc.</i>					\$ 258,711	
<i>Leighton Consulting, Inc.</i>					\$ 294,261	
<i>LSA Associates</i>					\$ 357,015	
<i>PMK, Inc.</i>					\$ 140,333	
<i>Tatsumi and Partners, inc.</i>					\$ 225,347	
			Sub Total			\$ 49,953,617
Iteris, Inc.						
Contract Type: Firm-Fixed Price	C-8-1488	Update to the Intelligent Transportation System Development Plan	April 9, 2018	December 31, 2019		\$ 104,950
<i>Subconsultants: None</i>						
Contract Type: Firm-Fixed Price	C-7-1526	Vehicle-to-Infrastructure State of the Practice Review	April 24, 2017	November 30, 2017		\$ 49,000
<i>Subconsultants: None</i>						
Contract Type: Firm-Fixed Price	C-6-1553	Beach Boulevard Transit Signal Implementation	April 10, 2017	February 28, 2019		\$ 99,877
<i>Subconsultants:</i>						
<i>Eiger TechSystems</i>					\$ 15,066	
Contract Type: Time-and-Expense	A32249	Bristol Street Regional Traffic Signal Synchronization Project	June 29, 2015	March 31, 2020		\$ 2,252,469
<i>Subconsultants: None</i>						
Contract Type: Firm-Fixed Price	A35288	Pacific Coast Highway Regional Traffic Signal Synchronization Project	June 23, 2016	June 30, 2019		\$ 2,122,346
<i>Subconsultants: None</i>						
Contract Type: Firm-Fixed Price	A39893	Brookhurst Street Regional Traffic Signal Synchronization Project	June 26, 2018	May 31, 2020		\$ 3,534,110
<i>Subconsultants: None</i>						
Contract Type: Time-and-Expense	A28420	On-Call Traffic Engineering Services	April 8, 2014	April 30, 2019		\$ 319,861
<i>Subconsultants: None</i>						
Contract Type: Firm-Fixed Price	A29152	Newport South Regional Traffic Signal Synchronization Project	June 26, 2014	June 30, 2019		\$ 1,406,267
<i>Subconsultants: None</i>						
			Sub Total			\$ 9,938,680


Acronyms

I-405 - Interstate 405
I-5 - Interstate 5
RFP - Request for Proposals
SR-55 - State Route 55
SR-57 - State Route 57
CM - Construction Management Services
GIS - Geographical Information Services



COMMITTEE TRANSMITTAL

August 12, 2019

To: Members of the Board of Directors
From: Laurena Weinert,  Clerk of the Board
Subject: 2020 State Transportation Improvement Program Overview

Regional Planning and Highways Committee Meeting of August 5, 2019

Present: Directors Bartlett, Chaffee, Delgleize, M. Murphy, R. Murphy, and Pulido
Absent: Director Muller

Committee Vote


This item was passed by the Members present.

Committee Recommendation

Receive and file as an information item.



August 5, 2019

To: Regional Planning and Highways Committee
From: Darrell E. Johnson, Chief Executive Officer 
Subject: 2020 State Transportation Improvement Program Overview

Overview

The State Transportation Improvement Program is a biennial five-year plan of projects adopted by the California Transportation Commission for future allocations of state transportation funds. Every two years, the Orange County Transportation Authority updates the program of projects to be funded through this program. An overview of the 2020 State Transportation Improvement Program process is presented for information purposes.

Recommendation

Receive and file as an information item.

Background

The State Transportation Improvement Program (STIP) is a five-year state funding program that is adopted by the California Transportation Commission (CTC) for transportation projects. The STIP is divided into two major funding categories: the Regional Improvement Program (RIP) and the Interregional Improvement Program (IIP). Seventy-five percent of the program is allocated to the RIP, which is then provided to counties by formula. The remaining 25 percent is provided to the California Department of Transportation (Caltrans) for projects of interregional significance and intercity rail projects through the IIP.

Projects eligible for the STIP must adhere to the STIP Guidelines and the Orange County Transportation Authority (OCTA) Capital Programming Policies (CPP) that were adopted by the Board of Directors (Board) on February 11, 2019 (Attachment A). OCTA is responsible for the development and programming of Orange County's share of the RIP portion of STIP revenues, which is submitted to CTC for approval. OCTA and Caltrans coordinate the development of projects that are considered for inclusion in the RIP and the IIP.

Every two years, the STIP fund estimate (FE) revenues are forecasted and programmed for the following five-year period. The revenue that supports the STIP derives from the price-based excise tax and Federal Highway Trust Fund. Historically, Orange County's share has been 6.45 percent of the total statewide RIP.

The previous 2018 STIP was approved on March 21, 2018, by the CTC. OCTA originally submitted for \$267.873 million in STIP funding for seven Measure M2 projects and OCTA planning activities. Orange County's approved 2018 STIP contained eight projects for Orange County and totaled \$260.501 million (Attachment B). Additionally, the 2018 IIP contained \$3 million for a passing siding project in the City of Laguna Niguel.

Discussion

Based on the draft FE, the 2020 STIP provides \$569.389 million statewide in new STIP capacity as compared to the final 2018 STIP, which included \$2.259 billion of new capacity. New capacity funding is traditionally for the last two years (fiscal year {FY} 2023-24 and FY 2024-25) and does not include carryover funding from the first three years (FY 2020-21, FY 2021-22, and FY 2022-23). For Orange County, the draft 2020 FE provides a target of \$6.960 million in new capacity. Over the past four STIP cycles, Orange County has averaged approximately \$62.6 million per cycle in new capacity. This \$6.960 million in new capacity, plus the existing \$176.285 million in 2018 STIP carryover projects, equals approximately \$183.245 million for the 2020 STIP. The final FE is subject to change prior to the adoption by the CTC in mid-August.

The 2020 STIP FE is significantly lower than the 2018 STIP, and the CTC has provided three reasons for the decrease.

- Consumption of gasoline and diesel fuels are projected to decrease, which directly affect the STIP revenues.
- The 2018 STIP FE included an assumption, which increased the price-based excise tax (PBET) from 11.7 cents per gallon to 14.1 cents per gallon. The California State Board of Equalization ultimately did not increase the PBET to 14.1 cents per gallon. This left a significant shortfall in revenue in the 2018 STIP, which now must be reconciled in the 2020 STIP.
- Several projects programmed in the prior STIP were advanced to align with SB 1 (Chapter 5, Statutes of 2017), the Road Repair and Accountability Act of 2017) funding. These advancements drew upon funds from the current 2020 STIP FE.

CTC staff indicated that the diminished 2020 FE would not have an adverse impact on currently programmed projects, but would not allow for funding advancements of existing projects, nor would they be able to accommodate cost increases in the STIP.

Staff will return to the Board in September 2019 with the proposed program of projects that is consistent with the Board-approved CPP. The updated program of projects may include modifications to existing projects, new projects, and requests to use local dollars to advance existing STIP projects.

OCTA will need to consider the updated 2020 STIP Guidelines in selecting projects for nomination. The 2020 STIP Guidelines include a minor change regarding uncommitted funds. Previously, the 2018 STIP Guidelines provided an exemption for projects seeking competitive SB 1 funds which were not fully funded. These projects would no longer be considered for STIP funding. The CTC may program a project component only if it finds that the component itself is fully funded, either from STIP funds or other committed funds.

Staff has communicated with key stakeholders, such as Caltrans, to solicit input (Attachment C). The meeting with Caltrans is also an opportunity for OCTA to discuss Caltrans' submittal of the IIP and the State Highway Operation and Protection Program. Staff expects to return to the Board next month with specific programming recommendations that are due by September 2019 to the Southern California Association of Governments for modeling purposes and to the CTC by December 15, 2019.

Summary

OCTA is responsible for the development and programming of the STIP projects for Orange County. With the upcoming 2020 STIP cycle, OCTA staff has started the process to consider priority projects for recommendation to the Board for the Regional Transportation Improvement Program submittal to the CTC.

Attachments

- A. Existing Capital Programming Policies by Fund Source, February 2019
- B. 2018 STIP CTC-Approved Projects
- C. 2020 State Transportation Improvement Program Development Schedule

Prepared by:

A handwritten signature in black ink, appearing to read "Ben Ku", with a long horizontal stroke extending to the right.

Ben Ku
Section Manager,
Formula Funding Programs
(714) 560-5473

Approved by:

A handwritten signature in black ink, appearing to read "Kia Mortazavi", with a stylized, cursive script.

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

**Existing Capital Programming Policies by Fund Source
February 2019**

Funding Source	Measure M2 (M2) Programming Policies
M2 Programs	
Projects A-M (freeway projects on Interstate 5, State Route 22, State Route 55, State Route 57, State Route 91, Interstate 405, and Interstate 605)	Use projects A-M M2 funding consistent with the M2 Transportation Investment Plan, the M2020 Plan, and subsequent Board of Directors (Board)-approved plans and updates to the M2 Program. Program funds to projects through formal programming actions.
Freeway Environmental Mitigation Program (Tied to projects A-M)	Utilize five percent net revenues derived from M2 funding for projects A-M consistent with the M2 Transportation Investment Plan, with the M2020 Plan, and subsequent Board-approved plans and updates to the M2 Program. Program funds to projects through Board approval actions for needed environmental mitigation projects.
Project N (Freeway Service Patrol)	Use Project N funds for the Freeway Service Patrol Program. Funds are programmed through the annual budget process.
Project O (Regional Capacity Program) and Project P (Regional Traffic Signal Synchronization Program)	Use Project O and Project P M2 funding consistent with the M2 Transportation Investment Plan, and consistent with the Comprehensive Transportation Funding Programs (CTFP) Guidelines. Program funds to projects through the cyclical CTFP call for projects (call) programming recommendations.
Project Q (Local Fair Share Program)	Use Project Q M2 funds consistent with the M2 Transportation Investment Plan. Funds are programmed through the annual budget, but actual disbursements may be adjusted based on the formula distribution of funds.
Project R (High-Frequency Metrolink Service)	Use Project R M2 funding consistent with the M2 Transportation Investment Plan, with the latest Next 10 Plan, with the Comprehensive Business Plan, and subsequent Board-approved plans and updates to the M2 Program. Program funds to projects through formal programming actions.
Project S (Transit Extensions to Metrolink) and Project T (Metrolink Gateways)	Use Project S and Project T M2 funding consistent with the M2 Transportation Investment Plan, and consistent with CTFP Guidelines. Program funds to projects through a call.
Project U (Expand Mobility Choices for Seniors and Persons with Disabilities)	Use Project U M2 funds, consistent with the M2 Transportation Investment Plan, the Comprehensive Business Plan, and subsequent Board-approved plans and updates to the M2 Program. Funds are programmed through the annual budget process.
Project V (Community-Based Transit Circulators) and Project W (Safe Transit Stops)	Use Project V and Project W M2 funding consistent with the M2 Transportation Investment Plan, and consistent with CTFP Guidelines. Program funds to projects through a call.

Existing Capital Programming Policies by Fund Source
February 2019

Funding Source	Measure M2 (M2) Programming Policies
Project X (Environmental Cleanup)	<p>Use Project X M2 funding consistent with the M2 Transportation Investment Plan and consistent with CTFP Guidelines. Program funds to projects through the CTFP call.</p> <p>The Environmental Cleanup Program consists of two programs. The Tier 1 Grant Program is designed to mitigate the more visible forms of pollution. Tier 1 consists of funding for equipment purchases and upgrades to existing catch basins and related devices such as screens, filters, and inserts. The Tier 2 Grant Program consists of funding regional, multi-jurisdictional, and capital-intensive projects, such as constructed wetlands, detention/infiltration basins, and bioswales.</p>
Funding Source/Agency	State and Federal Programming Policies
All State and Federal Fund Sources	<p>First priority of all funding sources is to fulfill commitments to the latest Next 10 Plan, specifically M2 projects and to maintain existing the Orange County Transportation Authority's assets in a state of good repair. Consideration will also be given to use state and federal funds for projects that are complementary to M2 projects and that share the program goals to reduce congestion, strengthen the economy, and improve the quality of life. All fund sources must be programmed through formal programming actions.</p>
State	
Active Transportation Program (ATP) – Southern California Association of Governments (SCAG) Regional Selection (Formula)/California Transportation Commission (CTC)/SCAG	Bicycle and pedestrian projects up to a ten percent set-aside and contingent on ready-to-go projects as submitted through competitive calls.
Cap-and-Trade (Competitive) – Affordable Housing and Sustainable Communities Program (AHSC)/Strategic Growth Council	<p>Use AHSC for fixed-guideway and transit corridor projects that serve disadvantaged communities and reduce greenhouse gas (GHG) emissions.</p> <p>*Note – In the guidelines, a transit project must be paired with an affordable housing project for Transit Oriented Development Program funds.</p>
Cap-and-Trade (Formula) – Low Carbon Transit Operations Program (LCTOP)/California Department of Transportation (Caltrans)	<p>Use LCTOP for transit operations or capital for expansion of bus transit service, fare reduction programs, and other bus and commuter rail transit efforts that increase ridership and reduce GHG emissions, where 50 percent of the funds provide benefit for passengers in disadvantaged communities. Funds generated from commuter rail service in Orange County may be used in Orange County for the expansion of commuter rail service, fare reduction programs for commuter rail, and other eligible commuter rail efforts that increase ridership and reduce GHG emissions.</p>
Cap-and-Trade (Competitive) – Transit and Intercity Rail Capital Program (TIRCP)/California State Transportation Agency	<p>Use TIRCP for capital projects that expand bus and rail service to increase ridership and for projects that improve the integration between bus and rail systems. Projects must also reduce GHG emissions.</p>

**Existing Capital Programming Policies by Fund Source
February 2019**

Funding Source/Agency	State and Federal Programming Policies
Proposition 1A/CTC	All funds are programmed.
Proposition 1B – Competitive Programs Funding/CTC	Maximize the Orange County allocations consistent with each program and ensure the receipt of allocated funds.
Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA)/Caltrans	Use PTMISEA funds for commuter rail improvements and to fund existing State Transportation Improvement Program (STIP) - Public Transit Administration projects (approximately \$60 million) currently programmed in the 2010 STIP and for eligible OC Bridges projects.
Proposition 1B – Transit System Safety, Security and Disaster Response Account (TSSSDRA)/California Governor's Office of Emergency Services	Use TSSSDRA to support capital projects that enhance the safety, security, and emergency response capabilities of transit.
Proposition 116 (CTC)	Use cost savings for commuter or intercity rail capital improvement projects along the Metrolink corridor (between the cities of Buena Park and San Clemente) that are funded with Measure M1 and M2 funds on a first-come, first-served basis.
SB 1 - Local Partnership Program (LPP) – Formula/CTC	Use LPP for ready-to-deliver M2 projects which are compatible with state goals and seek to balance funds between freeways, streets and roads, transit capital and eligible environmental clean-up and based on the timing for the request for project nominations.
SB 1 - State of Good Repair (SGR)/Caltrans	Use funds for bus transit capital projects and for maintenance, rehabilitation, and replacement of existing Orange County Transportation Authority (OCTA) transit assets
SB 1 - Trade Corridors Enhancement Program (TCEP)/CTC	Use TCEP first for eligible M2 Program projects that meet the requirements and goals of the program, then fund other eligible Orange County projects
STIP/CTC	Use of STIP funds for M2 freeway, commuter rail, fixed-guideway projects, planning/programming and complementary activities, which seek an equitable balance between freeways and transit capital and are consistent with state goals.

Existing Capital Programming Policies by Fund Source February 2019

Funding Source/Agency	State and Federal Programming Policies
Federal	
Congestion Mitigation and Air Quality (CMAQ)/Caltrans for Federal Highways Administration (FHWA)	<p>Use CMAQ funding for:</p> <ul style="list-style-type: none"> • M2 fixed-guideway and/or M2 high-occupancy vehicle or high-occupancy toll operational improvements, • as match to leverage funding for OC Bridges grade separation projects, • vanpool program and rideshare services, • other rail and bus transit capital projects, • traffic light synchronization projects, and • new or expanded bus transit operations (three years of CMAQ funding may be used for the first five years). <p>Set-asides: Bicycle and pedestrian projects up to a ten percent set-aside and contingent on ready-to-go projects as submitted through competitive calls.</p>
Federal Transit Administration (FTA) Section 5307 Formula/FTA	<p>Use funds to support ongoing transit operations and SGR through (not in priority order):</p> <ul style="list-style-type: none"> • preventive maintenance, • capital cost of contracting, and • bus replacement. <p>Lower priority but eligible if funding available:</p> <ul style="list-style-type: none"> • other priority capital projects that are consistent with the comprehensive business plan. <p>Set-Asides: Up to 20 percent for paratransit operating assistance, one percent for transit security (unless funded using local, state, or other federal funds), and percent of funds generated by rail operations to be used for rail operations and capital projects.</p>
FTA Section 5309 Fixed-Guideway Capital Investment Grants ("New Starts")/FTA	<p>Prioritize M2 fixed-guideway projects that are following project development requirements consistent with the "New Starts" and/or "Small Starts" process.</p>
FTA Section 5310 Formula Funds/FTA	<p>Use funds for eligible enhancements to paratransit capital and operations.</p>
FTA Section 5337 Formula Funds/FTA	<p>Use funds for commuter rail rehabilitation and/or renovation projects, for capital projects that maintain and/or replace equipment and facilities to keep the commuter rail system in a state of good repair and for preventive maintenance. Use funds generated by bus transit for bus transit capital maintenance.</p>

**Existing Capital Programming Policies by Fund Source
February 2019**

Funding Source/Agency	State and Federal Programming Policies
FTA Section 5339 Formula Funds/FTA	<p>Use funds for:</p> <ul style="list-style-type: none"> • capital maintenance, • capital cost of contracting, • bus replacement, and • other bus capital projects as identified in the transit asset management plan.
Highway Infrastructure Program/Caltrans for Federal Highway Administration (FHWA)	Use funds for M2 Freeway Program (consistent with the latest Next 10 Plan).
National Highway Freight Program/CTC for FHWA	Currently these funds are administered by the state through the TCEP (see TCEP above).
Surface Transportation Block Grant (STBG) Program - Formerly the Regional Surface Transportation Program/Caltrans for FHWA	Use funds for M2 Freeway Program (consistent with the latest Next 10 Plan) and local streets and roads. Funds may also be used for countywide planning activities up to five percent annually
Transportation Alternatives Program (TAP) – CTC/SCAG through ATP	Use 100 percent of annual TAP apportionment for bicycle and pedestrian projects through a competitive call to local agencies. Currently these funds are administered by the state through the ATP. See ATP above.

2018 STIP CTC-Approved Projects

2018 STIP-Approved (In Thousands)	STIP Funding					Total STIP	Other Funding				Total Project Cost
	2018-19	2019-20	2020-21	2021-22	2022-23		STBG/ CMAQ	Pending Approval	M2	Other¹	
I-5 Improvements from SR-73 to Oso Parkway (Segment 1)	73,735					73,735	28,167		68,372	18,242	188,516
I-5 Improvements from Alicia Parkway to El Toro Road (Segment 3)					69,911	69,911	49,897		44,715		164,523
I-5 Improvements from SR-73 to El Toro Road (replacement planting/landscaping)					6,000	6,000			1,900		7,900
SR-55 Orange County Central Corridor Improvement from I-405 to I-5				80,000		80,000	103,805		110,327	116,800	410,932
SR-57 Truck Climbing Lane Phase I - Lambert Road Interchange Improvements	9,000					9,000			6,856	84,144	100,000
PPM	1,481			1,848	1,848	5,177					5,177
STIP Subtotal	84,216	-	-	81,848	77,759	243,823	181,869	-	232,170	219,186	877,048
APDE I-5 Improvements from I-405 to SR-55					12,628	12,628	8,000	7,372	5,000		33,000
APDE SR-57 Truck Climbing Lane Phase II - Lambert Road to County Line			4,050			4,050			250		4,300
Totals	84,216	-	4,050	81,848	90,387	260,501	189,869	7,372	237,420	219,186	914,348

1. Other funds include \$18,242 million in Local Partnership Program, \$46.8 million in State Highway Operations and Protection Program, \$70 million in Solutions for Congested Corridors Program, \$0.924 million in demonstration funds, \$10,720 in local city funds, \$65,705 million in Trade Corridors Enhancement Program, and \$6,795 million in Infrastructure for Rebuilding America funds.

Acronyms

- STIP - State Transportation Improvement Program
- CTC - California Transportation Commission
- STBG - Surface Transportation Block Grant Program
- CMAQ - Congestion Mitigation and Air Quality
- M2 - Measure M2
- I-5 - Interstate 5
- SR-73 - State Route 73
- SR-55 - State Route 55
- I-405 - Interstate 405
- SR-57 - State Route 57
- PPM - Planning, programming, and monitoring
- APDE - Advance Project Development Element

2020 State Transportation Improvement Program Development Schedule

- August 14-15, 2019 - California Transportation Commission (CTC) adopts State Transportation Improvement Program (STIP) fund estimate.
- September 5, 2019 - Present to the Orange County Transportation Authority (OCTA) Regional Planning and Highway Committee the STIP/Regional Transportation Improvement Program (RTIP).
- September 9, 2019 - Present to OCTA Board of Directors the STIP/Regional Transportation Improvement Program (RTIP) item for approval.
- September 30, 2019 - OCTA STIP/RTIP projects submitted to the Southern California Association of Governments for regional modeling analysis.
- By October 1, 2019 - The California Department of Transportation (Caltrans) submits the final draft Interregional Transportation Improvement Program (ITIP).
- By October 10, 2019 - CTC ITIP hearing – North.
- By October 16, 2019 - CTC ITIP hearing – South.
- By December 15, 2019 - STIP/RTIP submittal due to CTC.
- By December 15, 2019 - Caltrans ITIP submittal due to CTC.
- January 30, 2020 - CTC STIP hearing – South.
- February 6, 2020 - CTC STIP hearing – North.
- February 28, 2020 - CTC publishes staff recommendations.
- March 25-26, 2020 - CTC adopts STIP.



COMMITTEE TRANSMITTAL

August 12, 2019

To: Members of the Board of Directors

From: Laurena Weinert, Clerk of the Board

Subject: SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program Recommendations for Fiscal Year 2019-20 Funds

Transit Committee Meeting of August 8, 2019

Present: Directors Davies, Jones, Pulido, Shaw, and Winterbottom
Absent: Directors Do and Moreno

Committee Vote

This item was passed by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendations

- A. Approve Resolution No. 2019-058, consistent with the SB 1 State of Good Repair Program Guidelines, authorizing the use of \$5.720 million in fiscal year 2019-20 SB 1 State of Good Repair Program funding for:
- Replacement of up to seven iShuttle buses (\$3.030 million),
 - Replacement of up to six El Dorado Cutaways with 40-foot buses (\$1.890 million),
 - Replacement of the emergency equipment at the Anaheim and Irvine Construction Circle bus bases (\$0.800 million).
- B. Authorize staff to make all necessary amendments to the Federal Transportation Improvement Program, as well as execute any necessary agreements to facilitate the above recommendations.



August 8, 2019

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program Recommendations for Fiscal Year 2019-20 Funds

Overview

Funding recommendations are presented for the SB 1 State of Good Repair Program for fiscal year 2019-20 funds. These funds will help sustain and upgrade the Orange County Transportation Authority bus system, consistent with state program goals.

Recommendations

- A. Approve Resolution No. 2019-058, consistent with the SB 1 State of Good Repair Program Guidelines, authorizing the use of \$5.720 million in fiscal year 2019-20 SB 1 State of Good Repair Program funding for:
- Replacement of up to seven iShuttle buses (\$3.030 million),
 - Replacement of up to six El Dorado Cutaways with 40-foot buses (\$1.890 million),
 - Replacement of the emergency equipment at the Anaheim and Irvine Construction Circle bus bases (\$0.800 million).
- B. Authorize staff to make all necessary amendments to the Federal Transportation Improvement Program, as well as execute any necessary agreements to facilitate the above recommendations.

Background

On April 28, 2017, Governor Brown signed SB 1, known as the Road Repair and Accountability Act of 2017. The State of Good Repair (SGR) Program is a transit capital program funded from the new SB 1 Transportation Improvement fee element and is estimated to provide \$108 million statewide for fiscal year (FY) 2019-20. The Orange County Transportation Authority's (OCTA) share is estimated to be \$5.720 million. The State Controller's Office (SCO) will

likely release a revised estimate for the FY 2019-20 SGR funds in August 2019, after this staff report is published.

