



BOARD AGENDA

Orange County Transportation Authority Board Meeting
Orange County Transportation Authority Headquarters
Board Room - Conference Room 07-08
550 South Main Street
Orange, California
Monday, November 23, 2020 at 9:00 a.m.

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

Agenda Descriptions

The agenda descriptions are intended to give members of the public a general summary of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Board of Directors may take any action which it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action.

Public Availability of Agenda Materials

All documents relative to the items referenced in this agenda are available for public inspection at www.octa.net or through the Clerk of the Board's office at the OCTA Headquarters, 600 South Main Street, Orange, California.

Guidance for Public Access to the Board of Directors/Committee Meeting

On March 12, 2020 and March 18, 2020, Governor Gavin Newsom enacted Executive Orders N-25-20 and N-29-20 authorizing a local legislative body to hold public meetings via teleconferencing and make public meetings accessible telephonically or electronically to all members of the public to promote social distancing due to the state and local State of Emergency resulting from the threat of Novel Coronavirus (COVID-19).

In accordance with Executive Order N-29-20, and in order to ensure the safety of the Orange County Transportation Authority (OCTA) Board of Directors (Board) and staff and for the purposes of limiting the risk of COVID-19, in person public participation at public meetings of the OCTA will not be allowed during the time period covered by the above referenced Executive Orders.



BOARD AGENDA

Guidance for Public Access to the Board of Directors/Committee Meeting (Continued)

Instead, members of the public can listen to AUDIO live streaming of the Board and Committee meetings by clicking the below link:

<http://www.octa.net/About-OCTA/Who-We-Are/Board-of-Directors/Live-and-Archived-Audio/>

Public comments may be submitted for the upcoming Board and Committee meetings by emailing them to ClerkOffice@octa.net.

If you wish to comment on a specific agenda Item, please identify the Item number in your email. All public comments that are timely received will be part of the public record and distributed to the Board. Public comments will be made available to the public upon request.

In order to ensure that staff has the ability to provide comments to the Board Members in a timely manner, please submit your public comments 30 minutes prior to the start time of the Board and Committee meeting date.



BOARD AGENDA

Call to Order

Roll Call

Invocation

Director Shaw

Pledge of Allegiance

Director Richard Murphy

Special Calendar

Orange County Local Transportation Authority Special Calendar Matters

1. **Adopt Resolution of Necessity for the State Route 55 Improvement Project Between Interstate 405 and Interstate 5**
Joe Gallardo/James G. Beil

Overview

The Orange County Transportation Authority is implementing the State Route 55 Improvement Project between Interstate 405 and Interstate 5. The project requires acquisition of property rights from public and private parties adjacent to the existing freeway and city streets. On September 11, 2017, the Board of Directors approved acquiring right-of-way for the project. To date, staff has been unable to reach an agreement to purchase required property rights from the subject property owner. It is now necessary for the Board of Directors to exercise its power of eminent domain by adopting a resolution of necessity in order to acquire these necessary property rights in time to make the property available to meet the project delivery and construction schedules.

Recommendation

Adopt Resolution of Necessity No. 2020-285, and authorize and direct General Counsel to prepare, commence, and prosecute a proceeding in eminent domain for the purpose of acquiring necessary right-of-way and real property interests for the project.



BOARD AGENDA

Orange County Transportation Authority Special Calendar Matters

2. Salute to Outgoing Orange County Transportation Authority Board of Directors

Present Orange County Transportation Authority Resolutions of Appreciation Nos. 2020-287 and 2020-288 to outgoing Board Members Laurie Davies and Miguel Pulido.

Consent Calendar (Items 3 through 23)

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

Orange County Transportation Authority Consent Calendar Matters

3. Approval of Minutes

Approval of the Orange County Transportation Authority and affiliated agencies' regular meeting minutes of November 9, 2020.

4. Audit of Banking Services and Agreement with Bank of the West, Internal Audit Report No. 20-507

Ricco Bonelli/Janet Sutter

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of banking services and Agreement No. C-7-2159, with Bank of the West. Based on the audit, controls, policies, and procedures over banking activities are generally adequate and operating, and Bank of the West is in compliance with the agreement. The Internal Audit Department offered two recommendations to further enhance controls related to bank-authorized signers and bank statement analyses.

Recommendation

Direct staff to implement two recommendations provided in the Audit of Banking Services and Agreement with Bank of the West, Internal Audit Report No. 20-507.



BOARD AGENDA

5. Conflict of Interest Code and 2020 Annual Statement of Economic Interests Filing

Laurena Weinert/Jennifer L. Bergener

Overview

Pursuant to the Orange County Transportation Authority's Conflict of Interest Code, Members of the Board of Directors and designated positions are required to file a Statement of Economic Interests - Form 700.

Recommendation

Direct the Clerk of the Board to distribute and monitor the 2020 annual Statement of Economic Interests - Form 700 to Members of the Board of Directors and designated positions, to be filed by April 1, 2021.

6. Coronavirus Update

Darrell E. Johnson

Overview

The Orange County Transportation Authority continues to take proactive measures in response to the impacts of the coronavirus pandemic in relation to transportation services, programs, and projects. The response efforts are centered around agency core values, helping to ensure the health and safety of the public and employees while continuing to provide essential transportation services and deliver critical infrastructure improvements. An overview and update on these efforts is presented.

Recommendation

Receive and file as in information item.



BOARD AGENDA

7. 91 Express Lanes Update for the Period Ending - September 30, 2020
Kirk Avila

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, additional capacity added to the State Route 91 corridor, and the recent coronavirus pandemic. Over the last quarter, there were approximately 3.4 million trips taken on the 91 Express Lanes in Orange County. This report focuses on the operational and financial activities for the period ending September 30, 2020.

Recommendation

Receive and file as an information item.

8. Agreement for Website Maintenance Support Services
Ryan Armstrong/Maggie McJilton

Overview

On August 25, 2020, the Orange County Transportation Authority released a request for proposals for website maintenance support services. Proposals were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board of Directors' approval is requested to execute an agreement for website maintenance support services.

Recommendations

- A. Approve the selection of Web Advanced as the firm to provide website maintenance support services.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-0-2524 between the Orange County Transportation Authority and Web Advanced in the amount of \$900,000, for a four-year initial term with one, three-year option term, to provide website maintenance support services.



BOARD AGENDA**9. Fiscal Year 2019-20 Fourth Quarter Budget Status Report**

Anthony Baruch/Andrew Oftelie

Overview

Orange County Transportation Authority staff has implemented the fiscal year 2019-20 budget. This report summarizes the material variances between the budget and actual revenues and expenses through the fourth quarter of fiscal year 2019-20.

Recommendation

Receive and file as an information item.

10. Orange County Employees Retirement System Early Payment for Fiscal Year 2021-22

Robert Davis/Andrew Oftelie

Overview

The Orange County Employees Retirement System has offered an early payment discount to member agencies of 5.8 percent if they elect to prepay their contributions for fiscal year 2021-22. Advance payments must be received before January 15, 2021. The estimated savings for the Orange County Transportation Authority over the next year and a half under this payment option will total approximately \$1.3 million. Board of Directors' authorization is requested for the early payment option.

Recommendation

Authorize the early payment of approximately \$30.2 million by January 15, 2021, to the Orange County Employees Retirement System, for member contributions for fiscal year 2021-22.



BOARD AGENDA

- 11. Fiscal Year 2020-21 First 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 first quarter of fiscal year 2020-21, covering July through September 2020.

Recommendation

Receive and file as an information item.

- 12. Status Report of State Legislation Enacted in 2020**
Alexis Leicht/Lance M. Larson

Overview

At the conclusion of the 2020 legislative session, 372 bills were signed into law by Governor Newsom and chaptered by the Secretary of State, while 56 bills were vetoed. A report containing an analysis of legislation relevant to the Orange County Transportation Authority is provided.

Recommendation

Receive and file as an information item.

- 13. Final 2021-22 State and Federal Legislative Platforms**
Dustin J. Sifford/Lance M. Larson

Overview

The final drafts of the revised 2021-22 State and Federal Legislative Platforms are submitted for consideration and adoption by the Orange County Transportation Authority Board of Directors.

Recommendations

- A. Adopt the revised 2021-22 State and Federal Legislative Platforms.
- B. Direct staff to distribute the adopted platforms to elected officials, advisory committees, local governments, affected agencies, the business community, and other interested parties.



BOARD AGENDA

14. Performance Evaluation of Federal Legislative Advocate, Potomac Partners, DC

Kristin Jacinto/Lance M. Larson

Overview

The firm Potomac Partners, DC provides federal legislative advocacy services for the Orange County Transportation Authority in Washington, DC. A staff evaluation of the services provided this session is presented to the Board of Directors for consideration and further comment.

Recommendation

Receive and file the staff evaluation as an information item and provide any additional comments.

15. Performance Evaluation of Sacramento Legislative Advocate, Platinum Advisors, LLC

Kristin Jacinto/Lance M. Larson

Overview

The firm Platinum Advisors, LLC provides state legislative advocacy services for the Orange County Transportation Authority in Sacramento. A staff evaluation of the services provided this session is presented to the Board of Directors' for consideration and further comment.

Recommendation

Receive and file the staff evaluation as an information item and provide any additional comments.



BOARD AGENDA

16. Property Insurance Policy Renewal Al Gorski/Maggie McJilton

Overview

The Orange County Transportation Authority holds a property insurance policy with Zurich Insurance Company. This policy is scheduled to expire on December 1, 2020, and a renewal is necessary to maintain coverage.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. A46200 in the amount of \$629,269, to Marsh Risk and Insurance Services, Inc., to purchase property insurance on behalf of the Orange County Transportation Authority with Zurich Insurance Company for the policy period of December 1, 2020 to December 1, 2021.

17. Excess Liability Insurance Renewal Al Gorski/Maggie McJilton

Overview

The Orange County Transportation Authority currently has excess liability insurance policies with Gemini Insurance Company and Princeton Excess and Surplus Lines Insurance Company. These policies will expire on December 1, 2020.

Recommendations

- A. Authorize the Chief Executive Officer to fully self-insure for liability claims by allowing the excess liability insurance policies with Gemini Insurance Company and Princeton Excess and Surplus Lines Insurance Company to expire until such time the insurance market pricing is more favorable.
- B. Direct staff to maintain a self-insured retention fund of no less than \$14 million.
- C. Direct staff to continue to monitor the liability insurance market and return to the Board of Directors when the average pricing trends show a reduction of at least 40 percent or in 11 months, whichever occurs first.



BOARD AGENDA

Orange County Transit District Consent Calendar Matters

- 18. Amendment to Agreement with moovel North America, LLC, for Mobile Ticketing Services**
Sam Kaur/Andrew Oftelie

Overview

On July 13, 2015, the Board of Directors approved an agreement with moovel North America, LLC, to develop a mobile ticketing application that provides the ability to purchase and display fare products for OC Bus from certain smartphone devices. The initial contract term will expire on December 31, 2020, and an amendment is needed to exercise the option-term for service continuity.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 11 to Agreement No. C-5-3244 between the Orange County Transportation Authority and moovel North America, LLC, in the amount of \$290,372, to exercise the option-term of the agreement for up to 12 months from the initial term, for licensing, maintenance, and commission fees. The amendment will increase the maximum obligation of the agreement to a total contract value of \$1,240,462.

- 19. Sole Source Agreement for Motorola 800 Megahertz Encrypted Mobile Radio Equipment for Transit Police Services Vehicles**
Timothy W. Beseau/Jennifer L. Bergener

Overview

The Orange County Transportation Authority participates in the Countywide Coordinated Communications System. Participation in this system requires the Orange County Transportation Authority to maintain compatible mobile radios and base stations. Radios are used by operations, maintenance, administrative, and Transit Police Services personnel. Board of Director's authorization is requested to award a sole source purchase order for three sets of mobile radios and necessary accessories for vehicles assigned to Transit Police Services.



BOARD AGENDA

19. (Continued)

Recommendation

Authorize the Chief Executive Officer to negotiate and execute sole source Purchase Order No. A45898 between the Orange County Transportation Authority and Motorola Solutions, Inc., in the amount of \$37,362, to purchase three sets of APX 6500 Enhanced 700/800 Hot Red encrypted mobile radios and necessary accessories.

20. Amendment to Agreement with MV Transportation, Inc., for the Provision of the OC ACCESS Service

Jack Garate/Jennifer L. Bergener

Overview

On March 25, 2013, the Orange County Transportation Authority Board of Directors approved an agreement with MV Transportation, Inc., for the management and operation of OC ACCESS service. This agreement was subsequently extended through December 31, 2021, and compensation is based on a fixed rate and a variable rate driven by the number of revenue vehicle hours provided. The coronavirus pandemic and the Governor Newsom's stay-at-home orders have resulted in a significant reduction in OC ACCESS ridership of more than 80 percent. Consistent with the terms of the agreement, MV Transportation, Inc., has requested an adjustment to the variable hourly rate to relieve uncompensated expenses incurred as a result of the coronavirus pandemic. The Coronavirus Aid, Relief, and Economic Security Act of 2020 specifically provides funding for this relief with guidance from the Federal Transit Administration. Board of Directors' approval is requested to amend the agreement with MV Transportation, Inc., to adjust the variable hourly rate in order to relieve uncompensated expenses resulting from the coronavirus pandemic.

Recommendations

- A. Authorize the Chief Executive Officer to execute Amendment No. 10 to Agreement No. C-2-1865 between the Orange County Transportation Authority and MV Transportation, Inc., to revise the variable hourly rate for the period of April 2020 through December 2021, in the amount not to exceed \$10,548,201. This amount can be accommodated within the agreement's current cumulative maximum obligation of \$375,620,065.



BOARD AGENDA**20. (Continued)**

- B. Amend the Orange County Transportation Authority Fiscal Year 2020-21 operating revenue and expense budget, in the amount of \$5,050,615, to accommodate expenses related to the current coronavirus pandemic based on revised variable hourly rates.

21. Sole Source Agreement for the Replacement of Fluid Management System Data Loggers

Marie Latino/Jennifer L. Bergener

Overview

The Orange County Transportation Authority operates a fleet of 777 revenue vehicles and 151 non-revenue vehicles that require managed fluid, such as oil dispensing. A proprietary computerized electronic fluid management system is currently used for authorizing fluid dispensing, as well as tracking odometer readings and fluid consumption of all fleet vehicles. One of the essential components of this system is the data loggers installed on all non-revenue vehicles. These data loggers are obsolete and no longer manufactured. Board of Directors' authorization is requested for the purchase of 150 replacement data loggers through a sole source agreement.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C02585 between the Orange County Transportation Authority and S&A Systems, Inc., in the amount of \$106,355, for the replacement of 150 data loggers on non-revenue vehicles.



BOARD AGENDA**22. Sole Source Agreement for the Replacement of Fluid Management System Remote Island Head Units**

Marie Latino/Jennifer L. Bergener

Overview

The Orange County Transportation Authority operates a fleet of 777 revenue vehicles and 151 non-revenue vehicles that require managed fluid, such as oil dispensing. A proprietary computerized electronic fluid management system is currently used for authorizing fluid dispensing, as well as tracking odometer readings and fluid consumption of all fleet vehicles. One of the essential components of this system is the remote island head units installed at each base that electronically collect vital vehicle data. This equipment is obsolete and no longer manufactured. Board of Directors' authorization is requested for the purchase of 52 replacement remote island head units through a sole source agreement.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C02584 between the Orange County Transportation Authority and S&A Systems, Inc., in the amount of \$315,296, for the replacement of 52 remote island head units.

**Orange County Consolidated Transportation Services Agency
Consent Calendar Matters****23. 2020 Coordinated Public Transit - Human Services Transportation Plan for Orange County**

Kevin Khouri/Kia Mortazavi

Overview

The Coordinated Public Transit - Human Services Transportation Plan identifies strategies to address unmet transportation needs among seniors, persons with disabilities, and persons of low income. The plan is a requirement to receive certain federal transit funding. The update process has concluded, and Board of Directors' approval is requested to finalize the 2020 plan update.



BOARD AGENDA

23. (Continued)

Recommendation

Direct staff to finalize the 2020 Coordinated Public Transit - Human Services Transportation Plan incorporating feedback provided by the Board of Directors.

Regular Calendar

Orange County Transit District Regular Calendar Matters

24. Amendment to Agreement with MV Transportation, Inc., for the Provision of the OC Flex Service Microtransit Pilot Program

Jack Garate/Jennifer L. Bergener

Overview

The Orange County Transportation Authority is underway with a two-year microtransit pilot program known as OC Flex. The OC Flex pilot program which began in October 2018 as a one-year pilot, was subsequently extended by the Board of Directors for an additional year through October 14, 2020. Operations and maintenance of the OC Flex service is currently provided by MV Transportation, Inc., through an assigned contract that is set to expire on May 31, 2021. MV Transportation, Inc., also provides OC ACCESS service under a separate agreement and operates OC Flex from the same operating base. The term of the OC ACCESS agreement expires December 31, 2021. In order to align the terms of the agreements for both services, Board of Directors' approval is requested to extend the contract term for the OC Flex pilot to December 31, 2021 and to extend the pilot program for an additional 14 months to align with the recommended contract term.

Recommendations

- A. Approve staff recommendation to extend the OC Flex microtransit pilot program for 14 months, from October 2020 to December 31, 2021, and direct staff to incorporate the scope of work for management and operation of the OC Flex into the OC ACCESS scope of work request for proposals.



BOARD AGENDA

24. (Continued)

- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Agreement No. C-7-2052 with MV Transportation, Inc., in the amount of \$330,856, to extend the term of the agreement to operate the OC Flex microtransit pilot program for an additional seven months through December 31, 2021. This will increase the maximum obligation amount of the agreement to a total contract value of \$2,693,699.

Discussion Items

25. Public Comments

26. Chief Executive Officer's Report

27. Directors' Reports

28. Closed Session

A Closed Session will be held as follows:

Pursuant to Government Code Section 54956.9(d)(2) - Conference with General Counsel - Potential Litigation - One Item.


29. Adjournment

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, December 14, 2020**, at the Orange County Transportation Authority Headquarters, Board Room - Conference Room 07-08, 550 South Main Street, Orange, California.



November 23, 2020

To: Members of the Board of Directors

From: Darrell E. Johnson, Chief Executive Officer 

Subject: Adopt Resolution of Necessity for the State Route 55 Improvement Project Between Interstate 405 and Interstate 5

Overview

The Orange County Transportation Authority is implementing the State Route 55 Improvement Project between Interstate 405 and Interstate 5. The project requires acquisition of property rights from public and private parties adjacent to the existing freeway and city streets. On September 11, 2017, the Board of Directors approved acquiring right-of-way for the project. To date, staff has been unable to reach an agreement to purchase required property rights from the subject property owner. It is now necessary for the Board of Directors to exercise its power of eminent domain by adopting a resolution of necessity in order to acquire these necessary property rights in time to make the property available to meet the project delivery and construction schedules.

Recommendation

Adopt Resolution of Necessity No. 2020-285, and authorize and direct General Counsel to prepare, commence, and prosecute a proceeding in eminent domain for the purpose of acquiring necessary right-of-way and real property interests for the project.

Background

The acquisition of public and private properties is often required to implement transportation projects, even though extensive efforts are made during the planning and design process to avoid or minimize the impacts to public and private properties. Cooperative Agreement Nos. C-7-1753 and C-7-1936 between the Orange County Transportation Authority (OCTA) and the California Department of Transportation (Caltrans) was approved by the Board of Directors (Board) on June 12, 2017 and September 11, 2017, respectively. These documents defined the roles and responsibilities of OCTA and Caltrans for final design and right-of-way (ROW) acquisition for the

State Route 55 Improvement Project Between Interstate 405 (I-405) and Interstate 5 (I-5) (Project). Pursuant to the cooperative agreements, OCTA is the lead implementing agency for final design and ROW acquisition for the Project. The environmental document and project report were approved by Caltrans on August 31, 2017 and September 11, 2017, respectively.

Discussion

Construction of the Project will impact 33 properties between I-405 and I-5, including three multi-residential properties, 20 commercial/industrial properties, one hotel, three vacant properties, five public properties, and one railroad property. There are 31 properties identified as partial acquisitions and two properties identified as full acquisitions. The Project may require the displacement of tenants/occupants from a multi-residential complex and may cause the displacement of several businesses. Displacees will be provided relocation assistance in accordance with OCTA and Caltrans policies and procedures. The real property requirements for the Project include the acquisition of two full fee interests, partial fee interests (FEE), permanent highway easements (PHE), permanent footing easements (PFE), permanent utility easements (PUE), tie-back easements, temporary construction easements (TCE), and access control rights needed to construct the proposed highway and high-occupancy vehicle lane improvements. The partial FEEs, PHEs, PFEs, PUEs, and TCEs are required for roadway construction, soundwalls, retaining walls, drainage systems, and for the installation of above-ground and underground facilities, including electrical, telecommunication, water, sewer, and storm drain systems.

Resolution No. 2020-285 pertains to the acquisition of one partial FEE and two TCEs over a portion of the property owned by First American Title Insurance Company, a California corporation. The acquisition of the subject partial FEE is needed to realign the Orange County Flood Control District's (OCFCD) Lane Channel as a result of the freeway widening improvements and provide maintenance access for OCFCD. The acquisition of the subject TCEs is needed to provide sufficient work area to reconstruct the OCFCD's Lane Channel.

The property owner has been given substantially more time than the 30 days required by the Federal Highway Administration to consider OCTA's written purchase offer and has been contacted multiple times as described in Attachment A. These contacts include OCTA staff requesting a meeting with the property owner to conduct an OCTA policies and procedures first level review to describe the Project design and the need for the property.

OCTA must secure possession of the interests in the subject properties by July 2021 to meet Project schedule deadlines. Delay in acquiring the interests in this property will cause Project delays. Proceeding with this resolution of necessity (RON) will ensure that Project schedules are maintained.

The “List of Property Owner” and “Photo Aerial Exhibit,” attachments B and C respectively, provide information on property ownership and location.

Acquisition of the subject property interests is being conducted in accordance with OCTA’s Real Property Policies and Procedures and Caltrans guidelines. The required property interests were identified, engineered, and appraised by OCTA. The full appraised amount for each respective property interest was offered to the property owner under the requirements of Governmental Code Section 7267.2.

In order to proceed with the acquisition of the property required for the Project and to comply with state and federal laws for ROW acquisition, the Board is requested to adopt the RON for the subject property. This action will allow OCTA to commence eminent domain proceeding to acquire the interests in real property needed for the Project.

The following resolution is recommended:

- Resolution No. 2020-285 First American Title Insurance Company, a California corporation – Action is recommended for an acquisition of one FEE and two TCEs over a portion of the property to realign OCFCD’s Lane Channel as a result of the freeway widening improvements, provide maintenance access, and provide sufficient work area to reconstruct the OCFCD’s Lane Channel.

The eminent domain proceeding commences with action by the Board to adopt a RON in accordance with the California Code of Civil Procedure Section 1245.240, which requires an affirmative vote of two-thirds of the Board members. The Board is requested to determine whether the following criteria have been met:

1. The public interest and necessity require the Project;
2. The Project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury;
3. The property interest(s) sought to be acquired is necessary for the Project; and
4. The offer required by Section 7267.2 of the Governmental Code has been made to the owner or owners of record.

The property owner and/or its designated representative affected by a RON may request an appearance to speak to the Board when the RON is considered on matters of Project design and the impact to the subject property. The issue regarding compensation for the value of the property affected by the RON should not be discussed. In the event the Board approves the RON (Attachment D), OCTA's General Counsel will proceed with litigation in order to obtain possession and ultimate use of the property interests. Staff will continue negotiation with the property owner throughout the eminent domain process with the objective of reaching an agreement on the acquisition without the necessity of trial.

Summary

The acquisition of specified real property interests is required for the construction of the Project. A statutory offer has been made to the property owner and negotiation is ongoing. Adopting this RON and commencing eminent domain proceeding is requested to maintain the Project delivery schedule.

Attachments

- A. Correspondence/Contact Summary: Resolution No. 2020-285 First American Title Insurance Company, a California corporation
- B. List of Property Owner, State Route 55 Improvement Project Between Interstate 405 and Interstate 5, Board of Directors Exhibit Matrix
- C. Photo Aerial Exhibit, Resolution No. 2020-285 (First American Title Insurance)
- D. Resolution No. 2020-285

Prepared by:



Joe Gallardo
Manager, Real Property
(714) 560-5546

Approved by:



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

**Correspondence/Contact Summary
Resolution No. 2020-285
First American Title Insurance Company, a California corporation**

Date	Reason for Contact
May 15, 2019	The Orange County Transportation Authority (OCTA) sent Notice of Decision to Appraise to property owner
June 16, 2019	Property owner contacted the appraiser requesting that proposed acquisition be staked to show the proposed impacts.
February 2020	Per property owner's request, subject property was staked.
February 27, 2020	OCTA's right-of-way (ROW) agent, OCTA's legal counsel, and OCTA staff attended the appraisal inspection with the property owner and their legal counsel and inspected the staked site.
August 3, 2020	Per owner's request, OCTA's ROW agent mailed offer package via certified mail to property owner's legal counsel, Rick Friess, at Allen Matkins. Offer was also emailed to property owner's legal counsel, per his request.
August 10, 2020	OCTA's ROW agent received proof of service that Offer Package was received by property owner's legal counsel, Allen Matkins.
August 28, 2020	Property owner's legal counsel contacted OCTA's legal counsel to discuss the appraisal and confirm OCTA would pay the statutorily required amount for them to get their own appraiser.
September 9, 2020	Discussion between legal counsel regarding timing of property owner hiring its own appraiser to analyze the value of the acquisition.
October 27, 2020	Telephone call with legal counsel for property owner regarding status of appraisal review and upcoming resolution of necessity (RON).
November 4, 2020	Exchange of emails between OCTA legal counsel and property owner's legal counsel confirming that property owner was waiving the right to appear and be heard at the RON hearing.

**List of Property Owner
State Route 55 Improvement Project Between Interstate 405 and Interstate 5
Board of Directors Exhibit Matrix**

Resolution No.	APN	CPN	Owner	Property Address	Area Needed	Type of Acquisition	Reason for Acquisition
2020-285	411-074-08	104042	First American Title Insurance Company, a California corporation	1 First American Way Santa Ana, CA, 92707	1,295 sq. ft. 1,497 sq. ft. 90 sq. ft.	FEE TCE TCE	One partial FEE and two TCEs over a portion of the property to realign the southbound off-ramp to MacArthur Boulevard, provide access and reconstruct for the Orange County Flood Control District's (OCFCD) Lane Channel, and provide sufficient work area to reconstruct the OCFCD's Lane Channel as a result of the freeway widening improvements.

Legend

APN = Assessor's Parcel Number

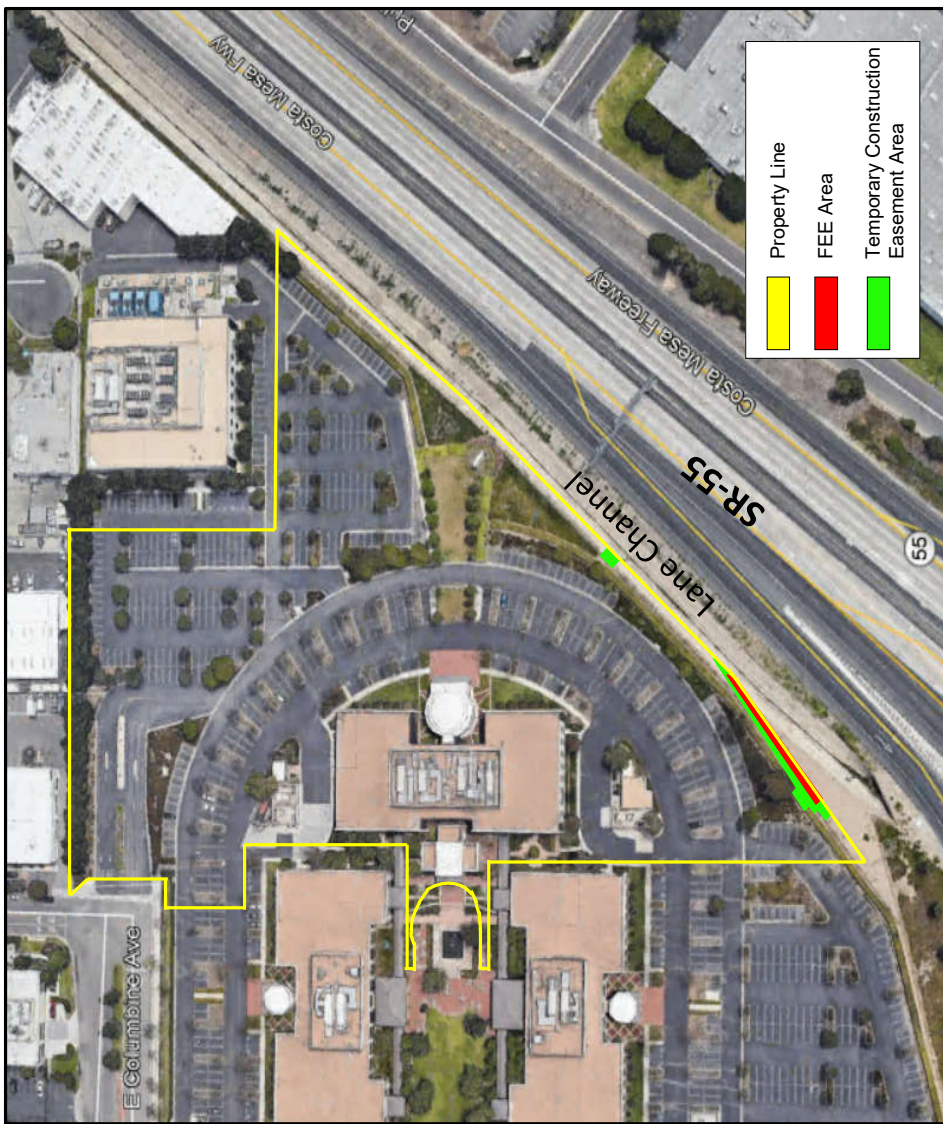
CPN = Caltrans Parcel Number

FEE = Partial Fee

TCE = Temporary Construction Easement

Photo Aerial Exhibit

Resolution No. 2020-285 (First American Title Insurance)



Not to Scale,
For Presentation
Purposes Only

RESOLUTION NO. 2020-285

A RESOLUTION OF THE ORANGE COUNTY TRANSPORTATION AUTHORITY FINDING AND DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION BY EMINENT DOMAIN OF INTERESTS IN CERTAIN REAL PROPERTY FOR PUBLIC USE AND AUTHORIZING AND DIRECTING CONDEMNATION OF PORTIONS OF ASSESSOR PARCEL NO. 411-074-08.

WHEREAS, the Orange County Transportation Authority (the "Authority") is undertaking the State Route 55 ("SR-55") Improvement Project between Interstate 405 and Interstate 5, a right-of-way for freeway purposes and all public uses appurtenant thereto (the "Project"); and

WHEREAS, the Project is intended to enhance road safety, increase freeway capacity, and improve traffic and interchange operations by adding travel and high occupancy vehicle (HOV) lanes in each direction; and

WHEREAS, the Project requires the acquisition of property interests from public and private parties; and

WHEREAS, the Project will be a transportation improvement project serving the public interest; and

WHEREAS, subsection (a) of the California Public Utilities Code section 130220.5, authorizes the Authority to exercise the power of eminent domain to acquire these property interests for public use by condemnation; and

WHEREAS, portions of the real property located at 1 First American Way, in the City of Santa Ana, California (the "Subject Property") are required for the Project. The specific portions of the Subject Property required for the Project are a partial fee acquisition as described and depicted in Exhibit "A" hereto, and two temporary construction easements as legally described and depicted in Exhibits "B" and "C" hereto (the "Property Interests"); and

WHEREAS, reasonable vehicular and pedestrian access to and from the Subject Property will be maintained at all times; and

WHEREAS, the Authority communicated an offer of compensation to the owner or owners of record for the acquisition of the Property Interests; and

WHEREAS, in accordance with section 1245.235 of the California Code of Civil Procedure on October 23, 2020, the Authority mailed a Notice of Hearing on the Intent of the Authority to Adopt a Resolution of Necessity for acquisition by eminent domain of the Property Interests. The Notice of Hearing was mailed to the listed address of all persons whose names appear on the last equalized county assessment roll as having an interest in the Subject Property; and

WHEREAS, the Authority provided written notice to the City of Santa Ana as required by subsection (c) of California Public Utilities Code section 130220.5; and

WHEREAS, the Project, including all amendments thereto, together with the staff reports, environmental documents and all other evidence presented to the Authority's Board of Directors at the times the Project and the amendments thereto were adopted, are incorporated herein by this reference and made a part hereof as though fully set forth herein; and

WHEREAS, pursuant to section 1245.235 of the California Code of Civil Procedure, the Authority scheduled a hearing for November 23, 2020 at 9:00 a.m. and gave to each person whose property is to be acquired by eminent domain and whose name and address appears on the last equalized county assessment roll a reasonable opportunity to be heard; and

WHEREAS, said hearing has been held by the Authority's Board of Directors; and

WHEREAS, the Authority may adopt a Resolution of Necessity pursuant to section 1240.040 of the California Code of Civil Procedure.

NOW, THEREFORE, BE IT RESOLVED, by at least a two-thirds vote of the Authority's Board of Directors under Code of Civil Procedure sections 1240.030 and 1245.230, the Authority does hereby find and determine as follows:

Section 1. Incorporation of Findings and Recitals. The above findings and recitals are true and correct and are incorporated herein in full by this reference.

Section 2. Compliance with California Code of Civil Procedure. There has been compliance by the Authority with the requirements of section 1245.235 of the California Code of Civil Procedure regarding notice and hearing.

Section 3. Public Use. The public use for which the Property Interests are to be acquired is for the construction and future maintenance of the Project, a public transportation improvement, as more fully described hereinabove. Subsection (a) of California Public Utilities Code section 130220.5 authorizes the Authority to acquire by eminent domain property and interests in property necessary for such purpose and for all uses incidental or convenient thereto.

Section 4. Necessity.

(a) The proposed Project is necessary to enhance road safety, increase freeway capacity, and improve traffic and interchange operations by adding travel and high occupancy vehicle (HOV) lanes in each direction; and

(b) The public interest and necessity require the acquisition by eminent domain proceedings of the Property Interests.

Section 5. Description of Property Interests. The Property Interests sought to be acquired are more particularly described and depicted in Exhibits "A" through "C" attached hereto and incorporated herein by reference.

Section 6. Findings. The Authority hereby finds, determines and declares each of the following:

(a) The public interest and necessity require the proposed Project;

(b) The proposed Project is planned or located in the manner that will be most compatible with the greatest public good and least private injury;

(c) The Property Interests sought to be acquired are necessary for the proposed Project; and

(d) The offer required by section 7267.2 of the California Government Code has been made to the owner or owners of record.

Section 7. Existing Public Use(s). Pursuant to sections 1240.510 and 1240.610 of the Code of Civil Procedure, to the extent that any of the Property Interests are already devoted to a public use, the use proposed by this Project is a more necessary public use than the use to which the Property Interests, or any portion thereof, are already devoted, or, in the alternative, is a compatible public use which will not unreasonably interfere with or impair the continuance of the public use to which the Property Interests, or any portion thereof, are already devoted.

Section 8. Acquisition of Substitute Property. To the extent portions of the real property to be acquired for the Project are currently devoted to or held for some public use, the Authority intends to acquire substitute property pursuant to California Code of Civil Procedure sections 1240.320 and 1240.330. The requirements of said Code sections have been satisfied and the acquisition of said substitute property is necessary for the Project. The substitute property may be conveyed by the Authority to the owner(s) of the necessary property.

Section 9. Authority to Exercise Eminent Domain. The Authority is hereby authorized and empowered to acquire the Property Interests, including the improvements thereon, if any, by eminent domain for the proposed Project.

Section 10. Further Activities. The Authority's legal counsel ("Counsel") is hereby authorized and empowered to acquire the Property Interests in the name of and on behalf of the Authority by eminent domain, and is authorized to institute and prosecute such legal proceedings as may be required in connection therewith. Counsel is further authorized to take such steps as may be permitted and required by law, and to make such security deposits as may be required by law and/or order of court, to permit the Authority to take possession of the Property Interests at the earliest possible time.

Section 11. Effective Date. This Resolution of Necessity shall take effect upon adoption.

PASSED, APPROVED, and ADOPTED on this _____ day of _____, 2020.

STEVE JONES, CHAIRMAN
ORANGE COUNTY
TRANSPORTATION AUTHORITY

APPROVED AS TO FORM:

JAMES M. DONICH
GENERAL COUNSEL

ATTEST:

I, Laurena Weinert, Clerk of the Board of Directors of the Orange County Transportation Authority, do hereby certify that the foregoing Resolution No. 2020-285, by the following votes:

AYES:

NOES:

ABSENT:

LAURENA WEINERT
CLERK OF THE BOARD

EXHIBIT "A"

EXHIBIT "A"
LEGAL DESCRIPTION

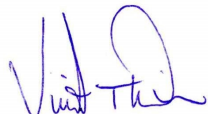
Parcel 104042-1: FEE

That portion of Parcel 2 of Lot Line Adjustment No. 2003-04, in the City of Santa Ana, County of Orange, State of California, recorded April 5, 2004 as Instrument No. 2004-000281585 of Official Records, in the office of the County Recorder of said County, lying southeasterly of the following described line:

COMMENCING at the southwesterly terminus of that certain course on the southeasterly line of said Parcel 2, described in said instrument as having a bearing and distance of North 52°41'02" East, 207.19 feet; thence along said certain course North 52°40'20" East, 38.92 feet to the **POINT OF BEGINNING**; thence leaving said certain course North 48°22'59" East, 20.06 feet; thence North 37°19'40" West, 5.89 feet; thence North 52°40'20" East, 198.20 feet to the general southeasterly line of said Parcel 2;

The bearings shown herein are based on the California Coordinate System of 1983, Zone VI, North American Datum of 1983 (1991.35 epoch). The distances shown herein are grid distances. Ground distances may be obtained by dividing grid distances by the combination factor of 0.99997834.

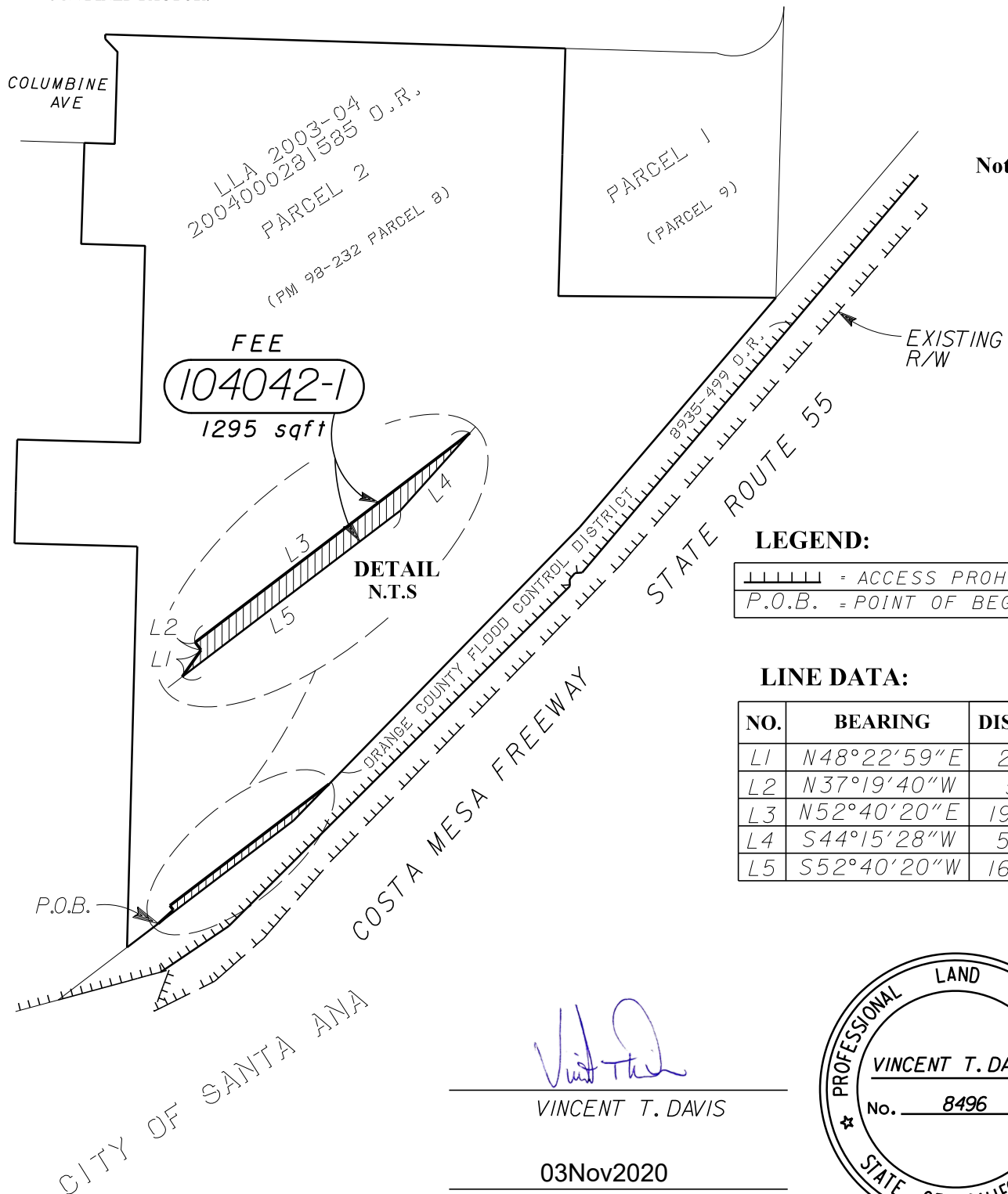
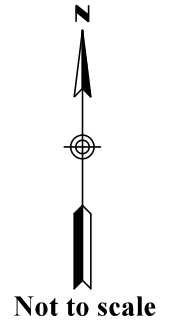
This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors' Act.

Signature: 
Vincent Davis, PLS

Date: 28 Aug 2020



DATUM: NAD83 EPOCH 1991.35 ORANGE COUNTY SURVEYOR ADJUSTMENT.
 COORDINATE SYSTEM: CCS83 ZONE 6, COORDINATES, BEARINGS, DISTANCES
 COMBINED FACTOR: 0.99997834 (GROUND = GRID/COMBINED FACTOR)



LEGEND:

	ACCESS PROHIBITED
P.O.B.	POINT OF BEGINNING

LINE DATA:

NO.	BEARING	DISTANCE
L1	N48°22'59"E	20.06'
L2	N37°19'40"W	5.89'
L3	N52°40'20"E	198.20'
L4	S44°15'28"W	50.48'
L5	S52°40'20"W	168.27'

Vincent T. Davis

VINCENT T. DAVIS

03Nov2020

DATE

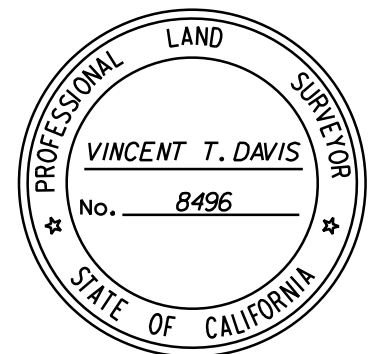


EXHIBIT "A1"

(Page 1 of 1)

COUNTY: ORA
 RTE: 55
 P.M.: 7.3

NOT TO SCALE
 DATE: AUG 2020

PARCEL:
104042-1
 APN: 411-074-08

EXHIBIT "B"

**TEMPORARY CONSTRUCTION EASEMENT
ATTACHMENT TO LEGAL DESCRIPTION
Assessor Parcel No.: 411-074-08 and 411-074-10
Caltrans Parcel No.: 104042-2**

This temporary construction easement shall be in, on, over, under, and across that certain real property described in Exhibit "B1" and depicted in Exhibit "B2" attached hereto, subject to the rights and limitations set forth herein ("TCE"). The TCE shall be used by the Orange County Transportation Authority and its employees, agents, representatives, contractors, successors and assigns (collectively, "OCTA") in connection with the construction of the SR 55 Improvement Project. The TCE shall be for a period of sixty (60) months, a portion of which shall be exclusive (subject to the Rights and Limitations of Use and Occupancy set forth below) and a portion of which shall be non-exclusive. Specifically, the actual physical construction activities within the TCE area shall be limited to a period of forty-two (42) consecutive months within the sixty (60) month TCE period (the "Construction Period"). During the Construction Period, OCTA's use and occupancy of the TCE will be exclusive, subject to the Rights and Limitations of Use and Occupancy set forth below. OCTA's use and occupancy of the TCE during the remaining eighteen (18) months of the TCE period will be non-exclusive.

Rights and Limitations of Use and Occupancy of TCE:

- OCTA shall provide the owner and occupant of the property subject to this TCE a minimum of thirty (30)-days' written notice as to when the Construction Period will commence.
- During the Construction Period, OCTA may place a temporary fence around the TCE area.
- Access to the TCE area by OCTA shall be from the public right of way.
- Improvements within the TCE area will be removed as needed by OCTA to allow for construction activities. Any and all improvements so removed shall be included in the compensation paid by OCTA for this TCE.
- Prior to the termination of the Construction Period, OCTA will remove from the TCE area all construction equipment and materials, any temporary improvements, and all construction-related debris. The TCE area will be graded and compacted.

OCTA expressly reserves the right to convey, transfer, or assign the TCE subject to the same rights and limitations described herein.

EXHIBIT "B1"
LEGAL DESCRIPTION

CALTRANS PARCEL NO. 104042-2

TEMPORARY CONSTRUCTION EASEMENT

APN 411-074-08

THAT PORTION OF PARCEL 2 OF LOT LINE ADJUSTMENT NO. 2003-04, IN THE CITY OF SANTA ANA, COUNTY OF ORANGE, STATE OF CALIFORNIA, PER DOCUMENT RECORDED APRIL 5, 2004 AS INSTRUMENT NO. 2004000281585, OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST SOUTHERLY CORNER OF SAID PARCEL 2;

THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL 2 NORTH 52°40'20" EAST, 35.42 FEET TO THE **TRUE POINT OF BEGINNING**;

THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE NORTH 52°40'20" EAST, 3.50 FEET;

THENCE LEAVING SAID SOUTHEASTERLY LINE NORTH 48°22'59" EAST, 20.06 FEET;

THENCE NORTH 37°19'40" WEST, 5.89 FEET;

THENCE NORTH 52°40'20" EAST, 198.20 FEET TO SAID SOUTHEASTERLY LINE;

THENCE ALONG SAID SOUTHEASTERLY LINE NORTH 44°15'28" EAST, 41.00 FEET;

THENCE LEAVING SAID SOUTHEASTERLY LINE SOUTH 52°40'20" WEST, 210.02 FEET;

THENCE NORTH 37°19'40" WEST, 3.67 FEET;

THENCE SOUTH 52°40'20" WEST, 20.02 FEET;

THENCE SOUTH 37°19'40" EAST, 3.67 FEET;

THENCE SOUTH 52°40'20" WEST, 12.22 FEET;

THENCE SOUTH 37°19'40" EAST, 8.64 FEET;

THENCE SOUTH 48°22'59" WEST, 16.68 FEET;

THENCE SOUTH 52°40'20" WEST, 3.37 FEET TO A LINE THAT BEARS NORTH 37°19'40" WEST FROM THE TRUE POINT OF BEGINNING;

THENCE ALONG SAID LINE SOUTH 37°19'40" EAST, 3.50 FEET TO THE TRUE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS A GRID AREA 1,497 SQUARE FEET OR 0.034 ACRES, MORE OR LESS.

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE CALIFORNIA COORDINATE SYSTEM (CCS83), ZONE VI, NAD 83 (1991.35 EPOCH OCS ADJUSTMENT), ALL DISTANCES SHOWN ARE GRID, TO OBTAIN GROUND DISTANCES DIVIDE BY 0.99997834.

ALL AS MORE PARTICULARLY SHOWN ON EXHIBIT "B2", ATTACHED HERETO AND MADE A PART HEREOF.

THIS DOCUMENT HAS BEEN PREPARED BY ME, OR UNDER MY DIRECTION, IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYOR'S ACT.


TIMOTHY S. FETTING P.L.S. 7542

2/21/20
DATE



PLAT TO ACCOMPANY
LEGAL DESCRIPTION

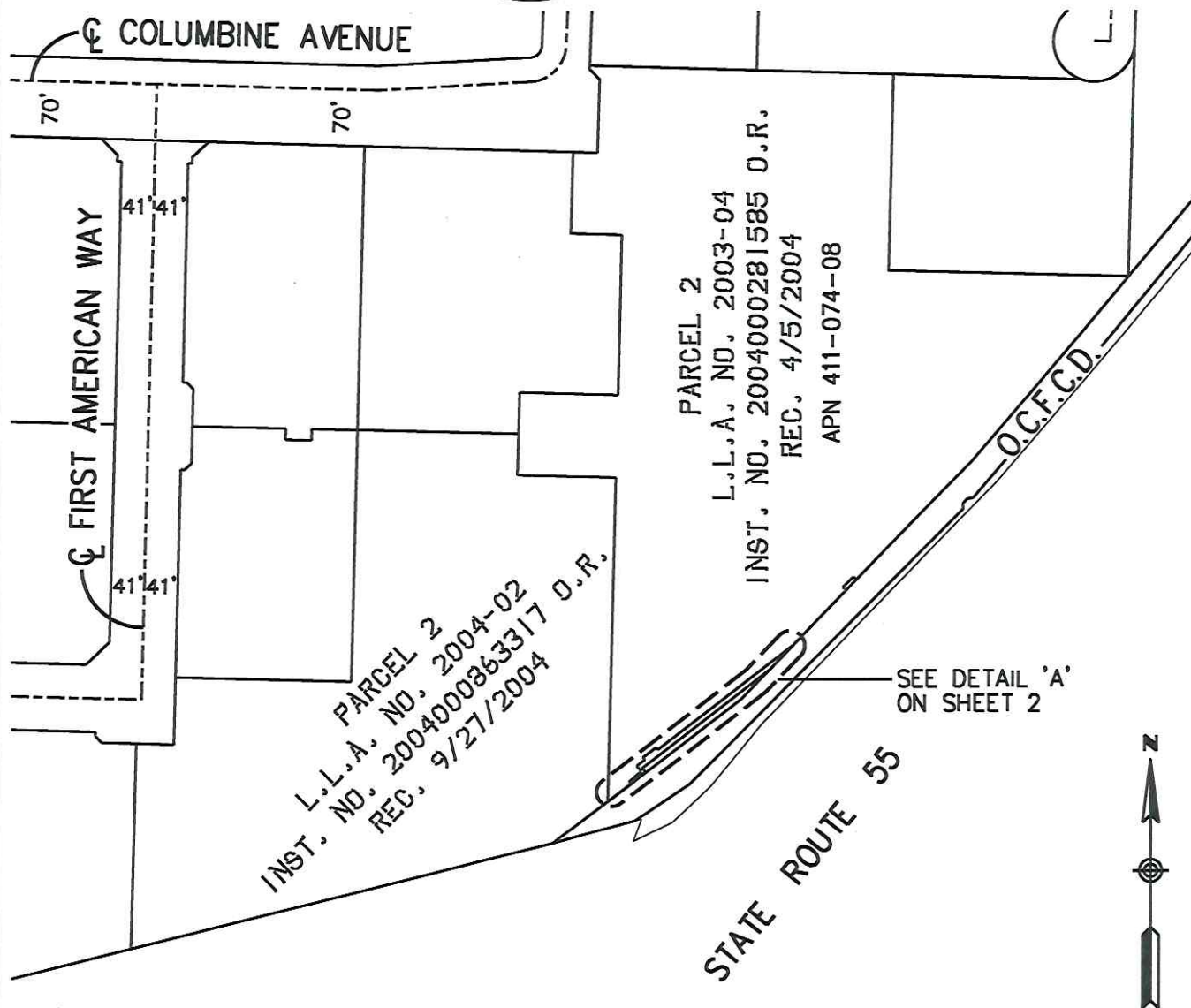


PREPARED BY ME OR UNDER MY DIRECTION:

Tim Fetting
TIMOTHY S. FETTING

2/21/20

P.L.S. 7542 DATE



NOTE:

SEE SHEET 2 FOR DETAIL 'A'

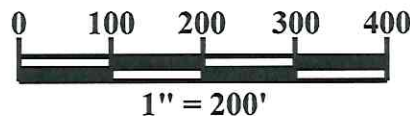
SHEET 1 OF 2

THE BEARINGS AND DISTANCES SHOWN ARE
CALIFORNIA COORDINATE SYSTEM OF 1983 (CCS83),
ZONE VI, NAD 83 (1991.35 EPOCH
O.C.S. GPS ADJUSTMENT).

