



# **AGENDA**

## ***Finance and Administration Committee Meeting***

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### **Committee Members**

Michael Hennessey, Chairman  
Richard Murphy, Vice Chairman  
Andrew Do  
Gene Hernandez  
Steve Jones  
Joe Muller  
Michelle Steel

Orange County Transportation Authority  
Headquarters  
550 South Main Street  
Board Room – Conf. Room 07  
Orange, California

**Wednesday, February 26, 2020 at 10:30 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 are intended to give members of the public a general summary of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Committee may take any action which it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action.

All documents relative to the items referenced in this agenda are available for public inspection at [www.octa.net](http://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**

### **Pledge of Allegiance**

Director Muller

#### **1. Public Comments**

### **Special Calendar**

#### **2. Committee Meeting 2020 Schedule** Committee Chairman Michael Hennessey

##### **Overview**

Committee Chairman Hennessey will lead a discussion regarding the 2020 meeting schedule for the Finance and Administration Committee. The proposed 2020 dates and time for this Committee is provided in Attachment A.



**2. (Continued)**

**Recommendation**

Approve the 2020 Finance and Administration Committee meeting dates and time schedule.

**3. Roles and Responsibilities of the Finance and Administration Committee**

Darrell E. Johnson

**Overview**

Roles and responsibilities for the Executive Committee are reviewed periodically for any appropriate changes or additions. These roles and responsibilities are presented for discussion in Attachment A.

**Recommendation**

Approve the 2020 Finance and Administration Committee Roles and Responsibilities.

**4. Audit Responsibilities of the Finance and Administration Committee**

Janet Sutter

**Overview**

The Finance and Administration Committee of the Board of Directors of the Orange County Transportation Authority serves as an audit committee in its oversight of audit activities. Annually, the Board of Directors approves the Audit Responsibilities of the Finance and Administration Committee to reaffirm the responsibilities of the Finance and Administration Committee with regard to audits.

**Recommendation**

Approve the Audit Responsibilities of the Finance and Administration Committee as an information item.



## **Consent Calendar (Items 5 through 10)**

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

### **5. Approval of Minutes**

Approval of the minutes of the Finance and Administration Committee meeting of January 22, 2020.

### **6. Interagency Fare Revenue Agreements, Internal Audit Report No. 20-505 Gabriel Tang/Janet Sutter**

#### **Overview**

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of interagency fare revenue agreements with the Southern California Regional Rail Authority and the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency. Based on the audit, controls in place to ensure collection of revenues in accordance with these agreements are adequate and functioning.

#### **Recommendation**

Receive and file Interagency Fare Revenue Agreements, Internal Audit Report No. 20-505, as an information item.

### **7. Orange County Transportation Authority Investment and Debt Programs Report - January 2020 Robert Davis/Andrew Oftelie**

#### **Overview**

The Orange County Transportation Authority has a comprehensive investment and debt program to fund its immediate and long-term cash flow demands. Each month, the Treasurer submits a report detailing investment allocation, performance, compliance, outstanding debt balances, and credit ratings for the Orange County Transportation Authority's debt program. This report is for the month ending January 31, 2020. The report has been reviewed and is consistent with the investment practices contained in the Investment Policy.

#### **Recommendation**

Receive and file as an information item.



- 8. Environmental Mitigation Program Endowment Fund Investment Report for December 31, 2019**  
Robert Davis/Andrew Oftelie

### **Overview**

The Orange County Transportation Authority has developed a Natural Community Conservation Plan/Habitat Conservation Plan, acquired conservation properties, and funded habitat restoration projects to mitigate the impacts of Measure M2 freeway projects. California Community Foundation manages the non-wasting endowment required to pay for the long-term management of the conservation properties. Each quarter, the California Community Foundation publishes a comprehensive report detailing the composition of the pool and its performance. Attached are the quarterly investment reports for the Endowment Pool for the period ending December 31, 2019. The reports have been reviewed and are consistent with the pool objectives.

### **Recommendation**

Receive and file as an information item.

- 9. Fiscal Year 2019-20 Second Quarter Grant Reimbursement Status Report**  
Sam Kaur/Andrew Oftelie

### **Overview**

The Quarterly Grant Reimbursement Status Report summarizes grant activities for the Orange County Transportation Authority Board of Directors. This report focuses on activity for the period of October through December 2020.

### **Recommendation**

Receive and file as an information item.



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**10. 91 Express Lanes Update for the Period Ending - December 31, 2019**  
Kirk Avila/Kenneth Phipps

**Overview**

The Orange County Transportation Authority has owned and managed the operations of the 91 Express Lanes since January 2003. Since that time, traffic volumes and toll revenues have fluctuated with the changes in the economy and the additional capacity added to the State Route 91 corridor. Over the last quarter, there have been approximately 4.4 million trips taken on the 91 Express Lanes in Orange County. This report focuses on the operational and financial activities for the period ending December 31, 2019.

**Recommendation**

Receive and file as an information item.

**Regular Calendar**

There are no Regular Calendar items scheduled.

**Discussion Items**

**11. Fiscal Year 2020-21 Budget Kick-Off and Assumptions**  
Victor Velasquez/Andrew Oftelie

Staff is in the process of developing the fiscal year 2020-21 annual budget. Staff will be presenting revenue and expenditure assumptions for the committee's consideration.

**12. Chief Executive Officer's Report**

**13. Committee Members' Reports**

**14. Closed Session**

There are no Closed Session items scheduled.

**15. Adjournment**

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, March 11, 2020**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.



# ORANGE COUNTY TRANSPORTATION AUTHORITY

## 2020 Finance & Administration Meetings

**DRAFT**  
2.26.20

JANUARY						
SUN	MON	TUE	WED	THU	FRI	SAT
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FEBRUARY						
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MARCH						
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APRIL						
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JUNE						
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JULY						
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AUGUST						
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SEPTEMBER						
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OCTOBER						
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NOVEMBER						
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DECEMBER						
SUN	MON	TUE	WED	THU	FRI	SAT
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OCTA, OCTD, OCLTA, and OCSAFE regular Board meeting  
9:00 a.m., OCTA Headquarters  
550 South Main Street, Board Room - Conf. Room 07-08, Orange CA

F & A  
10:30 a.m.

OCTA Holidays

## 2020 OCTA Proposed Committee Meeting Calendar Finance and Administration Committee

Month	2020 Proposed Changes - Comparison with 2019 Calendar
January	No change
February	No change
March	Delete the second Finance and Administration Committee meeting of Wednesday, March 25 <sup>th</sup> .
April	No change
May	Add a first Finance and Administration Committee meeting of Wednesday, May 13 <sup>th</sup> .
June	Delete the second Finance and Administration Committee meeting of Wednesday, June 24 <sup>th</sup> .
July	No change
August	Delete the second Finance and Administration Committee meeting of Wednesday, August 26 <sup>th</sup> .
September	No change
October	Add a first Finance and Administration Committee meeting of Wednesday, October 14 <sup>th</sup> .
November	No change
December	No change

**Proposed  
Roles and Responsibilities  
of the Board Committees for 2020  
(02.26.20)**

**Finance and Administration Committee**

- Reviews and provides recommendations to the Board of Directors on matters related to the development of the annual OCTA budget and long-term financial planning;
- Reviews and provides recommendations to the Board of Directors on matters of treasury investments and operations, debt financing, financial operations, and financial reporting;
- Reviews and provides recommendations to the Board of Directors pertaining to the general administration of OCTA;
- Reviews and provides recommendations to the Board of Directors regarding human resources and risk management matters;
- Reviews and provides recommendations to the Board of Directors regarding administrative policies and procedures;
- Reviews and provides recommendations to the Board of Directors on operational matters pertaining to the 91 Express Lanes and the I-405 Express Lanes;
- Fulfills the functions of an audit committee as prescribed in the “Audit Responsibilities of the Finance and Administration Committee”;
- Reviews and provides recommendations to the Board of Directors on other issues and projects, as deemed appropriate by the Chairman of the Board of Directors;
- Reviews and provides recommendations to the Board of Directors relative to the selection, implementation, and maintenance ~~and security~~ of information systems;
- Reviews and provides recommendations to the Board of Directors regarding procurement policies; and
- Reviews and provides recommendations to the Board of Directors on all matters related to the fare policy, toll policy and other fees charged by OCTA.





**February 26, 2020**

**To:** Finance and Administration Committee

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

**Subject:** Audit Responsibilities of the Finance and Administration Committee

### **Overview**

The Finance and Administration Committee of the Board of Directors of the Orange County Transportation Authority serves as an audit committee in its oversight of audit activities. Annually, the Board of Directors approves the Audit Responsibilities of the Finance and Administration Committee to reaffirm the responsibilities of the Finance and Administration Committee with regard to audits.

### **Recommendation**

Approve the Audit Responsibilities of the Finance and Administration Committee 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. Internal Audit also coordinates and monitors the activities of external auditors, including the independent financial statement auditors. The Finance and Administration Committee (Committee) serves as OCTA's audit committee, having primary responsibility for the oversight of all audit activities.

### **Discussion**

The Committee receives and reviews the annual Internal Audit Plan (Plan), all audit reports and management responses, and quarterly updates to the Plan.

The Committee reviews the independently audited financial statements of OCTA and its related entities, as well as the external auditor's required communications, including the management letter.

The Board of Directors originally adopted the Audit Responsibilities of the Finance and Administration Committee to establish responsibilities of the Committee with regard to audit. The responsibilities include an annual affirmation of the roles and responsibilities of the Committee in fulfilling this role.

***Summary***

Audit responsibilities of the Committee include Committee review of OCTA's audited financial statements, oversight of its Internal Audit function, and communication with its external auditors. These responsibilities are presented for Committee approval.

***Attachment***

- A. Orange County Transportation Authority, Audit Responsibilities of the Finance and Administration Committee

**Prepared by:**



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

**Orange County Transportation Authority  
Audit Responsibilities of the Finance and Administration Committee**

The Finance and Administration Committee (Committee) of the Board of Directors (Board) of the Orange County Transportation Authority (OCTA) will assist the Board in fulfilling its audit oversight responsibilities with regard to (1) the integrity of OCTA's financial statements, (2) OCTA's compliance with legal and regulatory requirements, (3) the independent auditor's qualifications and independence, and (4) the performance of OCTA's internal audit function. In providing this assistance to the Board, the Committee will assume audit responsibilities as provided herein and recommend action on all audit matters to the full Board.

All Committee members will participate in fulfilling these responsibilities. At least one of the Committee members will have financial experience sufficient to provide guidance and assistance to other Committee members on matters related to accounting, auditing, budgeting, and finance.

Audit responsibilities of the Committee will include, but not be limited to, the following:

**Financial Statements**

- Review with management and the external auditors:
  - The annual financial audit reports and related footnotes, schedules, unadjusted differences, and management letter, including OCTA accounting principles and significant estimates or judgments impacting the financial statements.
  - Any serious difficulties or disputes with management encountered during the audit.
  - Matters required to be discussed by Statements on Auditing Standards issued by the Auditing Standards Board of the American Institute of Certified Public Accountants or other state or federal agencies.
- Inquire of the Chief Executive Officer and the Executive Director of Finance and Administration regarding the fiscal health of OCTA as well as the financial status of OCTA in relation to its adopted budget.

**External Audit**

- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with the Internal Audit Department (Internal Audit).
- Inquire of the external auditors, internal auditors, and management about significant risks or exposures facing OCTA and assess the steps management has taken or proposes to take to minimize such risks.
- Review the performance of the external auditors, including any issues arising during their most recent quality control or peer review, their independence as it relates to OCTA, and recommend to the Board the appointment or discharge of the external auditors.
- Make recommendations to the Board on procurement of the external auditors and ensure compliance with Government Code Section 12410.6 with regard to assignment of partners.

**Orange County Transportation Authority**  
**Audit Responsibilities of the Finance and Administration Committee**

**Internal Audit**

- Review with management and the Executive Director of Internal Audit the annual audit plan and quarterly reports of audit activity.
- Review the activities, staffing, budget, independence, and organizational structure of the internal audit function, including the effectiveness of the function and its compliance with the Government Accountability Office's *Government Auditing Standards* (Yellow Book).
- Review all internal audit reports, including management responses thereto.
- Ensure there are no unjustified restrictions or limitations placed upon Internal Audit.
- Review and concur in the appointment, replacement, or dismissal of the Executive Director of Internal Audit.

**Internal Control**

- Understand the scope of internal and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.
- Consider the effectiveness of OCTA's internal control system, including information technology security and control.

**Other**

- Review the Audit Responsibilities of the Finance and Administration Committee annually to reassess their adequacy and recommend any proposed changes.
- Review the Committee's effectiveness in carrying out its responsibilities.
- Other matters deemed appropriate by the Committee Chairman or as directed by the Chairman of the Board.



**Committee Members Present**

Michael Hennessey, Chairman  
Richard Murphy, Vice Chairman  
Andrew Do  
Gene Hernandez  
Steve Jones  
Michelle Steel

**Staff Present**

Darrell E. Johnson, Chief Executive Officer  
Ken Phipps, Deputy Chief Executive Officer  
Laurena Weinert, Clerk of the Board  
Gina Ramirez, Deputy Clerk of the Board  
Cassie Trapesonian, Assistant General Counsel  
OCTA Staff and Members of the General Public

**Committee Members Absent**

Donald P. Wagner

**Call to Order**

The January 22, 2020, regular meeting of the Finance and Administration Committee was called to order by Committee Chairman Hennessey at 10:32 a.m.

**Pledge of Allegiance**

Director Jones led in the Pledge of Allegiance.

**1. Public Comments**

No public comments were received.

**Special Calendar**

There were no Special Calendar matters.

**Consent Calendar (Items 2 through 7)**

**2. Approval of Minutes**

A motion was made by Committee Vice Chairman R. Murphy, seconded by Director Do, and declared passed by those present, to approve the minutes of the Finance and Administration Committee meeting of January 8, 2020.



**3. Fiscal Year 2019-20 Internal Audit Plan, Second Quarter Update**

This item was pulled by Committee Chairman Hennessey to inquire about the productivity measures and what is the industry standard.

Janet Sutter, Executive Director of Internal Audit, stated the productivity measures are an industry measurement. The standard formula used will take all the available hours minus training and vacation time while staff keeps track of how much time is spent on actual audits versus administrative activities.

Director Do acknowledged staff on how well the productivity targets have been in line and met with high-quality work.

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

**4. Same-Day Taxi Service, Internal Audit Report No. 20-503**

A motion was made by Committee Vice Chairman R. Murphy, seconded by Director Do, and declared passed by those present, to direct staff to implement the recommendation provided in Same-Day Taxi Service, Internal Audit Report No. 20-503.

**5. Second Quarter Fiscal Year 2019-20 Procurement Status Report**

A motion was made by Committee Vice Chairman R. Murphy, seconded by Director Do, and declared passed by those present, to receive and file as an information item.

**6. Orange County Transportation Authority Investment and Debt Programs Report - December 2019**

This item was pulled by Committee Chairman Hennessey to inquire about the term GSE means.

Sean Murdock, Director of Finance and Administration, responded government-sponsored enterprises (GSE's) are companies that are sponsored or supported by the government such as Fannie Mae and Freddie Mac.

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



**7. 91 Express Lanes Property Insurance Renewal**

A motion was made by Committee Vice Chairman R. Murphy, seconded by Director Do, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Purchase Order No. A44160, in the amount of \$500,000, to Marsh USA, Inc., to purchase the 91 Express Lanes' property, flood, and earthquake insurance on behalf of the Orange County Transportation Authority, for the policy period of March 1, 2020 to March 1, 2021.

**Regular Calendar**

**8. Fiscal Year 2018-19 Annual Financial and Agreed-Upon Procedures Reports**

Andrew Oftelie, Chief Financial Officer, provided an overview and introduced Kathy Lai of Crowe, LLP.

Ms. Lai reported on the following:

- All deliverables provided an unmodified clean audit opinion.
- No deficiencies were identified in the internal controls that would be considered material weaknesses.
- It was a very successful audit year for the Orange County Transportation Authority (OCTA) and congratulations to management for all their hard work.

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

**Discussion Items**

**9. Chief Executive Officer's Report**

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

Equestrian Ride:

- On Saturday, January 25<sup>th</sup> at 10:00 a.m., OCTA will host the first equestrian ride of the year at the Trabuco Rose Preserve in Trabuco Canyon to allow the horse-riding community to explore that open space.



**9. (Continued)**

Hydrogen Event:

- On Friday, January 31<sup>st</sup> at 10:30 a.m., OCTA will host an event at the Santa Ana Base to celebrate the zero-emission bus fleet and the completion of OCTA's hydrogen fueling station.
- The station will fuel the ten hydrogen fuel cell buses that OCTA has recently added.
- These are battery-electric, zero-emission buses, and the event will commemorate OCTA's continuing efforts to expand an environmentally sustainable transportation system.

Lunar New Year Event:

- On Saturday, February 1<sup>st</sup>, OCTA will host the annual Lunar New Year event at the Irvine Metrolink Station.
- The event is to encourage people to take the train to Los Angeles for the 121<sup>st</sup> Golden Dragon Parade.
- Festivities start at 8:00 a.m., and the train departs for Union Station at 9:28 a.m.

2020 Committee Roles and Responsibilities:

- At the next Finance and Administration Committee, the Committee Roles and Responsibilities will be presented for consideration.

**10. Committee Members' Reports**

There were no Committee Members' reports.

**11. Closed Session**

There were no Closed Session items scheduled.





**12. Adjournment**

The meeting adjourned at 10:41 a.m.

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, February 12, 2020**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.

ATTEST

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Gina Ramirez  
Deputy Clerk of the Board

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Michael Hennessey  
Committee Chairman



**February 26, 2020**

**To:** Finance and Administration Committee

**From:** Darrell E. Johnson, Chief Executive Officer

Janet Sutter, Executive Director  
Internal Audit Department

**Subject:** Interagency Fare Revenue Agreements, Internal Audit Report No. 20-505

### **Overview**

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of interagency fare revenue agreements with the Southern California Regional Rail Authority and the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency. Based on the audit, controls in place to ensure collection of revenues in accordance with these agreements are adequate and functioning.

### **Recommendation**

Receive and file Interagency Fare Revenue Agreements, Internal Audit Report No. 20-505, as an information item.

### **Background**

In an effort to improve integration and the free flow of transit riders, the Orange County Transportation Authority (OCTA) maintains cooperative agreements with other area transit agencies. These agreements allow riders to transfer from one system to another without purchasing an additional ticket. For bus-to-bus transfers, the agreements provide for the bus system that collected the fare to retain the fare, eliminating the need for billing between the agencies. For transfers of Metrolink or Amtrak riders to the OCTA bus system, OCTA maintains interagency fare revenue agreements with the Southern California Regional Rail Authority (SCRRA) and the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency (LOSSAN). These interagency fare revenue agreements call for billing and collection of revenues from SCRRA and LOSSAN at established rates. During fiscal year 2018-19, OCTA collected \$448,095 from SCRRA for 332,154 transfers, and \$18,386 from LOSSAN for 13,494 transfers.

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***Discussion***

When a Metrolink or Amtrak passenger boards a connecting OC Bus or iShuttle, the driver visually validates the rail pass and pushes a corresponding button in the GFI Farebox (identifying the passenger as a Metrolink or Amtrak rider, as applicable). The GFI Farebox data is uploaded nightly to a data warehouse, where it can be retrieved for purposes of preparing the invoice. For riders using OC Flex, the driver will visually validate the rail pass and will log the trip on a manually-prepared trip sheet. These trips are later summarized on a spreadsheet and forwarded to the Finance and Administration Division for invoicing.

Based on the audit, controls in place to ensure collection of revenues in accordance with interagency fare agreements are adequate and functioning.

***Summary***

The Internal Audit Department has completed an audit of interagency fare revenue agreements.

***Attachment***

A. Interagency Fare Revenue Agreements, Internal Audit Report No. 20-505

**Prepared by:**



Gabriel Tang  
Principal Internal Auditor, Internal Audit  
714-560-5746

**Approved by:**



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

# ORANGE COUNTY TRANSPORTATION AUTHORITY INTERNAL AUDIT DEPARTMENT



## Interagency Fare Revenue Agreements

### Internal Audit Report No. 20-505

February 5, 2020



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

**Distributed to:** Andrew Oftelie, Chief Financial Officer, Finance & Administration  
Sean Murdock, Sam Kaur, Victor Velasquez

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Interagency Fare Revenue Agreements  
February 5, 2020**

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**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Interagency Fare Revenue Agreements  
February 5, 2020**

## **Conclusion**

The Internal Audit Department (Internal Audit) of the Orange County Transportation Authority (OCTA) has completed an audit of interagency fare revenue agreements between OCTA and the Southern California Regional Rail Authority (SCRRA) and the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency (LOSSAN). Based on the audit, controls in place to ensure collection of revenues in accordance with these agreements are adequate and functioning.

## **Background**

In an effort to improve integration, and the free flow of transit riders, OCTA maintains cooperative agreements with other area transit agencies. These agreements allow riders to transfer from one system to another without purchasing an additional ticket. For bus-to-bus transfers, the agreements provide for the bus system that collected the fare to retain the fare, eliminating the need for billing between the agencies. However, OCTA maintains interagency fare revenue agreements with SCRRA and LOSSAN, which govern transfers between Metrolink or Amtrak riders to the OCTA bus system. These interagency fare revenue agreements call for the billing and subsequent collection of revenues for these rides. OCTA bus services include OC Bus, OC Flex and iShuttle, which is operated by OCTA. The cost of each trip is based on established rates that are billed by OCTA to the rail agency on a quarterly basis.

When a Metrolink or Amtrak passenger boards a connecting OC Bus or iShuttle, the driver visually validates the rail pass and pushes a corresponding button in the GFI Farebox (identifying the passenger as a Metrolink or Amtrak rider, as applicable). The GFI Farebox data is uploaded nightly to a data warehouse, where it can be retrieved for purposes of preparing an invoice. For riders using OC Flex, the driver will visually validate the rail pass and will log the trip on a manually-prepared trip sheet. These trips are later summarized on a spreadsheet and forwarded to a financial analyst in OCTA's Finance and Administration Division for invoicing.

Each quarter, the financial analyst will retrieve ridership data from the data warehouse and from the OC Flex spreadsheet, and will prepare invoice requests. The revenue administrator, within the Revenue Administration Department, will review the invoice request and supporting documentation and forward it to an accounting specialist for processing. The invoice is prepared and the receivable posted to the general ledger. Receivables are monitored by the accounting specialist and follow-up performed for any amounts outstanding beyond 90 days.

**ORANGE COUNTY TRANSPORTATION AUTHORITY**  
**INTERNAL AUDIT DEPARTMENT**  
**Interagency Fare Revenue Agreements**  
**February 5, 2020**

## **Objectives, Scope, and Methodology**

The objectives were to assess and test controls in place to ensure proper billing and collection of revenues in accordance with interagency fare agreements between OCTA and SCRRA/LOSSAN.

According to generally accepted government auditing standards, internal control is the system of processes that an entity's oversight body, management, and other personnel implement to provide reasonable assurance that the organization will achieve its operational, reporting, and compliance objectives. The five components are control environment, risk assessment, control activities, information and communication, and monitoring.<sup>1</sup> The components and principles that were evaluated as part of this audit are:

- Control Environment
  - Management establishes, with Board of Director oversight, structures, reporting lines, and appropriate authorities and responsibilities in the pursuit of objectives.
- Control Activities
  - OCTA selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.
- Information and Communication
  - OCTA obtains or generates and uses relevant, quality information to support the functioning of internal control.

The methodology consisted of testing to determine whether interagency fare revenues are properly identified, billed, and posted to general ledger receivable, and testing to ensure cash receipts are properly recorded and aging receivables are monitored, and follow-up performed, as necessary.

The scope was limited to Interagency Fare Revenue Agreement Nos. C-1-2502 and C-6-1239, with SCRRA and LOSSAN, respectively, and all amendments to the agreements. The scope included all quarterly invoices prepared during the period July 2017 through June 2019, and all payments from SCRRA and LOSSAN during the period July 2017 through June 2019.