The specific goal of the SGR Program is to rehabilitate and modernize existing local transit systems. Eligible projects include transit capital projects or services to maintain or repair a transit operator's existing transit vehicle fleet or transit facilities that improve existing transit services, and transit services that complement local efforts.

OCTA has received two cycles of SGR funding with all funds being used to support the bus program. On January 11, 2018, the OCTA Board of Directors (Board) approved the use of \$5.673 million in FY 2017-18 SGR funds for the purchase of ten zero-emission hydrogen fuel cell electric buses and heating-ventilation unit replacements at Anaheim Base Maintenance Building. Additionally, on August 13, 2018, the Board approved the use of \$5.673 million in FY 2018-19 SGR funds for iShuttle replacement buses which will fund the purchase of ten buses.

The California Department of Transportation (Caltrans) released formal draft guidelines for the SGR Program in May 2019. Adoption of the final guidelines is expected in August 2019. Transit agencies are required to submit projects for Caltrans' confirmation of eligibility by September 1, 2019. Funds are expected to be allocated quarterly by the SCO in November 2019.

Discussion

In order to use the SGR funds, OCTA is required to submit a Board-approved list of projects. Staff is requesting Board approval to use these funds to support the replacement of iShuttle buses, the replacement of emergency generators, and the replacement of cutaway buses with zero-emission battery electric buses.

On August 13, 2018, the Board approved the use of \$5.673 million in FY 2018-19 SGR funds, which will be used to purchase ten out of 12 iShuttle buses scheduled for replacement. Subsequently, the SCO released a revised estimate which resulted in a slight decrease in the amount of FY 2018-19 SGR funding for the iShuttle buses to \$5.581 million. Staff is proposing to use a portion of the FY 2019-20 SGR funds to pay for the remaining two buses and inspection services. The iShuttle buses were originally planned to be paid for using Commuter and Urban Rail Endowment (CURE) funds, which is consistent with OCTA's agreement with the City of Irvine (City). This agreement states that OCTA will reimburse the City for use of Proposition 116 funds for commuter rail

service by supporting the iShuttle Program in return. The agreement also requires that the City contribute ten percent of the total iShuttle Program costs, including bus purchases. OCTA will use SGR funds instead of CURE funds and will transfer a corresponding amount of CURE funds back to the bus program. In addition to the original two remaining iShuttle replacement buses, there are five more iShuttle buses that are beyond their useful life of seven years, or 200,000 miles. OCTA is planning to replace all seven buses with 30-foot compressed natural gas buses that seat 23 to 29 passengers and have a 12-year useful life. The corresponding transfer of CURE funds to the bus program will be carried out for all of the SGR funds used for iShuttle buses.

This iShuttle replacement project is ready-to-go and a good candidate for the timely use of FY 2019-20 SGR funds. Staff is seeking Board approval to authorize the use of \$3.030 million in SGR funds for the iShuttle bus replacement project. Use of these funds for bus replacement is also consistent with the Board-approved Capital Programming Policies (CPP), since ultimately the project will support the bus program. The cost for all 17 buses and inspections is estimated to be \$9.568 million, which will be supported by \$5.581 million from FY 2018-19 SGR funds, \$3.030 million from FY 2019-20 SGR funds, and \$0.957 million in City match.

Staff is also requesting Board approval to authorize the use of an estimated \$1.890 million in FY 2019-20 SGR funds for up to six 40-foot zero-emission battery electric buses that will replace El Dorado Cutaway buses, which are beyond their useful life. These proposed SGR funds would complement additional state or federal funds currently being sought for the project. The amount of SGR funds requested for this project is dependent on the SCO revised estimate and will be adjusted accordingly. The use of SGR funds for bus replacement is consistent with the Board-approved CPP.

Finally, staff is proposing to use the remaining \$0.800 million of the SGR funds for the replacement of the existing emergency standby power generators at the Anaheim and Irvine Construction Circle (IRCC) bus bases. The existing standby generators are beyond their useful life and in need of replacement. The use of SGR funds for transit asset replacement is consistent with the Board-approved CPP.

In order to access SGR funds, OCTA is required to submit a Board-approved list of projects through a resolution (Attachment A). The above recommendations are consistent with Caltrans' SGR Program Guidelines. The action is also consistent with OCTA's programming policies to maximize external funding opportunities. Additional information on the proposed projects is provided in

Attachment B. The changes that are requested in this report have been added to OCTA's Capital Funding Program (Attachment C).

Next Steps

With Board approval, staff will submit a request to Caltrans by September 1, 2019, for the use of \$5.720 million or the revised estimate amount in FY 2019-20 SGR funds, to purchase up to seven iShuttle replacement buses, replace the existing emergency power standby generators at the Anaheim and IRCC bus bases, and replace up to six El Dorado Cutaways with 40-foot battery electric buses.

The guidelines indicate that Caltrans will finalize and submit the statewide list of FY 2019-20 projects to the SCO on October 1, 2019. It is anticipated that the SCO will begin releasing FY 2019-20 funds to transit agencies on a quarterly basis, beginning November 2019.

Summary

Staff is recommending OCTA use FY 2019-20 SGR funds to purchase up to seven iShuttle replacement buses, replace up to six El Dorado Cutaways with 40-foot zero-emission battery electric buses, and replace the existing emergency power standby generators at the Anaheim and IRCC bus bases. It is further requested that the Board approve a resolution authorizing submittal of the project to Caltrans.

Attachments

- A. Resolution 2019-058 of the Orange County Transportation Authority, SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program Fiscal Year 2019-20
- B. SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program Recommendations for Fiscal Year 2019-20 Funds Project Descriptions
- C. Capital Funding Program Report

Prepared by:



Ben Ku
Section Manager,
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(714) 560-5473

Approved by:



Kia Mortazavi
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(714) 560-5741

**RESOLUTION 2019-058
OF THE
ORANGE COUNTY TRANSPORTATION AUTHORITY
SB 1 (CHAPTER 5, STATUTES OF 2017) STATE OF GOOD REPAIR PROGRAM
FISCAL YEAR 2019-20**

WHEREAS, the Orange County Transportation Authority (OCTA) is an eligible project sponsor and may receive state funding from the SB 1 State of Good Repair (SGR) Program now or sometime in the future for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, in collaboration with the State Controller's Office (SCO), the California Department of Transportation (Caltrans) is tasked with the management and administration of the SGR Program; and

WHEREAS, Caltrans has developed guidelines for administering and distributing SGR funds to eligible project sponsors (local agencies); and

WHEREAS, OCTA wishes to use the SGR funding of up to \$5,720,119 for the projects listed below and;

WHEREAS, OCTA will adjust funding levels for projects, if necessary, upon receipt of the SCO's revised estimates, which are expected in early August 2019;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (Board) that the fund recipient agrees to comply with all conditions and requirements set forth in applicable statutes, regulations, and guidelines for all SGR-funded transit projects;

NOW, THEREFORE, BE IT FURTHER RESOLVED by the Board that it hereby authorizes the submittal of the following project nominations to Caltrans in fiscal year 2019-20 SGR funds:

- Purchase of iShuttle replacement buses and inspection services (\$3,030,146)
- Purchase replacement buses for up to six El Dorado Cutaways (\$1,889,854)
- Replacement of emergency standby generators at bus bases (\$800,000)

ADOPTED, SIGNED, AND APPROVED this 12th day of August 2019.

AYES:

NOES:

ABSENT:

ATTEST:

Laurena Weinert
Clerk of the Board

Tim Shaw, Chairman
Orange County Transportation Authority

**SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program
Recommendations for Fiscal Year 2019-20 Funds Project Descriptions**

iShuttle Bus Replacement

The Orange County Transportation Authority (OCTA) manages and operates the iShuttle service on behalf of the City of Irvine (City) through OCTA's contracted fixed-route agreement. The existing iShuttle buses are 27-foot cutaway type buses, which operate on compressed natural gas and provide seating for 20 passengers. OCTA is planning to replace these buses with heavy duty buses that would seat up to 23-29 passengers and have a 12-year useful life for the replacement buses. This project also includes contracted in-plant inspection services for the iShuttle replacement buses.

OCTA is supporting the bus replacement as part of the Proposition 116 fund exchange agreement with the City. That agreement allows OCTA to use whatever fund source is most appropriate for the regional reimbursement activity. Additionally, the agreement states that the City will contribute ten percent of the iShuttle Program costs which includes bus purchases.

Emergency Standby Power Generator

This project is for the replacement of the existing emergency power standby generators at the Anaheim and Irvine Construction Circle (IRCC) bus bases. The existing 300-kilowatt generator unit at the Anaheim bus base is 30 plus years old, beyond its useful life, and in need of replacement. The existing 150-kilowatt generator at the IRCC base is old and undersized. The work includes installation of new, energy efficient standby power generators and switchgear, and related work in compliance with Southern California Air Quality Management District.

El Dorado Cutaway Bus Replacement

On May 14, 2019, OCTA submitted a grant application request for \$4.086 million in Federal Transit Administration (FTA) Low-No Program funding to purchase 11 40-foot zero-emission battery electric buses and the associated charging equipment needed to deploy them. OCTA is requesting additional State of Good Repair (SGR) funding to contribute to the required non-federal match for these federal funds. OCTA anticipates award notification for the FTA Low-No Program in late summer or early fall 2019. In the event that OCTA's application is unsuccessful, these additional SGR funds will still be applied to the future purchase of zero-emission battery electric buses replacement buses.

Six of these 11 40-foot zero-emission battery electric buses will replace existing cutaway buses that have met their useful life and provide a clean zero-emission battery electric buses transit option for the many disadvantaged communities located in the core service area of the County of Orange.



Capital Funding Program Report

Pending Board of Directors (Board) Approval - August 12, 2019

Bus Transit Project

Project Title	M Code	Total Funding	State Funds		Federal Funds		Local Funds		
			STIP/Other	State Bonds	RSTP/CMAQ	Other Fed.	M1	M2	Local - Other
Go Local - Step 1	S	\$5,730					\$5,730		
Mobile ticketing equipment	S	\$4,036	\$2,482						\$1,554
Project V Community Circulators	V	\$43,659						\$43,659	
Project W Safe Transit Stops (City)	W	\$1,206						\$1,206	
Project W Safe Transit Stops (OCTA)	W	\$370						\$370	
40-ft zero-emission replacement buses (six) ^{1,3}		\$1,890	\$1,890						
ACCESS and fixed-route radio systems upgrade		\$22,465		\$16,239		\$4,775			\$1,451
Associated Transportation Improvements		\$556				\$556			
Bus replacement - articulated alternative fuel buses (60')		\$31,105			\$22,250	\$8,855			
Bus replacement (40' and ACCESS)		\$149,009			\$29,198	\$68,139			\$51,672
Capital cost of contracting (ACCESS and contracted fixed-route contracts)		\$305,784				\$142,164			\$163,620
Engine rebuild		\$16,294				\$14,824			\$1,470
FTA Section 5310 Enhanced Mobility of Seniors & Individuals with Disabilities		\$3,657				\$3,657			
FTA Section 5316 Jobs Access and Reverse Commute		\$13,962				\$13,962			
FTA Section 5317 New Freedom		\$6,388				\$6,388			
Goldenwest Transportation Center parking structure		\$4,000			\$3,400				\$600
Goldenwest Transportation Center surface lot		\$2,000		\$1,200					\$800
Heating ventilation unit replacements		\$448	\$67			\$381			
iShuttle replacement buses (12) ^{1,2}		\$6,768	\$6,091						\$677
iShuttle replacement buses (five) ¹		\$2,800	\$2,520						\$280
Mobile Source Air Pollution Reduction Review Committee County Transportation Commission Partnership Program		\$2,319	\$176						\$2,143
Non-fixed-route paratransit operations assistance		\$240,952				\$48,486			\$192,466
OCTA Transit Security & Operations Center		\$5,914		\$5,914					
Preventive maintenance - including salaries and benefits (includes ATN & Laguna Beach)		\$147,691				\$147,691			
Purchase (201) 40-foot alternative fuel replacement buses (OCTA)		\$229,384			\$134,670	\$47,696			\$47,018
Purchase replacement paratransit vans		\$58,058				\$44,292			\$13,766
Rideshare/vanpool		\$6,732			\$6,732				
Six Bravo! 529 buses		\$3,595	\$3,046		\$549				
Standby backup generators at Anaheim and IRCC bases ¹		\$800	\$800						
Transit Security Program		\$3,167		\$3,167					
Vanpool Program - capital lease		\$12,838			\$12,838				
VSS upgrades at OCTA facilities – Santa Ana, Garden Grove, Anaheim, & Irvine bases and administration		\$1,159		\$199		\$960			
Zero-emission Bravo! buses (five battery electric) and bus infrastructure		\$6,852	\$6,852						
Zero-emission hydrogen fuel cell buses (10)		\$12,914	\$5,607						\$7,307
Bus Transit Project Totals		\$1,354,502	\$29,531	\$26,719	\$209,637	\$552,826	\$5,730	\$45,235	\$484,824
State Funding Total		\$56,250							
Federal Funding Total		\$762,463							
Local Funding Total		\$535,789							
Total Funding (000's)		\$1,354,502							

Board Actions:

Approve Resolution No. 2019-058, consistent with the SB 1 State of Good Repair Program Guidelines, authorizing the use of \$5.720 million in fiscal year 2019-20 SB 1 State of Good Repair Program funding for:

- Replacement of up to seven iShuttle buses (\$3.030 million),
- Replacement of up to six El Dorado Cutaways with 40-foot buses (\$1.890 million),
- Replacement of the emergency equipment at the Anaheim and Irvine Construction Circle bus bases (\$0.800 million).

Project Updates:

2. Revised FY19 SB 1 SGR funding per actuals, replaced Commuter and Urban Rail Endowment funds with SB 1 SGR funds and added City 10% match.

Project Notes:

3. Project has unfunded need of \$4.914 million.

ATTACHMENT C



COMMITTEE TRANSMITTAL

August 12, 2019

To: Members of the Board of Directors

From: Laurena Weinert, Clerk of the Board

Subject: Sole Source Agreement for the Purchase of Nineteen Near-Zero Emission Bus Engines for the Midlife Overhaul of Articulated Buses

Transit Committee Meeting of August 8, 2019

Present: Directors Davies, Jones, Pulido, Shaw, and Winterbottom
Absent: Directors Do and Moreno

Committee Vote

This item was passed by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C-9-1085 between the Orange County Transportation Authority and Cummins Pacific, LLC, in the amount of \$1,348,248, for the purchase of 19 replacement Cummins L9N near-zero emission compressed natural gas-powered engines.



August 8, 2019

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Sole Source Agreement for the Purchase of Nineteen Near-Zero Emission Bus Engines for the Midlife Overhaul of Articulated Buses

Overview

The Orange County Transportation Authority's active revenue vehicle fleet includes 20 New Flyer 60-foot articulated, compressed natural gas-powered buses, that are model year 2013, and are in need of a midlife engine replacement. There is only one compressed natural gas engine currently available for purchase that has been certified by the State of California for transit buses. In order to advance the midlife engine replacement for the articulated bus fleet, a sole source agreement is required to proceed with the engine replacement.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C-9-1085 between the Orange County Transportation Authority and Cummins Pacific, LLC, in the amount of \$1,348,248, for the purchase of 19 replacement Cummins L9N near-zero emission compressed natural gas-powered engines.

Discussion

The Orange County Transportation Authority (OCTA) purchased 20 articulated (60-foot) New Flyer compressed natural gas (CNG)-powered buses that were delivered in 2013 and 2014. These buses are in need of an engine replacement due to high mileage and ongoing engine failures. A midlife engine overhaul is generally performed once a bus has exceeded 250,000 miles or when cumulative failures deem it necessary to advance the replacement to ensure vehicle reliability in revenue service. These vehicles are expected to reach the 250,000 mileage threshold within the next year. Although not all vehicles have yet reached 250,000 total miles traveled, engine-related failures have been frequent in all 20 buses, requiring replacement of major engine components.

The buses were equipped with Cummins 8.9 Liter CNG ISL-G engines and will be replaced with Cummins 8.9 Liter L9N near-zero emission CNG-powered engines. This engine is the lowest emissions engine available and is certified by the California Air Resources Board for use in transit buses. The California Air Resources Board has certified the Cummins L9N near-zero emission CNG-powered engine at 0.02 grams NOx per brake horsepower-hour. The L9N near-zero emission CNG-powered engine reduces NOx by 90 percent and greenhouse gases by nine percent, compared to the standard ISL-G CNG-powered engine. This engine is the only CNG-powered engine certified for use in transit buses by the California Air Resource Board.

To adequately evaluate this engine, one Cummins L9N near-zero emission engine was procured, installed by OCTA, and verified by Cummins Pacific, LLC (Cummins), on a prototype bus as approved by the Board of Directors (Board) on November 12, 2018. The installation quality audit was conducted and approved by Cummins, rendering the remaining 19 articulated buses eligible for the Cummins L9N near-zero emission engine replacement.

Due to these frequent and costly failures, staff recommends the engines be replaced as soon as possible.

Since there is only one manufacturer with engines certified by the California Air Resources Board for use in transit buses, a sole source agreement is required to proceed with the engine replacement. The sole source agreement request includes the purchase of 19 engines, with a standard two-year, or 100,000-mile, all-inclusive base warranty.

Procurement Approach

This procurement was handled in accordance with OCTA Board-approved policies and procedures for a sole source procurement.

Cummins CNG-powered engines are the only approved and certified engines by the California Air Resource Board for use in transit buses in California, and Cummins is the sole supplier and distributor. Therefore, the procurement meets the guidelines for a sole source purchase as the engines are available from only one responsible source, and no other supplier can meet the requirements.

Cummins provided pricing to OCTA for 19 Cummins L9N near-zero emission CNG-powered engines, with a standard two-year, or 100,000-mile, all-inclusive base warranty, at a firm-fixed price in the amount of \$1,348,248, including sales tax.

The Cummins proposal was reviewed by staff from the Contracts Administration and Materials Management and Transit Technical Services departments to ensure compliance with the contract terms and conditions, as well as the technical requirements.

In accordance with the OCTA sole source procurement procedures, a sole source agreement over \$50,000 requires the OCTA Internal Audit Department (Internal Audit) to conduct an independent pre-award agreed-upon procedures review of Cummins' proposed pricing. The results from Internal Audit indicate that the unit price in the Cummins proposal is consistent with the unit price of the prototype engine procured in 2018. Based on Cummins' financial status and negotiated pricing, staff has concluded that Cummins is deemed responsive to OCTA's requirements.

Fiscal Impact

The project was included in OCTA's Fiscal Year 2019-20 Budget. Funds have been allocated under Near-Zero Emission Engine Replacement for Articulated Buses, Account 2114-9024-D2108-02A, Near-Zero Emission Engine Campaign for 19 Buses.

Summary

The 20-vehicle articulated bus fleet, originally placed into service in 2013 and 2014, is in need of midlife engine replacements. There is only one CNG-powered engine approved and certified by the California Air Resources Board for use in transit buses, therefore requiring a sole source agreement. Based on the information provided, staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C-9-1085 with Cummins Pacific, LLC, in the amount of \$1,348,248 for the purchase of 19 Cummins L9N near-zero emission CNG-powered engines.

Attachment

None.

Prepared by:



Dayle Withers
Department Manager of Maintenance
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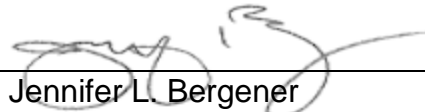


Meena Katakia
Acting Director,
Contracts Administration and
Materials Management
(714) 560-5623

Approved by:



Cliff Thorne
Acting General Manager, Operations
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Jennifer L. Bergener
Chief Operating Officer, Operations
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COMMITTEE TRANSMITTAL

August 12, 2019

To: Members of the Board of Directors

From: Laurena Weinert,  Clerk of the Board

Subject: Capital Programs Division - Fourth Quarter Fiscal Year 2018-19 and Planned Fiscal Year 2019-20 Capital Action Plan Performance Metrics

Regional Planning and Highways Committee Meeting of August 5, 2019

Present: Directors Bartlett, Chaffee, Delgleize, M. Murphy, R. Murphy, and Pulido

Absent: Director Muller

Committee Vote

Following the discussion, no action was taken on this receive and file information item.

Staff Recommendation

Receive and file as an information item.



August 5, 2019

To: Regional Planning and Highways Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Capital Programs Division - Fourth Quarter Fiscal Year 2018-19 and Planned Fiscal Year 2019-20 Capital Action Plan Performance Metrics

Overview

The Orange County Transportation Authority's Strategic Plan key strategies and objectives to achieve the goals for Mobility and Stewardship include delivery of all Capital Action Plan projects on time and within budget. The Capital Action Plan is used to create a performance metric to assess capital project delivery progress on highway, grade separation, rail, and facility projects. This report provides an update on the Capital Action Plan delivery and performance metrics.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) Capital Programs Division is responsible for project development and delivery of highway, grade separation, rail, and facility projects from the beginning of the environmental approval phase through construction completion. Project delivery commitments reflect defined project scope, costs, and schedules. Project delivery commitments shown in the Capital Action Plan (CAP) are key strategies and objectives to achieve the Strategic Plan goals for Mobility and Stewardship.

This report is a quarterly update on the CAP performance metrics, which are a snapshot of the planned CAP project delivery milestones in the budgeted fiscal year (FY).

Discussion

The Capital Programs Division objective is to deliver projects on schedule and within the approved project budget. Key project cost and schedule commitments are captured in the CAP, which is regularly updated with new projects and project status (Attachment A). The CAP is categorized into four key project groupings; freeway projects, grade separation projects, rail and station projects, and facility projects. Schedule milestones are used as performance indicators of progress in project delivery. The CAP performance metrics provides a FY snapshot of the milestones targeted for delivery in the budgeted FY, and provides transparency and performance measurement of capital project delivery.

The CAP project costs represent the total cost of the project across all phases of project delivery, including support costs, and 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 project delivery progresses and milestones are achieved. Projects identified in the Orange County local transportation sales tax Measure M2 (M2) are identified with the corresponding M2 project letter. The CAP status update is also included in the M2 Quarterly 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 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 approved 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 the 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. On a monthly basis, actual dates are updated when milestones are achieved, and forecast dates are updated to reflect project delivery status.

CAP milestones achieved in the fourth quarter FY 2018-19 include:

Freeway Projects

- Final design was completed on the Interstate 5 (I-5) widening from Alicia Parkway to El Toro Road. This is the northernmost of three segments of I-5 widening between State Route 73 (SR-73) and El Toro Road. Final review and construction contract packaging is being performed by the California Department of Transportation (Caltrans).
- The I-5 widening between SR-73 and Oso Parkway achieved the construction ready milestone. This is the southernmost of three segments of I-5 widening between SR-73 and El Toro Road. Caltrans will advertise the estimated \$121 million contract for construction bids in August 2019.
- Landscape construction was completed on the northbound State Route 57 replacement planting project from Orangethorpe Avenue to Lambert Avenue.

Rail and Station Projects

- Construction of the Fullerton Transportation Center Elevator Upgrade contract was completed. The City of Fullerton has accepted all work and is working with the contractor on closeout activities.

The following CAP milestones missed the planned delivery through the fourth quarter of FY 2018-19:

The complete environmental milestone for the I-5 widening from Interstate 405 to State Route 55 was not completed in the fourth quarter and is now not anticipated to be completed until February 2020. The environmental approval was delayed approximately four months in order to perform additional surveys to validate existing geometrics and perform studies required to support Caltrans approval of the project Design Standard Decision Document (DSDD). In addition, Caltrans is now requiring OCTA to upgrade and replace the median concrete barrier throughout the approximately nine-mile long project and implement other safety enhancements as directed. This required late change will require additional design effort and may impact the draft DSDD, create additional variations in ROW requirements, and impact overall project cost.

The Anaheim Canyon Metrolink Station expansion project missed two milestones in the fourth quarter (completion design and construction ready). These milestones are now planned in September 2019 and December 2019, respectively. The City of Anaheim was unable to provide suitable protection or relocation of an existing aged city water line in La Palma Avenue crossing through the OCTA railroad ROW and requested additional modifications to adjacent traffic signals on La Palma Avenue. In addition, it was determined access for construction vehicles and machinery into the constrained site will require agreements with adjacent property owners to be negotiated and in place prior to construction.