ALL DISTANCES SHOWN ARE GRID DISTANCES.
DIVIDE THE GRID DISTANCES SHOWN
BY 0.99997834 TO OBTAIN GROUND DISTANCES.

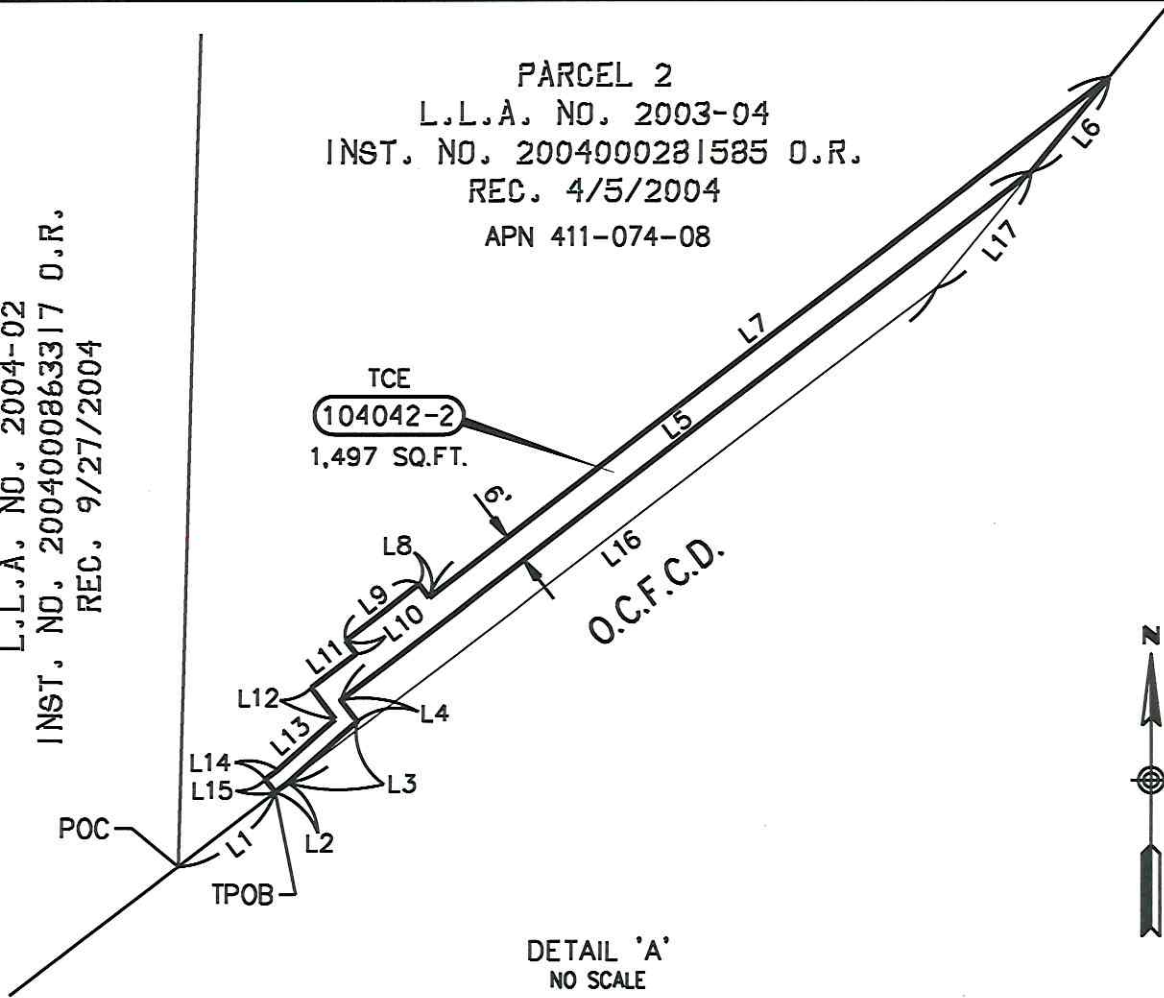
EXHIBIT "B2"

104042-2



PARCEL 2
L.L.A. NO. 2004-02
INST. NO. 2004000863317 O.R.
REC. 9/27/2004

PARCEL 2
L.L.A. NO. 2003-04
INST. NO. 2004000281585 O.R.
REC. 4/5/2004
APN 411-074-08



LINE TABLE		
NO.	BEARING	LENGTH
L1	N 52°40'20" E	35.42'
L2	N 52°40'20" E	3.50'
L3	N 48°22'59" E	20.06'
L4	N 37°19'40" W	5.89'
L5	N 52°40'20" E	198.20'
L6	N 44°15'28" E	41.00'
L7	S 52°40'20" W	210.02'
L8	N 37°19'40" W	3.67'
L9	S 52°40'20" W	20.02'
L10	S 37°19'40" E	3.67'
L11	S 52°40'20" W	12.22'
L12	S 37°19'40" E	8.64'
L13	S 48°22'59" W	16.68'
L14	S 52°40'20" W	3.37'
L15	S 37°19'40" E	3.50'
L16	N 52°40'20" E	168.27'
L17	N 44°15'28" E	50.48'

SHEET 2 OF 2

EXHIBIT "B2"
104042-2

EXHIBIT "C"

**TEMPORARY CONSTRUCTION EASEMENT
ATTACHMENT TO LEGAL DESCRIPTION**

Assessor Parcel No.: 411-074-08

Caltrans Parcel No.: 104042-3

This temporary construction easement shall be in, on, over, under, and across that certain real property described in Exhibit "C1" and depicted in Exhibit "C2" attached hereto, subject to the rights and limitations set forth herein ("TCE"). The TCE shall be used by the Orange County Transportation Authority and its employees, agents, representatives, contractors, successors and assigns (collectively, "OCTA") in connection with the construction of the SR 55 Improvement Project. The TCE shall be for a period of sixty (60) months, a portion of which shall be exclusive (subject to the Rights and Limitations of Use and Occupancy set forth below) and a portion of which shall be non-exclusive. Specifically, the actual physical construction activities within the TCE area shall be limited to a period of forty-two (42) consecutive months within the sixty (60) month TCE period (the "Construction Period"). During the Construction Period, OCTA's use and occupancy of the TCE will be exclusive, subject to the Rights and Limitations of Use and Occupancy set forth below. OCTA's use and occupancy of the TCE during the remaining eighteen (18) months of the TCE period will be non-exclusive.

Rights and Limitations of Use and Occupancy of TCE:

- OCTA shall provide the owner(s) and occupant(s) of the property subject to this TCE a minimum of thirty (30)-days' written notice as to when the Construction Period will commence.
- During the Construction Period, OCTA may place a temporary fence around the TCE area.
- Access to the TCE area by OCTA shall be from the public right of way.
- Improvements within the TCE area will be removed as needed by OCTA to allow for construction activities. Any and all improvements so removed shall be included in the compensation paid by OCTA for this TCE.
- Prior to the termination of the Construction Period, OCTA will remove from the TCE area all construction equipment and materials, any temporary improvements, and all construction-related debris. The TCE area will be graded and compacted.

OCTA expressly reserves the right to convey, transfer, or assign the TCE subject to the same rights and limitations described herein.

EXHIBIT "C1"
LEGAL DESCRIPTION

CALTRANS PARCEL NO. 104042-3

TEMPORARY CONSTRUCTION EASEMENT

APN 411-074-08

THAT PORTION OF PARCEL 2 OF LOT LINE ADJUSTMENT NO. 2003-04, IN THE CITY OF SANTA ANA, COUNTY OF ORANGE, STATE OF CALIFORNIA, PER DOCUMENT RECORDED APRIL 5, 2004 AS INSTRUMENT NO. 2004000281585, OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST SOUTHERLY CORNER OF SAID PARCEL 2;

THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL 2 NORTH 52°40'20" EAST, 38.92 FEET;

THENCE LEAVING SAID SOUTHEASTERLY LINE NORTH 48°22'59" EAST, 20.06 FEET;

THENCE NORTH 37°19'40" WEST, 5.89 FEET;

THENCE NORTH 52°40'20" EAST, 198.20 FEET TO SAID SOUTHEASTERLY LINE;

THENCE ALONG SAID SOUTHEASTERLY LINE NORTH 44°15'28" EAST, 70.60 FEET TO AN ANGLE POINT;

THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE NORTH 44°16'39" EAST, 64.03 FEET TO THE **TRUE POINT OF BEGINNING**;

THENCE LEAVING SAID SOUTHEASTERLY LINE NORTH 45°43'21" WEST, 5.00 FEET;

THENCE NORTH 44°16'39" EAST, 18.00 FEET;

THENCE SOUTH 45°43'21" EAST, 5.00 FEET TO SAID SOUTHEASTERLY LINE;

THENCE ALONG SAID SOUTHEASTERLY LINE SOUTH 44°16'39" WEST, 18.00 FEET TO THE TRUE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS A GRID AREA 90 SQUARE FEET OR 0.002 ACRES, MORE OR LESS.

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE CALIFORNIA COORDINATE SYSTEM (CCS83), ZONE VI, NAD 83 (1991.35 EPOCH OCS ADJUSTMENT), ALL DISTANCES SHOWN ARE GRID, TO OBTAIN GROUND DISTANCES DIVIDE BY 0.99997834.

ALL AS MORE PARTICULARLY SHOWN ON EXHIBIT "C2", ATTACHED HERETO AND MADE A PART HEREOF.

THIS DOCUMENT HAS BEEN PREPARED BY ME, OR UNDER MY DIRECTION, IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYOR'S ACT.


TIMOTHY S. FETTING P.L.S. 7542

2/26/20
DATE



PLAT TO ACCOMPANY
LEGAL DESCRIPTION

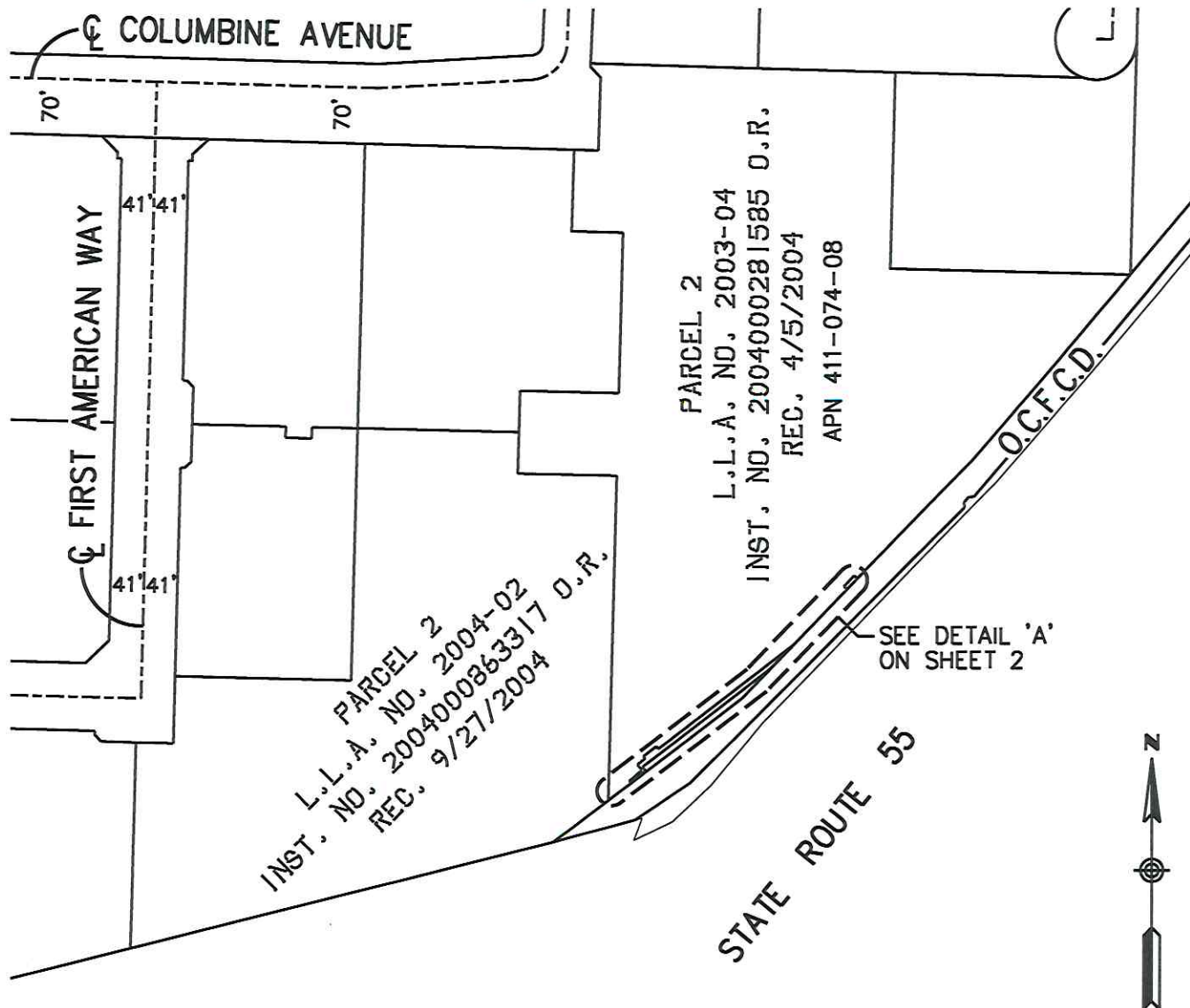


PREPARED BY ME OR UNDER MY DIRECTION:

Tim Fetting
TIMOTHY S. FETTING P.L.S. 7542

2/26/20

DATE



NOTE:

SEE SHEET 2 FOR DETAIL 'A'

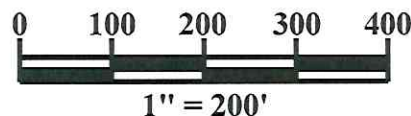
SHEET 1 OF 2

THE BEARINGS AND DISTANCES SHOWN ARE
CALIFORNIA COORDINATE SYSTEM OF 1983 (CCS83),
ZONE VI, NAD 83 (1991.35 EPOCH
O.C.S. GPS ADJUSTMENT).

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DIVIDE THE GRID DISTANCES SHOWN
BY 0.99997834 TO OBTAIN GROUND DISTANCES.

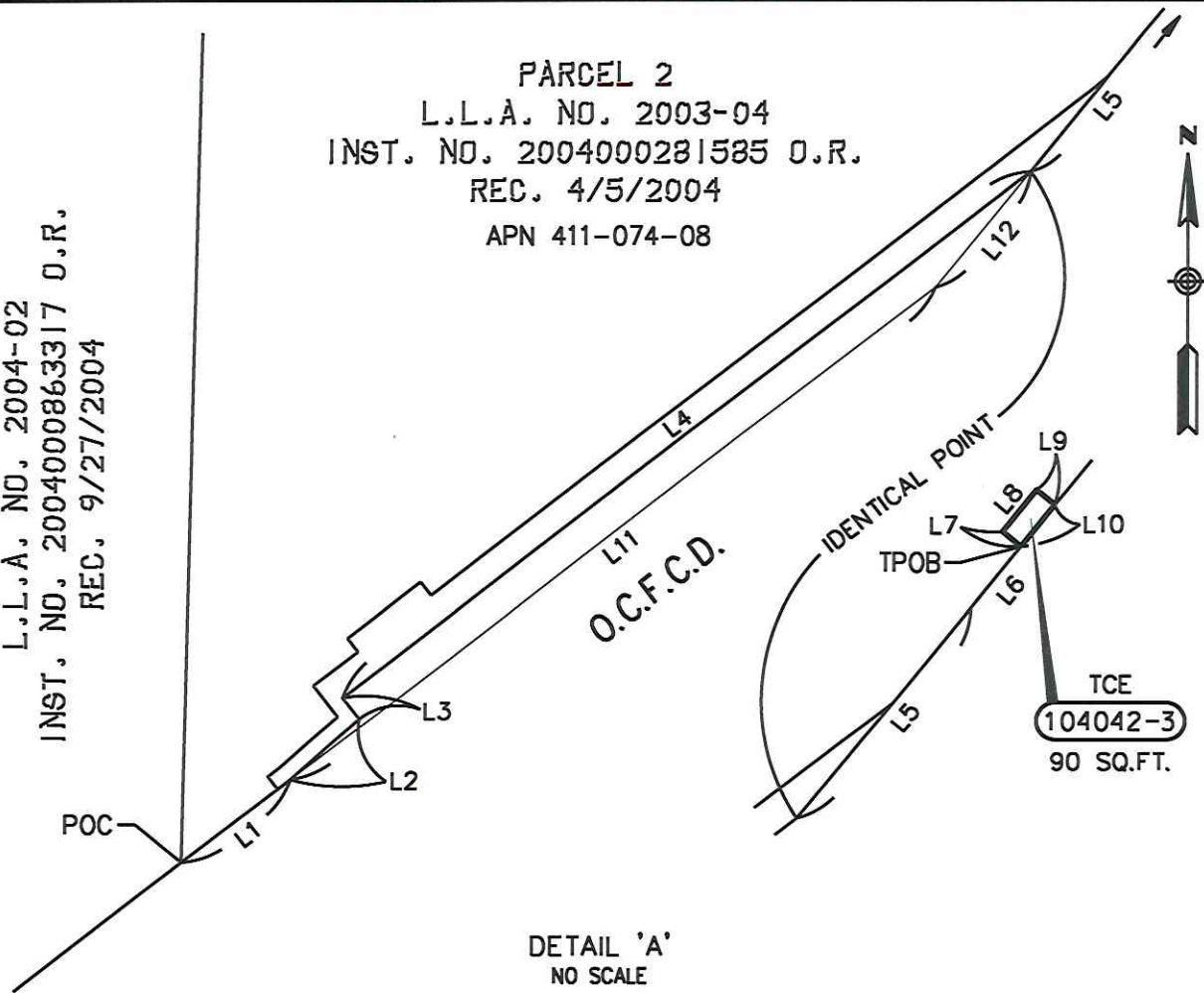
EXHIBIT "C2"

104042-3



PARCEL 2
L.L.A. NO. 2004-02
INST. NO. 2004000863317 O.R.
REC. 9/27/2004

PARCEL 2
L.L.A. NO. 2003-04
INST. NO. 2004000281585 O.R.
REC. 4/5/2004
APN 411-074-08

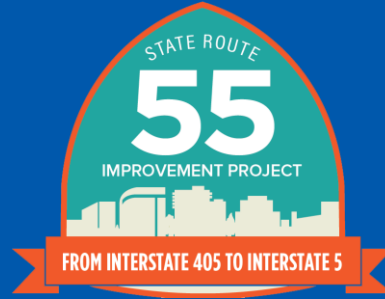


DETAIL 'A'
NO SCALE

LINE TABLE		
NO.	BEARING	LENGTH
L1	N 52°40'20" E	38.92'
L2	N 48°22'59" E	20.06'
L3	N 37°19'40" W	5.89'
L4	N 52°40'20" E	198.20'
L5	N 44°15'28" E	70.60'
L6	N 44°16'39" E	64.03'
L7	N 45°43'21" W	5.00'
L8	N 44°16'39" E	18.00'
L9	S 45°43'21" E	5.00'
L10	S 44°16'39" W	18.00'
L11	N 52°40'20" E	168.27'
L12	N 44°15'28" E	50.48'

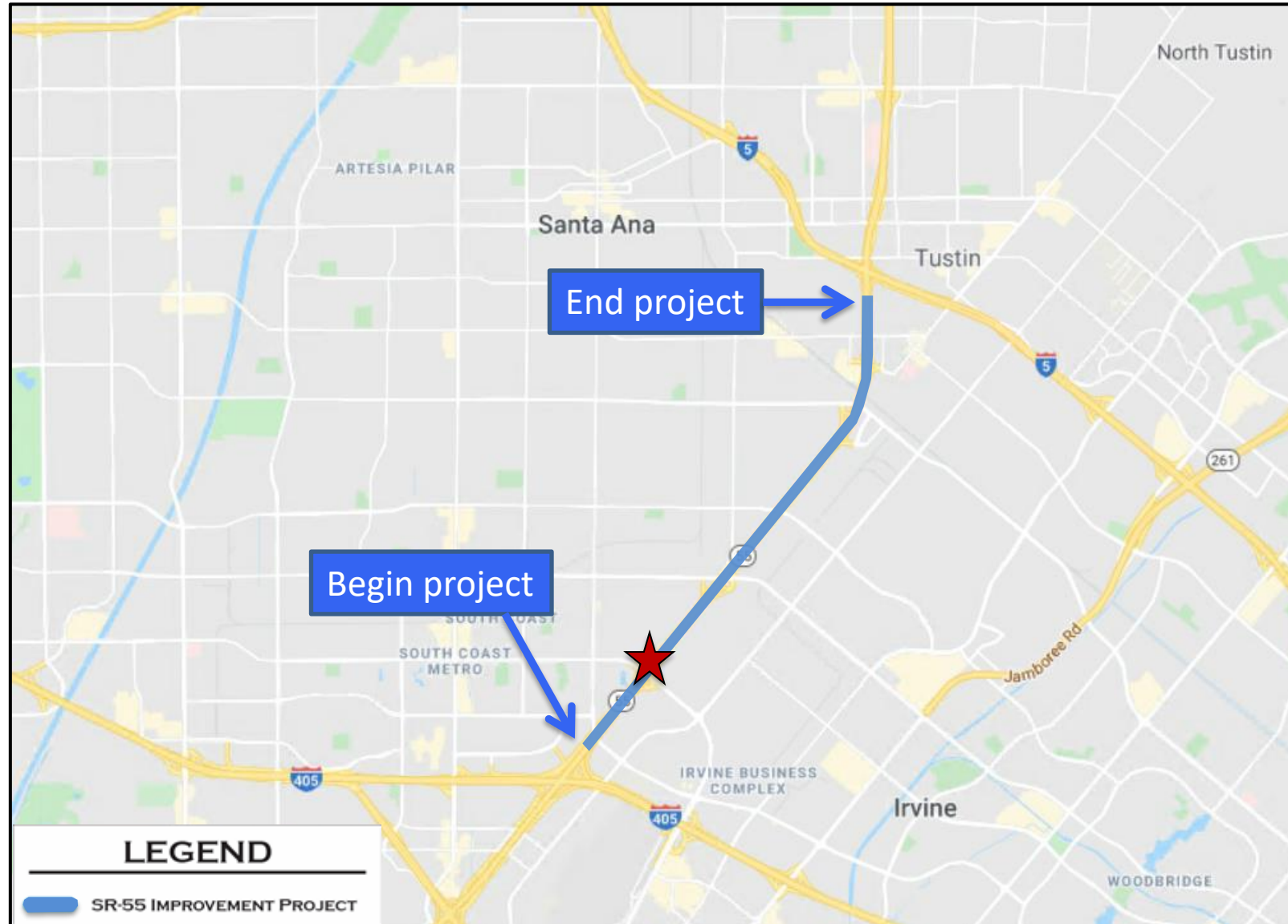
SHEET 2 OF 2

EXHIBIT "C2"
104042-3



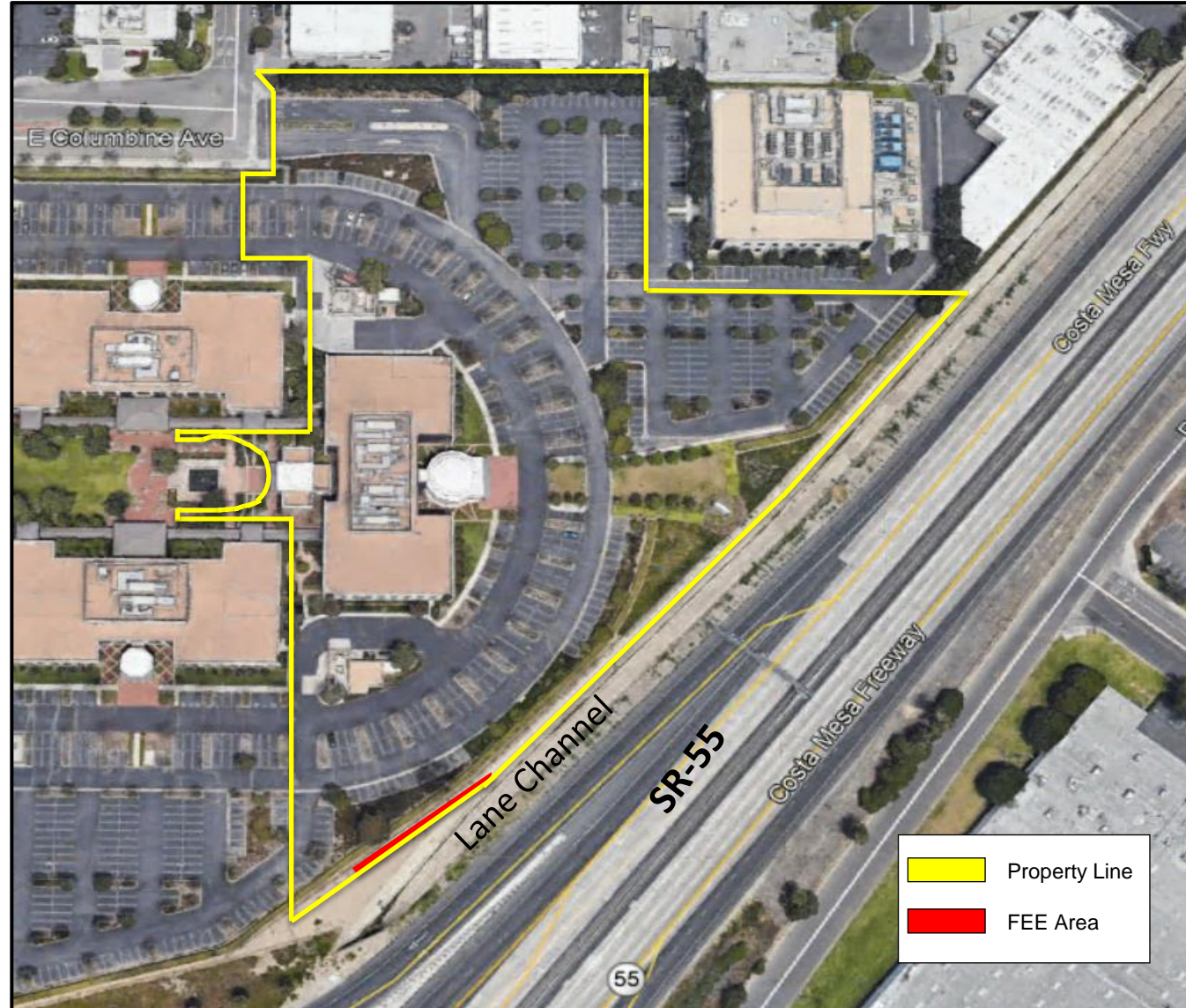
Adopt Resolution of Necessity for the State Route 55 Improvement Project Between Interstate 405 and Interstate 5

State Route 55 Improvement Project Resolution of Necessity Location



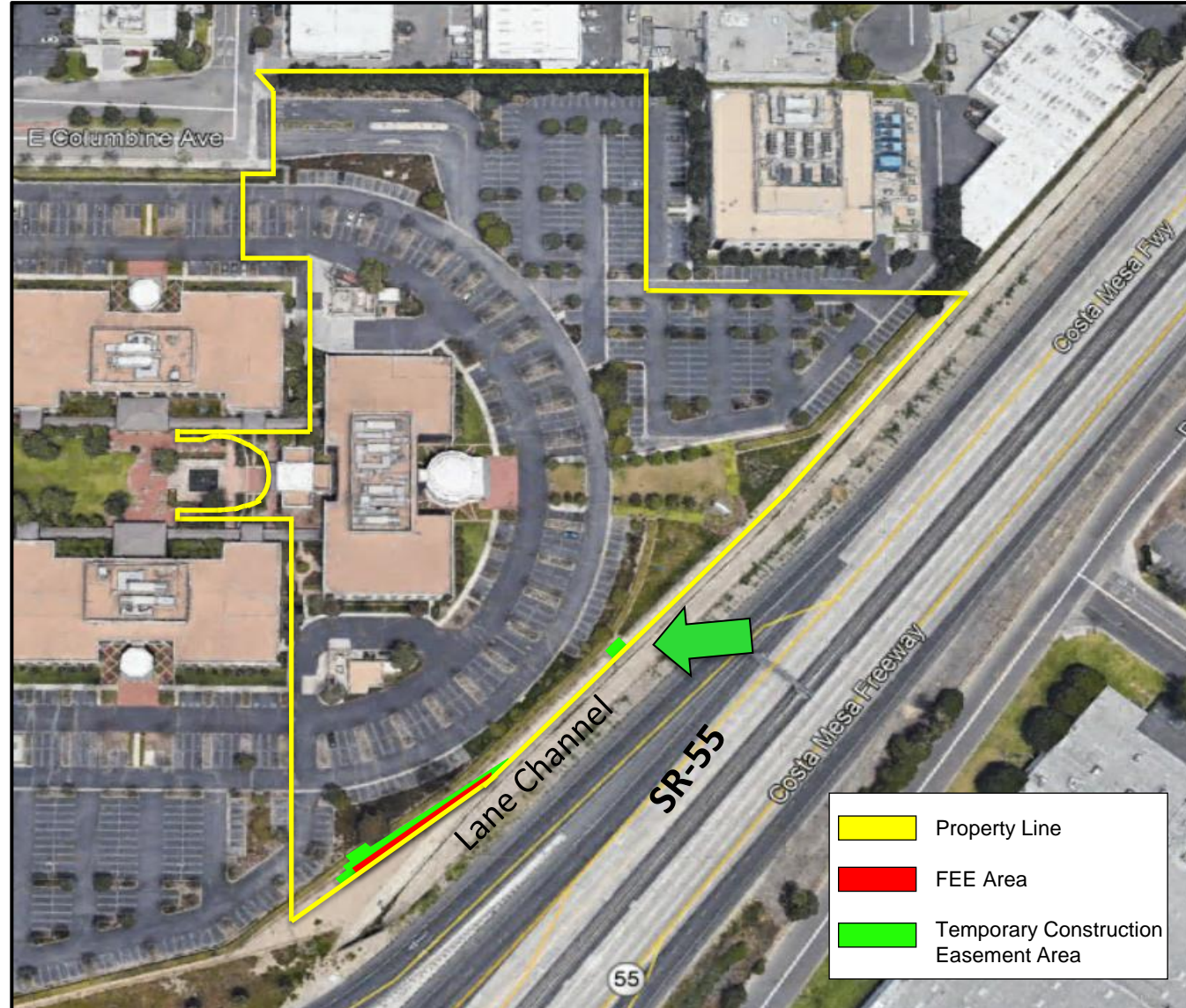
Resolution of Necessity No. 2020-285

First American Title Insurance Company



Resolution of Necessity No. 2020-285

First American Title Insurance Company



Resolution of Necessity No. 2020-285

First American Title Insurance Company



Four Requirements to be Considered to Adopt Resolutions

1. The public interest and necessity require the proposed project.
2. The proposed project is planned in a manner that will be most compatible with the greatest public good and the least private injury.
3. The property is necessary for the proposed project.
4. An offer to acquire the property in compliance with Government Code Section 7267.2 has been made to the owner of record.

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

Call to Order

The November 9, 2020 regular meeting of the Orange County Transportation Authority (OCTA) and affiliated agencies was called to order by Chairman Jones at 9:00 a.m. at the OCTA Headquarters, 550 South Main Street, Board Room – Conference Room 07-08, Orange, California.

Roll Call

The Clerk of the Board (COB) conducted an attendance Roll Call and announced there was quorum of the Board of Directors (Board) as follows:

Directors Present: Steve Jones, Chairman

Via teleconference:

Andrew Do, Vice Chairman
Lisa A. Bartlett
Doug Chaffee
Laurie Davies
Barbara Delgleize
Michael Hennessey
Gene Hernandez
Joseph Muller
Mark A. Murphy
Richard Murphy
Miguel Pulido
Tim Shaw
Harry S. Sidhu
Michelle Steel
Donald P. Wagner
Ryan Chamberlain, District Director
California Department of Transportation District 12

Director Absent: None

Also Present: Darrell E. Johnson, Chief Executive Officer (CEO)
Jennifer L. Bergener, Deputy CEO/Chief Operating Officer
Laurena Weinert, COB
Martha Ochoa, Assistant COB
James Donich, General Counsel (via teleconference)

Invocation

Director Steel gave the invocation.

Pledge of Allegiance

Director Pulido led in the Pledge of Allegiance.

Special Calendar

There were no Special Calendar matters.

Consent Calendar (Items 1 through 13)

Orange County Transportation Authority Consent Calendar Matters

1. Approval of Minutes

A motion was made by Director M. Murphy, seconded by Director Hernandez, and following a roll call vote, declared passed 16-0, to approve the Orange County Transportation Authority and affiliated agencies' regular meeting minutes of October 26, 2020.

2. Employee Separations, Internal Audit Report No. 21-501

A motion was made by Director M. Murphy, seconded by Director Hernandez, and following a roll call vote, declared passed 16-0, to direct staff to implement the recommendations provided in Employee Separations, Internal Audit Report No. 21-501.

3. Coronavirus Update

A motion was made by Director M. Murphy, seconded by Director Hernandez, and following a roll call vote, declared passed 16-0, to receive and file as an information item.

4. Orange County Transportation Authority Investment and Debt Programs Report - September 2020

Finance and Administration (F&A) Committee Chairman Hennessey pulled and commented on this item's dashboard changes, and asked staff to highlight the recent dashboard changes.

Robert Davis, Department Manager of Treasury/Public Finance, reported that at a recent F&A Committee meeting, staff was given a directive from F&A Committee Chairman Hennessey to update the dashboard.

4. (Continued)

Mr. Davis referenced Page 2 of the staff report that the dashboard update was to clarify the debt program is not the same as the investment portfolio. He also referenced Attachment A of the staff report II-I that includes a definition of OCTA's debt obligation.

F&A Committee Chairman Hennessey asked Mr. Davis to talk about OCTA's debt negative credit watch. Mr. Davis explained the previous dashboard noted what did not meet OCTA's credit criteria, and the updated dashboard now includes the downgrades and investments added to the credit watch list.

F&A Committee Chairman Hennessey provided additional comments about the improvements to the dashboard.

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

5. Update on the Loan Agreements with the Cities of Anaheim, Buena Park, Placentia, and the West Orange County Water Board

F&A Committee Chairman Hennessey pulled this item and commented that staff was asked to provide periodically a report on the outstanding loans status. He stated this item is an example of a status update and commended the Board for making a change to OCTA's process regarding this type of update.

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

6. Orange County Transportation Authority Code of Conduct

A motion was made by Director M. Murphy, seconded by Director Hernandez, and following a roll call vote, declared passed 16-0, to receive and file as an information item.

7. Active Transportation Program Biannual Update

A motion was made by Director M. Murphy, seconded by Director Hernandez, and following a roll call vote, declared passed 16-0, to receive and file as an information item.

8. Regional Planning Update

A motion was made by Director M. Murphy, seconded by Director Hernandez, and following a roll call vote, declared passed 16-0, to receive and file as an information item.

Orange County Local Transportation Authority Consent Calendar Matters

9. Consultant Selection for the Preparation of Plans, Specifications, and Estimates for the Interstate 5 Widening Project Between Yale Avenue and State Route 55

A motion was made by Director M. Murphy, seconded by Director Hernandez, and following a roll call vote, declared passed 15-0, to:

- A. Approve the selection of TranSystems Corporation as the firm to prepare the plans, specifications, and estimates for the Interstate 5 Widening Project between Yale Avenue and State Route 55.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-0-2371 between the Orange County Transportation Authority and TranSystems Corporation for the preparation of plans, specifications, and estimates for the Interstate 5 Widening Project between Yale Avenue and State Route 55.

Vice Chairman Do recused himself because of a potential conflict of interest due to the Levine Act.

10. Capital Programs Division - First Quarter Fiscal Year 2020-21 Capital Action Plan Performance Metrics Report

A motion was made by Director M. Murphy, seconded by Director Hernandez, and following a roll call vote, declared passed 16-0, to receive and file as an information item.

11. Agreement for Measure M2 Environmental Mitigation Program Interim Biological Preserve Monitoring

A motion was made by Director M. Murphy, seconded by Director Hernandez, and following a roll call vote, declared passed 16-0, to:

- A. Approve the selection of Glenn Lukos Associates, Inc., as the firm to provide biological monitoring of the Orange County Transportation Authority's acquired conservation lands.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-0-2479 between the Orange County Transportation Authority and Glenn Lukos Associates, Inc., in the amount of \$350,000, to provide biological monitoring of the Orange County Transportation Authority's acquired conservation lands for a three-year term.

12. Consultant Selection for Traffic and Intelligent Transportation Systems Engineering Services for the Warner Avenue Regional Traffic Signal Synchronization Program Project

A motion was made by Director M. Murphy, seconded by Director Hernandez, and following a roll call vote, declared passed 16-0, to:

- A. Approve the selection of Iteris, Inc., as the firm to provide traffic and intelligent transportation systems engineering services for the Warner Avenue Regional Traffic Signal Synchronization Program Project.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-0-2020 between the Orange County Transportation Authority and Iteris Inc., to provide traffic and intelligent transportation systems engineering services for the Warner Avenue Regional Traffic Signal Synchronization Program Project.

Orange County Service Authority For Freeway Emergencies Consent Calendar Matters

13. Service Authority for Freeway Emergencies Call Box Upgrade and Reduction Plan

A motion was made by Director M. Murphy, seconded by Director Hernandez, and following a roll call vote, declared passed 16-0, to authorize staff to reduce the number of freeway call boxes operated by the Orange County Service Authority for Freeway Emergencies as part of a required call box radio upgrade.

Regular Calendar

Orange County Transit District Regular Calendar Matters

14. Agreement for the Procurement of 40-Foot Plug-In Battery-Electric Buses

Darrell E. Johnson, CEO, opened that last month the Transit Committee unanimously approved this item, as well as went to the Board last month. A public comment was received from one vendor and at the October 12 Board meeting, Mr. Johnson suggested a pause to discuss and review the vendor's concerns.

Mr. Johnson referenced the memo addressed to the Board (in today's Board agenda packet) regarding the discussions, and OCTA recommends procurement of the 40-foot plug-in battery-electric buses.

14. (Continued)

Mr. Johnson introduced Cliff Thorne, Director of Maintenance and Motorists Services, who provided a PowerPoint presentation as follows:

- Background;
- Procurement;
- Attributes; and
- Staff Recommendation.

A discussion ensued regarding the following:

- Director Pulido stated this item is a good transition to zero-emission technology, complimented staff, and provided other comments.
- Director Muller inquired about the 6 years/300,000 miles warranty on the proportion system, and how many miles is a bus driven.
- Mr. Thorne responded that a bus is driven approximately 45,000 per year, and this item's warranty is more robust and exceeds what OCTA normally gets for a Compressed Natural Gas bus.

A motion was made by Director Pulido, seconded by Vice Chairman Do, and following a roll call vote, declared passed 14-0, to authorize the Chief Executive Officer to negotiate and execute Agreement No. C-0-2165 between the Orange County Transportation Authority and New Flyer of America, Inc., in the amount of \$10,373,230, for the purchase of up to ten 40-foot plug-in battery-electric buses.

Directors Hennessey and R. Murphy were not present to vote on this item.

Orange County Transportation Authority Regular Calendar Matters

15. Amendments to the Master Plan of Arterial Highways

Darrell E. Johnson, CEO, stated that at the November 2, 2020 Regional Planning and Highways (RP&H) Committee meeting, the RP&H Committee excluded and deferred Recommendation B, Item 1, viii until the cities of Santa Ana (Santa Ana) and Garden Grove (Garden Grove) reached consensus on an outstanding issue.

Mr. Johnson stated OCTA believes a consensus has been reached by Santa Ana and Garden Grove and all of today's listed recommendations are for Board consideration.

15. (Continued)

Mr. Johnson introduced Kia Mortazavi, Executive Director of Planning, who provided the PowerPoint presentation as follows:

- Background;
- Master Plan of Arterial Highways Amendment Process – Review and Consensus;
- Proposed Amendments;
- Traffic Study Results;
- Transit Impacts;
- Memorandum of Understanding & Support Letters; and
- Next Steps.

Chairman Jones stated Garden Grove supports Santa Ana's Active Transportation (AT) efforts, and highlighted Garden Grove's concerns with the Willowick Golf Course (Willowick) development in Santa Ana.

Chairman Jones noted Garden Grove's support is with the condition that Santa Ana is committed to work with Garden Grove regarding the Willowick development.

Director Wagner noted concerns with AT and felt it was for exercise and recreation, etcetera. He inquired if OCTA had an AT work purpose study, questioned if OCTA is the appropriate entity for AT, as well as provided other comments.

Mr. Mortazavi commented on how AT is being used for work purposes and the data collection. Director Wagner requested the AT study/data.

Director Bartlett commented that for OCTA to receive different funding, certain levels of AT are required for Orange County residents. Director Bartlett stated that OCTA, as a master planning authority for transportation, is the appropriate entity for AT connectivity.

Director Pulido thanked staff, Chairman Jones, and Santa Ana's surrounding cities for the support. Director Pulido stated Santa Ana will adopt a new General Plan and is confident about working together with the Willowick development.

15. (Continued)

A motion was made by Director Pulido, seconded by Chairman Jones, and following a roll call vote, declared passed 13-1, to:

- A. Authorize the Chief Executive Officer, or his designee, to negotiate and execute a final memorandum of understanding specifying roles and responsibilities for implementation of proposed actions related to the Master Plan of Arterial Highways amendment request. Participating agencies include the cities of Fountain Valley, Santa Ana, Tustin, and the Orange County Transportation Authority.
- B. Conditionally approve the following amendment to the Master Plan of Arterial Highways to:
 - 1. Reclassify the following streets from a secondary (four-lane, undivided) arterial to a divided collector (two-lane divided):
 - i. Cambridge Street between Fairhaven Avenue and State Route 22.
 - ii. Santa Clara Avenue between Grand Avenue and Tustin Avenue.
 - iii. Broadway Street between 1st Street and 17th Street.
 - iv. Penn Way between Interstate 5 southbound on/off-ramps and Washington Avenue.
 - v. Santiago Avenue between Washington Avenue and 6th Street.
 - vi. Standard Avenue between 6th Street and Warner Avenue.
 - vii. Civic Center Drive between Fairview Street and Bristol Street.
 - viii. Hazard Avenue between Euclid Street and Harbor Boulevard.
 - ix. Raitt Street between Segerstrom Avenue and Santa Ana Boulevard.
 - x. McFadden Avenue between Harbor Boulevard and Grand Avenue.
 - xi. Flower Street between Warner Avenue and First Street.
 - xii. Halladay Avenue between Warner Avenue and Dyer Road.
 - xiii. Chestnut Avenue between Standard Avenue and Grand Avenue.

15. (Continued)

2. Reclassify Civic Center Drive between French Street and Santiago Street, from a secondary (four-lane, undivided) arterial to a collector (two-lane, undivided) arterial.
3. Reclassify 1st Street between Bristol Street and Tustin Avenue, from a major (six-lane, divided) to a primary (four-lane, divided) arterial.
4. Reclassify Chestnut Avenue between Grand Avenue the eastern city limit, from a primary (four-lane, divided) to a divided collector (two-lane, divided) arterial.
5. Remove the following facilities from the Master Plan of Arterial Highways:
 - i. Flower Street between 17th Street and its northern terminus.
 - ii. Logan Street between Stafford Street and Santa Ana Boulevard.
 - iii. Stafford Street between proposed Logan Street and Santiago Street.

The proposed amendment will become final contingent upon the Orange County Transportation Authority (1) fully executing a final memorandum of understanding with the cities of Fountain Valley, Santa Ana, and Tustin, and (2) receiving documentation that the City of Santa Ana has complied with the requirements of the California Environmental Quality Act and have amended their general plan.

If the original proposed Master Plan of Arterial Highways amendment is modified as a result of the California Environmental Quality Act and/or general plan amendment process, the modified Master Plan of Arterial Highways amendment shall be returned to the Orange County Transportation Authority Board of Directors for consideration and action.

- C. Conditionally approve the amendment to the Master Plan for Arterial Highways for Fairhaven Avenue between Grand Avenue to Tustin Avenue from a secondary (four-lane, undivided) arterial to a divided collector (two-lane, divided) arterial. The proposed amendment will become final contingent upon the Orange County Transportation Authority receiving documentation that the cities of Santa Ana and Orange have complied with the requirements of the California Environmental Quality Act and have amended their respective general plans.

15. (Continued)

If the cities of Santa Ana and Orange do not update their respective general plans within three years to reflect the Master Plan of Arterial Highway amendment, the contingent amendment will expire, but can be returned to the Orange County Transportation Authority Board of Directors for reconsideration and action.

If the original proposed Master Plan of Arterial Highways amendment is modified as a result of the California Environmental Quality Act and/or general plan amendment process, the modified Master Plan of Arterial Highways amendment shall be returned to the Orange County Transportation Authority Board of Directors for consideration and action.

- D. Direct the Executive Director of Planning, or his designee, to file a Notice of Exemption from the California Environmental Quality Act in support of the Master Plan of Arterial Highways amendment.
- E. Receive and file a status report on the active Master Plan of Arterial Highways amendments.

Director Steel voted in opposition.

Vice Chairman Do and Director Hennessey were not present to vote on this item.

Orange County Local Transportation Authority Regular Calendar Matters

16. Measure M2 Next 10 Delivery Plan: Market Conditions Key Indicators Analysis and Forecast

Darrell E. Johnson, CEO, provided opening comments and introduced Dr. Wallace Walrod, Ph.D., Chief Economic Advisor, Orange County Business Council (OCBC), and Dr. Marlon Boarnet, Ph.D., Professor and Chair of the Department of Urban Planning and Spatial Analysis at the University of Southern California.

A PowerPoint from the guest speakers was presented as follows:

- OCTA Infrastructure Construction Cost Pressure Index Model Components;

16. (Continued)

- 3-Year Moving Average of Year-Over-Year Percent Change in California Department of Transportation (Caltrans) Construction Cost Index (CCI) and Building Permits;
- 3-Year Moving Average of Year-Over-Year Percent Change on Caltrans CCI and California Unemployment Rates;
- Forecast and Range of OCTA Infrastructure Cost Increases by Index Value;
- Cost Pressures Have Shifted, Both Structurally and Due to the Coronavirus; and
- OCBC Infrastructure Construction Cost Forecast.

Mr. Johnson closed with comments that OCTA updated the Measure M2 (M2) sales tax revenue forecast and cost pressures for the Orange County construction market.

Mr. Johnson stated that next month, staff will bring forward the M2 assumptions for program and project delivery, and the updated M2 Next 10 Delivery Plan and Comprehensive Business Plan will be presented in the first quarter of 2021.

A discussion ensued regarding the following:

- Director Shaw commented on today's news that Pfizer's coronavirus vaccine is going well and asked what should OCTA be thinking about as the pandemic has closure.
- Dr. Walrod commented the vaccine would influence the shape and timing of the economy.
- Dr. Boarnet stated that when the model was built it took recent data that provided a reasonable forecast, and the next update to the model will be in March 2021. The data provides OCTA with infrastructure construction cost forecast in Orange County.
- Director Wagner referenced Attachment A of the staff report, commented on the index forecasts for fall 2018 and in 2019, and asked how the forecast perform against the actuals.
- Dr. Boarnet provided comments, stated the forecasts were close to the actuals, and there were declining cost pressures before the pandemic.
- Mr. Johnson noted the model performed within the range, and the forecast is for general construction and not for utilities and right-of-way acquisitions.

A motion was made by Director Pulido, seconded by Director Hernandez, and following a roll call vote, declared passed 14-0, to continue to monitor market conditions key indicators and their effects on the Next 10 Delivery Plan and provide updates to the Board of Directors as appropriate.

Vice Chairman Do and Director Hennessey were not present to vote on this item.

Discussion Items

17. 2020 Board of Directors and Chief Executive Officer Initiatives and Action Plan - Third Quarter Progress Report

Darrell E. Johnson, CEO, reported that due to the coronavirus, in May 2020, the action plan was adjusted to ensure the milestones continued to reflect OCTA's needs and ability to serve the public, as well as highlighted the third quarter progress for this item's action plan.

No action was taken on this information item.

18. Public Comments

There were no public comments.

19. Chief Executive Officer's Report

Darrell E. Johnson, CEO, reported on the following:

South Orange County Multimodal Transportation Study (SOCMTS) Roundtable -

- Tomorrow at 9:00 a.m., OCTA will host an Elected Official Roundtable for the SOCMTS through Zoom.
- This study will consider the transportation needs in south Orange County to identify improvements for all modes of transportation through 2045.
- Directors Bartlett, Delgleize, and Muller are planning on participating.
- Board Members interested in participating were asked to advise Mr. Johnson.

Veterans Day -

- Veterans Day is on Wednesday and unfortunately, OCTA is not able to host the annual in-person OCTA Veterans Appreciation event.
- Instead, OCTA created a slideshow and posters to recognize OCTA's veterans who will also receive a pin and challenge coin to thank them for their service.
- Later today, the slideshow will be sent to the Board.
- Mr. Johnson thanked all those who have served in the United States Armed Forces and OCTA's dedicated employees.

19. (Continued)

OCTA's Clerk of the Board –

Laurena Weinert, OCTA's Clerk of the Board, is retiring after 36 years of dedicated service and was acknowledged with a resolution for her years of service at OCTA.

20. Directors' Reports

There were no Directors' reports.

21. Closed Session

There were no Closed Sessions scheduled.

22. Adjournment

The meeting adjourned at 10:12 a.m.

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, November 23, 2020**, at the OCTA Headquarters, 550 South Main Street, Board Room – Conference Room 07-08, Orange, California.

ATTEST:

Laurena Weinert
Clerk of the Board

Steve Jones
Chairman



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors

From: Laurena Weinert, Clerk of the Board

Subject: Audit of Banking Services and Agreement with Bank of the West,
Internal Audit Report No. 20-507

Finance and Administration Committee Meeting of November 11, 2020

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

Absent: Director Muller

Committee Vote

Following the roll call vote, this item was declared passed 6-0 by the Members present.

Committee Recommendation

Direct staff to implement two recommendations provided in the Audit of Banking Services and Agreement with Bank of the West, Internal Audit Report No. 20-507.



November 11, 2020

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Janet Sutter, Executive Director
Internal Audit Department

Subject: Audit of Banking Services and Agreement with Bank of the West,
Internal Audit Report No. 20-507

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of banking services and Agreement No. C-7-2159, with Bank of the West. Based on the audit, controls, policies, and procedures over banking activities are generally adequate and operating, and Bank of the West is in compliance with the agreement. The Internal Audit Department offered two recommendations to further enhance controls related to bank-authorized signers and bank statement analyses.

Recommendation

Direct staff to implement two recommendations provided in the Audit of Banking Services and Agreement with Bank of the West, Internal Audit Report No. 20-507.

Background

The Orange County Transportation Authority (OCTA) utilizes Bank of the West (BoW) for daily commercial banking services, under Agreement No. C-7-2159 (Agreement). These services include deposits of 91 Express Lanes receipts, credit sales of bus passes, farebox collection deposits, issuance of employee payroll, payments to vendors, and investment activities. The Agreement, executed on August 31, 2018, is for a five-year period, with a maximum obligation of \$277,000. The Agreement lists specific pricing for each OCTA account, as well as fees for various banking services.

OCTA's control environment related to banking services includes policies and procedures, segregation of duties, and system access controls for banking services.

OCTA policy states that individuals authorizing vendor payments are responsible for ensuring that charges comply with contract terms, such as unit fees. With regard to bank service fees, rather than generate an invoice, BofW provides an Analyzed Business Account Statement (Statement), that lists the fees for services provided. The fees are automatically deducted from OCTA's account balance. The Statements are reviewed and approved by authorized personnel. Bank reconciliations of all BofW accounts are also performed monthly, and variances are investigated.

User access controls are in place to restrict banking services to key personnel based on their job duties. The BofW Deposit Account Signature Card lists the names of OCTA personnel authorized to conduct business on behalf of OCTA. For online banking services, the level of access assigned to each user is based on job duties. Two users are required to execute wire transfer and Automated Clearing House transactions.

Discussion

The current process for reviewing the monthly BofW Statements includes an evaluation of the fees charged to determine whether total fees are consistent from month to month, and variances are investigated. Staff asserted that a detailed review of the unit fees charged, compared to the Agreement, is performed annually, however, these reviews are not documented. The Internal Audit Department (Internal Audit) recommended that management develop procedures to document the monthly and annual review processes. Management agreed and stated they would develop a procedure to document the monthly and annual review processes and include evidence of any investigations conducted.