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

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



**February 26, 2020**

**To:** Finance and Administration Committee  
**From:** Darrell E. Johnson, Chief Executive Officer  
**Subject:** Orange County Transportation Authority Investment and Debt Programs Report - January 2020

### **Overview**

The Orange County Transportation Authority has a comprehensive investment and debt program to fund its immediate and long-term cash flow demands. Each month, the Treasurer submits a report detailing investment allocation, performance, compliance, outstanding debt balances, and credit ratings for the Orange County Transportation Authority's debt program. This report is for the month ending January 31, 2020. The report has been reviewed and is consistent with the investment practices contained in the Investment Policy.

### **Recommendation**

Receive and file as an information item.

### **Discussion**

As of January 31, 2020, the Orange County Transportation Authority's (OCTA) outstanding investments totaled \$2.1 billion. The portfolio is divided into three managed portfolios: the liquid portfolio for immediate cash needs, the short-term portfolio for future budgeted expenditures, and the bond proceeds portfolio to meet Measure M2 (M2) transportation program needs. In addition to these portfolios, OCTA has funds invested in debt service reserves for the 91 Express Lanes Program.

The weighted average book yield for the OCTA portfolio is 2.1 percent. The book yield measures the exact income, or interest, on a bond without regard to market price change. The yield is the income return on an investment, such as the interest received from holding a particular security. The yield is usually expressed as an annual percentage rate based on the investment's cost and market value.



The OCTA's month-end balance in the Local Agency Investment Fund was \$10,805,564.73, with an average monthly effective yield of 2.0 percent. The OCTA's month-end balance in the Orange County Investment Pool (OCIP) was \$14,934,786.38. For the month of December, the monthly gross yield for the OCIP was 1.9 percent. Yields for the month of January will be received in February.

During the month of January, Moody's Analytics and Standard & Poor's announced the placement of Boeing's A3 senior unsecured rating on review for possible downgrade, and Fitch Ratings downgraded Boeing to A- from A. The rating actions resulted from the extension of the grounding of the 737 MAX into 2020 and the announced plans to shut down the program for an unspecified timeframe. OCTA held a medium-term note security position in Boeing for \$975,000; however, the security was sold on January 24, 2020, for a realized gain of approximately \$5,400.

On January 31, 2020, S&P placed the senior unsecured debt rating of 3M Company on review for possible downgrade, citing the company's earning slump in 2019, and high-debt leverage. The bonds are currently rated A1 and AA- by Moody's and S&P, respectively. OCTA holds two medium-term note securities in 3M in the amount of \$825,000 and \$1,155,000, with maturities of September 14, 2021 and March 1, 2022, respectively. OCTA's current investment policy requires the issuer of medium-term notes to have a minimum rating in the "A" category by one of the nationally recognized statistical rating organizations. As of January 31, 2020, the security meets the minimum requirements and continues to be held in OCTA's portfolio.

OCTA's debt portfolio had an outstanding principal balance of \$1.01 billion as of January 31, 2020. Approximately 63 percent of the outstanding balance is comprised of M2 debt, nine percent is associated with the 91 Express Lanes Program, and 28 percent is for the Transportation Infrastructure Finance and Innovation Act Loan.

### ***Summary***

The Treasurer is submitting a copy of the Orange County Transportation Authority Investment and Debt Programs report to the Finance and Administration Committee. The report is for the month ending January 31, 2020.

***Attachment***

- A. Orange County Transportation Authority Investment and Debt Programs  
– For the Period Ending January 31, 2020.

**Prepared by:**

A handwritten signature in blue ink, appearing to read "Robert Davis", with a long horizontal flourish extending to the right.

Robert Davis  
Department Manager  
Treasury/Public Finance  
(714) 560-5675

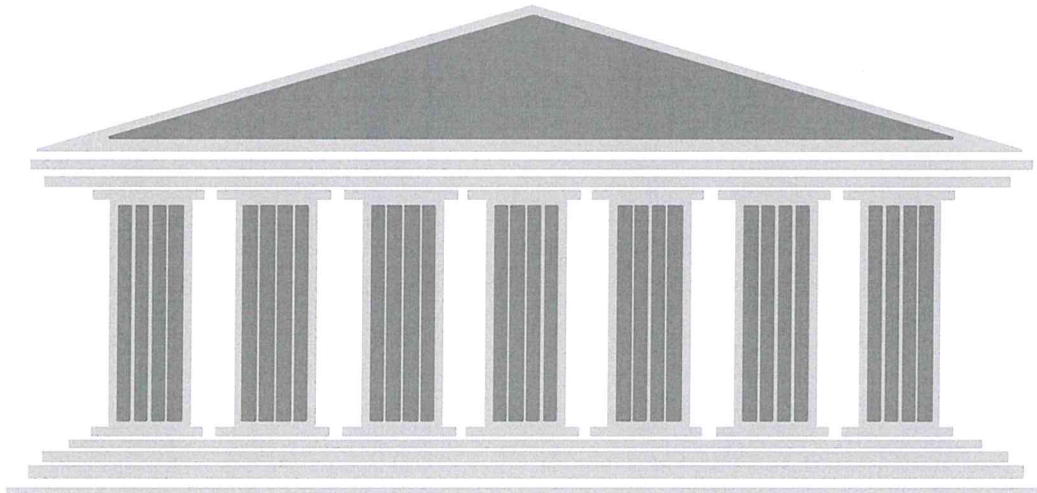
**Approved by:**

A handwritten signature in blue ink, appearing to read "Aaftelie", with a small dash at the end.

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

**Treasury/Public Finance Department's  
Report On**

**Orange County Transportation Authority  
Investment and Debt Programs**



**Presented to the  
Finance and Administration Committee**

**For The Period Ending  
January 31, 2020**

# INVESTMENT PROGRAM

# OCTA Investment Dashboard

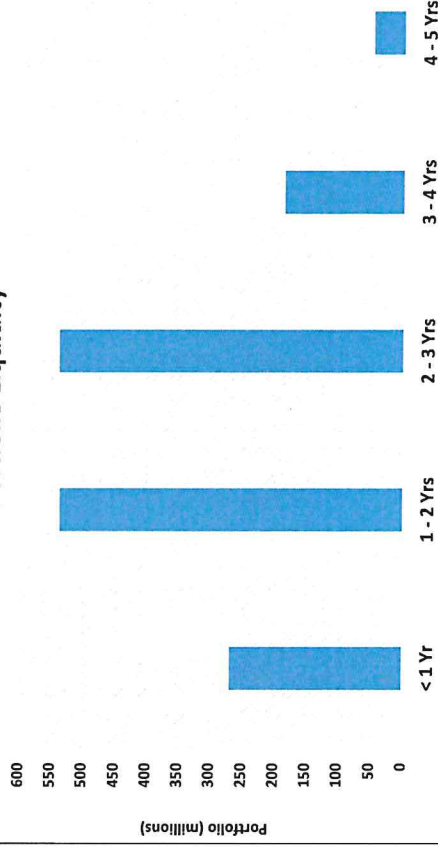
1/31/2020

## Safety of Principal

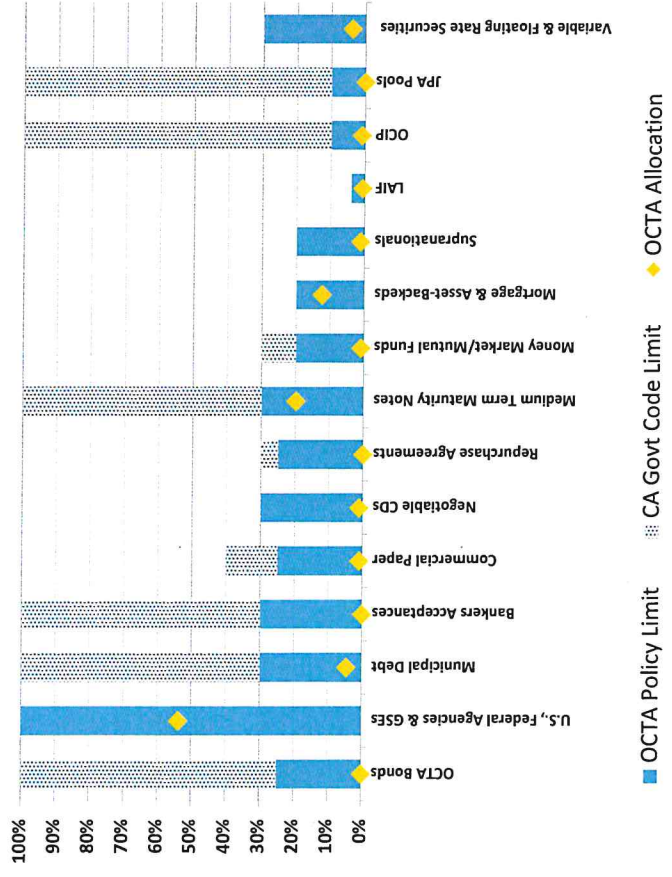
Securities that fall below OCTA's minimum credit quality requirements:

N/A

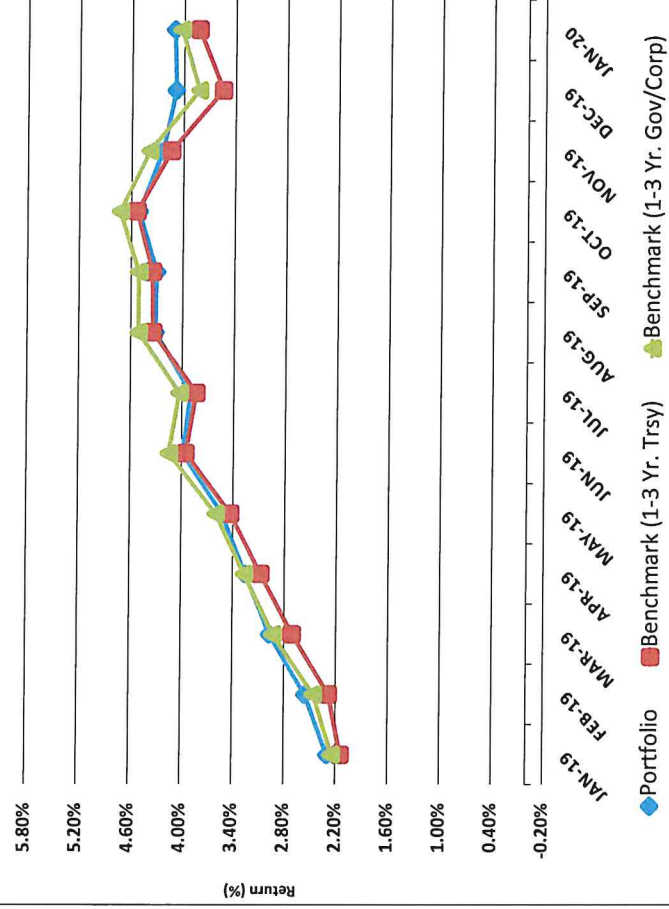
## Portfolio Liquidity



## Portfolio Diversification



## Portfolio Return - 12 Month



# Investment Profile

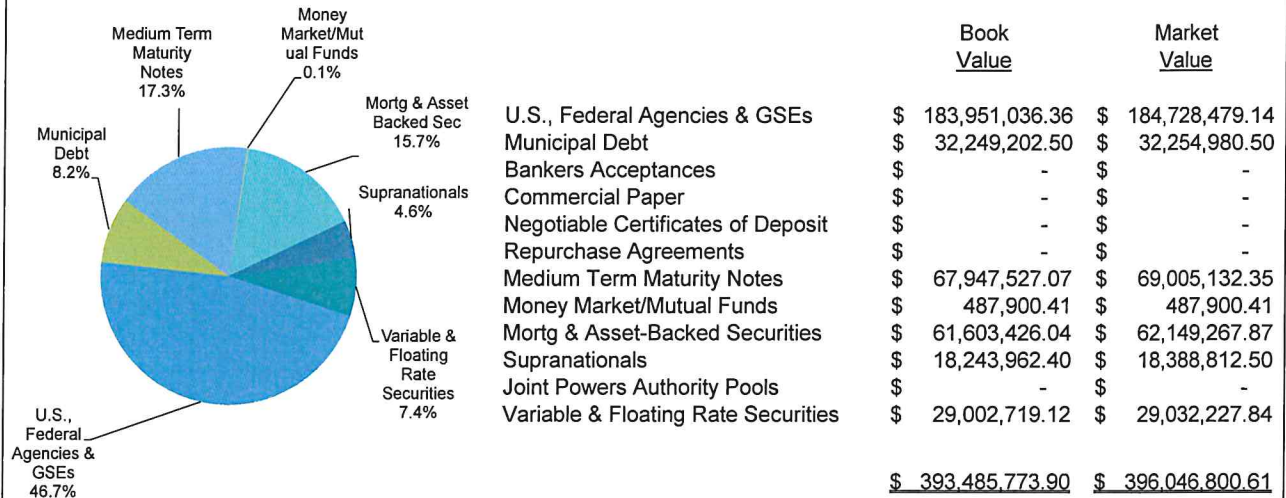
## 1/31/2020

Portfolio / Managers	Depository	Role	Type of Investment	Amount (\$ Millions)
<b><u>LIQUID PORTFOLIO:</u></b>				
OCTA	BNY Mellon	Trustee	Cash	\$ 70.8
OCTA	Bank of the West	Broker	Cash	35.9
OCTA	U.S Bank	Trustee	Cash	0.0
California State Treasurer	LAIF	Custodian	Per LAIF Investment Policy	10.8
Orange County Treasurer	OCIP	Custodian	Per OCIP Investment Policy	14.9
<b>Subtotal OCTA Liquid Portfolio</b>				<b>\$ 132.4</b>
<b><u>SHORT-TERM PORTFOLIO:</u></b>				
<b><u>Investment Managers</u></b>				
MetLife Investment Management	U.S Bank	Custodian	Per OCTA Investment Policy	\$ 393.5
Chandler Asset Management	U.S Bank	Custodian	Per OCTA Investment Policy	392.3
Payden & Rygel Investment Counsel	U.S Bank	Custodian	Per OCTA Investment Policy	398.9
PFM Asset Management	U.S Bank	Custodian	Per OCTA Investment Policy	394.7
<b>Subtotal Short-Term Portfolio (Investment Managers)</b>				<b>\$ 1,579.3</b>
<b><u>BOND PROCEED PORTFOLIO:</u></b>				
OCTA	Bank of Nova Scotia	Custodian	Per Measure M2 Bond Indenture	\$ 250.2
OCTA	BNY Mellon	Trustee	Per Measure M2 Bond Indenture	86.6
<b>Subtotal OCTA Bond Proceeds Portfolio</b>				<b>\$ 336.8</b>
<b><u>RESERVE FUNDS PORTFOLIO:</u></b>				
91 Express Lanes 2013 Ref. Bonds	U.S Bank	Trustee	Commercial Paper	\$ 11.4
91 Express Lanes 2013 Ref. Bonds	Bank of the West	Trustee	Commercial Paper	10.5
91 Express Lanes 2013 Ref. Bonds	Bank of the West	Trustee	Commercial Paper	3.1
Bank Deposits/Cash				0.1
<b>Subtotal OCTA Reserve Funds Portfolio</b>				<b>\$ 25.1</b>
<b>TOTAL</b>				<b>\$ 2,073.7</b>

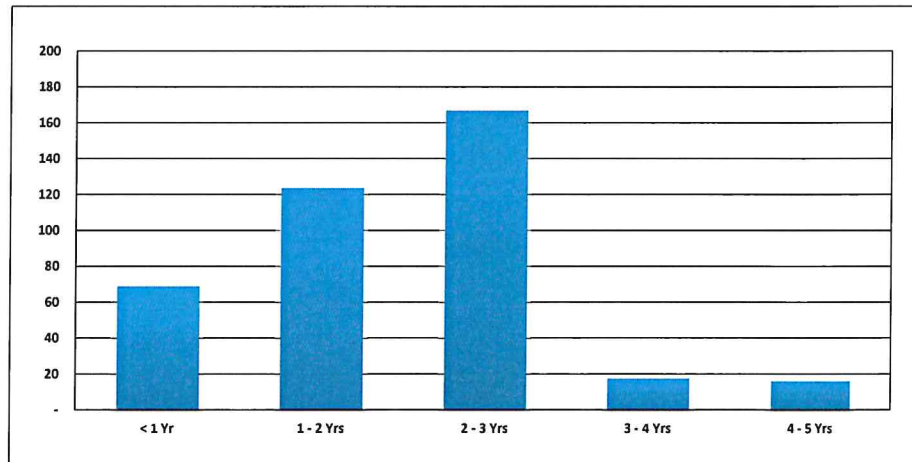
## Investment Manager Diversification and Maturity Schedules

### MetLife Investment Management 1/31/2020

#### SHORT-TERM PORTFOLIO ( \$393.5 M)



Monthly Return	0.58%
TSY Benchmark	0.54%
Gov/Corp Benchmark	0.54%
12 Month Return	3.54%
TSY Benchmark	3.83%
Gov/Corp Benchmark	4.04%

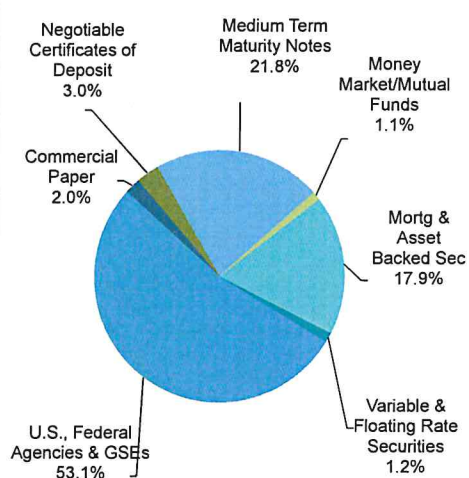




## Investment Manager Diversification and Maturity Schedules

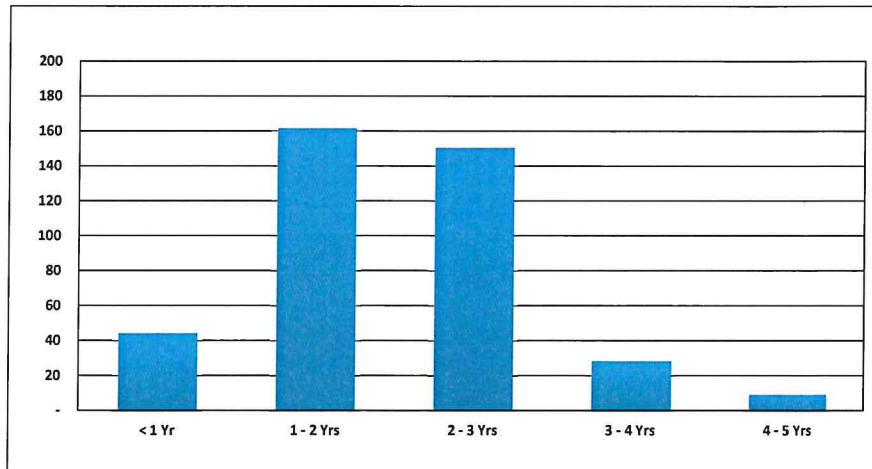
**PFM**  
1/31/2020

### SHORT-TERM PORTFOLIO ( \$394.7 M)



	Book Value	Market Value
U.S., Federal Agencies & GSEs	\$ 209,532,837.29	\$ 213,252,522.11
Municipal Debt	\$ -	\$ -
Bankers Acceptances	\$ -	\$ -
Commercial Paper	\$ 7,886,600.00	\$ 7,926,480.00
Negotiable Certificates of Deposit	\$ 11,625,000.00	\$ 11,660,185.00
Repurchase Agreements	\$ -	\$ -
Medium Term Maturity Notes	\$ 86,052,351.15	\$ 87,406,841.10
Money Market/Mutual Funds	\$ 4,249,245.65	\$ 4,249,245.65
Mortg & Asset-Backed Securities	\$ 70,547,607.02	\$ 71,357,046.88
Supranationals	\$ -	\$ -
Joint Powers Authority Pools	\$ -	\$ -
Variable & Floating Rate Securities	\$ 4,800,854.19	\$ 4,709,741.80
	<u>\$ 394,694,495.30</u>	<u>\$ 400,562,062.54</u>

Monthly Return 0.58%  
 TSY Benchmark 0.54%  
 Gov/Corp Benchmark 0.54%  
  
 12 Month Return 4.15%  
 TSY Benchmark 3.83%  
 Gov/Corp Benchmark 4.04%



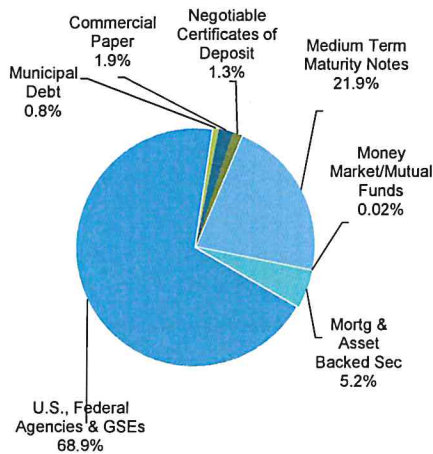


## Investment Manager Diversification and Maturity Schedules

### Chandler Asset Management

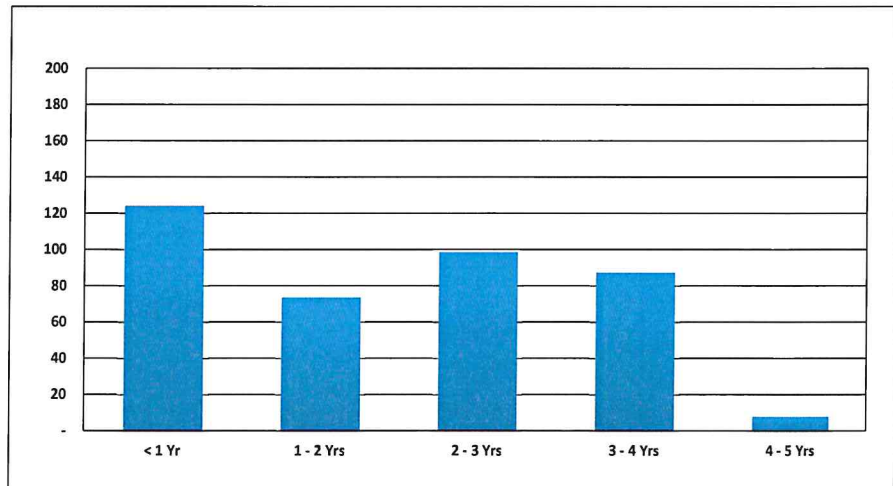
1/31/2020

#### SHORT-TERM PORTFOLIO (\$392.3 M)



	Book Value	Market Value
U.S. Federal Agencies & GSEs	\$ 270,353,384.49	\$ 274,654,307.70
Municipal Debt	\$ 3,000,000.00	\$ 3,032,250.00
Bankers Acceptances	\$ -	\$ -
Commercial Paper	\$ 7,431,083.33	\$ 7,469,925.00
Negotiable Certificates of Deposit	\$ 5,213,326.58	\$ 5,217,190.30
Repurchase Agreements	\$ -	\$ -
Medium Term Maturity Notes	\$ 85,777,600.25	\$ 87,934,442.40
Money Market/Mutual Funds	\$ 69,374.94	\$ 69,374.94
Mortg & Asset-Backed Securities	\$ 20,408,801.28	\$ 20,518,963.88
Supranationals	\$ -	\$ -
Joint Powers Authority Pools	\$ -	\$ -
Variable & Floating Rate Securities	\$ -	\$ -
	<u>\$ 392,253,570.87</u>	<u>\$ 398,896,454.22</u>