The Placentia Metrolink Station missed three milestones this FY (construction ready, advertise construction, award contract) which have been re-scheduled into FY 2019-20. This new station will be constructed on a BNSF Railway-owned-and-operated rail line. Metrolink and BNSF Railway are cooperatively working together negotiating an updated Shared Use Agreement (SUA) which will provide the required BNSF approvals for construction of the station. The final SUA is targeted to be ready for Metrolink member agency approval the end of October 2019.

Recap of FY 2018-19 Performance Metrics

The performance metrics snapshot provided at the beginning of FY 2018-19 reflects 25 planned major project delivery milestones to be accomplished. The CAP and performance metrics have been updated to reflect both milestones achieved and missed through the fourth quarter of the FY (Attachment B). Nineteen of the 25 (76 percent) planned milestones in the FY were achieved.

New FY 2019-20 Performance Metrics

The CAP and performance metrics have been updated with the latest project status, and there are 19 major project delivery milestones planned in FY 2019-20 (Attachment C). Of note, four major freeway projects are scheduled to become environmentally cleared in FY 2019-20.

FY 2019-20 Cost and Performance Metrics Risks

Primary FY 2019-20 risks include third party agreements and approvals, and market cost trends impacting both construction costs and professional services contract costs. Construction costs may continue to experience increases in the FY due to continued change in markets for materials and labor. Staff will monitor construction bid pricing and market indicators, and will update project cost estimates as appropriate. Recent architectural and engineering support contract cost negotiations are reflecting increasing rates which will translate into higher contract implementation costs.

Completion of environmental clearance for the I-5 El Toro Interchange project may be delayed if there is lack of concurrence on the selected project preferred alternative from the key stakeholder cities of Laguna Hills, Laguna Woods, and Lake Forest,

Advancing the Placentia Metrolink Station project to construction in the third quarter of FY 2019-20 is dependent on successful negotiation of the Metrolink/BNSF Railway SUA and execution of the SUA by all Metrolink member agencies. In addition, construction cost increases realized during the delay in getting the project approved and advertised are being assessed, and any required programming changes will be brought to the OCTA Board for consideration and approval.

Summary

Capital project delivery continues to progress and is reflected in the CAP. The planned FY 2019-20 performance metrics created from forecast project schedules 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 June 2019
- B. Capital Programs Division, Fiscal Year 2018-19 Performance Metrics Through June 2019
- C. Capital Programs Division, Fiscal Year 2019-20 Performance Metrics Plan

Prepared by:
















A handwritten signature in blue ink, appearing to read 'James G. Beil', is positioned above the printed name.

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

Capital Action Plan

Status Through June 2019
















Updated: July 23, 2019

Capital Projects	Cost	Schedule							
	Baseline/Forecast	Plan/Forecast							
	(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
Freeway Projects:									
 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	\$83.5	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	\$75.7	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 Cost/Schedule Risk	\$75.5	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	\$78.2	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	Jan-24
Project C & D Cost/Schedule Risk	\$196.1	Oct-11	May-14	Mar-15	Aug-18	May-19	Aug-19	Dec-19	Feb-25
 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	Nov-23
 I-5, Alicia Parkway to El Toro Road	\$133.6	Sep-11	Jun-14	Mar-15	Jun-18	Dec-18	Jan-19	May-19	Jun-23
Project C Cost/Schedule Risk	\$182.0	Oct-11	May-14	Mar-15	May-19	Nov-19	Mar-20	Jun-20	Jul-24
I-5, SR-73 to El Toro Road (Landscape)	TBD	N/A	N/A	TBD	TBD	TBD	TBD	TBD	TBD
Project C	\$12.4	N/A	N/A	Jan-22	Sep-23	Jan-24	Mar-24	Jun-24	Dec-25
 I-5, I-5/El Toro Road Interchange	TBD	Apr-17	Nov-19	TBD	TBD	TBD	TBD	TBD	TBD
Project D	TBD	Apr-17	Nov-19	TBD	TBD	TBD	TBD	TBD	TBD
 I-5, I-405 to SR-55	TBD	May-14	Aug-18	TBD	TBD	TBD	TBD	TBD	TBD
Project B	TBD	May-14	Feb-20	TBD	TBD	TBD	TBD	TBD	TBD
 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	\$41.5	Jun-11	Apr-15	Jun-15	Jun-17	Dec-17	Mar-18	Nov-18	Apr-21
 SR-55, I-405 to I-5	\$410.9	Feb-11	Nov-13	Sep-17	Apr-20	Dec-20	Apr-21	Jul-21	Aug-25
Project F Cost/Schedule Risk	\$410.9	May-11	Aug-17	Sep-17	Apr-20	Dec-20	Apr-21	Jul-21	Aug-25
 SR-55, I-5 to SR-91	TBD	Dec-16	Jan-20	TBD	TBD	TBD	TBD	TBD	TBD
Project F	TBD	Dec-16	Apr-20	TBD	TBD	TBD	TBD	TBD	TBD
 SR-57 Northbound (NB), Orangewood Avenue to Katella Avenue	TBD	Apr-16	Dec-18	TBD	TBD	TBD	TBD	TBD	TBD
Project G	TBD	Apr-16	Mar-19	TBD	TBD	TBD	TBD	TBD	TBD
 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

Capital Action Plan

Status Through June 2019

Updated: July 23, 2019

Capital Projects		Cost	Schedule							
		Baseline/Forecast	Plan/Forecast							
		(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
	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	Jul-20	Jan-23	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-57 to SR-55	TBD	Jan-15	Oct-18	TBD	TBD	TBD	TBD	TBD	TBD
	Project I	TBD	Jan-15	Apr-20	TBD	TBD	TBD	TBD	TBD	TBD
	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
	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	TBD	Dec-16	TBD	TBD	TBD	TBD	TBD
	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)	\$1,900.0	Mar-09	Mar-13	Mar-14	Nov-15	Feb-16	Mar-16	Nov-16	May-23
	Project K	\$1,900.0	Mar-09	May-15	Mar-14	Nov-15	Feb-16	Mar-16	Nov-16	May-23
	I-405/SR-22 HOV Connector	\$195.9	N/A	N/A	Sep-07	Sep-09	Mar-10	May-10	Aug-10	Aug-14
		\$120.9	N/A	N/A	Sep-07	Jun-09	Sep-09	Feb-10	Jun-10	Mar-15

Capital Action Plan

Status Through June 2019





Updated: July 23, 2019

Capital Projects	Cost	Schedule							
	Baseline/Forecast	Plan/Forecast							
	(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
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 Interchange	TBD	Aug-16	Nov-18	TBD	TBD	TBD	TBD	TBD	TBD
Project M	TBD	Aug-16	Oct-18	TBD	TBD	TBD	TBD	TBD	TBD
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	\$125.1	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	\$100.3	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
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	\$108.6	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	\$98.3	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	\$110.6	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
San Juan Capistrano Passing Siding	\$25.3	Aug-11	Jan-13	Mar-15	May-16	May-16	Aug-16	Dec-16	Feb-21
	\$34.1	Aug-11	Mar-14	Mar-15	Aug-18	Aug-18	Aug-18	Mar-19	Feb-21

Capital Action Plan

Status Through June 2019

Updated: July 23, 2019

Capital Projects	Cost	Schedule							
	Baseline/Forecast	Plan/Forecast							
	(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
 OC Streetcar	\$424.4	Aug-09	Mar-12	Feb-16	Sep-17	Oct-17	Dec-17	Aug-18	Dec-21
Project S Cost/Schedule Risk	\$424.4	Aug-09	Mar-15	Feb-16	Nov-17	Dec-17	Dec-17	Sep-18	Feb-22
 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	\$34.8	Jan-03	May-07	Oct-08	Feb-11	Jan-20	Jan-20	May-20	Dec-21
 Orange County Maintenance Facility	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Project R	TBD	Dec-19	Feb-22	TBD	TBD	TBD	TBD	TBD	TBD
Anaheim Canyon Station	\$27.9	Jan-16	Dec-16	Mar-19	May-19	May-19	Jul-19	Nov-19	Mar-21
	\$29.9	Jan-16	Jun-17	Mar-18	Sep-19	Dec-19	Dec-19	Apr-20	Aug-21
Orange Station Parking Expansion	\$33.2	Dec-09	Dec-12	Nov-10	Apr-13	Jul-16	Jul-16	Nov-16	Feb-19
	\$32.3	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
Cost/Schedule Risk	\$4.6	N/A	N/A	Jan-12	Dec-13	Dec-13	Aug-14	Apr-15	May-19
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
	\$5.0	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-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)

SR-71 - Corona Expressway (State Route 71)

ADA - Americans with Disabilities Act

Capital Programs Division Fiscal Year 2018-19 Performance Metrics Through June 2019

Begin Environmental

Project Description	FY 19 Qtr 1		FY 19 Qtr 2		FY 19 Qtr 3		FY 19 Qtr 4		FY 19 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
No "Begin Environmental" milestones scheduled for FY 2018-19									
Total Forecast/Actual	0	0	0	0	0	0	0	0	0

Complete Environmental

Project Description	FY 19 Qtr 1		FY 19 Qtr 2		FY 19 Qtr 3		FY 19 Qtr 4		FY 19 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
I-405, I-5 to SR-55	X	✓							
I-605/Katella Interchange			X	✓					
SR-57 (Northbound), Orangewood Avenue to Katella Avenue					X	✓			
I-5, I-405 to SR-55							X		(missed)
Total Forecast/Actual	1	1	1	1	1	1	1	0	4

Begin Design

Project Description	FY 19 Qtr 1		FY 19 Qtr 2		FY 19 Qtr 3		FY 19 Qtr 4		FY 19 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
No "Begin Design" milestones scheduled for FY 2018-19									
Total Forecast/Actual	0	0	0	0	0	0	0	0	0

Complete Design

Project Description	FY 19 Qtr 1		FY 19 Qtr 2		FY 19 Qtr 3		FY 19 Qtr 4		FY 19 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
San Juan Capistrano Passing Siding	X	✓							
I-5, SR-73 to Oso Parkway	X	✓							
I-5, Alicia Parkway to El Toro Road							X	✓	
Anaheim Canyon Metrolink Station							X		(missed)
Total Forecast/Actual	2	2	0	0	0	0	2	1	4

Construction Ready

Project Description	FY 19 Qtr 1		FY 19 Qtr 2		FY 19 Qtr 3		FY 19 Qtr 4		FY 19 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
San Juan Capistrano Passing Siding	X	✓							
Placentia Metrolink Station and Parking Structure					X				(missed)
Anaheim Canyon Metrolink Station							X		(missed)
I-5, SR-73 to Oso Parkway							X	✓	
Total Forecast/Actual	1	1	0	0	1	0	2	1	4

Advertise Construction

Project Description	FY 19 Qtr 1		FY 19 Qtr 2		FY 19 Qtr 3		FY 19 Qtr 4		FY 19 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
San Juan Capistrano Passing Siding	X	✓							
I-5, Oso Parkway to Alicia Parkway			X	✓					
Placentia Metrolink Station and Parking Structure					X				(missed)
Total Forecast/Actual	1	1	1	1	1	0	0	0	3

Capital Programs Division

Fiscal Year 2018-19 Performance Metrics Through June 2019

Award Contract

Project Description	FY 19 Qtr 1		FY 19 Qtr 2		FY 19 Qtr 3		FY 19 Qtr 4		FY 19 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
OC Streetcar	X	✓							
I-5, SR-55 to SR-57			X	✓					
I-5, Oso Parkway to Alicia Parkway					X	✓			
San Juan Capistrano Passing Siding					X	✓			
Placentia Metrolink Station and Parking Structure							X		(missed)
Total Forecast/Actual	1	1	1	1	2	2	1	0	5

Complete Construction

Project Description	FY 19 Qtr 1		FY 19 Qtr 2		FY 19 Qtr 3		FY 19 Qtr 4		FY 19 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
I-5, Pico to Vista Hermosa	X	✓							
I-5, Pacific Coast Highway to San Juan Creek Road	X	✓							
Fullerton Transportation Center Elevator Upgrades			X					✓	
Orange Metrolink Station Parking Structure					X	✓			
SR-57 (Northbound), Orangethorpe Avenue to Lambert Road Landscape							X	✓	
Total Forecast/Actual	2	2	1	0	1	1	1	2	5

Totals	8	8	4	3	6	4	7	4	25
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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.

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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.

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SR-73 - San Joaquin Freeway (State Route 73)

SR-55 - Costa Mesa Freeway (State Route 55)

SR-57 - Orange Freeway (State Route 57)

I-605 - San Gabriel River Freeway (Interstate 605)

I-405 - San Diego Freeway (Interstate 405)

X = milestone forecast in quarter

✓ = milestone accomplished in quarter

Capital Programs Division Fiscal Year 2019-20 Performance Metrics Plan

Begin Environmental

Project Description	FY 20 Qtr 1		FY 20 Qtr 2		FY 20 Qtr 3		FY 20 Qtr 4		FY 20 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
Orange County Maintenance Facility			X						
Total Forecast/Actual	0	0	1	0	0	0	0	0	1

Complete Environmental

Project Description	FY 20 Qtr 1		FY 20 Qtr 2		FY 20 Qtr 3		FY 20 Qtr 4		FY 20 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
I-5/EI Toro Road Interchange			X						
I-5, I-405 to SR-55					X				
SR-55, I-5 to SR-91							X		
SR-91, SR-57 to SR-55							X		
Total Forecast/Actual	0	0	1	0	1	0	2	0	4

Begin Design

Project Description	FY 20 Qtr 1		FY 20 Qtr 2		FY 20 Qtr 3		FY 20 Qtr 4		FY 20 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
SR-91, SR-55 to Lakeview Avenue					X				
Total Forecast/Actual	0	0	0	0	1	0	0	0	1

Complete Design

Project Description	FY 20 Qtr 1		FY 20 Qtr 2		FY 20 Qtr 3		FY 20 Qtr 4		FY 20 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
Anaheim Canyon Metrolink Station	X								
SR-55, I-405 to I-5							X		
Total Forecast/Actual	1	0	0	0	0	0	1	0	2

Construction Ready

Project Description	FY 20 Qtr 1		FY 20 Qtr 2		FY 20 Qtr 3		FY 20 Qtr 4		FY 20 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
Anaheim Canyon Metrolink Station			X						
I-5, Alicia Parkway to El Toro Road			X						
Placentia Metrolink Station and Parking Structure					X				
Total Forecast/Actual	0	0	2	0	1	0	0	0	3

Advertise Construction

Project Description	FY 20 Qtr 1		FY 20 Qtr 2		FY 20 Qtr 3		FY 20 Qtr 4		FY 20 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
I-5, SR-73 to Oso Parkway	X								
Anaheim Canyon Metrolink Station			X						
I-5, Alicia Parkway to El Toro Road					X				
Placentia Metrolink Station and Parking Structure					X				
Total Forecast/Actual	1	0	1	0	2	0	0	0	4

Capital Programs Division

Fiscal Year 2019-20 Performance Metrics Plan

Award Contract

Project Description	FY 20 Qtr 1		FY 20 Qtr 2		FY 20 Qtr 3		FY 20 Qtr 4		FY 20 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
I-5, SR-73 to Oso Parkway			X						
Anaheim Canyon Metrolink Station							X		
I-5, Alicia Parkway to El Toro Road							X		
Placentia Metrolink Station and Parking Structure							X		
Total Forecast/Actual	0	0	1	0	0	0	3	0	4

Complete Construction

Project Description	FY 20 Qtr 1		FY 20 Qtr 2		FY 20 Qtr 3		FY 20 Qtr 4		FY 20 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
No "Complete Construction" milestones scheduled for FY 2019-20									
Total Forecast/Actual	0	0	0	0	0	0	0	0	0

Totals	2	0	6	0	5	0	6	0	19
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Acronyms

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SR-55 - Costa Mesa Freeway (State Route 55)

SR-57 - Orange Freeway (State Route 57)

SR-91 - Riverside Freeway (State Route 91)

I-405 - San Diego Freeway (Interstate 405)

X = milestone forecast in quarter

✔ = milestone accomplished in quarter



COMMITTEE TRANSMITTAL

August 12, 2019

To: Members of the Board of Directors

From: Laurena Weinert, Clerk of the Board

Subject: Contract Change Order for Removal and Disposal of Contaminated Materials Within the Orange County Transit District-Owned Pacific Electric Right-of-Way for the OC Streetcar Project

Transit Committee Meeting of August 8, 2019

Present: Directors Davies, Jones, Pulido, Shaw, and Winterbottom
Absent: Directors Do and Moreno

Committee Vote

This item was passed by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendation

Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 3 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of \$1,600,000, for the removal and disposal of contaminated materials within the Orange County Transit District-Owned Pacific Electric Right-of-Way for the construction of the OC Streetcar project.



August 8, 2019

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Contract Change Order for Removal and Disposal of Contaminated Materials Within the Orange County Transit District-Owned Pacific Electric Right-of-Way for the OC Streetcar Project

Overview

On September 24, 2018, the Orange County Transportation Authority Board of Directors authorized Agreement No. C-7-1904 with Walsh Construction Company II, LLC, for construction of the OC Streetcar project. A contract change order is required for the removal and disposal of contaminated materials within the Orange County Transit District-Owned Pacific Electric Right-of-Way.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 3 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of \$1,600,000, for the removal and disposal of contaminated materials within the Orange County Transit District-Owned Pacific Electric Right-of-Way for the construction of the OC Streetcar project.

Discussion

On September 24, 2018, the Orange County Transportation Authority (OCTA) awarded the contract for construction of the OC Streetcar project (Project) to Walsh Construction Company II, LLC (Walsh). The Notice to Proceed with construction was issued to Walsh on March 4, 2019.

Construction activities are underway, with the focus on construction of the Maintenance and Storage Facility, storm drain, sewer, and water system relocations within City of Santa Ana streets. Installation of foundations for the new 350-foot long bridge across the Santa Ana River and the bridge over Westminster Avenue is also underway.

The southerly portion of the Pacific Electric Right-of-Way (PEROW) stretching from Raitt Street in the City of Santa Ana northwest to the City of Stanton was purchased in 1983 by the Orange County Transit District (OCTD), as-is for \$15 million in OCTD funding. In 1991, OCTA acquired the northerly section of the PEROW extending from the City of Stanton to the Los Angeles County Line, as-is for \$13.1 million in Measure M funds. In 1996 the Board of Directors (Board) approved OCTD and OCTA to maintain ownership and to preserve and protect the PEROW for future transit use.

The Project utilizes approximately two miles of the southerly PEROW segment between Raitt Street in the City of Santa Ana, northwest to Harbor Boulevard in the City of Garden Grove where grading and site preparation work is proceeding (Attachment A).

During the design phase of the Project, environmental assessment reports were prepared for the PEROW to determine if there are potential areas of excavation that could require special handling of the soils as regulated waste either under federal or state rule. Historically, rail operations have been known to use weed control substances and experience spills and leaks that could cause environmental impacts. The Phase II Environmental Site Assessment performed field investigation and laboratory analysis of soil samples. The assessment found elevated levels of arsenic in approximately one half of the 23 soil samples tested based on environmental screening limits; the levels, however, were all below regulatory limits. All other chemical contaminants of concern were either not detected or were found to be below environmental screening and regulatory limits.

The contract requires Walsh to remove the top one foot of soil in the PEROW, generally within the limits of the new track bed, stockpile the materials, and test the soil against environmental regulatory levels. An allowance of \$100,000 was included in the construction contract for the excavating, stockpiling, and testing of materials, and the removal and disposal of materials determined to be contaminated.

In June and July 2019, Walsh excavated the top one foot of soil from five segments on the PEROW. The excavated material was stockpiled and then analyzed for the following: Total Petroleum Hydrocarbons, Volatile Organic Compounds, Polynuclear Aromatic Hydrocarbons and Metals, including arsenic. The results were tracked by corridor segment.

The results of the soil analysis completed in June and July 2019 determined that some soil exceeds the California hazardous waste criteria for arsenic, and some soil was contaminated non-hazardous. Excavated soils meeting these profiles must be transported off-site to an approved disposal facility. This level of

contamination and subsequent requirements for removal was unanticipated based on the results of the 2017 Environmental Site Assessment. Other soil was determined to be not contaminated and can be re-used on the Project or transported to a local landfill.

Some of the soil in two of the five PEROW segments is awaiting final testing results. Because of the findings in the other segments, it is assumed that some soil in these two segments will be classified as exceeding the California hazardous waste criteria for arsenic. The disposition of the soil will be based upon testing and profile results.

Staff is recommending that a contract change order (CCO) be processed for removal and handling of the contaminated soil in order to avoid contractor delays and an increase in time-related contract costs. This is in advance of the completion of the soil profiling on the final two segments of the PEROW. This would allow the soil stockpiles to be removed and regular work on the PEROW to proceed, including storm drain relocations and excavations for wall footings and duct banks.

The cost of the work would be paid on a time-and-materials basis since the soil testing and profiling activities are not completed and the quantities may vary. Before payment is made to the contractor, quantities will be confirmed through surveys and disposal facility records, and the soil classification and disposition checked against the final testing results.

An independent cost estimate, which provides an order of magnitude cost to complete the work, has been prepared by the construction management team. The cost estimate includes provisions for handling soil in the two segments that have not completed excavation, stockpiling, and soil tests.

Proposed CCO No. 3 will supplement the \$100,000 allowance in the contract by \$1,600,000. The estimate includes excavation, stockpiling, sampling, testing, and profiling, as well as loading and transporting certain contaminated and classified hazardous materials to approved disposal facilities.

The cost of the work will be funded from the Project contingency because the extent of contaminated soil that requires removal was not discovered nor evident when the Project cost estimate was prepared. It will not increase the Project cost of \$407.7 million, as defined in the Full Funding Grant Agreement.

Procurement Approach

The initial procurement was handled in accordance with OCTA's Board of Directors (Board)-approved procedures for public works projects. These procedures, which conform to both federal and state requirements, require that contracts are awarded to the lowest responsive, responsible bidder after a sealed bidding process. On September 24, 2018, the Board authorized Agreement No. C-7-1904 with Walsh, in the amount of \$220,638,549, for construction of the Project.

Proposed CCO No. 3, in the amount of \$1,600,000, will increase the cumulative value of the contract to \$222,812,282, as shown in Attachment B. Board approval is required for CCO No.3, pursuant to the State of California Public Contracting Code Section 20142.

Fiscal Impact

The additional work described in CCO No. 3 is included in OCTA's Fiscal Year 2019-20 Budget, Capital Programs Division, Account 0051-9017-TS010-Z40, and is funded with Federal 5309 New Starts and local Measure M2 funds.

Contract Change Order for Removal and Disposal of Contaminated Materials Within the Orange County Transit District-Owned Pacific Electric Right-of-Way for the OC Streetcar Project **Page 5**

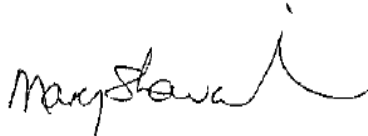
Summary

Staff recommends Board of Directors' authorization for the Chief Executive Officer to negotiate and execute Contract Change Order No. 3 to Agreement No. C-7-1904 with Walsh, in the amount of \$1,600,000, for removal and disposal of contaminated materials on the PEROW for the Project.