The BofW Signature Card (Signature Card), that lists the names of personnel authorized to conduct business on behalf of OCTA, was not updated in a timely manner. Per the Signature Card, authorized individuals can conduct transactions on all current and future OCTA accounts, including signing checks, and withdrawal of cash or transfer of funds. The Deputy Chief Executive Officer retired on March 14, 2020; however, the Signature Card was not updated until April 14, 2020. Internal Audit recommended that management implement a procedure to ensure timely updates to the Signature Card and explore options to further enhance the control environment related to cash withdrawals by authorized personnel. Management agreed and indicated they would develop a

procedure to ensure timely update of the Signature Card and would work with BofW to implement tools to further enhance controls over cash withdrawals, if available.


Summary

Internal Audit has completed an audit of banking services and the Agreement with BofW and has made two recommendations to enhance controls.

Attachment

- A. Audit of Banking Services and Agreement with Bank of the West, Internal Audit Report No. 20-507

Prepared by:



Ricco Bonelli
Principal Internal Auditor
714-560-5384

Approved by:



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

ORANGE COUNTY TRANSPORTATION AUTHORITY INTERNAL AUDIT DEPARTMENT



Audit of Banking Services and Agreement with Bank of the West

Internal Audit Report No. 20-507

October 21, 2020



Performed by: Ricco Bonelli, CIA, Principal Internal Auditor
Janet Sutter, CIA, Executive Director

RTB

Distributed to: Andrew Oftelie, Chief Financial Officer, Finance & Administration
Sean Murdock, Benjamin Torres

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
Audit of Banking Services and Agreement with Bank of the West
October 21, 2020**

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Conclusion

The Internal Audit Department (Internal Audit) of the Orange County Transportation Authority (OCTA) has completed an audit of controls related to banking services and Agreement No. C-7-2159 (agreement), with Bank of the West (BofW). Based on the audit, controls, policies, and procedures over banking activities are generally adequate and operating, and BofW is in compliance with the agreement. Two recommendations were offered to further enhance controls related to bank authorized signers and bank statement analyses.

Background

Banking Services

OCTA utilizes BofW for daily commercial banking services, under the agreement. These services include deposits of 91 Express Lanes (91 EL) receipts, credit sales of bus passes, farebox collection deposits, issuance of employee payroll, payments to vendors, and investment activities. OCTA maintains a single concentration account with three zero balance accounts (ZBA) for services related to payroll, accounts payable, and the 91 EL toll revenues. There are also two reserve accounts, the 91 EL Toll Road Revenue Bonds Major Maintenance Reserve Fund and the 91 EL Toll Road Revenue Bonds Operating Reserve Fund. Finally, there is a master custodial account established between OCTA and the Riverside County Transportation Commission designated as the 91 EL Account.

Contract Terms

The agreement, executed on August 31, 2018, is for a five-year period, with an option to extend the agreement for an additional three years. The maximum obligation of the agreement is \$277,000 for the initial five-year term. BofW's fee structure, outlined in the agreement, lists specific pricing for each OCTA account (concentration, ZBAs, reserve, and master custodial) as well as online banking services known as Web Direct.

A BofW Analyzed Business Account Statement (Statement) is utilized to authorize the journal entry to record the banking fees, which are netted against an Earnings Credit, or interest, earned by OCTA during the month. The net fees are automatically deducted by BofW from OCTA's account balance.

Statement Review and Payment Authorization

On a monthly basis, OCTA downloads the BofW Statement for 91 EL operations (91 EL Master Custodial Account and 91 EL Toll Revenues Account). On a quarterly basis, OCTA downloads the BofW Statement for general banking services, which includes the concentration account, Accounts Payable account, Payroll account, Petty Cash account, the 91 EL Toll Road Revenue Bonds Major Maintenance Fund account, and 91 EL Toll

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Road Revenue Bonds Operating Reserve account. The Statements, reflecting all fees applied, are reviewed for reasonableness and approved by authorized personnel.

Bank Reconciliations

Bank reconciliations are performed on all BofW accounts by Accounting and Financial Reporting staff on a monthly basis, and variances between the statements and the general ledger are investigated. OCTA policy requires all reconciliations to be reviewed and approved by the preparer's supervisor and to be completed by the end of the following month.

ACH Payments

Automated Clearing House (ACH) is a United States financial network used for electronic payments and money transfers. Also known as "direct payments," ACH payments are a way to transfer money from one bank account to another without using paper checks, credit card networks, wire transfers, or cash. OCTA utilizes ACH payments for processing payroll payments to employees and members of the Board of Directors (Board) who have elected to receive payment by direct deposit. OCTA has also recently implemented a process to pay vendors and employees/Board members for business reimbursements using ACH payments.

Both processes are similar in nature with controls in place, such as segregation of duties, automated electronic ACH file transmissions, and manual control total checks, to ensure that the payments are accurate. For both processes, notifications are received from BofW when the electronic ACH file is received from OCTA and again when the control total amount is manually submitted into the BofW ACH site matching the ACH file control total.

Authorization and User Access

Banking services, performed on behalf of OCTA, is limited to key personnel based on their job duties. One vehicle of authorization is the BofW Deposit Account Signature Card, which lists the names of OCTA personnel authorized to conduct business on behalf of OCTA. The authorizations granted to the named individuals include authorization to conduct transactions on all current and future accounts, sign checks, withdraw or transfer funds, endorse, and deposit checks. BofW is obliged to honor checks, drafts, or other orders for the payment of money drawn in OCTA's name, including those payable to the individual order of any designated signer.

Web Direct, a service provided by BofW, is an online portal that provides for a range of banking services including ACH payments and wire transfers. The level of user access assigned to each user is based on his or her individual job duties. Access rights to initiate and/or approve wire transfers and ACH payments via the Web Direct portal are limited to five personnel. Each wire transfer or ACH transaction requires two users to perform the

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transaction, with one user required to set-up or initiate the transfer and another user to approve or release the funds.

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Objectives, Scope, and Methodology

The objectives were to assess and test controls, policies, and procedures related to banking services, and to determine compliance with the agreement between OCTA and BofW.

According to Generally Accepted Government Auditing Standards (GAGAS), 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.¹ The components and principles that were evaluated as part of this audit are:

- Control Environment
 - OCTA demonstrates a commitment to attract, develop, and retain competent individuals in alignment with objectives.
- Risk Assessment
 - OCTA considers the potential for fraud in assessing risks to the achievement 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.
 - OCTA selects and develops general control activities over technology to support the achievement of objectives.
 - OCTA deploys control activities through policies that establish what is expected and procedures that put policies into action.
- Information and Communication
 - OCTA obtains or generates and uses relevant, quality information to support the functioning of internal control.
- Monitoring
 - OCTA evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the Board, as appropriate.

The methodology consisted of testing a judgmental sample of monthly statements for compliance with invoice review and payment authorization policies and procedures, assessing user access rights to the BofW Web Direct system for appropriateness, testing the adequacy and effectiveness of controls over a judgmental sample of ACH payments, testing a judgmental sample of bank reconciliations for compliance with policies and procedures, assessing whether personnel listed on the BofW Deposit Account Signature Card are appropriate and consistent with OCTA policy, and determining whether

¹ See United States 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.

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executive management and members of the Board received communications on the results of the annual Independent Accountant's Report on Applying Agreed-Upon Procedures with Respect to the Treasury Department, Report on Internal Controls, and other required communications.

The scope was limited to compliance with OCTA policies related to banking services and the agreement between OCTA and BofW, and related controls. With respect to banking services related to the 91 EL operations accounts, 91 EL Master Custodial Account, and the 91 EL Toll Revenues Account, which were recently audited in Internal Audit Report No. 19-514, "91 Express Lanes Master Custodial Account and Revenue Allocation", the scope was limited to bank reconciliation and monthly statement testing. Testing of traditional wire transfers and related controls were not included in the scope due to testing performed in the semi-annual Investments: Compliance, Controls, and Reporting audit. The scope included payments for banking services made to BofW, bank reconciliations, and ACH payments from August 2018 to June 2020. For communications to executive management and members of the Board, the scope was limited to communications made for the past two fiscal years ending June 30, 2019. The judgmental samples were selected to provide coverage throughout the period. Since the samples selected were non-statistical, any conclusions are limited to the sample items tested.

We conducted this performance audit in accordance with GAGAS. 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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Audit Comments, Recommendations, and Management Responses

Monthly Reviews of Bank Statements and Annual Analysis of Bank Fees

There are no procedures in place requiring a detailed review of the fees charged to OCTA by BofW.

The OCTA Payment Authorization Policy states that individuals authorizing payments are responsible for ensuring that payments pursuant to a contract comply with applicable terms, including unit rates, period of performance, contract balance, and receipt of goods and services.

The current process determines whether the available contract balance is sufficient and whether the total fees are consistent from month to month. Any noticeable variances are investigated on a line by line basis. Staff asserted that, on an annual basis, Accounting and Financial Reporting staff perform a line-by-line review confirming each fee to the agreement; however, these reviews are not documented.

Recommendation 1:

Internal Audit recommends that management develop procedures to document the monthly and annual review process and any additional investigations conducted. All documentation should be maintained as evidence of the review performed.

Management Response:

Management concurs. The Accounting Department will develop a procedure to document the monthly and annual review process and any additional investigation conducted. Documentation will be attached to the payment request and to the journal entry used to record the fees to confirm that the review process was completed as required.

Bank of the West Signature Card

OCTA did not update the BofW Signature Card (signature card) in a timely manner. The signature card lists the names of OCTA personnel authorized to conduct business on behalf of OCTA. The authorizations granted to the named individuals include authorization to conduct transactions on all current and future accounts, sign checks, withdraw or transfer funds, endorse, and deposit checks. Per the signature card, BofW is obliged to honor checks, drafts, or other orders for the payment of money drawn in OCTA's name, including those payable to the individual order of any designated signer.

The Deputy Chief Executive Officer retired on March 14, 2020; however, the signature card was not updated until April 14, 2020.

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Recommendation 2:

Management should implement a procedure to ensure timely update to the bank signature card to reflect changes in employment status and/or organizational structure. Management should explore implementing controls to further enhance the control environment related to cash withdrawals by authorized personnel.

Management Response:

Management concurs. The Accounting Department will develop a procedure to ensure timely updates to the bank signature card as required. The goal of this procedure will be to ensure the signature card is updated prior to the effective date of the change to the authorized signers.

The Accounting Department will work with BofW on the implementation of tools and/or procedures to improve controls related to cash withdrawals, if available.



November 23, 2020

To: Members of the Board of Directors

From: Darrell E. Johnson, Chief Executive Officer

Subject: Conflict of Interest Code and 2020 Annual Statement of Economic Interests Filing

Overview

Pursuant to the Orange County Transportation Authority's Conflict of Interest Code, Members of the Board of Directors and designated positions are required to file a Statement of Economic Interests - Form 700.

Recommendation

Direct the Clerk of the Board to distribute and monitor the 2020 annual Statement of Economic Interests - Form 700 to Members of the Board of Directors and designated positions, to be filed by April 1, 2021.

Background

The Political Reform Act, Government Code Sections 81000, et seq., requires state and local government agencies to review its designated positions and disclosure categories to determine accuracy to date.

Discussion

The Orange County Transportation Authority's (OCTA) Members of the Board of Directors, Chief Executive Officer, Deputy Chief Executive Officer, and Chief Financial Officer/Treasurer are required to file an annual Statement of Economic Interests - Form 700 (Form 700) with the County of Orange Clerk of the Board of Supervisors (Attachment A).

OCTA's other designated positions are required to file a Form 700 with OCTA's Clerk of the Board (Attachment B). The Human Resources and Organizational Development Division and OCTA's General Counsel reviewed and made changes, as needed, to the designated positions list and standard disclosure categories (Attachment C).

OCTA's Clerk of the Board shall forward the electronic or original Form 700s of the Members of the Board of Directors, Chief Executive Officer, Deputy Chief Executive Officer, and Chief Financial Officer/Treasurer to the County of Orange Clerk of the Board of Supervisors.

OCTA's Clerk of the Board shall retain the electronic or original Form 700s submitted by all other designated positions. The California Fair Political Practices Commission's filing deadline for the 2020 annual Form 700 statement is April 1, 2021.

Summary

The Board of Directors annually reviews and approves the list of designated positions and disclosure categories subject to OCTA's Conflict of Interest Code.

Attachments

- A. Conflict of Interest Code for the Orange County Transportation Authority (November 23, 2020)
- B. Orange County Transportation Authority Designated Positions and Disclosure Category (November 23, 2020)
- C. Orange County Transportation Authority Disclosure Categories (November 23, 2020)

Prepared by:



Laurena Weinert
Clerk of the Board
(714) 560-5676

Approved by:



Jennifer L. Bergener
Deputy Chief Executive Officer
(714) 560-5462

CONFLICT OF INTEREST CODE
FOR THE ORANGE COUNTY TRANSPORTATION AUTHORITY
(November 23, 2020)

The Political Reform Act, Government Code Sections 81000, et seq., requires state and local government agencies to adopt and promulgate the Conflict of Interest Code.

The California Fair Political Practices Commission has adopted a regulation (Title 2, Division 6, California Code of Regulations Section 18730) which contains the terms of a standard Conflict of Interest Code, which may be incorporated by reference in an agency's code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of Title 2, Division 6, California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference.

This regulation and the designated officials, designated positions, and disclosure categories, shall constitute the Conflict of Interest Code of the Orange County Transportation Authority.

Upon receipt of the Statement of Economic Interests – Form 700 (Form 700) of the **Members of the Board of Directors, Chief Executive Officer, Deputy Chief Executive Officer, and Chief Financial Officer/Treasurer**, the Orange County Transportation Authority Clerk of the Board shall retain a copy and forward the original Form 700s to the County of Orange Clerk of the Board of Supervisors.

The Form 700 statements for all other designated positions will be retained by Orange County Transportation Authority's Clerk of the Board.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
DESIGNATED POSITIONS AND DISCLOSURE CATEGORY**

November 23, 2020

Designated Positions	Disclosure Category
ANALYSIS PROJECT MANAGER	OC-02
ASSET MANAGEMENT ADMINISTRATOR	OC-02
ASSISTANT BASE MANAGER	OC-01
BASE MANAGER	OC-01
BENEFITS ANALYST	OC-02
BENEFITS ANALYST PRINCIPAL	OC-02
BENEFITS ANALYST SENIOR	OC-02
BUYER	OC-02
BUYER ASSOCIATE	OC-02
BUYER SENIOR	OC-02
CHIEF EXECUTIVE OFFICER	OC-01
CHIEF FINANCIAL OFFICER	OC-01
CHIEF OPERATING OFFICER	OC-01
CIVIL ENGINEER	OC-01
CIVIL ENGINEER PRINCIPAL	OC-02
CIVIL ENGINEER SENIOR	OC-02
CLAIMS MANAGER	OC-01
CLAIMS REPRESENTATIVE	OC-02
CLAIMS REPRESENTATIVE SENIOR	OC-02
COMMUNICATIONS MANAGER	OC-01
COMMUNICATIONS SPECIALIST PRINCIPAL	OC-02
COMMUNICATIONS SPECIALIST SENIOR	OC-02
COMMUNITY RELATIONS SPECIALIST PRINCIPAL	OC-02
COMPENSATION ANALYST	OC-02
COMPENSATION ANALYST PRINCIPAL	OC-02
COMPENSATION ANALYST SENIOR	OC-02
CONSTRUCTION SAFETY SECTION MANAGER	OC-01
CONSTRUCTION SAFETY SPECIALIST PRINCIPAL	OC-02
CONSULTANT - GENERAL COUNSEL	OC-30
CONSULTANT - REAL PROPERTY	OC-01
CONSULTANT - TRANSIT POLICE SERVICES	OC-30
CONTRACTS ADMINISTRATOR	OC-01
CONTRACTS ADMINISTRATOR ASSOCIATE	OC-02
CONTRACTS ADMINISTRATOR PRINCIPAL	OC-01
CONTRACTS ADMINISTRATOR SENIOR	OC-01
DATA WAREHOUSE ARCHITECT PRINCIPAL	OC-02
DEPARTMENT MANAGER	OC-01
<u>DEPARTMENT MANAGER SENIOR</u>	<u>OC-01</u>

**ORANGE COUNTY TRANSPORTATION AUTHORITY
DESIGNATED POSITIONS AND DISCLOSURE CATEGORY**

November 23, 2020

Designated Positions	Disclosure Category
DEPUTY CEO/ CHIEF OPERATING OFFICER	OC-01
DEPUTY TREASURER	OC-01
DIRECTOR	OC-01
DIRECTOR (BOARD)	OC-01
EMPLOYEE PROGRAMS ADMINISTRATOR	OC-02
EMPLOYEE PROGRAMS SPECIALIST	OC-02
EXECUTIVE DIRECTOR	OC-01
FACILITIES ENGINEERING MANAGER	OC-01
FACILITIES MAINTENANCE SUPERVISOR	OC-01
FIELD ADMINISTRATOR	OC-02
FIELD ADMINISTRATOR SENIOR	OC-02
FINANCIAL ANALYST PRINCIPAL	OC-01
FINANCIAL ANALYST SENIOR	OC-01
GENERAL MANAGER	OC-01
GIS ANALYST	OC-02
GIS ANALYST PRINCIPAL	OC-02
GIS ANALYST SENIOR	OC-02
GOVERNMENT RELATIONS REPRESENTATIVE PRINCIPAL	OC-01
GOVERNMENT RELATIONS REPRESENTATIVE SENIOR	OC-01
HEALTH, SAFETY, & ENVIRONMENTAL COMPLIANCE SPECIALIST	OC-02
HEALTH, SAFETY, & ENVIRONMENTAL COMPLIANCE SPECIALIST PRINCIPAL	OC-02
HEALTH, SAFETY, & ENVIRONMENTAL COMPLIANCE SPECIALIST SENIOR	OC-02
HUMAN RESOURCES BUSINESS PARTNER	OC-02
HUMAN RESOURCES BUSINESS PARTNER SENIOR	OC-02
HUMAN RESOURCES REPRESENTATIVE	OC-02
HUMAN RESOURCES REPRESENTATIVE ASSOCIATE	OC-02
HUMAN RESOURCES REPRESENTATIVE SENIOR	OC-02
INFORMATION SYSTEMS BUSINESS STRATEGIST	OC-02
INFORMATION SYSTEMS PROJECT MANAGER I	OC-02
INFORMATION SYSTEMS PROJECT MANAGER II	OC-02
INFORMATION SYSTEMS PROJECT MANAGER III	OC-01
<u>INFORMATION SYSTEMS PROJECT MANAGER SENIOR</u>	<u>OC-01</u>
INFORMATION SYSTEMS SECURITY ANALYST	OC-01
INFORMATION SYSTEMS SECURITY ANALYST ASSOCIATE	OC-01
INFORMATION SYSTEMS SECURITY ANALYST SENIOR	OC-01

**ORANGE COUNTY TRANSPORTATION AUTHORITY
DESIGNATED POSITIONS AND DISCLOSURE CATEGORY**

November 23, 2020

Designated Positions	Disclosure Category
INTERNAL AUDIT SENIOR MANAGER	OC-01
INTERNAL AUDITOR	OC-01
INTERNAL AUDITOR PRINCIPAL	OC-01
INTERNAL AUDITOR SENIOR	OC-01
LEARNING & DEVELOPMENT ADMINISTRATOR	OC-02
LEARNING & DEVELOPMENT ADMINISTRATOR PRINCIPAL	OC-02
LEARNING & DEVELOPMENT ADMINISTRATOR SENIOR	OC-02
LOSSAN ACCOUNTING ANALYST SENIOR	OC-01
LOSSAN DEPUTY MANAGING DIRECTOR	OC-01
LOSSAN EQUIPMENT & MECHANICAL MANAGER	OC-02
LOSSAN FINANCE & ADMINISTRATION MANAGER	OC-01
LOSSAN MANAGING DIRECTOR	OC-01
LOSSAN MARKETING & COMMUNICATIONS OFFICER	OC-02
LOSSAN OPERATIONS COMPLIANCE & SAFETY MANAGER	OC-02
LOSSAN PLANNING & ANALYSIS MANAGER	OC-01
LOSSAN PROGRAM MANAGER	OC-01
<u>LOSSAN PROGRAMMING & GRANTS MANAGER</u>	<u>OC-01</u>
<u>LOSSAN PROJECT MANAGER SENIOR</u>	<u>OC-01</u>
LOSSAN STRATEGIC PLANNING & CUSTOMER EXPERIENCE-MANAGER	OC-01
LOSSAN TRANSPORTATION ANALYST PRINCIPAL	OC-02
LOSSAN TRANSPORTATION ANALYST SENIOR	OC-02
<u>LOSSAN TRANSPORTATION FUNDING ANALYST SENIOR</u>	<u>OC-01</u>
MAINTENANCE FIELD ADMINISTRATOR	OC-02
MAINTENANCE FIELD ADMINISTRATOR PRINCIPAL	OC-02
MAINTENANCE FIELD ADMINISTRATOR SENIOR	OC-02
MAINTENANCE SUPERVISOR	OC-02
ORANGE COUNTY TAXI ADMINISTRATION PROGRAM ADMINISTRATOR	OC-01
PROGRAM MANAGER	OC-01
PROGRAM MANAGER SENIOR	OC-01
PROGRAM MANAGEMENT ANALYST ASSOCIATE	OC-02
PROGRAM MANAGEMENT ANALYST	OC-02
PROJECT CONTROLS ANALYST	OC-02
PROJECT CONTROLS ANALYST PRINCIPAL	OC-02
PROJECT CONTROLS ANALYST SENIOR	OC-02
PROJECT MANAGER I	OC-01
PROJECT MANAGER II	OC-01

**ORANGE COUNTY TRANSPORTATION AUTHORITY
DESIGNATED POSITIONS AND DISCLOSURE CATEGORY**

November 23, 2020

Designated Positions	Disclosure Category
PROJECT MANAGER III	OC-01
PROJECT MANAGER SENIOR	OC-01
RAIL MAINTENANCE OF WAY ADMINISTRATOR SENIOR	OC-02
RAIL SYSTEMS SAFETY SPECIALIST PRINCIPAL	OC-02
REAL PROPERTY AGENT	OC-01
REAL PROPERTY AGENT ASSOCIATE	OC-01
REAL PROPERTY AGENT PRINCIPAL	OC-01
REAL PROPERTY AGENT SENIOR	OC-01
RECORDS ADMINISTRATOR	OC-02
RECORDS ADMINISTRATOR SENIOR	OC-02
REVENUE ADMINISTRATOR	OC-01
<u>SAFETY MANAGEMENT SYSTEMS PROGRAM MANAGER</u>	<u>OC-01</u>
SCHEDULE ANALYST	OC-02
SCHEDULE ANALYST ASSOCIATE	OC-02
SCHEDULE ANALYST SENIOR	OC-02
SECTION MANAGER I	OC-01
SECTION MANAGER II	OC-01
SECTION MANAGER III	OC-01
SECTION MANAGER SENIOR	OC-01
SECTION SUPERVISOR I	OC-01
SECTION SUPERVISOR II	OC-01
SECTION SUPERVISOR III	OC-01
SECTION SUPERVISOR IV	OC-01
SERVICE PLANNING ANALYST PRINCIPAL	OC-01
STOPS AND ZONES ANALYST	OC-02
STOPS AND ZONES ANALYST ASSOCIATE	OC-02
STOPS AND ZONES ANALYST SENIOR	OC-02
STOPS AND ZONES PLANNER	OC-02
STOPS AND ZONES PLANNER ASSOCIATE	OC-02
STOPS AND ZONES PLANNER SENIOR	OC-02
STRATEGIC PLAN OFFICER	OC-02
<u>STREETCAR PROGRAM MANAGER</u>	<u>OC-01</u>
SYSTEMS SOFTWARE ANALYST	OC-02
SYSTEMS SOFTWARE ANALYST ASSOCIATE	OC-02
SYSTEMS SOFTWARE ANALYST SENIOR	OC-02
TALENT SPECIALIST	OC-02
TALENT SPECIALIST ASSOCIATE	OC-02
TALENT SPECIALIST SENIOR	OC-02

**ORANGE COUNTY TRANSPORTATION AUTHORITY
DESIGNATED POSITIONS AND DISCLOSURE CATEGORY**

November 23, 2020

Designated Positions	Disclosure Category
TELECOMMUNICATIONS ADMINISTRATOR	OC-02
TRANSIT PROJECT MANAGER I	OC-02
TRANSIT PROJECT MANAGER II	OC-02
TRANSIT PROJECT MANAGER III	OC-02
TRANSPORTATION ANALYST	OC-02
TRANSPORTATION ANALYST PRINCIPAL	OC-02
TRANSPORTATION ANALYST SENIOR	OC-01
TRANSPORTATION FUNDING ANALYST	OC-01
TRANSPORTATION FUNDING ANALYST PRINCIPAL	OC-01
TRANSPORTATION FUNDING ANALYST SENIOR	OC-01
TRANSPORTATION MODELING ANALYST	OC-02
TRANSPORTATION MODELING ANALYST PRINCIPAL	OC-02
TREASURER	OC-01
TRANSPORTATION MODELING ANALYST SENIOR	OC-02
WEB DEVELOPER	OC-02
WEB DEVELOPER PRINCIPAL	OC-02
WEB DEVELOPER SENIOR	OC-02
WELLNESS COORDINATOR	OC-02
WORKERS COMPENSATION PROGRAM SPECIALIST	OC-02

ORANGE COUNTY TRANSPORTATION AUTHORITY**DISCLOSURE CATEGORIES**

(November 23, 2020)

Disclosure Category	Disclosure Category Description
OC-01	All interests in real property in Orange County, as well as investments, business positions, and sources of income (including gifts, loans, and travel payments).
OC-02	All investments, business positions, and sources of income (including gifts, loans, and travel payments).
OC-30	<p>Consultants shall be included in the list of designated positions and shall disclose pursuant to the broadest category in the code subject to the following limitation: The Orange County Transportation Authority (OCTA) Chief Executive Officer may determine that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure required.</p> <p>The OCTA Chief Executive Officer’s determination is a public record and shall be retained for public inspection by the Filing Officer (OCTA’s Clerk of the Board).</p>



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors

From: Laurena Weinert, Clerk of the Board

Subject: 91 Express Lanes Update for the Period Ending - September 30, 2020

Finance and Administration Committee Meeting of November 11, 2020

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

Absent: Director Muller

Committee Vote

Following the roll call vote, this item was declared passed 6-0 by the Members present.

Committee Recommendation

Receive and file as an information item.



November 11, 2020

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: 91 Express Lanes Update for the Period Ending -
September 30, 2020

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, additional capacity added to the State Route 91 corridor, and the recent coronavirus pandemic. Over the last quarter, there were approximately 3.4 million trips taken on the 91 Express Lanes in Orange County. This report focuses on the operational and financial activities for the period ending September 30, 2020.

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. 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).

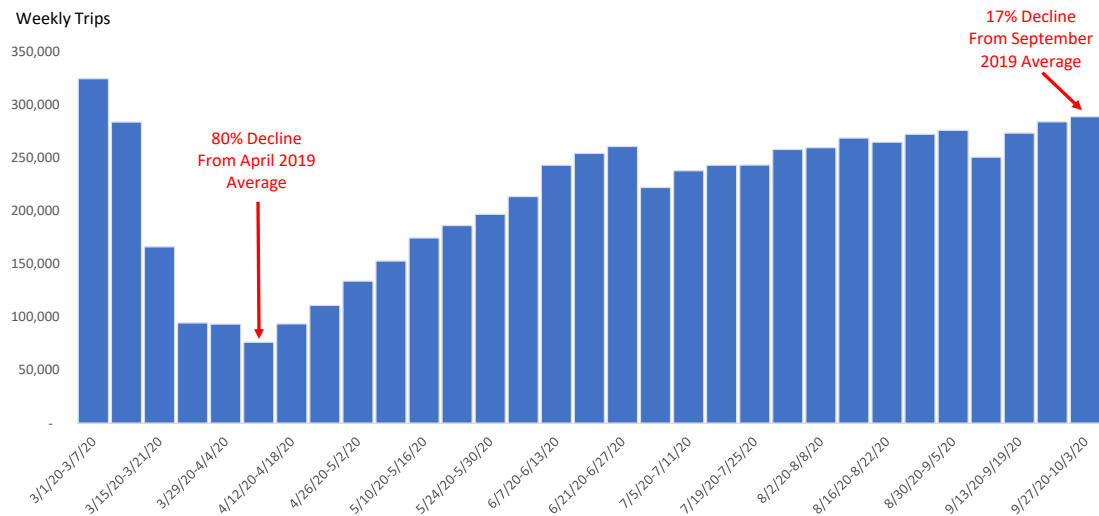
In addition to these events, most recently the 91 EL has experienced the impacts of the coronavirus (COVID-19) pandemic and California Governor Newsom's stay-at-home order. State and local governments across the United States issued orders for residents to self-quarantine and refrain from non-essential travel in an effort to slow the spread of COVID-19. These efforts

91 Express Lanes Update for the Period Ending - Page 2 September 30, 2020

caused the economy to slow and have resulted in decreases in traffic volumes and toll revenues.

Discussion

Since early April 2020, traffic volumes and revenues have been gradually increasing on various managed lane and toll facilities across the Southern California region. At the lowest point in April 2020, traffic volumes on the 91 EL dropped 80 percent from the levels reached in 2019. By the last full week in September, traffic volumes were down only 17 percent from the same period in 2019. The graph below shows the weekly changes in traffic volumes since the beginning of March 2020 through the end of the quarter ending period of September 2020. A graph of toll revenues would show a trend for the seven-month period.



Traffic Volumes

Total traffic volume on the OCTA 91 EL for the month of September 2020 was 1,172,239. This represents a daily average of 39,075. This is a 20.7 percent decrease in total traffic volume from the same period last year when traffic levels totaled 1,477,581. Carpool percentage for the period ending September was 21.6 percent. In looking at the quarter-ending period of September 2020, traffic volumes registered 3.4 million, which was a decrease of 25.2 percent over the same period the prior year. For the 12-month period ending September 2020, traffic volumes totaled 13.8 million and decreased by 21.6 percent over the same period the prior year. The decrease in traffic volumes during the last month, quarter, and 12 months are attributed to the stay-at-home order.

Gross Potential Toll Revenues (GPTR)

GPTR for the month of September 2020 was \$3,823,078, which represents a decrease of 13.9 percent from the prior year's total of \$4,440,347. GPTR is equal to the toll rate times the number of vehicles traveling on the 91 EL (the amount does not consider violations or discounts). In looking at the previous 12 months, GPTR totaled \$44 million and decreased by 15.7 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 July 1, 2020, whereby 16 peak period hours were decreased by \$0.50. In addition, the automatic two percent cost-of-living adjustment that was scheduled for the same date was waived for the fiscal year because of the financial hardships faced by many Southern Californian residents and customers. As of the end of September 2020, toll rates ranged from a minimum of \$1.70 to a maximum of \$8.15. The next scheduled toll adjustment will occur on October 1, 2020.

Number of Accounts and Transponders

The number of active accounts totaled 151,250, and 362,194 transponders were assigned to those accounts as of September 30, 2020. Over the past 12 months, the number of accounts has increased by 1,444, and the number of transponders in circulation has increased by 133,758. The large increase in transponders is due to the distribution of 6C transponders to customers.

Outstanding Debt

During the month of August 2020, a debt service payment for principal was made to investors in the amount of \$6.4 million. As of September 30, 2020, the outstanding amount of the 91 EL tax-exempt 2013 Senior Lien Toll Road Revenue Refunding Bonds (Bonds) totaled \$85.3 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 15, 2021. 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 funds are fully funded with a total balance of \$25.3 million as of September 30, 2020.

In addition to the required debt reserve funds, the OCTA Board elected to establish two additional reserve funds. An internal capital projects fund has a balance of \$25 million and is used for large capital projects for the 91 EL such as pavement rehabilitation and back-office systems. The other reserve fund was established in 2017 for two future Measure M2 projects on the SR-91 corridor. The balance in that reserve fund is \$57.1 million. Lastly, OCTA has approximately \$99.5 million set aside in excess toll revenues for various other SR-91 corridor projects.

Recent Activities

Last quarter, the Board approved the temporary waiver of monthly account maintenance fees and the temporary modification of the 91 EL Toll Policy, which included the removal of automatic toll rate increases. Both changes ended on September 30, 2020 and effective October 1, 2020, monthly account maintenance fees resumed.

The transition to 6C transponders and account plans continued with multiple emails being sent and phone calls made to convert customers to the new structure and provide them with the new transponders. It is envisioned that the distribution of transponders to all customers will take place over several months.

Upcoming Events

Over the next few months, several activities will be transpiring related to the 91 EL. OCTA will be contracting with the California Department of Transportation to provide construction and construction management services for the 91 EL Toll Entrance Gantries Infrastructure project. This project includes constructing new toll gantry infrastructures at the three entrances of the 91 EL. Construction of the gantries is scheduled to begin early 2021 and is expected to be completed in mid-2021. The schedule has been delayed by a few months as a result of preparing the final design/construction package and awaiting the final comments from our project partners. The new toll gantries will house new electronic toll and traffic management system equipment. Once the toll gantries have been constructed, Kapsch TrafficCom USA (Kapsch) will commence installation of the

new equipment. Kapsch will also begin replacement of the closed-circuit television cameras along the SR-91 corridor.

Additionally, staff will be seeking Board approval for the selection of a provider for roadside services for the 91 EL. The contracted services are anticipated to commence in July 2021.

Summary

An operational report for the 91 EL for the period ending September 30, 2020, is provided for Board review. The report provides a summary of key operational and financial activities.

Attachment

- A. 91 Express Lanes Status Report, September 2020

Prepared by:



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



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



Status Report
September 2020

As of September 30, 2020

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OPERATIONS OVERVIEW OCTA

TRAFFIC AND REVENUE STATISTICS FOR OCTA

Total traffic volume on the 91 Express Lanes for September 2020 was 1,172,239. This represents a daily average of 39,075 vehicles. This is a 20.7 percent decrease in total traffic volume from the same period last year, which totaled 1,477,581. Potential toll revenue for September was \$3,823,078, which represents a decrease of 13.9 percent from the prior year's total of \$4,440,347. Carpool percentage for September was 21.6 percent as compared to the previous year's rate of 25.9 percent. The decreases are attributed to the coronavirus (COVID-19) pandemic and California Governor Newsom's orders for residents to stay-at-home and refrain from non-essential travel.

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 September 2020.

Current Month-to-Date (MTD) as of September 30, 2020

Trips	Sep-20 MTD Actual	Sep-19 MTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	919,568	1,095,487	(16.1%)
3+ Lanes	252,671	382,094	(33.9%)
Total Gross Trips	1,172,239	1,477,581	(20.7%)
Revenue			
Full Toll Lanes	\$3,770,761	\$4,373,645	(13.8%)
3+ Lanes	\$52,317	\$66,703	(21.6%)
Total Gross Revenue	\$3,823,078	\$4,440,347	(13.9%)
Average Revenue per Trip			
Average Full Toll Lanes	\$4.10	\$3.99	\$0.03
Average 3+ Lanes	\$0.21	\$0.17	\$0.24
Average Gross Revenue	\$3.26	\$3.01	\$0.08

The 2021 fiscal year-to-date traffic volume decreased by 25.2 percent and potential toll revenue decreased by 18.2 percent, when compared with the same period last year. Year-to-date average revenue per trip is \$3.24.

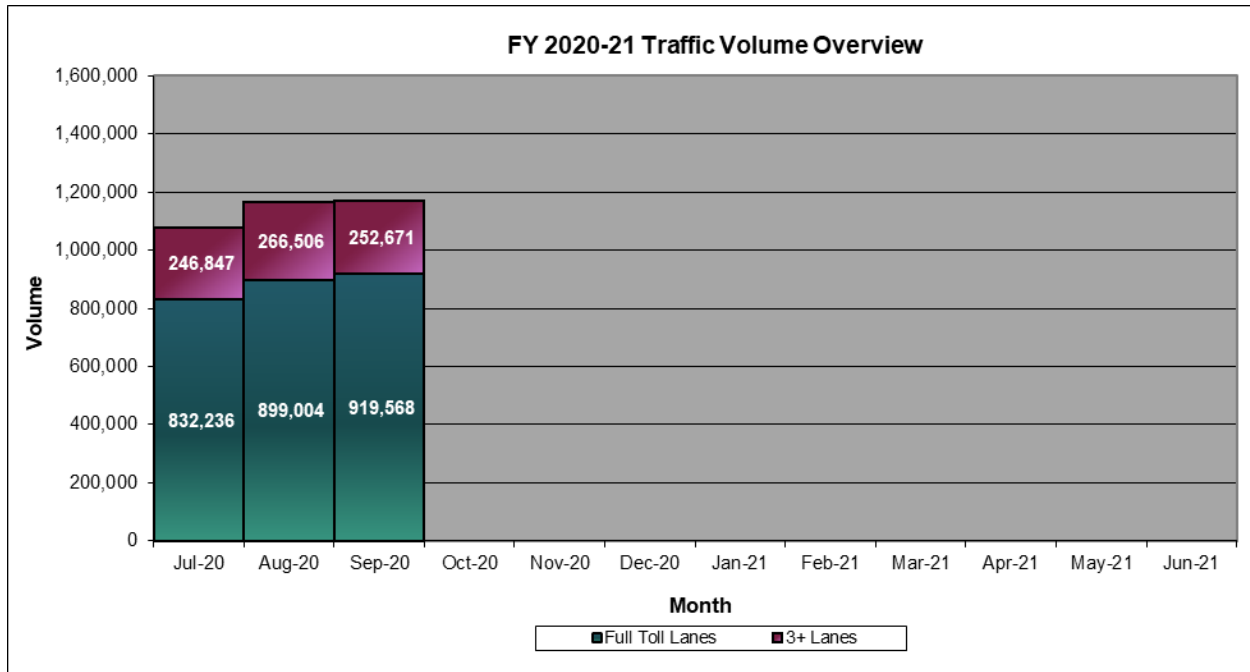
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the months of July 2020 through September 2020.

Fiscal Year (FY) 2020-21 Year-to-Date (YTD) as of September 30, 2020

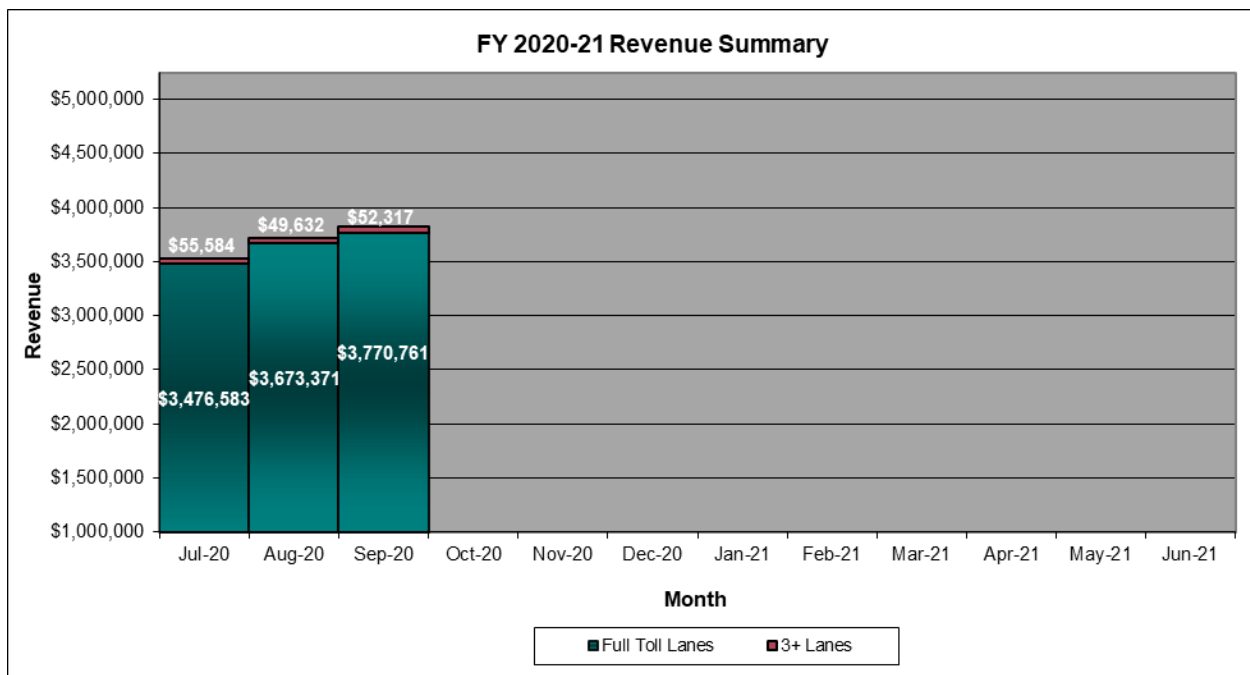
	FY 2020-21 YTD Actual	FY 2019-20 YTD Actual	Yr-to-Yr % Variance
Trips			
Full Toll Lanes	2,650,808	3,332,174	(20.4%)
3+ Lanes	766,024	1,237,000	(38.1%)
Total Gross Trips	3,416,832	4,569,174	(25.2%)
Revenue			
Full Toll Lanes	\$10,920,716	\$13,331,495	(18.1%)
3+ Lanes	\$157,534	\$218,945	(28.0%)
Total Gross Revenue	\$11,078,250	\$13,550,440	(18.2%)
Average Revenue per Trip			
Average Full Toll Lanes	\$4.12	\$4.00	3.0%
Average 3+ Lanes	\$0.21	\$0.18	16.7%
Average Gross Revenue	\$3.24	\$2.97	9.1%

OCTA Traffic and Revenue Summary

The chart below reflects the total trips breakdown between full toll trips and high-occupancy vehicle (HOV3+) trips for FY 2020-21 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between full toll trips and HOV3+ trips for FY 2020-21 on a monthly basis.



OCTA EASTBOUND PEAK-HOUR VOLUMES

Peak-hour traffic in the eastbound direction reached or exceeded 90 percent of defined capacity seven times during the month of September 2020. As demonstrated on the next chart, westbound peak-hour traffic volumes top out at 68 percent of defined capacity.

PM Time	Monday 08/31/20				Tuesday 09/01/20				Wednesday 09/02/20				Thursday 09/03/20				Friday 09/04/20			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500					\$5.15	382	2,850	84%	\$5.15	373	2,871	84%	\$6.95	422	2,700	79%	\$7.35	576	3,075	90%
1500 - 1600					\$5.25	522	2,859	84%	\$7.25	508	2,942	87%	\$6.25	526	3,253	96%	\$8.15	659	2,783	82%
1600 - 1700					\$5.00	357	2,976	88%	\$7.00	339	2,802	82%	\$7.30	421	2,958	87%	\$7.95	454	2,766	81%
1700 - 1800					\$4.90	373	2,706	80%	\$5.90	393	2,929	86%	\$7.70	396	2,709	80%	\$6.55	435	2,514	74%
1800 - 1900					\$3.95	328	2,009	59%	\$3.95	364	2,127	63%	\$4.35	452	2,323	68%	\$6.55	517	2,176	64%
1900 - 2000					\$3.85	261	1,059	31%	\$3.85	301	1,288	38%	\$5.60	336	1,424	42%	\$6.05	475	1,703	50%

PM Time	Monday 09/07/20				Tuesday 09/08/20				Wednesday 09/09/20				Thursday 09/10/20				Friday 09/11/20			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	281	816	24%	\$5.15	346	2,594	76%	\$5.15	361	2,799	82%	\$6.95	413	2,810	83%	\$7.35	560	3,272	96%
1500 - 1600	\$5.50	314	802	24%	\$5.25	454	2,642	78%	\$7.25	491	3,014	89%	\$6.25	518	3,530	104%	\$8.15	596	2,683	79%
1600 - 1700	\$4.85	269	776	23%	\$5.00	360	2,918	86%	\$7.00	331	2,865	84%	\$7.30	431	2,959	87%	\$7.95	399	2,781	82%
1700 - 1800	\$4.80	291	769	23%	\$4.90	389	2,734	80%	\$5.90	386	2,875	85%	\$7.70	380	2,662	78%	\$6.55	467	2,841	84%
1800 - 1900	\$5.50	339	707	21%	\$3.95	364	2,004	59%	\$3.95	393	2,138	63%	\$4.35	400	2,150	63%	\$6.55	429	1,994	59%
1900 - 2000	\$3.85	369	748	22%	\$3.85	240	1,003	30%	\$3.85	261	1,156	34%	\$5.60	305	1,181	35%	\$6.05	449	1,579	46%

PM Time	Monday 09/14/20				Tuesday 09/15/20				Wednesday 09/16/20				Thursday 09/17/20				Friday 09/18/20			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	342	2,454	72%	\$5.15	351	2,782	82%	\$5.15	388	2,750	81%	\$6.95	430	2,824	83%	\$7.35	516	3,206	94%
1500 - 1600	\$5.50	486	2,937	86%	\$5.25	508	2,825	83%	\$7.25	511	2,881	85%	\$6.25	529	3,273	96%	\$8.15	578	2,669	79%
1600 - 1700	\$4.85	371	2,923	86%	\$5.00	299	2,870	84%	\$7.00	376	2,894	85%	\$7.30	392	2,848	84%	\$7.95	428	2,774	82%
1700 - 1800	\$4.80	362	2,581	76%	\$4.90	390	2,797	82%	\$5.90	384	2,798	82%	\$7.70	392	2,547	75%	\$6.55	475	2,897	85%
1800 - 1900	\$5.50	338	1,705	50%	\$3.95	356	2,048	60%	\$3.95	422	2,294	67%	\$4.35	428	2,593	76%	\$6.55	502	2,279	67%
1900 - 2000	\$3.85	255	927	27%	\$3.85	237	1,010	30%	\$3.85	325	1,225	36%	\$5.60	362	1,432	42%	\$6.05	476	1,812	53%

PM Time	Monday 09/21/20				Tuesday 09/22/20				Wednesday 09/23/20				Thursday 09/24/20				Friday 09/25/20			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	364	2,497	73%	\$5.15	403	2,843	84%	\$5.15	379	2,750	81%	\$6.95	435	2,997	88%	\$7.35	375	2,108	62%
1500 - 1600	\$5.50	417	2,850	84%	\$5.25	512	2,738	81%	\$7.25	509	2,868	84%	\$6.25	506	3,250	96%	\$8.15	648	2,682	79%
1600 - 1700	\$4.85	257	1,928	57%	\$5.00	360	3,021	89%	\$7.00	374	3,017	89%	\$7.30	402	2,851	84%	\$7.95	449	2,760	81%
1700 - 1800	\$4.80	387	3,002	88%	\$4.90	360	2,755	81%	\$5.90	394	2,656	78%	\$7.70	379	2,427	71%	\$6.55	522	2,924	86%
1800 - 1900	\$5.50	385	1,938	57%	\$3.95	416	2,189	64%	\$3.95	380	2,279	67%	\$4.35	468	2,613	77%	\$6.55	561	2,607	77%
1900 - 2000	\$3.85	262	948	28%	\$3.85	249	1,078	32%	\$3.85	332	1,259	37%	\$5.60	375	1,493	44%	\$6.05	504	1,946	57%

PM Time	Monday 09/28/20				Tuesday 09/29/20				Wednesday 09/30/20				Thursday 10/01/20				Friday 10/02/20			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	348	2,474	73%	\$5.15	375	2,858	84%	\$5.15	420	3,019	89%								
1500 - 1600	\$5.50	487	3,006	88%	\$5.25	498	2,622	77%	\$7.25	518	2,693	79%								
1600 - 1700	\$4.85	334	2,866	84%	\$5.00	361	3,082	91%	\$7.00	326	2,731	80%								
1700 - 1800	\$4.80	381	2,744	81%	\$4.90	376	2,813	83%	\$5.90	394	2,692	79%								
1800 - 1900	\$5.50	348	1,734	51%	\$3.95	378	2,285	67%	\$3.95	453	2,661	78%								
1900 - 2000	\$3.85	253	988	29%	\$3.85	294	1,113	33%	\$3.85	320	1,340	39%								

OCTA WESTBOUND PEAK-HOUR VOLUMES

AM Time	Monday 08/31/20				Tuesday 09/01/20				Wednesday 09/02/20				Thursday 09/03/20				Friday 09/04/20			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500					\$3.05	485	1,879	55%	\$3.05	453	1,648	48%	\$3.05	455	1,563	46%	\$3.05	310	1,040	31%
0500 - 0600					\$4.95	567	2,216	65%	\$4.95	543	1,967	58%	\$4.95	532	1,986	58%	\$4.70	443	1,845	54%
0600 - 0700					\$5.15	296	1,805	53%	\$5.15	326	1,946	57%	\$5.15	308	1,829	54%	\$4.95	238	1,577	46%
0700 - 0800					\$5.65	251	1,940	57%	\$5.65	234	1,841	54%	\$5.65	267	1,985	58%	\$5.50	218	1,528	45%
0800 - 0900					\$5.15	135	1,624	48%	\$5.15	143	1,654	49%	\$5.15	188	1,647	48%	\$4.95	158	1,244	37%
0900 - 1000					\$4.10	120	1,165	34%	\$4.10	133	1,274	37%	\$4.10	179	1,597	47%	\$4.10	186	1,273	37%

AM Time	Monday 09/07/20				Tuesday 09/08/20				Wednesday 09/09/20				Thursday 09/10/20				Friday 09/11/20			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	46	98	3%	\$3.05	455	1,600	47%	\$3.05	452	1,630	48%	\$3.05	437	1,480	44%	\$3.05	362	1,265	37%
0500 - 0600	\$4.95	38	104	3%	\$4.95	549	2,125	63%	\$4.95	566	2,024	60%	\$4.95	539	1,993	59%	\$4.70	480	1,907	56%
0600 - 0700	\$5.15	44	117	3%	\$5.15	277	1,748	51%	\$5.15	332	1,971	58%	\$5.15	311	1,888	56%	\$4.95	318	1,689	50%
0700 - 0800	\$5.65	61	177	5%	\$5.65	276	1,895	56%	\$5.65	233	1,950	57%	\$5.65	242	1,863	55%	\$5.50	236	1,610	47%
0800 - 0900	\$5.15	112	368	11%	\$5.15	163	1,712	50%	\$5.15	148	1,622	48%	\$5.15	150	1,505	44%	\$4.95	146	1,267	37%
0900 - 1000	\$4.10	286	753	22%	\$4.10	159	1,296	38%	\$4.10	120	1,268	37%	\$4.10	134	1,225	36%	\$4.10	136	1,171	34%

AM Time	Monday 09/14/20				Tuesday 09/15/20				Wednesday 09/16/20				Thursday 09/17/20				Friday 09/18/20			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	439	1,629	48%	\$3.05	437	1,509	44%	\$3.05	456	1,564	46%	\$3.05	452	1,526	45%	\$3.05	379	1,172	34%
0500 - 0600	\$4.95	530	2,072	61%	\$4.95	612	2,307	68%	\$4.95	553	2,103	62%	\$4.95	561	2,062	61%	\$4.70	506	1,904	56%
0600 - 0700	\$5.15	291	1,855	55%	\$5.15	288	1,801	53%	\$5.15	306	1,965	58%	\$5.15	324	1,890	56%	\$4.95	296	1,771	52%
0700 - 0800	\$5.65	201	1,644	48%	\$5.65	252	2,064	61%	\$5.65	260	1,904	56%	\$5.65	265	1,989	59%	\$5.50	236	1,683	50%
0800 - 0900	\$5.15	134	1,557	46%	\$5.15	153	1,835	54%	\$5.15	172	1,708	50%	\$5.15	165	1,667	49%	\$4.95	150	1,423	42%
0900 - 1000	\$4.10	121	1,045	31%	\$4.10	120	1,358	40%	\$4.10	145	1,249	37%	\$4.10	138	1,278	38%	\$4.10	178	1,194	35%

AM Time	Monday 09/21/20				Tuesday 09/22/20				Wednesday 09/23/20				Thursday 09/24/20				Friday 09/25/20			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	457	1,540	45%	\$3.05	486	1,558	46%	\$3.05	419	1,539	45%	\$3.05	446	1,495	44%	\$3.05	414	1,390	41%
0500 - 0600	\$4.95	547	2,071	61%	\$4.95	591	2,252	66%	\$4.95	566	2,059	61%	\$4.95	546	2,058	61%	\$4.70	491	1,950	57%
0600 - 0700	\$5.15	308	1,829	54%	\$5.15	288	1,869	55%	\$5.15	331	1,939	57%	\$5.15	292	1,852	54%	\$4.95	310	1,845	54%
0700 - 0800	\$5.65	248	1,893	56%	\$5.65	281	2,003	59%	\$5.65	267	1,948	57%	\$5.65	264	1,877	55%	\$5.50	281	1,841	54%
0800 - 0900	\$5.15	164	1,653	49%	\$5.15	156	1,581	47%	\$5.15	154	1,614	47%	\$5.15	168	1,622	48%	\$4.95	192	1,573	46%
0900 - 1000	\$4.10	135	1,198	35%	\$4.10	131	1,231	36%	\$4.10	159	1,499	44%	\$4.10	165	1,289	38%	\$4.10	232	1,615	48%

AM Time	Monday 09/28/20				Tuesday 09/29/20				Wednesday 09/30/20				Thursday 10/01/20				Friday 10/02/20			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	456	1,566	46%	\$3.05	429	1,560	46%	\$3.05	483	1,652	49%								
0500 - 0600	\$4.95	533	2,078	61%	\$4.95	598	2,206	65%	\$4.95	527	1,992	59%								
0600 - 0700	\$5.15	280	1,913	56%	\$5.15	306	1,828	54%	\$5.15	338	2,069	61%								
0700 - 0800	\$5.65	264	1,951	57%	\$5.65	279	2,025	60%	\$5.65	254	2,047	60%								
0800 - 0900	\$5.15	174	1,820	54%	\$5.15	164	1,822	54%	\$5.15	198	1,911	56%								
0900 - 1000	\$4.10	178	1,433	42%	\$4.10	156	1,416	42%	\$4.10	171	1,526	45%								

OCTA OPERATIONAL HIGHLIGHTS

On-Road Operations

OCTA customer assistance specialists (CAS) responded to 79 calls during the month of September. Of those calls, 61 were to assist disabled vehicles and 15 calls to remove debris. The CAS provided assistance to three accidents in the Express Lanes with one of those accidents originating in the State Route 91 general purpose lanes.