Monthly Return 0.57%  
 TSY Benchmark 0.54%  
 Gov/Corp Benchmark 0.54%  
  
 12 Month Return 4.06%  
 TSY Benchmark 3.83%  
 Gov/Corp Benchmark 4.04%

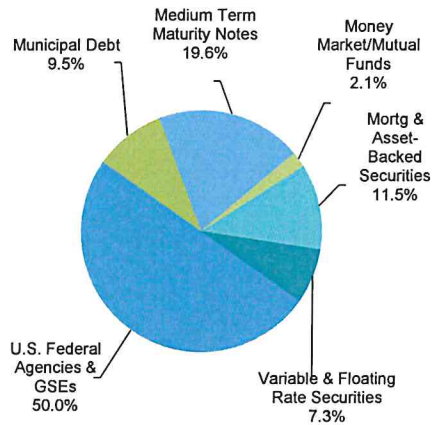


## Investment Manager Diversification and Maturity Schedules

**Payden & Rygel**

1/31/2020

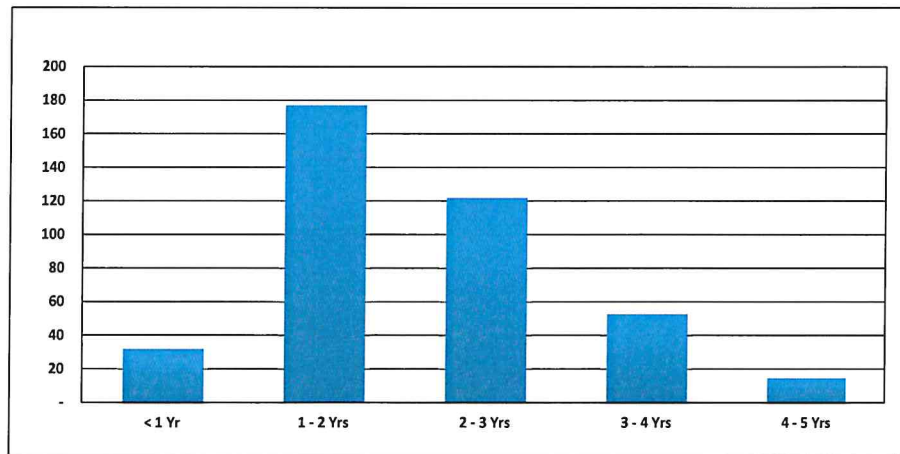
### SHORT-TERM PORTFOLIO (\$398.9 M)



	Book Value	Market Value
U.S. Federal Agencies & GSEs	\$ 199,408,167.24	\$ 200,428,843.90
Municipal Debt	\$ 37,857,669.87	\$ 38,231,054.44
Bankers Acceptances	\$ -	\$ -
Commercial Paper	\$ -	\$ -
Negotiable Certificates of Deposit	\$ -	\$ -
Repurchase Agreements	\$ -	\$ -
Medium Term Maturity Notes	\$ 78,177,219.15	\$ 79,030,552.38
Money Market/Mutual Funds	\$ 8,357,422.34	\$ 8,357,422.34
Mortg & Asset-Backed Securities	\$ 45,897,942.70	\$ 46,447,483.60
Supranationals	\$ -	\$ -
Joint Powers Authority Pools	\$ -	\$ -
Variable & Floating Rate Securities	\$ 29,208,003.30	\$ 28,777,785.30

**\$ 398,906,424.60    \$ 401,273,141.96**

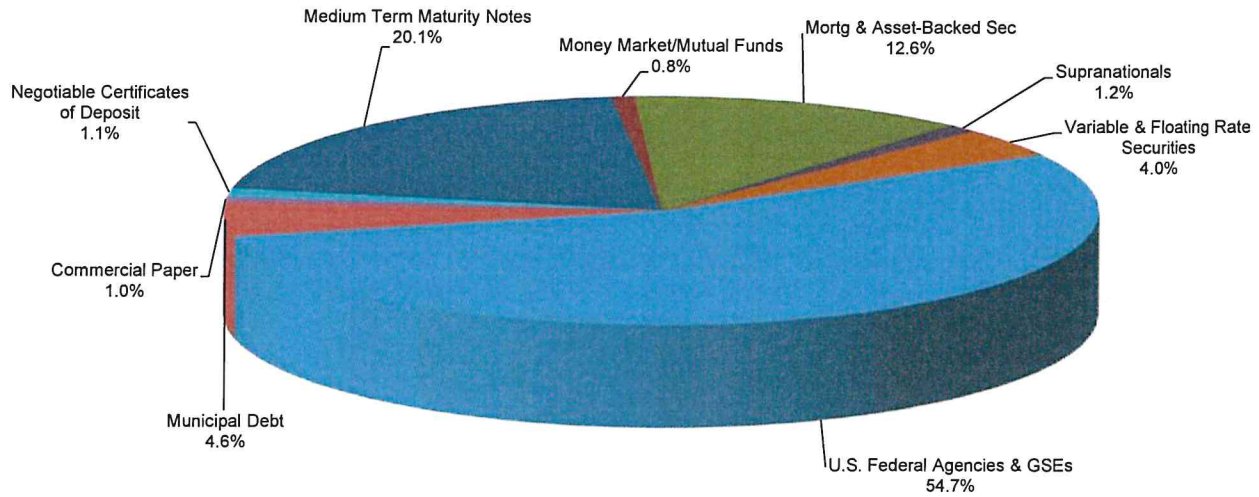
Monthly Return	0.62%
TSY Benchmark	0.54%
Gov/Corp Benchmark	0.54%
12 Month Return	4.11%
TSY Benchmark	3.83%
Gov/Corp Benchmark	4.04%



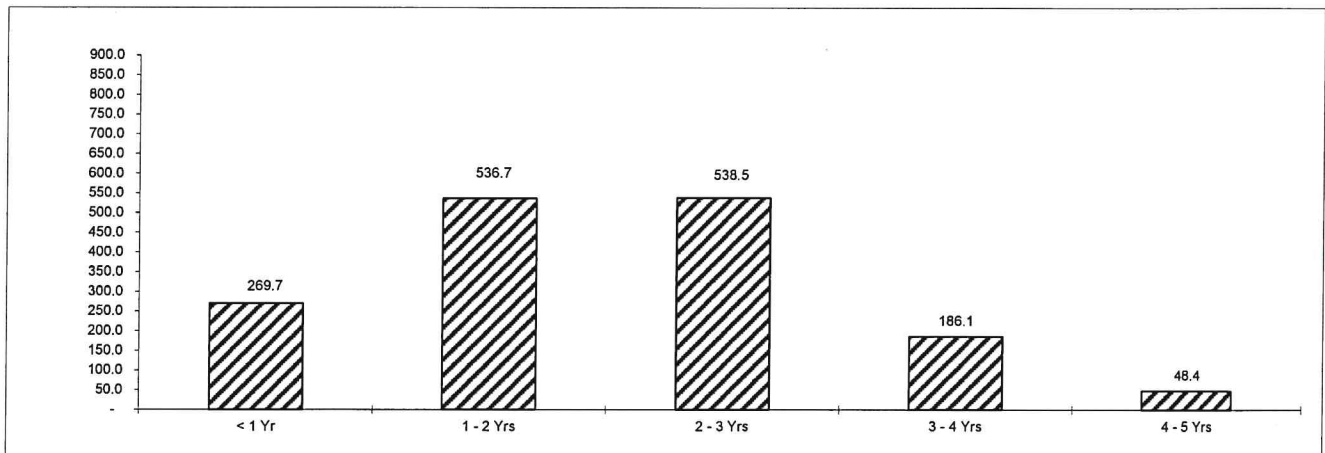
# Short-Term Portfolio

1/31/2020

## Portfolio Composition



## Maturity Schedule

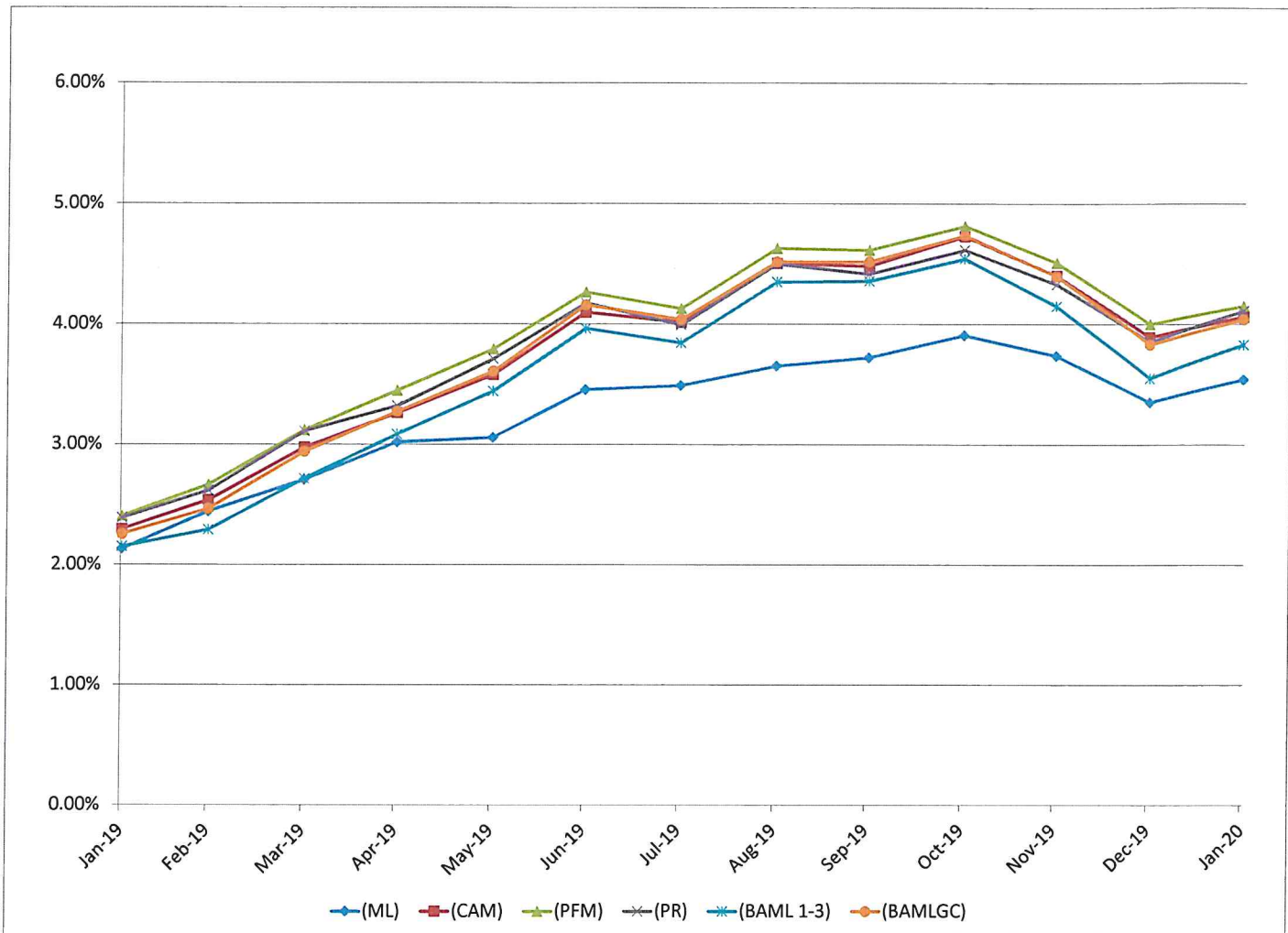


# Orange County Transportation Authority

## Short-Term Portfolio Performance

1/31/2020

Trailing 1-Year Total Return  
Vs. The Bank of America Merrill Lynch (BAML) 1-3 Benchmarks



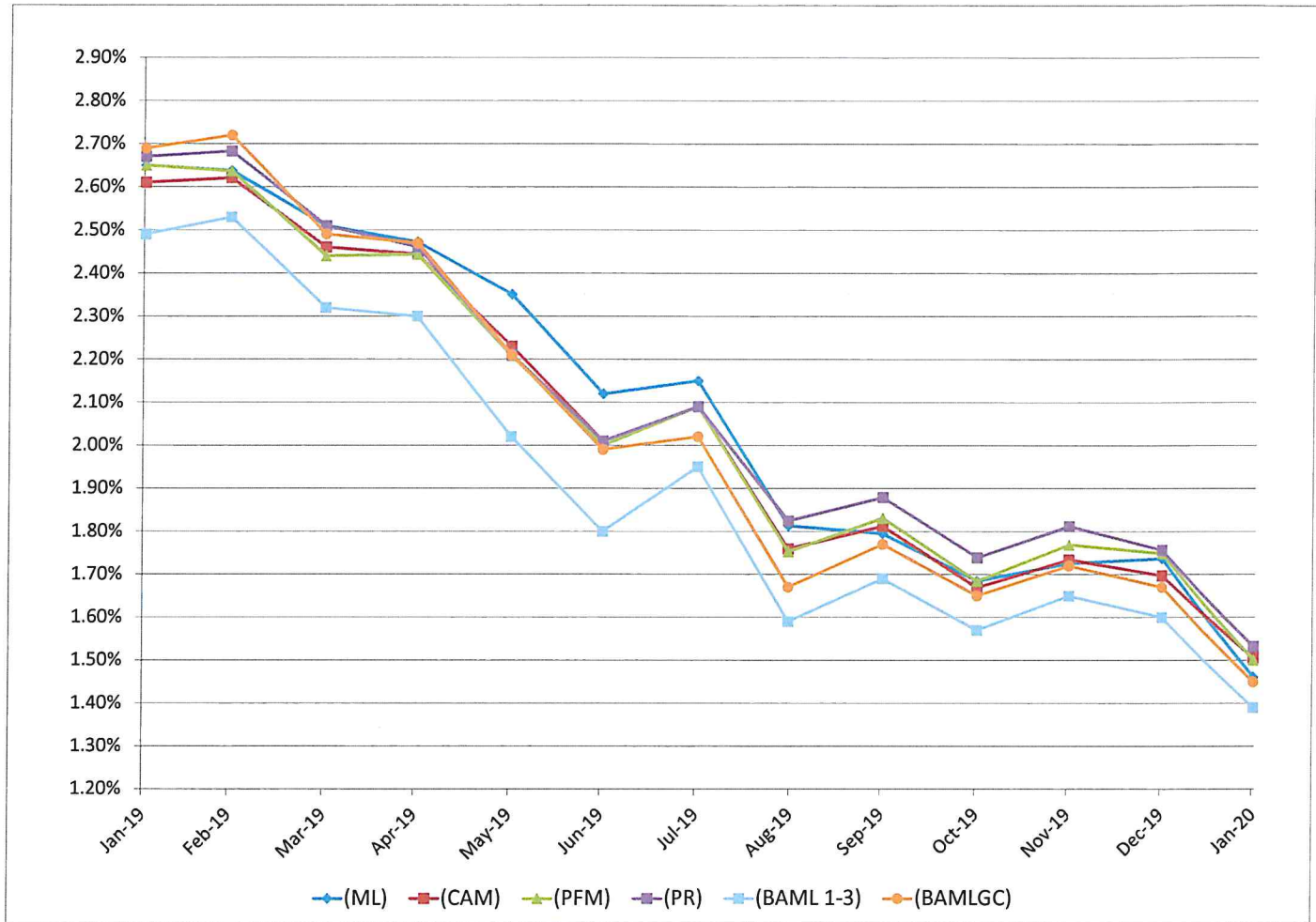
	MetLife Investment Mgmt (ML)	Chandler Asset Mgmt (CAM)	Public Fin Mgmt (PFM)	Payden & Rygel (PR)	ICE/BAML 1-3 Yr Trsy (BAML 1-3)	BAML 1-3 Yr Gov/Corp (BAMLGC)
Jan-19	2.13%	2.29%	2.41%	2.39%	2.15%	2.25%
Feb-19	2.44%	2.54%	2.67%	2.62%	2.29%	2.46%
Mar-19	2.71%	2.97%	3.12%	3.11%	2.72%	2.94%
Apr-19	3.02%	3.26%	3.45%	3.32%	3.08%	3.27%
May-19	3.06%	3.58%	3.79%	3.71%	3.44%	3.61%
Jun-19	3.45%	4.10%	4.27%	4.17%	3.96%	4.16%
Jul-19	3.49%	4.01%	4.13%	3.99%	3.84%	4.04%
Aug-19	3.65%	4.50%	4.63%	4.50%	4.35%	4.52%
Sep-19	3.72%	4.48%	4.61%	4.41%	4.36%	4.52%
Oct-19	3.91%	4.73%	4.82%	4.62%	4.54%	4.74%
Nov-19	3.74%	4.40%	4.51%	4.33%	4.15%	4.40%
Dec-19	3.35%	3.89%	4.00%	3.85%	3.55%	3.83%
Jan-20	3.54%	4.06%	4.15%	4.11%	3.83%	4.04%



# Short-Term Portfolio Performance

## 1/31/2020

Historical Yields  
Vs. The Bank of America Merrill Lynch (BAML) 1-3 Benchmarks



	MetLife Investment Mgmt (ML)	Chandler Asset Mgmt (CAM)	Public Fin Mgmt (PFM)	Payden Rygel (PR)	ICE/BAML 1-3 Yr Trsy (BAML 1-3)	BAML 1-3 Yr Gov/Corp (BAMLGC)
Jan-19	2.65%	2.61%	2.65%	2.67%	2.49%	2.69%
Feb-19	2.64%	2.62%	2.64%	2.68%	2.53%	2.72%
Mar-19	2.51%	2.46%	2.44%	2.51%	2.32%	2.49%
Apr-19	2.47%	2.44%	2.44%	2.46%	2.30%	2.47%
May-19	2.35%	2.23%	2.21%	2.21%	2.02%	2.21%
Jun-19	2.12%	2.01%	2.00%	2.01%	1.80%	1.99%
Jul-19	2.15%	2.09%	2.09%	2.09%	1.95%	2.02%
Aug-19	1.81%	1.76%	1.75%	1.82%	1.59%	1.67%
Sep-19	1.80%	1.81%	1.83%	1.88%	1.69%	1.77%
Oct-19	1.69%	1.67%	1.68%	1.74%	1.57%	1.65%
Nov-19	1.73%	1.73%	1.77%	1.81%	1.65%	1.72%
Dec-19	1.74%	1.70%	1.75%	1.76%	1.60%	1.67%
Jan-20	1.46%	1.51%	1.50%	1.53%	1.39%	1.45%

# Investment Compliance

1/31/2020

Portfolio Subject to Investment Policy			
Short-Term/Liquid Portfolio	Dollar Amount Invested	Percent Of Portfolio	Investment Policy Maximum Percentages
U.S. Federal Agencies & GSEs	\$ 863,245,425	50.4%	100%
Municipal Debt	73,106,872	4.3%	30%
Bankers Acceptances	-	0.0%	30%
Commercial Paper	15,317,683	0.9%	25%
Negotiable Certificates of Deposit	16,838,327	1.0%	30%
Repurchase Agreements	35,557,818	2.1%	25%
Medium Term Maturity Notes	317,954,698	18.6%	30%
Money Market/Mutual Funds	83,978,790	4.9%	20%
Mortgage & Asset-Backed	198,457,777	11.6%	20%*
Supranationals	18,243,962	1.1%	20%
Local Agency Investment Fund	10,805,565	0.6%	\$ 65 Million
Orange County Investment Pool	14,934,786	0.9%	10%
Joint Powers Authority Pools	-	0.0%	10%
Bank Deposits	294,270	0.0%	5%
Variable & Floating Rate Securities	63,011,577	3.7%	30%
<b>Total Short-Term/Liquid Portfolio</b>	<b>\$ 1,711,747,551</b>	<b>100.0%</b>	

\*Asset-backed securities, excluding mortgages, may not exceed 10 percent of the allocation

Portfolio Subject to Indenture					
Bond Proceeds Portfolio	Dollar Amount Invested	Credit Quality	OCTA Term	Indenture Requirements Credit Quality	Term
Money Market Funds	\$ 86,649,471	AAA/Aaa	45 days	Min. A2/A	Max. 4 years
Guaranteed Investment Contract	250,150,000	Aa2/AA-/A+	N/A	Min. A3/A-	N/A
<b>Total Bond Proceeds Portfolio</b>	<b>\$ 336,799,471</b>				
<b>Reserve Funds Portfolio</b>					
Commercial Paper	\$ 24,985,232	P-1/F-1	45 days	Min. A-1/P-1	Max. 180 days
Bank Deposits	124,185				
US Treasuries Obligations	882	AAA/Aaa	30 days	Min. A2/A	Max. 5 years
<b>Total Reserve Funds Portfolio</b>	<b>\$ 25,110,300</b>				
<b>Total Portfolio Subject to Indenture</b>	<b>\$ 361,909,771</b>				
<b>Portfolio Total</b>	<b>\$ 2,073,657,322</b>				

## Negative Credit Watch

### 1/31/2020

<u>Manager / Security</u>	<u>Par Amount</u>	<u>Maturity</u>	<u>S&amp;P</u>	<u>Moody's</u>	<u>Fitch Ratings</u>
<b>PFM</b>					
<i>Pfizer Inc.</i>	2,300,000	Various*	AA-	A1	A
On June 17, 2019, S&P, and Fitch placed the long-term ratings of Pfizer Inc. under review for possible downgrade.					
3M Company	1,980,000	Various**	AA-	A1	N/A
On January 31, 2020, S&P placed the long-term ratings of 3M Company under review for possible downgrade.					

\*9/15/21 & 3/11/22

\*\*9/14/21 & 3/1/22

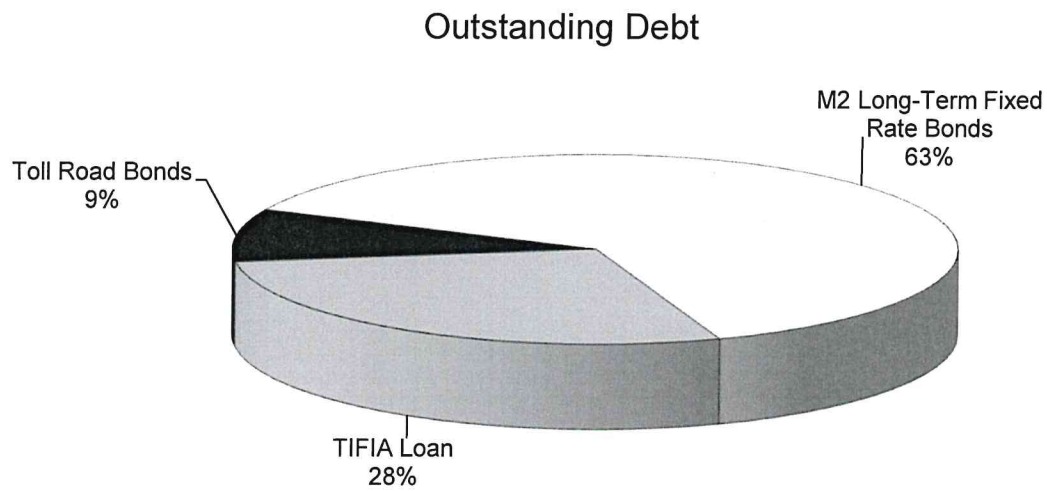
# DEBT PROGRAM



# Total Outstanding Debt

## As of 1/31/20

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**TOTAL OUTSTANDING DEBT: \$1,013,905,000**

# Outstanding Debt

## As of 1/31/20

### Orange County Local Transportation Authority (OCLTA-M2)

#### 2010 Series A Taxable Build America Bonds - Sales Tax Revenue Bonds

Issued:	\$	293,540,000
Outstanding:		250,000,000
Debt Service FY 2020:		17,270,000
Pledged Revenue Source:	M2 Sales Tax Revenues	
Ratings (Fitch/ Moody's/ S&P):	AA+/Aa2/AA+	
Final Maturity:		2041

#### 2010 Series B Tax-Exempt Sales Tax Revenue Bonds

Issued:	\$	59,030,000
Outstanding:		8,530,000
Debt Service FY 2020:		8,913,850
Pledged Revenue Source:	M2 Sales Tax Revenues	
Ratings (Fitch/ Moody's/ S&P):	AA+/Aa2/AA+	
Final Maturity:		2020

#### 2019 M2 Sales Tax Bond

Issued:	\$	376,690,000
Outstanding:		376,690,000
Debt Service FY 2020:		17,939,230
Pledged Revenue Source:	M2 Sales Tax Revenues	
Ratings (Fitch/ S&P):	AA+/AA+	
Final Maturity:		2041

### 91 Express Lanes

#### 2013 OCTA 91 Express Lanes Refunding Bonds

Issued:	\$	124,415,000
Outstanding:		91,685,000
Debt Service FY 2020:		10,798,325
Pledged Revenue Source:	91 Toll Road Revenues	
Ratings (Fitch/ Moody's/ S&P):	A+/A1/AA-	
Final Maturity:		2030

### 405 Express Lanes

#### 2017 TIFIA Loan

Outstanding:	\$	287,000,000
Accrued Debt Service FY 2020:	\$	12,604,286
Pledged Revenue Source:	405 Toll Road Revenues	
Ratings (Moody's):	Baa2	
Final Maturity:		2057



**February 26, 2020**

**To:** Finance and Administration Committee

**From:** Darrell E. Johnson, Chief Executive Officer

**Subject:** Environmental Mitigation Program Endowment Fund Investment Report for December 31, 2019

### **Overview**

The Orange County Transportation Authority has developed a Natural Community Conservation Plan/Habitat Conservation Plan, acquired conservation properties, and funded habitat restoration projects to mitigate the impacts of Measure M2 freeway projects. California Community Foundation manages the non-wasting endowment required to pay for the long-term management of the conservation properties. Each quarter, the California Community Foundation publishes a comprehensive report detailing the composition of the pool and its performance. Attached are the quarterly investment reports for the Endowment Pool for the period ending December 31, 2019. The reports have been reviewed and are consistent with the pool objectives.