Attachments

- A. Map of Pacific Electric Right-of-Way Soil Excavation Locations
- B. Walsh Construction Company II, LLC, Agreement No. C-7-1904, Contract Change Order Log

Prepared by:



Mary Shavalier
Program Manager
(714) 560-5856



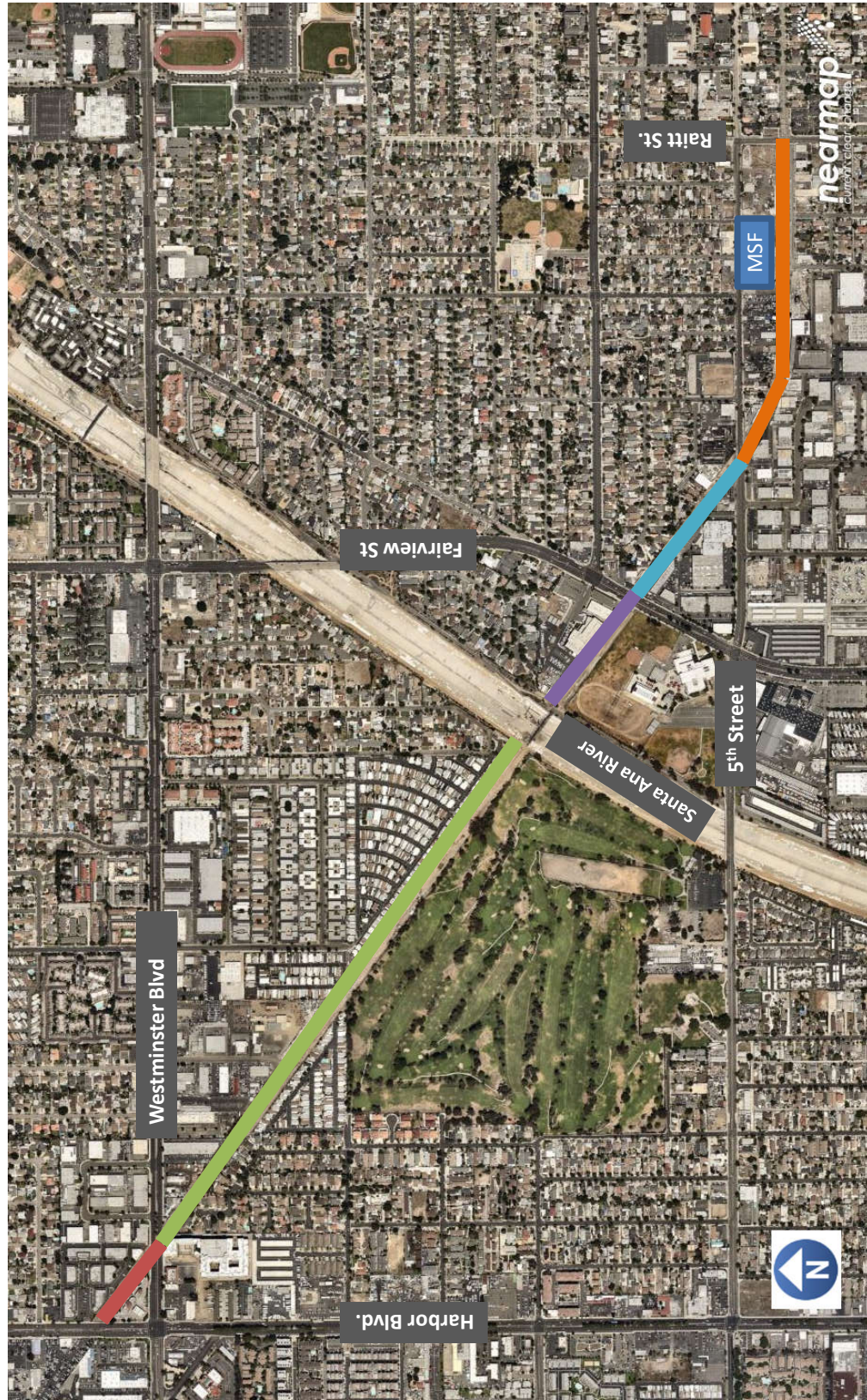
Virginia Abadessa
Director, Contracts Administration and
Materials Management
(714) 560-5623

Approved by:



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

Map of Pacific Electric Right-Of-Way Soil Excavation Locations



Legend:	
Harbor Blvd. to Westminster Blvd.	
Westminster Blvd. to Santa Ana River	
Santa Ana River to N. Fairview St.	
N. Fairview St. to W. 5th St.	
W. 5th St. to Raitt St.	
Maintenance and Storage Facility	MSF

**Walsh Construction Company II, LLC
Agreement No. C-7-1904
Contract Change Order (CCO) Log**

CCO No.	Title	Status	Date Executed	Cost	Remarks
1	Demolition, Removals, and Disposal at the Maintenance and Storage Facility (MSF) Property	Approved	6-20-19	\$199,749	
1.1	Demolition, Removals, and Disposal at the MSF Property Additional Funding	Approved	6-25-19	\$113,884	
2	Removal and Disposal of Contaminated Materials at the MSF Property	Approved	6-25-19	\$200,000	
2.1	Removal and Disposal of Contaminated Materials at the MSF Property Additional Funding	Approved	Pending	\$160,000	
3	Removal and Disposal of Contaminated Materials within the Orange County Transit District Owned Pacific Electric Right-of-Way	Pending		\$1,600,000	


Subtotal Executed CCOs	\$513,633
Subtotal Pending CCOs	<u>\$1,760,000</u>
TOTAL CCOs	\$2,273,633
ORIGINAL VALUE	\$220,538,649
PROPOSED REVISED VALUE	\$222,812,282



COMMITTEE TRANSMITTAL

August 12, 2019

To: Members of the Board of Directors

From: Laurena Weinert,  Clerk of the Board

Subject: Measure M2 Environmental Mitigation Program Update and Annual Report

Regional Planning and Highways Committee Meeting of August 5, 2019

Present: Directors Bartlett, Chaffee, Delgleize, M. Murphy, R. Murphy, and Pulido

Absent: Director Muller

Committee Vote

This item was passed by the Members present.


Committee Recommendation

Receive and file as an information item.



August 5, 2019

To: Regional Highways and Planning Committee

From: Darrell E. Johnson, Chief Executive Officer 

Subject: Measure M2 Environmental Mitigation Program Update and Annual Report

Overview

Measure M2 includes a program to deliver comprehensive mitigation for the environmental impacts of 13 freeway projects in exchange for streamlined project approvals from the state and federal resources agencies. To date, the Environmental Mitigation Program has acquired conservation properties and provided funding for habitat restoration projects as part of the Natural Community Conservation Plan/Habitat Conservation Plan. On a parallel path, a similar approach was developed to obtain state and federal clean water permits to facilitate the implementation of the Measure M2 freeway projects. A summary of the first Annual Report for the Orange County Transportation Authority M2 Natural Community Conservation Plan/Habitat Conservation Plan covering all activities up to December 31, 2018, is provided. Additional Environmental Mitigation Program activities post 2018 are also provided in this report.

Recommendation

Receive and file as an information item.

Background

Measure M2 (M2) includes an innovative Environmental Mitigation Program (EMP) to address certain impacts, as well as streamline the M2 freeway projects. This was achieved through a Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan), approved by the California Department of Fish and Wildlife and the United States Fish and Wildlife Service (Wildlife Agencies). An endowment was also established for the long-term management of the conservation properties (Preserves).

In a parallel process, the United States Army Corps of Engineers (Corps) and the State Water Resources Control Board (SWRCB) have also established a framework to expedite the regulatory permitting process. The EMP delivers more effective mitigation while supporting faster delivery of M2 freeway improvements.

The acquisition of seven conservation properties, as well as the funding of 12 habitat restoration projects, have largely met the mitigation needs for the M2 freeway projects. These Preserves and projects are depicted in Attachment A. Through the Conservation Plan, the Orange County Transportation Authority (OCTA) is well underway to satisfying these obligations. Many of the restoration projects are close to or have obtained approvals from the Wildlife Agencies. As a commitment of the Conservation Plan, OCTA is required to prepare an annual report on the implementation processes. The executive summary for the First Annual Report is included as Attachment B. The complete report is available on the OCTA website at [http://www.octa.net/Projects-and-Programs/OC-Go/OC-Go-\(2011-2041\)/Freeway-Mitigation/Conservation-Plan/](http://www.octa.net/Projects-and-Programs/OC-Go/OC-Go-(2011-2041)/Freeway-Mitigation/Conservation-Plan/).

Discussion

Conservation Plan Update

The Conservation Plan permit was issued by the Wildlife Agencies in mid-2017. As a result, the M2 environmental process has been streamlined, allowing OCTA to expedite the M2 freeway projects. The Conservation Plan approval by the Wildlife Agencies requires the establishment of a \$34.5 million endowment to fund the long-term management of the Preserves. The first endowment deposit was made in early 2017. The most recent deposit was made in August 2018. The next deposit is scheduled for July 2019. Quarterly investment reports are provided to the Board of Directors (Board), with the most recent one given in June 2019. As of March 31, 2019, the endowment balance is \$9,263,521.79. Staff will continue to oversee and provide regular endowment updates to the Finance and Administration Committee and the Environmental Oversight Committee (EOC).

In compliance with the Conservation Plan, resource management plans (RMPs) have been developed for each Preserve. The RMPs provide guidelines for the management and monitoring of each Preserve in accordance with the goals and objectives outlined in the Conservation Plan. Key components of the RMPs include guidance for ongoing protection, preservation, and adaptive management of the natural resources found within each Preserve. The seven Preserve RMPs were released for a 90-day public review and comment period, with the final RMPs completed in September 2018.

In consultation with the local fire authority, OCTA began developing fire management plans (Plans) for the Preserves in September 2018. The Plans will provide guidelines for decision-making at all stages, including fire prevention, pre-fire vegetation management, suppression activities, and post-fire responses that are compatible with conservation and stewardship responsibilities. These Plans are a requirement of the Conservation Plan and must be approved by the Wildlife Agencies. An overview of the proposed content Fire Management Plan development process was provided to the EOC in February and July 2019.

Conservation Plan First Annual Report

The executive summary for the First Annual Report is included as Attachment B. This includes the tracking of impacts associated with covered freeway improvement projects, other management and monitoring activities on Preserves, status and activities, progress of the restoration projects, plan administration, and public outreach activities. In summary, the First Annual Report documents that OCTA's activities through 2018 are in compliance and on target with the Conservation Plan commitments. OCTA will continue with its efforts to complete the required objectives in a timely manner. This First Annual Report has been reviewed and approved by the Wildlife Agencies. In addition, it has been presented to the OCTA EOC and will be available for a public review.

Restoration Project Updates

The North Coal Canyon and Chino Hills State Park (CHSP) restoration projects were approved by the EOC and OCTA Board as part of the EMP's second round of restoration funding in 2012 and were incorporated into the OCTA Conservation Plan. Due to limitations on the California Department of Parks and Recreation contracting process, CHSP was unable to implement these two restoration projects. At the direction of the EOC, staff utilized the Board-approved procurement procedures to solicit qualified entity(ies) to implement these projects. These projects were awarded to RECON Environmental, Inc., and Habitat Restoration Services, Inc., in early 2019. Both contractors have taken the necessary steps to begin the implementation of these projects.

Clean Water Act Permits Update

The M2 freeway projects are anticipated to impact jurisdictional waters, which will require mitigation. Before construction activities can occur, OCTA must obtain Sections 401 and 404 Clean Water Act permits from the Corps and SWRCB (regulatory agencies). To maximize the benefits of OCTAs' investments,

Conservation Plan mitigation was able to be utilized to help obtain programmatic 401 and 404 permits. These permits were issued in late 2017 and early 2018, and have streamlined the project-level permitting processes. These efforts are the result of years of collaboration between OCTA and the regulatory agencies, and constitute another groundbreaking milestone for the M2 EMP.

Freeway Projects Update

The following projects are either in or near construction and were able to benefit from the EMP:

- Project C (Interstate 5 Improvement Project from State Route 73 [SR-73] to El Toro Road);
- Project K (Interstate 405 Improvement Project from SR-73 to the Los Angeles County line); and
- Project M (Interstate 605 and Katella Avenue Interchange Project).

The California Department of Fish and Wildlife (CDFW) streambed alteration agreement (permit) for Project C (Segment 3) is pending. Based on recent coordination, it is anticipated that a path forward will be determined that will allow permit issuance by CDFW which will avoid project delays.

Without the EMP's established process, these projects could have incurred mitigation-related requirements and cost, resulting in project schedule risks. A strong partnership has been forged through collaboration with the environmental community as exemplified by their participation on the EOC. Furthermore, there has been substantial reduction in risk from the threat of potential lawsuits because of these partnerships.

Summary

M2 includes an EMP that provides funding for programmatic mitigation to off-set impacts of the 13 individual freeway projects. To expedite the delivery of the freeway projects, this program was initiated to implement early project mitigation through preservation and habitat restoration. This program is administered through a Conservation Plan, which was approved by the Wildlife Agencies in mid-2017. To maximize the benefits of the investments, OCTA has utilized some of that same mitigation to obtain Clean Water Act permits.

Attachments

- A. OCTA Preserves and Funded Restoration Projects
- B. M2 Natural Community Conservation Plan/Habitat Conservation Plan - First Annual Report 2019

Prepared by:



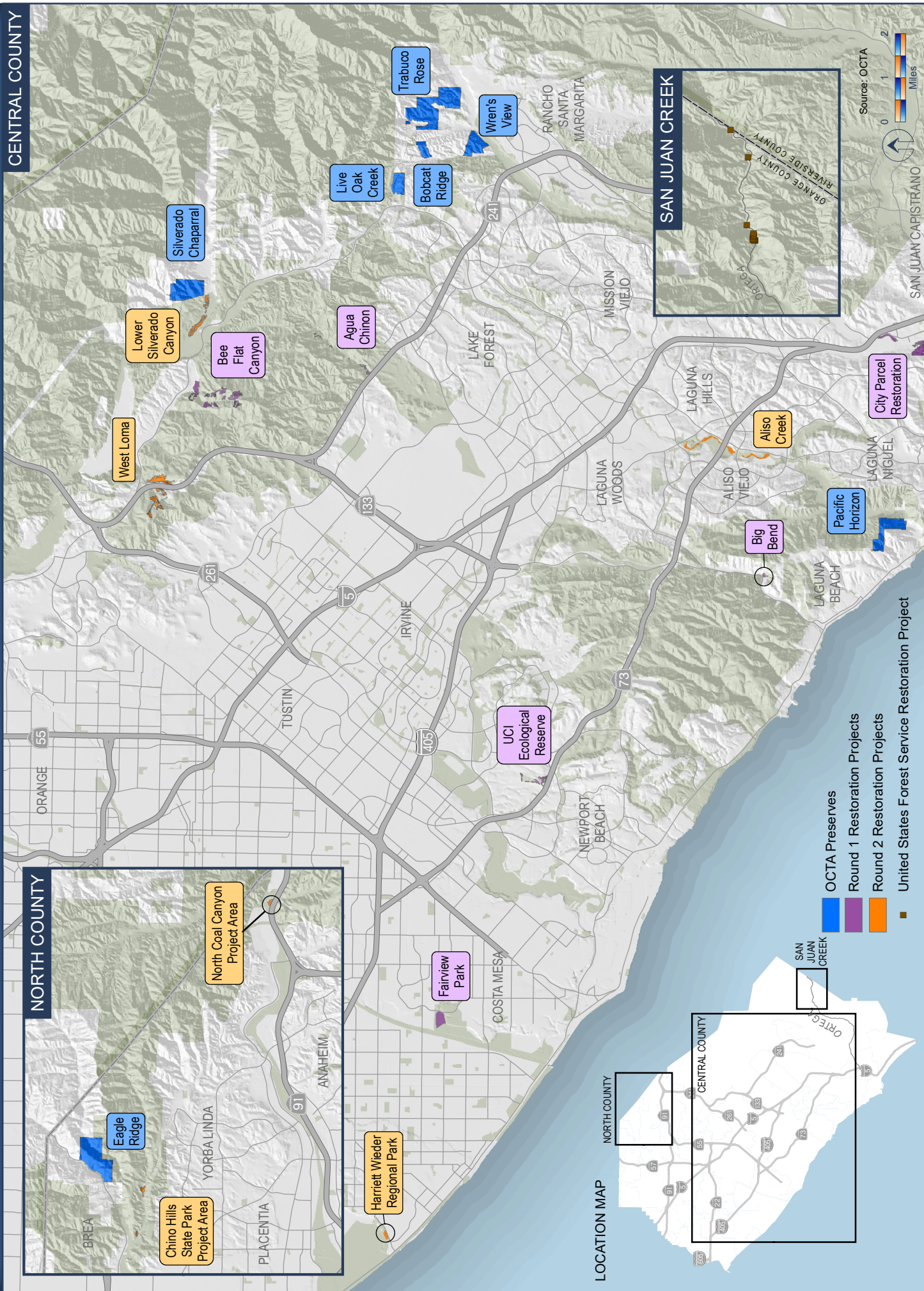
Lesley Hill
Project Manager
(714) 560-5759

Approved by:



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

OCTA Preserves and Funded Restoration Projects





M2 Natural Community Conservation Plan/Habitat Conservation Plan– First Annual Report

2019

Prepared by
Orange County Transportation Authority
550 S. Main Street
Orange, CA 92863



With support from
ICF
525 B Street, Suite 1700
San Diego, CA 92101



Executive Summary

This is the first Annual Report for the Orange County Transportation Authority (OCTA) M2 Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP or Plan), covering all activities up to December 31, 2018. This report summarizes the tracking of impacts associated with covered freeway improvement projects and other management and monitoring activities on Preserves (Covered Activities), status and activities on the OCTA Preserves, progress on the implementation of OCTA-funded restoration projects, and additional Plan administration and public outreach activities. This Annual Report has been reviewed and approved by the California Department of Fish and Wildlife (CDFW) and U.S. Fish and Wildlife Service (USFWS), collectively referred to as the Wildlife Agencies. In addition, this Annual Report is presented to the OCTA Environmental Oversight Committee (EOC) and is available for a public review.

Tracking Impacts from Covered Activities

OCTA keeps an accounting of the Plan-to-date impacts on habitat types from all covered freeway improvement projects to ensure impacts stay within the caps established within the Plan. To date, a total of **7.5 acres of habitat impacts have been authorized relative to a cap of 141.0 acres**. In addition, OCTA uses a consistency determination checklist to evaluate how and when avoidance and minimization measures are implemented on covered freeway improvement projects. Four projects (C1, B1, L1, M1) had consistency determinations drafted, modified, or completed within the timeframe of this Annual Report. Other tracking requirements include:

- *Tracking for Covered Plant Species Policy* – OCTA tracks the credits for covered plant species protection (on Preserves) and restoration/enhancement (restoration projects) relative to allowable impacts. The Plan-to-date balance for each plant species is net positive (intermediate mariposa lily [+963], many-stemmed dudleya [+60], southern tarplant [+1,513]).
- *Tracking Impacts on Habitat Types Resulting from Covered Activities within Preserves* – The Plan establishes a cap that no more than 13 acres (approximately 1%) of the natural habitat within the OCTA Preserves will be impacted by Preserve management activities. To date, no measurable permanent impacts have been recorded on the Preserves.
- *Maintaining Rough Proportionality* – The Plan requires implementation of conservation measures roughly proportional in time and extent to impacts on natural communities and Covered Species. To date, two restoration projects, Big Bend and City Parcel, have received sign-off from the Wildlife Agencies as meeting their success criteria and have achieved conservation credits that keeps the Plan ahead of allowable impacts.

OCTA Preserves

OCTA acquired seven properties resulting in the protection of 1,236¹ acres of natural habitat (see Figure 1). In all instances, the seven Preserves are located within priority conservation areas and immediately adjacent to other protected lands. These Preserves add to the protection of large blocks of natural open space in areas important for regional conservation. OCTA has completed Resource Management Plans (RMPs) for each Preserve that includes Preserve-specific goals and objectives and define an appropriate level of public access and trail use consistent with protection of biological resources. It is anticipated that Conservation Easements will be completed and recorded in the near future. Currently each Preserve is being managed by OCTA, with the exception of the Eagle Ridge Preserve, which is being managed by Chino Hills State Park (CHSP) under an interim land management agreement. OCTA is working to identify and transition to long-term Preserve Managers in the near future. OCTA has contracted with the following consulting firms to support Preserve management: (1) Glenn Lukos Associates to provide biological monitoring, prepare invasive species management plans, and assist with public outreach events, (2) RECON Environmental to support general Preserve stewardship including maintenance of access roads, tree trimming, and control of public access, (3) Wildland Res Mgt to complete Fire Management Plans (FMPs), and (4) ICF to assist with completion of RMPs and preparation of the Annual Report. OCTA has hosted numerous Preserve-specific outreach events to educate the public about property value and access and plans to continue this process in the near term as part of a managed access approach. To date, a 1.5-acre fire occurred on the Eagle Ridge Preserve. The fire was extinguished quickly by Brea County Fire, and the burn area has been recovering with no additional management actions. No other fires or major events have occurred on the Preserves, although a level of trespassing and vandalism continues to occur requiring ongoing monitoring and enforcement.

OCTA-Funded Restoration Projects

OCTA has approved funding for 11 restoration projects and a check dam removal project that will result in over 350 acres of restored habitats and improvement to habitat functions for Covered Species. The restoration projects occur throughout the Plan Area in core habitat areas and within key habitat linkages and riparian corridors (see Figure 1). The restoration projects are on lands that are currently managed and will enhance habitat for Covered Species. OCTA is working with the restoration project sponsors to complete implementation and monitoring of the restoration activities and achieve sign-off from the Wildlife Agencies that the restoration projects meet their success criteria. Each restoration project is at different stages of the process. To date, 2 of the 11 restoration projects have obtained sign-off.

Additional Conditions for Coverage

As part of the Conservation Analysis (Chapter 6) in the Plan, there were two Covered Species, arroyo chub and many-stemmed dudleya, noted for additional conditions for coverage above and beyond

¹ The acreage of natural habitat preserved is based on best available information using during the preparation of RMPs and may be slightly different from acreages reported in the M2 NCCP/HCP.

\\PDC\ITRDS\GIS\San Diego\projects\OCTA\RMP_00399_15\mapdoc\RMPs\AnnualReport\2 Figure 1-1 HCP Preserves and Restoration.mxd Date: 12/1/2018 34153



Figure 1-1
OCTA M2 NCCP/HCP Preserves and Restoration Projects
M2 NCCP/HCP Annual Report



the acquisition of the OCTA Preserves and funding of restoration projects. In 2017, the EOC and Wildlife Agencies approved OCTA to fund the United States Forest Service Dam Removal restoration project that, when complete, will satisfy the conditions for coverage of arroyo chub. OCTA is currently taking steps to protect and enhance an existing population of many-stemmed dudleya on the Pacific Horizon Preserve with the hope that it will expand to help meet or will meet the criteria needed to achieve coverage for many-stemmed dudleya.

Public Outreach

OCTA has been committed to transparency in how the M2 funds have been and are being used to implement the Plan and the broader Environmental Mitigation Program (EMP). OCTA has conducted a variety of public outreach activities aimed at informing and engaging the public on the overall EMP as well as Preserve-specific issues and events. These have included public meetings during the preparation of the Preserve RMPs, maintaining a website with information and documents related to the program, and engaging in various outreach efforts and encouraging volunteer programs. Between 2009 and 2018, OCTA participated in 67 EMP public outreach events and meetings and 39 Preserve-specific public outreach events.

Plan Funding

The primary source of funding for the Plan will derive from the M2 transportation sales tax designed to raise money to improve Orange County's transportation system. As part of the M2 sales tax initiative, at least 5% of the revenues from the freeway program will be set aside for the M2 EMP revenues. There are sufficient funds available through the M2 EMP to cover the development and implementation of the Plan. OCTA is currently in a 10–12 year process to accumulate and establish an endowment that will provide a long-term funding source to cover ongoing Preserve management and monitoring, adaptive management, and responses to changed circumstances, in perpetuity. In the short-term, the current M2 EMP revenue stream is used to cover Plan implementation and administration.

Plan Administration

OCTA is responsible for implementing the Plan and staffing an NCCP/HCP Administrator position. OCTA has designated Lesley Hill as the NCCP/HCP Administrator. Her role includes overseeing Preserve management and monitoring, coordinating with restoration project sponsors, serving as the primary point of contact with the Wildlife Agencies, ensuring avoidance and minimization measures are implemented pursuant to the Plan, tracking impacts and conservation, assisting with public outreach, and preparing this Annual Report.

The Plan outlines how modifications, Minor Amendments, and Major Amendments can be made to the Plan. This Annual Report summarizes Plan modifications that have been made in collaboration with the Wildlife Agencies that address revisions to restoration project design plans and sponsors, minor Preserve boundary adjustments, and approval of a new restoration project since Plan approval. No Minor or Major Amendments are proposed.



COMMITTEE TRANSMITTAL

August 12, 2019

To: Members of the Board of Directors

From: Laurena Weinert,  Clerk of the Board

Subject: Measure M2 Comprehensive Transportation Funding Programs -
2020 Annual Call for Projects

Regional Planning and Highways Committee Meeting of August 5, 2019

Present: Directors Bartlett, Chaffee, Delgleize, M. Murphy, R. Murphy, and
Pulido

Absent: Director Muller

Committee Vote

This item was passed by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendations

- A. Approve proposed revisions to the Comprehensive Transportation Funding Programs Guidelines.
- B. Authorize staff to issue the 2020 annual call for projects for the Regional Capacity Program.
- C. Authorize staff to issue the 2020 annual call for projects for the Regional Traffic Signal Synchronization Program.