91 Express Lanes Toll Entrance Gantries Infrastructure Project Update

OCTA is contracting with the California Department of Transportation to provide construction and construction management services for the 91 Express Lanes Toll Entrance Gantries Infrastructure Project. This project entails constructing new toll gantries infrastructure at the three entrances of the OCTA 91 Express Lanes. Construction of the gantries is scheduled to begin early 2021 and is expected to be completed in summer 2021. The schedule has been delayed by a few months as a result of preparing the final design/construction package and awaiting the final comments from our project partners.

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 in October 2019. This new lane system is reading both the new 6C transponder protocol as well as the legacy Title 21 protocol. The next steps of the project includes the replacement of the closed-circuit television cameras along the corridor. The new toll gantries infrastructure, as mentioned above, will house the new ETTM equipment. Once the gantries have been constructed, Kapsch will commence installation.

FINANCIAL HIGHLIGHTS OCTA

91 Express Lanes Operating Statement

Description	YTD as of : 9/30/2020		YTD Variance	
	Actual ⁽¹⁾	Budget ⁽¹⁾	Dollar \$	Percent (%)
Operating revenues:				
Toll Revenue	\$ 10,369,223.10	\$ 7,952,758.00	\$ 2,416,465.10	30.4
Fee Revenue	556,407.56	371,464.00	184,943.56	49.8
Total operating revenues	10,925,630.66	8,324,222.00	2,601,408.66	31.3
Operating expenses:				
Contracted Services	1,659,358.52	1,799,280.00	139,921.48	7.8
Administrative Fee	860,670.00	780,438.00	(80,232.00)	(10.3)
Other Professional Services	129,242.73	970,864.00	841,621.27	86.7
Credit Card Processing Fees	216,839.09	237,060.00	20,220.91	8.5
Toll Road Account Servicing ⁽⁵⁾	47,299.42	160,920.00	113,620.58	70.6
Other Insurance Expense	108,987.18	62,475.00	(46,512.18)	(74.4)
Toll Road Maintenance Supply Repairs	27,645.61	1,296,339.00	1,268,693.39	97.9
Patrol Services	111,806.02	277,389.00	165,582.98	59.7
Building Equipment Repairs and Maint	128,455.03	98,592.00	(29,863.03)	(30.3)
6C Transponders	-	62,500.00	62,500.00	100.0
Other Services ⁽⁶⁾	(999,369.26)	15,605.00	1,014,974.26	6,504.2
Utilities	8,008.34	28,740.00	20,731.66	72.1
Office Expense	9,356.40	24,491.00	15,134.60	61.8
Bad Debt Expense	39,324.88	-	(39,324.88)	N/A
Miscellaneous ⁽²⁾	2,042.16	28,348.00	26,305.84	92.8
Leases	41,670.79	121,200.00	79,529.21	65.6
Total operating expenses	2,391,336.91	5,964,241.00	3,572,904.09	59.9
Depreciation and Amortization ⁽³⁾	872,218.40	-	(872,218.40)	N/A
Operating income (loss)	7,662,075.35	2,359,981.00	5,302,094.35	224.7
Nonoperating revenues (expenses):				
Reimbursement from Other Agencies	(22,920.80)	312,500.00	(335,420.80)	(107.3)
Interest Income	1,360,330.33	367,872.00	992,458.33	269.8
Interest Expense	(1,100,174.93)	(2,274,192.50)	1,174,017.57	51.6
Other	-	-	-	N/A
Total nonoperating revenues (expenses)	237,234.60	(1,593,820.50)	1,831,055.10	114.9
Transfers In	-	-	-	N/A
Transfers Out ⁽⁴⁾	(562,559.44)	(27,082,900.00)	26,520,340.56	97.9
Net income (loss)	\$ 7,336,750.51	\$ (26,316,739.50)	\$ 33,653,490.01	(127.9)

¹ 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.

² Miscellaneous expenses include: bond insurance costs, bank service charge, transponder materials.

³ Depreciation and amortization are not budgeted items.

⁴ Transfers Out: For M2 Project I and Project J expense reimbursements.

⁵ collection efforts have been paused due to pandemic

⁶ Litigation settlement was accrued, the negative will be offset once the litigation payment is issued.

OPERATIONS OVERVIEW RCTC

TRAFFIC AND REVENUE STATISTICS FOR RCTC

Total traffic volume on the 91 Express Lanes for September 2020 was 989,722. This represents a daily average of 32,991 vehicles. This is a 23.9 percent decrease in total traffic volume from the same period last year, which totaled 1,300,290. Potential toll revenue for September was \$3,486,103, which represents a decrease of 35 percent from the prior year's total of \$5,361,366. Carpool percentage for September was 20.4 percent as compared to the previous year's rate of 24.3 percent. The decreases are attributed to the COVID-19 pandemic and the Governor's orders for residents to self-quarantine and refrain from non-essential travel.

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 Riverside County Transportation Commission (RCTC) 91 Express Lanes and associated potential revenue for the month of September 2020.

MTD as of September 30, 2020

Trips	SEP-20 MTD Actual	Stantec MTD Projected	# Variance	% Variance	SEP-19 MTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	787,711	1,001,757	(214,046)	(21.4%)	984,484	(20.0%)
3+ Lanes	202,011	314,643	(112,632)	(35.8%)	315,806	(36.0%)
Total Gross Trips	989,722	1,316,400	(326,678)	(24.8%)	1,300,290	(23.9%)
Revenue						
Full Toll Lanes	3,450,193	\$4,229,029	(\$778,835)	(18.4%)	5,326,713	(35.2%)
3+ Lanes	35,910	\$0	\$35,910		34,653	3.6%
Total Gross Revenue	\$3,486,103	\$4,229,029	(\$742,925)	(17.6%)	\$5,361,366	(35.0%)
Average Revenue per Trip						
Average Full Toll Lanes	\$4.38	\$4.22	\$0.16	3.8%	\$5.41	(19.0%)
Average 3+ Lanes	\$0.18	\$0.00	\$0.18		\$0.11	63.6%
Average Gross Revenue	\$3.52	\$3.21	\$0.31	9.7%	\$4.12	(14.6%)

The 2021 fiscal year-to-date traffic volume decreased by 28.1 percent and potential toll revenue decreased by 39 percent, when compared with the same period last year. Year-to-date average revenue per trip is \$3.43.

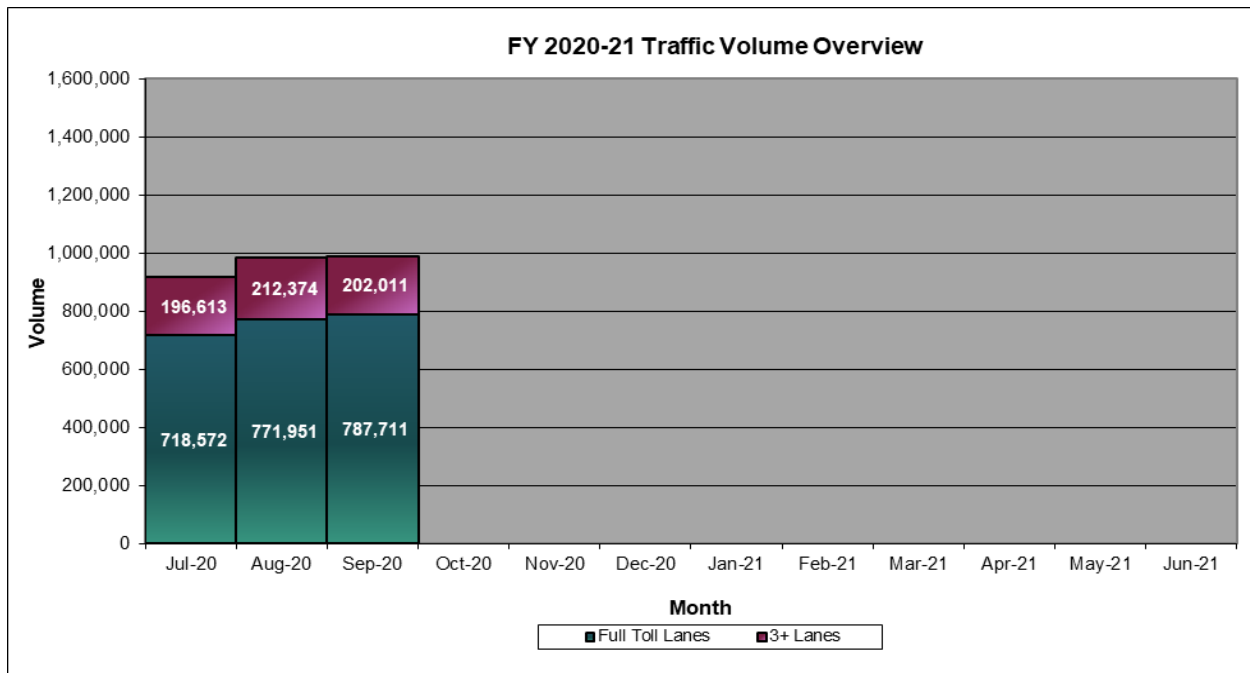
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the months of July 2020 through September 2020.

FY 2020-21 YTD as of September 30, 2020

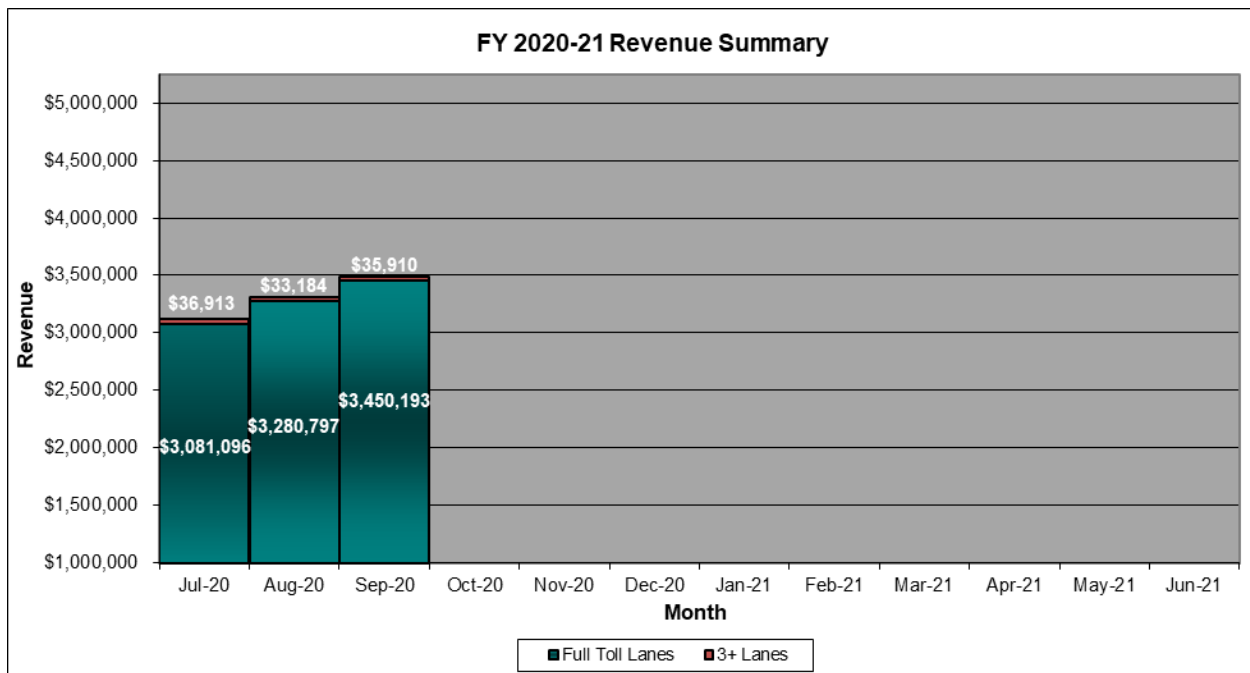
	FY 2020-21 YTD Actual	Stantec YTD Projected	# Variance	% Variance	FY 2019-20 YTD Actual	Yr-to-Yr % Variance
Trips						
Full Toll Lanes	2,278,234	3,100,457	(822,223)	(26.5%)	2,985,890	(23.7%)
3+ Lanes	610,998	1,005,229	(394,231)	(39.2%)	1,031,571	(40.8%)
Total Gross Trips	2,889,232	4,105,686	(1,216,454)	(29.6%)	4,017,461	(28.1%)
Revenue						
Full Toll Lanes	\$9,812,086	\$13,068,386	(\$3,256,300)	(24.9%)	\$16,129,189	(39.2%)
3+ Lanes	\$106,007	\$0	\$106,007		\$123,001	(13.8%)
Total Gross Revenue	\$9,918,092	\$13,068,386	(\$3,150,293)	(24.1%)	\$16,252,190	(39.0%)
Average Revenue per Trip						
Average Full Toll Lanes	\$4.31	\$4.21	\$0.10	2.4%	\$5.40	(20.2%)
Average 3+ Lanes	\$0.17	\$0.00	\$0.17		\$0.12	41.7%
Average Gross Revenue	\$3.43	\$3.18	\$0.25	7.9%	\$4.05	(15.3%)

RCTC Traffic and Revenue Summary

The chart below reflects the total trips broken down between full toll lanes and HOV3+ lanes for FY 2020-21 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll lanes and HOV3+ lanes for FY 2020-21 on a monthly basis.



RCTC PEAK-HOUR VOLUMES

In September, peak-hour toll rates were increased for several peak-period hours in response to changes in traffic volume following earlier reductions due to the COVID-19 pandemic. Traffic volumes are being reviewed regularly, and a plan is in place to monitor traffic volumes and adjust toll rates until traffic returns to pre COVID-19 volumes.

RCTC EASTBOUND PEAK-HOUR VOLUMES

Eastbound PM Peak - County Line to McKinley

PM Time	Monday 08/31/20					Tuesday 09/01/20					Wednesday 09/02/20					Thursday 09/03/20					Friday 09/04/20				
	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	208	1094	1,302	F	\$7.95	197	1130	1,327	F	\$9.95	236	1,087	1,323	F	\$17.95	430	1,403	1,833	F
1500 - 1600						\$8.95	243	979	1,222	E	\$12.95	252	1028	1,280	E	\$12.95	301	1,121	1,422	F	\$18.95	512	1,279	1,791	F
1600 - 1700						\$6.95	152	1100	1,252	E	\$6.95	154	1027	1,181	D	\$7.95	225	1,132	1,357	F	\$10.95	298	1,122	1,420	F
1700 - 1800						\$5.30	184	942	1,126	D	\$5.30	188	994	1,182	D	\$5.30	198	1,066	1,264	E	\$6.95	304	1,041	1,345	F
1800 - 1900						\$5.30	144	675	819	C	\$5.30	161	806	967	C	\$5.30	220	877	1,097	D	\$5.30	284	903	1,187	D
1900 - 2000						\$2.25	113	338	451	B	\$2.25	149	438	587	B	\$2.25	194	574	768	B	\$2.25	264	730	994	C

PM Time	Monday 09/07/20					Tuesday 09/08/20					Wednesday 09/09/20					Thursday 09/10/20					Friday 09/11/20				
	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	135	258	393	A	\$5.30	184	924	1,108	D	\$7.95	196	1,195	1,391	F	\$9.95	220	1,085	1,305	F	\$17.95	296	1,217	1,513	F
1500 - 1600	\$8.95	146	223	369	A	\$8.95	230	891	1,121	D	\$12.95	264	1,033	1,297	E	\$12.95	270	1,154	1,424	F	\$18.95	317	978	1,295	E
1600 - 1700	\$6.95	123	258	381	A	\$6.95	177	1,048	1,225	E	\$6.95	157	1,054	1,211	E	\$7.95	189	1,043	1,232	E	\$10.95	230	1,145	1,375	F
1700 - 1800	\$5.30	132	253	385	A	\$5.30	166	881	1,047	D	\$5.30	179	1,001	1,180	D	\$5.30	196	965	1,161	D	\$6.95	274	1,062	1,336	F
1800 - 1900	\$5.30	151	199	350	A	\$5.30	155	675	830	C	\$5.30	171	730	901	C	\$5.30	175	762	937	C	\$5.30	230	832	1,062	D
1900 - 2000	\$2.25	176	221	397	A	\$2.25	105	310	415	B	\$2.25	116	356	472	B	\$2.25	148	423	571	B	\$2.25	214	676	890	C

PM Time	Monday 09/14/20					Tuesday 09/15/20					Wednesday 09/16/20					Thursday 09/17/20					Friday 09/18/20				
	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	166	920	1,086	D	\$5.30	190	1,019	1,209	E	\$7.95	180	1,027	1,207	E	\$10.95	230	1,001	1,231	E	\$19.95	319	1,282	1,601	F
1500 - 1600	\$8.95	247	944	1,191	D	\$9.95	248	952	1,200	D	\$13.95	277	949	1,226	E	\$13.95	265	1,122	1,387	F	\$20.95	339	958	1,297	E
1600 - 1700	\$6.95	160	981	1,141	D	\$6.95	161	1,011	1,172	D	\$6.95	171	1,065	1,236	E	\$7.95	199	1,109	1,308	F	\$12.95	215	1,053	1,268	E
1700 - 1800	\$5.30	160	856	1,016	D	\$5.30	173	905	1,078	D	\$5.30	184	985	1,169	D	\$5.30	198	1,007	1,205	E	\$6.95	241	1,059	1,300	E
1800 - 1900	\$5.30	134	529	663	B	\$5.30	150	617	767	B	\$5.30	216	767	983	C	\$5.30	202	932	1,134	D	\$5.30	235	889	1,124	D
1900 - 2000	\$2.25	99	265	364	A	\$2.25	105	306	411	B	\$2.25	151	433	584	B	\$2.25	187	574	761	B	\$2.25	239	756	995	C

PM Time	Monday 09/21/20					Tuesday 09/22/20					Wednesday 09/23/20					Thursday 09/24/20					Friday 09/25/20				
	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	201	967	1,168	D	\$5.30	203	1,050	1,253	E	\$7.95	203	1,018	1,221	E	\$10.95	224	1,143	1,367	F	\$19.95	249	967	1,216	E
1500 - 1600	\$8.95	202	1,062	1,264	E	\$9.95	260	891	1,151	D	\$13.95	238	966	1,204	E	\$13.95	247	1,138	1,385	F	\$20.95	435	1,121	1,556	F
1600 - 1700	\$6.95	131	771	902	C	\$6.95	182	1,043	1,225	E	\$6.95	171	1,043	1,214	E	\$7.95	217	1,043	1,260	E	\$12.95	322	1,258	1,580	F
1700 - 1800	\$5.30	192	964	1,156	D	\$5.30	141	898	1,039	D	\$5.30	189	927	1,116	D	\$5.30	190	938	1,128	D	\$6.95	320	1,238	1,558	F
1800 - 1900	\$5.30	170	633	803	C	\$5.30	169	705	874	C	\$5.30	156	722	878	C	\$5.30	229	949	1,178	D	\$5.30	341	1,031	1,372	F
1900 - 2000	\$2.25	106	270	376	A	\$2.25	115	356	471	B	\$2.25	142	426	568	B	\$2.25	181	590	771	B	\$2.25	270	818	1,088	D

PM Time	Monday 09/28/20					Tuesday 09/29/20					Wednesday 09/30/20					Thursday 10/01/20					Friday 10/02/20				
	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	172	936	1,108	D	\$5.30	186	1,048	1,234	E	\$7.95	220	1,178	1,398	F										
1500 - 1600	\$8.95	249	970	1,219	E	\$9.95	251	879	1,130	D	\$13.95	277	970	1,247	E										
1600 - 1700	\$6.95	161	980	1,141	D	\$6.95	180	1,065	1,245	E	\$6.95	144	1,002	1,146	D										
1700 - 1800	\$5.30	179	875	1,054	D	\$5.30	180	989	1,169	D	\$5.30	210	948	1,158	D										
1800 - 1900	\$5.30	155	582	737	B	\$5.30	169	729	898	C	\$5.30	232	875	1,107	D										
1900 - 2000	\$2.25	100	283	383	A	\$2.25	135	377	512	B	\$2.25	160	481	641	B										

Eastbound PM Peak - County Line to I-15 South

PM Time	Monday 08/31/20					Tuesday 09/01/20					Wednesday 09/02/20					Thursday 09/03/20					Friday 09/04/20				
	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	108	739	847	C	\$5.30	110	734	844	C	\$5.30	117	722	839	C	\$5.30	109	509	618	B
1500 - 1600						\$5.30	131	714	845	C	\$5.30	123	762	885	C	\$5.30	127	811	938	C	\$5.30	76	204	280	A
1600 - 1700						\$2.95	76	763	839	C	\$2.95	85	813	898	C	\$2.95	83	812	895	C	\$2.95	104	518	622	B
1700 - 1800						\$2.95	81	681	762	B	\$2.95	86	721	807	C	\$2.95	98	680	778	B	\$2.95	120	500	620	B
1800 - 1900						\$2.95	62	523	585	B	\$2.95	94	562	656	B	\$2.95	85	614	699	B	\$2.95	146	516	662	B
1900 - 2000						\$2.95	65	271	336	A	\$2.95	86	323	409	B	\$2.95	64	348	412	B	\$2.95	134	493	627	B

PM Time	Monday 09/07/20					Tuesday 09/08/20					Wednesday 09/09/20					Thursday 09/10/20					Friday 09/11/20				
	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	74	178	252	A	\$5.30	94	700	794	B	\$5.30	104	882	986	C	\$5.30	124	681	805	C	\$5.30	141	778	919	C
1500 - 1600	\$5.30	79	181	260	A	\$5.30	108	671	779	B	\$5.30	104	798	902	C	\$5.30	109	881	990	C	\$5.30	141	683	824	C
1600 - 1700	\$2.95	66	156	222	A	\$2.95	81	759	840	C	\$2.95	89	814	903	C	\$2.95	84	758	842	C	\$2.95	105	664	769	B
1700 - 1800	\$2.95	76	160	236	A	\$2.95	86	632	718	B	\$2.95	98	759	857	C	\$2.95	95	689	784	B	\$2.95	103	611	714	B
1800 - 1900	\$2.95	76	138	214	A	\$2.95	75	521	596	B	\$2.95	91	548	639	B	\$2.95	101	538	639	B	\$2.95	118	550	668	B
1900 - 2000	\$2.95	91	145	236	A	\$2.95	62	248	310	A	\$2.95	70	280	350	A	\$2.95	63	263	326	A	\$2.95	123	443	566	B

PM Time	Monday 09/14/20					Tuesday 09/15/20					Wednesday 09/16/20					Thursday 09/17/20					Friday 09/18/20				
	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	99	638	737	B	\$5.30	88	737	825	C	\$5.30	108	754	862	C	\$5.30	120	733	853	C	\$5.30	136	791	927	C
1500 - 1600	\$5.30	107	748	855	C	\$5.30	120	759	879	C	\$5.30	135	757	892	C	\$5.30	133	878	1,011	D	\$5.30	147	655	802	C
1600 - 1700	\$2.95	87	798	885	C	\$2.95	71	814	885	C	\$2.95	88	787	875	C	\$2.95	79	794	873	C	\$2.95	109	680	789	B
1700 - 1800	\$2.95	96	625	721	B	\$2.95	94	672	766	B	\$2.95	98	715	813	C	\$2.95	107	667	774	B	\$2.95	120	667	787	B
1800 - 1900	\$2.95	67	419	486	B	\$2.95	79	496	575	B	\$2.95	88	581	669	B	\$2.95	96	703	799	B	\$2.95	126	585	711	B
1900 - 2000	\$2.95	61	243	304	A	\$2.95	61	273	334	A	\$2.95	82	293	375	A	\$2.95	92	376	468	B	\$2.95	122	434	556	B

PM Time	Monday 09/21/20					Tuesday 09/22/20					Wednesday 09/23/20					Thursday 09/24/20					Friday 09/25/20				
	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	98	622	720	B	\$5.30	112	703	815	C	\$5.30	102	734	836	C	\$5.30	120	789	909	C	\$5.30	106	553	659	B
1500 - 1600	\$5.30	106	760	866	C	\$5.30	125	741	866	C	\$5.30	118	763	881	C	\$5.30	125	880	1,005	D	\$5.30	150	705	855	C
1600 - 1700	\$2.95	61	575	636	B	\$2.95	95	821	916	C	\$2.95	90	815	905	C	\$2.95	100	746	846	C	\$2.95	90	479	569	B
1700 - 1800	\$2.95	109	829	938	C	\$2.95	82	674	756	B	\$2.95	104	673	777	B	\$2.95	99	616	715	B	\$2.95	115	430	545	B
1800 - 1900	\$2.95	92	503	595	B	\$2.95	81	507	588	B	\$2.95	86	587	673	B	\$2.95	97	677	774	B	\$2.95	156	562	718	B
1900 - 2000	\$2.95	64	234	298	A	\$2.95	71	268	339	A	\$2.95	99	290	389	A	\$2.95	100	363	463	B	\$2.95	146	471	617	B

PM Time	Monday 09/28/20					Tuesday 09/29/20					Wednesday 09/30/20					Thursday 10/01/20					Friday 10/02/20				
	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	96	611	707	B	\$5.30	111	733	844	C	\$5.30	103	760	863	C										
1500 - 1600	\$5.30	96	785	881	C	\$5.30	119	685	804	C	\$5.30	102	639	741	B										
1600 - 1700	\$2.95	83	752	835	C	\$2.95	82	833	915	C	\$2.95	81	781	862	C										
1700 - 1800	\$2.95	78	651	729	B	\$2.95	111	687	798	B	\$2.95	73	673	746	B										
1800 - 1900	\$2.95	76	425	501	B	\$2.95	89	590	679	B	\$2.95	128	662	790	B										
1900 - 2000	\$2.95	63	264	327	A	\$2.95	83	272	355	A	\$2.95	79	344	423	B										

RCTC WESTBOUND PEAK-HOUR VOLUMES

Westbound AM Peak - McKinley to County Line

AM Time	Monday 08/31/20					Tuesday 09/01/20					Wednesday 09/02/20					Thursday 09/03/20					Friday 09/04/20				
	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						\$6.95	230	942	1,172	D	\$6.95	215	789	1,004	D	\$6.95	197	743	940	C	\$4.20	138	377	515	B
0500 - 0600						\$9.95	344	968	1,312	E	\$9.95	284	697	981	C	\$9.95	286	730	1,016	D	\$6.95	238	801	1,039	D
0600 - 0700						\$9.95	143	815	958	C	\$9.95	189	1046	1,235	E	\$9.95	162	928	1,090	D	\$6.95	141	856	997	C
0700 - 0800						\$6.95	154	994	1,148	D	\$6.95	137	986	1,123	D	\$6.95	173	1,013	1,186	D	\$5.30	135	768	903	C
0800 - 0900						\$6.95	71	745	816	C	\$6.95	82	702	784	B	\$6.95	93	720	813	C	\$4.20	76	590	666	B
0900 - 1000						\$6.95	71	435	506	B	\$6.95	91	487	578	B	\$6.95	93	534	627	B	\$4.20	93	498	591	B

AM Time	Monday 09/07/20					Tuesday 09/08/20					Wednesday 09/09/20					Thursday 09/10/20					Friday 09/11/20				
	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	\$6.95	10	32	42	A	\$6.95	188	701	889	C	\$6.95	193	759	952	C	\$6.95	186	684	870	C	\$4.20	174	449	623	B
0500 - 0600	\$9.95	18	24	42	A	\$9.95	296	910	1,206	E	\$9.95	287	671	958	C	\$9.95	308	727	1,035	D	\$6.95	235	858	1,093	D
0600 - 0700	\$9.95	16	58	74	A	\$9.95	137	755	892	C	\$9.95	199	993	1,192	D	\$9.95	188	931	1,119	D	\$6.95	188	836	1,024	D
0700 - 0800	\$6.95	31	68	99	A	\$6.95	167	1,005	1,172	D	\$6.95	152	1,067	1,219	E	\$6.95	162	1,010	1,172	D	\$5.30	155	793	948	C
0800 - 0900	\$6.95	54	156	210	A	\$6.95	87	745	832	C	\$6.95	92	679	771	B	\$6.95	77	697	774	B	\$4.20	66	533	599	B
0900 - 1000	\$6.95	176	277	453	B	\$6.95	72	474	546	B	\$6.95	73	558	631	B	\$6.95	74	494	568	B	\$4.20	77	483	560	B

AM Time	Monday 09/14/20					Tuesday 09/15/20					Wednesday 09/16/20					Thursday 09/17/20					Friday 09/18/20				
	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	\$6.95	178	682	860	C	\$6.95	189	616	805	C	\$6.95	207	703	910	C	\$6.95	201	678	879	C	\$4.20	192	388	580	B
0500 - 0600	\$9.95	294	823	1,117	D	\$9.95	365	971	1,336	E	\$9.95	301	726	1,027	D	\$9.95	315	791	1,106	D	\$6.95	260	823	1,083	D
0600 - 0700	\$9.95	147	862	1,009	D	\$9.95	146	791	937	C	\$9.95	187	1,030	1,217	E	\$9.95	164	919	1,083	D	\$6.95	178	889	1,067	D
0700 - 0800	\$6.95	114	686	800	B	\$6.95	176	1,121	1,297	E	\$6.95	170	1,017	1,187	D	\$6.95	166	1,015	1,181	D	\$5.30	162	830	992	C
0800 - 0900	\$6.95	84	834	918	C	\$6.95	72	842	914	C	\$6.95	90	709	799	B	\$6.95	91	687	778	B	\$4.20	81	616	697	B
0900 - 1000	\$6.95	61	388	449	B	\$6.95	49	488	537	B	\$6.95	87	481	568	B	\$6.95	86	455	541	B	\$4.20	77	422	499	B

AM Time	Monday 09/21/20					Tuesday 09/22/20					Wednesday 09/23/20					Thursday 09/24/20					Friday 09/25/20				
	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	\$6.95	192	636	828	C	\$6.95	208	633	841	C	\$6.95	184	728	912	C	\$6.95	202	631	833	C	\$4.20	180	383	563	B
0500 - 0600	\$9.95	305	822	1,127	D	\$9.95	325	994	1,319	E	\$9.95	298	701	999	C	\$9.95	280	748	1,028	D	\$6.95	262	838	1,100	D
0600 - 0700	\$9.95	162	865	1,027	D	\$9.95	139	812	951	C	\$9.95	175	945	1,120	D	\$9.95	158	885	1,043	D	\$6.95	186	905	1,091	D
0700 - 0800	\$6.95	160	1,020	1,180	D	\$6.95	154	1,020	1,174	D	\$6.95	168	994	1,162	D	\$6.95	164	999	1,163	D	\$5.30	160	947	1,107	D
0800 - 0900	\$6.95	86	691	777	B	\$6.95	79	705	784	B	\$6.95	99	694	793	B	\$6.95	92	704	796	B	\$4.20	99	612	711	B
0900 - 1000	\$6.95	77	465	542	B	\$6.95	65	467	532	B	\$6.95	88	512	600	B	\$6.95	82	488	570	B	\$4.20	105	486	591	B

AM Time	Monday 09/28/20					Tuesday 09/29/20					Wednesday 09/30/20					Thursday 10/01/20					Friday 10/02/20				
	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	\$6.95	198	671	869	C	\$6.95	190	679	869	C	\$6.95	223	750	973	C										
0500 - 0600	\$9.95	292	869	1,161	D	\$9.95	369	953	1,322	E	\$9.95	299	699	998	C										
0600 - 0700	\$9.95	143	971	1,114	D	\$9.95	145	838	983	C	\$9.95	207	1,083	1,290	E										
0700 - 0800	\$6.95	157	1,064	1,221	E	\$6.95	165	1,086	1,251	E	\$6.95	162	1,171	1,333	E										
0800 - 0900	\$6.95	103	839	942	C	\$6.95	101	822	923	C	\$6.95	120	905	1,025	D										
0900 - 1000	\$6.95	86	554	640	B	\$6.95	64	560	624	B	\$6.95	92	612	704	B										

Westbound AM Peak - I-15 North to County Line

AM Time	Monday 08/31/20					Tuesday 09/01/20					Wednesday 09/02/20					Thursday 09/03/20					Friday 09/04/20				
	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						\$5.30	119	447	566	B	\$5.30	100	380	480	B	\$5.30	118	374	492	B	\$2.95	81	305	386	A
0500 - 0600						\$6.85	145	781	926	C	\$6.85	167	734	901	C	\$6.85	160	749	909	C	\$5.30	109	635	744	B
0600 - 0700						\$6.85	125	840	965	C	\$6.85	119	827	946	C	\$6.85	131	812	943	C	\$5.30	70	646	716	B
0700 - 0800						\$6.85	80	773	853	C	\$6.85	91	731	822	C	\$6.85	90	743	833	C	\$2.95	61	593	654	B
0800 - 0900						\$5.30	42	611	653	B	\$5.30	49	644	693	B	\$5.30	53	656	709	B	\$2.95	42	486	528	B
0900 - 1000						\$5.30	44	450	494	B	\$5.30	37	446	483	B	\$5.30	55	491	546	B	\$2.95	73	439	512	B

AM Time	Monday 09/07/20					Tuesday 09/08/20					Wednesday 09/09/20					Thursday 09/10/20					Friday 09/11/20				
	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	\$5.30	21	25	46	A	\$5.30	94	453	547	B	\$5.30	100	418	518	B	\$5.30	111	393	504	B	\$2.95	85	375	460	B
0500 - 0600	\$6.85	15	42	57	A	\$6.85	152	766	918	C	\$6.85	156	761	917	C	\$6.85	141	732	873	C	\$5.30	125	661	786	B
0600 - 0700	\$6.85	13	44	57	A	\$6.85	107	852	959	C	\$6.85	135	888	1,023	D	\$6.85	115	868	983	C	\$5.30	106	675	781	B
0700 - 0800	\$6.85	20	57	77	A	\$6.85	82	704	786	B	\$6.85	76	768	844	C	\$6.85	65	762	827	C	\$2.95	82	627	709	B
0800 - 0900	\$5.30	30	89	119	A	\$5.30	53	709	762	B	\$5.30	43	620	663	B	\$5.30	47	584	631	B	\$2.95	58	481	539	B
0900 - 1000	\$5.30	60	145	205	A	\$5.30	60	487	547	B	\$5.30	45	396	441	B	\$5.30	55	446	501	B	\$2.95	50	393	443	B

AM Time	Monday 09/14/20					Tuesday 09/15/20					Wednesday 09/16/20					Thursday 09/17/20					Friday 09/18/20				
	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	\$5.30	99	433	532	B	\$5.30	97	404	501	B	\$5.30	100	406	506	B	\$5.30	101	380	481	B	\$2.95	104	346	450	B
0500 - 0600	\$6.85	138	726	864	C	\$6.85	174	790	964	C	\$6.85	161	786	947	C	\$6.85	163	755	918	C	\$5.30	144	649	793	B
0600 - 0700	\$6.85	113	856	969	C	\$6.85	125	877	1,002	D	\$6.85	138	882	1,020	D	\$6.85	138	861	999	C	\$5.30	104	742	846	C
0700 - 0800	\$6.85	71	743	814	C	\$6.85	93	837	930	C	\$6.85	76	738	814	C	\$6.85	82	782	864	C	\$2.95	78	658	736	B
0800 - 0900	\$5.30	33	615	648	B	\$5.30	40	673	713	B	\$5.30	55	653	708	B	\$5.30	54	631	685	B	\$2.95	40	536	576	B
0900 - 1000	\$5.30	52	385	437	B	\$5.30	56	457	513	B	\$5.30	43	459	502	B	\$5.30	51	455	506	B	\$2.95	58	397	455	B

AM Time	Monday 09/21/20					Tuesday 09/22/20					Wednesday 09/23/20					Thursday 09/24/20					Friday 09/25/20				
	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	\$5.30	115	412	527	B	\$5.30	120	371	491	B	\$5.30	83	419	502	B	\$5.30	123	364	487	B	\$2.95	98	323	421	B
0500 - 0600	\$6.85	155	751	906	C	\$6.85	166	816	982	C	\$6.85	155	837	992	C	\$6.85	162	781	943	C	\$5.30	140	640	780	B
0600 - 0700	\$6.85	128	838	966	C	\$6.85	110	916	1,026	D	\$6.85	143	837	980	C	\$6.85	106	837	943	C	\$5.30	108	737	845	C
0700 - 0800	\$6.85	92	735	827	C	\$6.85	88	788	876	C	\$6.85	105	781	886	C	\$6.85	102	768	870	C	\$2.95	102	680	782	B
0800 - 0900	\$5.30	47	663	710	B	\$5.30	44	655	699	B	\$5.30	55	645	700	B	\$5.30	64	673	737	B	\$2.95	56	582	638	B
0900 - 1000	\$5.30	52	433	485	B	\$5.30	43	487	530	B	\$5.30	56	470	526	B	\$5.30	56	451	507	B	\$2.95	74	420	494	B

AM Time	Monday 09/28/20					Tuesday 09/29/20					Wednesday 09/30/20					Thursday 10/01/20					Friday 10/02/20				
	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	\$5.30	125	405	530	B	\$5.30	110	412	522	B	\$5.30	124	410	534	B										
0500 - 0600	\$6.85	143	748	891	C	\$6.85	155	773	928	C	\$6.85	151	782	933	C										
0600 - 0700	\$6.85	106	844	950	C	\$6.85	127	880	1,007	D	\$6.85	122	918	1,040	D										
0700 - 0800	\$6.85	99	757	856	C	\$6.85	95	792	887	C	\$6.85	100	761	861	C										
0800 - 0900	\$5.30	42	709	751	B	\$5.30	53	750	803	C	\$5.30	43	790	833	C										
0900 - 1000	\$5.30	57	454	511	B	\$5.30	54	534	588	B	\$5.30	52	514	566	B										

RCTC OPERATIONAL HIGHLIGHTS

On-Road Operations

RCTC Freeway Service Patrol responded to 95 calls during the month of September. Of those calls, 56 were to assist disabled vehicles, 13 calls to remove debris, and 26 were in response to accidents in the Express Lanes.

FINANCIAL HIGHLIGHTS RCTC

RCTC 91 Express Lanes Operating Statement

Description	YTD as of : 9/30/2020		YTD Variance	
	Actual ¹	Budget	Dollar \$	Percent (%)
Operating revenues:				
Toll Revenue	\$ 8,893,857.47	\$ 6,438,600.00	\$ 2,455,257.47	38.1
Fee Revenue	729,733.08	612,625.00	117,108.08	19.1
Total operating revenues	9,623,590.55	7,051,225.00	2,572,365.55	36.5
Operating expenses:				
Salaries and Benefits	158,305.33	161,325.00	3,019.67	1.9
Legal Services	16,931.96	87,500.00	70,568.04	80.6
Advisory Services	2,469.14	18,750.00	16,280.86	86.8
Audit and Accounting Fees	-	9,000.00	9,000.00	100.0
Service Fees	(492.50) ²	5,000.00	5,492.50	109.9
Other Professional Services	64,854.44	655,250.00	590,395.56	90.1
Lease Expense	44,926.15	122,550.00	77,623.85	63.3
Operations	285,573.24	746,750.00	461,176.76	61.8
Utilities	1,960.19	20,400.00	18,439.81	90.4
Supplies and Materials	48.48	7,500.00	7,451.52	99.4
Membership and Subscription Fees	6,954.25	7,500.00	545.75	7.3
Office Equipment & Furniture (Non-Capital)	-	3,750.00	3,750.00	100.0
Maintenance/Repairs	15,611.55	91,275.00	75,663.45	82.9
Training Seminars and Conferences	-	575.00	575.00	100.0
Transportation Expenses	-	1,000.00	1,000.00	100.0
Lodging	-	875.00	875.00	100.0
Meals	-	125.00	125.00	100.0
Other Staff Expenses	-	125.00	125.00	100.0
Advertising	-	68,750.00	68,750.00	100.0
Program Management	18,812.24	41,525.00	22,712.76	54.7
Program Operations	1,579,996.09	2,158,925.00	578,928.91	26.8
Litigation Settlement	-	-	-	N/A
Furniture & Equipment	-	76,250.00	76,250.00	100.0
Improvements	-	-	-	N/A
Bad Debt Expense	-	-	-	N/A
Total operating expenses	2,195,950.56	4,284,700.00	2,088,749.44	48.7
Operating income (loss)	7,427,639.99	2,766,525.00	4,661,114.99	168.5
Nonoperating revenues (expenses):				
Interest Revenue	196,885.81	172,975.00	23,910.81	(13.8)
Other Miscellaneous Revenue	4.32	25.00	(20.68)	82.7
Interest Expense	(7,391,059.39)	(1,779,975.00)	(5,611,084.39)	315.2
Total nonoperating revenues (expenses)	(7,194,169.26)	(1,606,975.00)	(5,587,194.26)	(347.7)
Transfers In	-	-	-	N/A
Transfers Out	-	(256,325.00)	256,325.00	(100.0)
Net income (loss)	\$ 233,470.73	\$ 903,225.00	\$ (669,754.27)	(74.2)

¹ Unaudited

² Negatives are the result of FY20 accruals

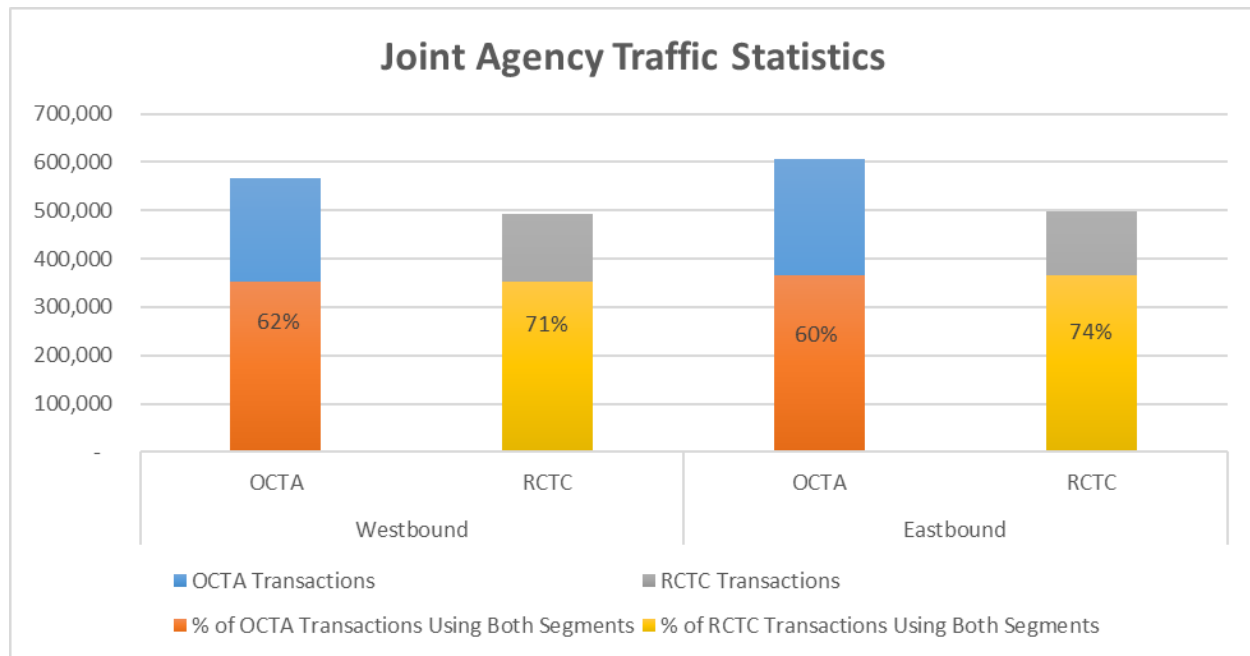
JOINT AGENCY TRIP AND REVENUE STATISTICS

MULTI AGENCY TRIP AND REVENUE STATISTICS

MONTH ENDING September 30, 2020

MTD	Transactions by Agency	Transactions Using Both Segments	% Using Both Segments	Revenue
Westbound				
OCTA	565,994	351,958	62%	\$1,558,367
RCTC	492,726	351,958	71%	\$1,705,880
I-15	202,720	147,825	73%	\$668,409
McKinley	290,006	204,133	70%	\$1,037,472
Eastbound				
OCTA	606,245	365,413	60%	\$2,264,711
RCTC	496,996	365,413	74%	\$1,780,223
I-15	189,193	147,001	78%	\$478,999
McKinley	307,803	218,412	71%	\$1,301,224

JOINT AGENCY TRAFFIC STATISTICS



JOINT AGENCY PERFORMANCE MEASURES

REPORTING REQUIREMENT	Reporting Period	PERFORMANCE STANDARD	Sep-20 Performance
CUSTOMER SERVICE			
Call Wait Time	Monthly	Not to exceed 2 minutes	0:36
Abandon Rate	Monthly	No more than 4.0%	0.6%
Customer Satisfaction	Monthly	At least 75 outbound calls	75
VIOLATION PROCESSING			
Response Time	Monthly	Within 2 business days of receipt	0.5
CUSA Violation Collection Rate	Quarterly	70% or more	104%
CUSA Violation Collection Rate	Annually	74% or more	
TRAFFIC OPERATIONS			
Initial & Secondary Reviews	Monthly	Equal to or less than 15 days	0.8
* Plate Misread Errors	Monthly	Equal to or less than 0.4%	0.01%
CAS Response Time	Monthly	0:20 (minutes) per call	0:11
ACCOUNTING			
OCTA Exceptions	Monthly	No more than 3	0
RCTC Exceptions	Monthly	No more than 3	0
INFORMATION TECHNOLOGY			
Back-office System Uptime	Monthly	99% Availability	100%
Network Uptime	Monthly	99% Availability	100%

CUSA = Co-firoute 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.

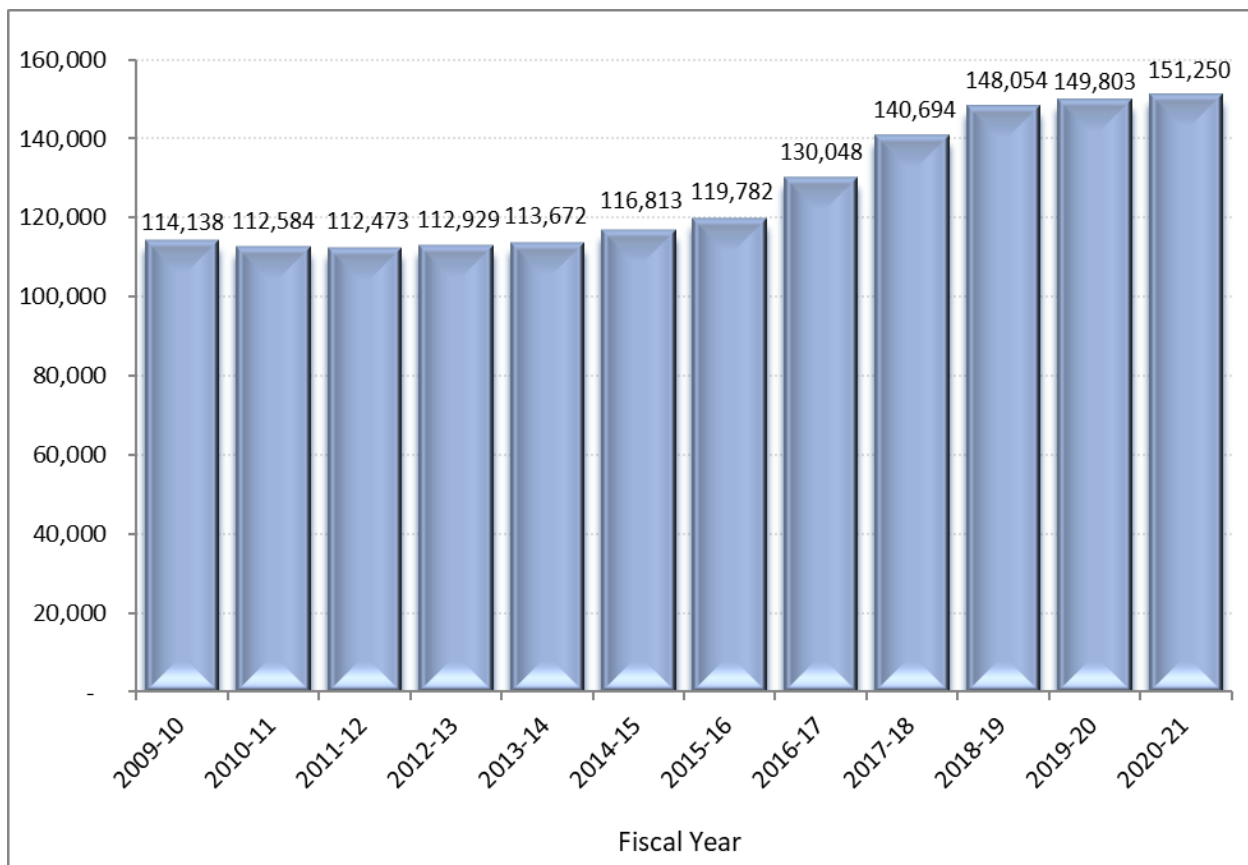
JOINT AGENCY TRANSPONDER DISTRIBUTION

T21 TRANSPONDER DISTRIBUTION	September-20		August-20		FY 2020-21	
	Tags	% of Total	Tags	% of Total	Average To-Date	
Issued						
To New Accounts	865	96.6%	657	96.3%	743	96.2%
Additional Tags to Existing Accounts	18	2.0%	18	2.6%	20	2.6%
Replacement Transponders	12	1.3%	7	1.0%	9	1.2%
Total Issued	895		682		772	
Returned						
Account Closures	28	1.0%	4	0.2%	12	0.4%
Accounts Downsizing	3	0.1%			0	0.0%
Defective Transponders	2,831	98.9%	2,101	99.8%	2,619	99.6%
Total Returned	2,862		2,105		2,631	

6C TRANSPONDER DISTRIBUTION		September-20		August-20		FY 2020-21	
		Tags	% of Total	Tags	% of Total	Average To-Date	
Issued							
To New Accounts	21,312	99.8%	16,116	99.8%	17,036	99.8%	
Additional Tags to Existing Accounts	33	0.2%	28	0.2%	25	0.1%	
Replacement Transponders	3	0.0%	10	0.1%	5	0.0%	
Total Issued	21,348		16,154		17,065		
Returned							
Account Closures							
Accounts Downsizing							
Defective Transponders							
Total Returned							

At the end of September 2020, the 91 Express Lanes had 151,250 active customer accounts and 362,194 transponders classified as assigned.

Number of Accounts by FY As of September 30, 2020



Incoming Email Activity

During September, the Anaheim Processing Center received 2,801 emails.

Operational Activity

Amid concerns about the spread of COVID-19 and following the Governor's guidance to help reduce its spread, the 91 Express Lanes Customer Walk-In Center was closed in March and will remain so until further notice. Operational activities in the Anaheim and Corona locations continued to function with a combination of remote workers and core staff located at the facilities. Core essential functions include aiding stranded motorists, providing incident management services, and dispatching emergency vehicles through the traffic operations center. The call center remains open to respond to customer service and violation calls.