### **Recommendation**

Receive and file as an information item.

### **Background**

On September 26, 2016, the Board of Directors approved the selection of the California Community Foundation (CCF) as an endowment fund manager for the Measure M2 Freeway Environmental Mitigation Program. Annually, approximately \$2.9 million will be deposited in the endowment. As of December 31, 2019, the Orange County Transportation Authority (OCTA) has made four deposits to the Endowment Pool, each in the amount of \$2,877,000. These annual deposits are expected to continue for ten to 12 years, or until the fund totals approximately \$46.2 million.

***Discussion***

As of December 31, 2019, total pool assets in the CCF Endowment Pool were \$1.25 billion. Total foundation assets were \$1.97 billion. Performance for the Endowment Pool was 2.5 percent for the month, 0.2 percent below the benchmark; 5.2 percent for the quarter, 0.4 percent below the benchmark. The one-year return was 17 percent, 2 percent below the benchmark.

The balance as of December 31, 2019, was \$13,034,838. The number exceeded the projected balance of \$12,440,408 due to higher than expected investment earnings, and overall gains in the market.

The projected annualized cost for endowment services was 0.75 percent based on indications received during the due diligence process. Based on the current balance of the endowment, the cost for administration services is 0.25 percent.

***Summary***

The OCTA is submitting a copy of the California Community Foundation Investment Report to the Board of Directors. The report is for the quarter ending December 31, 2019.

***Attachments***

- A. California Community Foundation Fund Statement – December 31, 2019
- B. California Community Foundation Endowment Pool Investments – December 31, 2019

**Prepared by:**



Robert Davis  
Department Manager,  
Treasury and Public Finance  
714-560-5675

**Approved by:**



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



**Fund Name** OCTA - Measure M2 Environmental Mitigation Program Fund  
**Fund Start Date** 2/28/2017  
**Investment Pool(s)** Endowment Pool

**FUND STATEMENT**

**OCTA - Measure M2 Environmental Mitigation Program Fund (V398)**

10/1/2019 - 12/31/2019

**Fund Summary**

	Report Period 10/1/2019 - 12/31/2019	Calendar YTD 1/1/2019 - 12/31/2019
<b>Opening Fund Balance</b>	\$12,393,156.81	\$8,568,158.77
Contributions	0.00	2,877,000.00
Investment Activity, net	641,681.61	1,615,060.95
Administration & Grant Management Fees	0.00	(25,381.30)
Net Changes to Fund	641,681.61	4,466,679.65
<b>Ending Balance</b>	<b>\$13,034,838.42</b>	<b>\$13,034,838.42</b>

**Investment Pool Performance as of 12/31/2019**

	This Qtr.	1-Year	3-Years	5-Years	10-Years
<b>Endowment Pool</b>	5.2%	17.0%	8.9%	6.1%	6.7%
<b>Social Impact Endowment Pool</b>	6.9%	22.7%	10.2%	7.2%	8.0%
<b>Conservative Balanced Pool</b>	2.9%	12.2%	6.2%	4.9%	n/a
<b>Short Duration Bond Pool</b>	0.4%	4.8%	2.4%	2.0%	n/a
<b>Capital Preservation Pool</b>	0.5%	2.3%	1.6%	1.1%	0.7%

**Endowment Pool** - invested for long-term growth and appreciation while providing a relatively predictable stream of distributions that keeps pace with inflation over time. The target asset allocation is 50% equities, 14% hedge funds, 22% fixed income and 14% real assets. Investment management fees are 66 basis points.

**Social Impact Endowment Pool** - invested in a diversified pool aiming for capital growth for long-term grantmaking; underlying instruments undergo rigorous environmental and social analysis, with an asset allocation of approximately 60%-75% equities and 25%-40% fixed income. Investment management fees are 68 basis points.

**Conservative Balanced Pool** - designed to aim for moderate growth and to offer diversified exposure to the U.S. equity market and to investment grade fixed income with maturities from one to five years and an asset allocation of 70% fixed income and 30% equities investments. Investment management fees are 9 basis points.

**Short Duration Bond Pool** - invested to offer diversified exposure to investment grade fixed income with maturities from one to five years for the purposes of grants over a near-term one to four year horizon. Investment management fees are 5 basis points.

**Capital Preservation Pool** - designed to preserve principal and provide liquidity for present grantmaking needs through investment in short-term fixed income and cash instruments. Investment management fees are 10 basis points.





## Endowment Pool

### December 2019

## INVESTMENTS

The Endowment Pool returned 2.5% for the month of December 2019, 20 basis points behind its benchmark. For the trailing year, the pool returned 17.0%, 200 basis points behind its benchmark.

### Total Pool Assets

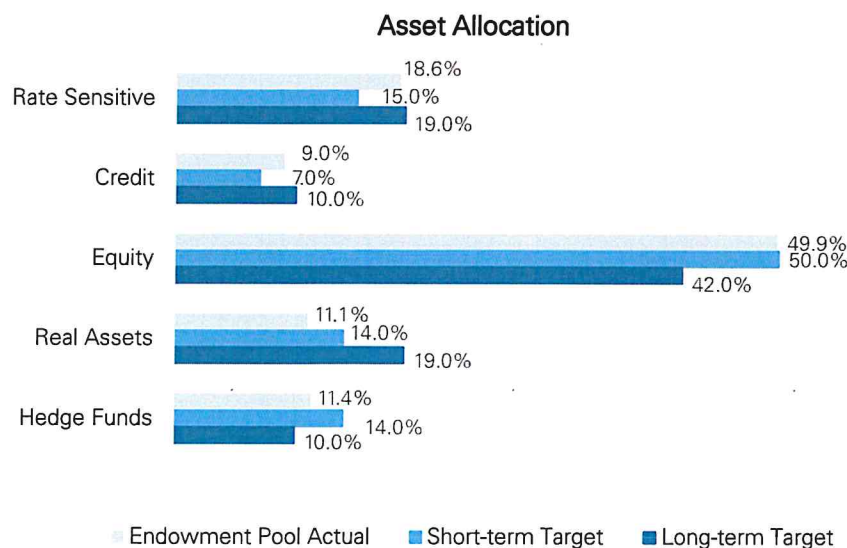
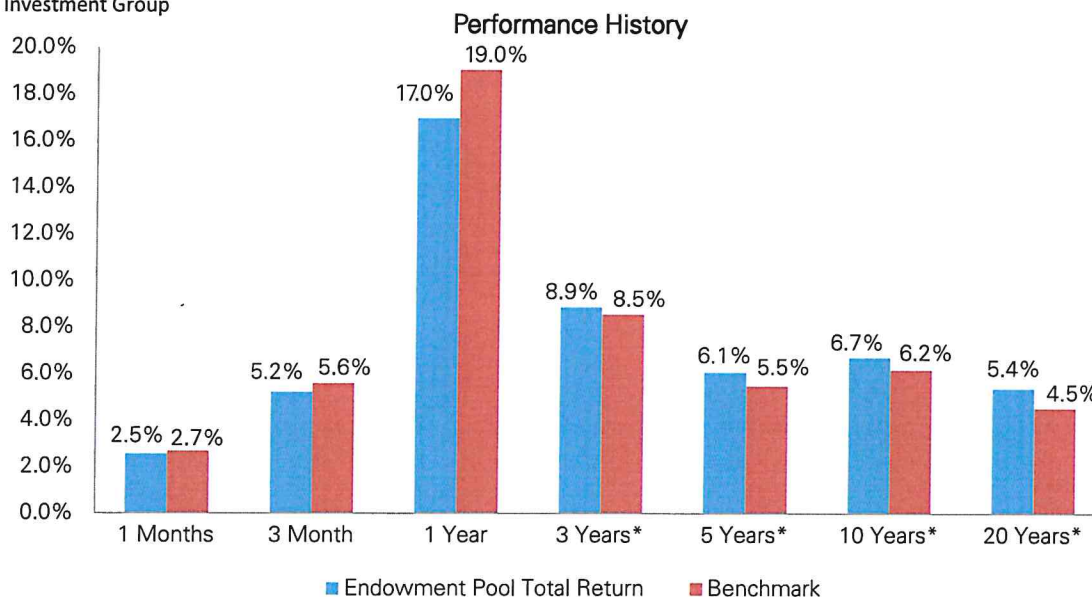
\$1.25 billion (Endowment Pool), \$1.97 billion (total foundation assets) as of December 31, 2019.

### Pool Objective

Preserve the real (i.e., inflation-adjusted) purchasing power of the investment pool net of annual distributions for grants and expenses. An additional objective is to provide a relatively predictable, stable stream of distributions for grants and expenses that keep pace with inflation over time.

### Investment Consultant

Meketa Investment Group



\*Represents annualized returns.

1) Investment expense ratio approximates 0.66%, excluding fund manager incentive fees.

2) Investment performance is presented net of investment expenses, including fund manager incentive fees.

3) Total Fund Benchmark is a combination of: 48% MSCI ACWI - 2% Cambridge PE Index 1-Qtr Lag / 14% HFR FOF / 5% ODCE - 5% S&P Global Large Mid NR - 4% S&P Global Infrastructure / 9% Barc Agg. - 3% Barc 1-5 Yr. Gov/Cr - 3% Barc 0-5 Yr. US Treasury TIPs / 2% Barc High Yield - 2% S&P/LSTA Leveraged Loan - 3% JP Morgan EMBI Global Diversified.

4) Short-term target allocation is over 1-4 years, long-term target allocation is over 4-9 years.

Updated 1/28/2020



**February 26, 2020**

**To:** Finance and Administration Committee  
**From:** Darrell E. Johnson, Chief Executive Officer *[Signature]*  
**Subject:** Fiscal Year 2019-20 Second Quarter Grant Reimbursement Status Report

**Overview**

The Quarterly Grant Reimbursement Status Report summarizes grant activities for the Orange County Transportation Authority Board of Directors. This report focuses on activity for the period of October through December 2020.

**Recommendation**

Receive and file as an information item.

**Discussion**

The Orange County Transportation Authority (OCTA) has secured grant funding from federal and state grant agencies to deliver programs, projects, and services to improve mobility in Orange County. The use of these funds is consistent with capital programming policies approved by the OCTA's Board of Directors (Board). The Quarterly Grant Reimbursement Status Report summarizes awarded/executed, current, pending close-out, and closed grant agreements.

**Awarded/Executed Grant Agreements:**

OCTA executed one formula and one discretionary grant during the second quarter, which are summarized below.

**Fiscal Year (FY) 2020 State of Good Repair (SGR) Program.**

The Board authorized OCTA to utilize 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 Irvine Construction Circle bus bases.

FY 2020 California Office of Traffic Safety (OTS) – Safety Education Classes.

OTS awarded OCTA \$100,000 in competitive funds to develop and implement bicycle and pedestrian safety education classes to raise public awareness of safe bicycling and pedestrian practices, and reduce injuries involving bicyclists and pedestrians. This award will fund bicycle skills classes, a train-the-trainer course, and distribute reflective keychains, helmets, and bicycle lights, similar to efforts in FY 2017-18 and FY 2018-19.

Current Grant Agreements:

OCTA's Federal Transit Administration (FTA) formula grant agreements total nine and FTA discretionary grant agreements total four (Attachment A).

The nine FTA formula grant agreements have a total federal amount of \$282 million. A total of \$260 million has been reimbursed, leaving a balance of approximately \$21.9 million. The balance of these nine FTA formula grant agreements will primarily fund the OC Streetcar, fixed-route bus procurements, rideshare and vanpool programs, Laguna Niguel/San Juan Capistrano passing siding project, and rail rehabilitation projects.

The four FTA discretionary grant agreements have a total federal amount of \$166.8 million. This includes the full funding grant agreement award of \$148.9 million. A total of \$32.2 million has been reimbursed, leaving a balance of \$134.6 million. The balance of these four FTA discretionary grant agreements will primarily fund the OC Streetcar and slope stabilization improvements on the railroad right-of-way from the City of Laguna Niguel to the City of Lake Forest. The balance will also fund security camera surveillance systems for commuter rail stations and transit facilities located in the cities of Anaheim, Garden Grove, Laguna Niguel/Mission Viejo, Orange, and Santa Ana.

The total FTA formula and discretionary grant agreements amount to \$448.9 million. The total amount reimbursed through the second quarter under these grant agreements is \$292.4 million, leaving a balance of \$156.5 million.

OCTA also has 35 active state and Federal Highway Administration (FHWA) formula grant agreements (Attachment B) and 19 active state discretionary grant agreements (Attachment C).

The 35 state and FHWA formula grant agreements total \$214.7 million. The total amount reimbursed through the second quarter under these other grant agreements is \$165.1 million, leaving a balance of \$49.6 million.

The 19 state discretionary grant agreements total approximately \$24.2 million. A total of \$8.9 million of these discretionary grant agreements has been reimbursed,



leaving a balance of \$15.3 million. These state discretionary grant agreements have a defined grant expiration date. Project expenses must be fully paid and reimbursed prior to the grant agreement expiration date.

This report activity is as of December 31, 2019, and any grants with a deadline between the quarter end and the date this report is published will be fully reimbursed and closed out. This activity will be reflected in next quarter's report. Additionally, for these grants, staff anticipates each of the remaining balances to be fully reimbursed prior to the grant agreement expiration date.

**Grant Agreements Pending Close-out:**

There are four grant agreements totaling \$31 million which are pending close-out in the second quarter of FY 2019-20. All invoices for these grant agreements have been submitted to the external funding agency for reimbursement, and OCTA is pending final payment and/or approval of close-out documentation. These grant agreements are summarized in Attachment D.

**Closed Grant Agreements:**

There are three grant agreements totaling \$53.1 million that were closed out in the second quarter of FY 2019-20. These grant agreements are summarized in Attachment E.

***Summary***

This report provides an update of the grant agreement funded activities for the second quarter of FY 2019-20, October through December 2019. Staff recommends this report be received and filed as an information item.

***Attachments***

- A. Second Quarter Grant Reimbursement Status Report, October through December 2019, Federal Transit Administration Formula and Discretionary Grant Agreements
- B. Second Quarter Grant Reimbursement Status Report, October through December 2019, State and Federal Highway Administration Formula Grant Agreements
- C. Second Quarter Grant Reimbursement Status Report, October through December 2019, State Discretionary Grant Agreements
- D. Second Quarter Grant Reimbursement Status Report, October through December 2019, Grant Agreements Pending Close-out
- E. Second Quarter Grant Reimbursement Status Report, October through December 2019, Closed Grant Agreements

**Prepared by:**

A handwritten signature in blue ink that reads "Supindayit Kaur".

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

**Approved by:**

A handwritten signature in blue ink that reads "Aaftel".

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

**Second Quarter Grant Reimbursement Status Report**  
**October through December 2019**

Federal Transit Administration Formula and Discretionary Grant Agreements						
FEDERAL FISCAL YEAR (FFY)	GRANT NUMBER	FEDERAL AMOUNT	FEDERAL AMOUNT REIMBURSED	REMAINING BALANCE	ANTICIPATED CLOSE-OUT	
<b>FTA Section 5307 - Urbanized Area Formula Grant Program</b>						
1	CA-90-Y942	\$ 57,746,966	\$ 57,623,333	\$ 123,633	August 2020	
2	CA-90-Z027	53,878,508	53,527,563	350,945	June 2021	
3	CA-90-Z174	55,129,189	55,095,991	33,198	June 2020	
4	CA-2016-032	55,400,721	54,919,692	481,029	September 2021	
<b>FTA Section 5307 Grant Subtotal</b>		<b>\$ 222,155,384</b>	<b>\$ 221,166,579</b>	<b>\$ 988,805</b>		
<b>FTA Section 5307 - Federal Funds flexed from the Federal Highway Administration (FHWA):</b>						
5	CA-95-X131	\$ 2,102,650	\$ 1,800,743	\$ 301,907	June 2020	
6	CA-95-X254	5,657,000	4,920,836	736,164	September 2020	
7	CA-95-X286	6,621,000	5,133,797	1,487,203	October 2021	
8	CA-2017-072	31,567,405	15,312,745	16,254,660	October 2021	
<b>FTA Section 5307 Flexed Grant Subtotal</b>		<b>\$ 45,948,055</b>	<b>\$ 27,168,121</b>	<b>\$ 18,779,934</b>		
<b>FTA Section 5316 - Jobs Access and Reverse Commute (JARC) Grant Program</b>						
9	CA-37-X113	\$ 13,962,491	\$ 11,836,947	\$ 2,125,544	December 2022	
<b>FTA Section 5316 Grant Subtotal</b>		<b>\$ 13,962,491</b>	<b>\$ 11,836,947</b>	<b>\$ 2,125,544</b>		
<b>Federal Transit Administration Formula Grants Total</b>		<b>\$ 282,065,930</b>	<b>\$ 260,171,647</b>	<b>\$ 21,894,283</b>		
FEDERAL FISCAL YEAR (FFY)	GRANT NUMBER	FEDERAL AMOUNT	FEDERAL AMOUNT REIMBURSED	REMAINING BALANCE	ANTICIPATED CLOSE-OUT	
<b>FTA Section 5309 - Discretionary Capital Grant Program</b>						
10	CA-04-0078	\$ 7,021,300	\$ 6,030,463	\$ 990,837	September 2020	
11	CA-04-0122	4,845,999	1,241,252	3,604,747	December 2020	
12	CA-05-0269	6,000,000	5,948,088	51,912	April 2020	
<b>FTA Section 5309 Grant Subtotal</b>		<b>\$ 17,867,299</b>	<b>\$ 13,219,803</b>	<b>\$ 4,647,496</b>		
<b>FTA Section 5309 - Discretionary Capital Grant Program (FFGA)</b>						
13	CA-2019-018	\$ 148,955,409	\$ 18,973,494	\$ 129,981,915	June 2023	
<b>FTA Section 5309 FFGA Grant Subtotal</b>		<b>\$ 148,955,409</b>	<b>\$ 18,973,494</b>	<b>\$ 129,981,915</b>		
<b>Federal Transit Administration Discretionary Grants Total</b>		<b>\$ 166,822,708</b>	<b>\$ 32,193,297</b>	<b>\$ 134,629,411</b>		

Second Quarter Grant Reimbursement Status Report  
October through December 2019

Federal Transit Administration Formula and Discretionary Grant Agreements				
Total Federal Transit Administration Formula and Discretionary Grant Agreements	\$	448,888,638	\$	292,364,944
			\$	156,523,694

Funding Source Notes:

FTA Section 5307 - Urbanized Area Formula Grant Program: Funds are used to fund preventive maintenance, capital cost of contracting, and to purchase revenue vehicles, facility modifications, and bus-related equipment.

FTA Section 5316 - Jobs Access and Reverse Commute (JARC) Grant Program: Grants provide funds to support new transit services and to establish mobility management programs to assist low-income individuals.

FTA Section 5309 - Discretionary Capital Grant Program: Grants provide for projects that improve efficiency and coordination of transportation systems.

FTA Section 5309 - Discretionary Capital Grant Program (FGA): Grants provide for projects that improve efficiency and coordination of transportation systems.

# Second Quarter Grant Reimbursement Status Report

October through December 2019

ATTACHMENT B

State and Federal Highway Administration Formula Grant Agreements						
	FISCAL YEAR (FY)	PROJECT	GRANT AMOUNT	AMOUNT REIMBURSED	REMAINING BALANCE	ANTICIPATED CLOSE-OUT
Prop 1B Intercity Rail Improvement (IRI)						
1	2018	Laguna Niguel to SJIC Passing Siding (Construction)	\$ 2,000,000	\$ 0	\$ 2,000,000	February 2022
PROP 1B IRI Subtotal			\$ 2,000,000	\$ 0	\$ 2,000,000	
Federal Highway Administration Grant Program - Congestion Mitigation & Air Quality (CMAQ)						
2	2012	I-5 HOV Segment 1, Ave Pico to Vista Hermosa (PS&E)	\$ 4,246,000	\$ 3,362,977	\$ 883,023	June 2020
3	2013	I-5 HOV Segment 1, Ave Pico to Vista Hermosa (ROW)	8,000,000	4,009,067	3,990,933	June 2020
4	2015	I-5 from the Orange/San Diego County Line to Avenida Pico (PA/ED)	450,000	431,447	18,553	June 2020
5	2015	I-5, SR-55 to SR-57 (PS&E)	2,800,000	2,352,003	447,997	June 2022
CMAQ Subtotal			\$ 15,496,000	\$ 10,155,494	\$ 5,340,506	
Federal Highway Administration Grant Program - Regional Surface Transportation Program (RSTP)						
6	2013	I-5, I-405 to SR-55 (PA/ED)	\$ 8,000,000	\$ 6,479,204	\$ 1,520,796	June 2020
7	2014	I-5 Segment 2, Oso Pkwy to Alicia Pkwy (PS&E)	10,000,000	9,739,572	260,428	June 2021
8	2015	I-405, I-5 to SR-55 (PA/ED)	8,000,000	6,382,025	1,617,975	June 2022
9	2015	I-5 Segment 1, SR-73 to Oso Pkwy (PS&E)	9,101,000	8,633,382	467,618	June 2022
10	2015	I-5 Segment 3, Alicia Pkwy to El Toro Rd (PS&E)	8,044,000	6,815,536	1,228,464	June 2022
11	2015	SR-91, SR-57 to SR-55 (PA/ED)	7,000,000	4,075,897	2,924,103	June 2020
12	2016	SR-57, Orangewood to Katella Ave (PA/ED)	2,500,000	1,717,037	782,963	June 2021
13	2017	SR-55, I-5 to SR-91 (PA/ED)	5,000,000	3,064,188	1,935,812	June 2022
RSTP Subtotal			\$ 57,645,000	\$ 46,906,840	\$ 10,738,160	
Federal Highway Administration Grant Program - State Transportation Block Grant (STBG)						
14	2016	I-405, SR-73 to I-605 (Construction)	\$ 1,000	\$ 0	\$ 1,000	June 2021
15	2018	SR-55, I-405 to I-5 (PS&E)	13,800,000	10,438,189	3,361,811	June 2023
STBG Subtotal			\$ 13,801,000	\$ 10,438,189	\$ 3,362,811	
Low Carbon Transit Operations Program (LCTOP) - California Department of Transportation (CALTRANS)						
16	2017	Bus Bicycle Racks	\$ 766,345	\$ 151,580	\$ 614,765	May 2020
17	2018	Bravo! Route 529 Start-up & Operations	4,787,534	3,122,242	1,665,292	July 2020
18	2019	Battery Electric Buses, Bus Depot Upgrades & Charging Infrastructure	2,523,000	0	2,523,000	June 2023
19	2019	Bravo! Main Street Operations	2,912,976	0	2,912,976	November 2024
20	2019	College Fare Program for Fullerton	381,523	0	381,523	August 2022
21	2019	College Fare Program for Golden West	215,279	36,305	178,974	August 2022
22	2019	College Fare Program for Santa Ana College	393,198	0	393,198	August 2020
23	2019	Travel Training	685,000	69,428	615,572	July 2022
CAP & TRADE LCTOP Subtotal			\$ 12,664,855	\$ 3,379,555	\$ 9,285,300	