August 5, 2019

To: Regional Planning and Highways Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Measure M2 Comprehensive Transportation Funding Programs -
2020 Annual Call for Projects

Overview

The Comprehensive Transportation Funding Programs Guidelines provide the mechanism for administration of the annual competitive call for projects for Measure M2 programs, including the countywide Regional Capacity Program (Project O) and the Regional Traffic Signal Synchronization Program (Project P). The 2020 Regional Capacity Program and Regional Traffic Signal Synchronization Program call for projects is presented for review and approval.

Recommendations

- A. Approve proposed revisions to the Comprehensive Transportation Funding Programs Guidelines.
- B. Authorize staff to issue the 2020 annual call for projects for the Regional Capacity Program.
- C. Authorize staff to issue the 2020 annual call for projects for the Regional Traffic Signal Synchronization Program.

Background

The Regional Capacity Program (RCP) provides Measure M2 (M2) Project O funding for improvements to the Orange County Master Plan of Arterial Highways. The program also provides for intersection improvements and other projects to help improve street operations and reduce congestion.

The Regional Traffic Signal Synchronization Program (RTSSP) provides M2 Project P funding for multi-agency, corridor-based signal synchronization throughout Orange County.

These programs allocate funds through a competitive call for projects (call) process and target projects that improve traffic by considering factors, such as degree of congestion relief, cost-effectiveness, and project readiness.

The Comprehensive Transportation Funding Programs (CTFP) document serves as the mechanism with which the Orange County Transportation Authority (OCTA) staff administer the RCP and RTSSP call, as well as other competitive transit (projects S, T, and V) and environmental cleanup programs (Project X).

The CTFP Guidelines (Guidelines) identify procedures and requirements that local agencies must follow in order to apply for M2 funding (and following award of funds) in order to seek reimbursement. These Guidelines were first approved by the OCTA Board of Directors (Board) on March 22, 2010, and were most recently updated and approved in August 2019.

Discussion

Updates to the Guidelines have been prepared in anticipation of the Board's authorization of the upcoming 2020 annual call for the RCP and RTSSP. OCTA worked closely with the Technical Steering Committee (TSC) and Technical Advisory Committee (TAC) to determine areas of the Guidelines that needed to be adjusted and/or updated. Issues and lessons learned from previous calls were also reviewed and considered. The Guidelines were reviewed and updated, as appropriate, to provide for better consistency and streamlining throughout the document.

The most significant proposed changes include the following:

- Project O
 - Revised the point spread for economic effectiveness in the scoring criteria.
 - Clarified ineligibility of gateway treatments.
- Project P
 - Noted that OCTA-led projects are not available for this call.
 - Revised total number of corridors per project from two to three.
 - Revised description of eligible activities so that the activities are clearer to applicants.
 - Clarified the maximum amount of fiber capacity that is required to support a M2 Project P traffic signal synchronization project.
 - Included three new eligible project features for project characteristics.

A more detailed summary of proposed changes is included in Attachment A, which provides a table of proposed changes, as well as Attachment B, which provides a marked-up version of the Guidelines. Proposed changes that were deemed to be non-substantive (i.e. wording/grammatical, streamlining, and clarifications) are generally not identified.

These proposed changes were recommended for Board approval by the OCTA TSC and TAC in July and are now being submitted for Board final consideration and approval. For this call, staff is proposing to set a target of \$32 million for Project O, and \$8 million for Project P. This is consistent with previous call amounts.

Next Steps

If the Board approves these recommendations and authorizes the 2020 call for the RCP and RTSSP, staff will send out letters and e-blast announcements notifying local agencies of the call's initiation and any other pertinent information. Applications would be due to OCTA by October 24, 2019, and based upon project selection criteria as specified in the Guidelines, projects will be prioritized for Board, TAC, and TSC consideration in spring 2020. Project funds, if awarded, would become available to local agencies starting July 1, 2020, and may be programmed as late as fiscal year 2022-23.

Summary

M2 provides funds for intersection and arterial improvements through the RCP and signal synchronization through the RTSSP to enhance both street operations and reduce congestion. The Guidelines serve as the mechanism that OCTA uses to administer competitive RCP and RTSSP funds. Proposed changes to the Guidelines were presented and approved by the TAC on July 24, 2019, and staff is now seeking approval of proposed modifications to the Guidelines and authorization to release the 2020 annual call.

Attachments

- A. 2020 CTFP Guidelines (Projects O and P) – Proposed Changes List
- B. Comprehensive Transportation Funding Programs, Guidelines Excerpt,
Proposed Revisions

Prepared by:

A handwritten signature in black ink, appearing to read 'Alfonso Hernandez', with a stylized, cursive script.

Alfonso Hernandez
Senior Transportation Funding Analyst
(714) 560-5363

Approved by:

A handwritten signature in black ink, appearing to read 'Kia Mortazavi', with a stylized, cursive script.

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

2020 CTFP Guidelines (Projects O and P) – Proposed Changes List

No.	Section/Chapter	Subsection	Page No.	Proposed Change
1	III. Definitions	8. Excess Right-of-Way and Surplus Right-of-Way	ix	Definition revised
2	III. Definitions	20. O&M Technical Memorandum	x	Added definition for new term
3	IV. Acronyms	N/A	xii - xiv	Adding new section for acronyms
4	V. Precepts	4	xvi	Clarified that a separate cooperative funding agreement will be issued for Project V funded projects and any OCTA-led Project P (RTSSP)-funded projects
5	V. Precepts	32	xix	Revise “shall” to “intent is to”
6	V. Precepts	35	xx	Revised to coincide with language from Chapter 9
7	Chapter 7	Programming Approach	7-2	Revised language to read as “Typically, OCTA has made approximately \$32 million available for each RCP (Project O) programming cycle”
8	Chapter 7	2020 Call for Projects	7-3	Revised language to read as “Contingent on OCTA’s Board approval, the 2020 Call for Projects (call) for RCP (Project O) – under M2 is anticipated to provide approximately \$32 million for...”
9	Chapter 7	Applications	7-4	Contact information and due updated
10	Chapter 7	Application Review Process	7-13	Dates and years have been updated for 2020 call for projects (call)
11	Chapter 7	Ineligible Expenditures	7-17	Added “gateway treatments”
12	Chapter 7	Operational Attributes/Sustainability Elements	7-23	To clarify section related to the scoring criteria, added “Points are awarded at construction phase only”
13	Chapter 7	Table 7-2 – Street Widening Point Breakdown	7-29	Due to majority of past applicants scoring in the top ranges (9 & 10), recommended reducing the ranges to make category more competitive
14	Chapter 7	Potentially Eligible Items	7-42	Revised “should not” to “shall not”
15	Chapter 7	Ineligible Projects	7-43	Added “gateway treatments”
16	Chapter 8	Objectives	8-2	Added “intersecting crossing arterial”
17	Chapter 8	2020 Call for Projects	8-2	Revised language to read as “Contingent on OCTA’s Board approval, the 2020 call for RTSSP (Project P)– under M2 is anticipated to provide approximately \$8 million...”
18	Chapter 8	2020 Call for Projects – 2	8-2	Revised total number of corridors per project from “two (2)” to “three (3)”. Other sections with same language in Chapter were also changed
19	Chapter 8	2020 Call for Projects – 5(a)	8-2	Added “A Project Report is required at the conclusion of this phase to document work completed during the PI phase. This PI Project Report shall be submitted according to the payment process”

2020 CTFP Guidelines (Projects O and P) – Proposed Changes List

No.	Section/Chapter	Subsection	Page No.	Proposed Change
20	Chapter 8	2020 Call for Projects – 5(b)	8-2	Revised “project final report” to O&M Technical Memorandum”
21	Chapter 8	2020 Call for Projects – 6	8-3	Added “as part of the PI Project Report”
22	Chapter 8	Applications	8-3	Removed “CD” and added “thumb drive, memory stick, or via electronic file upload and/or email”
23	Chapter 8	Applications	8-3 – 8-4	Contact information updated
24	Chapter 8	Application Process	8-4 – 8-6	The 2020 Call will not include OCTA-led projects. Given this, language referring to OCTA-led projects has been removed
25	Chapter 8	Application Review and Program Adoption	8-8	Dates and years have been updated for the 2020 Call, including in other applicable sections throughout Chapter 8
26	Chapter 8	Sample Resolution Form	8-8	In order to clarify ordinances needed for local agencies’ resolutions, added “Local agencies, at a minimum, must include items a-h from the sample resolution”
27	Chapter 8	Project Definition	8-9	Added “This includes construction or modifications of an Intelligent Transportation Systems communications link between intersections or to the Agency’s Traffic Management Center. This link may be off of the main line but is necessary for a Regional Traffic Signal Synchronization Corridor project”
28	Chapter 8	Project Definition	8-9	Change from “Two linked corridors” to “Linked corridors”
29	Chapter 8	Eligible Activities/New or Upgraded Communication Systems	8-10	Added “not to exceed 120 strands” in order to clarify the maximum amount of fiber capacity required to support a M2 Project P Traffic Signal Synchronization project
30	Chapter 8	Eligible Activities/CCTV	8-11	Added “Intelligent cameras that include analytics, such as automated continuous counts and other metrics. If implemented, these items will require a data sharing agreement with OCTA”
31	Chapter 8	Eligible Activities/ADA Compliant Pedestrian Signal	8-11	Revised language to “ADA compliant Pedestrian Signals including, but not limited to, tactile and audible buttons in countdown signal heads”
32	Chapter 8	Eligible Activities/Caltrans labor	8-12	Clarified section to reflect eligible items under Caltrans labor activities
33	Chapter 8	Eligible Activities/Active Transportation/Pedestrian Safety Related Elements	8-12	Added three-line items under Active Transportation/Pedestrian Safety related elements

2020 CTFP Guidelines (Projects O and P) – Proposed Changes List

No.	Section/Chapter	Subsection	Page No.	Proposed Change
34	Chapter 8	Ineligible Expenditures	8-12	Added “Rewiring of complete intersection because of age or isolated mitigation”
35	Chapter 8	Selection Criteria/Transportation Significance	8-13	Revised language
36	Chapter 8	Table 8-1 Point Breakdown	8-15	Added three eligible project features for project characteristics
37	Chapter 8	Matching Funds	8-17	Added “in-kind match” as eligible for Caltrans fees and expenses
38	Chapter 8	Matching Funds	8-17	Added” Please note, overmatch is subject to the same audit and requirements as in-kind match”
39	Chapter 8	Matching Funds	8-17	Added “In-kind match services are subject to audit”
40	Chapter 8	Matching Funds	8-18	Removed OCTA-led language
41	Chapter 8	Exhibit 8-1 Project P Regional Traffic Signalization Checklist	8-20 & 8-21	Revised/updated application checklist

Acronyms

CTFP – Comprehensive Transportation Funding Program

O&M – Operations & Maintenance

N/A – Not applicable

OCTA – Orange County Transportation Authority

RTSSP – Regional Transportation Signal Synchronization Program

RCP – Regional Capacity Program

Board – Board of Directors

M2 – Measure M2

PI – Primary Implementation

CCTV -Closed Circuit Television

ADA – Americans with Disabilities Act

Caltrans – California Department of Transportation

Comprehensive Transportation Funding Programs

Guidelines Excerpt Proposed Revisions

III. Definitions

1. The term "agency," "agencies," "local agency" or any form thereof shall be described in Precept 2.
2. "Competitive funds" refers to funding grants received through the Comprehensive Transportation Funding Programs (CTFP).
3. The term "complete project" is inclusive of acquiring environmental documents, preliminary engineering, Right-of-Way (ROW) acquisition, construction, and construction engineering.
4. The term "cost overrun" in reference to projects awarded through the CTFP shall refer to any and all costs beyond the original estimate that are necessary to complete the approved project scope.
5. The term "encumbrance" or any variation thereof shall mean the execution of a contract or other action (e.g. city council award of a primary contract or issuance of a purchase order and Notice to Proceed (NTP)) to be funded by Net Revenues.
6. The term "escalation" or "escalate" is the inflationary adjustment, as determined by the Engineering News Record (ENR) Construction Cost Index (CCI) 20-city average, added to the application funding request (current year basis) for ROW and construction phases (see Precept 13).
7. The term "environmental mitigation" is referred to as environmental clean-up/preservation measures made as part of that projects environmental clearance.
8. For the purpose of these guidelines, the terms "excess right-of-way" and "surplus right-of-way" shall interchangeably refer to ROW acquired for a specific transportation purpose that is not needed for that purpose. ROW designation shall be acknowledged by applicant to OCTA within sixty calendar days of designation. Furthermore, surplus property plan must also be provided to OCTA at time of designation. The term "excess right-of-way" is ROW acquired for projects and deemed excess to the proposed transportation use. Excess ROW designation shall be acknowledged by applicant during the grant application process.
- 8.9. The term "Fast Track" shall refer to projects that apply for both planning and implementation phase funding in a single competitive application/call for projects.
- 9.10. The term "Fully Burdened Labor Rates" include Work Force Labor Rate (WFLR) plus overhead (see Chapter 9).
- 10.11. The term "funding grant," "grant," "project funding," "competitive funds," "project programming" shall refer to the total amount of funds approved by the Board through the CTFP competitive process.

- 11.12.** The term “Gap Closure” shall refer to the construction of a roadway to its full MPAH build-out for the purpose of connecting two existing ends of that roadway by filling in a missing segment or for completing the terminus of an MPAH roadway. This applies to increased roadway capacity only as it relates to vehicular traffic.
- 12.13.** The term “implementing agency” is the agency responsible for managing the scope, cost and schedule of the proposed project as defined in the grant application.
- 13.14.** The term “lead agency” shall refer to the agency responsible for the submission of the grant application.
- 14.15.** The term “Master Funding Agreements” or any form thereof shall refer to cooperative funding agreements described in Precept 4.
- 15.16.** The term “match rate”, “local match”, “local matching funds”, or any variation thereof, refers to the match funding that an agency is pledging through the competitive process and disposed of through procedures in Chapter 9.
- 16.17.** A “micro-purchase” is any purchase that does not exceed \$2,500. For the purposes of proof of payment, only an invoice is required.
- 17.18.** The term “obligate” or any variation thereof shall refer to the process of encumbering funds.
- 18.19.** “OCFundtracker” refers to the online grant application and payment system used by OCTA to administer the competitive programs awarded through the CTFP. Refer to <https://ocfundtracker.octa.net/>.
- 20.** “Operations and Maintenance (O&M) Technical Memorandum” refers to the report required at the conclusion of O&M phase. It is a technical report that documents the work completed during O&M.
- 19.21.** The term “project phase” or any form thereof shall refer to the three distinct project phases (engineering, right-of-way, and construction) OCTA funds through the CTFP. Additionally, the “engineering phase” shall include the preparation of environmental documents, preliminary engineering, and ROW engineering. The “ROW phase” shall include ROW acquisition, utility relocation and adjustment to private property as contained in the ROW agreements, private improvements taken, Temporary Construction Easements (TCE), severance damages, relocation costs that are the legal obligation of the agency, as well as loss of good will, fixtures and equipment including legal cost. The “construction phase” shall include construction and construction engineering. A fourth phase defined as “Operations & Maintenance” applies to select programs and is described more fully in the applicable program chapter.

IV. Acronyms

AADT – Average Annual Daily Traffic

ACE – Arterial Capacity Enhancements

ADA – Americans with Disabilities Act of 1990

ADT – Average Daily Trips

A/E – Architectural/Engineering

APIRI – Applications Programming Interface with Referenced Implementations

ATC – Advanced Transportation Controller

ATMS – Advanced Transportation Management System

BMP – Best Management Practices

B/RVH – Boardings Divided by the Revenue Vehicle Hours

C2C – Center-to-Center Communication

CASQA – California Stormwater Quality Association

CAPPM – Cost Accounting Policies and Procedures Manual

CCI – Construction Cost Index

CCTV – Closed Circuit Television

CDS – Continuous Deflection Separator

CFS – Climate Forecast System

CE – Categorical Exclusion

CEQA – California Environmental Quality Act

CIP – Capital Improvement Plan

CPI – Catchment Prioritization Index

CSPI – Corridor System Performance Index

CTC – California Transportation Commission

CTFP – Comprehensive Transportation Funding Programs

ECAC – Environmental Cleanup Allocation Committee

ECP – Environmental Cleanup Program

EIR – Environmental Impact Report

ENR – Engineering News Record

EVP – Emergency Vehicle Preempt
FAST – Freeway Arterial/Streets Transition
FTA – Federal Transit Administration
FY – Fiscal Year
GIS – Geographic Information System
GSRD – Gross Solid Removal Device
HAWK – High-Intensity Activated Crosswalk Signaling Systems
ICE – Intersection Capacity Enhancements
ICU – Intersection Capacity Utilization
ID – Identification
IRWMP – Integrated Regional Water Management Plan
ITS – Intelligent Transportation System
LFS – Local Fair Share
LID – Low-Impact Development
LOS – Level of Service
M2 – Measure M2
MG/yr – Megagrams per Year
MPAH – Master Plan of Arterial Highways
MUTCD – Manual on Uniform Traffic Control Devices
ND – Negative Declaration
NDS – National Data & Surveying Services
NEPA – National Environmental Policy Act
NTP – Notice to Proceed
O&M – O&M
OCTA – Orange County Transportation Authority
OCTAM – Orange County Transportation Analysis Model
PA/ED – Project Approvals/Environmental Documentation
PCI – Pavement Condition Index
PI – Primary Implementation

PSR – Project Study Report

PS&E – Plan, Specification and Estimate

PUC – Public Utilities Commission

RCP – Regional Capacity Program

RGSP – Regional Grade Separation Program

RTSSP – Regional Traffic Signal Synchronization Program

ROADS – Roadway Operations and Analysis Database System

ROW – ROW

RVH – Revenue Vehicle Hours

SAR – Semi-Annual Review

SBPAT – Structural BMP Prioritization Analysis Tool

SLPP – State-Local Partnership Program

TAC – Technical Advisory Committee

TCE – Temporary Construction Easement

TCIF – Trade Corridors Improvement Funds

TDA – Transportation Development Act

TMC – Traffic Management Center

TOC – Traffic Operations Center

TPC – Total Project Cost

TPI – Transportation Priority Index

TSC – Technical Steering Committee

TSP – Transit Signal Priority

UPS – Uninterruptible Power Supply

UTDF – Universal Traffic Data Format

v/c – Volume/Capacity

VMT – Vehicle Miles Traveled

WFLR – Work Force Labor Rates

WQLRI – Water Quality Load Reduction Index

IV.V. Precepts

The OCTA Board of Directors (Board) approved these guidelines on March 22, 2010. The guidelines subsequently have been amended and approved by the Board as needed. The purpose is to provide procedures that assist in the administration of the CTFP under M2 where other superseding documents lack specificity. OCTA, or an agent acting on the authority's behalf, shall enforce these guidelines.

1. All eligible Orange County cities and the County of Orange may participate in the M2 competitive programs and federal funding programs included in the CTFP. Other agencies (e.g. Department of Transportation or local jurisdiction) may participate on a project, however, one local agency shall be designated as the implementing agency, shall be responsible for all funding requirements associated with the project, and shall be the recipient of funds through the program.
2. To participate in the CTFP, OCTA must declare that an agency is eligible to receive M2 Net Revenues which include LFS distributions. Failure to meet minimum eligibility requirements after programming of funds will result in deferral or cancellation of funding.
3. The lead agency must execute a Master Funding Agreement with the OCTA. OCTA and lead agencies will periodically amend the agreement via letter to reflect funding changes through competitive calls for projects.
4. A separate cooperative funding agreement will be issued for Project V funded projects and any OCTA-led Project P (RTSSP) ~~-(Project P)-projects funded projects~~.
5. An agency must have a fully executed letter agreement prior to the obligation of funds. Local agencies may be granted pre-award authority for M2 funded projects. Local agencies, at their own risk, may use this pre-award authority to obligate funds for an M2 funded project prior to the programmed year. Expenditures prior to the Board approved programmed year will not be eligible for reimbursement (see Chapter 9).
6. For transit programs not covered by the letter agreement process (e.g. Projects S, V and W), pre-award authority is granted upon Board approval of the funding grant. See Precept 5 above for pre-award authority provisions.
7. Local agencies shall scope projects, prepare estimates, and conduct design in cooperation with and in accordance with the standards and procedures required by the local agencies involved with the project (e.g., Caltrans, County, state/federal resource agencies).
8. Local agencies should select consultants based upon established contract management and applicable public contracting practices, with qualification-based selection for architectural/engineering (A/E) services, and competitive bidding

Intersection Capacity Utilization (ICU) calculations shall use 1,700 vehicles per hour per lane with a .05 clearance interval.

25. OCTA shall consider matching fund credit(s) for an implementing agency's proposed projects current and applicable environmental clearance expenditures. OCTA will review and consider these expenditures on a case-by-case basis at the time of funding approval.
26. An approved CTFP project may be determined ineligible for funding at any time if it is found that M2 funding has replaced all or a portion of funds or commitments that were to be provided by other sources such as: development conditions of approval, development deposits, fee programs, redevelopment programs or other dedicated local funding sources (i.e., assessment districts, community facilities districts, bonds, certificates of participation, etc.). Appeals may be made in accordance with Precept 39.
27. OCTA may fund environmental mitigation, up to 25 percent (25%) of the total eligible project cost by phase, as required for the proposed project contained in the environmental document. Participating environmental mitigation expenditures are eligible for funding under certain programs, but not all.
28. Construction Engineering, Construction Management, Materials Testing, Engineering Support and/or Project Management shall not exceed 15 percent (15%) of the total eligible project cost based upon the engineers' estimate. The cap is applied to the sum of eligible expenses, contract change orders (within the scope of work), equipment and materials (e.g. eligible traffic signal equipment).
29. Contract change orders are only eligible for reimbursement of work due to unforeseen changed conditions within the original scope of work and not exceeding 10 percent (10%) contingency provided in the application cost estimate.
30. OCTA shall evaluate "whole" projects during the initial review process. Subsequent phase application reviews shall not include prior phases in the evaluation unless locally funded and pledged as a match and are subject to OCTA verification. The criteria for ranking project applications is included in these guidelines as part of each program component chapter.
31. Projects that receive competitive CTFP funds shall not use other M2 competitive funds as a local match source. Lead agencies may request project consolidation. The TAC and Board must approve consolidation requests. OCTA shall use the weighted average match rate of the consolidated project's individual segments.
32. OCTA shall conduct a SAR of all active CTFP projects. All agencies shall participate in these sessions through a process established by OCTA. Currently, OCTA administers the SAR through OCFundtracker. OCTA's intent is to shall: 1) verify project schedule, 2) confirm project's continued viability, 3) discuss project changes

to ensure successful and timely implementation, 4) request sufficient information from agencies to administer the CTFP, and 5) address any potential issues with external fund sources committed as match against the competitive funds.

33. For any project experiencing cost increases exceeding 10 percent (10%) of the originally contracted amount, a revised cost estimate must be submitted to OCTA as part of the SAR process. This is applicable even if the increase is within the overall grant amount.
34. Agencies shall submit payment requests to OCTA in a timely fashion. Agencies may request an initial payment for M2 (generally up to 75 percent (75%) of programmed amount or eligible expenditures, see Chapter 9) once the funds have been encumbered. The final 25 percent (25%) of the available programmed balance will be released upon the submission of an approved final report.
35. For situations where a grant amount exceeds \$2,000,000, the amount withheld pending the submittal of an approved final report shall be capped at \$500,000 per project phase but shall in no case be less than 10 percent (10%) of the grant or the contract amount, whichever is less. Should the 75 percent/25 percent (75%/25%) payment distribution ratio result in a final payment retention that exceeds \$500,000, the payment percentages will be adjusted to meet the \$500,000 cap until the 10 percent (10%) threshold is reached. At no time will the final payment retention be less than 10 percent (10%).
36. When a project phase is complete, an agency shall notify OCTA in writing within thirty (30) calendar days of completion. The date of project phase completion will begin the 180-day requirement for the submission of a project final report as required by the M2 Ordinance, Attachment B, Section III.A.9.
37. An agency shall provide final accounting in an approved final report format (see Chapter 9) within 180 calendar days of project phase completion. The process for untimely final reports is described in Chapter 9. Failure to provide a final accounting shall result in repayment of applicable M2 funds received for the project phase in a manner consistent with the Master Funding Agreement. Projects funded with M2 funding require a project final report within 180 calendar days of project phase completion as part of eligibility compliance. Failure to meet eligibility requirements, including submittal of final reports within 180 calendar days of project phase completion may result in suspension of all net revenues including fair share funds.
38. The payment distribution ratio referenced in Precept 35 may be modified to a reimbursement process, at the discretion of the Board, in the event that financing, or bonding is required to meet OCTA's cash flow needs.
39. Agencies may appeal to the TAC on issues that the agency and OCTA staff cannot resolve. An agency may file an appeal by submitting a brief written statement of the

Funding Estimates

Funding will be provided on a pay-as-you go basis. The RCP will make an estimated \$1.1 billion (in 2005 dollars) available during the 30-year M2 program. Programming estimates are developed in conjunction with periodic calls for projects. Funding is shared with intersection, interchange and grade separation improvement categories. No predetermined funding has been set aside or established for street widening.