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors
From: Laurena Weinert, Clerk of the Board
Subject: Agreement for Website Maintenance Support Services

Legislative and Communications Committee Meeting of November 19, 2020

Present: Directors Davies, Delgleize, Hennessey, Hernandez, and Wagner
Absent: Director Bartlett

Committee Vote

Following the roll call vote, this item was declared passed 5-0 by the Members present.

Committee Recommendations

- A. Approve the selection of Web Advanced as the firm to provide website maintenance support services.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-0-2524 between the Orange County Transportation Authority and Web Advanced in the amount of \$900,000, for a four-year initial term with one, three-year option term, to provide website maintenance support services.



November 19, 2020

To: Legislative and Communications Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: Agreement for Website Maintenance Support Services

Overview

On August 25, 2020, the Orange County Transportation Authority released a request for proposals for website maintenance support services. Proposals were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board of Directors' approval is requested to execute an agreement for website maintenance support services.

Recommendations

- A. Approve the selection of Web Advanced as the firm to provide website maintenance support services.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-0-2524 between the Orange County Transportation Authority and Web Advanced in the amount of \$900,000, for a four-year initial term with one, three-year option term, to provide website maintenance support services.

Discussion

As the Orange County Transportation Authority (OCTA) develops and delivers transportation solutions to keep Orange County moving and enhance the quality of life of residents and commuters, OCTA's website, OCTA.net, serves as the public face for all of OCTA's projects, programs, and services. A critical communication tool and information hub, the OCTA.net website informs the public about OCTA's various initiatives, is the start of the customer journey for transit riders, provides an essential resource for communities during capital construction projects, and serves as the conduit for marketing and communication campaigns to increase public awareness and interest in riding public transportation.

With consultant support, OCTA performs ongoing website maintenance and evaluates and implements changing technologies that can enhance the user experience, navigation, accessibility, and website security, as well as ensure compliance with local, state, and federal laws. OCTA.net contains more than 1,000 webpages and over 5,000 digital and creative assets that are reviewed, maintained, and updated.

To assist with the maintenance of the website, OCTA requires consultant support to provide various technical services including:

- General, administrative, and developmental support for the Ektron content management system (CMS) that powers the OCTA.net website and related server applications.
- Reporting on and evaluating website performance metrics, identifying opportunities, and implementing solutions that aim to enhance the website user experience and overall customer satisfaction.
- Improving the organic visibility of OCTA.net within key search engine platforms such as Google and Bing.
- Ensuring a seamless digital experience for website visitors, including integration between the OCTA.net website and other digital marketing and communications channels, such as social media, digital advertising, and existing mobile applications.
- Providing support to OCTA staff for technical emergencies that occur outside of business operating hours when required.

These technical services are currently being provided through a contract that is set to expire on November 30, 2020, and a new contract is necessary to provide continued support. Historically, OCTA has held shorter-term contracts for these services; however, it was determined that the website maintenance support services contract will benefit from a longer engagement as it will allow for more efficient technology implementations and potential cost savings from a multi-year agreement.

Procurement Approach

The procurement was handled in accordance with OCTA Board of Directors' (Board)-approved procedures for professional and technical services. Various factors are considered in the award for professional and technical services. Award is recommended to the firm offering the most comprehensive overall proposal considering such factors as prior experience with similar projects, staffing and project organization, work plan, as well as cost and price.

On August 25, 2020, Request for Proposals (RFP) 0-2524 was issued electronically on CAMM NET. The project was advertised in a newspaper of general circulation on August 25 and September 1, 2020. A pre-proposal conference was held on September 2, 2020, with ten attendees representing six firms. Three addenda were issued to make available the pre-proposal conference registration sheet and presentation, provide responses to written questions, as well as handle administrative issues related to the RFP.

On September 17, 2020, nine proposals were received. An evaluation committee consisting of OCTA staff from Contracts Administration and Materials Management, Marketing and Customer Engagement, Information Systems, and Public Outreach departments, as well as external evaluators from Metrolink and OCTA's contracted information technology technical consultant, Intratek Computer, Inc., met to review all the proposals received.

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

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

Several factors were considered in developing the evaluation criteria weightings. Qualifications of the firm was weighted at 30 percent as the firm had to demonstrate direct experience maintaining highly technical website projects, as well as experience utilizing the Ektron CMS, which powers the OCTA website. Staffing and project organization was also weighted at 30 percent as the firm had to present an experienced, diverse project team with a strong technical background. Work plan was weighted at 20 percent as the firm had to demonstrate its ability to maintain an existing website with established technology and processes. The firm also had to present its approach to meeting the various support services identified in the scope of work. Cost was also weighted at 20 percent to ensure that the website maintenance support services are delivered efficiently and that OCTA receives value for the services provided.

On October 1, 2020, the evaluation committee reviewed the proposals based on the evaluation criteria and short-listed the two most qualified firms listed below in alphabetical order:

Firm and Location

Fortuitas, Inc. (Fortuitas)
Valencia, California

Web Advanced
Irvine, California

On October 8, 2020, the evaluation committee conducted interviews with the short-listed firms. The interview consisted of a presentation by each firm to demonstrate the firms' understanding of OCTA's requirements. The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the evaluation committee's questions. Questions were related to custom development requests, implementing accessibility best practices, enhancing the user experience, generating site traffic, experience with the Ektron CMS as this is currently utilized by OCTA, migrating to a new CMS, as well as specific clarification questions related to each firm's proposal.

After considering responses to questions asked during the interviews, the evaluation committee reviewed the preliminary ranking and made adjustments to individual scores. However, Web Advanced remained the higher-ranked firm with the higher overall score.

Based on the evaluation of the written technical proposals and the information obtained from the interviews, the evaluation committee recommends Web Advanced for consideration of the award. The following is a brief summary of the proposal evaluation results.

Qualifications of the Firm

Web Advanced was incorporated in 2000 and is located in the City of Irvine. The firm has 14 full-time employees, as well as three full-time and eight part-time contractors. The firm has over eight years of experience with the Ektron CMS, which is the current CMS for the OCTA website, and demonstrated experience providing website development and maintenance support services to its clients, such as Metrolink, OCTA, Rio Metro Regional Transit District, and the Transportation Corridor Agencies, utilizing the Ektron CMS and other related technologies. In addition to currently providing website maintenance support services, the firm's work with OCTA includes redesigning OCTA.net, as well as developing microsites to inform the public about various projects and programs. Web Advanced proposed to continue its partnership with the same subcontractors for specialized digital services, and they are proposed to provide

digital strategy, branding, and other digital marketing-related services, as well as web-based video production as required by the scope of work.

Fortuitas was established in 2006. The firm has 20 employees with offices in the cities of Valencia and Austin, Texas. The firm became an Ektron-authorized partner in 2009. Fortuitas discussed its experience providing website support and maintenance services to the California Department of Wildlife, First Premier Bank, as well as The New School, which utilizes the Ektron CMS. Fortuitas proposed a subcontractor to provide additional technical support and Ektron expertise. During the interview, it was clarified that the proposed subcontractor had worked on The New School website and Fortuitas was not involved in the project. The other referenced projects in the proposal were not Ektron-related.

Staffing and Project Organization

Web Advanced proposed a project team with relevant experience and includes many of the same individuals currently providing website services to OCTA. The proposed project manager has been with Web Advanced for seven years serving as a project manager on various projects. The project team demonstrated Ektron experience and includes the co-founder and Chief Creative Officer of Web Advanced, the Chief Technology Officer, who has been with the firm for 20 years, as well as the creative designers and web developers. The project team also includes additional support staff. During the interview, the project team discussed their roles and approach to providing website maintenance support services, as well as responded to the evaluation committee's questions, which demonstrated the project team's overall experience and understanding of OCTA's website needs.

Fortuitas proposed a project team with website development experience. The project manager has over 16 years of experience and has been with the firm for six months. The proposed subcontractor's Technical Director has been with the firm for one year and has over ten years of experience including one year of Ektron experience. The project team includes the proposed subcontractor's senior developer who had previously worked with Ektron for ten years, as well as Ektron specialists. The project team discussed their roles and approach to providing website maintenance support services during the interview. The firm's responses to the evaluation committee's questions demonstrated the project team's knowledge and experience with the Ektron CMS.

Work Plan

Web Advanced presented a detailed work plan that demonstrated an understanding of the scope of work. The firm described its approach and strategies related to user-experience testing and technology audits, content creation and integration, accessibility compliance, and website security. Web Advanced discussed upgrading the CMS and developing custom solutions. The firm described its process for on-call digital services, which can be streamlined and accelerated to meet any urgent, same-day delivery requests. Web Advanced proposed to provide 24/7 support to ensure zero downtime on the website, which includes a full alerting system that notifies Web Advanced of any downtime without OCTA's involvement. The firm discussed its quality assurance process, which includes checking and testing content, platform integration, accessibility, and browser compatibility. The firm proposed enhancements to improve website navigation, accessibility compliance, the user experience, as well as provide more functionality and features to allow OCTA the capability to make modifications to the website.

Fortuitas addressed the elements of the scope of work in its work plan. The firm proposed to perform an analysis and audit of the current website, which includes website security, responsiveness, accessibility compliance, and usability testing. The firm proposed to upgrade the OCTA website to the latest Ektron CMS version and described the upgrade process to ensure content and features remain functional. Fortuitas described its quality assurance process, such as its workflow process for performing error corrections and implementing enhancements to the website, communication process and tools, response times to address urgent issues, and handling all support issues related to Ektron. Fortuitas also discussed its project management approach to ensure projects are completed within budget and schedule. Fortuitas proposed various enhancements, such as enhanced search functionality, social media integrations, and a content update feature.

Cost and Price

Pricing scores were based on a formula which assigned the highest score to the firm with the lowest weighted average hourly rate and scored the other proposals' weighted average hourly rate on their relation to the lowest weighted average hourly rate. While Web Advanced proposed a higher weighted average hourly rate, the rate is commensurate with their level of experience and in-depth understanding of the scope of work requirements. Additionally, the proposed rates are consistent with the OCTA project manager's independent cost estimate and are the same as what OCTA currently pays for website maintenance support services.

Procurement Summary

Based on the evaluation of written proposals, the firms' qualifications, and the information obtained from the interviews, the evaluation committee recommends the selection of Web Advanced as the top-ranked firm to provide website maintenance support services. Web Advanced delivered a thorough and comprehensive proposal and an interview that was responsive to all the requirements of the RFP.

Fiscal Impact

The project was approved in OCTA's Fiscal Year 2020-21 Budget, External Affairs Division, Account Nos. 1831-7519-A0001-G82 and 0017-7519-M0201-0KG and is funded through local and Measure M2 funds.

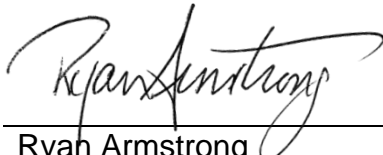
Summary

Staff is recommending the Board of Directors authorize the Chief Executive Officer to negotiate and execute Agreement No. C-0-2524 between the Orange County Transportation Authority and Web Advanced, in the amount of \$900,000, for a four-year initial term with one, three-year option term, for web maintenance support services.

Attachments

- A. Review of Proposals, RFP 0-2524 Website Maintenance Support Services
- B. Proposal Evaluation Criteria Matrix (Short-Listed Firms), RFP 0-2524 Website Maintenance Support Services
- C. Contract History for the Past Two Years, RFP 0-2524 Website Maintenance Support Services

Prepared by:

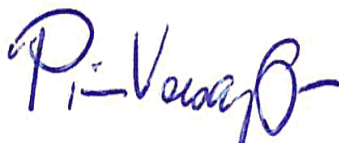


Ryan Armstrong
Section Manager III
Marketing
714-560-5834

Approved by:



Maggie McJilton
Interim Executive Director
External Affairs
714-560-5824



Pia Veasapen
Interim Director, Contracts
Administration and Materials
Management
714-560-5619

Review of Proposals
RFP 0-2524 Website Maintenance Support Services
Presented to Legislative and Communications Committee - November 19, 2020
9 firms proposed, 2 firms were interviewed, 1 firm is being recommended

Overall Ranking	Proposal Score	Firm & Location	Sub-Contractors	Evaluation Committee Comments	Weighted Average Hourly Rate
1	81	Web Advanced Irvine, California	Circlepoint Akorn Entertainment	Higher-ranked firm overall. Currently providing website maintenance support services to OCTA. Experience in website design and development. Experience utilizing Ektron content management system (CMS) to manage websites. Proposed project team is knowledgeable with relevant experience. Proposed the same project team members, which includes individuals with Ektron experience. Demonstrated an understanding of the scope of work. Discussed approach and provided examples, as well as proactive strategies and enhancements. Presented approach and answered questions during the interview. Received positive responses from references. Proposed the same hourly rates as the current contract.	\$149
2	66	Fortuitas, Inc. Valencia, California	Mozaro, LLC	Experience in website design and development. Experience providing website maintenance support services. Ektron partner since 2009 but did not elaborate on Ektron-specific experience. The only Ektron CMS-specific project highlighted was performed by the proposed subcontractor and the prime was not involved. Proposed project team has relevant experience. Proposed project team includes team members with Ektron experience. Addressed all elements of the scope of work. Presented approach and answered questions during the interview. Received positive responses from references. Proposed competitive hourly rates.	\$125

Evaluation Panel:

Internal:

Contracts Administration and Materials Management (1)
Marketing and Customer Engagement (1)
Information Systems (1)
Public Outreach (2)

External:

Intratek Computer, Inc. (1)
Metrolink (1)

Proposal Criteria

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

Weight Factors

30%
30%
20%
20%

**PROPOSAL EVALUATION CRITERIA MATRIX (Short-Listed Firms)
RFP 0-2524 Website Maintenance Support Services**

Web Advanced							Weights	Overall Score
Evaluator Number	1	2	3	4	5	6		
Qualifications of Firm	4.0	4.5	4.0	4.5	4.5	4.0	6	25.5
Staffing/Project Organization	4.5	4.5	4.0	4.0	4.0	4.5	6	25.5
Work Plan	4.5	4.5	4.5	4.0	4.5	4.5	4	17.7
Cost and Price	3.0	3.0	3.0	3.0	3.0	3.0	4	12.0
Overall Score	81.0	84.0	78.0	79.0	81.0	81.0		81

Fortuitas, Inc.							Weights	Overall Score
Evaluator Number	1	2	3	4	5	6		
Qualifications of Firm	3.5	3.0	3.5	3.0	3.0	3.0	6	19.0
Staffing/Project Organization	3.5	3.0	3.5	3.0	3.0	3.5	6	19.5
Work Plan	3.5	3.0	3.5	3.0	3.5	3.0	4	13.0
Cost and Price	3.6	3.6	3.6	3.6	3.6	3.6	4	14.4
Overall Score	70.4	62.4	70.4	62.4	64.4	65.4		66

Range of score for non-short-listed firms 35 to 56.

CONTRACT HISTORY FOR THE PAST TWO YEARS
RFP 0-2524 Website Maintenance Support Services

Prime and Subconsultants	Contract No.	Description	Contract Start Date	Contract End Date	Subconsultant Amount	Total Contract Amount
Web Advanced						
Contract Type: Time-and-Expense	C-9-1212	Website Design and Development	September 1, 2019	November 30, 2020	N/A	\$ 281,750
Subconsultants:						
CirclePoint						
Nuture Digital						
Akom Entertainment						
Contract Type: Time-and-Expense	C-8-1545	Website Design and Development	July 1, 2018	August 31, 2019	N/A	\$ 245,000
Subconsultants:						
CirclePoint						
Nuture Digital						
Akom Entertainment						
Sub Total						\$ 526,750
Fortuitas						
Contract Type: N/A	None	N/A	N/A	N/A	N/A	\$ -
Subconsultants:						
Sub Total						\$ -



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors
From: Laurena Weinert, Clerk of the Board
Subject: Fiscal Year 2019-20 Fourth Quarter Budget Status Report

Finance and Administration Committee Meeting of November 11, 2020

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

Committee Vote

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

Staff Recommendation

Receive and file as an information item.



November 11, 2020

To: Finance and Administration Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: Fiscal Year 2019-20 Fourth Quarter Budget Status Report

Overview

Orange County Transportation Authority staff has implemented the fiscal year 2019-20 budget. This report summarizes the material variances between the budget and actual revenues and expenses through the fourth quarter of fiscal year 2019-20.

Recommendation

Receive and file as an information item.

Background

The Board of Directors (Board) approved the Orange County Transportation Authority (OCTA) Fiscal Year (FY) 2019-20 Budget on June 10, 2019. The approved budget itemized the anticipated revenues and expenses necessary to deliver OCTA's transportation programs and projects.

The balanced budget, as originally approved by the Board in June 2019, was \$1.525 billion. Sources of funds were comprised of \$1.16 billion in current FY revenues and \$365.4 million in use of prior year designations. Uses of funds were comprised of \$1.44 billion of current FY expenditures and \$82.7 million of designations.

The Board has approved three amendments for the FY, increasing the expense budget by \$5.9 million. This increased the budget to \$1.53 billion as summarized on Table 1 on the following page.

Table 1 - Working Budget

Date	Description	Amount*
7/1/2019	Adopted Budget	\$ 1,525,194
7/22/2019	Contracted Fixed-Route Service Agreement	4,521
4/27/2020	Purchase of Paratransit Buses	241
5/11/2020	Mobile Ticketing Application Provider	1,117
Total Working Budget		\$ 1,531,073

*in thousands

Discussion

Staff monitors and analyzes revenues and expenditures versus the working budget. This report provides a summary level overview of staffing levels and explanations for material budget-to-actual variances within each pertinent OCTA Program. The OCTA programs included are Bus, Commuter Rail, 91 Express Lanes, Motorist and Taxi Services, and Measure M2 (M2). A visual dashboard summary of this report is provided in Attachment A.

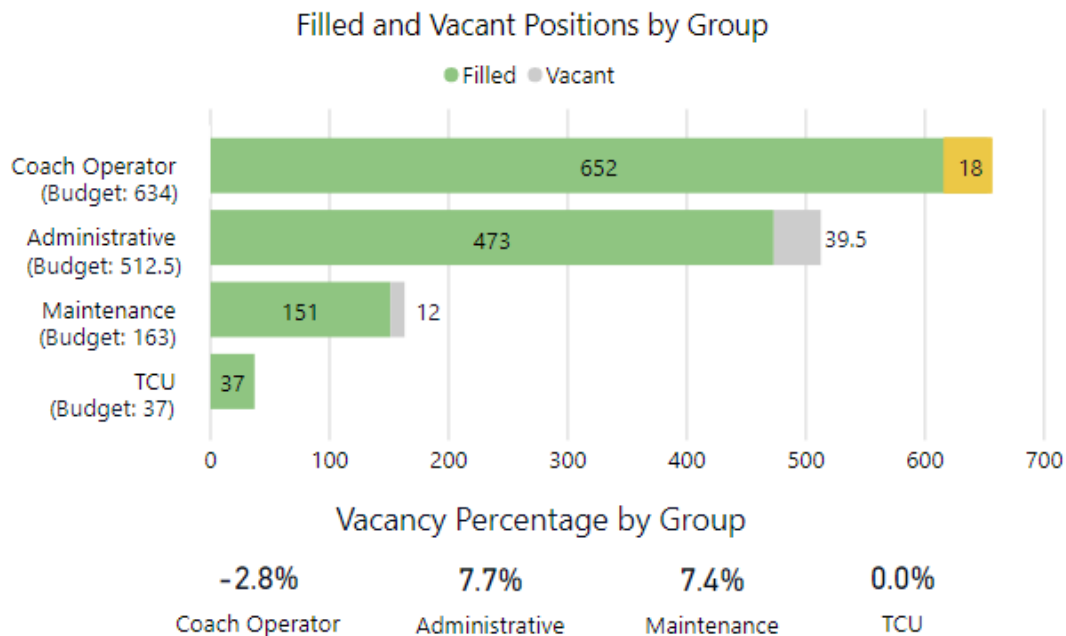
Unless indicated on an individual chart, the general color pattern used is outlined below:

- Gray – Budget
- Green – Within budget
- Yellow – Within five percent variance of budget
- Red – Over five percent variance of budget

Staffing

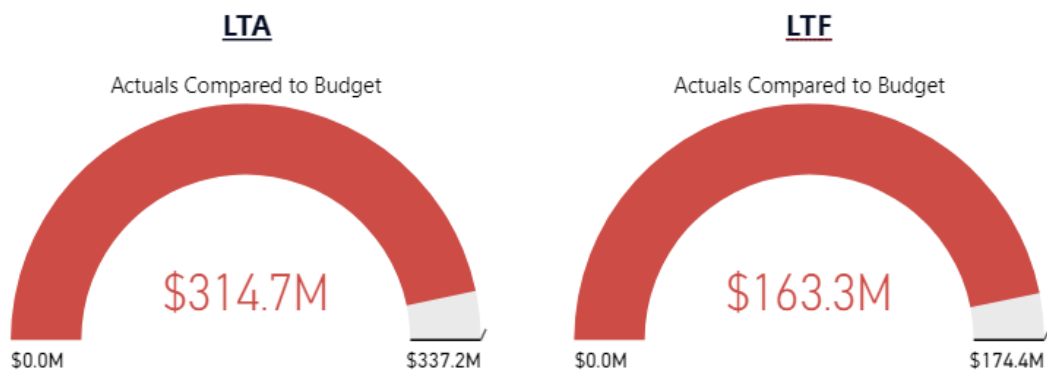
Total salaries and benefits underran the budget by \$5.6 million. This is primarily due to vacancies OCTA-wide, with the largest vacancy percentages in the administrative (7.7 percent) and maintenance (7.4 percent) groups at the end of the FY. There were 652 coach operators employed as of the end of the FY, which exceeded the budgeted number of positions of 634 by 2.8 percent. This was attributed to two factors, which were successful coach operator recruitment efforts prior to the coronavirus (COVID-19) coupled with efforts to effect a reduction in coach operator leave of absences. However, based on the impact of COVID-19, recruitment for coach operators was placed on hold and based on attrition, the number of coach operators reached the budgeted level in July. There are 652 active coach operators, which is not to be confused with the number of coach operators available to operate a bus. The 652 coach operators include 83 COVID-19 age related full-time equivalents (FTE), 18 COVID-19 Family and Medical Leave Act FTEs, and seven COVID-19 sick leave FTEs. This translates into only 544 coach operators actually available to operate a bus, or 90 coach operators less than the budgeted number of 634.

Furthermore, on a financial basis, actual salaries and benefits for coach operator positions underran the budget by \$0.3 million.



Sales Tax Receipts

The charts below provide a FY snapshot for both the Local Transportation Authority (LTA) M2 Program and Local Transportation Fund (LTF) Bus Program sales tax revenues against the budget. LTA sales tax receipts of \$314.7 million were \$22.6 million lower than the budget and LTF sales tax receipts of \$163.3 million were \$11.1 million lower than the budget. The lower-than-anticipated sales tax receipts were due to the dramatic impact of COVID-19 on the Orange County economy during the final four months of the FY.



Major Programs

Bus Program



Operating Revenue

\$342.2M

\$323.9M

Annual Budget

Operating Expense

\$283.7M

\$323.9M

Annual Budget

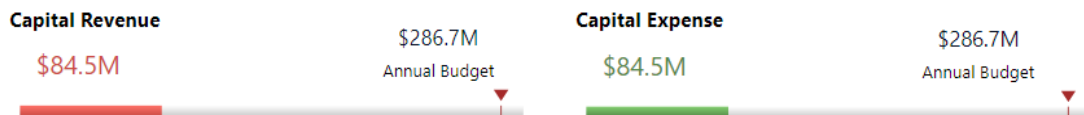
Bus Program operating revenue of \$342.2 million exceeded the budget by \$18.3 million, primarily due to higher-than-anticipated earnings on investments of \$11.1 million. The FY had a more favorable earnings yield on cash and investments of 3.2 percent compared to the budgeted earnings yield of two percent. In addition, there was a \$30.7 million overrun resulting from federal Coronavirus Aid, Relief, and Economic Security Act (CARES) funds not anticipated to be received when the budget was developed a year prior to COVID-19. Also, a portion of the variance of \$5.9 million was the result of a federal tax credit for use of alternative fuels in the prior FY and received as revenue in the current FY. Property tax revenue exceeded the budget by \$1.3 million due to higher-than-anticipated property tax receipts.

These variances were offset by lower-than-anticipated LTF sales tax revenue (\$11.1 million). The lower-than-anticipated sales tax receipts were due to the dramatic impact of COVID-19 on the Orange County economy during the final four months of the FY.

Bus Program operating expenses of \$283.7 million underran the budget by \$40.2 million, primarily due to lower utilization of both fixed-route bus and OC ACCESS paratransit services resulting from COVID-19. On March 23, 2020, OCTA temporarily reduced fixed-route bus service to Sunday service levels – about 60 percent of regular service – seven days per week. In June, service levels increased from approximately one million, Saturday-service level hours, to 1.2 million revenue vehicle hours to accommodate slightly increased ridership and help ensure social distancing onboard.

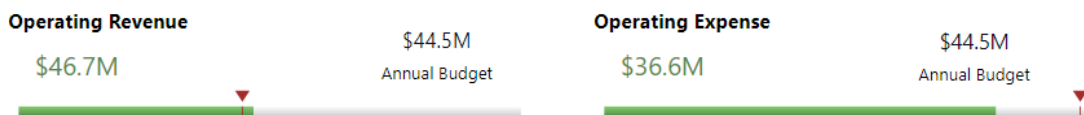
For the first eight months of the FY, revenues were generally tracking with projections and expenses were slightly underrunning the budget. The last four months of the FY changed the entire trajectory of the year when the pandemic started. The receipt of one-time funds from the CARES Act, investment earnings, and the alternative fuel tax credit combined with lower expenses related to lower fixed-route service levels and very low paratransit costs since the onset of the pandemic put the Bus Program in good shape at FY end.

However, lower long-term sales tax projections along with lower boardings and corresponding fare revenues will make it difficult to restore pre-pandemic service levels once the CARES Act funds are depleted.



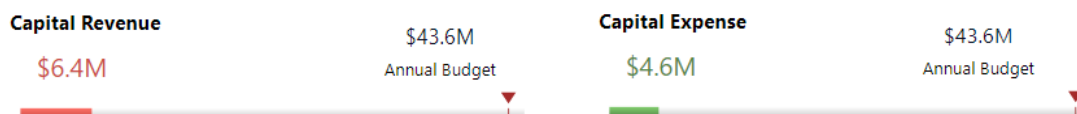
Bus Program capital revenue of \$84.5 million underran the budget by \$202.2 million, primarily due to federal grant revenue, which was not received in the FY for the purchase of 201 40-foot compressed natural gas (CNG)-powered buses and 116 22-foot gasoline-powered cutaway buses. The grant funds were budgeted in their entirety to match the contract executions for the bus purchases. However, expenses must be incurred before the revenue can be received. Staff anticipates receiving revenues as expenditures take place in future years. The primary driver of the underrun is the purchase of 201 40-foot, CNG-powered buses. This procurement was delayed to accommodate bidders request for extensions due to their inability to secure on-time pricing and availability from their suppliers for parts due to COVID-19. The procurement is now anticipated to occur in the first half of next FY and the expense was rebudgeted.

Rail Program



Rail Program operating revenue of \$46.7 million exceeded the budget by \$2.2 million, primarily due to higher-than-anticipated earnings on investments. The FY had a more favorable earnings yield on cash and investments of 3.2 percent compared to the budgeted earnings yield of two percent. Operating expenses of \$36.6 million underran by \$7.9 million, primarily due to on-call consultant planning, environmental, and modeling services. This includes a \$3.4 million underrun for the Irvine Metrolink Station and fourth main project due to design and environmental services. A study was conducted in the FY to look at alternative cost options for the project. As a result, the scope was reduced to only perform environmental review at this time and then evaluate

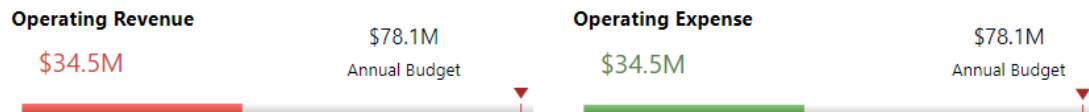
phasing options. Design services for the Placentia Metrolink Station project contributed \$1.8 million to the underrun as the project awaits a shared-use agreement to be in place with the rail right-of-way (ROW) owner, Burlington Northern Santa Fe (BNSF). The remainder of the underrun (\$2.9 million) was due to the quarterly operating subsidy payment to Southern California Regional Rail Authority (Metrolink) for OCTA's annual portion of the Metrolink operations. This underrun is due to an operating surplus in the previous FY. Therefore, the subsidy provided by OCTA was less than anticipated. The Rail Program finished the FY with a \$10.1 million operating surplus.



Rail Program capital revenue of \$6.4 million underran the budget by \$37.2 million primarily due to funds for construction of the Placentia Metrolink Station project which were not expensed in the FY (\$25.8 million), and grant funds for construction of the Anaheim Canyon Metrolink Station project (\$14.2 million) which were not received in the FY based on corresponding expenses. The underruns were partially offset by the receipt of grant funds and city contributions for construction of the Orange Transportation Center Parking Structure project and the Laguna Niguel to San Juan Capistrano passing siding project. The funds for both of these projects were budgeted last FY but received in the current FY.

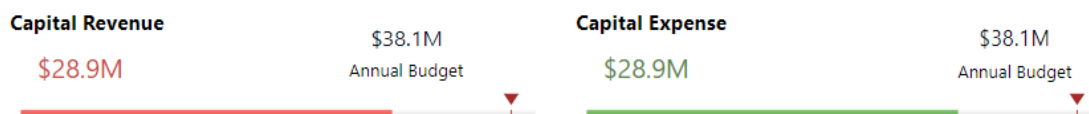
Capital expenses of \$4.6 million underran the budget by \$39 million primarily due to the timing of construction phase expenses for the Placentia Metrolink Station project (\$23.9 million) and the Anaheim Canyon Metrolink Station project (\$14.4 million). Construction of the Placentia Metrolink Station project requires BNSF approvals, which are still undergoing negotiations to finalize the shared-use agreement for the ongoing Metrolink use of the BNSF rail corridor in the project location. Construction phase expenses for the Anaheim Canyon Metrolink Station project contributed the remainder of the underrun due to ongoing contract negotiations with property owners adjacent to the project location. These funds have been rebudgeted for the next FY.

91 Express Lanes Program



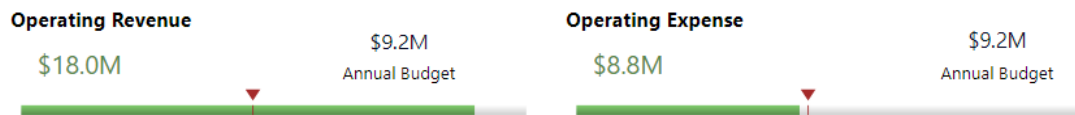
The 91 Express Lanes Program operating revenue of \$34.5 million underran by \$43.6 million, primarily due to less-than-anticipated funding required to support the State Route 91 (SR-91) Widening project (\$21.2 million) and the Placentia Metrolink Station project (\$14.3 million). Funds are committed for both projects based on expenditures in the M2 Program and the Rail Program. The remainder of the underrun was the result of lower-than-anticipated toll revenue based on utilization of the toll lanes. COVID-19 led to a 29 percent reduction in total traffic volume for the toll lanes in the FY when compared to the prior FY.

Operating expenses of \$34.5 million underran by \$43.6 million, primarily due to less-than-anticipated funding required for the SR-91 Widening project (\$21.2 million) and the Placentia Metrolink Station project (\$14.3 million). The toll road operating contract contributed \$1.1 million to the underrun due to an allotment for potential change orders, which was not utilized. The allotment was budgeted in the event there was new tolling technology or functionality, which needed to be implemented by the contractor. The remainder of the underrun was the result of as-needed expenses associated with toll road account servicing, legal services, and equipment repair/maintenance.



Capital revenue for the 91 Express Lanes of \$28.9 million underran by \$9.2 million due to less-than-anticipated capital expenses. The underrun of \$9.2 million was primarily attributable to a contract for computer equipment for the 91 Express Lanes back-office system (\$8.3 million). The contract was executed in the second half of the FY and only a portion of the expenses took place. Staff anticipates further expenses to occur next FY. The remainder of the underrun was due to invoice timing for improvements to the customer service center. The invoice was paid in the prior FY after work was completed and the budget was not needed this FY.

Motorist Services Program

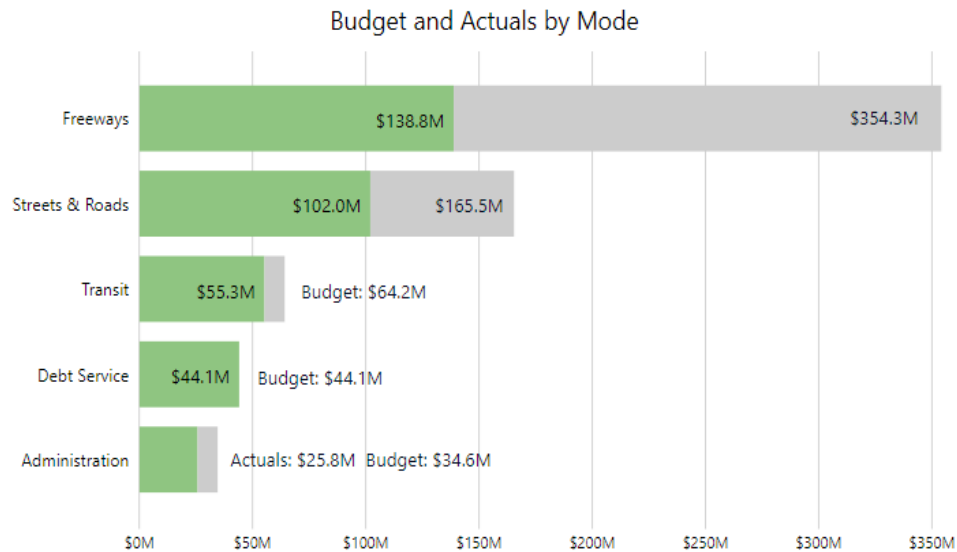


Motorist Services Program revenue of \$18 million exceeded the budget by \$8.8 million, primarily due to state contribution funds for Freeway Service Patrol (FSP). The funds for operating the service were budgeted in the prior two FYs but were received in the current FY. This is primarily due to the time required by California Department of Transportation to determine the process of distributing SB 1 (Chapter 5, Statutes of 2017) funds. Expenses for the program of \$8.8 million underran the budget by \$0.3 million, primarily due to a freeway call box radio upgrade project, which has been rescheduled to next FY. The project was budgeted to facilitate the upgrade from 3G to 4G radio technology, but due to the vendor continuing 3G support for another year, the project was rescheduled to the following FY and the funds were rebudgeted. The remainder of the underrun is due to lower than anticipated fuel prices for contracted tow service for the FSP Program. The Motorist Services Program finished the FY with an operating surplus of \$9.1 million.

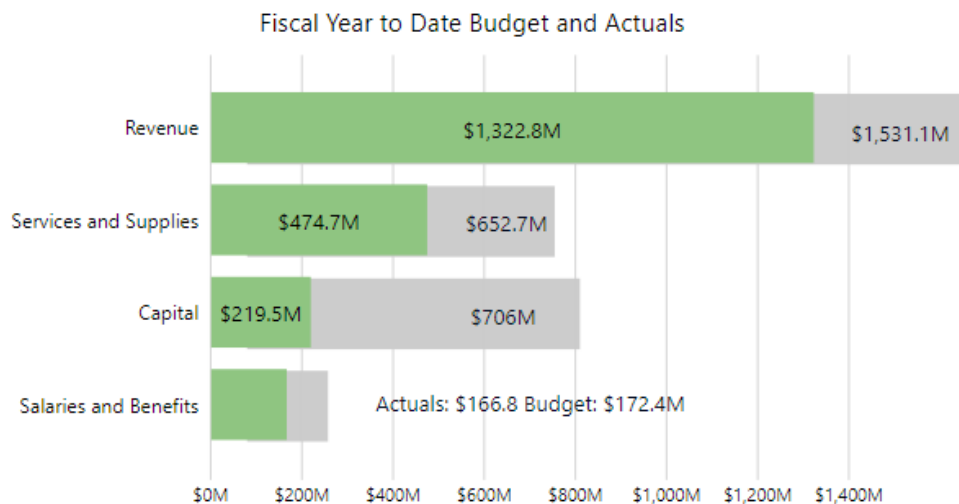
M2 Program



Total expenses for the M2 Program of \$366.1 million underran the budget by \$296.6 million, primarily due to lower utilization of ROW capital and ROW support expenses for the State Route 55 (SR-55) Widening project (\$81 million), the Interstate 5 (I-5) South County Improvement project (\$58 million), and the Interstate 405 Improvement Project (\$34 million). For each of these projects, the underrun is due to the timing and magnitude of ROW phase expenses, which is difficult to forecast due to the complex negotiating process. Most of these expenses have been rebudgeted in the next FY. An additional underrun of \$61.2 million was due to lower-than-anticipated project payment requests from the cities for the Regional Capacity Program, Regional Traffic Signal Synchronization Program, and Environmental Clean-up Program.



Summary



Revenue of \$1.32 billion underran the budget by \$208.3 million, primarily due to less-than-anticipated utilization of prior year reserves to fund capital projects. The majority of the funds were rebudgeted in FY 2020-21 to fund capital projects such as bus purchases and ROW expenditures as needed. Also contributing to the underrun was lower LTA sales tax receipts and LTF sales tax receipts due to the impact of COVID-19 on the Orange County economy.

Services and supplies expenses of \$474.7 million underran the budget by \$178 million, primarily due to less-than-anticipated contributions to local agencies based on lower-than-anticipated project payment requests for

competitive M2 programs. Also contributing to the underrun was lower bus operating expenses based on lower service levels due to COVID-19.

Capital expenses of \$219.5 million underran the budget by \$486.6 million, primarily due to a contract for bus purchases, which was not executed in the FY, and ROW expenditures for the SR-55 Widening project, and the I-5 South County Improvement project.

Salaries and benefits of \$166.8 million underran the budget by \$5.6 million due to vacancies, primarily in the administrative (7.7 percent underrun) and maintenance (7.4 percent underrun) groups.

Attachment

- A. FY 2019-20 Fourth Quarter Budget Status Summary

Prepared by:

Anthony Baruch
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Financial Planning and Analysis
(714) 560-5332

Approved by:

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

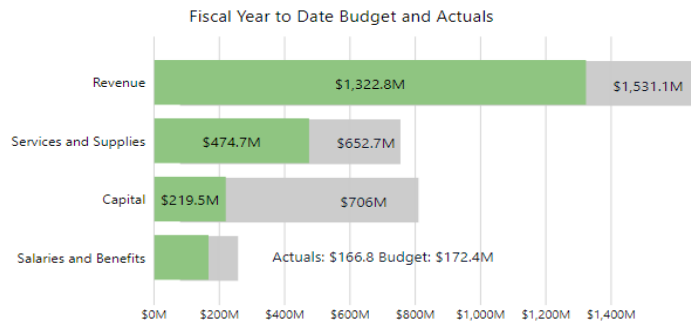


FY 2019-20 Fourth Quarter Budget Status Summary

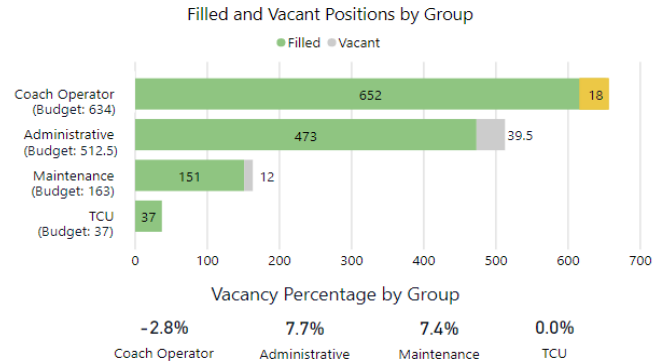
ATTACHMENT A

● Budget ● Within Budget ● Within 5% Variance ● Over 5% Variance

Total Authority

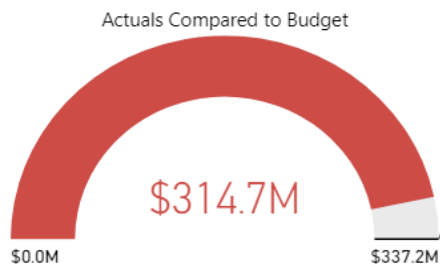


Staffing

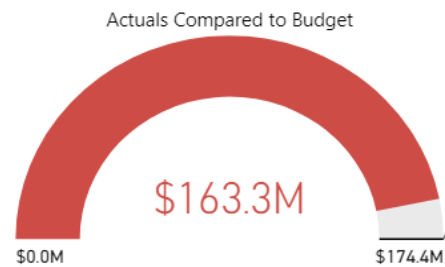


Sales Tax Receipts

LTA

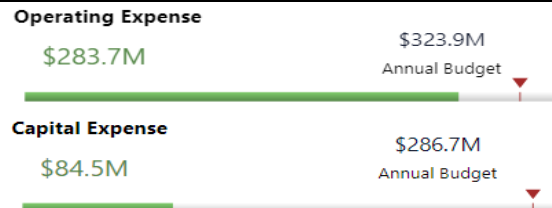
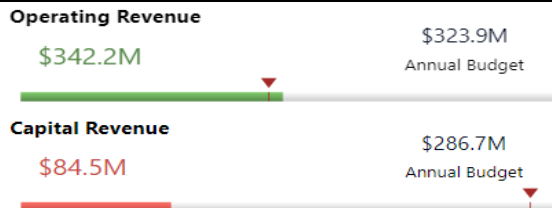


LTF

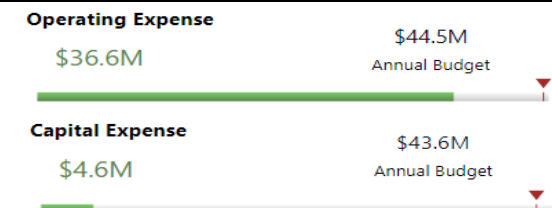
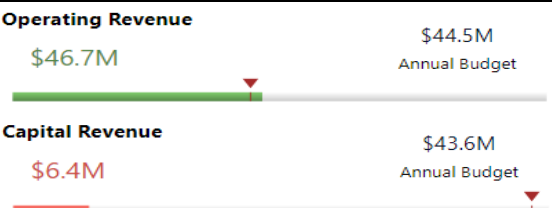


Major Operating Programs

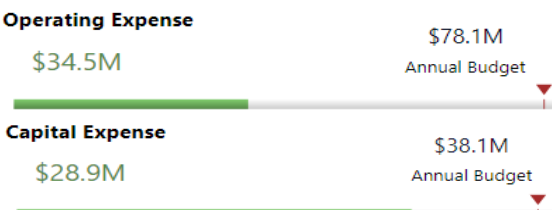
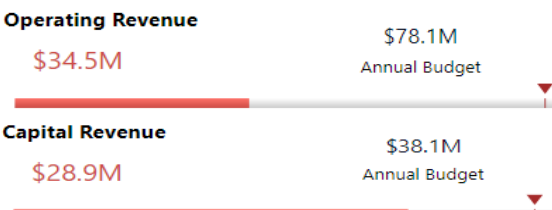
Bus Program



Rail Program



91 Express Lanes Program



Motorist Services Program





COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors

From: Laurena Weinert, Clerk of the Board

Subject: Orange County Employees Retirement System Early Payment for Fiscal Year 2021-22

Finance and Administration Committee Meeting of November 11, 2020

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

Absent: Director Muller

Committee Vote

Following the roll call vote, this item was declared passed 6-0 by the Members present.

Committee Recommendation

Authorize the early payment of approximately \$30.2 million by January 15, 2021, to the Orange County Employees Retirement System, for member contributions for fiscal year 2021-22.



November 11, 2020

To: Finance and Administration

From: Darrell E. Johnson, Chief Executive Officer

Subject: Orange County Employees Retirement System Early Payment for Fiscal Year 2021-22

Overview

The Orange County Employees Retirement System has offered an early payment discount to member agencies of 5.8 percent if they elect to prepay their contributions for fiscal year 2021-22. Advance payments must be received before January 15, 2021. The estimated savings for the Orange County Transportation Authority over the next year and a half under this payment option will total approximately \$1.3 million. Board of Directors' authorization is requested for the early payment option.

Recommendation

Authorize the early payment of approximately \$30.2 million by January 15, 2021, to the Orange County Employees Retirement System, for member contributions for fiscal year 2021-22.

Background

The Orange County Employees Retirement System (OCERS) provides retirement benefits to Orange County Transportation Authority (OCTA) employees. The majority of OCTA employees and retirees are covered by the OCERS plan. OCERS is a defined benefit plan with benefits determined by a formula based on years of service, age at retirement, and highest average salary over a consecutive three-year period. OCERS is administered by a ten-member board of retirement. The OCERS Board of Retirement serves as fiduciary and has administrative authority over investments and benefits. As of June 30, 2020, the plan had over \$17.1 billion in assets. OCERS operates under the state statutory requirements of the County Employees Retirement Act of 1937, a section of the California Government Code.

Employer contributions to OCERS are calculated each pay period by OCTA and paid electronically every two weeks. During fiscal year (FY) 2021-22, based on data from the working budget, OCTA will contribute approximately \$32.7 million to OCERS, based upon wages of approximately \$104.1 million. OCTA's employer rate is 31.51 percent, and the Public Employees' Pension Reform Act (PEPRA) contribution rate is 31.13 percent during this time period.

Discussion

July 20, 2020, the OCERS Board of Retirement voted to offer an early payment discount on employer contribution payments made before January 15, 2021, for the succeeding FY. OCERS is offering to discount the contributions for FY 2021-22 by 5.8 percent. If the early payment option is exercised, OCERS will reconcile the projected payroll wages for the FY and collect appropriate additions or provide credits against future payments from OCTA for FY 2021-22.

The OCTA's Board of Directors approved a similar action in previous years where the early payment option was exercised. By using available cash now, OCTA will reduce the overall cost of future budgeted expenditures.

For FY 2021-22, OCERS increased OCTA's employer rates to 31.51 percent from the FY 2020-21 rate of 30.63 percent. The PEPRA contribution rate increased to 31.13 percent for FY 2021-22 from the 29.92 percent rate in FY 2020-21. OCTA's estimated wages for FY 2021-22 are \$104.1 million. Applying the 31.51 percent and 31.13 percent PEPRA employer's rates to the estimated wages for the year translates into an approximate contribution value of \$32.7 million for FY 2021-22. Further, there is a balance from the prepayment contribution for FY 2020-21 of \$676,984.98, which is required to be applied as a credit for this year's prepayment.

Under the early payment option, OCTA has the choice of paying OCERS \$30.2 million (\$32.7 million discounted by 5.8 percent less the credit) by January 15, 2021, or OCTA would make the regular biweekly payments of approximately \$1,257,794 for the employer contribution, (for a total of \$32.7 million) during FY 2021-22. Given these assumptions, OCTA has calculated the savings to equal approximately \$1.3 million (which is the net between the \$1.8 million savings from the OCERS prepayment and \$541,259 estimated interest earnings by OCTA).

Based upon this analysis, it is financially advantageous for OCTA to exercise this early payment option. If this option were to be exercised, these funds would be deposited into OCERS on behalf of OCTA and be credited to OCTA's account. The funds will be paid from the General Fund (36.5 percent),

Orange County Transit District Fund (63.4 percent), and the Orange County Taxi Administration Program (0.1 percent). The funding sources represent the current payroll allocation.

Summary

OCERS has offered an early payment of contributions to member agencies for the upcoming FY. Under this early payment option, a discount of 5.8 percent will be applied to the amounts due for employer contributions. OCTA has calculated the savings to equal approximately \$1.3 million. Staff recommends exercising this early payment option.

Attachment

None.

Prepared by:



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

Approved by:



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



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors

From: Laurena Weinert, Clerk of the Board

Subject: Fiscal Year 2020-21 First Quarter Grant Reimbursement Status Report

Finance and Administration Committee Meeting of November 11, 2020

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

Absent: Director Muller

Committee Vote

Following the roll call vote, this item was declared passed 6-0 by the Members present.

Committee Recommendation

Receive and file as an information item.



November 11, 2020

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Fiscal Year 2020-21 First 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 first quarter of fiscal year 2020-21, covering July through September 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 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 seven formula grants and one discretionary grant during the first quarter, which are summarized below. In addition to these first quarter activities, OCTA executed a Federal Transit Administration (FTA) agreement securing Coronavirus Aid, Relief, and Economic Security Act funding of \$160.4 million on July 6, 2020. These funds will be used to support operating costs for fixed-route and paratransit services and are provided on a reimbursement basis.

Federal Fiscal Year (FFY) 2020 FTA Section 5307 Formula Grant Program

OCTA executed an FTA grant agreement to secure \$52.2 million in FTA Section 5307 formula funds allocated to OCTA for FFY 2020 (Attachment A, Row 6). These funds will be used to provide capital and operating assistance to cover preventative maintenance expenses, capital cost of contracting, and non-fixed-route operating assistance.

FFY 2020 FTA Section 5310 Enhanced Mobility for Seniors and Disabled

OCTA executed an FTA grant agreement to secure \$2.3 million in FTA Section 5310 funds allocated to OCTA for FFY 2020 (Attachment A, Row 12). The funds will be used to support the capital costs of contracting for ACCESS services.

FFY 2020 FTA Section 5337 Formula Grant Program

OCTA executed an FTA grant agreement to secure \$3.5 million in FTA Section 5337 funds allocated to OCTA for FFY 2020 (Attachment A, Row 15). The funds will be used to support preventative maintenance expenses and Fullerton Transportation Center staircase rehab project.

FFY 2020 FTA Section 5339 Formula Grant Program

OCTA executed an FTA grant agreement to secure \$6.8 million in FTA Section 5339 funds allocated to OCTA for FFY 2020 (Attachment A, Row 17). These funds will be used to support the purchase of 55 40-foot paratransit replacement vehicles.

FFY 2018 Federal Highway Administration (FHWA)/FTA Section 5309 Discretionary Flex Funds

OCTA executed an FTA grant agreement securing \$913,116 in FHWA/FTA Section 5309 flex funds (Attachment A, Row 20). These funds will be used to support the replacement of the San Juan Creek Bridge. The new bridge will improve load and storm capacity, increase safety, and reduce maintenance needs.

Fiscal Year (FY) 2019-20 Low Carbon Transit Operations Program (LCTOP)

OCTA executed an agreement to secure \$6.3 million in LCTOP funds for continuation and expansion of the college pass programs (Cypress, Coastline Colleges, Irvine Valley, and Saddleback colleges), and ten battery-electric buses and charging infrastructure (Attachment B, Rows 22-26). On March 23, 2020, the Board approved transferring \$2.9 million from FY 2018-19 LCTOP Bravo!

Main Street Operations to two new LCTOP projects, including the Metrolink Service Expansion (\$2.1 million) and Bravo! 529 Operations (\$812,976).

FY 2020-21 State Transportation Improvement Plan (STIP) – Programming, Planning, and Monitoring (PPM)

The California Department of Transportation approved the funds transfer agreement for the annual STIP allocation for the PPM program in the amount of \$1 million. Reimbursable projects related to this program began in July 2020 (Attachment B, Row 30).

FY 2020-21 SB 1 (Chapter 5, Statutes of 2017) State of Good Repair (SGR) Program

OCTA expects to receive \$6.4 million in SGR funds during FY 2020-21 (Attachment B, Rows 35-36). On October 26, 2020, the Board authorized the use of the FY 2020-21 SB 1 SGR funds for the Power Generator Replacement project at the Anaheim and Irvine Construction Circle bus bases. The remaining funds will be used to support modifications, upgrades, and the replacement of OCTA's existing bus bases and transit facilities. Funds would be utilized for projects, such as, but not limited to, electrical, fire alarm and elevator upgrades, generators, heating ventilation, air conditioning, roof and concrete replacements, lighting and facility modifications, as well as the future construction of transit security operations center.

Current Grant Agreements:

OCTA's FTA formula grant agreements total 17 and FTA discretionary grant agreements total four (Attachment A).

The 17 FTA formula grant agreements have a total federal amount of \$606 million. A total of \$312.9 million has been reimbursed, leaving a balance of approximately \$293.1 million. The balance of these 17 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 \$162.9 million. This includes the full funding grant agreement award of \$148.9 million. A total of \$56.6 million has been reimbursed, leaving a balance of \$106.3 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 total FTA formula and discretionary grant agreements amount to \$768.9 million. The total amount reimbursed through the first quarter under these grant agreements is \$369.5 million, leaving a balance of \$399.4 million.