# Second Quarter Grant Reimbursement Status Report

October through December 2019

State and Federal Highway Administration Formula Grant Agreements						
	FISCAL YEAR (FY)	PROJECT	GRANT AMOUNT	AMOUNT REIMBURSED	REMAINING BALANCE	ANTICIPATED CLOSE-OUT
SAFETEAU: Projects of National and Regional Significance (PNRS)						
	24	2013	Lakeview Ave Grade Separation (Construction)	\$ 9,709,030	\$ 9,519,323	\$ 189,707
SAFETEAU-PNRS Subtotal				\$ 9,709,030	\$ 9,519,323	\$ 189,707
State Proposition 1B: Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA)						
	25	2015	Raymond Ave Grade Separation Project (Construction)	\$ 44,234,008	\$ 43,664,137	\$ 569,871
PROP 1B PTMISEA Subtotal				\$ 44,234,008	\$ 43,664,137	\$ 569,871
State Proposition 1B: Trade Corridor Improvement Fund (TCIF)						
	26	2013	Lakeview Ave Grade Separation (Construction)	\$ 26,704,499	\$ 25,198,162	\$ 1,506,337
PROP 1B TCIF Subtotal				\$ 26,704,499	\$ 25,198,162	\$ 1,506,337
State Transportation Improvement Plan (STIP) Programming, Planning & Monitoring (PPM)						
	27	2019	PPM Program	\$ 1,481,000	\$ 0	\$ 1,481,000
STIP PPM Subtotal				\$ 1,481,000	\$ 0	\$ 1,481,000
State Transportation Improvement Program (PTA)						
	28	2016	Orange Transportation Center Parking Structure (Construction)	\$ 13,762,000	\$ 10,264,970	\$ 3,497,030
STIP PTA Subtotal				\$ 13,762,000	\$ 10,264,970	\$ 3,497,030
Senate Bill 1: State of Good Repair						
	29	2018	Heating-Ventilation Unit Replacements at Anaheim Base Maintenance B	\$ 66,681	\$ 22,499	\$ 44,182
	30	2018	Ten Zero-Emission Hydrogen Fuel Cell Buses	5,606,362	5,590,432	15,930
	31	2019	iShuttle Replacement Buses	5,580,604	0	5,580,604
	32	2020	El Dorado Cutaway Bus Replacement	1,891,651	0	1,891,651
	33	2020	iShuttle Replacement Buses	3,062,751	0	3,062,751
	34	2020	Replacement of Emergency Standby Generators	800,000	0	800,000
SB1 SGR Subtotal				\$ 17,008,049	\$ 5,612,931	\$ 11,395,118
FTA Section 5304 - Sustainable Communities						
	35	2020	Freeway Bus Rapid Transit Concept Study	\$ 210,602	\$ 0	\$ 210,602
FTA Section 5304 Subtotal				\$ 210,602	\$ 0	\$ 210,602
Total State and Federal Highway Administration Formula Grant Agreements				\$ 214,716,043	\$ 165,139,600	\$ 49,576,443

Second Quarter Grant Reimbursement Status Report  
October through December 2019

State Discretionary Grant Agreements						
	FISCAL YEAR (FY)	PROJECT	GRANT AMOUNT	AMOUNT REIMBURSED	REMAINING BALANCE	ANTICIPATED CLOSE-OUT
South Coast Air Quality Management District (SCAQMD)						
1	2018	Ten Zero-Emission Hydrogen Fuel Cell Buses	\$ 1,000,000	\$ 700,000	\$ 300,000	March 2020
SCAQMD Subtotal			\$ 1,000,000	\$ 700,000	\$ 300,000	
Active Transportation Program (ATP)						
2	2017	Orange County Active Transportation Plan (PS&E)	\$ 280,000	\$ 251,106	\$ 28,894	February 2020
3	2020	Safe Travels Education Program (STEP) Campaign	500,000	0	500,000	July 2022
ATP Subtotal			\$ 780,000	\$ 251,106	\$ 528,894	
California Air Resources Board (CARB)						
4	2018	Facility Upgrades	\$ 339,819	\$ 0	\$ 339,819	June 2020
5	2018	Hydrogen Station	5,488,273	3,330,517	2,157,756	November 2021
6	2018	Ten Zero-Emission Hydrogen Fuel Cell Buses	6,338,000	4,021,565	2,316,435	March 2020
CARB Subtotal			\$ 12,166,092	\$ 7,352,082	\$ 4,814,010	
Air Quality Management District (AQMD) Grant Program and Mobile Source Air Pollution Reduction Review Committee (MSRC)						
7	2018	Hydrogen Detection	\$ 642,000	\$ 0	\$ 642,000	July 2020
8	2019	La Habra Union Pacific Rail Bikeway	91,760	0	91,760	November 2023
9	2019	OC Flex	1,146,000	0	1,146,000	March 2020
MSRC Subtotal			\$ 1,879,760	\$ 0	\$ 1,879,760	
Systemic Safety Analysis Reporting Program						
10	2016	Systemic Safety Analysis Report	\$ 315,000	\$ 295,855	\$ 19,145	March 2020
SSARP Subtotal			\$ 315,000	\$ 295,855	\$ 19,145	
Transit Security Grant Program (TSGP) - State Office of Homeland Security						
11	2017	Be The One Campaign	\$ 75,000	\$ 43,484	\$ 31,517	August 2020
TSGP Subtotal			\$ 75,000	\$ 43,484	\$ 31,517	
TSA National Explosives Detection Canine Team Program (NEDCTP) - Department of Homeland Security						
12	2019	Transportation Security Administration Canine	\$ 151,500	\$ 112,583	\$ 38,917	December 2019
TSA K9 Subtotal			\$ 151,500	\$ 112,583	\$ 38,917	
Senate Bill 1: Local Partnership Program						
13	2018	Garden Grove Blvd Signal Synchronization (Construction)	\$ 1,353,000	\$ 0	\$ 1,353,000	December 2023
14	2018	Katella Ave Signal Synchronization (Construction)	2,449,000	0	2,449,000	December 2023
15	2018	Los Olisos Blvd Signal Synchronization (Construction)	1,117,000	0	1,117,000	December 2023
16	2018	Main Street Signal Synchronization (Construction)	1,926,000	0	1,926,000	December 2023
SB1 LPP Subtotal			\$ 6,845,000	\$ 0	\$ 6,845,000	

**Second Quarter Grant Reimbursement Status Report**  
**October through December 2019**

State Discretionary Grant Agreements						
	FISCAL YEAR (FY)	PROJECT	GRANT AMOUNT	AMOUNT REIMBURSED	REMAINING BALANCE	ANTICIPATED CLOSE-OUT
<b>Senate Bill 1: Adaptation Planning Grants</b>						
17	2019	Orange County Rail Infrastructure Defense Against Climate Change	\$ 461,771	\$ 0	\$ 461,771	February 2021
<b>SB1 APG Subtotal</b>			<b>\$ 461,771</b>	<b>\$ 0</b>	<b>\$ 461,771</b>	
<b>Senate Bill 1: Planning Grants</b>						
18	2019	Safe Routes to School Action Plan	\$ 264,000	\$ 0	\$ 264,000	February 2021
<b>SB1 PL Subtotal</b>			<b>\$ 264,000</b>	<b>\$ 0</b>	<b>\$ 264,000</b>	
<b>Caltrans State Planning and Research Grant</b>						
19	2018	SR-39 Beach Boulevard Corridor Study	\$ 345,000	\$ 136,508	\$ 208,492	April 2020
<b>SPR Subtotal</b>			<b>\$ 345,000</b>	<b>\$ 136,508</b>	<b>\$ 208,492</b>	
<b>Total State Discretionary Grant Agreements</b>			<b>\$ 24,283,123</b>	<b>\$ 8,891,616</b>	<b>\$ 15,391,507</b>	



**Second Quarter Grant Reimbursement Status Report**  
**October through December 2019**

Grant Agreements Pending Close-out						
	FISCAL YEAR (FY)	FUNDING SOURCE	PROJECT	GRANT AMOUNT	AMOUNT REIMBURSED	REMAINING BALANCE
1	2016	CAP & TRADE LCTOP	Bravo! Route 529 Bus Acquisition	\$ 3,045,578	\$ 3,045,578	\$ 0
2	2011	CMAQ	Lakeview Ave Grade Separation (ROW)	16,407,023	16,407,023	0
3	2012	CMAQ	Lakeview Ave Grade Separation (ROW Utility Relocation)	72,070	72,070	0
4	2012	RSTP	Lakeview Ave Grade Separation (ROW)	11,527,563	11,527,563	0
<b>Total Grant Agreements Pending Close-out</b>				<b>\$ 31,052,234</b>	<b>\$ 31,052,234</b>	<b>\$ 0</b>

**Second Quarter Grant Reimbursement Status Report**  
**October through December 2019**

Closed Grant Agreements						
	FISCAL YEAR (FY)	FUNDING SOURCE	PROJECT	GRANT AMOUNT	AMOUNT REIMBURSED	REMAINING BALANCE
1	2018	FTA Section 5307	FTA CA-2019-171	\$ 50,901,127	\$ 50,901,127	\$ 0
2	2018	FTA Section 5310	FTA CA-2019-160	2,129,107	2,129,107	0
3	2019	OTS	Bicycle & Pedestrian Facilities Program	75,000	74,630	370
<b>Total Closed Grants</b>				<b>\$ 53,105,234</b>	<b>\$ 53,104,864</b>	<b>\$ 370</b>



**February 26, 2020**

**To:** Finance and Administration Committee  
**From:** Darrell E. Johnson, Chief Executive Officer *Gennett Ruiz for*  
**Subject:** 91 Express Lanes Update for the Period Ending -  
December 31, 2019

### **Overview**

The Orange County Transportation Authority has owned and managed the operations of the 91 Express Lanes since January 2003. Since that time, traffic volumes and toll revenues have fluctuated with the changes in the economy and the additional capacity added to the State Route 91 corridor. Over the last quarter, there have been approximately 4.4 million trips taken on the 91 Express Lanes in Orange County. This report focuses on the operational and financial activities for the period ending December 31, 2019.

### **Recommendation**

Receive and file as an information item.

### **Background**

Since January 2003, the Orange County Transportation Authority (OCTA) has owned the 91 Express Lanes (91 EL), which is a two-lane managed-lane facility in each direction in the median of the State Route 91 (SR-91) freeway. Over the past 17 years, OCTA has experienced the growth and downswings of the economy and the resulting impacts to the 91 EL. During OCTA ownership, toll rates have been adjusted up and down, additional capacity has been added to the general-purpose lanes in the SR-91 corridor through various improvement projects, the outstanding debt has been restructured, and an extension of the facility was completed by the Riverside County Transportation Commission (RCTC). Traffic volumes and toll revenues are at historically high levels.

### ***Discussion***

The 91 EL continued to perform well during the period ending December 31, 2019. Traffic volumes, toll revenues, new accounts, transponder distributions, and account balances all increased when compared to the same period last year. The continued growth in the national and local economies, along with the low levels of unemployment in the region, continue to fuel the increases in traffic volumes and toll revenues in Orange County.

#### **Traffic Volumes**

Total traffic volume on the OCTA 91 EL for the month of December 2019 was 1,440,236. This represents a daily average of 46,459. This is a 1.4 percent increase in total traffic volume from the same period last year when traffic levels totaled 1,420,288. Carpool percentage for the period ending December was 26.5 percent. In looking at the quarter-ending period of December 2019, traffic volumes registered 4.4 million, which was an increase of 1.4 percent over the same period the prior year. For the 12-month period ending December 2019, traffic volumes reached 17.7 million and increased by 2.7 percent over the same period the prior year.

The increase in traffic volumes during the last quarter, as well as the past 12 months, continues to be driven by the growth in the regional economy. Unemployment in the region remains low and jobs continue to be created in Orange and Riverside Counties. Traffic volumes in the westbound direction of the Orange County segment continue to show strong growth.

#### **Gross Potential Toll Revenue (GPTR)**

GPTR for the month of December 2019 was \$4,338,299, which represents an increase of 6.3 percent from the prior year's total of \$4,082,589. GPTR is equal to the toll rate times the number vehicles traveling on the 91 EL (the amount does not consider violations or discounts). In looking at the previous 12 months, GPTR totaled \$52.8 million and increased by 3.3 percent over the same period the prior year.

#### **Toll Adjustments**

The Board of Directors (Board)-adopted Toll Policy requires staff to review traffic volumes on the Orange County segment of the 91 EL for potential toll adjustments on a quarterly basis. The most recent toll adjustment occurred on October 1, 2019, whereby one peak period hour experienced a toll decrease. The toll rate declined by \$0.50 for the hour that was reduced. As of the end of

December 2019, toll rates ranged from a minimum of \$1.70 to a maximum of \$9.15. The next scheduled toll adjustment will occur on January 1, 2020.

#### Number of Accounts and Transponders

The number of active accounts totaled 150,399, and 229,597 transponders were assigned to those accounts as of December 31, 2019. Over the past 12 months, the number of accounts has increased by 5,766, and the number of transponders in circulation has increased by 9,284.

#### Outstanding Debt

As of December 31, 2019, the outstanding amount of the 91 EL tax-exempt 2013 Senior Lien Toll Road Revenue Refunding Bonds (Bonds) totaled \$91.7 million. The Bonds are rated "AA-" by Standard and Poor's, "A1" by Moody's, and "A+" by Fitch Ratings. The next scheduled debt service payment is on February 18, 2020. There are currently no plans to issue additional debt secured by 91 EL toll revenues.

#### Reserve Funds

The bond indenture for the 2013 Bonds requires three reserve funds: a major maintenance fund, an operating fund, and a debt service reserve fund. All three reserves are fully funded with a total balance of \$24.9 million as of December 31, 2019.

In addition to the bond indenture required reserve funds, OCTA's Board elected to establish two additional reserve funds. An internal capital projects fund has a balance of \$25.1 million and is used for large capital projects for the 91 EL. In the past, these funds were used for the 91 EL Pavement Rehabilitation Project. The other reserve fund was established in 2017 for two future Measure M2 projects in the SR-91 corridor. The balance in that reserve fund is \$42 million. Lastly, OCTA has approximately \$97.1 million set aside in excess toll revenues for various other SR-91 corridor projects.

#### Recent Activities

In November 2019, the OCTA and RCTC Boards selected a provider for the back-office system / customer service center operations. A three-party agreement was executed to provide operating services for the 91 EL in Orange and Riverside Counties with Cofiroute USA.

Kapsch TrafficCom USA, Inc., (Kapsch), the toll lanes system integrator for the 91 EL, completed the replacement of the Electronic Toll and Traffic Management (ETTM) system at the current toll gantries. This new lane system is reading both the new 6C transponder protocol as well as the legacy Title 21 protocol.

In December 2019, the 91 EL began sending letters to customers notifying them of the transition to 6C transponders, as well as changes to the account plans, user agreement, and privacy policy. Distribution of the new welcome kit and 6C sticker transponders has commenced. It is envisioned the distribution of transponders to all customers will take place over several months.

#### **Upcoming Events**

Over the next few months, several events will be transpiring related to the 91 EL. Distribution of 6C transponders to all customers will continue and account plan changes will take effect.

Kapsch will commence replacement of the closed-circuit television cameras along the SR-91 corridor. New toll gantries will be constructed at the three entrances of the OCTA 91 EL after which Kapsch will install new ETTM equipment on the entrance gantries.

Lastly, staff will be seeking Board approval on the release of the Roadside Services request for proposals (RFP) for the 91 EL. This RFP and corresponding scope of services is currently being developed and is scheduled for release during the second quarter of 2020. The evaluation committee recommendations for this RFP are anticipated to be presented to the Board by the end of the calendar year.

#### ***Summary***

During the period ending December 31, 2019, the 91 Express Lanes continued to perform well and exceeded expectations. This report provides a summary of key operational and financial activities.

***Attachment***

A. 91 Express Lanes Status Report, December 2019

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**Orange County Transportation Authority  
Riverside County Transportation Commission**



Status Report  
December 2019

As of December 31, 2019



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# OPERATIONS OVERVIEW OCTA

## TRAFFIC AND REVENUE STATISTICS FOR OCTA

Total traffic volume on the 91 Express Lanes for December 2019 was 1,440,236. This represents a daily average of 46,459 vehicles. This is a 1.4% increase in total traffic volume from the same period last year, which totaled 1,420,288. Potential toll revenue for December was \$4,338,299, which represents an increase of 6.3% from the prior year's total of \$4,082,589. Carpool percentage for December was 26.45% as compared to the previous year's rate of 28.22%.

Month-to-date traffic and revenue data is summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the month of December 2019.

### Current Month-to-Date (MTD) as of December 31, 2019

	Dec-19 MTD Actual	Stantec MTD Projected	# Variance	% Variance	Dec-18 MTD Actual	Yr-to-Yr % Variance
<b>Trips</b>						
Full Toll Lanes	1,059,346	1,047,331	12,015	1.1%	1,019,435	3.9%
3+ Lanes	380,890	332,256	48,634	14.6%	400,853	(5.0%)
Total Gross Trips	1,440,236	1,379,587	60,649	4.4%	1,420,288	1.4%
<b>Revenue</b>						
Full Toll Lanes	\$4,269,308	\$4,375,004	(\$105,696)	(2.4%)	\$4,006,933	6.5%
3+ Lanes	\$68,991	\$79,793	(\$10,803)	(13.5%)	\$75,656	(8.8%)
Total Gross Revenue	\$4,338,299	\$4,454,798	(\$116,499)	(2.6%)	\$4,082,589	6.3%
<b>Average Revenue per Trip</b>						
Average Full Toll Lanes	\$4.03	\$4.18	(\$0.15)	(3.6%)	\$3.93	2.5%
Average 3+ Lanes	\$0.18	\$0.24	(\$0.06)	(25.0%)	\$0.19	(5.3%)
Average Gross Revenue	\$3.01	\$3.23	(\$0.22)	(6.8%)	\$2.87	4.9%

The 2020 fiscal year-to-date traffic volume increased by 1.9% and potential toll revenue increased by 3.8%, when compared with the same period last year. Year-to-date average revenue per-trip is \$3.02.

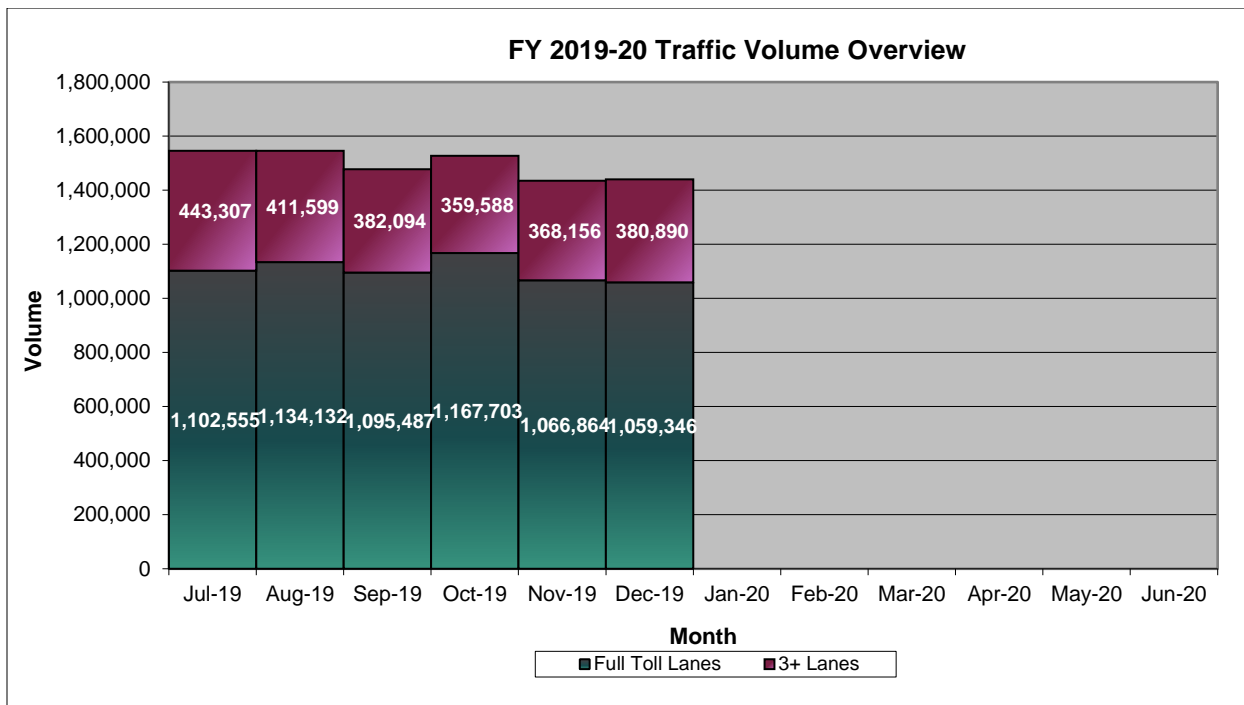
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the months of July 2019 through December 2019.

#### FY 2019-20 Year to Date as of December 31, 2019

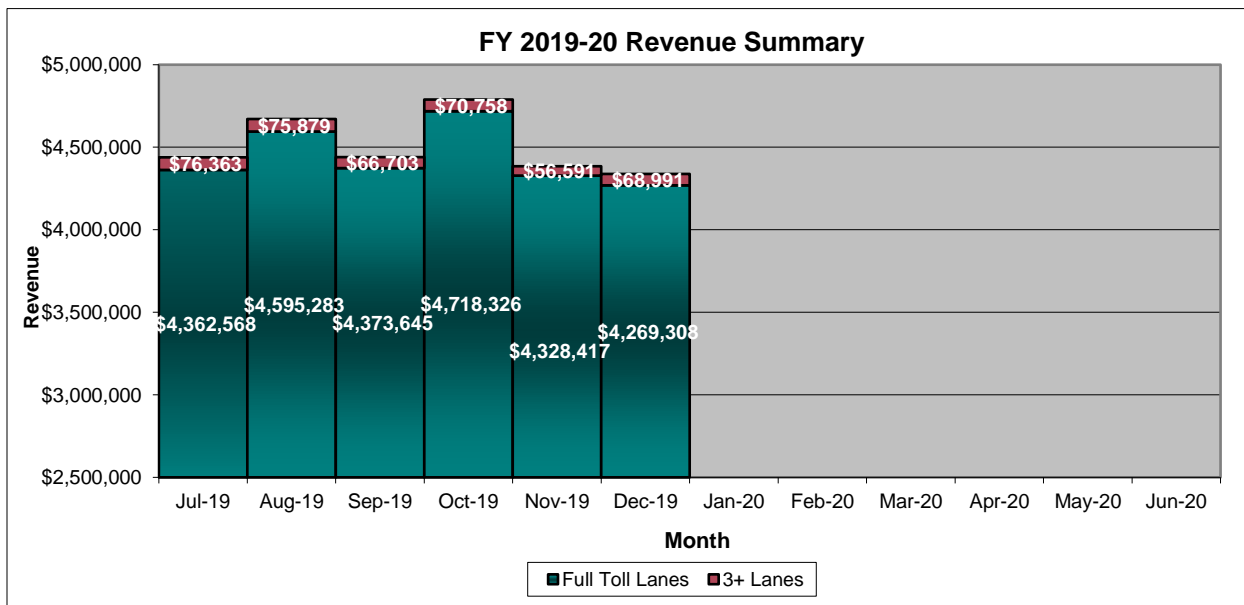
<b>Trips</b>	<b>FY 2019-20 YTD Actual</b>	<b>Stantec YTD Projected</b>	<b># Variance</b>	<b>% Variance</b>	<b>FY 2018-19 YTD Actual</b>	<b>Yr-to-Yr % Variance</b>
Full Toll Lanes	6,626,087	6,578,628	47,459	0.7%	6,473,345	2.4%
3+ Lanes	2,345,634	2,007,095	338,539	16.9%	2,335,270	0.4%
Total Gross Trips	8,971,721	8,585,723	385,998	4.5%	8,808,615	1.9%
<b>Revenue</b>						
Full Toll Lanes	\$26,647,546	\$27,437,130	(\$789,585)	(2.9%)	\$25,618,492	4.0%
3+ Lanes	\$415,384	\$500,281	(\$84,896)	(17.0%)	\$449,916	(7.7%)
Total Gross Revenue	\$27,062,930	\$27,937,411	(\$874,481)	(3.1%)	\$26,068,408	3.8%
<b>Average Revenue per Trip</b>						
Average Full Toll Lanes	\$4.02	\$4.17	(\$0.15)	(3.6%)	\$3.96	1.5%
Average 3+ Lanes	\$0.18	\$0.25	(\$0.07)	(28.0%)	\$0.19	(5.3%)
Average Gross Revenue	\$3.02	\$3.25	(\$0.23)	(7.1%)	\$2.96	2.0%

## OCTA Traffic and Revenue Summary

The chart below reflects the total trips breakdown between Full Toll trips and HOV3+ trips for FY 2019-20 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll trips and HOV3+ trips for FY 2019-20 on a monthly basis.