Programming Approach

Programming decisions are based upon project prioritization ranking, feasibility and readiness. Each round of funding has resulted in a diverse range of activities, cost and competitive score. Funding applications may seek financial assistance for planning, engineering, ROW, construction or a combination of these activities. Effective grant programs include a combination of project development as well as implementation projects. In order to ensure continued distribution of funding opportunities between small and large-scale projects, a tiered funding approach will be used.

~~Typically, OCTA has made approximately \$32 million will be available for each RCP (Project O) programming cycled during the 2020 Call for Projects.~~ Category 1 projects are limited to those projects requesting \$5 million or less. Category 2 projects are defined as those requesting more than \$5 million in Measure M2 funds.

Tiered Funding Approach: The two-tiered funding (Tier 1 and Tier 2) approach will only be applicable to the RCP. This approach is proposed to prioritize high scoring projects while providing a balanced program with funding availability for small and large projects. The first tier is for projects scoring 50 points or higher, and the second tier is for all projects after first satisfying the Tier I ranking. Within Tier 1, two categories would be established with 60 percent (60%) (Category 1) of the M2 funds available for smaller projects (requesting \$5 million or less), and 40 percent (40%) (Category 2) of the M2 funds available for larger projects (requesting \$5 million or more). This approach is intended to broaden the distribution of M2 funds to higher scoring/lower cost projects and retain the ability to fund larger projects without placing formal funding caps on allocations. Any M2 funds not programmed in Tier I will be designated for Tier 2 allocation. A funding split between small and large projects is not recommended for Tier 2.

Applications may be for any project phase provided it represents a meaningful, logical terminus and is consistent with scoping from a previously funded project if applicable (i.e., if engineering was previously funded, the ROW and/or construction request must be for the same project scope).

	Category 1 (60%)	Category 2 (40%)
Tier I >=50	<ul style="list-style-type: none"> • \$0 - \$5 million • Score at least 50 points • Logical, standalone project • Unallocated balance shifts to Tier II for programming 	<ul style="list-style-type: none"> • \$5+ million request • Score at least 50 points • Logical, standalone project • Unallocated balance shifts to Tier II for programming
Tier II	<ul style="list-style-type: none"> • Balance of unallocated funds from Tier I prioritization • Request can be of any dollar value to compete in Tier II • Multiple segments of the same project cannot be submitted under both categories. 	

2020 Call for Projects

Contingent on OCTA's Board approval, the 2020 Call for Projects (call) for RCP (Project O) – under M2 is anticipated to will provide approximately **\$32 million** for streets and roads improvements across Orange County.

Funding will be provided for the three RCP funding programs: ACE, ICE, and FAST. Chapter 7 details the specific program's intent, eligible project expenditures, ineligible project expenditures, and additional information that may be needed when applying for funds. Each section should be read thoroughly before applying for funding. Application should be prepared for the program that best fits the proposed project.

For this call, OCTA shall program projects for a three-year period (FY 19/20 – 21/22), based upon the current estimate of available funds. For specifics on the funding policies that apply to this call, refer to the Program Precepts as found in Section IV of these guidelines.

Applications

In order for OCTA to consider a project for funding, applications will be prepared by the lead agency. A separate application package must be completed for each individual project. Multiple variations of the same project (i.e. with different local match rates) will not be considered. If funding is requested under multiple program components for a single project (i.e. arterials and intersections) a separate application must be prepared

for each request. OCTA shall require agencies to submit both online and hardcopy applications for the 2020 call for projects by **5:00 p.m. on ~~Thursday~~Friday, October 24~~18~~, 2019~~8~~. Late and/or incomplete submittals will not be accepted.**

Since each funding program has slightly different application requirements, an "Internal Application Checklist Guide" has been provided for the three programs under the RCP (Exhibits 7-1, 7-2, and 7-3). The checklist guide identifies the basic forms and documentation required for each of the program components. In addition, items required at the time of project submittal are differentiated from supplemental items due later. The appropriate **checklist must be provided as a cover sheet for each application submitted**. For any items that are required for the candidate project or program that are missing or incomplete, an explanation should be included in a cover letter with the application. In addition to this checklist guide, please review the **Attachments/Additional Information** section of each program component for a description of supplementary documentation which may be required to support your agency's project application in specific cases.

Additionally, **three (3) unbound hardcopies** of the application and any supporting documentation must be submitted to OCTA by the application deadline.

Hardcopy applications should be mailed to:

OCTA

Attention: ~~Joe Alcock~~ Alfonso Hernandez

600 S. Main Street

P.O. Box 14184 Orange, CA 92863-1584

Hardcopy applications can be hand delivered to:

600 S. Main Street

Orange, CA 92868

scored, ranked and submitted to the TSC, TAC and Board for consideration and funding approval.

Local agencies awarded funding will be notified as to which projects have been funded and from what sources after the Board takes action. A tentative call schedule is detailed below:

Board authorization to issue call: August 2019~~8~~

Application submittal deadline: October 24~~18~~, 2019~~8~~

TSC/TAC Review: February/March 2020~~19~~

Committee/Board approval: May 2020~~19~~

Funding

M2 RCP (Project O) funding will be used for this call.

The CTFP Guidelines include a provision that allows applicants to request ROW and/or construction funding prior to completion of the planning phase (including final design) provided that the phase is underway, substantially complete and the agency will complete the activities within six months of the start of the new phase programmed year. A thorough review of eligible activities is not always possible during the call for projects evaluation period. As a result, it is possible that cost elements contained within an application and included in a funding recommendation may ultimately be deemed ineligible for program participation. The applicant is responsible for ensuring projects are implemented according to eligible activities contained within the program guidelines.

If a relocation is eligible to be reimbursed, and to be performed by the utility owner or by the utility owner's contractor, the work should be included in the ROW phase costs and clearly identified in the project application submittal. For eligible relocations to be performed during the construction phase by the local agency's contractor, the work should be included in the plans and specifications similar to other construction activities. Adjustment of existing utilities to grade (e.g. water valves, manhole frames and covers), due to new roadway cross sections are not eligible in the construction phase subject to the limitations previously described. New or relocated fire hydrants are ineligible.

In all cases, eligible costs shall only include "in-kind" relocation. No reimbursements will be made for betterments above the cost of "in-kind" relocation. Additionally, costs submitted for program reimbursement must include any salvage credits received.

Ineligible Expenditures

Items that are not eligible under the ACE Program are:

- Grading outside of the roadway ROW not related to a TCE or ROW agreement.
- Rehabilitation (unless performed as component of capacity enhancement project)
- Reconstruction (unless performed as component of capacity enhancement project)
- Grade Separation Projects
- Enhanced landscaping, ~~and~~ aesthetics and gateway treatments (landscaping that exceeds that necessary for normal erosion control and ornamental hardscape)
- ROW acquisition and construction costs for improvements greater than the typical ROW width for the applicable MPAH Roadway Classification. (See standard MPAH cross sections in Exhibit 7-5) Where full parcel acquisitions are necessary to meet typical ROW requirements for the MPAH classification, any excess parcels shall be disposed of in accordance with the provisions of these guidelines, State statutes as outlined in Article XIX and the California State Controllers Guidelines Relating to Gas Tax Expenditures.
- Utility Betterments
- Construction of new utilities

Operational Attributes (within the roadway): This category is additive. Each category, except Active Transit Routes, must be a new feature added as a part of the proposed project.

- Pedestrian Facilities: Placement of a new sidewalk where **none currently exists** along an entire segment of proposed project.
- Meets MPAH configuration: Improvement of roadway to full MPAH standard for the segment classification.
- Active Transit Route(s): Segments served by fixed route public transit service.
- Bus Turnouts: Construction of bus turnouts.
- Bike Lanes: Installation of new bike lanes
- Median (Raised): Installation of a mid-block raised median where none exists today. Can be provided in conjunction with meeting MPAH standards.
- Remove On-street Parking: Elimination of on-street parking in conjunction with roadway widening project. Can be provided in conjunction with meeting MPAH standards and installation of new bike lanes.
- Sustainability Elements: Includes the use of recycled materials during the roadway construction process (recycled aggregate or rubberized asphalt) or the installation of solar lighting within the roadway cross section. Other elements of sustainability may be considered on a case by case basis. Points are awarded at construction phase only.
- Water Conservation: Includes elements that reduce water consumption, compared to current usage within project limits, such as the replacement of existing landscaping with hardscape and/or "California Native" drought tolerant type landscaping; the replacement of existing sprinklers with drip irrigation systems; the installation of new "grey" or recycled water systems where such does not currently exist.
- Safety Improvements: Project features that increase the safety of pedestrians. These elements can include the new installation of: median barriers, curb extensions, residential traffic diverters, pedestrian crossing islands, pedestrian activated signals, crosswalk enhancements, safety signage, and the addition, modification, or improvement of existing pedestrian signals. Other elements of safety may be considered on a case by case basis.
- Other (Golf cart paths in conformance with California Vehicle Code and which are demonstrated to remove vehicle trips from roadway).

Improvement Characteristics: Select one characteristic which best describes the project:

- Gap Closures: the construction of a roadway to its full MPAH build-out for the purpose of connecting two existing ends of that roadway by filling in a missing

Table 7-2 Street Widening Point Breakdown

ACE SCORING CRITERIA Point Breakdown for Arterial Capacity Enhancement Projects Maximum Points = 100

Facility Usage Points: 30			Facility Importance Points: 20		
Existing ADT Range		Points	Transportation Significance Range		Points
45+	thousand	10	Principal or CMP Route		10
40 – 44	thousand	8	Major		8
35 – 39	thousand	6	Primary		6
30 – 34	thousand	5	Secondary		4
25 – 29	thousand	4	Collector		2
20 – 24	thousand	3			
15 – 19	thousand	2	Operational Attributes		
10 – 14	thousand	1	(within the roadway)	Max Points: 10	
<10	thousand	0	Pedestrian Facilities (New)		3
			Meets MPAH Configs.		3
			Bike Lanes (New)		3
			Active Transit Route(s)		2
			Bus Turnouts		2
			Median (Raised)		2
			Remove On-Street Parking		2
			Water Conservation Elements		2
			Safety Improvements		2
			Sustainability		2
			Other		2
Existing ADT Range		Points	Benefit Points: 35		
31+	thousand	10	Improve Characteristics		Points
26 – 30	thousand	8	Gap Closure		10
22 – 25	thousand	6	New Facility/Extension		8
18 – 21	thousand	5	Bridge Crossing		8
14 – 17	thousand	4	Adds Capacity		6
11 – 13	thousand	3	Improves Traffic Flow		2
08 – 10	thousand	2			
04 – 07	thousand	1			
<4	thousand	0			
Current Project Readiness		Max Points: 10	LOS Improvement Max Points: 25		
ROW (All Easement and Titles)		5	Existing LOS Starting Point Range		
Final Design (PS&E)		4	(LOS Imp x LOS Starting Pt)	Points	
Environmental Approvals		2	1.01+		5
Preliminary Design (35%)		2	.96 – 1.00		4
ROW (All Offers Issued)		2	.91 – .95		3
			.86 – .90		2
			.81 – .85		1
			<.81		0
			LOS Improvements with Project (exist. Volume)		
			Existing LOS Starting Point Range	Points	
			.20+		5
			.16 – .20		4
			.10 – .15		3
			.05 – .09		2
			.01 – .05		1
			<.01		0
Economic Effectiveness Points: 15					
Cost Benefit (Total \$/ADT)		Points			
Range*		Points			
< 499		10			
50400 – 14974		9			
1750 – 199		7			
1200 – 1249		5			
1250 – 1299		4			
2300 – 2349		3			
2350 – 3299		2			
4300 – 349499		1			
350500 +		0			
Funding Over-Match (local match/project cost) minus minimum local match requirement.					
Range*		Points			
25+%		10			
20 – 24%		9			
15 – 19%		7			
10 – 14%		5			
05 – 09%		4			
00 – 04%		3			
*Range refers to % points above agency minimum requirement.					

- Storm drains/catch basins/detention basins/bioswales/other pollutant discharge mitigation devices (details below)
- Aesthetic improvements including landscaping within the project ROW (eligible improvements up to 10 percent (10%) of construction costs, provided costs are reasonable for the transportation benefit)
- Rehabilitation and/or resurfacing of existing pavement when necessitated by proposed improvement (such as change in profile and cross section)
- Improvements to private property if part of a ROW settlement agreement
- Utility relocation where the serving utility has prior rights as evidenced by a recorded legal document
- Roadway grading within the ROW ~~shall~~^{ould} not ~~to~~ exceed a depth for normal roadway excavation (e.g. structural section) or as required by TCEs, and/or ROW agreement related improvements. Additional grading (e.g. over excavation for poor soil conditions) will be considered on a case by case basis.
- Auxiliary lanes if necessitated by interchange improvements
- Soundwalls (in conjunction with roadway improvement mitigation measures)

Environmental mitigation will be allowed only as required for the proposed roadway improvement, and only as contained in the environmental document. Program participation in environmental mitigation shall not exceed 25 percent (25%) of the total eligible project costs.

Longitudinal storm drains are eligible for program participation when the storm drain is an incidental part (cost is less than 25 percent (25%) of the total eligible improvement cost) of an eligible improvement. Program participation shall not exceed 10 percent (10%) of the cost of storm drain longitudinal/parallel and main lines. Storm drain inlets, connectors, laterals and cross culverts shall have full participation in FAST improvement category funding. Storm drains outside standard MPAH ROW widths are not eligible, excluding catch basins within reasonable distance and in general proximity to a project intersection (e.g. within ten feet of the curb return). Catch basins and drainage systems extending into adjacent areas (including public streets) shall not be eligible past the first catch basin.

Soundwalls are eligible only if they are required as part of the environmental mitigation for the proposed project and shall not exceed 25 percent (25%) of the total eligible project cost. Aesthetic enhancements and landscaping in excess of minimum environmental mitigation requirements are eligible at up to 10 percent (10%) of the total eligible construction costs, provided costs are reasonable for the transportation benefit.

The relocation of detention basins/bioswales are potentially eligible dependent on prior rights and will be giving consideration on a case by case basis (see utility relocations below).

Roadway grading is eligible for structural sections if within the standard MPAH cross section for the facility (inclusive of any TCEs). OCTA assumes rough roadway grading is complete prior to project start and is considered an ineligible item.

Utility Relocations

The expenses associated with the relocation of utilities are eligible for RCP reimbursement only when:

- The relocation is made necessary due to conflict with proposed improvements.
- The facility to be relocated is within the project right-of-way.
- It has been determined that the local agency is legally liable for either a portion of or all of the relocation costs.

Liability can be determined by property rights, franchise rights/agreements, state and local statutes/ordinances, permits, a finding by the local agency's counsel, or other recorded legal document. Documentation providing proof of the local agency's liability for the costs of utility relocation must be submitted with an initial payment request (see Chapter 9). Utilities funded through enterprise funds shall not be eligible for reimbursement.

If a relocation is eligible to be reimbursed, and to be performed by the utility owner or by the utility owner's contractor, the work should be included in the ROW phase costs and clearly identified in the project application submittal. For eligible relocations to be performed during the construction phase by the local agency's contractor, the work should be included in the plans and specifications similar to other construction activities. Adjustment of existing utilities to grade (e.g. water valves, manhole frames and covers), due to new roadway cross sections are generally eligible in the construction phase.

In all cases, eligible costs shall only include "in-kind" relocation. No reimbursements will be made for betterments above the cost of "in-kind" relocation. Additionally, costs submitted for program reimbursement must be reduced by any salvage credits received.

Ineligible Projects

- Seismic retrofit projects (unless combined with eligible capacity enhancements)
- Enhanced landscaping, ~~and~~ aesthetics and gateway treatments (landscaping that exceeds that necessary for normal erosion control and ornamental hardscape).

Selection Criteria

Specific selection criteria will be used to evaluate competitive program project applications. Emphasis is placed on existing usage, level of services benefits, local match funding and overall facility importance. Technical categories and point values are shown on Tables 7-5 and 7-6. Data sources and methodology are described below.

Objectives

- Synchronize traffic signals across jurisdictions
 - Monitor and regularly improve the synchronization.
 - Synchronize signals on a corridor, intersecting crossing arterial and/-or route basis reflecting existing traffic patterns in contiguous zones or road segments that have common operations.

2020 Call for Projects

Contingent on OCTA's Board approval, The 2020 Call for Projects (call) for RTSSP (Project P)– under M2 is anticipated to will–provide approximately **\$8 million** for signal coordination across Orange County. The following information provides an overview of the 2020 RTSSP Call for Projects:

1. Projects must result in new, optimized, and field-implemented coordination timing.
2. Project may be a single contiguous corridor or set of contiguous corridors related to each other. Multiple corridors, related systems of corridors, and corridors that form a “grid” may be submitted as a single optimized timing project. However, the total number of corridors per project will be limited to three (3) two (2) and the total number of intersections between these corridors are limited to fifty (50).
3. Projects selected will be programmed after July 1 of the programmed year (July 1 – June 30).
4. Project delays resulting in a time extension request will fall within the process outlined in the CTFP Guidelines.
5. Projects are funded for a grant period of three (3) years and are divided into two phases:
 - a. Primary Implementation (PI) – includes the required implementation of optimized signal timing as well as any signal improvements proposed as part of a project. A Project Report is required at the conclusion of this phase to document work completed during the PI phase. This PI Project Report shall be submitted according to the payment process.
 - b. Ongoing O&M – includes the required monitoring and improving optimized signal timing in addition to any optional communications and/or detection support. O&M will begin after the optimized signal timing is implemented and be required for the remainder of the project (typically 2 Years). An O&M Technical Memorandum project final report is required at the conclusion of this phase to document work completed during the O&M phase.
6. Projects shall include a Before and After Study. This study shall collect morning, mid-day, and evening peak periods using travel times, average speeds, green lights to red lights, stops per mile, and the derived corridor system performance index (CSPI) metric. This information shall be collected both before any signal timing changes have been made and after the PI. The study shall compare the information

collected both before and after the timing changes. Comparisons shall identify the absolute and percent differences for the entire corridor, by segment, direction, and time period. Segments will be defined by major traffic movements as observed during the project (e.g. commuting segments between freeways, pedestrian-friendly segments in a downtown area, etc.). The Before and After study shall also include field inventory, count data, modeling data, and Greenhouse Gas calculations. The Before and After Study shall be submitted after the PI phase is completed as part of the PI Project Report.

7. Any corridor or portion of a corridor funded through this call cannot re-apply for funding until the three-year grant period or commitment to operate signal synchronization beyond the three-year grant period is completed, whichever ends later.
8. This chapter identifies the selection criteria for projects, eligible activities, minimum project requirements, data compatibility required as part of any funded project, and other key information.

Additional details of the specific program's intent, eligible project expenditures, ineligible project expenditures, and additional information that may be needed when applying for funds are included in this chapter. Each section should be read thoroughly before applying for funding. Application should be prepared for the program that best fits the proposed project.

For specifics on the funding policies that apply to this call, refer to the Program Precepts as found in Section IV of these guidelines.

Applications

In order for OCTA to consider a project for funding, applications will be prepared by the local agency responsible for the project application. OCTA shall require agencies to submit applications for the call for projects by **5:00 p.m. on Thursday, October 24, 2019.** Late and/or incomplete submittals will not be reviewed or considered. The local agency responsible for the project application must submit the application and any supporting documentation via OCFundtracker as outlined below.

A separate application package must be completed for each individual project and uploaded to OCFundtracker. **Three (3) unbound printed copies and one electronic copy on a ~~CD or~~ USB, thumb drive, memory stick, or via electronic file upload and/or email** of each complete application shall also be mailed or delivered to:

Orange County Transportation Authority
550 South Main Street
P.O. Box 14184
Orange, California 92863-1584
Attn: Alfonso Hernandez

Email: AHernandez@octa.net

Application Process

Project grants are determined through a competitive application process administered by OCTA. Agencies seeking funding must complete an online application, a supplemental application, and provide supporting documentation that will be used to evaluate the project proposal as outlined below. Key information to be provided as part of the application process includes:

- Funding needs by phase and fiscal year
- Percent match rate including funds type, source, and description (minimum 20 percent (20%))
- Lead agency ~~Option 1~~ (default – local agency) ~~or Option 2 (OCTA)~~
- Lead and supporting agencies names
- Supporting technical information
- Project development and implementation schedule
- Environmental clearances and other permits
- Any additional information deemed relevant by the applicant
- Complete photographic field review (including cabinet interiors and communication facilities) for all projects that ~~either~~ exceed one million dollars in capital improvements ~~or request OCTA serve as lead agency regardless of capital improvement budget~~. Original photos shall be uploaded to OCFundtracker or included with electronic copy of application.
- ~~Current City Specifications (including specific equipment specifications, inspection requirements, etc.) if OCTA is requested to be the lead agency. Refer to the 2019 Supplemental Application for additional information. This shall be uploaded to OCFundtracker or included with electronic copy of application.~~

A call for projects for the funding cycle will be issued as determined by the Board. Complete project applications must be submitted by the established due dates to be considered eligible for consideration.

An application should be submitted for a single corridor or route corridor project. Multiple corridors that form a “grid” may be submitted as separate or single project(s). However, the total number of corridors per route corridor project will be limited to three (3) and the total number of intersections between these corridors are limited to fifty (50). A single corridor project not proposed as a connected route or grid project may be submitted and is not subject to the 50-intersection limit. The following instructions should be used in developing project applications.

Applications will be reviewed by OCTA for consistency, accuracy, and concurrence. Once applications have been completed in accordance with the Program requirements, the

projects will be scored, ranked, and submitted to the TSC, TAC, and the Board for consideration and funding approval. OCTA reserves the right to evaluate submitted project costs for reasonableness as part of the review and selection process and suggest potential revisions to make the cost more appropriate. Grants will be subject to funding agreements with OCTA.

Other Application Materials

Supporting documentation is required to fully consider each project application. A Supplemental Application Template is required to be completed for each project application. Note: There is a new section for all costs, on a line item basis, in excel format for both project phases. The template is distributed with other application materials at the issuance of the Call for Projects. In addition to the funding plan described above, local agencies will be required to submit the following materials:

Lead Agency: Eligible local agency. ~~Lead agency for the project must be identified: local agency or OCTA.~~

Participating Agencies: All participating agencies must be identified and adopted City Council resolutions or Minute Order actions authorizing the participating agency's support of the project under the lead agency must be included. **If a draft copy of these resolutions of support are provided, the local agency must also provide the date the resolution will be finalized by the participating agency's governing body.** A final copy of the City Council approved resolution must be provided at least four (4) weeks **PRIOR** to the consideration of programming recommendations by OCTA's Board of Directors.

Council Approval: A Council Resolution or Minute Order action authorizing request for funding consideration with a commitment of project local match funding must be provided with the project application from all participating agencies. **If a draft copy of the resolution is provided, the local agency must also provide the date the resolution will be finalized by the local agency's governing body.** A final copy of the City Council approved resolution must be provided at least four (4) weeks **PRIOR** to the consideration of programming recommendations by OCTA's Board of Directors.

Project Support: If proposed project has completed initial planning activities (such as PSR or equivalent, EIR, or design), evidence of approval should be included with the application. Satisfactory evidence includes project approval signature page, engineer-stamped site plan, or other summary information to demonstrate completion or planning phases. The applicant will be asked for detailed information only if necessary to adequately evaluate the project application.