OCTA also has 37 active state and FHWA formula grant agreements (Attachment B) and 12 active state discretionary grant agreements (Attachment C).

The 37 state and FHWA formula grant agreements total \$242.7 million. The total amount reimbursed through the first quarter under these other grant agreements is \$116.2 million, leaving a balance of \$126.5 million.

The 12 state discretionary grant agreements total approximately \$8.6 million. A total of \$573,411 of these discretionary grant agreements has been reimbursed, leaving a balance of \$8.1 million.

This report activity is as of September 30, 2020, 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 currently no grant agreements pending close-out in the first quarter of FY 2020-21.

Closed Grant Agreements:

There are three grant agreements totaling \$60.5 million that were closed out in the first quarter of FY 2020-21. These grant agreements are summarized in Attachment D.

Summary

This report provides an update of the grant agreement-funded activities for the first quarter of FY 2020-21, July through September 2020. Staff recommends this report be received and filed as an information item.

Attachments

- A. First Quarter Grant Reimbursement Status Report, July through September 2020, Federal Transit Administration Formula and Discretionary Grant Agreements
- B. First Quarter Grant Reimbursement Status Report, July through September 2020, State and Federal Highway Administration Formula Grant Agreements
- C. First Quarter Grant Reimbursement Status Report, July through September 2020, State Discretionary Grant Agreements
- D. First Quarter Grant Reimbursement Status Report, July through September 2020, Closed Grant Agreements

Prepared by:



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Department Manager,
Revenue Administration
714-560-5889

Approved by:



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

First Quarter Grant Reimbursement Status Report
July through September 2020

Federal Transit Administration Formula and Discretionary Grant Agreements						
	FEDERAL FISCAL YEAR (FFY)	GRANT NUMBER	FEDERAL AMOUNT	FEDERAL AMOUNT REIMBURSED	REMAINING BALANCE	ANTICIPATED CLOSE-OUT
FTA Section 5307 - CARES Act Grant						
1	2020	CA-2020-146	\$ 160,419,003	\$ 31,368,200	\$ 129,050,803	September 2022
FTA Section 5307 CARES Grant Subtotal			\$ 160,419,003	\$ 31,368,200	\$ 129,050,803	
FTA Section 5307 - Urbanized Area Formula Grant Program						
2	2012	CA-90-Y942	\$ 57,746,966	\$ 57,623,333	\$ 123,633	November 2020
3	2013	CA-90-Z027	53,878,508	53,554,939	323,569	June 2021
4	2014	CA-90-Z174	55,129,189	55,095,991	33,198	December 2020
5	2015	CA-2016-032	55,400,721	54,919,692	481,029	September 2021
6	2020	CA-2020-273	52,238,139	0	52,238,139	December 2021
FTA Section 5307 Grant Subtotal			\$ 274,393,523	\$ 221,193,955	\$ 53,199,568	
FTA Section 5307 - Federal Funds flexed from the Federal Highway Administration (FHWA):						
7	2010	CA-95-X131	\$ 2,102,650	\$ 1,870,690	\$ 231,960	September 2020
8	2013	CA-95-X254	5,657,000	5,630,267	26,733	December 2020
9	2014	CA-95-X286	6,621,000	5,248,022	1,372,978	October 2021
10	2017	CA-2017-072	31,567,405	23,704,007	7,863,398	October 2021
11	2019	CA-2020-050	76,843,769	3,928,915	72,914,854	June 2026
FTA Section 5307 Flexed Grant Subtotal			\$ 122,791,824	\$ 40,381,901	\$ 82,409,923	
FTA Section 5310 - Enhanced Mobility of Seniors & Individuals with Disabilities Grant Program						
12	2020	CA-2020-270	\$ 2,255,173	\$ 0	\$ 2,255,173	February 2021
FTA Section 5310 Grant Subtotal			\$ 2,255,173	\$ 0	\$ 2,255,173	
FTA Section 5316 - Jobs Access and Reverse Commute (JARC) Grant Program						
13	2009	CA-37-X113	\$ 13,962,491	\$ 12,512,504	\$ 1,449,987	December 2022
FTA Section 5316 Grant Subtotal			\$ 13,962,491	\$ 12,512,504	\$ 1,449,987	
FTA Section 5337 - State of Good Repair Grant Program						
14	2019	CA-2020-039	\$ 8,349,277	\$ 7,516,277	\$ 833,000	April 2022
15	2020	CA-2020-269	3,470,454	0	3,470,454	September 2021
FTA Section 5337 Grant Subtotal			\$ 11,819,731	\$ 7,516,277	\$ 4,303,454	

First Quarter Grant Reimbursement Status Report
July through September 2020

Federal Transit Administration Formula and Discretionary Grant Agreements						
FTA Section 5339 - Buses andBus Facilities Grant Program						
16	2019	CA-2020-041	\$	13,605,987	\$	0 \$ 13,605,987 March 2021
17	2020	CA-2020-276		6,794,700		0 6,794,700 December 2021
FTA Section 5339 Grant Subtotal			\$	20,400,687	\$	0 \$ 20,400,687
Federal Transit Administration Formula Grants Total			\$	606,042,432	\$	312,972,837 \$ 293,069,595
	FEDERAL FISCAL YEAR (FFY)	GRANT NUMBER	FEDERAL AMOUNT	FEDERAL AMOUNT REIMBURSED	REMAINING BALANCE	ANTICIPATED CLOSE-OUT
FTA Section 5309 - Discretionary Capital Grant Program						
18	2008	CA-04-0078	\$	7,021,300	\$	6,302,251 \$ 719,049 January 2021
19	2012	CA-05-0269		6,000,000		5,952,588 47,412 October 2020
20	2018	CA-2020-281		913,115		0 913,115 September 2025
FTA Section 5309 Grant Subtotal			\$	13,934,415	\$	12,254,839 \$ 1,679,576
FTA Section 5309 - Discretionary Capital Grant Program (FFGA)						
21	2019	CA-2019-018	\$	148,955,409	\$	44,300,741 \$ 104,654,668 June 2023
FTA Section 5309 FFGA Grant Subtotal			\$	148,955,409	\$	44,300,741 \$ 104,654,668
Federal Transit Administration Discretionary Grants Total			\$	162,889,824	\$	56,555,580 \$ 106,334,244
Total Federal Transit Administration Formula and Discretionary Grant Agreements			\$	768,932,256	\$	369,528,417 \$ 399,403,839

Funding Source Notes:

FTA Section 5307 - CARES Act Grant: Federal emergency relief funds in response to COVID-19

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 5310 - Enhanced Mobility of Seniors & Individuals with Disabilities Grant Program: Formula funding to states for the purpose of assisting nonprofit groups in meeting the transportation needs of the elderly and persons with disabilities.

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 5337 - State of Good Repair Grant Program: A formula-based State of Good Repair program dedicated to repairing and upgrading the nation's rail transit systems along with high-intensity motor bus systems that use high-occupancy lanes.

FTA Section 5339 - Buses and Bus Facilities Grant Program: A new formula-based program dedicated to support capital projects such as the replacement, rehabilitation, and purchase of buses, vans, and related equipment.

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 (FFGA): Grants provide for projects that improve efficiency and coordination of transportation systems.

First Quarter Grant Reimbursement Status Report
July through September 2020

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	Laguna Niguel to SJC Passing Siding (Construction)	\$ 2,000,000	\$ 1,607,222	\$ 392,778	February 2022
PROP 1B IRI Subtotal		\$ 2,000,000	\$ 1,607,222	\$ 392,778	
Federal Highway Administration Grant Program - Congestion Mitigation & Air Quality (CMAQ)					
2	I-5 from the Orange/San Diego County Line to Avenida Pico (PA/ED)	\$ 450,000	\$ 453,710	\$ -3,710	June 2022
3	I-5, SR-55 to SR-57 (PS&E)	2,800,000	2,352,003	447,997	June 2022
CMAQ Subtotal		\$ 3,250,000	\$ 2,805,713	\$ 444,287	
Federal Highway Administration Grant Program - Regional Surface Transportation Program (RSTP)					
4	I-5, I-405 to SR-55 (PA/ED)	\$ 8,000,000	\$ 7,915,878	\$ 84,122	December 2020
5	I-5 Segment 2, Oso Pkwy to Alicia Pkwy (PS&E)	10,000,000	9,763,215	236,785	June 2021
6	I-5 Segment 1, SR-73 to Oso Pkwy (PS&E)	9,101,000	8,773,058	327,942	June 2022
7	I-5 Segment 3, Alicia Pkwy to El Toro Rd (PS&E)	8,044,000	7,611,504	432,496	June 2022
8	SR-91, SR-57 to SR-55 (PA/ED)	7,000,000	4,160,146	2,839,854	June 2022
9	SR-57, Orangewood to Katella Ave (PA/ED)	2,500,000	1,717,037	782,963	June 2021
10	SR-55, I-5 to SR-91 (PA/ED)	5,000,000	3,850,385	1,149,615	June 2022
RSTP Subtotal		\$ 49,645,000	\$ 43,791,223	\$ 5,853,777	
Federal Highway Administration Grant Program - State Transportation Block Grant (STBG)					
11	I-405, SR-73 to I-605 (Construction)	\$ 1,000	\$ 0	\$ 1,000	June 2021
12	I-5, SR-55 to SR-57 (Construction)	1,340,000	3,473	1,336,527	June 2022
13	SR-55, I-405 to I-5 (PS&E)	17,000,000	16,224,155	775,845	June 2023
14	SR-55, I-405 to I-5 (ROW)	79,950,000	0	79,950,000	June 2023
STBG Subtotal		\$ 98,291,000	\$ 16,227,628	\$ 82,063,372	

First Quarter Grant Reimbursement Status Report
July through September 2020

State and Federal Highway Administration Formula Grant Agreements						
	FISCAL YEAR (FY)	PROJECT	GRANT AMOUNT	AMOUNT REIMBURSED	REMAINING BALANCE	ANTICIPATED CLOSE-OUT
Low Carbon Transit Operations Program (LCTOP) - California Department of Transportation (CALTRANS)						
15	2017	Bus Bicycle Racks	\$ 766,345	\$ 376,002	\$ 390,343	May 2021
16	2018	Bravo! Route 529 Start-up & Operations	4,787,534	4,291,737	495,797	July 2021
17	2019	Battery Electric Buses, Bus Depot Upgrades & Charging Infrastructure	2,523,000	0	2,523,000	June 2023
18	2019	College Fare Program for Fullerton	381,523	0	381,523	August 2022
19	2019	College Fare Program for Golden West	215,279	98,952	116,327	August 2022
20	2019	College Fare Program for Santa Ana College	393,198	0	393,198	June 2021
21	2019	Travel Training	685,000	168,240	516,760	July 2022
22	2020	Battery Electric Buses, Bus Depot Upgrades & Charging Infrastructure	2,909,886	0	2,909,886	June 2023
23	2020	Bravo! Route 529 Start-up & Operations	1,470,913	0	1,470,913	January 2021
24	2020	College Fare Program for IVC, Saddleback, Cypress and Coastline College	749,243	0	749,243	December 2023
25	2020	Discounted Age-Based Fare Program	2,000,000	0	2,000,000	September 2024
26	2020	Metrolink Service Expansion	2,100,000	0	2,100,000	September 2023
CAP & TRADE LCTOP Subtotal			\$ 18,981,921	\$ 4,934,931	\$ 14,046,990	
State Proposition 116: Clean Air and Transportation Improvement Act Bond Funds						
27	2019	Laguna Niguel to SJC Passing Siding (Construction)	\$ 4,733,000	\$ 1,010,309	\$ 3,722,691	June 2023
PROP 116 Subtotal			\$ 4,733,000	\$ 1,010,309	\$ 3,722,691	
State Proposition 1B: Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA)						
28	2015	Raymond Ave Grade Separation Project (Construction)	\$ 45,159,267	\$ 45,101,382	\$ 57,884	February 2021
PROP 1B PTMISEA Subtotal			\$ 45,159,267	\$ 45,101,382	\$ 57,884	
State Transportation Improvement Plan (STIP) Programming, Planning & Monitoring (PPM)						
29	2019	PPM Program	\$ 1,481,000	\$ 676,623	\$ 804,377	December 2021
30	2021	PPM Program	1,000,000	0	1,000,000	December 2023
STIP PPM Subtotal			\$ 2,481,000	\$ 676,623	\$ 1,804,377	
Senate Bill 1: State of Good Repair						
31	2019	iShuttle Replacement Buses	\$ 5,580,604	\$ 0	\$ 5,580,604	November 2021
32	2020	El Dorado Cutaway Bus Replacement	2,070,281	0	2,070,281	December 2022
33	2020	iShuttle Replacement Buses	3,062,751	0	3,062,751	November 2021
34	2020	Replacement of Emergency Standby Generators	800,000	0	800,000	April 2021
35	2021	Facilities modifications, upgrades and replacement	5,852,278	0	5,852,278	August 2022
36	2021	Replacement of Emergency Standby Generators	574,200	0	574,200	April 2021
SB1 SGR Subtotal			\$ 17,940,114	\$ 0	\$ 17,940,114	

First Quarter Grant Reimbursement Status Report
July through September 2020

State and Federal Highway Administration Formula Grant Agreements						
	FISCAL YEAR (FY)	PROJECT	GRANT AMOUNT	AMOUNT REIMBURSED	REMAINING BALANCE	ANTICIPATED CLOSE-OUT
FTA Section 5304 - Sustainable Communities						
37	2020	Freeway Bus Rapid Transit Concept Study	\$ 210,602	\$ 54,041	\$ 156,562	April 2022
FTA Section 5304 Subtotal			\$ 210,602	\$ 54,041	\$ 156,562	
Total State and Federal Highway Administration Formula Grant Agreements			\$ 242,691,904	\$ 116,209,072	\$ 126,482,832	

First Quarter Grant Reimbursement Status Report
July through September 2020

ATTACHMENT C

State Discretionary Grant Agreements						
	FISCAL YEAR (FY)	PROJECT	GRANT AMOUNT	AMOUNT REIMBURSED	REMAINING BALANCE	ANTICIPATED CLOSE-OUT
Active Transportation Program (ATP)						
1	2020	Safe Travels Education Program (STEP) Campaign	\$ 500,000	\$ 65,249	\$ 434,751	July 2022
ATP Subtotal			\$ 500,000	\$ 65,249	\$ 434,751	
Air Quality Management District (AQMD) Grant Program and Mobile Source Air Pollution Reduction Review Committee (MSRC)						
2	2019	La Habra Union Pacific Rail Bikeway	\$ 91,760	\$ 0	\$ 91,760	November 2023
3	2020	College Fare Program for Fullerton	212,000	165,236	46,764	January 2021
MSRC Subtotal			\$ 303,760	\$ 165,236	\$ 138,524	
Highway Safety Plan (HSP) - California Office of Traffic Safety (OTS)						
4	2020	Bicycle & Pedestrian Facilities Program	\$ 100,000	\$ 11,560	\$ 88,440	December 2020
OTS Subtotal			\$ 100,000	\$ 11,560	\$ 88,440	
Transit Security Grant Program (TSGP) - State Office of Homeland Security						
5	2017	Be The One Campaign	\$ 75,000	\$ 63,764	\$ 11,236	August 2021
TSGP Subtotal			\$ 75,000	\$ 63,764	\$ 11,236	
TSA National Explosives Detection Canine Team Program (NEDCTP) - Department of Homeland Security						
6	2020	Transportation Security Administration Canine	\$ 75,750	\$ 75,258	\$ 492	December 2021
TSA K9 Subtotal			\$ 75,750	\$ 75,258	\$ 492	
Senate Bill 1: Local Partnership Program						
7	2018	Garden Grove Blvd Signal Synchronization (Construction)	\$ 1,353,000	\$ 0	\$ 1,353,000	December 2023
8	2018	Katella Ave Signal Synchronization (Construction)	2,449,000	0	2,449,000	December 2023
9	2018	Los Alisos Blvd Signal Synchronization (Construction)	1,117,000	0	1,117,000	December 2023
10	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	
Senate Bill 1: Adaptation Planning Grants						
11	2019	Orange County Rail Infrastructure Defense Against Climate Change	\$ 461,771	\$ 63,801	\$ 397,971	February 2021
SB1 APG Subtotal			\$ 461,771	\$ 63,801	\$ 397,971	
Senate Bill 1: Planning Grants						
12	2019	Safe Routes to School Action Plan	\$ 264,000	\$ 128,543	\$ 135,457	February 2021
SB1 PL Subtotal			\$ 264,000	\$ 128,543	\$ 135,457	
Total State Discretionary Grant Agreements			\$ 8,625,281	\$ 573,411	\$ 8,051,870	

First Quarter Grant Reimbursement Status Report
July through September 2020

Closed Grant Agreements						
	FISCAL YEAR (FY)	FUNDING SOURCE	PROJECT	GRANT AMOUNT	AMOUNT REIMBURSED	REMAINING BALANCE
1	2019	CAP & TRADE LCTOP	Bravo! Main Street Operations	\$ 2,912,976	\$ 0	\$ 2,912,976 ¹
2	2019	FTA Section 5307	FTA CA-2020-038	50,569,169	50,569,169	0
3	2009	FTA Section 5309	FTA CA-04-0122	4,845,999	4,845,999	0
4	2019	FTA Section 5310	FTA CA-2020-037	2,178,051	2,178,051	0
Total Closed Grants				\$ 60,506,195	\$ 57,593,219	\$ 2,912,976

Footnote:

¹ Remaining balance was distributed to FY 2019-20 LCTOP Metrolink Service Expansion (\$2.1 million) and Bravo! 529 Operations (\$812,976) projects.



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors
From: Laurena Weinert, Clerk of the Board
Subject: Status Report of State Legislation Enacted in 2020

Legislative and Communications Committee Meeting of October 15, 2020

Present: Directors Davies, Delgleize, Hennessey, Hernandez, and Wagner
Absent: Director Bartlett

Committee Vote

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

Staff Recommendation

Receive and file as an information item.



November 19, 2020

To: Legislative and Communications Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: Status Report of State Legislation Enacted in 2020

Overview

At the conclusion of the 2020 legislative session, 372 bills were signed into law by Governor Newsom and chaptered by the Secretary of State, while 56 bills were vetoed. A report containing an analysis of legislation relevant to the Orange County Transportation Authority is provided.

Recommendation

Receive and file as an information item.

Discussion

2020 Legislative Session Adjourns

Following the State Legislature's adjournment, the Governor had until September 30, 2020, to either sign or veto all legislation submitted to his office. Of the 428 bills sent to the Governor in 2020, 56 bills were vetoed, or 13 percent of the total number of bills presented to his office. The Governor acted on 614 fewer bills this year than last year. Due to the coronavirus (COVID-19) pandemic, the state legislative session was significantly truncated, and legislators were required to cut their legislative package to bills that needed to be addressed immediately or otherwise related to pandemic response.

The Orange County Transportation Authority (OCTA) Board of Directors (Board), legislative staff, and advocates were successful in advancing many of OCTA's interests in 2020. A detailed summary of legislation relevant to OCTA is included as Attachment A. Among the bills considered this session were the following proposals:

Status of Legislation Considered in 2020 - Bills Signed

SB 288 (Chapter 200, Statutes of 2020): California Environmental Quality Act: exemptions: transportation-related projects.

Position: Monitor

SB 288 establishes new California Environmental Quality Act (CEQA) exemptions for designated sustainable transportation projects, including pedestrian and bicycle facilities, improvements in customer information and wayfinding, transit prioritization projects, conversion of general-purpose lanes or highway shoulders to bus-only lanes, projects that increase new bus rapid transit, projects to construct or maintain infrastructure to charge or refuel zero-emission transit buses, and projects for the maintenance, repair, relocation, replacement, or removal of any utility infrastructure.

If an agency wishes to pursue an exemption under this law, they will also need to follow additional requirements, which include that the lead agency's project must not create new automobile capacity and must be located within an existing public right-of-way. If the project exceeds \$100 million, the agency must complete a business case and a racial equity analysis pursuant to standards developed by the Office of Planning and Research (OPR), or which can be delegated by OPR to a metropolitan planning organization (MPO). The project cannot demolish any affordable housing units, as defined, and must use a skilled and trained workforce or be subject to a project labor agreement. If an agency does not want to follow this process for a project, they can still choose to use the normal CEQA process. OCTA participated with other transportation stakeholders and partners to clarify provisions in SB 288 and help to mitigate any unintended consequences while ensuring the bill's usefulness. While not all amendments offered were integrated, OCTA will continue to monitor implementation and, on a case-by-case basis, determine whether the SB 288 process should be used for an eligible project instead of the normal CEQA process.

SB 1291 (Chapter 113, Statutes of 2020): Federal Statewide Transportation Improvement Program: submissions.

Position: Support

SB 1291 clarifies that MPOs and regional transportation agencies do not have to submit their regional Federal Transportation Improvement Program (FTIP) to the California Department of Transportation (Caltrans) in 2020, but instead will not be required to submit until 2022. The bill also specifies that Caltrans is not required to develop and submit the statewide FTIP documents to the Federal Highway Administration (FHWA) for approval in 2020. In both instances, the language allows flexibility for regional agencies, MPOs, and Caltrans to continue

to develop an FTIP, if needed, prior to 2022. Under SB 1291, the FTIP development schedule returns to every two years under state law, and by federal law every four years, after the one-time waiver facilitated by the bill.

The events of this year have greatly complicated the FTIP development schedule. The implementation of the Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule, a federal air quality rulemaking being finalized in two parts, created significant uncertainty at the beginning of the year. Both Part One and Part Two of the SAFE Vehicles Rule created delays across California, with MPOs working to understand the rulemaking's consequences for the FTIP development process. Even under normal circumstances, many MPOs would have been pressed to submit a regional FTIP by the statutory deadline of October 1 due to these delays. Unfortunately, the COVID-19 pandemic has only further compounded the situation. Transportation projects could be impacted if Caltrans cannot submit the statewide FTIP to FHWA by the statutory deadline on December 1. Based on a statewide consensus among MPOs across California, Caltrans plans to develop and submit the statewide FTIP to FHWA early next year. SB 1291 was necessary to ensure a one-time waiver for the FTIP development schedule to allow for the adequate planning of transportation projects during this unprecedented national emergency.

Budget Trailer Bills

Due to the impacts of COVID-19, OCTA staff worked with agencies across the state and the California Transit Association (CTA) to advocate for various regulatory and administrative relief measures in order for transit operators to continue to provide public transportation which was deemed as an essential service by the State. These relief measures included reforms providing flexibility in funding sources so that transit agencies could use them directly for operating expenses and relief from farebox and efficiency requirements that would not be met because of decreased ridership as a result of the pandemic. Moving forward, OCTA will continue to work with CTA and other stakeholders to pursue additional reforms to respond to COVID-19 impacts.

Additional Bills of Interest – Vetoed

SB 757 (Allen, D-Santa Monica): California Environmental Quality Act: environmental leadership projects: fixed guideway.

Position: Monitor

AB 900 (Chapter 354, Statutes of 2011) created the Jobs and Economic Improvement Through Environmental Leadership Act of 2011. Under this law, the Governor, by January 1, 2020, must certify projects for residential, retail, commercial, sports, cultural, entertainment, or recreational use as

Environmental Leadership Development Projects to receive the expedited judicial review procedures under CEQA. SB 757, sponsored by the Los Angeles Metropolitan Transportation Authority (LA Metro), would have expanded this shortened CEQA litigation period to fixed guideway projects so long that the project meets certain requirements including operating at zero emissions, and reducing vehicle miles traveled (VMT) and emissions in the corridor.

Although SB 757 was approved by the Legislature with bipartisan support, it contained a provision that tied its implementation to the passage of SB 995 (Atkins, D-San Diego), a bill that would have extended the sunset provision for the AB 900 process. SB 995 failed to meet its legislative deadline, and therefore, SB 757 could not be made law. In the Governor's veto message, he stated that he is supportive of efforts to accelerate transit projects that reduce greenhouse gas (GHG) emissions and VMT, but because of SB 757 implementation being contingent on SB 995 becoming law, he could not sign this bill. It is expected that a similar effort will be pursued by LA Metro next year.

SB 1351 (Beall, D-Campbell): Transportation Improvement Fee: revenue bonds.
Position: Monitor

SB 1351 would have provided authority to bond, up to \$5 billion, against future revenues generated from the SB 1 (Chapter 5, Statutes of 2017) Transportation Improvement Fee (TIF), to expedite the delivery of projects via the State Highway Operation and Protection Program (SHOPP). The rationale for bonding against future transportation revenues is that it allows the State to take advantage of currently low interest rates to expedite the delivery of transportation improvements that will create jobs during the difficult times. The bond proceeds would be used to expedite SHOPP projects, highway safety projects undertaken by Caltrans programmed in the 2020 SHOPP, as approved by the California Transportation Commission on May 13, 2020. All projects utilizing this authority would have to be environmentally cleared and have completed project design.

The Governor ultimately vetoed this legislative proposal. In his veto message, he stated that Caltrans does not need this tool to accelerate SHOPP projects because Caltrans has already increased the number of projects going to construction through project savings and other administrative actions. In addition, the veto message stated that bonding against future TIF revenues runs counter the principles in SB 1 and risks locking California into long-term debt obligations to finance maintenance repairs. It is important to note that the author of this legislation is termed out from the Legislature at the end of this year; therefore, it is uncertain if variation of this legislative proposal will be introduced in the next legislative session.

Additional Bills of Interest OCTA Supported – Failed Passage

The following bills on which OCTA took a position failed to make it to the Governor for consideration this legislative session:

ACA 13 (Obernolte, R-Big Bear): Local sales taxes: online sales.

Position: Support

ACA 13 would have authorized an initiative to be placed on the ballot to provide for a more equitable distribution of revenues provided under Bradley-Burns taxes by allowing revenues to flow to the place of distribution of goods sold, rather than point-of-sale, as current law provides. OCTA is receiving an estimated \$2-3 million less in Local Transportation Fund (LTF) revenues annually because of the way revenues are currently distributed. This revenue shortfall directly impacts OCTA's ability to provide sustained transit operations throughout the County. If ACA 13 were to have been successful, OCTA would have received a more equitable share of LTF funding, and extreme fluctuations due to the expected increase in online sales would be mitigated. ACA 13 was not heard in policy committee this session, and would have likely encountered significant opposition from local governments who benefit from the current situs rules for Bradley-Burns taxes. It is expected that this will be an issue of continued discussion as more data is available about the impact of situs rules on revenues from online purchases under Bradley-Burns.

AB 1402 (Petrie-Norris, D-Costa Mesa) and SB 152 (Beall, D-Campbell): Active Transportation Program.

Position: Sponsor/Support

OCTA co-sponsored AB 1402 with the Orange County Business Council and supported SB 152 (Beall, D-Campbell), sponsored by the Metropolitan Transportation Commission, both of which would have made reforms to the Active Transportation Program (ATP) to reduce the program's complexity and prioritize local decision-making without undermining existing policy priorities. Both AB 1402 and SB152 would have allocated 75 percent of ATP funding to large MPOs, 15 percent to the state's competitive program for small and rural areas, and ten percent in the statewide competitive program. This distribution would have provided roughly the same amount of funding most agencies are currently receiving, but with more consistency between programming cycles, allowing project sponsors to better plan for future projects. Both bills encountered opposition from local governments and regions that have been successful under the current ATP framework. In light of this opposition, neither author chose to pursue their respective bills this session.

SB 664 (Allen, D-Santa Monica): Electronic toll and transit fare collection systems.

Position: Support

Supported by OCTA and other California toll agencies, SB 664 would have clarified existing law to ensure toll operators statewide can meet interoperability requirements, enforce toll policies, and issue toll violations, without weakening existing privacy protections for the use of personally identifiable information. Without these clarifications, the operation of toll facilities within the state is still uncertain.

While SB 664 had bipartisan support with a broad coalition of support from toll operators across the state, opposition did come from various privacy groups, who often included representatives involved in litigation being pursued against toll operators within the state. Due to concerns raised by privacy committee staff at the end of 2019 legislative session, the bill was held to allow for further discussions and to take place. However, due to the COVID-19 pandemic, the discussions were placed on hold indefinitely. It is uncertain if stakeholders will seek to introduce similar legislation in the next session.

Additional Bills of Interest OCTA Opposed – Failed PassageAB 1568 (McCarty, D-Sacramento): Housing Law Compliance: State Grants

Position: Oppose

AB 1568 would have required the Department of Housing and Community Development to review any action or failure to act by a city or county that it determines is inconsistent with an adopted housing element or a specified provision of the Housing Element Law. It would have prohibited a city or county, found to be in violation of state law, from applying for a state grant, unless the eligibility of the city or county to apply is protected by the California Constitution, or the state grant funds, if awarded to the city or county, would have assisted in compliance with housing element requirements.

SB 526 (Allen, D-Santa Monica): Regional Transportation Plans: Greenhouse Gas Emissions

Position: Oppose

SB 526 would have required each MPO to submit data to the California Air Resources Board (CARB) describing how transportation funds have been spent in relation to their sustainable communities strategy and whether that spending has led to an increase or decrease in VMT. SB 526 would have also established an interagency working group, to be administered by the Strategic Growth Council, to develop and implement a State Mobility Action Plan for Health

Communities, which would have detailed various recommendations including an investment strategy to assist local governments with meeting GHG emission reduction targets. The bill would have required the working group to submit the plan to the Legislature by December 31, 2020.

While the author took many amendments to SB 526 put forward by OCTA, there was still a concern that SB 526 significantly changes the bottoms-up approach envisioned by SB 375 (Chapter 728, Statutes of 2008), which allowed regional flexibility in the meeting of the regional GHG reduction targets, and shifts the focus to project-by-project analysis and VMT reductions. Instead of pursuing this bill again in 2020, the author opted to introduce SB 1363 (Allen, D-Santa Monica).

SB 732 (Allen, D-Santa Monica): South Coast Air Quality Management District
Position: Oppose

SB 732 would have created a new taxing district, which would have facilitated the ability for the South Coast Air Quality Management District (SCAQMD) Board to impose a transactions and use tax within the boundaries of its district. The new special voting district would have covered the SCAQMD jurisdiction, which includes all of Orange County and portions of Los Angeles, Riverside, and San Bernardino Counties. SB 732 would have authorized the pursuit of a ballot initiative for a new sales tax, as high as one percent, on all purchases of tangible personal property in the district in order to fund air quality improvements. SCAQMD initially sought this authority to allow for a ballot measure in 2020; however, the COVID-19 pandemic stalled these discussions. It is expected that SCAQMD will again pursue this authority in future legislative sessions.

SB 1363 (Allen, D-Santa Monica): Regional transportation plans: sustainable communities strategies: greenhouse gas emissions and vehicle miles traveled reduction targets.

Position: Oppose Unless Amended

Similar to SB 526, SB 1363 was a continuation of the author's previous efforts to expand upon SB 375's requirements for each MPO to adopt a regional transportation plan that includes a sustainable communities strategy (SCS) that seeks to meet regional GHG emission reduction targets for 2020 and 2035. The bill would have required that MPOs meet GHG and VMT reduction targets in 2035, 2045, and 2050. Whereas the initial GHG targets for 2020 and 2035 were developed with public input, the new GHG emission and VMT reduction targets would be set by CARB, without any public input process. Under the bill, VMT reduction targets may be expressed in miles per capita, percent reduction, or another metric set by CARB. SB 1363 also would have required that MPOs submit to CARB a draft SCS at least 60 days before the MPO adopts the SCS.

In conjunction with the draft SCS, the bill would have required that the MPO also submit its forecasted development pattern and transportation projects, as supported by measurable local and regional funding. Overall, SB 1363 would have added new VMT reduction requirements to the SCS development process in a way that is inconsistent with SB 375's approach. Although this legislation was held this session because of the COVID-19 pandemic, it is expected that bills related to amending SB 375 will be introduced in the next legislative session.

AB 2011 (Holden, D-Pasadena): West San Bernardino County Rail Construction Authority and SB 1390 (Portantino, D-Glendale): Montclair to Ontario Airport Construction Authority

Position: Oppose

AB 2011 and SB 1390 would have each created a new construction authority for the purposes of extending the Metro Gold Line light rail from the City of Montclair to the Ontario International Airport. In both AB 2011 and SB 1390, the proposed board would be made up of seven voting members and one nonvoting member, with delineated powers necessary to complete the project. Although both bills are seeking the same outcome, SB 1390 went further in establishing financial parameters. Two primary differences between SB 1390 and AB 2011 were that SB 1390 identified San Bernardino County Transportation Authority's (SBCTA) local tax Measure I proceeds as a source of funding for this project and required LA Metro to operate the finished project within San Bernardino County, with operations costs to be reimbursed by SBCTA.

Nonetheless, AB 2011 and SB 1390 would have set a concerning precedent by allowing the state and certain jurisdictions to dictate local planning strategies. Furthermore, AB 2011 and SB 1390 would have been inconsistent with SBCTA's voter-approved transportation sales tax measures, such as Measure I in San Bernardino County. Due to the COVID-19 pandemic, neither bill was pursued, however, it is expected a similar proposal may be introduced again in the future.

Additional Bills of Interest OCTA Monitored – Failed Passage

Free Fare Legislation

Three bills were introduced this legislative session, which would have mandated transit agencies to provide free fares to certain groups of individuals in order to maintain eligibility for state transit funding provided through the State Transit Assistance program, Transportation Development Program (TDA), and the Low Carbon Transit Operations Program. The three groups considered this legislative session were riders who were 18 years of age or younger, over the age of 65, and college students. Over the last few years, several bills have been

proposed in the Legislature seeking to incentivize or mandate the creation of lower or free fares for youth and other groups, with the goal of generating increased ridership on transit systems and helping to meet environmental goals. Most of these efforts have focused on passes specifically for low-income individuals, and similar to legislation this year, did not identify a funding source.

Although these measures were unable to move forward due to impacts from the COVID-19 pandemic, it is expected that similar proposals will be introduced in the next legislation session seeking to implement free or reduced-fare programs. During the pandemic, agencies across the nation implemented free fare policies to mitigate the spread of COVID-19 and some transit operators are beginning to study how they can extend a free fare system outside of the pandemic. OCTA staff has engaged in conversations about how these proposals could be implemented in a manner that does not disrupt service or create issues with funding eligibility. It is also expected that a conversation will continue next year about overall reforms to the TDA and farebox recovery requirements. It is currently unclear how the free transit pass discussion will interact with or change those longstanding reform proposals.

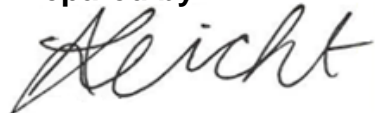
Summary

A summary report on all state legislation enacted in 2020 affecting the Orange County Transportation Authority is provided for review by the Board.

Attachment

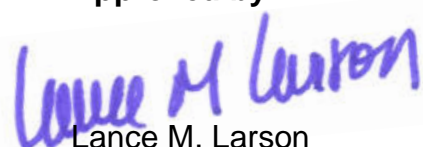
- A. Orange County Transportation Authority 2020 End of Year Legislative Report

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ORANGE COUNTY TRANSPORTATION AUTHORITY 2020 END OF YEAR LEGISLATIVE REPORT

LEGISLATION ENACTED

I. Active Transportation

AB 1286 (Muratsuchi, D-Torrance) Shared Mobility Devices: Agreements (Chapter 91, Statutes of 2020)

AB 1286 creates new requirements for a shared mobility service provider. Specifically, it requires them to enter into an agreement with the local jurisdiction that they operate within and the provider must maintain general liability insurance before distribution of the service. Under this measure, a city or county is required to adopt rules related to operation, parking, and maintenance.

OCTA Position – Monitor

Impact on OCTA: For informational purposes. It is currently unclear how these new requirements will impact the availability and use of shared mobility devices within local jurisdictions within Orange County, although any rules adopted should be monitored as such partnerships are developed.

II. Audits, Records, Reports, and Litigation

AB 992 (Mullin, D-San Mateo) Open Meetings: Local Agencies: Social Media (Chapter 89, Statutes of 2020)

AB 992 clarifies that a public official of a legislative body may communicate on social media platforms to answer questions, provide information to the public or to solicit information from the public regarding a matter within the body's subject matter jurisdiction. Previously, this type of serial communication was prohibited under the Ralph M. Brown Act (Brown Act). This exception will sunset on January 1, 2026.

OCTA Position – Monitor

Impact on OCTA: This new exception to the prohibitions in the Brown Act would allow for OCTA Board of Directors (Board) to discuss, provide information, and solicit public input through their various social media platforms regarding Board agenda items with constituents, so long as they are not directly communicating with other OCTA Board Members. A memo regarding the impacts of this legislation was sent to Board Members on October 16, 2020, from Monique L. Wardenaar, Deputy General Counsel.

**AB 2151 (Gallagher, R-Chico) Political Reform Act: Online Filing Disclosure
(Chapter 214, Statutes of 2020)**

AB 2151 requires a local governmental agency to post any campaign finance disclosure statement, filing, or other document filed with the agency on its website within 72 hours of the filing deadline. AB 2151 specifies that links to the campaign finance documents satisfy the bill's requirements. If the final day of the 72-hour period is a Saturday, Sunday, or holiday, the bill clarifies that the posting deadline is extended to the next business day. The bill also requires that a local government redact the street name and building number of the persons listed on the document before posting and posted documents must be available for at least four years.

OCTA Position – Monitor

Impact on OCTA: *AB 2151 requires that cities and counties post links to any campaign finance documents filed with the agency on its website. The bill does not expand or create new disclosure requirements, instead requiring that any currently-required documents be made available on the website of the agency with which the document is filed.*

III. Emergency Response Services

**AB 2213 (Limón, D-Santa Barbara) Office of Emergency Services: Planning Guidance
(Chapter 98, Statutes of 2020)**

AB 2213 allows local governments to utilize telephone subscriber data to identify access and function needs populations and enroll them in local emergency alert systems. The bill also allows local governments, defined as cities and counties, to enter into agreements with county social services departments to share subscriber information from existing records. AB 2213 requires that local governments notify residents of their enrollment in emergency alert systems under this authority and also requires the establishment of opt-out procedures. In addition, the bill requires that the Office of Emergency Services (OES) and California Volunteers to develop planning guidance to identify volunteers and donation management resources that could assist in responding to emergencies for inclusion in a report to the Legislature by May 1, 2022.

OCTA Position – Monitor

Impact on OCTA: *AB 2213 allows cities and the County of Orange to utilize existing subscriber information to identify access and functional needs residents for emergency alert systems, making it easier for OCTA to better identify and serve the mobility needs of these vulnerable residents, when applicable, during emergencies.*

**AB 2730 (Cervantes, D-Corona) Access and Functional Needs: Emergency Management
(Chapter 256, Statutes of 2020)**

AB 2730 allows cities and counties to enter into agreements with adjacent jurisdictions to share emergency management and transportation services during emergencies that

require the evacuation and relocation of access and functional needs populations. Once an agreement is entered, it must be integrated into the relevant emergency plan, and the resources provided under an agreement must be available 24 hours per day, seven days per week. Under AB 2730, the agreements are to be executed at the request of a jurisdiction in need, and the definition of adjacent jurisdictions are those defined by the contiguous mutual aid regions defined in current law.

OCTA Position – Monitor

Impact on OCTA: For informational purposes. AB 2730 simply authorizes jurisdictions to enter into mutual aid agreements to serve access and functional needs populations during an emergency. OCTA has entered into various mutual aid agreements, including a specific agreement to serve paratransit customers. The enacted version of AB 2730 does not contain the mandate language from a previous version of the bill that could have significantly altered OCTA's existing mutual aid agreements.

**AB 2968 (Rodriguez, D-Chino) County Emergency Plans: Best Practices
(Chapter 257, Statutes of 2020)**

AB 2968 requires that OES develop, by January 1, 2022, best practices for counties developing and updating emergency plans. As part of this effort, the EOS shall establish a process for a county to request a review of its emergency plan to determine whether it is consistent with the best practices required by this bill, whether the County's plan adequately protects vulnerable populations during natural disasters, how effectively the plan allow for communicating with, evacuating, and sheltering those affected by an emergency, and any other factors deemed necessary by OES.

OCTA Position – Monitor

Impact on OCTA: As part of Orange County's emergency preparedness planning and response efforts, the best practices and evaluation established by AB 2968 could affect the way in which OCTA provides transportation services as part of the County of Orange's emergency plan.

**AB 3267 (Smith, D-Santa Clarita) Office of Emergency Services: State Emergency Plan
(Chapter 260, Statutes of 2020)**

AB 3267 requires OES to coordinate with social service agencies, nonprofits, transportation providers, and other stakeholders from the access and functional needs population when developing the State Emergency Plan every five years. The bill also extends the timeframe for the OES to conduct an after-action report for declared disasters from 120 days to 180 days. AB 3267 clarifies that the definition of "access and functional needs population" is the same definition used by local governments developing emergency plans.

OCTA Position – Monitor

Impact on OCTA: *One of many bills on the subject of emergency preparedness for vulnerable populations, AB 3267 ensures that State Emergency Plan consider the needs of access and function needs communities in State-managed emergencies.*

IV. Employment Terms and Conditions

AB 276 (Friedman, D-Burbank) Personal Income Taxes: CARES Act (Chapter 62, Statutes of 2020)

AB 276 makes conforming amendments to state law in response to the provisions in the CARES Act allowing for qualified loans from retirement accounts. The CARES Act, the \$2.7 trillion federal stimulus package passed in March, allows individuals affected by the coronavirus (COVID-19) to make penalty-free withdrawals from qualifying retirement accounts and raises from \$50,000 to \$100,000 the limit on loans taken from retirement accounts. Without changes to state legislation, California state tax law would treat the first \$50,000 as a loan, but the additional \$50,000 would be treated as a distribution from the retirement account, subjecting that portion of the now allowable loan to state tax penalties. AB 276 clarifies that the entire \$100,000 of a qualifying loan taken from a retirement account is treated as a loan and therefore not assessed a tax penalty.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. AB 276 ensures that the tax incentives in the CARES Act benefitting those impacted by COVID-19 are not adversely impacted by state tax law.*

AB 685 (Reyes, D-San Bernardino) COVID 19: Imminent Hazard to Employees: Exposure (Chapter 84, Statutes of 2020)

AB 685 requires employers to provide written notice and instructions to employees who may have been exposed to coronavirus (COVID-19) at their worksite. This bill also gives authority to the Division of Occupational Health and Safety's (Cal/OSHA) to enforce health and safety standards in an effort to mitigate workplace exposure to and curb the spread of COVID-19. Cal/OSHA may issue a serious violation if there is a realistic possibility that death or serious physical harm could result from the actual hazard created by the violation. If an employer is unable to successfully rebut the violation, Cal/OSHA has the authority to shut down facilities affected by the violation related to COVID-19. The provisions related to this bill will sunset on January 1, 2023.

OCTA Position – Monitor

Impact on OCTA: *OCTA will need to review its processes for notifying employees of potential exposure to COVID-19 and adjust accordingly. Additionally, OCTA will need to ensure its reporting to local health officials is aligned with these provisions.*

AB 1947 (Kalra, D-San Jose) Employment violation complaints: requirements: time (Chapter 344, Statutes of 2020)

Current law prohibits an employer from retaliating against any employee because the employee engaged in certain protected conduct and allows an employee to file a complaint with the Division of Labor Standards of Enforcement within six months. AB 1947 extends this filing period to one year. It also authorizes the court to award reasonable attorney's fees if the employee plaintiff is successful.

OCTA Position – Monitor

Impact on OCTA: *This bill will require OCTA to revise policies as appropriate to include this extension for filing a complaint regarding retaliation. It should be noted that a similar bill, vetoed in the 2019 legislative session, would have made this extension two years.*

AB 2017 (Mullin, D-San Mateo) Employee: Sick Leave: Kin Care (Chapter 211, Statutes of 2020)

AB 2017 clarifies in statute that employees have the sole discretion to designate their accrued sick leave as personal or kin care for the purpose of diagnosis, care, or treatment of their family member's health condition or for obtaining relief if the employee is a victim of domestic violence, sexual assault, or stalking.

OCTA Position – Monitor

Impact on OCTA: *This bill will require OCTA to revise policies as appropriate to include updated language and definitions as it pertains to sick leave.*

AB 2141 (Mathis, R-Visalia) Department of Motor Vehicles (Chapter 47, Statutes of 2020)

AB 2141 authorizes the Department of Motor Vehicles (DMV) to exempt qualifying veterans from certain commercial driver's license (CDL) tests. The bill allows the DMV to waive the CDL knowledge test for veterans with equivalent military training. AB 2141 authorizes the DMV to waive for specialized knowledge tests for transporting passengers, operating tank vehicles, and transporting hazardous materials. In addition, the bill strikes from state law the policy statement prohibiting the waiver of fees for veterans obtaining CDLs, although the bill does not mandate that such fees be waived.

OCTA Position – Monitor

Impact on OCTA: *These DMV flexibilities make it easier for veterans to obtain their CDL, potentially expediting the hiring of veterans with military training as coach operators. The waiver of the CDL knowledge test supplements the authority in current DMV regulations that allows for the waiving of the CDL driving test.*

AB 2143 (Stone, D-Santa Cruz) Settlement Agreements: Employment Disputes (Chapter 73, Statutes of 2020)

Existing law largely prohibits employers from using a no rehire clause in settlement agreements. However, existing law provides for an exception to allow employers to include a no rehire clause in settlement agreements with an employee who engaged in sexual harassment or assault. AB 2143 clarifies that this exception is expanded to include criminal conduct generally, so long the complaint was documented in good faith.

OCTA Position – Monitor

Impact on OCTA: *This bill will require OCTA to revise policies as appropriate to include this new exception for the use of a no rehire clause in settlement agreements.*

AB 2257 (Gonzalez, D-San Diego) Worker Classification: Employees and Independent Contractors: Professional Services (Chapter 38, Statutes of 2020)

AB 2257 clarifies the exemptions to AB 5 (Chapter 296, Statutes of 2019), legislation enacted last year to codify the *Dynamex Operations West, Inc. v. Superior Court of Los Angeles* court decision that created a new legal test to determine whether a worker is classified as an employee or an independent contractor. AB 2257 clarifies exemptions for personal services, specifically adding performing artists and other creative services, appraisers, translators, and foresters, among others, to the list of professions exempted from AB 5. In addition, the bill provides exemptions for referrals arrangements, medical groups, and other qualifying private sector business relationships. For entities receiving exemptions, the bill clarifies that the legal test to determine whether the worker is an employee or an independent contractor shall be the three-part legal test in *S. G. Borello & Sons, Inc. v. Department of Industrial Relations*, the court case supplanted by the *Dynamex* decision codified by AB 5.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. While there is still uncertainty about AB 5's application to certain arrangements with public agencies, this bill exemplifies how various industries continue to advocate for further legislative clarification to this controversial policy area, namely via exemptions for certain industries and businesses arrangements. Staff will continue to monitor future policy changes might affect OCTA's classification of its multitude of professional workers and contracts*

AB 2399 (Committee on Insurance) Paid family leave: qualifying exigency (Chapter 348, Statutes of 2020)

AB 2399 makes clarifications in order to implement the expansion of the Paid Family Leave (PFL) program created by SB 1123 (Statutes of 2018, Chapter 849), which expanded the PFL program to include covered leave for family members of military members who are deployed. Specifically, AB 2399 makes technical changes to revise the definition of "care recipient" to specify that the term includes the military member, child or

parent of the military member, who is receiving assistance, or the employee who is participating in a qualifying exigency.

OCTA Position – Monitor

Impact on OCTA: *This bill will require OCTA to revise policies as appropriate to include updated language and definitions.*

**AB 2850 (Low, D-Cupertino) San Francisco Bay Area Rapid Transit District
(Chapter 293, Statutes of 2020)**

AB 2850 designates the Public Employment Relations Board as having jurisdiction over disputes between Bay Area Rapid Transit (BART) and its employees' exclusive representatives, except in situations related to damages as a result of an unlawful strike. To govern these relations, this legislation also borrows language from the Meyers-Milias Brown Act (MMBA) to make conforming changes, which includes communications with an exclusive representative, prohibitions on engaging in respective unlawful labor conduct, and employee access to information. The intention was to not make BART subject to the entirety of the MMBA except for in ways in which it created conformity and consistency.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**AB 2967 (O'Donnell, D-Long Beach) Public Employees Retirement System:
Contracting
(Chapter 223, Statutes of 2020)**

AB 2967 prohibits local agencies contracting with California Public Employees Retirement System (CalPERS) from using the contract amendment process to exclude groups of employees who were previously under that contract. These provisions are to apply to contracts entered into, amended, or extended after January 1, 2021.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. It should be noted that a coalition consisting of the League of California Cities, the California Special Districts Association, and the California State Association of Counties opposed this measure because they claim it prevents cities, special districts, and counties from exploring novel and innovative operational structures in the future, especially during the COVID-19 pandemic where local governments are struggling to manage their operations.*

**AB 2992 (Weber, D-San Diego) Employment Practices: Leave Time
(Chapter 224, Statutes of 2020)**

Under existing law, leave protections are guaranteed for an employee who is a victim of domestic violence, sexual assault, or stalking. AB 2992 expands these leave protections to an employee who is a victim of a crime and to an employee whose immediate family

member is deceased as a direct result of a crime, as defined. A crime under this legislation is defined as a crime or public offense, wherever it may take place, that would constitute a misdemeanor or a felony if the crime had been committed in California by a competent adult.

OCTA Position – Monitor

Impact on OCTA: *This bill will require OCTA to revise policies as appropriate to include updated language and definitions as it pertains to leave.*

SB 1159 (Hill, D-San Mateo) Workers Compensation: Coronavirus: Critical Workers (Chapter 85, Statutes of 2020)

SB 1159 establishes a rebuttable presumption that illness or death related to COVID-19 is an occupational injury. Beyond codifying the Governor's Executive Order (N-62-20), which created this rebuttable presumption for essential workers, this bill extends these benefits for all workers provided that the injury occurs 14 days after the last day worked at the place of employment. It additionally establishes a presumption of injury if an outbreak takes place at the place of employment. An outbreak for employers with more than 100 employees is triggered when five percent or more of the employees who worked at a specific work location contracted the disease within a 14-day period. This bill will sunset on January 1, 2023.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *The provisions of this law take effect immediately. Since this bill has become law, staff have been working to interpret the provisions of these requirements to ensure consistency with existing practices.*

SB 1383 (Jackson, D-Santa Barbara) Unlawful Employment Practice: Family Rights Act (Chapter 86, Statutes of 2020)

SB 1383, until January 1, 2021, requires an employer with five or more employees to allow employees to use 12 weeks of unpaid, job-protected leave to care for a domestic partner, grandparent, grandchild, sibling, or parent-in-law who has a serious health condition.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

V. Environment

AB 639 (Cervantes, D-Corona) Port Automation and Climate Change (Chapter 224, Statutes of 2020)

AB 639 establishes a stakeholder process to develop recommendations on the most effective ways to implement policies to mitigate the employment impacts of automation and transitioning seaports to low emission workplaces at the Ports of Los Angeles and Long Beach. This will be overseen by the Labor Workforce Development Agency and the California Workforce Investment Board, with an industry panel that includes representatives from employee unions who represent marine cargo handlers at the Ports, representatives of marine cargo handler employees at the Ports, the Executive Director of both Ports, a member appointed by the Speaker, and a member appointed by the Senate Committee on Rules. This panel must meet within 90 days of being funded by the Legislature, which is yet to be realized, and is required to invite stakeholders and experts to participate in the process. The University of California Los Angeles Labor Center will be commissioned as expert research and testimony. The process must be completed by July 1, 2023, along with the issuance of any findings. On or before December 31, 2022, the California Workforce Development Board must provide an update on activities pursued in response to these findings and recommendation to the Joint Legislative Committee on Climate Change Policies. These requirements will sunset on January 1, 2024.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

AB 2731 (Gloria, D-San Diego) California Environmental Quality Act: San Diego (Chapter 291, Statutes of 2020)

AB 2731 authorizes the San Diego Association of Governments (SANDAG) to obtain site control from the United States Navy (Navy) to support the redevelopment of the 70.5-acre Naval Base Point Loma Old Town Center, including the possible development of a multimodal transportation Central Mobility Hub to serve as a connection to link regional transit to the San Diego International Airport. These redevelopment efforts are intended to streamline the construction process of the multimodal regional transportation system through expedited administrative and judicial review procedures under the California Environmental Quality Act (CEQA). Specifically, this bill provides that the environmental impact statement (EIS) prepared by the Navy pursuant to National Environmental Policy Act (NEPA) for transit-oriented development (TOD) on the Old Town Center site may be used in lieu of an environmental impact report under CEQA if the TOD projects and the EIS meet specific environmental and labor requirements. Additionally, the courts are to resolve lawsuits within 270 business days of certification of the record of proceedings, to the extent feasible. These provisions will be repealed on January 1, 2025, if SANDAG fails to certify an environmental impact report.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. Although this has no immediate impacts to OCTA, it is important to continue to monitor the ways CEQA is being amended to streamline projects throughout the state.*

**AB 2800 (Quirk, D-Hayward) Climate Safe Infrastructure Working Group
(Chapter 118, Statutes of 2020)**

Under current law, the Climate-Safe Infrastructure Working Group is composed of scientists, engineers, and architects and was created to examine how to best integrate climate information with the state's infrastructure design, planning and implementation. A five-year infrastructure plan is incorporated in the State's budget process in order to outline the State's infrastructure investments strategies. This working group released their report, *Paying it Forward: The Path Toward Climate-Safe Infrastructure in California*, in 2018. The requirements under this section for the working group were set to sunset on July 1, 2020. AB 2800 removes the sunset date for the working group to make recommendations to the Legislature and instead extends the provisions indefinitely, upon available funding. Additionally, under current law, the working group's goal is to build upon existing information produced by the state, including information from the most recent California Climate Change Assessment and the State of California Sea-Level Rise Guidance Document. This legislation adds the five-year infrastructure plan as an additional item for the working group to consider.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. As the State continues to invest in strategies to mitigate impacts from climate change, OCTA may want to review the report produced by this working group and potentially incorporate any recommendations.*

**SB 288 (Wiener, D-San Francisco) CEQA: Exemptions: Transportation Related Projects
(Chapter 200, Statutes of 2020)**

SB 288 establishes new CEQA exemptions for designated sustainable transportation projects, including pedestrian and bicycle facilities, improvements in customer information and wayfinding, transit prioritization projects, conversion of general-purpose lanes or highway shoulders to bus-only lanes, projects that increase of new bus rapid transit, projects to construct or maintain infrastructure to charge or refuel zero-emission transit buses, and projects for the maintenance, repair, relocation, replacement, or removal of any utility infrastructure. To pursue these new exemptions, the project must not create new automobile capacity and must be located within an existing public right-of-way. If the project exceeds \$100 million, the agency must complete a business case and a racial equity analysis pursuant to standards developed by the Office of Planning and Research (OPR), or a metropolitan planning organization (MPO) if OPR delegates the authority. The project cannot demolish any affordable housing units, as defined, and must use a skilled and trained workforce or be subject to a project labor agreement.