## OCTA EASTBOUND PEAK-HOUR VOLUMES

Peak traffic hour in the eastbound direction reached or exceeded 90% or more of defined capacity 7 times during the month of December 2019. As demonstrated on the next chart, westbound peak hour traffic volumes top out at 82% of defined capacity.

PM Time	Monday 12/02/19				Tuesday 12/03/19				Wednesday 12/04/19				Thursday 12/05/19				Friday 12/06/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	372	2,584	76%	\$5.15	377	2,934	86%	\$5.15	334	2,541	75%	<b>\$6.70</b>	<b>371</b>	<b>3,193</b>	<b>94%</b>	\$7.10	421	2,812	83%
1500 - 1600	<b>\$5.50</b>	<b>602</b>	<b>3,105</b>	<b>91%</b>	\$5.75	552	2,739	81%	\$7.75	499	2,740	81%	<b>\$6.75</b>	<b>568</b>	<b>3,240</b>	<b>95%</b>	\$9.15	603	2,385	70%
1600 - 1700	\$5.35	404	2,824	83%	\$5.50	415	2,918	86%	\$7.50	356	2,479	73%	\$8.30	397	2,625	77%	\$8.95	430	2,633	77%
1700 - 1800	\$5.30	522	3,002	88%	\$5.40	506	2,834	83%	\$6.40	431	2,399	71%	\$8.20	491	2,786	82%	\$7.05	508	2,778	82%
1800 - 1900	\$5.50	654	2,820	83%	\$3.95	620	2,973	87%	\$3.95	522	2,222	65%	\$4.85	649	2,897	85%	\$6.55	611	2,840	84%
1900 - 2000	\$3.85	461	1,838	54%	\$3.85	653	2,727	80%	\$3.85	439	1,760	52%	\$5.60	625	2,507	74%	\$6.05	668	2,461	72%

PM Time	Monday 12/09/19				Tuesday 12/10/19				Wednesday 12/11/19				Thursday 12/12/19				Friday 12/13/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	384	2,722	80%	\$5.15	404	2,944	87%	\$5.15	386	2,992	88%	<b>\$6.70</b>	<b>417</b>	<b>3,189</b>	<b>94%</b>	<b>\$7.10</b>	<b>408</b>	<b>3,166</b>	<b>93%</b>
1500 - 1600	\$5.50	548	2,914	86%	\$5.75	598	2,821	83%	\$7.75	569	2,888	85%	\$6.75	554	2,981	88%	\$9.15	611	2,629	77%
1600 - 1700	\$5.35	435	2,957	87%	\$5.50	408	2,893	85%	\$7.50	381	2,840	84%	\$8.30	401	2,474	73%	\$8.95	439	2,818	83%
1700 - 1800	\$5.30	495	2,867	84%	\$5.40	495	2,876	85%	\$6.40	524	2,861	84%	\$8.20	514	2,857	84%	\$7.05	502	2,694	79%
1800 - 1900	\$5.50	621	2,761	81%	\$3.95	628	2,916	86%	\$3.95	570	2,830	83%	\$4.85	643	3,038	89%	\$6.55	668	2,716	80%
1900 - 2000	\$3.85	599	2,371	70%	\$3.85	692	2,839	84%	\$3.85	696	2,812	83%	\$5.60	741	2,797	82%	\$6.05	660	2,380	70%

PM Time	Monday 12/16/19				Tuesday 12/17/19				Wednesday 12/18/19				Thursday 12/19/19				Friday 12/20/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	402	2,674	79%	\$5.15	419	3,027	89%	\$5.15	446	3,020	89%	<b>\$6.70</b>	<b>478</b>	<b>3,291</b>	<b>97%</b>	<b>\$7.10</b>	<b>488</b>	<b>3,133</b>	<b>92%</b>
1500 - 1600	\$5.50	550	2,922	86%	\$5.75	583	2,783	82%	\$7.75	587	2,987	88%	\$6.75	560	2,993	88%	\$9.15	615	2,655	78%
1600 - 1700	\$5.35	437	2,916	86%	\$5.50	417	2,883	85%	\$7.50	413	2,967	87%	\$8.30	382	2,396	70%	\$8.95	410	2,675	79%
1700 - 1800	\$5.30	569	2,868	84%	\$5.40	514	3,021	89%	\$6.40	535	2,957	87%	\$8.20	517	2,820	83%	\$7.05	523	2,784	82%
1800 - 1900	\$5.50	665	2,879	85%	\$3.95	681	3,026	89%	\$3.95	640	3,024	89%	\$4.85	664	2,980	88%	\$6.55	678	2,800	82%
1900 - 2000	\$3.85	632	2,439	72%	\$3.85	660	2,740	81%	\$3.85	646	2,382	70%	\$5.60	716	2,812	83%	\$6.05	655	2,235	66%

PM Time	Monday 12/23/19				Tuesday 12/24/19				Wednesday 12/25/19				Thursday 12/26/19				Friday 12/27/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	460	2,380	70%	\$7.10	733	2,550	75%	\$6.00	732	1,635	48%	\$6.70	402	1,956	58%	\$7.10	572	2,819	83%
1500 - 1600	\$5.50	558	2,641	78%	\$9.15	910	2,323	68%	\$6.00	668	1,387	41%	\$6.75	475	1,930	57%	\$9.15	663	2,383	70%
1600 - 1700	\$5.35	481	2,741	81%	\$8.95	669	2,053	60%	\$6.00	561	1,166	34%	\$8.30	302	1,401	41%	\$8.95	433	2,210	65%
1700 - 1800	\$5.30	475	2,336	69%	\$7.05	797	2,013	59%	\$6.00	561	1,136	33%	\$8.20	477	1,654	49%	\$7.05	589	2,212	65%
1800 - 1900	\$5.50	543	2,031	60%	\$6.55	786	1,865	55%	\$6.00	667	1,253	37%	\$4.85	454	1,364	40%	\$6.55	603	1,958	58%
1900 - 2000	\$3.85	431	1,458	43%	\$6.05	755	1,633	48%	\$6.00	745	1,381	41%	\$5.60	354	923	27%	\$6.05	583	1,538	45%

PM Time	Monday 12/30/19				Tuesday 12/31/19				Wednesday 01/01/20				Thursday 01/02/20				Friday 01/03/20			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	432	2,280	67%	\$7.10	554	2,709	80%												
1500 - 1600	\$5.50	585	2,956	87%	\$9.15	677	2,466	73%												
1600 - 1700	\$5.35	429	2,562	75%	\$8.95	532	2,215	65%												
1700 - 1800	\$5.30	509	2,396	70%	\$7.05	578	1,939	57%												
1800 - 1900	\$5.50	456	1,660	49%	\$6.55	685	1,858	55%												
1900 - 2000	\$3.85	480	1,491	44%	\$6.05	509	1,311	39%												

## OCTA WESTBOUND PEAK-HOUR VOLUMES

AM Time	Monday 12/02/19				Tuesday 12/03/19				Wednesday 12/04/19				Thursday 12/05/19				Friday 12/06/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	826	2,651	78%	\$3.05	791	2,585	76%	\$3.05	782	2,395	70%	\$3.05	759	2,505	74%	\$3.05	718	2,148	63%
0500 - 0600	\$4.95	813	2,544	75%	\$4.95	822	2,473	73%	\$4.95	786	2,460	72%	\$4.95	834	2,638	78%	\$4.70	773	2,470	73%
0600 - 0700	\$5.15	529	2,030	60%	\$5.15	540	2,049	60%	\$5.15	533	1,675	49%	\$5.15	538	1,968	58%	\$4.95	548	2,128	63%
0700 - 0800	\$5.65	393	1,957	58%	\$5.65	425	2,237	66%	\$5.65	383	1,882	55%	\$5.65	429	2,125	63%	\$5.50	402	1,910	56%
0800 - 0900	\$5.15	215	1,920	56%	\$5.15	249	2,161	64%	\$5.15	209	1,843	54%	\$5.15	239	2,051	60%	\$4.95	252	1,905	56%
0900 - 1000	\$4.10	273	1,977	58%	\$4.10	250	2,107	62%	\$4.10	228	1,952	57%	\$4.10	255	2,141	63%	\$4.10	282	1,904	56%

AM Time	Monday 12/09/19				Tuesday 12/10/19				Wednesday 12/11/19				Thursday 12/12/19				Friday 12/13/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	802	2,629	77%	\$3.05	822	2,695	79%	\$3.05	823	2,684	79%	\$3.05	800	2,635	78%	\$3.05	696	2,093	62%
0500 - 0600	\$4.95	843	2,674	79%	\$4.95	881	2,650	78%	\$4.95	809	2,678	79%	\$4.95	843	2,783	82%	\$4.70	740	2,435	72%
0600 - 0700	\$5.15	529	2,046	60%	\$5.15	568	2,123	62%	\$5.15	587	1,918	56%	\$5.15	566	1,984	58%	\$4.95	583	2,139	63%
0700 - 0800	\$5.65	421	2,101	62%	\$5.65	432	1,987	58%	\$5.65	426	2,127	63%	\$5.65	389	2,044	60%	\$5.50	392	1,905	56%
0800 - 0900	\$5.15	251	2,060	61%	\$5.15	269	2,254	66%	\$5.15	270	2,143	63%	\$5.15	268	2,082	61%	\$4.95	252	1,773	52%
0900 - 1000	\$4.10	254	2,063	61%	\$4.10	255	2,222	65%	\$4.10	291	2,182	64%	\$4.10	285	2,262	67%	\$4.10	270	2,013	59%

AM Time	Monday 12/16/19				Tuesday 12/17/19				Wednesday 12/18/19				Thursday 12/19/19				Friday 12/20/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	804	2,662	78%	\$3.05	760	2,648	78%	\$3.05	840	2,709	80%	\$3.05	834	2,660	78%	\$3.05	646	2,095	62%
0500 - 0600	\$4.95	796	2,521	74%	\$4.95	906	2,716	80%	\$4.95	803	2,716	80%	\$4.95	855	2,683	79%	\$4.70	686	2,429	71%
0600 - 0700	\$5.15	561	2,024	60%	\$5.15	544	2,047	60%	\$5.15	580	1,983	58%	\$5.15	588	1,999	59%	\$4.95	524	2,040	60%
0700 - 0800	\$5.65	429	2,099	62%	\$5.65	443	2,228	66%	\$5.65	413	2,068	61%	\$5.65	409	2,058	61%	\$5.50	392	1,884	55%
0800 - 0900	\$5.15	267	2,044	60%	\$5.15	232	2,064	61%	\$5.15	210	2,094	62%	\$5.15	266	2,001	59%	\$4.95	274	1,858	55%
0900 - 1000	\$4.10	259	2,069	61%	\$4.10	255	2,226	65%	\$4.10	233	2,125	63%	\$4.10	270	2,204	65%	\$4.10	304	2,025	60%

AM Time	Monday 12/23/19				Tuesday 12/24/19				Wednesday 12/25/19				Thursday 12/26/19				Friday 12/27/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	611	1,968	58%	\$3.05	292	847	25%	\$1.70	20	53	2%	\$3.05	412	1,281	38%	\$3.05	410	1,167	34%
0500 - 0600	\$4.95	674	2,048	60%	\$4.70	298	872	26%	\$1.70	22	59	2%	\$4.95	452	1,370	40%	\$4.70	383	1,255	37%
0600 - 0700	\$5.15	342	1,442	42%	\$4.95	146	645	19%	\$1.70	33	86	3%	\$5.15	221	787	23%	\$4.95	272	1,042	31%
0700 - 0800	\$5.65	257	1,368	40%	\$5.50	162	712	21%	\$1.70	38	110	3%	\$5.65	200	835	25%	\$5.50	215	983	29%
0800 - 0900	\$5.15	289	1,600	47%	\$4.95	172	723	21%	\$3.05	112	287	8%	\$5.15	173	928	27%	\$4.95	263	1,108	33%
0900 - 1000	\$4.10	328	1,672	49%	\$4.10	246	967	28%	\$3.20	296	672	20%	\$4.10	227	986	29%	\$4.10	341	1,358	40%

AM Time	Monday 12/30/19				Tuesday 12/31/19				Wednesday 01/01/20				Thursday 01/02/20				Friday 01/03/20			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	536	1,635	48%	\$3.05	411	1,182	35%												
0500 - 0600	\$4.95	517	1,658	49%	\$4.70	410	1,269	37%												
0600 - 0700	\$5.15	244	1,058	31%	\$4.95	202	867	26%												
0700 - 0800	\$5.65	212	1,073	32%	\$5.50	169	807	24%												
0800 - 0900	\$5.15	206	1,135	33%	\$4.95	162	810	24%												
0900 - 1000	\$4.10	222	1,218	36%	\$4.10	224	958	28%												

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## OCTA OPERATIONAL HIGHLIGHTS

### **On-road Operations**

OCTA Customer Assistance Specialists (CAS) responded to 69 calls during the month of December. Of those calls, 60 were to assist disabled vehicles, eight calls to remove debris and one call was in response to an accident in the Express Lanes.

### **Electronic Toll and Traffic Management System Project Update**

Kapsch TrafficCom USA, Inc., (Kapsch), the toll lanes system integrator for the 91 Express Lanes, completed the replacement of the Electronic Toll and Traffic Management (ETTM) system at the current toll gantries. This new lane system is reading both the new 6C transponder protocol as well as the legacy Title 21 protocol. The next phase of the project, which begins next calendar year, entails the replacement of the closed-circuit television cameras along the corridor. New toll gantries will be constructed at the three entrances of the OCTA 91 Express Lanes after which Kapsch will install new ETTM equipment on the entrance gantries.

### **6C Transition Update**

Changes to the back-office system to incorporate the new 6C transponder protocol are underway. In December, the 91 Express Lanes began sending letters to customers notifying them of the transition to 6C, as well as changes to the account plans, user agreement and privacy policy. In the upcoming weeks, distribution of the new welcome kit and sticker transponders will commence. It is envisioned the distribution of new transponders to all customers will take place over several months.

# FINANCIAL HIGHLIGHTS OCTA

## 91 Express Lanes Operating Statement

Description	YTD as of : <b>12/31/2019</b>		YTD Variance	
	Actual <sup>(1)</sup>	Budget <sup>(1)</sup>	Dollar \$	Percent (%)
<b>Operating revenues:</b>				
Toll revenue	\$ 24,980,421.52	\$ 26,524,152.00	\$ (1,543,730.48)	(5.8)
Fee revenue	3,670,732.82	2,036,168.00	1,634,564.82	80.3
<b>Total operating revenues</b>	<b>28,651,154.34</b>	<b>28,560,320.00</b>	<b>90,834.34</b>	<b>0.3</b>
<b>Operating expenses:</b>				
Contracted services	3,116,701.55	3,823,520.00	706,818.45	18.5
Administrative fee	1,417,440.00	1,419,942.00	2,502.00	0.2
Other professional services	543,225.79	1,242,354.00	699,128.21	56.3
Credit card processing fees	650,278.67	710,775.00	60,496.33	8.5
Toll road account servicing	361,994.18	1,204,250.00	842,255.82	69.9
Other insurance expense	186,547.50	374,850.00	188,302.50	50.2
Toll road maintenance supply repairs	113,058.29	237,502.00	124,443.71	52.4
Patrol services	368,520.38	489,810.00	121,289.62	24.8
Building equipment repairs and maint	(5,597.21)	166,142.00	171,739.21	103.4
6C Transponders	-	125,000.00	125,000.00	100.0
Other services	(14,568.00)	17,498.00	32,066.00	183.3
Utilities	19,873.73	36,738.00	16,864.27	45.9
Office expense	3.14	102,110.00	102,106.86	100.0
Bad debt expense	79,155.93	-	(79,155.93)	N/A
Miscellaneous <sup>(2)</sup>	37,397.45	75,000.00	37,602.55	50.1
Leases	180,718.19	229,908.00	49,189.81	21.4
<b>Total operating expenses</b>	<b>7,054,749.59</b>	<b>10,255,399.00</b>	<b>3,200,649.41</b>	<b>31.2</b>
Depreciation and amortization <sup>(3)</sup>	1,770,709.34	-	(1,770,709.34)	N/A
<b>Operating income (loss)</b>	<b>19,825,695.41</b>	<b>18,304,921.00</b>	<b>1,520,774.41</b>	<b>8.3</b>
<b>Nonoperating revenues (expenses):</b>				
Reimbursement from Other Agencies	297,352.97	453,125.00	(155,772.03)	(34.4)
Interest income	2,750,255.80	1,898,046.00	852,209.80	44.9
Interest expense	(2,318,787.33)	(2,356,032.00)	37,244.67	1.6
Other	32,598.38	-	32,598.38	N/A
<b>Total nonoperating revenues (expenses)</b>	<b>761,419.82</b>	<b>(4,861.00)</b>	<b>766,280.82</b>	<b>15,763.9</b>
Transfers in	-	-	-	N/A
Transfers out	(14,460,192.17)	(20,000.00)	(14,440,192.17)	(72,201.0)
<b>Net income (loss)</b>	<b>\$ 6,126,923.06</b>	<b>\$ 18,280,060.00</b>	<b>\$ (12,153,136.94)</b>	<b>(66.5)</b>

<sup>1</sup>Actual amounts are accounted for on the accrual basis of accounting in an enterprise fund. Budget amounts are accounted for on a modified accrual basis of accounting.

<sup>2</sup>Miscellaneous expenses include: Bond Insurance Costs, Bank Service Charge, Transponder Materials.

<sup>3</sup>Depreciation and amortization are not budgeted items.

## Capital Asset Activity

During the six months ending December 31, 2019, capital asset activities included \$195,292 for the ETTM system project, \$5,920 for computer equipment and \$112,562 for transponder purchases.



# OPERATIONS OVERVIEW RCTC

## TRAFFIC AND REVENUE STATISTICS FOR RCTC

Total traffic volume on the 91 Express Lanes for December 2019 was 1,254,586. This represents a daily average of 40,471 vehicles. This is a 4.7% increase in total traffic volume from the same period last year, which totaled 1,198,578. Potential toll revenue for the month was \$5,277,144, which represents an increase of 21.9% from the prior year's total of \$4,327,741. Carpool percentage for December was 24.66% as compared to the previous year's rate of 25.69%.

Month-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the month of December 2019.

### Current Month-to-Date (MTD) as of December 31, 2019

	DEC-19 MTD Actual	Stantec MTD Projected	# Variance	% Variance	DEC-18 MTD Actual	Yr-to-Yr % Variance
<b>Trips</b>						
Full Toll Lanes	945,151	926,743	18,408	2.0%	890,682	6.1%
3+ Lanes	309,435	321,729	(12,294)	(3.8%)	307,896	0.5%
Total Gross Trips	1,254,586	1,248,471	6,115	0.5%	1,198,578	4.7%
<b>Revenue</b>						
Full Toll Lanes	\$5,238,975	\$3,676,471	\$1,562,504	42.5%	\$4,289,378	22.1%
3+ Lanes	\$38,169	\$0	\$38,169		\$38,363	(0.5%)
Total Gross Revenue	\$5,277,144	\$3,676,471	\$1,600,672	43.5%	\$4,327,741	21.9%
<b>Average Revenue per Trip</b>						
Average Full Toll Lanes	\$5.54	\$3.97	\$1.57	39.5%	\$4.82	14.9%
Average 3+ Lanes	\$0.12	\$0.00	\$0.12		\$0.12	0.0%
Average Gross Revenue	\$4.21	\$2.94	\$1.27	43.2%	\$3.61	16.6%

The 2020 fiscal year-to-date (YTD) traffic volume is 3.3% higher when compared with the same period last year. The 2020 fiscal year-to-date revenue is 21.1% higher than for the same period last year. The traffic and revenue increases are attributed to higher demand and increased toll rates to manage the demand. Year-to-date average revenue per-trip is \$4.22.

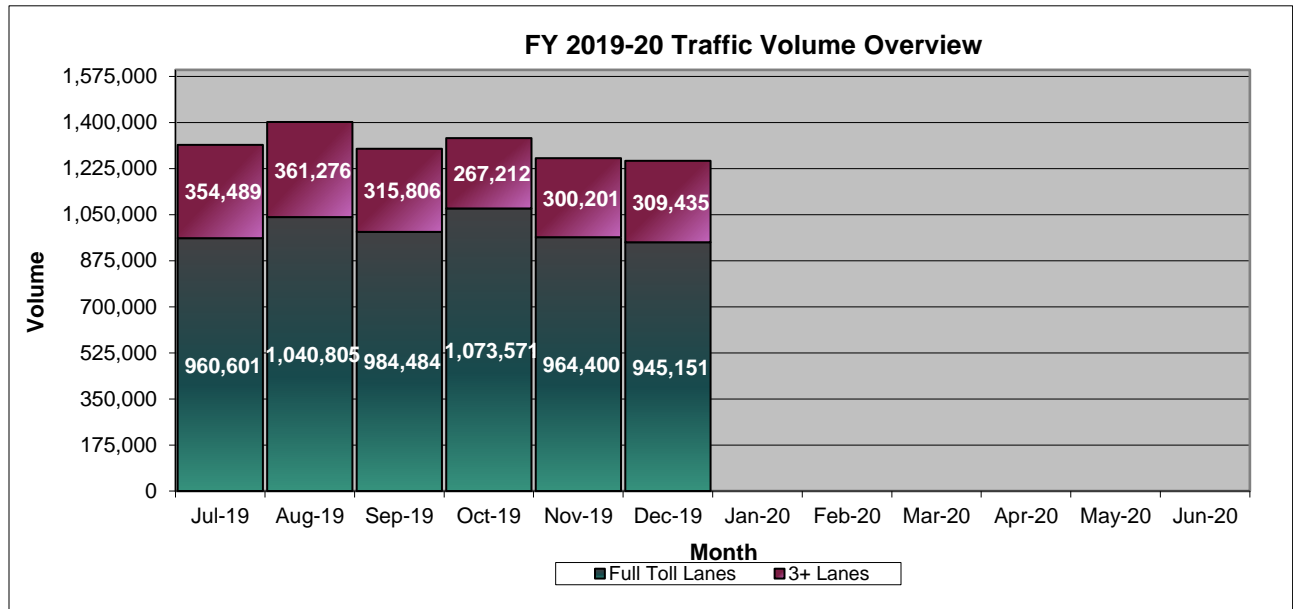
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the months of July 2019 through December 2019.