Lead Agency

This Program is administered through a single lead agency: a local eligible city ~~or OCTA.~~

Local Agency Lead: Only the lead agency will receive payments in accordance with the CTFP Guidelines regarding payment for costs related to project for optimized signal timing development, capital improvements, planning, and related design. Payments will be disbursed consistent with Chapter 9. The lead agency is responsible for reimbursing other agencies as part of the effort. Additionally, the lead agency is also responsible for ensuring that all agencies participating in the project provide the local match proposed in the project application.

OCTA Lead: **[NOT AVAILABLE FOR 2020 CALL FOR PROJECTS]** OCTA may, at the request of the involved local agencies, act as the lead agency for RTSSP projects. If the involved local agencies would like OCTA to implement a project on the signal synchronization network, the local agency shall work cooperatively with OCTA to develop the scope of work and cost elements of the project. The lead local agency shall contact OCTA with a **written request at least four weeks prior to deadline for submittal of the project grant application**. Projects nominated for OCTA lead shall be discussed at the Traffic Forum. Applications must include a complete photographic field review (as outlined above) when submitted. The application will be scored using the criteria outlined in the previous sections. Based on local agency interest and OCTA resource availability, a limited number of projects will be developed and implemented by OCTA.

If any projects that are designated as OCTA lead are awarded funding, OCTA will then be responsible for implementation of the project including optimized signal timing development, capital improvements, planning, and related design. OCTA will implement the project based on the cost estimates developed in the application. Project elements may be modified based on final costs with the agreement of all participating agencies. OCTA will be responsible for ensuring that all agencies participating in the project provide the local match as identified in the project application (minimum 20 percent (20%)).

Additionally, for projects designating OCTA as lead agency, a consultant traffic engineering firm may be contracted to provide staff and services to implement the project. Therefore, in-kind match designated as staffing commitment under an OCTA lead agency option shall be limited. The following will be used as a guide for staffing commitment, when the local agency develops the application:

- Primary Implementation (PI) (12 months)
 - Project Administration - Each local agency traffic engineer or equivalent participates in approximately 10-15 hours per month of project administration (meetings, review of reports, minutes, and other administration).
 - Signal Synchronization Timing - Each local agency traffic engineer or equivalent reviews consultant developed draft and final timing plans for intersections within the local agency, approximately 2-4 hours per local agency intersection.

Final programming recommendations will be provided to the TSC and TAC for approval. Recommendations will be presented to the Board, who will approve projects for funding under the CTFP.

OCTA shall distribute copies of the approved program to each participating local jurisdiction with any qualifying conditions stipulated for the jurisdiction's funded project(s). Local agencies awarded funding will be notified as to which projects have been funded and from what sources after the Board takes action. A tentative call schedule is detailed below:

Board authorization to issue call: August 201~~98~~

Application submittal deadline: October ~~2418~~, 201~~98~~

TSC/TAC Review: February/March 20~~2019~~

Committee/Board approval: April 20~~2019~~

Checklist Guide

The "Project P Regional Traffic Signal Synchronization Program Application Checklist" has been provided for the RTSSP (Exhibit 8-1). The checklist identifies the basic documentation required for the program. In addition to items required at the time of project submittal, additional items that are not specified may be requested later. The checklist should be provided as a cover sheet for **each** application submitted. For any items that are required for the candidate project or program that are missing or incomplete, an explanation should be included in a cover letter with the application.

Sample Resolution Form

A resolution or minute action must be approved by the local agency's governing body. A sample resolution is included as Exhibit 8-2. Local agencies, at a minimum, must include items a-h from the sample resolution. The mechanism selected shall serve as a formal request for RTSSP funds and states that matching funds will be provided by the agency, if necessary. All project requests (i.e., multiple corridors proposed for RTSSP funds) must be included in this action.

Project Definition

Local agencies are required to submit complete projects that, at minimum, result in field-implemented coordinated timing. Project tasks that are eligible for funding can consist of design, engineering, construction, and construction management. Partial projects that design improvements, but do not field implement the improvements are ineligible.

Projects must consist of a corridor along the priority corridor network, signal synchronization network, or the MPAH. Projects previously awarded RTSSP funding must

be complete with a final report submitted and approved by OCTA. Projects can be the full length of the corridor or a segment that complies with the project requirements identified later in the chapter. **Communication system improvements that directly benefit signal synchronization along the project corridor limits, but are not physically within the project corridor, are eligible for inclusion in a project.** This includes construction or modifications of an Intelligent Transportation Systems communications link between intersections or to the Agency's Traffic Management Center. This link may be off of the main line but necessary for a Regional Traffic Signal Synchronization Corridor project.

Applicant agency and owning agency must demonstrate through simulation, or actual vehicle counts showing Origin – Destination that proposed linked corridors form a route. Two linked corridors may also combine at the point of intersection to form a single local Master offset Control Point (T₀) for future Zone operations.

Multimodal consideration of bicyclists and pedestrians along or crossing the intersection or roadway may enhance overall circulation. Therefore, active transportation elements may be included as part of the project.

Eligible Activities

The primary purpose of the Program is to provide funding for projects that develop and maintain corridor-based, multi-jurisdictional signal synchronization along corridors throughout Orange County. All projects funded by this Program must be corridor-based and have a signal coordination component that includes the following:

- Signal Coordination
 - Developing and implementing new signal synchronization timing parameters based on current travel patterns, and federal and state traffic signal timing mandates and guidance, including but not limited to the Manual on Uniform Traffic Control Devices (MUTCD)
 - Monitor, maintain (minimum quarterly/maximum monthly) and/or regularly improve the newly implemented signal synchronization timing and parameters for the remainder of the project
 - "Before" and "after" studies for the project comparing travel times, average speeds, ratio of green lights passed to red lights stopped (greens per red), average stops per mile, and emissions of greenhouse gases

In addition to developing optimized signal timing, a project may include other improvements as long as they contribute to the goal of multi-agency signal synchronization of corridors throughout Orange County. These improvements are restricted to the signal synchronization project limits but may include traffic signalized intersections on intersecting corridors where new optimized timing has occurred within the past three years; maximum distance for either direction from crossing arterial

intersection in 2,700 feet. Gap closure communications links that are installed from a central location and/or communications hub to the project corridor are eligible. All improvements must be designed to enhance the specific project. The following are a list of potentially eligible items as part of a signal coordination project:

- New or upgraded vehicle, pedestrian, and bicycle detection
 - Upgrade detection along the signal synchronization corridors to ensure necessary conditions for signal synchronization: inductive loops, video detection, radar, sonar, thermal, hybrids thereof, and other types of detection systems.
- New or upgraded communication systems
 - New contemporary communication system improvements (e.g. Ethernet) including all conduits, pull boxes, fiber optic and/or copper cabling (not to exceed 120 strands), network switches and distribution systems. These systems should be sufficiently sized for the need capacity of the Intelligent Transportation System (ITS) network. Excess capacity is deemed non-participating.
 - Replacement fiber optic or copper cabling for network communication
 - Fiber optic is the preferred medium and includes pull boxes, network switches and distribution systems
 - Software and hardware for system traffic control
 - Control and monitoring interconnect conduit (including upgrades or replacement of existing systems)
 - Gap closure systems of conduit, cable, and associated equipment that are outside of project limits but complete a designated communications link to an existing network for the Advanced Transportation Management System (ATMS) for an agency or agencies.
 - Communications Support
 - Monitor, maintain, and repair signal communication systems and infrastructure along synchronized corridors to ensure necessary conditions for signal synchronization including interconnect and Central Systems and Local Systems communications equipment (two years after PI acceptance)
 - Detection Support
 - Monitor, maintain, and repair all detection systems and infrastructure associated with the PI Phase of a specific project along synchronized corridors to ensure necessary conditions for signal synchronization including local intersection and System Sampling Detection equipment (two years after PI acceptance)
- Intersection/field system modernization and replacement

- Traffic signal controller replacement of antiquated units with Advanced Transportation controller (ATC) units. ATC shall comply with version 6.24 or better of ATC standard 5201 and ATC standard 5401 Applications Programming Interface with Referenced Implementations (APIRI)
- Controller cabinet (assemblies) replacements that can be shown to enhance signal synchronization
- Closed Circuit Television (CCTV (also can perform video detection))
- Intelligent cameras that include analytics, such as automated continuous counts and other metrics. If implemented, these items will require a data sharing agreement with OCTA.
- Uninterruptible Power Supply (UPS) for ATMS and intersection field equipment
 - For ATMS, UPS shall solely provide electrical power for ATMS Server(s), one dedicated workstation (console terminal) and related communications devices
 - Limited cost and scale
 - UPS not intended to provide power to entire TMC
 - Approval of request for UPS is at the sole discretion of the AUTHORITY
- Minor signal operational improvements (new)
 - Emergency Vehicle Preempt (EVP) intersection control equipment only
 - Transit Signal Priority (TSP) intersection control equipment only
 - Channelization (signing, striping, raised pavement markers, in lane flashing guidance or warning marking systems, and legends) improvements required for traffic signal phasing.
 - Traffic signal phasing improvements that will improve traffic flow and system performance including protective permissive left turn phasing and shared pedestrian phasing
 - Improvements to comply with new federal or state standards for traffic signal design as related to signal synchronization including pedestrian, bicycle, and vehicular timing intervals, as well as the MUTCD
- ADA compliant Pedestrian Signals countdown heads including, but not limited to, tactile and audible buttons in countdown signal heads.
- Traffic Management Center (TMC)/Traffic Operations Centers (TOC) and motorist information
 - New TMCs or TOCs (any project funded under this category must be planned or built to be center-to-center communication (C2C) "ready" with nearby agencies and/or OCTA
 - Upgrades to existing TMCs or TOCs (any project funded under this category must be planned or built to be C2C "ready" with nearby agencies and/or OCTA

- Motorist information systems (up to 10 percent (10%) of total project costs)
- Video display equipment, including wall monitors, screens, mounting cabinets, and optical engines (up to 10 percent (10%) of total construction costs for PI phase only)
- Automated Traffic Signal Performance Measures (must be connected to OCTA SPM Dashboard)
- Real-time traffic actuated operations and demonstration projects
 - Adaptive traffic signal systems
- Caltrans encroachment permits and agency to Caltrans Cooperative Agreement fees
 - Includes ~~eligible~~ Caltrans labor, such as capital, and permitting fees and expenses for reviewing signal timing plans, providing signal timing parameters, and providing existing timing sheets, etc. Applicant must specify how to handle Caltrans intersections on project.
- Active Transportation/Pedestrian Safety related elements
 - Installation of new and/or improved traffic control devices to improve the accessibility, mobility and safety of the facility for pedestrians and bicyclists
 - ADA compliant Accessible Pedestrian Push Button Systems
 - ~~High-Intensity Activated~~ crosswalk signaling systems (HAWK)
 - Pedestrian detection modules
 - Bicycle detection modules
 - Rectangular Rapid Flashing Beacon Systems (RRFB) including striping, legends, and signage

In addition, expenditures related to the design of systems, permitting, and environmental clearance are eligible for funding.

Ineligible Expenditures

- Isolated traffic signal improvements
- Traffic hardware (pole, mast arms, lights, electrical, signs, etc.)
- Regular signal operation and maintenance (such as replacement of light bulbs)
- Field display equipment (Traffic signal heads other than pedestrian countdown, or special bicycle, or Transit Vehicle signal heads)
- Feasibility studies
- Relocation of utilities except for electrical service requirements
- Right-of-way
- Rewiring of complete intersection because of age or isolated mitigation

Funding Estimates

The streets and roads component of M2 is to receive 32 percent (32%) of net revenues, 4 percent (4%) of which are allocated for the RTSSP. The RTSSP will make an estimated \$270 million (2009 dollars) available over the course of the 30-year M2 Program. Programming estimates are developed in conjunction with a call for projects cycle corresponding to concurrent funding agreements with all local agencies.

The RTSSP targets over 2,000 intersections across Orange County for coordinated operations. Because of the limited amount of funds available for the RTSSP, project cap of \$75,000 per signal or \$250,000 per project corridor mile included as part of each project (whichever is higher) has been established for this call for projects.

Selection Criteria

Specific selection criteria will be used to evaluate competitive program project applications. Emphasis is placed on furthering the overall goal of multi-jurisdictional, corridor-based signal synchronization.

Vehicle Miles Traveled (VMT): Centerline length of segment(s) on the corridor proposed for synchronization multiplied by the existing average daily traffic (ADT) for the proposed segment(s) length. For instance, for a three-mile segment with one-mile interval ADT data at of 200 vehicles, 300 vehicles, and 400 vehicles, the VMT would be calculated as:

$$200 \text{ vehicles} * 1 \text{ mile} + 300 \text{ vehicles} * 1 \text{ mile} + 400 \text{ vehicles} * 1 \text{ mile} = 900 \text{ vehicle miles.}$$

VMT should be calculated by the smallest segmentation on which the city typically collects ADT data. (maximum: 20 points)

ADT must be based upon actual count information taken within the 36 months preceding the application date. Data from the OCTA Traffic Flow Map may not be used.

Cost Benefit: Total project cost divided by Existing VMT. (maximum: 10 points)

Project Characteristics: Points are awarded based on the type and relevance of the proposed project. For instance, points accumulate if a signal synchronization project is combined with improvements as defined in the "Eligible Activities" section above. (maximum: 10 points)

Transportation Significance: Points are earned based on the corridor being on the signal synchronization network. (maximum: 5 points) (Priority signal network corridors are eligible, but will not be ~~a part of the 2020 Call for Projects. No points will be~~ awarded for being on a Priority Corridor.)

Maintenance of Effort: Points are earned for a commitment to operate the project signal synchronization timing for a defined period of time beyond the three-year grant period. (maximum: 5 points)

Table 8-1 Point Breakdown

RTSSP SCORING CRITERIA

Point Breakdown for Regional Traffic Signal Synchronization Program Projects

Maximum Points = 100

Vehicle Miles Travelled (VMT) Points: 20		Project Scale Points: 10	
VMT Range	Points	Number of Signals Coordinated by Project Range	Points
250+ thousand	20	50+	5
200 - 249 thousand	15	40 - 49	4
150 - 199 thousand	10	30 - 39	3
100 - 149 thousand	6	20 - 29	2
50 - 99 thousand	3	10 - 19	1
0 - 49 thousand	1	< 10	0
<u>Calculation:</u> ADT x segment length (Applies only to coordinated segments of project)		AND	
Economic Effectiveness Points: 10		Percent of Corridor Signals Being Retimed Points	
Cost Benefit (Total \$/VMT) Range*	Points	Range	Points
< 3	10	90% or above	5
3 - 5	9	80 - 89%	4
6 - 8	8	70 - 79%	3
9 - 11	7	60 - 69%	2
12 - 14	6	50 - 59%	1
15 - 17	5	< 50%	0
18 - 20	4	<u>Calculation:</u> Number of signals in project divided by total signals in full corridor length.	
21 - 23	3	Number of Jurisdictions Points: 20	
24 - 26	2	Total Number of Involved Jurisdictions Range	Points
27+	1	5 or more	20
Project Characteristics Max Points: 10		4	16
Project Feature	Points	3	12
Timing Only, No Capital	10	2	8
Adaptive Traffic & Demonstration Projects	4	1	0
TMC/TOC Connections Between Agencies	4	Current Project Readiness Points: 10	
Automated Traffic Signal Perf. Measures	3	Project Status	Points
Intelligent Cameras	2	Re-timing of prior RTSSP project	5
Bicycle/Pedestrian Detection	2	Implementation within 12 months	5
New/Upgraded Communications Systems	2	Funding Match Points: 5	
Intersection/Field System Modernization	2	Overall Match %	Points
Minor Signal Operational Improvements	2	50+%	5
New Protected/Permissive Signals	2	40 - 49%	4
TMC/TOC and Motorist Information	1	35 - 39%	3
New/Upgraded Detection	1	30 - 34%	2
Transportation Significance Points: 10		25 - 29%	1
Corridor Type	Points	< 25%	0
Priority & Signal Synchronization Corridor	5	Maintenance of Effort Points: 5	
Corridor "Gap Closure"	5	MOE After Grant Period	Points
Maintenance of Effort Points: 5		3 years	5
MOE After Grant Period	Points	2 years	3
3 years	5	1 year	1
2 years	3	None	0
1 year	1		
None	0		

Administrative staff time for documentation of in-kind services is ineligible. Staff time charged to a project is limited to the caps as described in these guidelines. Allowable signal system investment would be improvements that are “eligible activities” per the funding guidelines, which can be shown to improve signal synchronization and would not include any prior investments made by the agency.

The specific matching requirement by project category type is listed below for city led projects:

Project category	Type of matching allowed*
Signal coordination	In-kind match** or cash match
New or upgraded detection	In-kind match** or cash match
New or upgraded communications systems	In-kind match** or cash match
Communications and detection support	In-kind match** or cash match
Intersection/field system modernization and replacement	In-kind match** or cash match
Minor signal operational improvements	In-kind match** or cash match
TMC/TOC and motorist information systems	Cash match
Real-time traffic actuated operations and demonstration projects	Cash match
Caltrans fees and expenses (labor and capital)	<u>In-kind match ** or €cash match</u>

* Project match beyond 20 percent (20%) is limited to cash match only. Please note, overmatch is subject to the same audit and requirements as in-kind match.

** In-kind match services are subject to audit.

In-kind match must be defined for each local agency as part of the supplemental application. In-kind match must be identified as staffing commitment and/or new signal system investment. The supplemental application template will include a section to input in-kind match type as well as additional data related to the match:

- Staffing commitment
 - Staff position
 - Number of hours

- Hourly (fully burdened) rate
- Total cost
- New signal system investment
 - Cost of any signal system investment
 - Benefit to project

~~Projects submitted as OCTA led require a 20 percent cash match for Primary Implementation activities with a nominal in-kind allowance for local agency oversight.~~

O&M activities will be permitted in-kind match only for local agency oversight functions. Contract activities will require cash match. Local agency contributions identified as cash match in the application cannot be converted into in-kind match.

OCTA staff will review in detail the presented cash and in-kind match by local agency for reasonableness. Additional requirements on in-kind match as part of the upcoming call are provided in this chapter.

Project Cancellation

If a local agency decides to cancel a project, for whatever reason, the agency shall notify OCTA as soon as possible. Projects deemed infeasible shall bring that phase to a logical conclusion, file a final report, and cancel remaining phases so that remaining funds can be reprogrammed without penalty.

Cancelled projects will be eligible for re-application upon resolution of issues that led to original project termination.

If a lead agency decides to cancel a project before completion of the entire project, for whatever reason, the agency shall notify OCTA as soon as possible. It is the responsibility of the project lead agency to repay OCTA for any funds received.

Project Extensions

Local agencies are provided 36 months to expend the funds from the date of encumbrance. Agencies can request timely use of funds extensions through the SAR in accordance with the CTFP guidelines. Local agencies should issue a separate NTP while combining contracts for both the PI and O&M phases. NTP requirement should be identified in the initial contract/agreement to avoid obligation of both phases at the same time. If this procedure is followed by the local agency the NTP date will be considered the date of encumbrance for the O&M phase.

Audits

All M2 payments are subject to audit. Local agencies must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or

Exhibit 8-1

Project P – Regional Traffic Signal Synchronization Program Application Checklist

Project P Application Checklist	Page Included
RTSSP Online Application – submitted through OCFundTracker 1. Vehicle Miles Traveled 2. Benefit Cost Ratio 3. Project Characteristics 4. Transportation Significance 5. Maintenance of Effort 6. Project Scale 7. Number of Jurisdictions 8. Current Project Readiness 9. Funding Over-Match	Online
Section 1: Key Technical Information a. Project Corridor Limits limits of the corridor to synchronize b. Designation of the corridor to synchronize: priority corridor, signal synchronization network corridor, or master plan of arterial highways corridor c. Project start date and end date, including any commitment to operate signal synchronization beyond the three-year grant period d. Signalized intersections that are part of the project e. Traffic Forum members	
Section 2: Lead Agency	
Section 3: Resolutions of Support from the Project's Traffic Forum Members	
Section 4: Preliminary Plans for the Proposed Project The plans shall include details about both phases of the project: <u>Primary Implementation (PI)</u> and <u>Ongoing Operations and Maintenance (O&M)</u> . The plan should be organized using the following setup: <u>Primary Implementation</u> shall include details about the following: <u>Task 1: Project Administration (required)</u> <u>Task 2: Data Collection (required)</u> <u>Task 3: Field Review and Plans Specifications and Estimates (required)</u> <u>Task 4: Corridor "Before" Study (required)</u> <u>Task 5: Signal Timing Optimization and Implementation (required)</u> <u>Task 6: Corridor "After" Study (required)</u> <u>Task 7: Synchronization System Construction (required)</u> <u>Task 8: Project Report (required)</u> <u>Task 9: On-going Operations and Maintenance (required)</u> a. Developing and implementing optimized signal synchronization timing (required) b. Producing a Before and After study for the proposed project (required) c. Proposed signal improvements (optional): i. New or upgraded detection ii. New or upgraded communication systems iii. Intersection/field system modernization and replacement iv. Minor signal operation improvements v. Traffic Management centers vi. Real-time traffic actuated operations and demonstration projects <u>Ongoing O&M perations and Maintenance</u> will begin after the <u>PIrimary Implementation</u> of the project is completed. It shall include details about the following: a. Monitoring and improving optimized signal timing (required) b. Communications and detection support (optional) b.c. <u>O&M Final Memorandum (required)</u>	

Comprehensive Transportation Funding Programs




Section 5: Total Proposed Project Cost by Task a. Table I: Summary of Improvements b. Table II: Detailed Improvement Breakdown	
Section 6: Project Schedule for the 3 Year Grant Period by Task for the 3 Year Grant Period	
Section 7: Matching Funds	
Section 8: Environmental Clearances and Other Permits	
Section 9: Calculations Used to Develop Selection Criteria Inputs	
Section 10: Any additional Information Deemed Relevant by the Applicant	
<u>Appendices</u>	



COMMITTEE TRANSMITTAL

August 12, 2019

To: Members of the Board of Directors

From: Laurena Weinert,  Clerk of the Board

Subject: Cooperative Agreements for Regional Traffic Signal Synchronization Program Projects

Regional Planning and Highways Committee Meeting of August 5, 2019

Present: Directors Bartlett, Chaffee, Delgleize, M. Murphy, R. Murphy, and Pulido

Absent: Director Muller

Committee Vote

This item was passed by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-9-1419 between the Orange County Transportation Authority and the cities of Aliso Viejo and Laguna Niguel for the Aliso Creek Road Regional Traffic Signal Synchronization Project, with required local matching funds of \$285,994.
- B. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-9-1420 between the Orange County Transportation Authority and the cities of Irvine, Laguna Hills, and Lake Forest for the Lake Forest Drive Regional Traffic Signal Synchronization Project, with required local matching funds of \$360,411.
- C. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-9-1421 between the Orange County Transportation Authority and the cities of Costa Mesa, Irvine, and Tustin for the Red Hill Avenue Regional Traffic Signal Synchronization Project, with required local matching funds of \$419,018.



August 5, 2019

To: Regional Planning and Highways Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Cooperative Agreements for Regional Traffic Signal Synchronization Program Projects

Overview

On June 10, 2019, the Orange County Transportation Authority Board of Directors approved programming of funds for projects as part of the 2019 call for projects for the Measure M2 Regional Traffic Signal Synchronization Program. As part of the application process, the Orange County Transportation Authority was requested to be the lead agency on three of the six projects: Aliso Creek Road, Lake Forest Drive, and Red Hill Avenue. Separate cooperative agreements with local agencies are necessary for each of these projects to specify the amount of required local matching funds.

Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-9-1419 between the Orange County Transportation Authority and the cities of Aliso Viejo and Laguna Niguel for the Aliso Creek Road Regional Traffic Signal Synchronization Project, with required local matching funds of \$285,994.
- B. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-9-1420 between the Orange County Transportation Authority and the cities of Irvine, Laguna Hills, and Lake Forest for the Lake Forest Drive Regional Traffic Signal Synchronization Project, with required local matching funds of \$360,411.
- C. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-9-1421 between the Orange County Transportation Authority and the cities of Costa Mesa, Irvine, and Tustin for the Red Hill Avenue Regional Traffic Signal Synchronization Project, with required local matching funds of \$419,018.