OCTA Position – Monitor

Impact on OCTA: *This legislation will allow for OCTA to utilize new CEQA exemptions to assist in streamlining sustainable transportation projects, if it chooses to do so. Specifically, OCTA may benefit from the provision that exempts construction or maintenance of infrastructure to charge or refuel zero-emission transit buses from CEQA. However, OCTA will want to weigh both the benefits and the drawbacks of using these exemptions compared to the normal CEQA process because additional requirements outlined in this legislation may create unknown issues, pending how guidelines are developed by OPR.*

SB 895 (Archuleta, D-Norwalk) Energy: Zero-Emission Fuel, Infrastructure Technologies

(Chapter 120, Statutes of 2020)

SB 895 requires the California Energy Commission (CEC), within the limits of available funds, to provide technical assistance and support for the development of zero-emission fuels, zero-emission fueling infrastructure, and zero-emission fuel transportation technologies. This can be through commissioned research, development, or demonstration programs.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. As OCTA moves toward transitioning its bus fleet to zero-emission buses, it could be useful to engage with the research, programs, and development created by the CEC.*

SB 1320 (Stern, D-Calabasas) Climate Change: State Climate Change Assessment

(Chapter 136, Statutes of 2020)

Upon appropriation of funds, SB 1320 requires OPR to develop the California Climate Change Assessment in coordination with the Natural Resources Agency, the State Energy Resources Conservation and Development Commission, the Strategic Growth Council, and in consultation with partner public agencies designated by OPR. OPR may also contract with outside entities, including public universities, research institutions, organizations that serve vulnerable communities, and other technical experts to produce the assessment. This assessment must be done every five years and will include a suite of products that address the impacts and risks of climate change. Specifically, the products could include, but are not limited to, climate projections, research reports on costs and benefits or climate adaptation responses, regionally-specific reports, reports on environmental justice considerations, decision-support tools, and examples of best practices for planning for future climate conditions. OPR is to engage with regional and local governments, tribes, vulnerable communities, businesses, and members of the public, as necessary, in determining the scope of the assessment. After the assessment is completed, OPR will work with the Department of Finance to determine the liabilities of the contents and the application of the assessment will have in the state budget, and to regional and local governments, tribes, and vulnerable communities.

OCTA Position – Monitor

Impact on OCTA: *As a public agency, OCTA may have an opportunity to engage in this process. The tools developed through this assessment may assist in mitigating the impacts from climate change as well as efforts related to resiliency and adaptation, but could also add potential costs to projects moving forward.*

VI. Funding

SB 998 (Moorlach, R-Costa Mesa) Local Government: Investments (Chapter 235, Statutes of 2020)

SB 998 expands the investment options for local agencies. Specifically, the bill increases the maximum allowable amount of commercial paper that cities and special districts can hold from the 25 percent limit in current law to 40 percent until that provision's expiration on January 1, 2026. The bill also includes language limiting agencies from investing more than ten percent of their commercial paper and medium-term investments in any single issuer to encourage diversification. In addition, SB 998 allows joint powers authorities to participate in pool shares, pursuant to the terms and conditions in federal law.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

SB 1349 (Glazer, D-Orinda) Transactions and Use Taxes: County of Contra Costa (Chapter 369, Statutes of 2020)

SB 1349 permits Contra Costa County, and cities within Contra Costa County, additional flexibility to impose local transactions and use taxes. Specifically, the bill clarifies that the current half-percent tax imposed by BART, as well as taxes imposed under the existing statutory authority provided to the Contra Costa County Transportation Authority, do not count against the two percent regional transaction and use tax cap in Contra Costa County.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

VII. Planning

AB 1426 (Boerner Horvath, D-Carlsbad) Public Resources: San Onofre State Beach (Chapter 168, Statutes of 2020)

AB 1426 codifies settlement agreements entered into by the Foothill/Eastern Transportation Corridor Agency, with the California Department of Transportation, various environmental groups, California Attorney General, the California Natural Resources Agency, and others. These agreements included provisions restricting construction of a road through the avoidance area, as defined in the settlement agreement, which includes San Onofre State Beach and the Richard H. and Donna O'Neill Conservancy (Conservancy). Specifically, AB 1426 prohibits the construction, funding, or operating a major thoroughfare within the area around and in San Onofre State Beach or the

Conservancy, except in certain situations, including a widening of Interstate 5 undertaken by the California Department of Transportation (Caltrans).

OCTA Position – Monitor

Impact on OCTA: *In future planning efforts, OCTA must maintain compliance with prohibitions of construction within and around the areas of San Onofre State Beach and the Conservancy.*

AB 2172 (Petrie-Norris, D-Newport) State Highways: Route 133: Relinquishment (Chapter 126, Statutes of 2020)

AB 2172 authorizes the California Transportation Commission (CTC) to relinquish the portion of State Route 133 (SR-133) between the Pacific Coast Highway and El Toro Road to the City of Laguna Beach, pursuant to the terms and conditions approved by the CTC. Under the bill, the CTC must determine that the relinquishment is in the best interest of the State, and the bill requires that the relinquishment be conditioned on Caltrans and the City of Laguna Beach entering into an agreement. AB 2172 clarifies that the relinquishment is effective upon the date that the relinquishment resolution, with the CTC's terms and conditions, is recorded with the county recorder. Once recorded, the relinquished portion of SR-133 shall cease to be a state highway, and under the bill, the City of Laguna is required to ensure the continuity of traffic flow on the relinquished portion of SR-133, including any traffic signal progression and signage directing motorists to the continuation of SR-133.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

AB 2345 (Gonzalez, D-San Diego) Planning Zoning: Density Bonuses: Affordable Housing (Chapter 197, Statutes of 2020)

AB 2345 expands density bonus provisions in state law in an effort to help alleviate the State's housing shortage. The changes mirror those enacted by the City of San Diego. AB 2345 clarifies that, for purposes of the density bonus law, a "major transit stop" is defined using the existing statutory definition of major transit stops in the applicable regional transportation plan, including the transit stop's parking lot or structure. AB 2345 provides that rental developments with 100 percent affordable housing and within one-half mile of a major transit stop must not, if requested by the developer, city, or county, exceed half of a parking space per unit. AB 2345 also requires cities and counties to grant density bonuses to developments including a certain percentage of low-income housing, based on a formula that factors in the number of low-income units and the types of incentives utilized with the development. The bill also allows localities to adopt generous density bonus ordinances.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. AB 2345 was one of the many of land-use policy changes the Legislature is pursuing to encourage housing production, specifically by encouraging increased housing development near transit in an effort to boost ridership.*

**SB 146 (Beall, D-Campbell) Regional Transportation Plans: Procedural Requirements
(Chapter 117, Statutes of 2020)**

SB 146 changes the public outreach requirements for regional planning agencies developing a Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) in order to facilitate effective public outreach during the unprecedented coronavirus (COVID-19) pandemic. SB 146 allows agencies to use telephonic and electronic communication platforms to conduct public engagement when developing an RTP/SCS. Specifically, the bill recharacterizes "workshops" as "public engagement gatherings" to allow for electronic and telephonic outreach options without violating the public participation provisions of the Brown Act or the other substantive planning requirements in current law. These outreach flexibilities sunset on January 1, 2023.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. SB 146 is limited to an RTP/SCS developed before January 1, 2023. Since the Southern California Association of Governments (SCAG) just finalized its latest RTP/SCS, these specific flexibilities will not be utilized in the SCAG region. That said, these flexibilities may be extended, or similar flexibilities may need to be pursued, should the COVID-19 pandemic affect RTP/SCS outreach efforts in 2023 or beyond.*

**SB 1291 (Senate Transportation Committee) Federal Statewide Transportation Improvement Program
(Chapter 113, Statutes of 2020)**

SB 1291 provides flexibility in the Federal Transportation Improvement Program (FTIP) submittal process so that the unprecedented events of this year, specifically a change to federal air quality conformity requirements and the COVID-19 pandemic, do not put the delivery of transportation projects at risk. Current state statute requires that regional transportation agencies, MPOs, and Caltrans develop and submit an FTIP, which lists regionally-significant projects requiring federal funding or approval, to the federal government every two years. While state law requires the adoption of an FTIP every two years, federal law only requires that the FTIP be adopted every four years. SB 1291 specifies that an FTIP is not required in 2020. After this one-time change to the FTIP schedule, the normal biennial submittal process required by state law will resume.

Urgency Bill – Effective Immediately

OCTA Position – Support.

Impact on OCTA: *SB 1291 ensures that delays in FTIP submittals resulting from COVID-19 do not interrupt or otherwise affect the delivery of planned mobility*

improvements in Orange County. Without this bill, a significant FTIP submittal delay in any part of the State could have held up the statewide FTIP submittal by Caltrans, potentially threatening the delivery of projects in Orange County.

VIII. Public Works

AB 2210 (Aguiar-Curry, D-Davis) Contractors: Violations: Disciplinary Actions (Chapter 128, Statutes of 2020)

AB 2210 expands the authority of the Contractors State License Board (CSLB) to take disciplinary action against tree-service contractors. Specifically, the bill makes any violation of the Labor Code a cause for disciplinary action, regardless of whether death or serious injury results. The bill also clarifies that the Division of Occupational Safety and Health must properly register and transmit the Labor Code violation to the CSLB. In addition, the bill expands from 180 days to 18 months the time that the CSLB has to bring a disciplinary action against a contractor.

OCTA Position – Monitor

Impact on OCTA: For informational purposes. Since contractors working on infrastructure projects must be registered with the CSLB, this bill expands the circumstances under which certain tree-service contractors may face disciplinary action for violations of the Labor Code, regardless of whether an injury occurred.

AB 2231 (Kalra, D-San Jose) Public Works (Chapter 346, Statutes of 2020)

AB 2231 defines what constitutes a “de minimis” public subsidy for purposes of triggering public works regulations, including requirements related to the use of a skilled and trained workforce and payment of prevailing wage. Generally, for most projects, a “de minimis” public subsidy would be defined as both less than \$600,000 and less than two percent of the total project cost. If the subsidy is for a residential project, the subsidy is de minimis so long as it is less than two percent of the total project cost. These provisions do not apply to a project that was advertised for bid, or a contract that was awarded, before July 1, 2021.

OCTA Position – Monitor

Impact on OCTA: Under this new definition of de minimis, any project utilizing public funds that meets these thresholds will be subject to complying with the requirements outlined in statute pertaining to public works. This could result in increased costs and regulatory requirements on any given project.

AB 2311 (Low, D-Cupertino) Public Contracts: Skilled and Trained Workforce (Chapter 347, Statutes of 2020)

When a skilled and trained workforce is required on a project, AB 2311 requires a public entity to disclose a notice in all of its contracts and documents that the project is subject to a skilled and trained workforce. If the public entity fails to provide this notice, it does

not excuse them from the use of a skilled and trained workforce. The intention of this legislation is to encourage more compliance of the skilled and trained workforce requirement.

OCTA Position – Monitor

Impact on OCTA: *OCTA will be required to disclose this notice in any contracts whereby the project is subject to a skilled and trained workforce.*

SB 588 (Archuleta, D-Norwalk) Public Contracts: Disabled Veteran Business Enterprises

(Chapter 80, Statutes of 2020)

SB 588 requires state agencies to withhold a portion of the final payment on a state-awarded contract until the prime contractor has certified that the requirements of the Disabled Veteran Business Enterprise (DVBE) Program have been fulfilled. Specifically, the bill authorizes the state contracting agency to withhold up to \$10,000 from the final payment until the prime contractor has certified that the DVBE subcontractors have been paid. SB 588 gives a prime contractor at least 15 calendar days to cure the DVBE defect. In addition, the bill requires that the Legislative Analyst's Office undertake a complete assessment of the DVBE program by January 1, 2024.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

IX. State Budget

AB 78 (Committee on Budget) Bergeson Peace Infrastructure and Economic Development

(Chapter 10, Statutes of 2020)

AB 78, a budget trailer bill, establishes the Climate Catalyst Revolving Loan Fund (Climate Catalyst Fund) within the State Treasury to receive funding from private sources and non-government entities to help fund and finance eligible projects. The Climate Catalyst Fund was originally proposed in the Governor's January Budget proposal as a state-funded program, but as part of the budget agreement is now dependent on private funding and future appropriations. The Strategic Growth Council and Labor and Workforce Development Agency are to identify potential eligible categories of projects, with the aim to further the state's climate goals, activities that reduce climate risk, and the implementation of low-carbon technology and infrastructure.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. OCTA will actively monitor implementation of these provisions to determine whether OCTA could become eligible for funding*

pursuant to the Climate Catalyst Fund, especially as it pertains to implementation of low-carbon technology and infrastructure.

**AB 83 (Assembly Budget Committee) Housing Provisions
(Chapter 15, Statutes of 2020)**

AB 83, the housing trailer bill, builds on the homelessness funding provided in last year's budget by providing \$300 million for a second round of Homeless Housing, Assistance, and Prevention Program funding, consistent with the requirements of AB 101 (Chapter 159, Statutes of 2019). Of this funding, \$130 is distributed to cities with a population over 300,000, \$90 million to Continuums of Care, and \$80 for counties. AB 83 also extends until January 31, 2021, the deadline that a jurisdiction may request an allocation of funds for the Regional Housing Needs Allocation (RHNA) planning grants provided to cities and counties provided in last year's housing trailer bill. AB 83 provides a temporary CEQA exemption for qualifying projects as part of Project Room Key, the State's acquisition of hotel rooms for the unhoused at-risk of contracting COVID-19. Finally, the bill extends the long-term affordable housing requirements on committed assistance programs for localities as part of their RHNA efforts, specifically requiring that the affordable units be available for 55 years. In addition, AB 83 allows the conversion of certain motels, hotels, and mobile home parks in response to COVID-19 to count as part of a committed assistance program, pursuant to the conditions in the bill.

Urgency Bill – Effective Immediately.

OCTA Position – Monitor

Impact on OCTA: For informational purposes. AB 83 demonstrates the Legislature's commitment to addressing housing and homelessness during the COVID-19 pandemic, despite the limits on bill loads.

**AB 84 (Committee on Budget) Public employment and retirement
(Chapter 26, Statutes of 2020)**

This trailer bill, among other things, requires state employees during FY 2020-21 to participate in the Personal Leave Program (PLP), which mandates state employees to receive a pay reduction of no more than ten percent. For state employees not subject to the PLP, the Department of Human Resources will adopt a plan for those employees to be furloughed for two workdays per calendar month until June 30, 2021. Other primary components of AB 84 include changes related to the California State Teachers' Retirement System and CalPERS in order to mitigate the budget deficit incurred due to the COVID-19 pandemic.

OCTA Position – Monitor

Impact on OCTA: For informational purposes. OCTA staff continue to monitor discussions related to the PLP and how they affect state functions.

AB 89 (Committee on Budget) Budget Act

(Chapter 7, Statutes of 2020)

AB 89 provides \$147.8 billion in total General Fund expenditures for fiscal year (FY) 2020-21. The state budget assumes a \$54 billion deficit, stemming from an approximate 22 percent decrease in revenues projected in FY 2020-21, combined with proposed emergency spending to protect residents of California from the COVID-19 pandemic.

For FY 2020-21, the state budget proposes General Fund revenues of approximately \$139.8 billion, which is an almost a \$17 billion decrease from the January budget proposal, and estimates General Fund expenditures at \$143 billion, which is approximately \$10 billion less the January estimate. Additionally, the state budget will draw down \$7.8 billion from the State's Budget Stabilization Account/Rainy Day Fund to address the deficit resulting from the COVID-19 pandemic. Without an agreement from the federal government on COVID-19 relief spending, the state's budget will be forced to withdraw an additional \$9.6 billion from the state's Budget Stabilization Account/Rainy Day Fund, \$1.6 billion from a special fund for economic uncertainties, and \$900 million from the safety net reserve fund in order to balance the budget.

*Urgency Bill – Effective Immediately***OCTA Position – Monitor**

Impact on OCTA: AB 89 reflects a significant decrease in state transit funding going forward. In total, the state budget anticipates \$678.9 million in State Transit Assistance (STA) funding for FY 2019-20, where Orange County's share would be \$36.3 million. For FY 2020-21, a decrease of more than \$283 million in STA funding is projected, compared to January estimates. Based on these updated figures, Orange County is expected to receive \$22 million in STA funding in FY 2020-21, which is approximately 40 percent less than what was projected in January.

OCTA also receives funding from the State of Good Repair (SOGR) program via the STA formula. Funded via the Transportation Improvement Fee, the state budget projects these revenues being held steady moving forward, with an estimated \$108.9 million being available in FY 2019-20 and \$114.6 million in FY 2020-21. Orange County is estimated to receive \$5.8 million in FY 2019-20 and \$6.2 million in FY 2020-21.

**AB 90 (Committee on Budget) Transportation Provisions
(Chapter 17, Statutes of 2020)**

AB 90 serves as the primary budget trailer bill related to transportation and makes various regulatory changes to provide relief to transit agencies across the state as they cope and recover from the effects of the COVID-19 pandemic. Specifically, AB 90 instituted a hold harmless provision for calculation and allocation of the STA Program, SOGR, and LCTOP allocations. Such formula programs are based 50 percent on the revenues for each transit agency. For the next two years, the formulas will use the revenue amounts each transit agency reported prior to the COVID-19 pandemic. It further prevented any financial penalty to be imposed on a transit operator that is unable to meet its farebox recovery requirement until January 1, 2022. For FY 2020-21 and 2021-22, this legislation

exempts a transit operator from meeting STA efficiency standards, with each agency able to utilize funding for either operating or capital purposes. Separately, it also required retailers of aircraft jet fuel to report quarterly to the California Department of Tax and Fee Administration (CDTFA) on their sales of aircraft jet fuel. Such data will allow the CDTFA to better communicate the State and local taxing jurisdiction compliance with Federal Aviation Administration regulatory requirements that sales tax proceeds from aviation fuel be used for the benefit of airports. Finally, it also delayed the adoption of the California High Speed Rail Authority's (CHSRA) Business Plan until December 15, 2020, instead of its intended adoption date of June 25, 2020.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: With more flexibility in using state transit funding, OCTA has been able to utilize these regulatory relief measures to continue to provide transit service. Specifically, OCTA will not need to meet the 20 percent farebox recovery requirement or the efficiency criteria as required in the Transportation Development Act (TDA) due to COVID-19 impacts, but will not be subject to any withholding of funds. Furthermore, this legislation will assist in staving off long-term disruption of future STA formula distribution by maintaining the ridership numbers prior to the COVID-19 pandemic. The benefits of these provisions should be documented by staff in order to analyze the need for a possible extension of such, especially as conversations regarding potential changes to the TDA continue. Staff also continue to monitor the progress of the CHSRA and will analyze the final business plan when it is adopted in December 2020.

**AB 92 (Committee on Budget) Public Resources: Omnibus Trailer Bill
(Chapter 18, Statutes of 2020)**

AB 92 is an omnibus trailer bill related to implementing the resources and environmental protection budget allocations. Specifically of interest to OCTA, it authorizes the State Water Resources Control Board (SWRCB) to issue a certificate or statement before completion of an environmental review. Under the federal law known as the Clean Water Act, a 401 certification must be issued to prove that a project's activity will not result in any discharge into waters of the United States. This flexibility will be helpful in instances where the SWRCB determines that waiting until completion of the environmental review would mean that the review poses a substantial risk to the waiver of the state's certification authority under federal water quality control laws.

OCTA Position – Monitor

Impact on OCTA: For OCTA projects needing this certification, this legislation could mitigate a potential risk to the waiver within the state's certification authority. This permitting regulatory measure could result in less time delays on projects.

**AB 103 (Committee on Budget) Unemployment Compensation Benefits:
Coronavirus**

(Chapter 22, Statutes of 2020)

AB 103 is a budget trailer bill that was necessary to provide flexibility and implement actions related to the new federal funding sources for administering unemployment compensation benefits specifically as a result of COVID-19. It ensures that a tax-rated employer does not have its reserve account charged for these unemployment compensation benefits paid to the unemployed individual. This will sunset on January 1, 2021. This legislation also allowed the State to utilize the Federal-State Extended Benefit program to provide up to 20 weeks of total unemployment insurance, funded 100 percent by the federal government.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**AB 107 (Committee on Budget) State Government
(Chapter 264, Statutes of 2020)**

AB 107 was an end of session trailer bill, which included additional provisions related to transportation. Specifically, AB 107 provides temporary flexibility in the use of SB 1 (Chapter 5, Statutes of 2017) SOGR program funds, allowing a transit agency to expend funds apportioned for the 2019-20 to 2021-22 fiscal years on operating or capital costs to maintain transit service. Separately, this legislation extends the sunset date, from January 1, 2021 to January 1, 2022, for the California Secretary of Transportation's authority to assume responsibilities under NEPA for any railroad, public transportation, or multimodal project. This authority is specifically being used for the California High-Speed Rail project.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *This regulatory relief will allow OCTA to use SB 1 SGR funds for operations purposes if the Board makes certain findings. Currently, these dollars are already programmed for different purposes. Pending guidance from Caltrans, OCTA will be able to use this flexibility moving forward. Typically, OCTA typically receives between approximately \$5 and \$6 million in SGR funding each year.*

**SB 89 (Committee on Budget and Fiscal Review) Budget Act
(Chapter 2, Statutes of 2020)**

SB 89 made changes to the Budget Act of 2019 in response to the Governor's March 4, 2020 proclamation of a state of emergency due to COVID-19. In particular, this bill allowed the Governor to withdraw up to \$1 million in General Fund dollars to provide immediate assistance related to the impacts of COVID-19. Expenditures included the procurement of personal protective equipment and equipment, travel trailers and hotel beds for immediate homeless housing, leases for hospital facilities, and more.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**SB 115 (Committee on Budget and Fiscal Review) Budget Act
(Chapter 40, Statutes of 2020)**

Due to the everchanging nature of the COVID-19 pandemic, the State Legislature utilized SB 115 as the vehicle to amend the 2020 Budget Act to better align with evolving needs. SB 115 makes a variety of changes related to education, health and human services, public safety, and higher education. There were also a variety of technical changes made. Specifically, this bill appropriates \$624.7 million above the 2020 Budget Act, of which \$166 million is from the General Fund.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

X. Other Legislation

**AB 841 (Ting, D-San Francisco) Energy Efficiency Programs
(Chapter 372, Statutes of 2020)**

Under existing law, the California Public Utilities Commission (CPUC) instructs electrical corporations to file applications for programs and investments to accelerate widespread transportation electrification. Accordingly, AB 841 mandates the CPUC to issue decisions by March 1, 2021, on two pending investor-owned utility transportation electrification infrastructure applications. This was mandated in statute to encourage a timely adoption or rejection of these decisions. Additionally, it requires the CPUC to extend its previous approvals of transportation electrification programs and investments. As it pertains to the future of these applications, this legislation will require 35 percent of the electric vehicle (EV) charging infrastructure investments to be located in underserved communities. It also includes a mandate to ensure that the infrastructure needed to charge EVs is treated the same as other distribution infrastructure in the electrical corporation's general rate case. Under this legislation, residential service facilities can upgrade costs incurred as a result of the adoption of home-based EV charging that exceed the utility's tariff allowances. For all EV charging infrastructure and equipment that is funded or authorized by state entities, AB 841 requires they be installed by a contractor who holds an Electric Vehicle Infrastructure Training Program (EVITP) certification. The California Energy Commission will conduct joint public workshops to determine if the EVITP curriculum should be modified.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. As the state moves toward transitioning to zero-emission technology for passenger vehicles, staff will continue to monitor and inform the process of investing in EV infrastructure.*

**AB 2038 (Assembly Transportation Committee) Transportation: Omnibus Bill
(Chapter 70, Statutes of 2020)**

AB 2038 serves as the transportation omnibus bill and makes several non-substantive changes to current statute. These minor changes include making the terminology consistent for parking offenses, removing a since completed reporting requirement for the California Highway Patrol medical dispatch training program, and removing provisions related to an obsolete two-year pilot program for emergency road service organization from 1992.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**AB 2285 (Assembly Transportation Committee) Transportation
(Chapter 100, Statutes of 2020)**

AB 2285 is a transportation omnibus bill that makes noncontroversial changes to transportation-related statutes. This legislation expands the requirement for a person driving a vehicle to slow down or move over for certain stationary vehicles flashing emergency lights to also on local streets and roads, not only freeways. It also extends the pilot program for alternative license plates and vehicle registrations until January 1, 2023. Furthermore, this bill extends the requirement for the California Air Resources Board (CARB) to dedicate 20 percent of California Clean Truck, Bus, and Off-Road Vehicles and Equipment Program to support the early commercial deployment of existing zero- and near-zero-emission heavy-duty trucks from December 31, 2020 to December 31, 2021.

OCTA Position – Monitor

Impact on OCTA: *Monitoring will need to take place of any alternative license plate framework developed under to the described pilot program to ensure there are not implications for enforcement along the 91 Express Lanes. In relation to the CARB funding program, transit agencies are also eligible for funding under the California Clean Truck, Bus and Off-Road Vehicles and Equipment Program. By requiring a certain amount of funds to be used for heavy-duty trucks, this could decrease the overall amount of funding available to transit agencies as they are required to implement the zero-emission bus purchase requirements under the Innovative Clean Transit regulation.*

**ACA 5 (Weber, D-San Diego) Government Preferences
(Chapter 23, Statutes of 2020)**

ACA 5 is a constitutional amendment that asks the voters of California to decide on permitting the use of race, gender, and ethnic diversity as factors, but not decisive factors,

in college admissions, government hiring, and government contracting. If the initiative put on the ballot by ACA 5 is passed by voters, it would repeal Article I, Section 31 of the California Constitution, as codified by Proposition 209 (1996), and authorize the use of race, sex, color, ethnicity, and national origin in the aforementioned selection processes.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. If the related initiative, Proposition 16 (2020), is approved by voters, the consideration of race, sex, color, ethnicity, or national origin as a factor in hiring or contracting processes would not violate the California Constitution.*

**ACR 169 (Aguiar-Curry, D-Davis) Women in Construction Week
(Chapter 26, Statutes of 2020)**

ACR 169 recognized the week of March 1, 2020, to March 7, 2020, as Women in Construction Week. This bill recognizes the contribution of women in the construction industry and seeks to emphasize educational activities and programs that further encourage a diverse construction workforce that includes more women.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**SCR 68 (Archuleta, D-Norwalk) Memorial Interchange
(Chapter 17, Statutes of 2020)**

SCR 68 designates the intersection of Interstate 605 and Katella Avenue as Sergeant (Sgt.) Thomas R. MacPherson Memorial Interchange. Sgt. MacPherson, a graduate of Los Alamitos High School, was an Army Ranger who was killed in action during his fourth tour of duty. Sgt. MacPherson was awarded the Bronze Star, the Army Achievement Medal, the Army Good Conduct Medal, and many other accommodations for his valiant service. SCR 68 requests that Caltrans determine the cost of the signage to designate the intersection and how such cost will be covered by donations as opposed to using taxpayer dollars.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors
From: Laurena Weinert, Clerk of the Board
Subject: Final 2021-22 State and Federal Legislative Platforms

Legislative and Communications Committee Meeting of November 19, 2020

Present: Directors Davies, Delgleize, Hennessey, Hernandez, and Wagner
Absent: Director Bartlett

Committee Vote

Following the roll call vote, this item was declared passed 5-0 by the Members present.

Committee Recommendations

- A. Adopt the revised 2021-22 State and Federal Legislative Platforms.
- B. Direct staff to distribute the adopted platforms to elected officials, advisory committees, local governments, affected agencies, the business community, and other interested parties.



November 19, 2020

To: Legislative and Communications Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: Final 2021-22 State and Federal Legislative Platforms

Overview

The final drafts of the revised 2021-22 State and Federal Legislative Platforms are submitted for consideration and adoption by the Orange County Transportation Authority Board of Directors.

Recommendations

- A. Adopt the revised 2021-22 State and Federal Legislative Platforms.
- B. Direct staff to distribute the adopted platforms to elected officials, advisory committees, local governments, affected agencies, the business community, and other interested parties.

Background

Each year, the Orange County Transportation Authority (OCTA) develops State and Federal Legislative Platforms as a resource for the OCTA Board of Directors (Board), Orange County legislative delegation members, and OCTA staff in communicating OCTA's legislative and regulatory priorities to state and federal policymakers. Any policy positions not directly addressed by the State and Federal Platforms will be brought to the Board for separate action during the legislative sessions.

The first drafts of the 2021-22 State and Federal Legislative Platforms were reviewed and approved for further circulation by the Legislative and Communications Committee (Committee) on October 15, 2020, and by the full Board on October 26, 2020. Since this initial review, staff has been working to further refine the documents based on additional feedback from stakeholders. The initial drafts were taken to OCTA's Technical Advisory Committee (TAC) for review on October 28, 2020. In addition, OCTA staff has discussed the drafts at two meetings of the Citizens Advisory Committee (CAC). These efforts are in

addition to the initial comment solicitation from more than 500 groups and individuals, including every member of OCTA's TAC, Technical Steering Committee, CAC, and Special Needs Advisory Committee. Staff has also participated in a series of legislative platform development meetings with other regional transportation agencies and stakeholders from across the State of California to ensure that the platforms address anticipated legislative priorities next session.

An overview of the public comments received is detailed below, as are the revisions made based on the feedback collected. Strikeout versions of the 2021-22 State and Federal Legislative Platforms are included as attachments A and B, respectively. Should any unanticipated policy issues arise next session, staff will return to the Committee and the full Board with additional updates and to seek further direction.

Public Comments

Despite the impacts of the coronavirus (COVID-19) pandemic, staff has been conducting outreach, mostly through virtual meetings and other digital means, to gather meaningful feedback on the State and Federal Legislative Platforms. Staff received two substantive public comments from the website submission form, which are discussed in further detail below.

- The first comment, from staff at Metrolink, requested that OCTA include language to encourage additional funding for rail projects, specifically mentioning the need for additional financial support for public transit operators during the COVID-19 pandemic, the implementation of zero-emission rail technologies, and for Positive Train Control (PTC) operations. In each category, Metrolink also requested actions to ensure that commuter rail agencies are eligible for transportation funding programs. While many of the issues are addressed in the existing sections of both the State and Federal Legislative Platforms dedicated to rail programs, staff worked to incorporate Metrolink's comments in the initial edits. The initial drafts included comprehensive language on the COVID-19 pandemic, and staff also worked to perfect the language pertaining to PTC technology and zero-emission funding incentives to maximize funding available for multimodal mobility improvements in Orange County.
- The next comment, from the City of Laguna Beach, requested OCTA to include language supporting legislation that directs utility companies to underground overhead powerlines along high fire hazard transportation corridors, including funding for such activities. While the specific language was not included, staff is recommending adding a provision to

Federal Legislative Platform, discussed in detail below, on efforts to make infrastructure more resilient. This language is intended to allow staff to engage in discussions about infrastructure resiliency in a way that aligns with the Board's approach to these types of issues.

Staff assessed each comment not already addressed in light of the need to revise the language in anticipation of the upcoming legislative sessions. As such, the final revisions made to the 2021-22 State and Federal Legislative Platforms are outlined below.

Sponsor Legislation

As of the writing of this staff report, there was not an identified policy issue that requires OCTA to sponsor legislation. Instead, it is likely that the focus next year will primarily be on working with partner transportation agencies to continue to address the impacts of COVID-19, and any recovery actions. Staff is also closely monitoring the development of sponsor bill proposals by other transportation agencies and associations to determine what, if any, issues OCTA might want to pursue. If any of these discussions should result in a need for OCTA to sponsor legislation, staff will update the Committee and the full Board on the need for further direction.

2021-22 State Legislative Platform

The final proposed revisions to the 2021-22 State Legislative Platform, included as strikethrough text in Attachment A, are detailed as follows:

- Staff is recommending that all provisions discussing “legislation” be edited slightly to provide as much flexibility as possible in OCTA’s advocacy efforts, to ensure that the language is also applicable to executive orders, rulemakings, and other regulatory policy changes. None of these recommended changes represent a substantive change in advocacy goals. Staff is recommending this change for both the State and Federal Legislative Platforms.
- Subsection (e) was added to Section I, entitled “Implementation of Environmental Policies,” to ensure that any transition to zero-emission passenger vehicles also provides for long-term transportation funding stability. Recently, Governor Newsom’s Executive Order N-79-20 mandated that the State transition to zero-emission vehicle sales by 2035. A transition to zero-emission passenger vehicles will mean less gas consumed and, in turn, less gas tax revenues available to fund transportation projects. While OCTA’s policy positions on specific transportation financing mechanisms are addressed in Section III, entitled “Fiscal Reforms and Issues,” this provision is meant to allow staff to

engage in discussions on the implementation of policies that impact the use of the gas tax to fund transportation projects and programs.

2021-22 Federal Legislative Platform

The final proposed revisions to the 2021-22 Federal Legislative Platform, included as strikethrough text in Attachment B, are detailed as follows:

- Similar to the State Legislative Platform, Staff is recommending that all provisions discussing “legislation” be edited slightly to provide as much flexibility as possible in OCTA’s advocacy efforts, specifically to ensure that the language is also applicable to executive orders, rulemakings, and other regulatory policy changes. None of these recommended changes represent a substantive change in advocacy goals.
- Subsection (l) was added to Section II, entitled “Reauthorization Priorities,” to ensure that federal tolling policy remains aligned with the framework established in state law. This past year, there have been significant discussions about the future of pricing policies, including proposals that could alter the tolling landscape. Policymakers have considered new planning requirements that could hinder the delivery of projects and impact the operation of existing facilities. Since these conversations are expected to continue, staff recommends adding language to ensure that any federal tolling policy changes preserve the carefully constructed tolling provisions allow for under California state law.
- Subsection (f) was added to Section VIII, entitled “Environmental and Energy Issues,” to support flexibility in any effort to address resiliency, natural infrastructure, or other climate-related policies. With both the House and Senate including these types of issues in their reauthorization proposals, staff recommends adding language to ensure that such proposals are additive, such as making resiliency an eligible use of federal funds over which regional agencies have discretion, as opposed to creating new mandates that would further dilute or otherwise constrain already limited federal transportation funds.

Summary

The 2021-22 State and Federal Legislative Platforms are presented for consideration and adoption.

Attachments

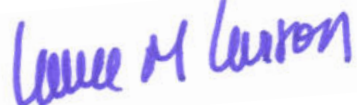
- A. Final 2021-22 State Legislative Platform
- B. Final 2021-22 Federal Legislative Platform

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With over three million residents, Orange County is the third most populous county in California and the sixth most populous county in the nation. Orange County is one of the most densely populated areas in the country and is served by one of the nation's busiest transit systems. In addition, Orange County provides highway and rail corridors that facilitate the increasing level of international trade entering the Southern California ports.

The 2021-22 State Legislative Platform serves as a framework document to guide the Orange County Transportation Authority's (OCTA) legislative, regulatory, and administrative activities in the coming legislative session. The Key Policy Issues section offers guidance on the policy issues that will likely be the focus of the upcoming legislative session. The later sections present guiding policy statements for other major issue areas that may arise during the session. Positions on individual items not directly in this document will be brought to the OCTA Board of Directors (Board) for formal action.

Key Policy Issues in 2021-22

A number of significant transportation issues are expected to be discussed in the 2021-22 legislative session. OCTA will focus its advocacy efforts on the following principles.

- a) Support funding and policy flexibilities that allow OCTA to provide essential multimodal mobility improvements and services during the unprecedented coronavirus (COVID-19) pandemic;
- b) Encourage policies and guidance that rebuild public confidence in public transit, as well as other measures that both protect the public health and facilitate essential transit trips;
- c) Support transportation funding investments, economic stimulus measures, and other recovery efforts that will prepare OCTA to meet the changing mobility needs of Orange County after the COVID-19 pandemic subsides;
- d) Support equitable policies to ensure that the inclusive public engagement, planning, and delivery of mobility improvements best serve all residents of Orange County;
- e) Support flexibility in the application of "disadvantaged" and "low-income" communities to ensure that transportation funding flows to each region's most impacted areas, allowing OCTA to best meet the needs of its local communities;
- f) Support efforts to maximize OCTA's share of transportation and transit funding, especially through distribution formulas and more equitable competitive funding processes;
- g) Oppose efforts to linking or reprioritizing local and state transportation funding to programs not primarily intended to help the State meet its transportation needs;

- h) Support efforts to maintain the promises self-help counties have made to taxpayers in the implementation of local sales tax measures, specifically regarding the sequencing and delivery of transportation improvements;
- i) Support funding and incentives to develop or phase-in free- or reduced-fare transit pilot programs, that comply with all statutory and regulatory requirements, in order to encourage an increase in transit ridership;
- j) Support policies that encourage ridesharing, teleworking, vanpool and related congestion relief programs for Orange County commuters;
- k) Support workforce development and training policies that allow OCTA to hire and retain personnel ready to implement the next generation of mobility;
- l) Monitor implementation of Executive Order N-19-19, and any related legislative or regulatory efforts, to ensure that transportation funds are used for their intended purposes.

I. IMPLEMENTATION OF ENVIRONMENTAL POLICIES

In order to ensure that the State's environmental regulations and cap-and-trade program are implemented in an equitable manner, which will both help to reduce emissions and encourage the development of necessary infrastructure to serve California's growing population, OCTA will:

- a) Support efforts to ensure local flexibility in meeting the goals of the State's greenhouse gas reduction initiatives, including the creation of incentive-based measures and grant programs to assist with compliance;
- b) Support the creation of formula-based cap-and-trade programs, including maintaining ongoing appropriations for transit, and the prioritization of cap-and-trade funding for transportation projects that achieve greenhouse gas emission reduction;
- c) Support ~~legislation to~~ streamlined the environmental review and permitting processes for transportation projects and programs to avoid potentially duplicative and unnecessary analysis, while still maintaining traditional environmental protections;
- d) Ensure that air quality determinations and policies do not constrain funding availability or otherwise undermine OCTA's ability to deliver transportation improvements;

- e) *Monitor the State's transition to zero-emission vehicle technology to ensure that any corresponding policies adequately address the impact to long-term transportation funding stability;*
- fe) Oppose ~~efforts to~~ lengthening the California Environmental Quality Act process in a manner that would delay mobility improvements;
- gf) Oppose ~~legislation that~~ *efforts to* restricts road construction by superseding existing broad-based environmental review and mitigation processes;
- hg) Oppose ~~legislation~~ *policies* that would limit lead agency discretion in the management and oversight of lands set aside for environmental mitigation purposes, while ~~encouraging policies that~~ *promoting* advance mitigation planning programs.

II. TRANSPORTATION FUNDING

As the Legislature continues to move forward in developing solutions to close the State's structural deficit, OCTA continues to monitor the status of transportation funding in California, promoting the continued stability of existing programs and efforts to address future funding deficiencies to meet transportation infrastructure needs. As a proven method to help rebuild the economy through investments in vital transportation infrastructure projects and critical transit services, OCTA will also work to promote methods of expediting such projects to allow for such stimulus. Key actions include:

- a) Oppose unfunded mandates for transportation agencies, transit providers, and local governments in providing transportation improvements and services;
- b) Oppose cost shifts or changes in responsibility for projects funded by the State to the local transportation entities;
- c) Support ~~legislation~~ *efforts* to treat the property tax of single-county transit districts the same as multi-county districts and correct other Educational Revenue Augmentation Fund inequities between like agencies;
- d) Support the constitutional protection of all transportation funding resources;
- e) Support ~~legislation~~ protecting or expanding local decision-making in programming ~~expenditures of~~ transportation funds;
- f) Oppose efforts to reduce local prerogative over regional program funds;
- g) Support ~~legislation~~ *efforts* to involve county transportation commissions in the development and prioritization of State Highway Operation and Protection Program projects;

- h) Oppose ~~efforts to~~ *redirecting* or *reclassifying* transportation revenue sources, including earned interest, for anything other than their intended purposes;
- i) Support the implementation of federal transportation programs in an equitable manner that promotes traditional funding levels, programming roles, and local discretion in allocation decisions;
- j) Oppose policies that significantly increase costs, threatening OCTA's ability to deliver projects and provide transit service;
- k) Support removing the barriers for funding transportation projects, including allowing local agencies to advance projects with local funds when state funds are unavailable due to budgetary reasons, and allowing regions to pool federal, state, and local funds in order to limit lengthy amendment processes and streamline project delivery time.

III. FISCAL REFORMS AND ISSUES

In recent years, the Legislature and Governor have worked collaboratively during the budget process to pass funding bills in a timely manner. Unfortunately, uncertainties over future changes remain due to a continued structural deficit and the economic consequences resulting from COVID-19. Therefore, OCTA will:

- a) Monitor the study and development of alternative transportation funding proposals, including the State's road charge pilot program and ensure that efforts are made to address concerns related to equity, privacy, and public support of such proposals;
- b) Oppose levying new and/or increase in gasoline taxes or user fees, including revenue increases on fuel consumption categorized as charges, fees, revenue enhancements, or similar classifications. Consideration of such efforts shall occur when a direct nexus is determined to exist between revenues and transportation projects, and additional revenues are to be controlled by the county transportation commission;
- c) Oppose efforts to decrease the voter threshold requirement for local tax measures for transportation purposes and/or mandating specific uses of future local sales tax revenues;
- d) Oppose ~~efforts to~~ increases to administrative fees charged by the California Department of Tax and Fee Administration on the collection of local sales tax measures;
- e) Support ~~efforts~~ *policies* that ensure that all users of the State's transportation system pay their "fair share" to maintain and improve the system;

- h) Support efforts to restore equity with regards to the generation and disbursement of sales tax revenues that support the Local Transportation Fund;
- i) Support the retention of existing and future local revenue sources.

IV. STATE TRANSPORTATION IMPROVEMENT PROGRAM

The State Transportation Improvement Program (STIP), substantially amended by SB 45 (Chapter 622, Statutes of 1997), is a programming document that establishes the funding priorities and project commitments for transportation capital improvements in California. SB 45 placed decision-making authority closest to the problem by providing project selection for 75 percent of the funding in the Regional Transportation Improvement Program (RTIP). This funding is distributed to counties based on an allocation formula. The remaining 25 percent of the funds is programmed by the California Department of Transportation (Caltrans) in the Interregional Transportation Improvement Program (ITIP). OCTA will seek to ensure that the regional focus of the program is preserved. Key provisions to be sought by OCTA include:

- a) Support maintaining the current STIP formula, which provides 75 percent of STIP funding to the locally-nominated RTIP and 25 percent to the ITIP;
- b) Support ~~legislation that maintains~~ equitable allocations of transportation funding, such as the north/south formula distribution of county shares and ITIP allocations;
- c) Support ~~legislation efforts~~ to clarify that programming of current period county shares has priority over advancement of future county shares;
- d) Support a formula-based guaranteed disbursement of the ITIP;
- e) Support efforts to allow a mode-neutral STIP;
- f) Support increased flexibility for the use of STIP funds to support alternative projects, including, but not limited to, transit and goods movement improvement projects.

V. TRANSIT PROGRAMS

OCTA will continue with its focus on providing safe, reliable, and efficient transit services in Orange County. While state transit funding has recently become more stable, future demand increases due to environmental regulations and increased fuel prices may put further strain on existing resources. Thus, OCTA will make every effort to minimize additional state obligations to transit operations which lack a sufficient and secure revenue source. To that end, OCTA will focus on the following:

- a) Advocate for a continued strong state role in providing funding for transit operations rather than shifting responsibility to local transportation entities. No

additional requirements should be created for operation levels beyond existing capacity, unless agreed to by that entity or otherwise appropriately funded;

- b) Support the development of greater efficiencies within the Transportation Development Act's performance metrics while maintaining existing eligibility parameters and realigning administrative rules and farebox recovery requirements to eliminate any unnecessary or overly burdensome mandates in order to streamline the administration of transit funding;
- c) Flexibility should be included in state transit funding sources, allowing transit operators to use the funding for both operations and capital expenditures;
- d) Support efforts to mitigate costs associated with the development, testing, purchase, and operation of zero-emission transit buses, including an alternative electricity rate structure, tax incentives, and other forms of financial assistance;
- e) Seek additional funding for paratransit operations and transit accessibility capital improvements that support persons with disabilities and senior citizens;
- f) Support ~~legislation~~ *efforts* to encourage and incentivize the interoperability of transit and rail systems within California;
- g) Support ~~legislation to~~ *limiting* the liability of transit districts for the location of bus stops (Bonanno v. Central Contra Costa Transit Authority);
- h) Support the citing of transit-oriented development projects (i.e., authorize extra credit towards housing element requirements for these developments), including incentives for development;
- i) Support ~~legislation and/or regulations which~~ *policies that* aim to enhance transit services and the overall safety and security of transit riders, coach operators, and on-road vehicles.

VI. ROADS AND HIGHWAYS

OCTA's commitment to continuously improve mobility in Orange County is reflected through a dynamic involvement in such innovative highway endeavors as the ownership of the 91 Express Lanes and the use of design-build authority on the State Route 22 project and Interstate 405 (I-405) Improvement Project. OCTA will continue to seek new and innovative ways to deliver road and highway projects to the residents of Orange County and, to that end, OCTA will focus on the following:

- a) Oppose ~~efforts to the creation of~~ a conservancy that would inhibit the delivery of transportation projects under study or being implemented in the region;

- b) ~~Support efforts to expand, extend, and preserve~~ new and existing alternative project delivery methods, such as design-build, public-private partnership authority, and construction manager/general contractor authority, ~~including through~~ expanding mode and funding eligibility, while ~~also~~ allowing the appropriate balance of partnership between the State and local agencies;
- c) ~~Support legislation that would authorize~~ local agencies to advertise, award, and administer contracts for state highway projects;
- d) Oppose duplicative reporting mandates and efforts to impose additional requirements, beyond what is required in statute, on lead agencies awarding contracts using alternative project delivery mechanisms;
- e) Support streamlining of the Caltrans review process for projects, simplification of processes, and reduction of red tape, without compromising environmental safeguards;
- f) Support administrative policy changes to lower the oversight fee charged by Caltrans to ensure that project support costs are equivalent whether the project is administered by Caltrans or a local agency;
- g) Support policies that improve signal synchronization programs in order to facilitate street signal coordination, prioritization, and preemption, as well as encouraging the use of intelligent transportation system measures;
- h) ~~Support policies that the~~ expanded utilization of continuous access of high-occupancy vehicle (HOV) lanes;
- i) Monitor efforts to increase fines for HOV lane violations and, if implemented, ensure fines are dedicated to enforcement purposes;
- j) ~~Support legislation that provides for the~~ equitable enforcement of regulations governing transportation network companies;
- k) ~~Support efforts to studying~~ the development and safe operation of autonomous vehicles and related technologies;
- l) ~~Oppose legislation that fail to~~ *Support* preserving local discretion and flexibility in the development of the congestion management program.

VII. ROLES AND RESPONSIBILITIES

In recent years, there have been many efforts to reorganize or restructure transportation programs and local agency responsibilities. OCTA will continue to monitor ~~legislation or regulations~~ *policies* that would significantly affect the way in which it operates, with a focus on the following principles:

- a) Support ~~efforts to preserving~~ the role of county transportation commissions, as consistent with existing law, in the administration of transportation programs;
- b) Oppose proposals that reduce the rights and responsibilities of county transportation commissions in planning, funding, and delivering transportation programs;
- c) Oppose ~~efforts to~~ *policies that* unnecessarily subject projects to additional reviews and project selection approvals that could adversely affect delivery timelines and processes;
- d) Support ~~efforts to facilitate a~~ partnerships with alternative mobility providers that allows for adequate information sharing while also respecting the planning efforts of local agencies;
- e) Support efforts to increase the flexibility of funds used for motorist service programs.

VIII. 91 EXPRESS LANES/MANAGED LANES

OCTA's commitment to continuously improve mobility in Orange County is reflected through a dynamic involvement in such innovative highway endeavors as the ownership of the 91 Express Lanes, a ten-mile managed lane facility on State Route 91 (SR-91), extending from State Route 55 to the Orange/Riverside County line. Since its purchase in 2003, the 91 Express Lanes has provided drivers an alternative mobility option between Orange and Riverside counties, while also allowing for investment in multimodal improvements throughout the SR-91 corridor.

As transportation demands continue to increase, innovative tools must be available to ensure transportation infrastructure projects continue to be built in a reliable, prompt, and efficient manner. OCTA took advantage of one such tool by securing a \$629 million federal loan to supplement state and local funds on the I-405 Improvement Project. The loan, obtained through the Transportation Infrastructure Finance and Innovation Act (TIFIA), will save taxpayers approximately \$300 million in the decades to come. As the TIFIA loan illustrates, OCTA is committed to improving mobility for Orange County residents using the innovative tools and approaches that are allowing transportation agencies to stretch their dollars further than ever before.

Many agencies are discussing the increased use of managed lane facilities. To ensure not only the continued success of the 91 Express lanes, but also to ensure managed lane policy moving forward allows for local flexibility and input, OCTA will:

- a) ~~Support legislation to~~ Ensure *that* revenues from managed lane facilities remain within the corridor from which they are generated, opposing efforts to divert revenues from managed lane facilities for state purposes;

- b) Support policies that allow OCTA and the Riverside County Transportation Commission to efficiently operate and maintain the 91 Express Lanes into Riverside County;
- c) Support efforts to preserve local flexibility in the administration of toll lanes;
- d) Oppose ~~state efforts to~~ *the construction or operations* of managed lane facilities that are established without an adopted statewide managed lane strategy or plan;
- e) Oppose ~~state efforts to~~ *the construction or operations* of managed lane facilities that fail to respect existing local transportation projects and funding programs;
- f) Support customer privacy rights while maintaining OCTA's ability to effectively communicate with customers and operate the 91 Express Lanes;
- g) Support the use of innovative means to enhance toll agency enforcement efforts, including ways to address toll violations due to protected plates;
- h) Support collaborative solutions to address the degradation of HOV lanes that respect local transportation funding sources and programs, have the support of the relevant regional transportation planning agency, do not redirect existing local transportation funding sources, and analyze the effect of single-occupant, low-emission vehicles, including associated federal requirements triggered by their access allowance.
- i) Support efforts to improve the interoperability of the different toll systems across the State in order to ensure fair and efficient toll operations while affirming user privacy protections.