#### FY 2019-20 Year to Date as of December 31, 2019

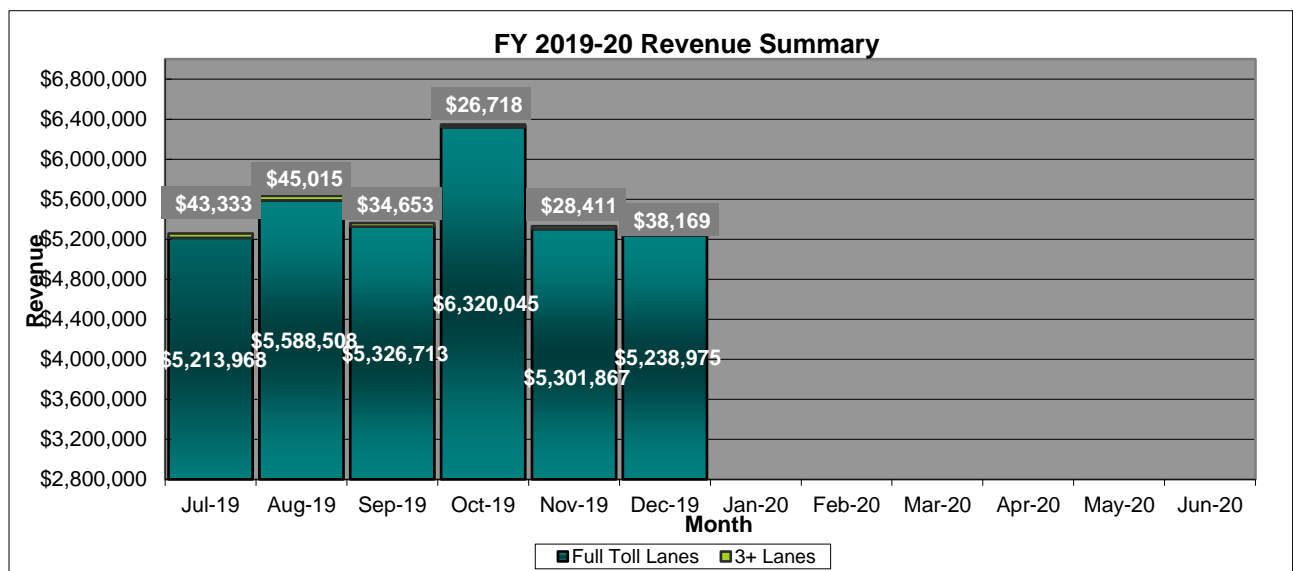
Trips	FY 2019-20 YTD Actual	Stantec YTD Projected	# Variance	% Variance	FY 2018-19 YTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	5,969,012	5,933,357	35,655	0.6%	5,777,160	3.3%
3+ Lanes	1,908,419	1,926,471	(18,052)	(0.9%)	1,849,217	3.2%
Total Gross Trips	7,877,431	7,859,829	17,602	0.2%	7,626,377	3.3%
<b>Revenue</b>						
Full Toll Lanes	\$32,990,077	\$23,315,471	\$9,674,605	41.5%	\$27,199,627	21.3%
3+ Lanes	\$216,298	\$0	\$216,298		\$212,527	1.8%
Total Gross Revenue	\$33,206,375	\$23,315,471	\$9,890,904	42.4%	\$27,412,154	21.1%
<b>Average Revenue per Trip</b>						
Average Full Toll Lanes	\$5.53	\$3.93	\$1.60	40.7%	\$4.71	17.4%
Average 3+ Lanes	\$0.11	\$0.00	\$0.11		\$0.11	0.0%
Average Gross Revenue	\$4.22	\$2.97	\$1.25	42.1%	\$3.59	17.5%

## RCTC Traffic and Revenue Summary

The chart below reflects the total trips broken down between Full Toll lanes and HOV3+ lanes for FY 2019-20 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll lanes and HOV3+ lanes for FY 2019-20 on a monthly basis.



## RCTC PEAK-HOUR VOLUMES

RCTC evaluates traffic volumes for peak period hours and either increases or decreases tolls according to the toll rate policy. Hours that are highlighted in yellow were operating in a degraded state. The next quarterly adjustment is scheduled for April 1, 2020.

## RCTC EASTBOUND PEAK-HOUR VOLUMES

Eastbound PM Peak - County Line to McKinley

PM Time	Monday 12/02/19					Tuesday 12/03/19					Wednesday 12/04/19					Thursday 12/05/19					Friday 12/06/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	225	959	1,184	D	\$6.95	229	990	1,219	E	\$9.00	188	813	1,001	D	\$11.85	242	1,146	1,388	F	\$21.00	273	922	1,195	D
1500 - 1600	\$7.35	324	937	1,261	E	\$6.95	260	865	1,125	D	\$9.90	223	778	1,001	D	\$12.00	290	1,033	1,323	F	\$18.70	328	721	1,049	D
1600 - 1700	\$5.30	173	898	1,071	D	\$5.30	186	1,026	1,212	E	\$5.30	138	755	893	C	\$7.50	162	865	1,027	D	\$10.45	242	886	1,128	D
1700 - 1800	\$5.30	175	852	1,027	D	\$5.30	212	828	1,040	D	\$5.30	150	635	785	B	\$5.30	196	876	1,072	D	\$6.95	264	927	1,191	D
1800 - 1900	\$5.30	259	748	1,007	D	\$5.30	272	806	1,078	D	\$5.30	197	522	719	B	\$5.30	256	823	1,079	D	\$5.30	291	897	1,188	D
1900 - 2000	\$2.25	168	558	726	B	\$4.20	264	804	1,068	D	\$5.30	148	418	566	B	\$5.30	240	705	945	C	\$5.30	311	786	1,097	D

PM Time	Monday 12/09/19					Tuesday 12/10/19					Wednesday 12/11/19					Thursday 12/12/19					Friday 12/13/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	205	983	1,188	D	\$6.95	252	1,025	1,277	E	\$9.00	219	1,064	1,283	E	\$11.85	226	1,121	1,347	F	\$21.00	259	1,144	1,403	F
1500 - 1600	\$7.35	291	913	1,204	E	\$6.95	318	947	1,265	E	\$9.90	279	898	1,177	D	\$12.00	280	1,037	1,317	F	\$18.70	314	962	1,276	E
1600 - 1700	\$5.30	188	907	1,095	D	\$5.30	175	892	1,067	D	\$5.30	204	932	1,136	D	\$7.50	194	875	1,069	D	\$10.45	226	984	1,210	E
1700 - 1800	\$5.30	209	827	1,036	D	\$5.30	212	860	1,072	D	\$5.30	201	820	1,021	D	\$5.30	237	898	1,135	D	\$6.95	223	943	1,166	D
1800 - 1900	\$5.30	254	786	1,040	D	\$5.30	283	763	1,046	D	\$5.30	224	881	1,105	D	\$5.30	268	838	1,106	D	\$5.30	295	857	1,152	D
1900 - 2000	\$2.25	234	669	903	C	\$4.20	249	754	1,003	D	\$5.30	243	826	1,069	D	\$5.30	312	796	1,108	D	\$5.30	312	787	1,099	D

PM Time	Monday 12/16/19					Tuesday 12/17/19					Wednesday 12/18/19					Thursday 12/19/19					Friday 12/20/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	213	992	1,205	E	\$6.95	207	1,040	1,247	E	\$9.00	214	1,075	1,289	E	\$11.85	249	1,157	1,406	F	\$21.00	298	1,046	1,344	F
1500 - 1600	\$7.35	284	893	1,177	D	\$6.95	288	991	1,279	E	\$9.90	271	983	1,254	E	\$12.00	283	985	1,268	E	\$18.70	340	923	1,263	E
1600 - 1700	\$5.30	208	950	1,158	D	\$5.30	177	947	1,124	D	\$5.30	200	1,014	1,214	E	\$7.50	203	885	1,088	D	\$10.45	224	943	1,167	D
1700 - 1800	\$5.30	239	860	1,099	D	\$5.30	218	926	1,144	D	\$5.30	236	852	1,088	D	\$5.30	231	950	1,181	D	\$6.95	272	863	1,135	D
1800 - 1900	\$5.30	284	779	1,063	D	\$5.30	291	838	1,129	D	\$5.30	240	914	1,154	D	\$5.30	306	851	1,157	D	\$5.30	337	853	1,190	D
1900 - 2000	\$2.25	237	713	950	C	\$4.20	289	792	1,081	D	\$5.30	267	668	935	C	\$5.30	317	793	1,110	D	\$5.30	311	702	1,013	D

PM Time	Monday 12/23/19					Tuesday 12/24/19					Wednesday 12/25/19					Thursday 12/26/19					Friday 12/27/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	260	878	1,138	D	\$21.00	375	793	1,168	D	\$5.30	407	672	1,079	D	\$11.85	233	712	945	C	\$21.00	348	997	1,345	F
1500 - 1600	\$7.35	272	813	1,085	D	\$18.70	424	720	1,144	D	\$4.20	318	475	793	B	\$12.00	197	561	758	B	\$18.70	324	855	1,179	D
1600 - 1700	\$5.30	213	881	1,094	D	\$10.45	295	706	1,001	D	\$2.25	265	341	606	B	\$7.50	147	438	585	B	\$10.45	242	889	1,131	D
1700 - 1800	\$5.30	188	746	934	C	\$6.95	354	601	955	C	\$2.25	234	328	562	B	\$5.30	173	440	613	B	\$6.95	275	743	1,018	D
1800 - 1900	\$5.30	248	681	929	C	\$5.30	361	599	960	C	\$2.25	292	297	589	B	\$5.30	181	343	524	B	\$5.30	282	630	912	C
1900 - 2000	\$2.25	190	397	587	B	\$5.30	330	523	853	C	\$2.25	326	308	634	B	\$5.30	130	245	375	A	\$5.30	251	452	703	B

PM Time	Monday 12/30/19					Tuesday 12/31/19					Wednesday 01/01/20					Thursday 01/02/20					Friday 01/03/20				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	276	882	1,158	D	\$21.00	312	929	1,241	E															
1500 - 1600	\$7.35	321	1,017	1,338	F	\$18.70	334	887	1,221	E															
1600 - 1700	\$5.30	211	888	1,099	D	\$10.45	256	919	1,175	D															
1700 - 1800	\$5.30	195	782	977	C	\$6.95	302	722	1,024	D															
1800 - 1900	\$5.30	168	557	725	B	\$5.30	307	583	890	C															
1900 - 2000	\$2.25	198	412	610	B	\$5.30	262	424	686	B															

**Eastbound PM Peak - County Line to I-15 South**

PM Time	Monday 12/02/19					Tuesday 12/03/19					Wednesday 12/04/19					Thursday 12/05/19					Friday 12/06/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	84	665	749	B	\$5.30	91	744	835	C	\$5.30	90	617	707	B	\$5.30	78	848	926	C	\$5.30	97	672	769	B
1500 - 1600	\$5.30	134	634	768	B	\$2.95	125	648	773	B	\$2.95	129	600	729	B	\$5.30	117	724	841	C	\$2.95	137	576	713	B
1600 - 1700	\$2.95	94	643	737	B	\$2.95	94	551	645	B	\$2.95	82	555	637	B	\$2.95	89	636	725	B	\$2.95	109	578	687	B
1700 - 1800	\$2.95	98	604	702	B	\$2.95	116	580	696	B	\$2.95	82	503	585	B	\$2.95	94	581	675	B	\$2.95	122	592	714	B
1800 - 1900	\$2.95	111	562	673	B	\$2.95	128	549	677	B	\$2.95	96	442	538	B	\$2.95	137	601	738	B	\$2.95	172	578	750	B
1900 - 2000	\$2.95	121	416	537	B	\$2.95	171	566	737	B	\$2.95	70	345	415	B	\$2.95	146	587	733	B	\$2.95	172	527	699	B

PM Time	Monday 12/09/19					Tuesday 12/10/19					Wednesday 12/11/19					Thursday 12/12/19					Friday 12/13/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	113	671	784	B	\$5.30	104	745	849	C	\$5.30	106	793	899	C	\$5.30	109	843	952	C	\$5.30	114	782	896	C
1500 - 1600	\$5.30	137	669	806	C	\$2.95	147	656	803	C	\$2.95	169	697	866	C	\$5.30	137	739	876	C	\$2.95	138	646	784	B
1600 - 1700	\$2.95	98	688	786	B	\$2.95	107	714	821	C	\$2.95	96	699	795	B	\$2.95	109	601	710	B	\$2.95	97	685	782	B
1700 - 1800	\$2.95	113	571	684	B	\$2.95	108	602	710	B	\$2.95	111	630	741	B	\$2.95	107	604	711	B	\$2.95	81	570	651	B
1800 - 1900	\$2.95	132	542	674	B	\$2.95	135	593	728	B	\$2.95	110	547	657	B	\$2.95	139	624	763	B	\$2.95	164	506	670	B
1900 - 2000	\$2.95	170	496	666	B	\$2.95	178	594	772	B	\$2.95	146	623	769	B	\$2.95	194	630	824	C	\$2.95	180	523	703	B

PM Time	Monday 12/16/19					Tuesday 12/17/19					Wednesday 12/18/19					Thursday 12/19/19					Friday 12/20/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	116	713	829	C	\$5.30	122	811	933	C	\$5.30	102	758	860	C	\$5.30	122	850	972	C	\$5.30	126	753	879	C
1500 - 1600	\$5.30	149	663	812	C	\$2.95	118	688	806	C	\$2.95	132	728	860	C	\$5.30	121	721	842	C	\$2.95	154	632	786	B
1600 - 1700	\$2.95	106	677	783	B	\$2.95	97	677	774	B	\$2.95	95	655	750	B	\$2.95	103	568	671	B	\$2.95	118	677	795	B
1700 - 1800	\$2.95	133	593	726	B	\$2.95	103	595	698	B	\$2.95	106	618	724	B	\$2.95	127	659	786	B	\$2.95	141	575	716	B
1800 - 1900	\$2.95	129	577	706	B	\$2.95	143	604	747	B	\$2.95	120	624	744	B	\$2.95	162	620	782	B	\$2.95	183	609	792	B
1900 - 2000	\$2.95	161	509	670	B	\$2.95	157	603	760	B	\$2.95	184	494	678	B	\$2.95	205	651	856	C	\$2.95	195	477	672	B

PM Time	Monday 12/23/19					Tuesday 12/24/19					Wednesday 12/25/19					Thursday 12/26/19					Friday 12/27/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	122	627	749	B	\$5.30	228	537	765	B	\$2.95	236	426	662	B	\$5.30	114	465	579	B	\$5.30	155	666	821	C
1500 - 1600	\$5.30	144	595	739	B	\$2.95	290	518	808	C	\$2.95	223	286	509	B	\$5.30	116	433	549	B	\$2.95	187	615	802	C
1600 - 1700	\$2.95	115	554	669	B	\$2.95	177	503	680	B	\$2.95	144	231	375	A	\$2.95	82	315	397	A	\$2.95	120	539	659	B
1700 - 1800	\$2.95	115	458	573	B	\$2.95	219	375	594	B	\$2.95	180	216	396	A	\$2.95	117	323	440	B	\$2.95	135	469	604	B
1800 - 1900	\$2.95	134	460	594	B	\$2.95	200	410	610	B	\$2.95	255	224	479	B	\$2.95	121	235	356	A	\$2.95	152	418	570	B
1900 - 2000	\$2.95	124	286	410	B	\$2.95	237	394	631	B	\$2.95	292	252	544	B	\$2.95	91	151	242	A	\$2.95	154	296	450	B

PM Time	Monday 12/30/19					Tuesday 12/31/19					Wednesday 01/01/20					Thursday 01/02/20					Friday 01/03/20				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	117	591	708	B	\$5.30	165	680	845	C															
1500 - 1600	\$5.30	162	649	811	C	\$2.95	146	505	651	B															
1600 - 1700	\$2.95	86	595	681	B	\$2.95	150	574	724	B															
1700 - 1800	\$2.95	109	489	598	B	\$2.95	176	501	677	B															
1800 - 1900	\$2.95	115	405	520	B	\$2.95	164	398	562	B															
1900 - 2000	\$2.95	118	321	439	B	\$2.95	134	253	387	A															

## RCTC WESTBOUND PEAK-HOUR VOLUMES

Westbound AM Peak - McKinley to County Line

AM Time	Monday 12/02/19					Tuesday 12/03/19					Wednesday 12/04/19					Thursday 12/05/19					Friday 12/06/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	435	1,115	1,550	F	\$10.80	404	1,100	1,504	F	\$10.80	374	1,013	1,387	F	\$10.50	377	1,074	1,451	F	\$5.30	389	717	1,106	D
0500 - 0600	\$23.25	499	858	1,357	F	\$22.80	497	829	1,326	E	\$18.40	368	920	1,288	E	\$17.50	459	1,111	1,570	F	\$12.20	449	1,041	1,490	F
0600 - 0700	\$20.20	330	900	1,230	E	\$17.45	304	861	1,165	D	\$19.40	304	545	849	C	\$19.40	344	737	1,081	D	\$11.45	383	1,168	1,551	F
0700 - 0800	\$16.35	320	1,258	1,578	F	\$16.35	313	1,358	1,671	F	\$17.10	320	1,167	1,487	F	\$15.30	308	1,361	1,669	F	\$9.30	336	1,207	1,543	F
0800 - 0900	\$11.15	200	1,365	1,565	F	\$11.45	180	1,518	1,698	F	\$11.45	164	1,288	1,452	F	\$12.20	183	1,445	1,628	F	\$8.00	181	1,129	1,310	E
0900 - 1000	\$6.95	176	987	1,163	D	\$9.00	153	1,123	1,276	E	\$8.00	148	1,049	1,197	D	\$9.00	178	1,044	1,222	E	\$5.30	167	884	1,051	D

AM Time	Monday 12/09/19					Tuesday 12/10/19					Wednesday 12/11/19					Thursday 12/12/19					Friday 12/13/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	404	1,146	1,550	F	\$10.80	407	1,148	1,555	F	\$10.80	390	1,233	1,623	F	\$10.50	416	1,210	1,626	F	\$5.30	353	733	1,086	D
0500 - 0600	\$23.25	482	920	1,402	F	\$22.80	550	903	1,453	F	\$18.40	449	1,115	1,564	F	\$17.50	478	1,177	1,655	F	\$12.20	415	1,121	1,536	F
0600 - 0700	\$20.20	336	877	1,213	E	\$17.45	322	836	1,158	D	\$19.40	379	653	1,032	D	\$19.40	382	804	1,186	D	\$11.45	421	1,161	1,582	F
0700 - 0800	\$16.35	314	1,258	1,572	F	\$16.35	317	1,249	1,566	F	\$17.10	327	1,283	1,610	F	\$15.30	318	1,307	1,625	F	\$9.30	315	1,221	1,536	F
0800 - 0900	\$11.15	175	1,492	1,667	F	\$11.45	172	1,567	1,739	F	\$11.45	207	1,448	1,655	F	\$12.20	200	1,428	1,628	F	\$8.00	184	1,155	1,339	E
0900 - 1000	\$6.95	165	1,134	1,299	E	\$9.00	162	1,121	1,283	E	\$8.00	166	1,126	1,292	E	\$9.00	186	1,207	1,393	F	\$5.30	158	1,002	1,160	D

AM Time	Monday 12/16/19					Tuesday 12/17/19					Wednesday 12/18/19					Thursday 12/19/19					Friday 12/20/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	421	1,134	1,555	F	\$10.80	359	1,133	1,492	F	\$10.80	418	1,236	1,654	F	\$10.50	436	1,144	1,580	F	\$5.30	313	727	1,040	D
0500 - 0600	\$23.25	438	839	1,277	E	\$22.80	537	894	1,431	F	\$18.40	441	1,165	1,606	F	\$17.50	508	1,054	1,562	F	\$12.20	400	1,110	1,510	F
0600 - 0700	\$20.20	342	929	1,271	E	\$17.45	341	830	1,171	D	\$19.40	385	702	1,087	D	\$19.40	422	772	1,194	D	\$11.45	389	1,173	1,562	F
0700 - 0800	\$16.35	313	1,351	1,664	F	\$16.35	337	1,360	1,697	F	\$17.10	342	1,335	1,677	F	\$15.30	359	1,330	1,689	F	\$9.30	323	1,162	1,485	F
0800 - 0900	\$11.15	179	1,478	1,657	F	\$11.45	206	1,448	1,654	F	\$11.45	179	1,458	1,637	F	\$12.20	248	1,343	1,591	F	\$8.00	161	1,170	1,331	E
0900 - 1000	\$6.95	179	1,117	1,296	E	\$9.00	172	1,205	1,377	F	\$8.00	163	1,094	1,257	E	\$9.00	199	1,139	1,338	E	\$5.30	189	874	1,063	D

AM Time	Monday 12/23/19					Tuesday 12/24/19					Wednesday 12/25/19					Thursday 12/26/19					Friday 12/27/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	301	759	1,060	D	\$5.30	143	366	509	B	\$1.55	10	12	22	A	\$10.50	202	564	766	B	\$5.30	212	404	616	B
0500 - 0600	\$23.25	322	607	929	C	\$12.20	162	316	478	B	\$1.55	10	13	23	A	\$17.50	223	483	706	B	\$12.20	212	529	741	B
0600 - 0700	\$20.20	209	652	861	C	\$11.45	76	306	382	A	\$1.55	8	18	26	A	\$19.40	130	282	412	B	\$11.45	202	554	756	B
0700 - 0800	\$16.35	172	720	892	C	\$9.30	101	393	494	B	\$1.55	17	43	60	A	\$15.30	140	452	592	B	\$9.30	142	544	686	B
0800 - 0900	\$11.15	246	1,190	1,436	F	\$8.00	84	348	432	B	\$1.55	52	89	141	A	\$12.20	115	581	696	B	\$8.00	124	583	707	B
0900 - 1000	\$6.95	203	746	949	C	\$5.30	126	371	497	B	\$1.55	112	217	329	A	\$9.00	119	389	508	B	\$5.30	171	493	664	B

AM Time	Monday 12/30/19					Tuesday 12/31/19					Wednesday 01/01/20					Thursday 01/02/20					Friday 01/03/20				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	240	668	908	C	\$5.30	184	481	665	B															
0500 - 0600	\$23.25	276	590	866	C	\$12.20	219	509	728	B															
0600 - 0700	\$20.20	150	501	651	B	\$11.45	115	382	497	B															
0700 - 0800	\$16.35	155	671	826	C	\$9.30	126	423	549	B															
0800 - 0900	\$11.15	128	640	768	B	\$8.00	91	368	459	B															
0900 - 1000	\$6.95	137	558	695	B	\$5.30	128	398	526	B															

**Westbound AM Peak - I-15 North to County Line**

AM Time	Monday 12/02/19					Tuesday 12/03/19					Wednesday 12/04/19					Thursday 12/05/19					Friday 12/06/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	264	799	1,063	D	\$5.30	233	865	1,098	D	\$5.30	244	699	943	C	\$5.30	201	773	974	C	\$2.95	205	666	871	C
0500 - 0600	\$18.00	382	1,182	1,564	F	\$17.25	311	1,029	1,340	E	\$16.60	309	1,024	1,333	E	\$13.50	338	1,104	1,442	F	\$6.85	325	938	1,263	E
0600 - 0700	\$19.35	303	1,070	1,373	E	\$17.55	290	1,101	1,391	E	\$19.65	265	898	1,163	D	\$14.50	296	1,102	1,398	E	\$6.85	250	1,043	1,293	E
0700 - 0800	\$12.15	227	1,082	1,309	E	\$13.45	232	1,328	1,560	F	\$12.45	171	976	1,147	D	\$11.40	216	1,223	1,439	F	\$6.85	213	987	1,200	D
0800 - 0900	\$6.85	107	1,102	1,209	E	\$8.85	101	1,296	1,397	E	\$6.85	94	1,051	1,145	D	\$8.85	89	1,121	1,210	E	\$5.30	91	909	1,000	C
0900 - 1000	\$5.30	100	756	856	C	\$5.30	108	946	1,054	D	\$5.30	85	817	902	C	\$5.30	97	898	995	C	\$2.95	81	801	882	C

AM Time	Monday 12/09/19					Tuesday 12/10/19					Wednesday 12/11/19					Thursday 12/12/19					Friday 12/13/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	251	795	1,046	D	\$5.30	234	845	1,079	D	\$5.30	221	855	1,076	D	\$5.30	225	791	1,016	D	\$2.95	212	664	876	C
0500 - 0600	\$18.00	322	1,173	1,495	F	\$17.25	363	1,137	1,500	F	\$16.60	334	1,137	1,471	F	\$13.50	364	1,199	1,563	F	\$6.85	281	906	1,187	D
0600 - 0700	\$19.35	280	1,100	1,380	E	\$17.55	320	1,146	1,466	F	\$19.65	289	1,119	1,408	F	\$14.50	304	1,092	1,396	E	\$6.85	231	1,086	1,317	E
0700 - 0800	\$12.15	210	1,233	1,443	F	\$13.45	233	1,282	1,515	F	\$12.45	235	1,293	1,528	F	\$11.40	194	1,173	1,367	E	\$6.85	172	1,024	1,196	D
0800 - 0900	\$6.85	109	1,249	1,358	E	\$8.85	127	1,419	1,546	F	\$6.85	118	1,313	1,431	F	\$8.85	100	1,172	1,272	E	\$5.30	87	951	1,038	D
0900 - 1000	\$5.30	108	944	1,052	D	\$5.30	91	1,028	1,119	D	\$5.30	136	959	1,095	D	\$5.30	119	887	1,006	D	\$2.95	107	789	896	C