Discussion

The Orange County Transportation Authority (OCTA) is designated by request of the local agencies to be the lead agency on three regional traffic signal synchronization (RTSSP) projects: Aliso Creek Road, Lake Forest Drive, and Red Hill Avenue. As authorized by the Board of Directors (Board), these three projects are planned to begin in fiscal year (FY) 2019-20 with completion in 2023. Each project includes two separate phases of primary implementation, lasting approximately one year, followed by an ongoing operations and maintenance phase of 24 months.

A cooperative agreement is required for each of these projects to outline the roles and designate responsibilities of OCTA, as well as the partnering agencies regarding the implementation of the projects, and to specify the amount and type of each local agency's funding match. A minimum of 20 percent local match is required per the requirements of the RTSSP as specified in the 2019 Comprehensive Transportation Funding Programs Guidelines (Chapter 8, page 5). The following is a summary of each project's limits, number of signalized intersections (signals), traffic data, number of agencies included in the project, and estimated cost:

- Aliso Creek Road (El Toro Road to Moulton Parkway): the corridor is approximately five miles and includes 23 traffic signals. The corridor passes through the cities of Aliso Viejo and Laguna Niguel and carries daily traffic of up to 184,800 vehicles. The project cost is estimated at \$1,429,973, with local agency in-kind services and cash match totaling \$285,994.
- Lake Forest Drive (Portola Parkway to Romano/Hidden Canyon): the corridor is approximately eight miles and includes 27 traffic signals. The corridor passes through the cities of Irvine, Laguna Hills, and Lake Forest and carries daily traffic of up to 182,900 vehicles. The project cost is estimated at \$1,802,054, with local agency in-kind services and cash match totaling \$360,411.
- Red Hill Avenue (Bryan Avenue to Bristol Street): the corridor/route is approximately seven miles and includes 28 traffic signals. The corridor passes through the cities of Costa Mesa, Irvine, and Tustin and carries daily traffic of up to 153,800 vehicles. The project cost is estimated at \$2,095,090, with local agency in-kind services and cash match totaling \$419,018.

Fiscal Impact

The total cost of implementing the three RTSSP projects is \$5,327,117. The funding for these three projects will come from Measure M2 Project P allocation of \$4,261,694, included in the FY 2019-20 budget accounts 0017-7519-SPF27-P57, 0017-7519-SPF28-P57, and 0017-7519-SPF29-P57, along with matching funds provided by the local agencies (\$1,065,423).

Summary

Staff requests Board approval for the Chief Executive Officer to negotiate and execute three cooperative agreements between OCTA and the respective cities, for the Aliso Creek Road, Lake Forest Drive, and Red Hill Avenue RTSSP projects to define roles, duties, governance, and fiscal responsibilities.

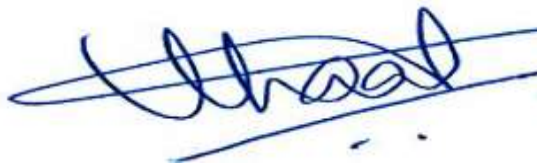
Attachment

None.

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Approved by:



Kia Mortazavi
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COMMITTEE TRANSMITTAL

August 12, 2019

To: Members of the Board of Directors
From: Laurena Weinert, Clerk of the Board
Subject: Measure M2 Community-Based Transit Circulators Program
Project V Ridership Report

Transit Committee Meeting of August 8, 2019

Present: Directors Davies, Jones, Pulido, Shaw, and Winterbottom
Absent: Directors Do and Moreno

Committee Vote

This item was passed by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendation

Receive and file as an information item.



August 8, 2019

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Measure M2 Community-Based Transit Circulators Program
Project V Ridership Report

Overview

Measure M2 establishes a competitive program through Project V to fund community-based local transit circulators, designed to complement regional transit services. A ridership report on 19 active Project V services operating through the second and third quarters of fiscal year 2018-2019 is provided for Board of Director's information.

Recommendation

Receive and file as an information item.

Background

The Community-Based Transit Circulators Program (Project V) is a competitive program under Measure M2 (M2), which provides funding to develop, implement, and operate local transit services. Services eligible under the program include community-based circulators, shuttles, trolleys, and demand-responsive services intended to complement regional transit, while also better suiting local needs in areas not adequately served by regional transit.

M2 Project V services are required to meet (or exceed) minimum performance standards. If services are not meeting, or are trending toward not meeting, minimum performance standards, Orange County Transportation Authority (OCTA) staff will meet with the local agency and recommend adjustments, with an overall goal of attempting to improve ridership (i.e. boardings per revenue vehicle hour [B/RVH]). If a service continues to perform below minimum performance standards, it will be cancelled, consistent with Board of Director (Board)-approved program guidelines. If a service is cancelled, local agencies can still participate in future funding cycles with new service concepts that are anticipated to be more productive.

Project V-funded service performance is evaluated quarterly and is reported to the OCTA Board semi-annually. This reporting period includes ridership information for the first and second quarters of fiscal year 2018-2019 (i.e. October 1, 2018 through March 31, 2019) and reports on 19 active services.

Discussion

Current Project V services include a combination of special event, commuter, fixed-route, and demand-response projects, which meet a variety of community needs. The prior ridership report reflected 18 services in operation. Since that time, the City of Huntington Beach's Seasonal Local Transit Service was discontinued due to low productivity, and two new routes were initiated in February 2019 in the City of Irvine. As such, the current ridership report reflects 19 active services.

All active services must achieve or exceed six B/RVH by the end of year one and ten B/RVH by the end of year two. After year two, ten B/RVH must be maintained (or exceeded) through the remainder of the Project V grant period.

During this reporting period, most services either met or exceeded their respective performance standards. Productivity for special event services averaged 35 B/RVH, commuter services averaged ten B/RVH, fixed-route services averaged eight B/RVH, and the demand-response service averaged nine boardings per hour of service.

Active Project V services are identified below, and complete ridership details and next steps for services that are not meeting performance standards are provided in Attachment A.

Seasonal services – with no service hours reported during this period include the following:

- Dana Point - Pacific Coast Highway and Special Event Trolley,
- Huntington Beach - Holiday and Event Shuttle,
- Laguna Beach - Summer Breeze Bus Service,
- Newport Beach - Balboa Peninsula Seasonal Trolley,
- Newport Beach - Balboa Peninsula Seasonal Trolley Expansion,
- San Clemente - Summer Weekend Trolley and Seasonal Service,
- San Clemente - Summer Weekday Trolley and Seasonal Service Expansion.

Services meeting or exceeding their respective minimum performance standards include the following:

- Dana Point - Summer Trolley and Seasonal Shuttle,
- La Habra - Special Event Service,
- Laguna Beach - Summer Weekend Trolley and Seasonal Service,
- Lake Forest - Commuter Vanpool Service Irvine Station and Ossur,
- Lake Forest - Commuter Shuttle Service Irvine Station and Panasonic,
- San Clemente – Demand-Response Service¹,
- San Juan Capistrano - Special Event and Weekend Summer Trolley.

Services not at their respective minimum performance standard requirement include the following:

- County of Orange - Local Circulator and Special Event Service, Center Service,
- Laguna Beach - Residential Trolley Year-Round and Seasonal Service, and
- Mission Viejo - Local Community Circulator.

The County of Orange started service in June 2017. The service is currently trending just below the required performance target for this reporting period. However, the service has previously met the ten B/RVH performance target. Staff will continue to monitor this service and work with the County of Orange to discuss ideas and concepts to reduce unproductive service hours. However, if these efforts do not work, this service would be subject to cancellation during the next reporting period.

The City of Laguna Beach (Laguna Beach) Residential Trolley Year-Round and Seasonal Service² did not meet the minimum performance target in the timeframe required, and M2-funded Project V support for this service is scheduled to be cancelled, effective September 30, 2019. Laguna Beach is currently considering applying for an alternative service model, which could potentially be included in a future Project V call. Moving forward, staff will work with Laguna Beach throughout the summer to bring the current service to an appropriate conclusion, as well as keeping Laguna Beach apprised of future Project V call opportunities.

¹ The City of San Clemente's minimum performance standard was modified in early 2019 in order to better reflect the dynamics of this unique program. As such, its performance standard is reported as boardings per hour of service (no minimum), so long as the cost per boarding remains under OCTA's specified \$9.00 per boarding.

² This service's performance difficulties were reported to the Board in the last two M2 Community-Based Transit Circulators Program Project V ridership reports, which were presented in July 2018 and April 2019.

The City of Mission Viejo's (Mission Viejo) service began in October 2016 and is currently reporting eight B/RVH, which is below the ten B/RVH performance threshold required for year two (and the subsequent remaining years) of the grant period. However, on May 13, 2019, the Board, in recognition of several complex issues and challenges confronting this service, authorized a policy exception to the minimum performance standard in order to give Mission Viejo an additional year to modify the service and meet performance targets. OCTA staff is working with Mission Viejo to implement these changes when school resumes on August 20, 2019. If by the end of June 2020, Mission Viejo has not achieved ten B/RVH, the service will be cancelled.

Services in Start-Up Period:

- Irvine - Irvine iShuttle Route E - Irvine Metrolink Station Service,
- Irvine - Irvine iShuttle Route F - Tustin Metrolink Station/Irvine Business Complex.

The City of Irvine's (Irvine) two new iShuttle routes were launched in February 2019 and are still in the start-up period. Irvine has through January 2020 to meet the first-year service requirement of six B/RVH. Ridership is expected to increase over time.

OCTA staff will continue to closely monitor services that are below minimum performance standards and will meet with local agency staff on ideas and concepts to improve service productivity and ridership, when appropriate. Staff will also continue to provide twice yearly updates to the Board on overall Project V status and performance.

Summary

A status report on Project V services is provided for information purposes. Staff will continue to work with local agencies and monitor these services. The next M2 Community-Based Transit Circulators Program Project V Ridership Report is scheduled for January 2020.

Attachment

- A. Project V Services – Ridership Report

Prepared by:



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Approved by:



Kia Mortazavi
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Project V Services - Ridership Report

Reporting Period: Q2 and Q3 of FY 2018-19

Agency	Service Description	Measure M2 Project V Funds	Service Type	Service Start Month/Year	Boardings Per Revenue Vehicle Hour (B/RVH) ¹	Notes
County of Orange	Local Circulator and Special Event Service	\$ 2,041,547	Local Circulator and Special Event	June 2017	9	Staff will continue to monitor service and work with the County of Orange to discuss ideas and concepts to improve productivity.
Dana Point	Summer Trolley and Seasonal Shuttle	\$ 2,456,511	Seasonal Service	June 2015	46	
Dana Point	Pacific Coast Highway and Special Event Trolley	\$ 905,968	Seasonal Service	June 2017	N/A ²	
Huntington Beach	Holiday and Event Shuttle	\$ 93,287	Special Event	July 2015	N/A	
Irvine	Irvine iShuttle Route E - Irvine Station - East	\$ 2,705,984	Commuter Service	February 2019	2	Service recently launched and productivity is expected to increase throughout year one.
Irvine	Irvine iShuttle Route F - Tustin Station - Irvine Business Complex	\$ 2,712,258	Commuter Service	February 2019	4	Service recently launched and productivity is expected to increase throughout year one.
La Habra	Special Event Service	\$ 96,810	Special Event	November 2016	29	
Laguna Beach	Summer Weekend Trolley and Seasonal Service	\$ 3,559,860	Special Event	March 2015	19	
Laguna Beach	Residential Trolley Service Year-Round and Seasonal Service	\$ 1,967,400	Year-Round and Seasonal Service	July 2017	4	60-day discontinuation of service notice has been issued. Staff will work with Laguna Beach on the cancellation of service during this transition period.
Laguna Beach	Summer Breeze Bus Service	\$ 634,357	Seasonal Service	July 2018	N/A	-
Lake Forest	Commuter Vanpool Service Irvine Station and Ossur	\$ 148,855	Commuter Service	July 2015	23	
Lake Forest	Commuter Shuttle Service Irvine Station and Panasonic	\$ 1,226,862	Commuter Service	June 2017	11	
Mission Viejo	Local Community Circulator	\$ 3,332,879	Local Circulator	October 2016	8	The Board of Directors authorized an one year extension to June 2020 to allow Mission Viejo time to achieve the Project V minimum performance standard of ten B/RVH, subject to Mission Viejo taking over administration of the service.
Newport Beach	Balboa Peninsula Seasonal Trolley	\$ 685,454	Seasonal Service	June 2017	N/A	
Newport Beach	Balboa Peninsula Seasonal Trolley Expansion	\$ 278,400	Seasonal Service	July 2018	N/A	-
San Clemente	Summer Weekend Trolley and Seasonal Service	\$ 1,181,393	Seasonal and Special Event	May 2017	N/A	
San Clemente	Summer Weekday Trolley and Seasonal Service Expansion	\$ 1,537,200	Seasonal and Special Event	July 2018	N/A	-
San Juan Capistrano	Special Event and Weekend Summer Trolley Service	\$ 958,642	Seasonal and Special Event	July 2018	48	-
Agency	Service Description	Measure M2 Project V Funds	Service Type	Service Start Month/Year	Boardings Per Hour of Service (B/HOS) ¹	Next Steps
San Clemente	On-Demand	\$ 914,400	On-Demand Service	October 2016	9	-

1. Rounded to the next whole number.

2. N/A - No service hours during reporting period (seasonal services).

ACRONYMS

Q2 - Quarter 3 (October-December)

Q3 - Quarter 3 (January - March)

FY - Fiscal year

Minimum Performance Standards for B/RVH

- Six passenger B/RVH by end of year one (12 months from the first day of operating the service).
- Maintain six B/RVH and meet or exceed ten B/RVH by end of year two.
- Ten B/RVH must then be maintained every year thereafter.

Minimum Performance Standards for B/HOS

- Staff will continue to monitor and measure service performance and assess appropriate next steps for this program which will include evaluation of all project related efforts and existing policies in order to determine how best to support and administer this emerging transit delivery model.

NOTE: Services below the minimum performance standard are shaded



COMMITTEE TRANSMITTAL

August 12, 2019

To: Members of the Board of Directors
From: Laurena Weinert, Clerk of the Board
Subject: Local Agencies' Interest in Project V Call for Projects

Transit Committee Meeting of August 8, 2019

Present: Directors Davies, Jones, Pulido, Shaw, and Winterbottom
Absent: Directors Do and Moreno

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Direct staff to return by fall 2019 with revised Comprehensive Transportation Funding Programs Guidelines to support a fourth Project V call for projects.



August 8, 2019

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Local Agencies' Interest in Project V Call for Projects

Overview

Measure M2 establishes a competitive program through Project V to fund community-based transit services that complement regional transit services. Earlier this year, the Orange County Transportation Authority Transit Committee directed staff to determine local agencies' level of interest in applying for a fourth Project V call for projects. This report provides findings and recommendations emerging from these efforts.

Recommendation

Direct staff to return by fall 2019 with revised Comprehensive Transportation Funding Programs Guidelines to support a fourth Project V call for projects.

Background

Project V is a competitive program under Measure M2 (M2), which provides funding to develop and implement local transit services. Services currently eligible for this program include community-based transportation services that complement regional bus and rail services and also better suit local needs in areas not adequately served by regional transit. This competitive program provides funding for both capital and operations. Since its inception, the Orange County Transportation Authority (OCTA) Board of Directors (Board) has approved 28 projects and programmed \$41.7 million in Project V funds to support these services, which have primarily consisted of year-round or seasonal/special event trolleys and shuttles, and a demand-responsive service.

Consistent with current Project V Guidelines and program requirements, all Project V-funded services must achieve and maintain a minimum performance standard. Also, the M2 Project V subsidy must not exceed \$9.00 per boarding.

Reports on ridership and performance of all active Project V services are provided twice yearly to the OCTA Board, and general observations from these reports have included the following points:

- Seasonal and special event services appear to be the most successful component of the program, especially in situations where there is limited parking supply to service a major destination and/or event. On average, these services have substantially higher ridership than the other eligible service types;
- Fixed-route services have tended to struggle in achieving the program's minimum performance standards and have been more frequently subject to route/schedule modifications and cancellations.

Based upon these observations, as well as input that Transit Committee (Committee) members received from some local agencies expressing interest in a fourth Project V call for projects (call), the Committee, earlier this year, directed staff to poll all Orange County local agencies to determine the overall county-wide level of interest in a fourth call. This outreach process is now complete, and a summary of findings is provided below for the Board's review and consideration.

Discussion

In total, OCTA received letters from ten eligible local agencies expressing their respective interest in applying for a fourth call (Attachment A). These local agencies include Anaheim, Dana Point, Fullerton, Huntington Beach, La Habra, Laguna Beach, Laguna Niguel, Newport Beach, Orange, and San Clemente. It should be noted that Anaheim, Laguna Beach, and Newport Beach all expressed interest in applying for two different service types (i.e., two different Project V grants per agency, for 13 different expressions of project interest).

The majority of local agencies expressed interest in either providing new and/or expanding existing successful seasonal and special event services. Two agencies are considering/proposing new fixed-route services, one city is proposing to extend its existing fixed-route service, and one city is requesting planning/feasibility study funds to establish a fixed-route concept plan. In addition, three local agencies are proposing demand-responsive micro-transit service types.

Based upon this input, staff conducted a financial analysis of M2 Project V funds to determine if there is available financial capacity to support a fourth Project V call at this time. That analysis, which evaluated outstanding Project V liabilities, cancellations, and project savings, suggests that up to \$9 million, which could support projects over seven years, could potentially be available to support a fourth Project V call.

Therefore, considering the strong level of interest expressed by local agencies and the availability of M2 Project V funds, staff believes that a fourth Project V call can be accommodated, and is, therefore, seeking direction from the Board to initiate development efforts to support a fourth call. These efforts will include refining assessments of potentially available Project V funds and also developing Comprehensive Transportation Funding Programs Guidelines (Guidelines) changes for Project V, as appropriate.

Staff anticipates that if this recommendation is approved, the changes to the Guidelines will be developed over the next several months in collaboration with interested local agencies and will primarily focus upon tailoring program requirements to ensure successful delivery of new Project V services, based upon lessons learned from previous calls. The changes will likely be focused upon the following key concepts:

- Clarifying that OCTA does not have the resources during this call to be a service provider to local agencies;
- Focusing on encouragement of agency-led seasonal and special event services;
- Discussing suitability, viability, and performance parameters for demand-responsive services based on OCTA's experience to date with OC Flex;
- Allowing for planning/feasibility study allocations to keep the program fresh and evolving;
- Assessing long-term ability to accept and expand the program given funding limitations and desire to continue successful projects.

Once this review and update process is complete, staff will return to the Board with recommendations for revised Guidelines and also seek authorization to initiate a fourth call.

Summary

The Committee directed staff to reach out to all Orange County local agencies in order to determine county-wide level of interest in a fourth call. This outreach process is now complete and ten eligible local agencies (with 13 Project V concept requests) have been received. Staff has concluded that there is sufficient demand to justify a fourth Project V call. If the Board approves the recommendation specified above, staff will initiate development efforts to support a fourth call.

Attachment

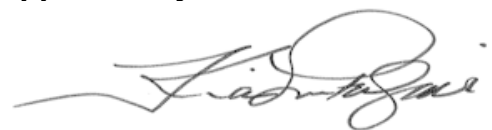
- A. Project V Letters of Interest Overview

Prepared by:



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Approved by:



Kia Mortazavi
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Project V Letters of Interest Overview

Local Agency	Project Title	Type
Anaheim	Extend existing commuter service from: <ul style="list-style-type: none"> Anaheim Canyon Metrolink Station to Center City (CtrCity) and Anaheim Resort. 	Year-Round
Anaheim	Provide new on-demand services: <ul style="list-style-type: none"> Extend existing Free Rides Around the Neighborhood (FRAN) Program in CtrCity; and Provide FRAN-like service to West Anaheim residents during special events within the Disneyland Resort area. 	To Be Determined (TBD)
Dana Point	Extend and modify existing Dana Point Trolley Program to provide two separate north and south routes.	Seasonal
Fullerton	Provide fixed-route shuttle service to: <ul style="list-style-type: none"> St. Jude Hospital and medical centers; California State University, Fullerton and Fullerton College; North Orange County Courthouse; OC Records Office; Fullerton Transportation Center; and Fullerton Community & Senior Center, Public Library, and Farmers Market. 	TBD
Huntington Beach	Extend existing special event services for: <ul style="list-style-type: none"> The U.S. Open of Surfing; and The Great Pacific Air Show. 	Seasonal
La Habra	Add event(s) to existing special event services to include: <ul style="list-style-type: none"> La Habra High School fall football season. 	Seasonal
Laguna Beach	Extend existing coastal weekend service.	Year-Round

Project V Letters of Interest Overview

Local Agency	Project Title	Type
Laguna Beach	Provide new on-demand service <ul style="list-style-type: none"> To serve multiple riders in the City's residential areas with accessible vehicles. 	TBD
Laguna Niguel	Provide fixed-route shuttle service expansion from: <ul style="list-style-type: none"> Anticipated Beach route to the Laguna Niguel/ Mission Viejo Metrolink Station. 	Seasonal
Newport Beach	Provide additional fixed-route shuttle service from: <ul style="list-style-type: none"> Leased or municipal satellite parking lot(s) to a designated drop off location just off the island. 	Seasonal
Newport Beach	Provide new on-demand services: <ul style="list-style-type: none"> To serve multiple riders in the City's shopping/visitor areas; such as Fashion Island, Corona del Mar, and Balboa Island. 	TBD
Orange	Feasibility study to establish fixed-route conceptual plan to service the City's major destinations including: <ul style="list-style-type: none"> St. Joseph/Children's Hospital Orange County/ University California, Irvine Hospitals; Orange County Transportation Authority; Old Towne Orange; Chapman University; and The Orange Transportation Center. 	TBD
San Clemente	Extend existing fixed-route shuttle service: <ul style="list-style-type: none"> To provide a new southern route. 	Seasonal

Local Agencies' Interest in Project V Call for Projects



M2 Community Circulator Program

- Offer competitive grants for local transit options
- Cover areas not adequately served by regional transit
- Provide connections to regional bus and rail services
- Fund capital and operations costs
- Meet productivity standards for continued funding
- Local matching funds

Project

Community Based Transit/Circulators

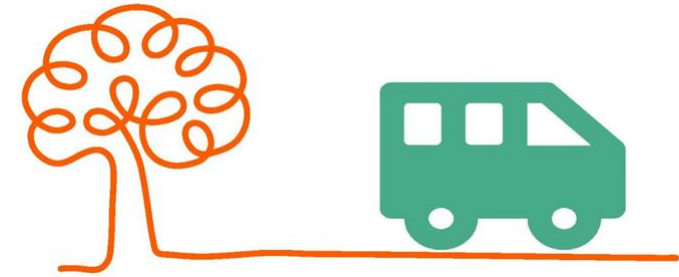
Description:

This project will establish a competitive program for local jurisdictions to develop local bus transit services such as community based circulators, shuttles and bus trolleys that complement regional bus and rail services, and meet needs in areas not adequately served by regional transit. Projects will need to meet performance criteria for ridership, connection to bus and rail services, and financial viability to be considered for funding. All projects must be competitively bid, and they cannot duplicate or compete with existing transit services.

Project V description from
M2 voter pamphlet

Program Status

- \$30 million committed towards active projects
- Year-round and seasonal/special event services
 - Most successful projects = seasonal/special event services
- Most recent program awards completed in 2018
- Current funding commitments expiring between 2020 and 2024



Interest in Future Call for Projects

- 10 letters of interest, 13 potential projects
 - Anaheim, Dana Point, Fullerton, Huntington Beach, La Habra, Laguna Beach, Laguna Niguel, Newport Beach, Orange, and San Clemente
 - Letter of Interest not a prerequisite for future grant applications
- Majority interested in new or expansion of seasonal or special event services
- Other areas of interest
 - Demand-responsive/micro-transit service
 - Fixed-route service
 - Extension of existing fixed-route service
 - Feasibility study for future services



Next Steps

- Meet with local agencies
 - Share lessons learned
 - Recap financial commitment requirements
 - Assess project readiness and resource requirements
- Return by November 2019 with revised guidelines that address
 - Successful and expiring services
 - Readiness of demand response/micro-transit (e.g., OC Flex)
 - Planning study eligibility
 - OCTA resource availability