AM Time	Monday 12/16/19					Tuesday 12/17/19					Wednesday 12/18/19					Thursday 12/19/19					Friday 12/20/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	198	887	1,085	D	\$5.30	214	858	1,072	D	\$5.30	235	799	1,034	D	\$5.30	258	812	1,070	D	\$2.95	178	731	909	C
0500 - 0600	\$18.00	315	1,176	1,491	F	\$17.25	326	1,200	1,526	F	\$16.60	320	1,137	1,457	F	\$13.50	374	1,101	1,475	F	\$6.85	267	954	1,221	E
0600 - 0700	\$19.35	273	1,104	1,377	E	\$17.55	289	1,140	1,429	F	\$19.65	302	1,106	1,408	F	\$14.50	316	1,084	1,400	E	\$6.85	228	1,046	1,274	E
0700 - 0800	\$12.15	230	1,223	1,453	F	\$13.45	277	1,248	1,525	F	\$12.45	190	1,129	1,319	E	\$11.40	210	1,062	1,272	E	\$6.85	176	993	1,169	D
0800 - 0900	\$6.85	105	1,170	1,275	E	\$8.85	126	1,242	1,368	E	\$6.85	90	1,236	1,326	E	\$8.85	114	1,089	1,203	E	\$5.30	104	901	1,005	D
0900 - 1000	\$5.30	93	900	993	C	\$5.30	101	983	1,084	D	\$5.30	114	936	1,050	D	\$5.30	116	930	1,046	D	\$2.95	94	815	909	C

AM Time	Monday 12/23/19					Tuesday 12/24/19					Wednesday 12/25/19					Thursday 12/26/19					Friday 12/27/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	194	601	795	B	\$2.95	83	281	364	A	\$1.95	10	14	24	A	\$5.30	112	380	492	B	\$2.95	114	393	507	B
0500 - 0600	\$18.00	263	819	1,082	D	\$6.85	106	313	419	B	\$1.95	13	28	41	A	\$13.50	163	511	674	B	\$6.85	146	464	610	B
0600 - 0700	\$19.35	159	704	863	C	\$6.85	66	356	422	B	\$1.95	21	36	57	A	\$14.50	107	442	549	B	\$6.85	137	504	641	B
0700 - 0800	\$12.15	114	716	830	C	\$6.85	48	284	332	A	\$1.95	14	37	51	A	\$11.40	71	446	517	B	\$6.85	85	477	562	B
0800 - 0900	\$6.85	76	574	650	B	\$5.30	63	295	358	A	\$1.95	53	87	140	A	\$8.85	55	438	493	B	\$5.30	97	510	607	B
0900 - 1000	\$5.30	123	646	769	B	\$2.95	101	332	433	B	\$1.95	136	189	325	A	\$5.30	106	413	519	B	\$2.95	130	499	629	B

AM Time	Monday 12/30/19					Tuesday 12/31/19					Wednesday 01/01/20					Thursday 01/02/20					Friday 01/03/20				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	151	490	641	B	\$2.95	120	345	465	B															
0500 - 0600	\$18.00	201	681	882	C	\$6.85	145	486	631	B															
0600 - 0700	\$19.35	134	598	732	B	\$6.85	77	474	551	B															
0700 - 0800	\$12.15	78	523	601	B	\$6.85	61	387	448	B															
0800 - 0900	\$6.85	73	559	632	B	\$5.30	56	395	451	B															
0900 - 1000	\$5.30	96	516	612	B	\$2.95	93	340	433	B															

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## RCTC OPERATIONAL HIGHLIGHTS

### **On-road Operations**

RCTC Freeway Service Patrol (FSP) responded to 64 calls during the month of December. Of those calls, 54 were to assist disabled vehicles, 6 calls to remove debris and 4 were in response to accidents in the Express Lanes

### **6C Transponder Technology**

In December, the 91 Express Lanes began sending letters to customers notifying them of the transition to the new 6C protocol, as well as changes to the account plans, user agreement and privacy policy. A new welcome kit, which includes mounting instructions, has been designed and developed and will be sent with the new sticker transponders in the upcoming weeks. It is envisioned the distribution of the new transponders to all the customers will take place over several months.



# FINANCIAL HIGHLIGHTS RCTC

## RCTC 91 Express Lanes Operating Statement

Description	YTD as of : <b>12/31/2019</b>		YTD Variance	
	Actual <sup>1</sup>	Budget	Dollar \$	Percent (%)
<b>Operating revenues:</b>				
Toll Revenue	\$ 30,520,448.48	\$ 18,294,550.00	\$ 12,225,898.48	66.8
Fee Revenue	3,929,501.92	2,640,150.00	1,289,351.92	48.8
<b>Total operating revenues</b>	<b>34,449,950.40</b>	<b>20,934,700.00</b>	<b>13,515,250.40</b>	<b>64.6</b>
<b>Operating expenses:</b>				
Salaries and Benefits	391,797.29	676,700.00	284,902.71	42.1
Legal Services	110,402.19	175,000.00	64,597.81	36.9
Advisory Services	29,617.58	37,500.00	7,882.42	21.0
Audit and Accounting Fees	46,000.00	23,500.00	(22,500.00)	(95.7)
Service Fees	1,086.78	13,000.00	11,913.22	91.6
Other Professional Services	111,477.97	737,950.00	626,472.03	84.9
Lease Expense	112,696.47	128,250.00	15,553.53	12.1
Operations	1,406,386.19	1,814,250.00	407,863.81	22.5
Utilities	13,881.70	31,250.00	17,368.30	55.6
Supplies and Materials	123.62	2,500.00	2,376.38	95.1
Membership and Subscription Fees	20,056.75	12,500.00	(7,556.75)	(60.5)
Office Equipment & Furniture (Non-Capital)	747.12	2,500.00	1,752.88	70.1
Maintenance/Repairs	71,405.32	174,900.00	103,494.68	59.2
Training Seminars and Conferences	350.00	2,250.00	1,900.00	84.4
Transportation Expenses	140.83	3,750.00	3,609.17	96.2
Lodging	1,328.48	3,500.00	2,171.52	62.0
Meals	302.88	500.00	197.12	39.4
Other Staff Expenses	328.10	500.00	171.90	34.4
Advertising	38.00	95,000.00	94,962.00	100.0
Program Management	38,113.07	-	(38,113.07)	N/A
Program Operations	3,507,671.85	5,328,350.00	1,820,678.15	34.2
Litigation Settlement	-	5,000.00	5,000.00	100.0
Furniture & Equipment	265,261.31	375,000.00	109,738.69	29.3
Improvements	16,032.27	8,050.00	(7,982.27)	(99.2)
Depreciation	2,695,986.01 <sup>#</sup>	-	(2,695,986.01)	N/A
Bad Debt Expense	8.30	-	(8.30)	N/A
<b>Total operating expenses</b>	<b>8,841,240.08</b>	<b>9,651,700.00</b>	<b>810,459.92</b>	<b>8.4</b>
<b>Operating income (loss)</b>	<b>25,608,710.32</b>	<b>11,283,000.00</b>	<b>14,325,710.32</b>	<b>127.0</b>
<b>Nonoperating revenues (expenses):</b>				
Interest Revenue	1,132,450.03	761,050.00	371,400.03	(48.8)
Other Miscellaneous Revenue	(875.72)	-	(875.72)	N/A
Interest Expense	(12,566,517.39)	(3,559,950.00)	(9,006,567.39)	253.0
<b>Total nonoperating revenues (expenses)</b>	<b>(12,263,642.90)</b>	<b>(2,798,900.00)</b>	<b>(9,464,742.90)</b>	<b>(338.2)</b>
Transfers In	-	-	-	N/A
Transfers Out	(325,600.00)	(1,529,750.00)	1,204,150.00	(78.7)
<b>Net income (loss)</b>	<b>\$ 13,019,467.42</b>	<b>\$ 6,954,350.00</b>	<b>\$ 6,065,117.42</b>	<b>87.2</b>

<sup>1</sup> Unaudited

<sup>2</sup> Depreciation is not a budgeted expense

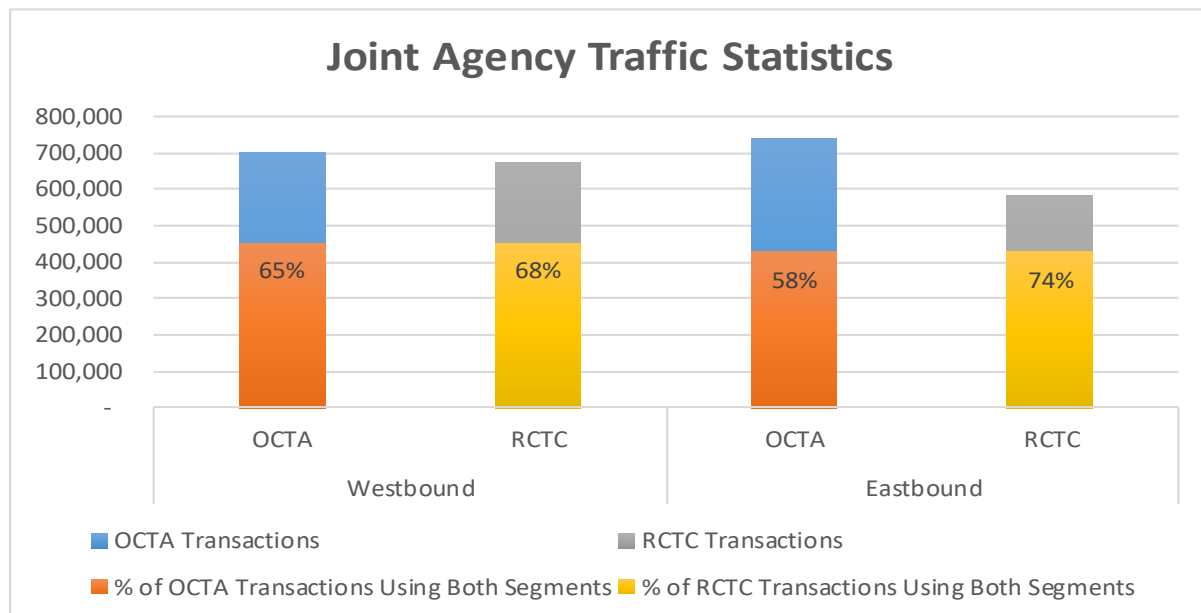
## JOINT AGENCY TRIP AND REVENUE STATISTICS

### MULTI AGENCY TRIP AND REVENUE STATISTICS

MONTH ENDING December 31, 2019

MTD	Transactions by Agency	Transactions Using Both Segments	% Using Both Segments	Revenue
<b>Westbound</b>				
OCTA	700,650	455,249	65%	\$ 1,765,894
RCTC	672,805	455,249	68%	\$ 3,378,110
I-15	296,322	204,234	69%	\$ 1,407,025
McKinley	376,483	251,015	67%	\$ 1,971,085
<b>Eastbound</b>				
OCTA	739,586	429,066	58%	\$ 2,572,405
RCTC	581,781	429,066	74%	\$ 1,899,034
I-15	222,069	174,260	78%	\$ 492,501
McKinley	359,712	254,806	71%	\$ 1,406,533

## JOINT AGENCY TRAFFIC STATISTICS



## JOINT AGENCY PERFORMANCE MEASURES

REPORTING REQUIREMENT	Reporting Period	PERFORMANCE STANDARD	Dec-19 Performance
<b>CUSTOMER SERVICE</b>			
Call Wait Time	Monthly	Not to exceed 2 minutes	1:01
Abandon Rate	Monthly	No more than 4.0%	1.3%
Customer Satisfaction	Monthly	At least 75 outbound calls	75
<b>VIOLATION PROCESSING</b>			
Response Time	Monthly	Within 2 business days of receipt	0.8
CUSA Violation Collection Rate	Quarterly	70% or more	69%
CUSA Violation Collection Rate	Annually	74% or more	
<b>TRAFFIC OPERATIONS</b>			
Initial & Secondary Review s	Monthly	Equal to or less than 15 days	1.0
* Plate Misread Errors	Monthly	Equal to or less than 0.4%	0.01%
CAS Response Time	Monthly	0:20 (minutes) per call	0:12
<b>ACCOUNTING</b>			
OCTA Exceptions	Monthly	No more than 3	0
RCTC Exceptions	Monthly	No more than 3	0
<b>INFORMATION TECHNOLOGY</b>			
Back-office System Uptime	Monthly	99% Availability	100%
Netw ork Uptime	Monthly	99% Availability	100%

CUSA = Cofiroute USA; CAS = OCTA Customer Assistance Specialists

\* Plate Misread Error performance is current after a 60-day hold-back period; therefore, percentage reported here is for 2 months prior to the month of this report.

## JOINT AGENCY TRANSPONDER DISTRIBUTION

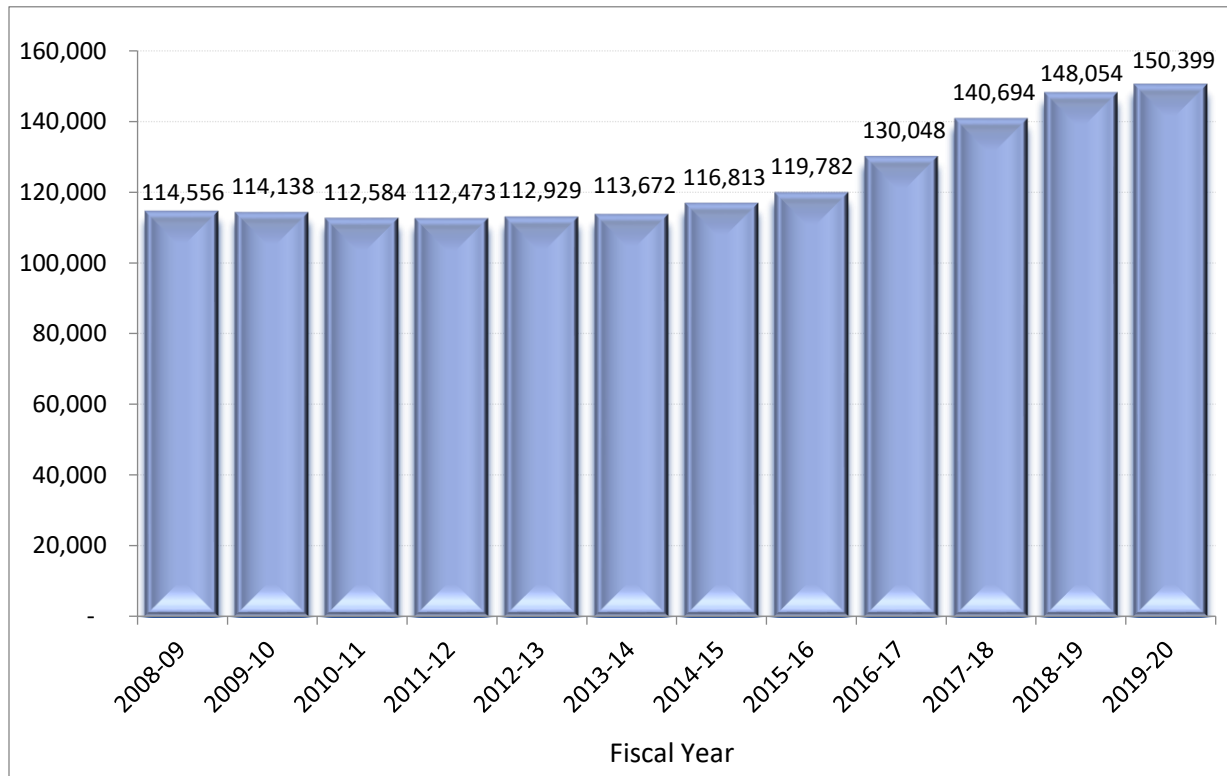
TRANSPONDER DISTRIBUTION	December-19		November-19		FY 2019-20	
	Tags	% of Total	Tags	% of Total	Average To-Date	
<b>Issued</b>						
To New Accounts	1,143	47.5%	870	53.9%	1,338	50.4%
Additional Tags to Existing Accounts	805	33.5%	472	29.2%	804	30.3%
Replacement Transponders	458	19.0%	272	16.9%	515	19.4%
Total Issued	<b>2,406</b>		<b>1,614</b>		<b>2,657</b>	
<b>Returned</b>						
Account Closures	400	47.3%	420	38.3%	475	40.4%
Accounts Down sizing	147	17.4%	107	9.8%	154	13.1%
Defective Transponders	299	35.3%	570	52.0%	546	46.5%
Total Returned	<b>846</b>		<b>1,097</b>		<b>1,175</b>	

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At the end of December 2019, the 91 Express Lanes had 150,399 active customer accounts and 229,597 transponders classified as Assigned.

### Number of Accounts by Fiscal Year

As of December 31, 2019



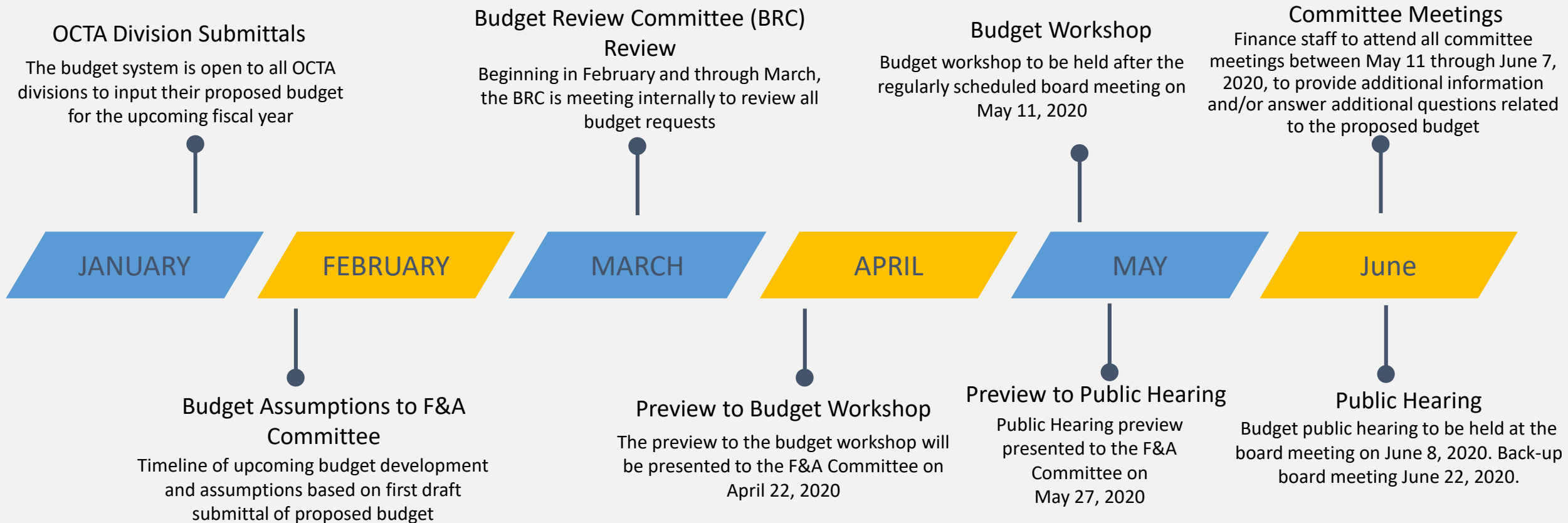
### Incoming Email Activity

During December, the Anaheim Processing Center received 2,928 emails.

# Fiscal Year 2020-21 Budget Kick-Off and Assumptions

OCTA

# FY 2020-21 Budget Timeline



# Major Programs

- Measure M2
  - Freeway
  - Streets and Roads
  - Transit
- Transit
  - Bus Program
  - Rail Program
    - Metrolink
    - OC Streetcar
- 91 Express Lanes
- Motorist Services
  - Freeway Service Patrol
  - Call Box Program
  - 511 Program
- Orange County Taxi Administration Program

# Measure M2 Program Assumptions

- Sales Tax Revenue
  - Forecast of \$345 million based on MuniServices forecasted growth rate of 2.4 percent
- Expenditures
  - Freeway Mode – expenditures primarily driven by right-of-way, design, and construction efforts for the I-405 Improvement, South County I-5 Improvement and SR-55 Improvement Projects
  - Streets and Roads Mode – expenditures driven by contributions to the cities to support the Local Fair Share, Regional Capacity and Traffic Signal Synchronization Programs
  - Transit Mode – expenditures primarily to support Metrolink operations and construction of the OC Streetcar



# Bus Program Revenue Assumptions

- Operating Revenue
  - Sales tax revenue estimated at \$179 million based on MuniServices forecasted growth rate of 2.5 percent
  - Fare revenue projected at \$47 million
  - State Transportation Assistance and Road Repair and Accountability Act estimated to be \$39 million
  - Federal grants for preventative maintenance and capital cost of contracting
- Capital Revenue
  - Federal grants for bus purchases
  - Road Repair and Accountability Act estimated at \$6 million to support rehabilitation and replacement of capital

# Bus Operations Expenditure Assumptions

- Fixed-route service
  - Revenue hours consistent with current year at 1.6 million
- Paratransit service
  - Total trips forecasted to increase by 2 percent to 1.8 million driven by demand
  - Trips comprised of ACCESS primary and supplemental service, same-day taxi service, and special agency service
- Microtransit service
  - Continuation and potential expansion of OC Flex service with an increase in revenue hours from 23,640 to 32,736

# Rail Program Revenue Assumptions

- Metrolink Operating Revenue
  - Measure M2 High Frequency Metrolink Service funds estimated at \$23 million
    - Represents 73 percent of operating funds
  - Federal Transportation Administration (FTA) grants estimated at \$8.5 million
    - Represents 27 percent of operating funds
- Metrolink Capital Revenue
  - FTA grants providing approximately \$18 million to support rehabilitation and replacement of capital

# Rail Program Expenditure Assumptions

- Metrolink Operating Expenditures
  - Sustain current service level of 74 trips
  - Operating subsidy to increase by 3.9 percent to \$31.6 million
    - Metrolink will directly draw down \$8.5 million in OCTA FTA 5307 grants
    - Net budgeted operating subsidy of \$23.1 million
- Metrolink Capital Expenditures
  - Capital expenditures driven by improvements to the Anaheim Canyon Station and construction of the Placentia Metrolink Station

# 91 Express Lanes Program Assumptions

- Revenue Assumptions
  - Toll revenue: \$51 million driven by 17.5 million trips
  - Non-toll revenue: \$11 million primarily consisting of violation fees and interest income
- Expenditure Assumptions
  - Primary operating cost consists of the Cofiroute contract estimated at \$7 million
  - Contribution to construction of the Placentia Metrolink Station of \$14 million
  - Contribution to SR-91 Riverside Freeway improvements between SR-55 and SR-57 (M2 Program Project I) of \$5 million

# Motorist Services & OCTAP Programs

- Service Authority for Freeway Emergencies Revenue

- Includes revenue from Department of Motor Vehicles fees, State Highway Account, Road Repair and Accountability Act and M2 Program
- Program revenue anticipated to be \$7 million

## Expenditures

- Includes Freeway Service Patrol, Call Box and 511 Programs
- Program expenditures anticipated to be \$10 million

- Orange County Taxi Administration Program Revenue

- Two year agreement with cities set to expire December 2020
- External contributions from cities estimated to be \$176 thousand
- Company fees, vehicle fees, and driver fees estimated at \$2 thousand

## Expenditures

- Program expenditures anticipated to be \$273 thousand

# Next Steps

- Internal review will continue with OCTA finance staff and the Budget Review Committee
- Staff will return to the Finance and Administration Committee on April 22nd with a presentation providing a preview of the Budget Workshop Presentation