IX. RAIL PROGRAMS

Metrolink is Southern California's commuter rail system that links residential communities to employment and activity centers. Orange County is served by three Metrolink lines: the Orange County Line, the Inland Empire-Orange County Line, and the 91/Perris Valley Line. In support of these routes, OCTA owns 48 miles of rail right-of-way in Orange County on which Metrolink operates. OCTA's rail capital budget supports improvements to the regional commuter rail system in Orange County, and under existing policy, OCTA is the primary construction lead on major capital improvements to the regional commuter rail system on its right-of-way.

In addition to Metrolink services, Orange County is also served by the state-supported Pacific Surfliner intercity passenger rail service traveling between San Luis Obispo and San Diego. The Pacific Surfliner is operated by Amtrak and managed by the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency (LOSSAN Agency). OCTA has served as the managing agency for the LOSSAN Agency since 2013 and

assumed full administrative and management responsibility for the Pacific Surfliner service in June 2015 via an interagency transfer agreement with the State. OCTA continues to serve in this capacity, providing all necessary administrative support to the LOSSAN Agency.

Other rail systems could also travel through Orange County at some point in the future, including additional intercity rail service. While the status and future of these programs is uncertain, OCTA will be watchful to ensure that funding for these rail systems does not impact other transportation funding sources. Key advocacy efforts will emphasize the following:

- a) Support ~~legislation~~ *policies* that encourages commercial, commuter-based development around passenger rail corridors that includes permanent job creation;
- b) Support efforts to create additional efficiency in rail program oversight, including consideration of possible program consolidation;
- c) Monitor and evaluate plans and progress of high-speed rail and its funding;
- d) Support efforts to provide resources for safety improvements on the rail network in Southern California, including for the implementation, operation, and maintenance of Positive Train Control safety technology;
- e) Support studying the policies, funding options, and need for rail/highway grade separations, including any impact on existing state highway and transit funding sources;
- f) Support policies that facilitate the development and construction of needed infrastructure projects that support modernization, connectivity, and general system-wide improvements to California's rail network.

X. GOODS MOVEMENT

The Ports of Los Angeles and Long Beach, the nation's two busiest ports, are vital to California's economy and the surrounding region because goods are shipped to and through the surrounding counties. While the State's goods movement system is the most robust in the nation, it is continually challenged by competing goods movement systems in other states. In order to continue to compete and engage in the global marketplace, California must continue to enhance its goods movement system, while at the same time be cognizant of taking the necessary actions to mitigate any negative impacts to local communities. Key positions include:

- a) Support improvements in major trade gateways in California to facilitate the movement of intrastate, interstate, and international trade beneficial to the State's economy;

- b) Support ~~legislation~~ *policies* that will aid in the development, approval, and construction of projects to expand goods movement capacity and reduce congestion;
- c) Ensure that control of goods movement infrastructure projects and funding retained at the local level;
- d) Seek mitigation for the impacts of goods movement on local communities;
- e) Pursue ongoing, stable sources of funding for goods movement infrastructure.

XI. ACTIVE TRANSPORTATION

Active transportation projects and programs, which encourage greater mobility through walking and bicycling, have grown in popularity due to the environmental, health, and cost savings benefits. Through local planning efforts such as Orange County's Regional Bikeways Planning Collaborative, the Pacific Coast Highway Corridor Study, and the development of OCTA's Commuter Bikeways Strategic Plan, OCTA continues to study, plan, and fund active transportation projects and programs as part of its mission to provide Orange County with an efficient and multi-modal transportation system. Key positions include:

- a) Support ~~legislation that~~ *policies* to increase the visibility and safety of users engaged in active transportation;
- b) Support creative use of paths, roads, and abandoned rail lines using existing established rights-of-way to promote bike trails and pedestrian paths;
- c) Support policies that encourage the safe interaction and operation of integrated multi-modal systems, including roadways, rail lines, bikeways, and pedestrian ways, and the users of those facilities;
- d) Support ~~efforts to~~ streamlined active transportation funding programs;
- e) Support ~~legislation and regulatory changes~~ *efforts* to streamline and simplify the review and approval by the California Public Utilities Commission of lease agreements between sponsors of active transportation projects and public utility companies.

XII. ADMINISTRATION/GENERAL

General administrative issues arise every session that could impact OCTA's ability to operate efficiently. Key positions include:

- a) Oppose ~~legislation and regulations~~ *policies* adversely affecting OCTA's ability to efficiently and effectively contract for goods and services, conduct business of the agency, and limit or transfer the risk of liability;
- b) Support ~~legislation~~ *efforts* to provide greater protection of OCTA's computer and information security systems;
- c) Support ~~legislation that~~ *establishing* ~~ing~~ reasonable liability for non-economic damages in any action for personal injury, property damage, or wrongful death brought against a public entity based on principles of comparative fault;
- d) Support ~~legislation that would provide for~~ consistency of campaign contribution limits as applied to both elected and appointed bodies;
- e) Monitor the effect of Brown Act *changes* ~~legislation~~ on OCTA Board operations as it relates to the use of new technologies for communication with the public.

XIII. EMPLOYMENT ISSUES

As a public agency and one of the largest employers in Orange County, OCTA balances its responsibility to the community and the taxpayers to provide safe, reliable, cost-effective service with its responsibility of being a reasonable, responsive employer. Key advocacy positions include:

- a) Oppose efforts to impose state labor laws on currently exempt public agencies;
- b) Oppose ~~legislation~~ *policies* that circumvents the collective bargaining process;
- c) Oppose ~~legislation and regulations~~ *policies* adversely affecting OCTA's ability to efficiently and effectively deal with labor relations, employee rights, benefits including pension benefits, Family Medical Leave Act, and working conditions, including health, safety, and ergonomic standards for the workplace;
- d) Support ~~legislation that~~ *efforts to* reforms and resolves inconsistencies in the workers' compensation and unemployment insurance systems, and labor law requirements that maintain protection for employees and allow businesses to operate efficiently;
- e) Support workforce development policies that facilitate a more efficient talent acquisition process.

XIV. TRANSPORTATION SECURITY AND EMERGENCY PREPAREDNESS

As natural and man-made disasters continue to threaten transportation systems around the world, significant improvements have been, and continue to be, carried out to enhance the safety, security, and resilience of transportation infrastructure in the United States.

As Orange County's bus provider and a Metrolink partner, OCTA comprehends the importance of ensuring the safety and security of our transportation network and protecting our customers. Presently, OCTA maintains a partnership with the Orange County Sheriff's Department to provide OCTA Transit Police Services for the bus and train systems in Orange County and continues to be actively involved in a variety of state and regional preparedness exercises in support of first responders. OCTA is also currently working with its community partners on an effort to install video surveillance systems at Metrolink stations and on its fleet of buses and throughout its bus facilities. The development of a new Transit Security and Operations Center is also underway to enhance security efforts and further the resiliency of the Orange County transit system.

Heightened security awareness, an active public safety campaign, and greater surveillance efforts, all require additional financial resources. Consequently, OCTA's advocacy positions will highlight:

- a) Support state homeland security and emergency preparedness funding and grant programs to local transportation agencies to alleviate financial burden placed on local entities;
- b) Support ~~legislation~~ *policies* that balances retention mandates of video surveillance records to reflect current reasonable technological and fiscal capabilities;
- c) Support the use of new technology to increase the safety of public transportation passengers and operators.

With over three million residents, Orange County is the third most populous county in California and the sixth most populous county in the nation. Orange County is one of the most densely populated areas in the country and is served by one of the nation's busiest transit systems. In addition, Orange County provides highway and rail corridors that facilitate the increasing level of international trade entering the Southern California ports.

The 2021-22 Federal Legislative Platform serves as a framework document to guide the Orange County Transportation Authority's (OCTA) statutory, regulatory, and administrative goals and objectives in Washington, D.C. The Key Policy Issues section offers guidance on the policy issues that will likely be the focus of the 117th Congress, and the later sections present guiding policy statements for the other major issues that may arise. Positions on individual items not directly addressed in this document will be brought to the OCTA Board of Directors for formal action.

Key Policy Issues in the 117th Congress

A number of significant transportation issues will be discussed in the 117th Congress. OCTA will focus its advocacy efforts on the following principles:

- a) Support funding and policy flexibilities to support OCTA in providing essential multimodal mobility improvements and services during the unprecedented coronavirus (COVID-19) pandemic;
- b) Encourage policies and guidance that rebuild public confidence in public transit, as well as other measures that both protect the public health and facilitate essential transit trips;
- c) Support transportation funding investments, economic stimulus measures, and other recovery efforts that will prepare OCTA to meet the changing mobility needs of Orange County after the COVID-19 pandemic subsides;
- d) Enact and implement long-term surface transportation reauthorization legislation that provides sustainable funding levels for transportation programs in order to meet our county's critical infrastructure needs;
- d) Support equitable policies to ensure that the inclusive public engagement, planning, and delivery of mobility improvements best serves all the residents of Orange County;
- e) Seek responsible revenue solutions to fund future transportation projects without adversely affecting an agency's ability to provide services;
- f) Advocate for full funding of transportation programs without placing new limitations or conditions on the distribution of funds that would impede the delivery of infrastructure projects;

- g) Ensure that funding for any new infrastructure initiatives does not replace or adversely affect existing transportation programs;
- h) Ensure that Highway Trust Fund (HTF) revenues continue to be used for transit expenditures;
- i) Ensure that air quality determinations and policies do not constrain funding availability or otherwise undermine OCTA's ability to deliver transportation improvements.
- j) Support policies that encourage ridesharing, teleworking, vanpool and related congestion relief programs for Orange County commuters;
- k) Support efforts to clarify roles and responsibilities related to toll enforcement policies to allow for interoperability between toll facilities while affirming user privacy;

I. TRANSPORTATION FUNDING

Current federal law does not require the appropriation of authorized HTF dollars. Therefore, the annual appropriations process will continue to play an important role in funding OCTA's programs and projects. OCTA will continue to advocate for the largest possible amount and share of appropriations funding to ensure adequate resources to meet the infrastructure needs of Orange County.

OCTA will continue to aggressively pursue discretionary funding for transportation projects within the statutory and regulatory requirements of funding programs and the current funding status of OCTA's capital program. Other funding priorities for OCTA include:

- a) Support sustainable transportation funding levels that allow OCTA to continue to improve mobility in and around Orange County;
- b) Oppose efforts to redirect, reduce, or eliminate existing transportation funding programs;
- c) Support funding for the Capital Investment Grants program to allow for an expansion of bus and rail transit projects;
- d) Ensure that federal funding is available for capital purposes to the extent not needed for direct operating costs;
- e) Support funding, with increased flexibility, for safety and security grant programs in order to protect Orange County's transportation system, including highways, transit facilities, rail lines, and related software systems;

- f) Support funding for regional and intercity passenger rail corridors in California;
- g) Support funding for the Southern California Regional Training Consortium to develop bus maintenance training information for the transit agencies throughout Southern California.

II. REAUTHORIZATION PRIORITIES

The Fixing America's Surface Transportation (FAST) Act (Pub. L. No. 114-94) authorized \$305.5 billion over five years for public transportation, rail, highway, safety, research, and technology programs. The legislation preserved the federal focus on safety, kept intact the established structure of the various highway programs, and continued efforts to streamline project delivery.

The FAST Act was extended through September 30, 2021. In the 117th Congress, OCTA will focus much of its advocacy efforts on enacting long-term reauthorization legislation that allows state and local government agencies to move forward with a federal partner on critical transportation projects. As such, OCTA will advocate for the following policies:

- a) Support the greatest possible share of funding for California and OCTA, focusing on increasing formula funds;
- b) Support increased flexibility in transportation funding programs to promote greater local decision-making in the planning process;
- c) Ensure a long-term partnership with the federal government that helps OCTA address capital and operating revenue shortfalls;
- d) Support a stable source of proposed future revenues that provides adequate resources for future transportation needs;
- e) Oppose ~~efforts to~~ subjecting public transportation providers to gas tax liability or other fees that increase operating costs;
- f) Oppose unfunded federal mandates that further stretch the resources of state and local transportation agencies;
- g) Oppose policies that undermine or limit local control over land use decisions;
- h) Ensure fair suballocations of funding to account for additional costs, increased administrative responsibilities, and the potential for increased liabilities to which the agency may be subject;

- i) Support efforts to ensure that all users of the national transportation system pay their “fair share” to maintain and improve the system;
- j) Oppose limitations or other arbitrary conditions on discretionary transportation grant programs that prevent an equitable distribution of transportation resources;
- k) Support efforts to clarify roles for state and local transportation agencies, as well as for the private sector, in developing innovative approaches to improving mobility;
- l) Encourage policies on the planning, delivery, and operation of tolling projects that are aligned with the flexibility provided in California State law;*
- m) Support additional funding flexibility to facilitate the use of alternative mobility providers;*
- nn) Support policies to encourage the safe development, demonstration, deployment, and operation of connected and automated vehicle technologies;*
- oa) Support a collaborative approach to understanding the capital infrastructure and operational needs of local and state transportation agencies, as well as those of private sector partners, in the testing and deployment of autonomous vehicles and related technologies;*
- pe) Oppose rescissions or other arbitrary funding cuts to transportation programs.*

III. IMPLEMENTING FEDERAL TRANSPORTATION PROGRAMS

In the 117th Congress, OCTA will continue to support finalizing the implementation of the FAST Act while finding ways to complement the programs and provisions authorized under federal law. During this time, OCTA will advocate for the following issues:

- a) Oppose any effort to further reduce transportation funding for OCTA or California, advocating for a fair and equitable share;
- b) Pursue continued eligibility of Congestion Mitigation Air Quality program funding for three-to-five years of operating expenses associated with any fixed-guideway or eligible bus projects;
- c) Support expanded use of alternative delivery methods for federally-funded transportation projects;

- d) Support environmental process improvements and stewardship efforts by the relevant federal agencies to expedite project delivery and accelerate the creation of jobs;
- e) Support expedited review and payments to local agencies and their contractors for project development, right-of-way acquisition, and construction activities;
- f) Support efforts to authorize, fund, and streamline the delivery of bicycle and pedestrian projects in Orange County;
- g) Advocate for policies to encourage, when possible, a “complete streets” approach to multimodal project planning in order to expedite project delivery;
- h) Encourage the Federal Highway Administration (FHWA) to utilize the Regional Transportation Plan (RTP) as a long-range planning and vision document rather than a detailed 30-year financial plan;
- i) Support shifting the approval of RTP amendments involving Transportation Control Measures from the Environmental Protection Agency back to the FHWA while allowing for an adequate consultation process;
- j) Support flexibility and increased local decision-making authority regarding the operation of high-occupancy vehicle (HOV) lanes in order to reduce or eliminate the unintended consequences resulting from Section 166 of the Federal Highway Act or any similar policy regulating degradation of HOV lanes;
- k) Encourage cooperation between state and federal partners to mitigate or eliminate any policy that requires direct actions within 180 days of realized degradation on federally-funded highways;
- l) Support streamlining of Federal Buy America requirements to increase certainty while also advocating for greater flexibility in their application.

IV. FISCAL REFORMS AND ISSUES

Several legislative and regulatory proposals would have economic impacts, both positive and negative, affecting the delivery of transportation infrastructure projects that create jobs and spur further business development in Orange County. Regarding these developments, OCTA will:

- a) Oppose ~~legislation and regulations~~ *policies* that would divert revenues generated by locally-approved sales taxes to programs and projects that are not included in the sales tax ordinance;

- b) Support removing barriers to the release of transportation funding, including allowing local agencies to advance projects with local funds in order to limit lengthy amendment processes that delay project delivery;
- c) Support expansion, streamlining, and further development of innovative project finance methods, including the Transportation Infrastructure Finance and Innovation Act loan program;
- d) Support fiscally-sound ~~legislation that~~ *proposals to* adequately addresses the HTF's structural deficit, including initiatives to address the impact of low- and zero-emission vehicles on transportation funding;
- e) Support the equitable collection and distribution of sales tax revenue from out-of-state, online retailers (*South Dakota v. Wayfair, Inc.*);
- f) Support tax policies that reduce costs or provide additional flexibility in OCTA's financial and operational activities;
- g) Support ~~legislation or regulations~~ *policies* that expedite the delivery of transportation improvements or the development of business opportunities in order to create jobs and economic activity in Southern California.

V. RAIL PROGRAMS

Metrolink is Southern California's commuter rail system that links residential communities to employment and activity centers. Orange County is served by three Metrolink lines: the Orange County Line, the Inland Empire-Orange County Line, and the 91/Perris Valley Line. OCTA owns 48 miles of rail right-of-way in Orange County on which Metrolink operates. OCTA's rail capital budget supports improvements to the regional commuter rail system in Orange County, and under existing policy, OCTA is the primary construction lead on major capital improvements to the regional commuter rail system on its right-of-way.

In addition to Metrolink services, Orange County is also served by the state-supported Pacific Surfliner intercity passenger rail service traveling between San Luis Obispo and San Diego. The Pacific Surfliner is operated by Amtrak and managed by the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency (LOSSAN Agency). OCTA has served as the managing agency for the LOSSAN Agency since 2013 and assumed full administrative and management responsibility for Pacific Surfliner service in June 2015 via an interagency transfer agreement with the State of California. OCTA continues to serve in this capacity, providing all necessary administrative support to the LOSSAN Agency.

Other rail systems could also travel through Orange County at some point in the future, including additional intercity rail service. OCTA will continue to monitor the

development of additional service to ensure that it does not adversely affect other transportation funding sources. Other rail policy priorities include the following:

- a) Support funding for rail safety programs, including funding for implementation, operation, and maintenance of Positive Train Control (PTC) safety technology and other safety enhancements;
- b) Support efforts to ensure that any alternative safety technology is interoperable with, and contains the same safety benefits as, the PTC system implemented on passenger rail corridors in Southern California;
- c) Support the availability of technical resources, such as wireless spectrum, to fully implement rail safety technology;
- d) Oppose increasing the current rail passenger liability cap and work with regional partners to ensure that any changes to the cap take into account the limited resources of passenger rail providers.

VI. GOODS MOVEMENT

The twin Ports of Los Angeles and Long Beach are considered “America’s Gateway” and the nation’s busiest ports. The maintenance and improvement of our region’s goods movement infrastructure must continue to be a national priority if our region is to remain competitive with the rest of the world and responsive to the consumer needs of Southern California. The need for the Southern California region to remain competitive is further underscored by the expansion and modernization efforts of foreign competitors. Even though the FAST Act provided dedicated funding for goods movement projects and programs, revenue streams remain insufficient to fund the projects needed to offset the costs of moving these goods considering the many years of underinvestment. OCTA’s advocacy efforts regarding goods movement will continue to emphasize the following:

- a) Pursue new, stable, dedicated, and secure sources of funding for goods movement infrastructure;
- b) Ensure that the benefits of newly-funded projects also take into account mitigation factors to impacted communities;
- c) Support a collaborative approach, including engaging with private sector partners, in developing and implementing the needed sustainable goods movement infrastructure programs and projects;
- d) Support regionally-significant grade separation projects that improve the flow of goods and people throughout Southern California;

- e) Support local control of goods movement infrastructure and freight mobility projects.

VII. TRANSPORTATION SECURITY AND EMERGENCY PREPAREDNESS

OCTA continues cooperative efforts with neighboring transit agencies, Urban Area Security Initiative partners, state and federal Homeland Security and Emergency Preparedness grant partners, and local jurisdictions to enhance the security and resiliency of Orange County's transportation system. OCTA will pursue the following priorities to ensure that the agency's safety, security, and emergency preparedness needs are met:

- a) Support increased funding for training, increased surveillance, and emergency preparedness improvements with adequate flexibility to ensure that local agencies can effectively use the resources to ensure a more resilient transportation system;
- b) Support a funding distribution that considers all risk threats, including natural disasters, acts of terrorism, and other man-made disasters, as estimated by the Department of Homeland Security, in cooperation with state and local officials;
- c) Support programs that facilitate cooperation with security and emergency preparedness officials to refine and improve information exchange protocols, emergency preparedness systems, and regional data coordination.
- d) Support efforts to provide funding incentives and policy flexibility to facilitate programs to provide safe working conditions for coach operators and transit personnel.

VIII. ENVIRONMENTAL AND ENERGY ISSUES

Federal environmental policies affecting OCTA include the National Environmental Protection Act, the Clean Air Act, the Clean Water Act, and the Endangered Species Act. Therefore, ~~legislation or regulations~~ *policies* to further develop environmental ~~goals~~ and energy-efficient ~~goals~~ *policies* will likely have an impact on OCTA's operations. With such proposals in mind, OCTA will:

- a) Seek opportunities to expedite and improve the efficiency of the environmental process without impairing substantive environmental requirements;
- b) Seek funding to meet state and local environmental quality requirements, including requirements for zero-emission buses, alternative fueling stations, and future greenhouse gas reduction requirements;
- c) Support the continuation and expansion of tax incentives for using compressed natural gas, hydrogen, and other zero-emission transit fuels;

- d) Monitor proposals to address the environmental impacts of greenhouse gases to ensure that any new environmental requirements are accompanied by additional funding necessary to implement those requirements;
- e) Support expedited review for project development, right-of-way acquisition, and construction activities;
- f) *Ensure adequate flexibility in the application of resiliency, natural infrastructure, or other climate-related policies to the delivery of mobility improvements, as opposed to mandates that would constrain transportation resources.*

IX. REGULATORY REQUIREMENTS

OCTA must also monitor several other administrative requirements, including new and expanded regulatory definitions that may affect the agency's operations. As such, OCTA will:

- a) Oppose regulatory efforts to extend the statutory requirements of the Americans with Disabilities Act;
- b) Support expedited and improved federal reporting and monitoring requirements to ensure efficiency and usefulness of data while also eliminating redundant state and federal requirements;
- c) Oppose regulatory proposals that unreasonably subject OCTA to burdensome bureaucratic requirements or increase operational costs, making it harder to deliver projects and improve mobility in Orange County.
- d) Oppose policies adversely affecting the agency's ability to effectively address labor relations, employee rights, benefits, and working conditions, such as health, safety, and ergonomic standards;
- e) Oppose policies that limit state or local pension benefit reforms.



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors

From: Laurena Weinert, Clerk of the Board

Subject: Performance Evaluation of Federal Legislative Advocate,
Potomac Partners, DC

Legislative and Communications Committee Meeting of November 19, 2020

Present: Directors Davies, Delgleize, Hennessey, Hernandez, and
Wagner

Absent: Director Bartlett

Committee Vote

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

Staff Recommendation

Receive and file the staff evaluation as an information item and provide any additional comments.



November 19, 2020

To: Legislative and Communications Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Performance Evaluation of Federal Legislative Advocate, Potomac Partners, DC

Overview

The firm Potomac Partners, DC provides federal legislative advocacy services for the Orange County Transportation Authority in Washington, DC. A staff evaluation of the services provided this session is presented to the Board of Directors for consideration and further comment.

Recommendation

Receive and file the staff evaluation as an information item and provide any additional comments.

Background

Since 2003, the Orange County Transportation Authority (OCTA) has contracted with Potomac Partners, DC (PPDC) for federal legislative advocacy services. Most recently, on October 22, 2018, the OCTA Board of Directors (Board) approved a contract with PPDC, to provide federal advocacy and consulting services for an initial term of two years through December 31, 2020, with two, two-year option terms. On June 22, 2020, the Board exercised the first two-year option term, which will expire on December 31, 2022.

The federal legislative advocacy and consulting services provided by PPDC are led by Richard Alcalde and Daniel Feliz. Through their work for OCTA, PPDC has developed significant long-term bipartisan relationships with key members in Congress and worked on several priority policy issues and goals for OCTA including implementing Breaking Down Barriers, an OCTA-led project delivery streamlining effort; obtaining a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan for the Interstate 405 Improvement Project and seeking Capital Investment Grant funding and receipt of a full funding federal grant agreement for the OC Streetcar project.

Discussion

The evaluation of federal legislative advocacy services covers major issues addressed and general services provided by PPDC, mirroring the process also used for state legislative advocacy services. Staff's evaluation of the services provided by PPDC is included in Attachment A. The major issues and general services provided by PPDC have been evaluated based on effort and outcome using a rating of excellent, very good, good, fair, or poor.

Staff has rated PPDC's efforts overall as "very good" based on responsiveness, advancing OCTA's positions and policies, and assisting in building cooperative bipartisan relationships with members of Congress and the Administration. Staff has rated PPDC's outcomes overall as "good" based on the outcomes of the issues discussed.

Priorities for PPDC for next year will largely focus on seeking additional funding and policy flexibility to respond to the impacts of the coronavirus pandemic, while also promoting investment in infrastructure as a key method to allow for economic stimulus. In addition, PPDC will seek to advance OCTA's policy positions outlined in the 2021-22 OCTA Federal Legislative Platform; actively engage in policy discussions and decisions related to surface transportation reauthorization and associated funding proposals. Policy issues that will continue to be prioritized include proposals impacting the operation and development of toll facilities, including the ability to be interoperable with other facilities, the funding and creation of incentives for a transition to zero-emission transit bus fleet, further streamlining of federal financing authorities such as the TIFIA program, and informing discussions about resiliency and climate change as they pertain to transportation programs.

To assist the Board in fully evaluating PPDC, the federal legislative advocate's current scope of work is included as Attachment B.

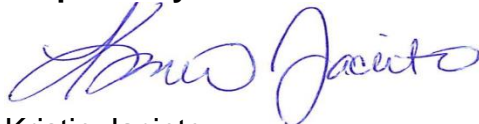
Summary

An evaluation of state legislative advocacy services performed by Potomac Partners, DC is presented to the Board of Directors for information and further comment.

Attachments

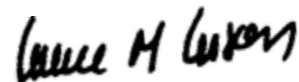
- A. Staff Evaluation of Services Provided by Potomac Partners, DC for 2020
- B. Scope of Work, Federal Legislative Advocates

Prepared by:



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Executive Director,
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**Staff Evaluation of Services Provided by
Potomac Partners, DC for 2020**

The following narrative provides specific information with respect to major issues addressed by Potomac Partners, DC (PPDC) as the Orange County Transportation Authority's (OCTA) primary federal legislative advocate, in 2020. Each issue has been evaluated based on effort and outcome using a rating of excellent, very good, good, fair, or poor.

Coronavirus (COVID-19) Pandemic Response

Effort: Very Good; Outcome: Excellent

Discussions surrounding the COVID-19 response became the dominant policy issue in 2020, stalling many previous policy discussions. Many of the actions taken this year to help support transportation agencies, especially in relation to the operation of transit services, required PPDC and OCTA to not only track changes at almost a daily rate, but also provide quick feedback to ongoing discussions. PPDC communicated OCTA's policy asks, project priorities, and funding needs to not only Orange County's delegation, but also to key members of Congressional leadership. With OCTA working within many trade coalitions to achieve policy outcomes, including with the American Public Transportation Association (APTA) and the California Transit Association, PPDC was tasked with ensuring that OCTA's unique project and funding needs were readily understood by Orange County's delegation. Perhaps the most significant outcome from these discussions was passage of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Within the CARES Act, OCTA was provided significant economic relief for transit operations and safety response, which allowed transit operations to not only be stabilized during a time with significant economic unknowns and declining revenue sources, but also provided the ability to purchase materials to sanitize and better protect employees and customers of the system. Without the funding provided by the CARES Act, transit service within Orange County would have been significantly impacted.

After the passage of the CARES Act, several additional economic stimulus measures were proposed, which would provide new resources for both transit operations and highway programs. Each proposal used different formulas, which led to varying benefits for OCTA. In addition, some of these proposals added new programs, such as providing additional funding for Capital Investment Grant program projects to respond to COVID-19 impacts. While OCTA would have benefited under many of these proposals, some proposals were drafted in a manner which would make OCTA ineligible. Ultimately, no proposal gained traction to allow passage. More work will be needed by PPDC going forward to ensure that OCTA's projects and programs benefit from any future stimulus measure, both to assist in ongoing COVID-19 response, but also to both stimulate the economy and provide the basis for future transportation planning post-pandemic.

Policy Priorities

Effort: Very Good; Outcome: Good

Beyond COVID-19 response discussions, Congress was required to take action on several important transportation topics – namely work on surface transportation reauthorization, with the Fixing America's Surface Transportation (FAST) Act, which expired on September 30, 2020. Ultimately, Congress was unable to come to agreement on a long-term surface transportation reauthorization bill, and instead opted to pass a temporary one-year extension to the FAST Act. Nevertheless, PPDC used these discussions to try to advance several OCTA policy priorities including the following:

- Similar to the language secured in 2019 in the Senate Environment and Public Works Committee draft reauthorization legislation, PPDC was able to advance language in the House Transportation and Infrastructure Committee reauthorization proposal, the Investing in a New Vision for the Environment and Surface Transportation (INVEST) in America Act, to enact Transportation Infrastructure Finance and Innovation Act, as requested by OCTA. While not all of OCTA's requested reforms were included, the inclusion of reforms in drafts by both the House and Senate demonstrate a desire by Congress to address these issues in any reauthorization proposal that moves forward, laying the groundwork for OCTA and PPDC to advance these ideas moving forward.
- Working with partner transportation agencies, the Riverside County Transportation Commission, and the San Bernardino County Transportation Authority, PPDC worked to secure sponsors of amendment language to the INVEST in America Act that would better advantage sales tax agencies in newly proposed competitive grant programs. PPDC was able to work with Representative Harley Rouda (D-Newport Beach) to seek such amendment. Ultimately, due to the timing of the vote on the INVEST in America Act, and limits on amendments, the language was not included. Such language could potentially again be sought in a future surface transportation reauthorization proposal.
- Working with key delegation members to mold policy proposals related to mandates for zero-emission bus technology and transit security measures. In order to inform these efforts, PPDC worked to educate members of Congress on existing requirements under state and federal law, innovative approaches taken by OCTA, and floated revisions to these proposals that would allow transit agencies within California to best take advantage of these efforts. This included briefing OCTA's delegation offices on unique issues related to the use of hydrogen fuel as it pertains to taking advantage of the alternative fuel excise tax credit. The groundwork laid by PPDC could allow for clarification efforts to be pursued next year.
- Tracking discussions surrounding the Safer Affordable Fuel-Efficient Vehicles proposed rule, and potential impacts to OCTA projects and programs. As part of this efforts, PPDC advised on timing of communications and likely Administration direction going forward.

- Informing discussions associated with newly proposed tolling provisions in the INVEST in America Act. Such provisions present significant challenges in the operation of existing facilities, the future of interoperability and development of future facilities. PPDC advised on the potential for future reforms and associated strategy and worked to understand the perspective of key members of Congress. It is anticipated that this policy area will be one of the most significant issues OCTA engages in the next session.

Appropriations and Grant Funding Opportunities

Effort: Very Good; Outcome: Good

With the focus on COVID-19 response this year, the appropriations process was slowed down, preventing a timely appropriations agreement. This resulted in a short-term continuing resolution through December 11, 2020. Early in 2020, OCTA staff had worked to develop several appropriations requests to advance with delegation members, including proposals associated with securing additional Bus and Bus Facilities funding and providing increased transparency associated with discretionary grant programs. Each of these proposals was put on hold due to the focus on COVID-19. While these proposals could again be advanced by PPDC next year as part of the appropriations process, it is anticipated that COVID-19 related issues will again be a priority.

Related to discretionary grants, PPDC again led efforts to secure support from delegation members for projects pursued by OCTA. This included getting support letters for OCTA's applications for the Low or No Emission Vehicle Program, the Infrastructure for Rebuilding America program, the Better Utilizing Investments to Leverage Development program, and the Bus and Bus Facilities grant programs. In addition, PPDC tried to advance unique methods in demonstrating the importance of these projects aligned with Administration priorities, securing a letter from Representative Correa (D-Santa Ana) detailing the importance of the State Route 55 Improvement Project to opportunity zones in the area. While OCTA was not ultimately successful in receiving funding from these programs, Administration officials often cited strong delegation support as something that was rated very highly when reviewing OCTA grant applications. Further work will be necessary to position OCTA more competitively within these programs going forward, with PPDC helping to brainstorm ideas.

General Services

Effort: Good; Outcome: Good

With COVID-19 preventing travel by OCTA officials to Washington DC this year, normal PPDC processes to schedule face-to-face meetings with members of Congress, staff, and members of the Administration to discuss issues of importance to OCTA were put on hold. While in planning for trips to DC, PPDC had secured meetings with key members of the delegation, leadership, and the Administration; these were all cancelled once travel restrictions were in place. With travel restrictions likely to remain in place

moving forward, PPDC will need to come up with a plan to facilitate continued contact between OCTA officials and members of the Administration and delegation next year, utilizing virtual communication and other tools. In addition, if there is turnover in any positions of leadership or within Orange County's delegation next year, PPDC will need to work to develop relationships with new members, positioning OCTA at the table for any policy discussions. This includes strengthening relationships on both sides of the isle within Congress.

Given the challenges associated with COVID-19, PPDC has remained responsive to requests by OCTA, provided timely information, advice, and reports. While the bulk of PPDC's work for OCTA surrounded informing federal policy discussions, PPDC also worked on several other issues on behalf of OCTA including promptly responding to questions from federal delegation members and advising on new policy proposals. This included participating in meetings requested by Orange County delegations staff to provide briefings on COVID-19 impacts to OCTA's transportation projects and programs, and in tracking policy proposals by transportation advocacy groups such as APTA and the International Bridge, Tunnel and Turnpike Association.

Overall Rating

Effort: Very Good; Outcome: Good

PPDC's efforts overall are rated as very good based on responsiveness, time dedicated to advocating for and advancing of OCTA's positions and policies, timeliness of information, assisting in building cooperative relationships with Congress and members of the Administration, and availability. PPDC's outcomes overall are rated as very good based on the outcomes of the issues discussed.

**SCOPE OF WORK
FEDERAL LEGISLATIVE ADVOCATES**

I. General

The Orange County Transportation Authority (OCTA) is seeking a federal legislative advocate team (Consultant) to address a series of issues described in and will be organized around the federal goals and objectives of the Orange County Transportation Authority's (OCTA) Legislative Platform. The primary issues and objectives are summarized as follows:

1. Secure a stable and reliable long term transportation reauthorization bill, and annual appropriations bills in accordance with current Legislative Platform and Board of Directors (Board)-approved project requests.
2. Advocate at the Congressional and Executive Branch levels for federal funding for OCTA capital projects, including fixed guideway projects.
3. Advocate on behalf of OCTA's position on Goods Movement.
4. Seek to maximize funding for all OCTA modal programs, but especially restoration of a well-funded bus discretionary program, in the next transportation reauthorization bill.
5. Seek to streamline and accelerate the delivery of federally funded projects with minimal federal requirements.
6. Advocate for funding of compliance costs for any new federally mandated requirements.
7. Advocate for federal intercity passenger rail funding in the San Luis Obispo-Los Angeles-San Diego (LOSSAN) corridor.

II. Coalition Activities

The Consultant shall build and sustain a strong federal coalition in support of OCTA.

1. OCTA Legislative Platform

- 1.1 Provide input to and implement OCTA-developed funding strategies for transportation projects described in the Information and Issues discussion and Legislative Platform, including bus, highway, intelligent transportation systems projects, and any other projects which may be appropriate to achieve OCTA legislative goals.

- 1.2 Recommend appropriate activities for OCTA Board members and local elected officials at various stages of the legislative process.
- 1.3 Provide general political and advocacy advice to OCTA.

2. Legislation, Regulations, and Policy

- 2.1 Notify OCTA of anticipated, newly introduced, or amended federal legislation, regulations, and administrative policy actions which could impact OCTA and provide a legislative analysis on how such action(s) may affect the interest of OCTA.
- 2.2 Work with OCTA, develop positions and tactics which implement OCTA's strategy objectives regarding the upcoming reauthorization of the transportation program.
- 2.3 Provide information and advice regarding upcoming legislative hearings which may impact policies and programs of OCTA.
- 2.4 Attend hearings and other public sessions of interest to OCTA.
- 2.5 Assist in the preparation of testimony before congressional committees and represent OCTA before such committees, including but not limited to the House and Senate Committees on Appropriations, the House Committee on Transportation and Infrastructure, the Senate Committee on Banking and Urban Affairs, the Senate Commerce Committee and the Senate Committee on Environment and Public Works.
- 2.6 Assist in drafting legislative language, and other written materials deemed of interest to OCTA, to ensure that the goals and objectives of OCTA are fulfilled.
- 2.7 Assist in drafting responses to Federal Register notices and other federal public comment announcements.
- 2.8 Assist in preparation of appropriate written materials supporting OCTA legislative goals, including letters, talking points, bill summaries and position papers.

3. Liaison and Advocacy Activities

- 3.1 Orange County Congressional Delegation
 - 3.1.1 Maintain frequent formal and informal contact with the Orange County delegation members and staff to represent and advocate OCTA policies and positions.

3.1.2 Recommend when OCTA Board Members should be in direct contact with members of the Orange County delegation or their key legislative staff.

3.2 House and Senate

3.2.1 Maintain direct and frequent contact with key members and staff of appropriate Senate and House Committees to represent and advocate OCTA policies and positions.

3.2.2 Arrange meetings between key legislation members and OCTA personnel as appropriate in Washington, D.C. or Orange County. Provide logistical support for Washington, D.C. visits.

3.2.3 Recommend timing and nature of contacts with the Orange County delegation and other legislation members in Washington, D.C.

3.3 Executive Branch

3.3.1 Meet with and arrange meetings with appropriate White House officials and staff, as necessary, to represent and advocate OCTA policies and positions.

3.3.2 Meet with and arrange meetings with appropriate Department of Transportation officials and staff, and other federal agencies, as necessary, to represent and advocate OCTA policies and positions.

III. **Administrative Coordination**

The Consultant shall continuously coordinate with OCTA Board, Chief Executive Officer and staff.

1. Coordination

1.1 Coordinate all activities with the OCTA State and Federal Relations Manager and Executive Director, External Affairs as appropriate.

1.2 Coordinate with members of the OCTA Board of Directors, as appropriate.

1.3 Coordinate with other OCTA consultants, as appropriate.

2. Other Activities

2.1 Preparation of Materials, Conference Calls, Oral Reports, Written Reports, and Additional Assignments.

- 2.2 Participate via teleconferencing with the Manager of Grants and Federal Relations, other OCTA staff, and other consultants as necessary.
- 2.3 Provide on-site and in-person oral reports to the Board and meet with appropriate OCTA staff at the OCTA headquarters in Orange, California, as needed. The number of on-site reports is not expected to exceed four per year.
- 2.4 Submit a written monthly activity and status report, including key advocacy activities undertaken on behalf of OCTA during each month.
- 2.5 Undertake additional assignments that have been mutually agreed upon by both parties and are necessary to accomplish OCTA's objectives in Washington.



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors

From: Laurena Weinert, Clerk of the Board

Subject: Performance Evaluation of Sacramento Legislative Advocate, Platinum Advisors, LLC

Legislative and Communications Committee Meeting of November 19, 2020

Present: Directors Davies, Delgleize, Hennessey, Hernandez, and Wagner

Absent: Director Bartlett

Committee Vote

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

Staff Recommendation

Receive and file the staff evaluation as an information item and provide any additional comments.



November 19, 2020

To: Legislative and Communications Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Performance Evaluation of Sacramento Legislative Advocate, Platinum Advisors, LLC

Overview

The firm Platinum Advisors, LLC provides state legislative advocacy services for the Orange County Transportation Authority in Sacramento. A staff evaluation of the services provided this session is presented to the Board of Directors' for consideration and further comment.

Recommendation

Receive and file the staff evaluation as an information item and provide any additional comments.

Background

On June 23, 2014, the OCTA Board of Directors (Board) awarded an agreement for state legislative advocacy services to Platinum Advisors, LLC (Platinum). As part of the contract, the services of Topp Strategies, LLC (Topp Strategies) as a subcontractor were included, with Moira Topp serving as the lead legislative advocate for OCTA. Since 2007, Moira Topp served as OCTA's primary legislative advocate through her former employment with Sloat Higgins Jensen and Associates, and as a subcontractor on the current contract with Platinum.

The initial term of the agreement with Platinum began on August 1, 2014 and extended to July 31, 2016. The agreement also included two, two-year option terms, at the discretion of the Board, to exercise at a future date. On June 25, 2018, the OCTA Board exercised the second of these options. With that term set to expire on December 31, 2020, on October 26, 2020, the Board awarded a new contract to Topp Strategies, with Platinum as a subcontractor. The new agreement will take effect on January 1, 2021, and be for two years,

with two, two-year option terms. Moira Topp will continue to serve in her role as lead legislative advocate for OCTA.

Discussion

Annually, OCTA staff evaluates the services provided by the Sacramento legislative advocate with respect to major issues addressed and general services provided. Staff's evaluation of the services provided by Platinum is included in Attachment A. The major issues and general services provided by Platinum have been evaluated based on effort and outcome using a rating of excellent, very good, good, fair, or poor.

Staff has rated Platinum's efforts overall as "very good" based on responsiveness, advancing OCTA's positions and policies, and assisting in building cooperative relationships with legislators and members of various state departments, boards, and commissions. Staff has rated Platinum's outcomes overall as "very good" based on the outcomes of the issues discussed.

Next year, as the new contract begins with Topp Strategies, the priority focus will continue to be funding and policy flexibility for transportation agencies to respond and recover from the coronavirus pandemic. In addition, priorities for Topp Strategies will include advancement of OCTA's positions on legislation and policy goals contained in the Board adopted 2021-22 OCTA State Legislative Platform; actively participating in state budget discussions; providing input on discussions about Transportation Development Act reforms; engaging in legislation and policy discussions related to implementation of the Governor's Executive Orders related to greenhouse gas emission reductions and expanded use of zero-emission vehicle technology, including proposals on how to prioritize transportation funding expenditures and competitive grant awards; and seeking clarification on interoperability standards for toll agencies.

To assist the Board in fully evaluating Platinum, the legislative advocate's current scope of work is included as Attachment B.

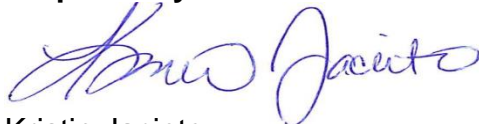
Summary

An evaluation of state legislative advocacy services performed by Platinum is presented to the Board for information and further comment.

Attachments

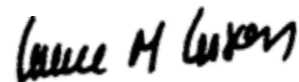
- A. Staff Evaluation of Services Provided by Platinum Advisors, LLC for 2020
- B. Sacramento Legislative Advocacy and Consulting Services Scope of Work

Prepared by:



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Manager, State and Federal Relations
Government Relations
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Approved by:



Lance M. Larson
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**Staff Evaluation of Services Provided by
Platinum Advisors, LLC for 2020**

The following narrative provides specific information with respect to major issues addressed by Platinum Advisors, LLC (Platinum), with Moira Topp as the Orange County Transportation Authority's (OCTA) primary legislative advocate, in 2020 and general services provided. Each issue has been evaluated based on effort and outcome using a rating of excellent, very good, good, fair, or poor.

Coronavirus (COVID-19) Pandemic Related Policy Discussions

Effort: Very Good; Outcome: Very Good

By far, the most discussed policy issue this legislative session was the State's response to COVID-19 and any necessary policy changes to facilitate the continuation of projects and programs. While the Governor utilized Executive Orders to manage many policy changes, there were several bills that were introduced to assist transportation agencies in maintaining services during the pandemic and governing employee relations and worker's compensation responses.

Specifically, OCTA worked with other transportation agencies and the California Transit Assistance to seek policy reforms within transportation trailer bills to provide temporary flexibilities in the following areas:

- Removal of financial penalties for failure to meet statutory required farebox recovery requirements and efficiency criteria until January 1, 2022.
- Authorization for transit operators to use their formula share of funding from the SB 1 (Chapter 5, Statutes of 2017) State of Good Repair (SGR) funding for operations purposes through fiscal year (FY) 2021-22.
- Institution of a hold harmless provision, which continues the use of pre-COVID-19 ridership data to inform the formulas used to distribute State Transit Assistance, Low Carbon Transit Operations Program (LCTOP), and SGR funding.

In each of these cases, Moira Topp, serving as OCTA's primary legislative advocate interacted with members of OCTA's delegation and key members of the Legislature to communicate the support of OCTA for these reforms, and explain the ramifications if flexibilities were not provided. This included meeting with delegation staff, providing testimony at committee hearings, and sharing letters and other fact sheets with relevant offices. In each of these instances, these communications were done in a timely and effective manner, clearly conveying the impacts to transit services. Without the passage of the budget trailer bills, OCTA would have seen significantly more restrictions on how state funding could be used to adjust transit operations and response to COVID-19, and could have led to implications for the amount of funding OCTA received moving forward.

While each of these policies were critical for OCTA and other transit agencies in their COVID-19 response, several policy issues were not addressed this year that OCTA supported. This includes added flexibility to use LCTOP to fund existing operations and efforts to provide economic stimulus via infrastructure investment. It is expected that these conversations will continue next year as the State Legislature considers the cap-and-trade expenditure plan and continues work to pursue federal stimulus funding.

Several policies that would have been detrimental to OCTA projects and services were also stopped through the work of OCTA and Moira Topp, including efforts to reprioritize existing transportation funding programs. These proposals, primarily floated by environmental groups, could have diverted funding from existing projects and programs. While none of these proposals moved forward this year, it is expected that this will be of continued discussion next session as the State continues to confront funding shortfalls.

Bills Signed or Vetoed

Effort: Very Good; Outcome: Very Good

Due to a truncated legislative session and decreased bill load this year, many bills OCTA was engaged in last year or early in 2020, did not make it to the Governor's desk. However, there were a small number of bills that OCTA either took positions on, or directly influenced, that were considered by the Governor, including the following:

SB 1291 (Chapter 113, Statutes of 2020): Originally sponsored by the California Association of Councils of Governments (CALCOG), SB 1291 was introduced to respond to issues impacting the development of the Federal Transportation Improvement Program (FTIP), potentially jeopardizing the funding of transportation projects. Both COVID-19 and federal air quality rulemakings created uncertainties which delayed the normal FTIP development process across the State. SB 1291 provided the flexibility necessary for regions and the California Department of Transportation to submit an adopted FTIP to the Federal Highway Administration later than the statutorily required period this year, so to allow regions sufficient time to adjust for these issues. Moira Topp communicated OCTA's support of this bill and along with OCTA staff, worked with the coalition led by CALCOG to allow the bill to ultimately be passed by the State Legislature unanimously, and signed by the Governor.

SB 288 (Chapter 200, Statutes of 2020): Sponsored by the Bay Area Council, San Francisco Bay Area Planning and Urban Research Association and Silicon Valley Leadership Group, SB 288 establishes new California Environmental Quality Act exemptions for designated sustainable transportation projects, primarily related to transit and active transportation. However, it establishes new requirements for these projects to qualify for the exemption, including, in some cases, conducting a business case and a racial equity analysis pursuant to standards developed by the Office of Planning and Research (OPR), or which can be delegated by OPR to a metropolitan planning organization (MPO). OCTA participated with other transportation stakeholders and partners to clarify provisions in SB 288 and help to mitigate any unintended consequences while ensuring the bill's usefulness. While not all amendments offered

were integrated, Platinum and Moira Topp helped facilitate continued dialogue with the author's office and sponsors of the bill. As implementation occurs, the need for further clarification will be monitored.

SB 1351 (Beall, D-Campbell): SB 1351 would have provided authority to bond, up to \$5 billion, against future revenues generated from the SB 1 (Chapter 5, Statutes of 2017) Transportation Improvement Fee (TIF), to expedite the delivery of projects via the State Highway Operation and Protection Program (SHOPP). In working with the author's office and the California Transit Association, OCTA expressed concerns about the potential ramifications for other SB 1 programs funded by the TIF, including the Local Partnership Program. Moira Topp helped coordinate meetings with the author's office and others to discuss these concerns and potential solutions. The Governor ultimately vetoed this legislative proposal. In his veto message, he stated that Caltrans does not need this tool to accelerate SHOPP projects because Caltrans has already increased the number of projects going to construction through project savings and other administrative actions. In addition, the veto message stated that bonding against future TIF revenues runs counter the principles in SB 1 and risks locking California into long-term debt obligations to finance maintenance repairs.

Other Bills of Interest

Effort: Excellent; Outcome: Very Good

Overall, besides the aforementioned bills, most other bills OCTA had positions on or were engaged on, were placed on hold this year because of the truncated legislative session. The one priority bill OCTA supported impacted by this dynamic was SB 664 (Allen, D-Santa Monica), which OCTA worked on with toll agencies across the State to facilitate interoperability among toll agencies and clarify enforcement provisions while protecting customer privacy. Moira Topp was extensively engaged in every step related to this bill, helping facilitate discussions among toll operator partner agencies, key legislative staff, and stakeholders in opposition. This required, at times, multiple meetings a week, extensive understanding of legal and technical implications of proposed amendments, and an ability to balance competing interests among toll operators. Moira maintained respect among all those involved and was looked at as a leader in these discussions. OCTA is currently working with toll agencies within the State to determine whether similar legislation will need to be pursued next year.

Otherwise, many of the bills placed on hold were ones in which OCTA opposed or were seeking amendments, including the following:

SB 732 (Allen, D-Santa Monica): Introduced in 2019, SB 732 would create a new taxing district, which would facilitate the ability for the South Coast Air Quality Management District (SCAQMD) Board of Directors to impose a transactions and use tax within the boundaries of its district. The legislation did not include any requirement for an expenditure plan to be developed or an equitable distribution within the SCAQMD jurisdiction. While OCTA met with SCAQMD staff early in 2020 to discuss the potential for amendments, the bill was ultimately held.

SB 1363 (Allen, D-Santa Monica): This bill represented a continuation of the author's previous efforts to expand upon SB 375 (Chapter 728, Statutes of 2008) requirements for each MPO to adopt a regional transportation plan that includes a sustainable communities strategy that meets greenhouse gas (GHG) emission reduction targets. The bill would have required that MPOs meet GHG and new vehicle miles traveled reduction targets in 2035, 2045, and 2050, that were to be set by the California Air Resources Board. Similar to previous efforts by the author, Moira Topp proactively reached out to the author's office to express concerns with the provisions and the potential for unintended consequences. Prior to the bill being placed on hold, there had been a willingness from the author to work collaboratively moving forward to address some of these concerns. This willingness is due to the close working relationship Moira had established previously with the author and lead staff. It is expected a similar proposal will be introduced next session.

Free Transit: Three bills were introduced early in 2020 to require free transit fares for various populations, including seniors, youth, and students. OCTA's Board of Directors adopted principles to inform conversations surrounding these bills, with a focus on the need to identify funding associated with any new mandate, and to potentially focus on the implementation of pilot programs before expanded implementation. Previous to these bills being placed on hold, Moira Topp had proactively reached out to the authors of the bills to start discussions about potential improvements, which the authors expressed an openness towards. It is fully expected that this will be a priority policy pursued by members of the Legislature next year as discussions occur about increasing transit ridership post-pandemic.

General Services

Effort: Excellent; Outcome: Very Good

Platinum and Moira Topp have regularly scheduled meetings with legislators, committee consultants, Administration staff, and staff of various state departments, boards, and commissions to discuss issues of importance to OCTA. Members of the Legislature and the Administration consistently rely on Platinum and Moira Topp to discuss and provide recommendations on a number of important transportation issues. Platinum and Moira Topp have been responsive to requests by OCTA staff, provided timely information, advice and reports, and provided testimony in legislative committees that accurately reflected Board positions on legislation and policy issues. Platinum and Moira Topp also worked on a number of other issues on behalf of OCTA that were not necessarily contained in legislation, including setting up meetings with key staff within the Administration and Legislature, promptly responding to questions from state delegation members, and relaying important information related to appointments by the Governor.

Specifically, this year Platinum and Moira Topp arranged meetings with key members of the Legislature and Administration when OCTA visited Sacramento early in 2020, in addition to assisting the scheduling of meetings for advocacy trips done in coordination with Mobility 21. This included meetings with California State Transportation Agency

Secretary David Kim; newly appointed Executive Director of the California Transportation Commission, Mitch Weiss; Assembly Transportation Committee Chair Jim Frazier and all of Orange County's delegation members. Earlier in the year, these meetings provided OCTA an opportunity to convey key policy priorities for this legislative session and highlight projects which OCTA would be pursuing state grant opportunities. As COVID-19 began impacting services and programs, these meetings provided OCTA the ability to communicate impacts the pandemic had on funding, projects and services, and highlight efforts the agency was undertaking to respond and plan for post-pandemic. In addition, Moira Topp was able to directly engage OCTA delegation members this year on OCTA grant applications, facilitating methods where they could express their support to the Administration for OCTA projects and programs both through letters of support and direct communication. Moira Topp and Platinum demonstrated great versatility in being able to pivot in switching to a primarily virtual means of communicating and meeting with key offices this year.

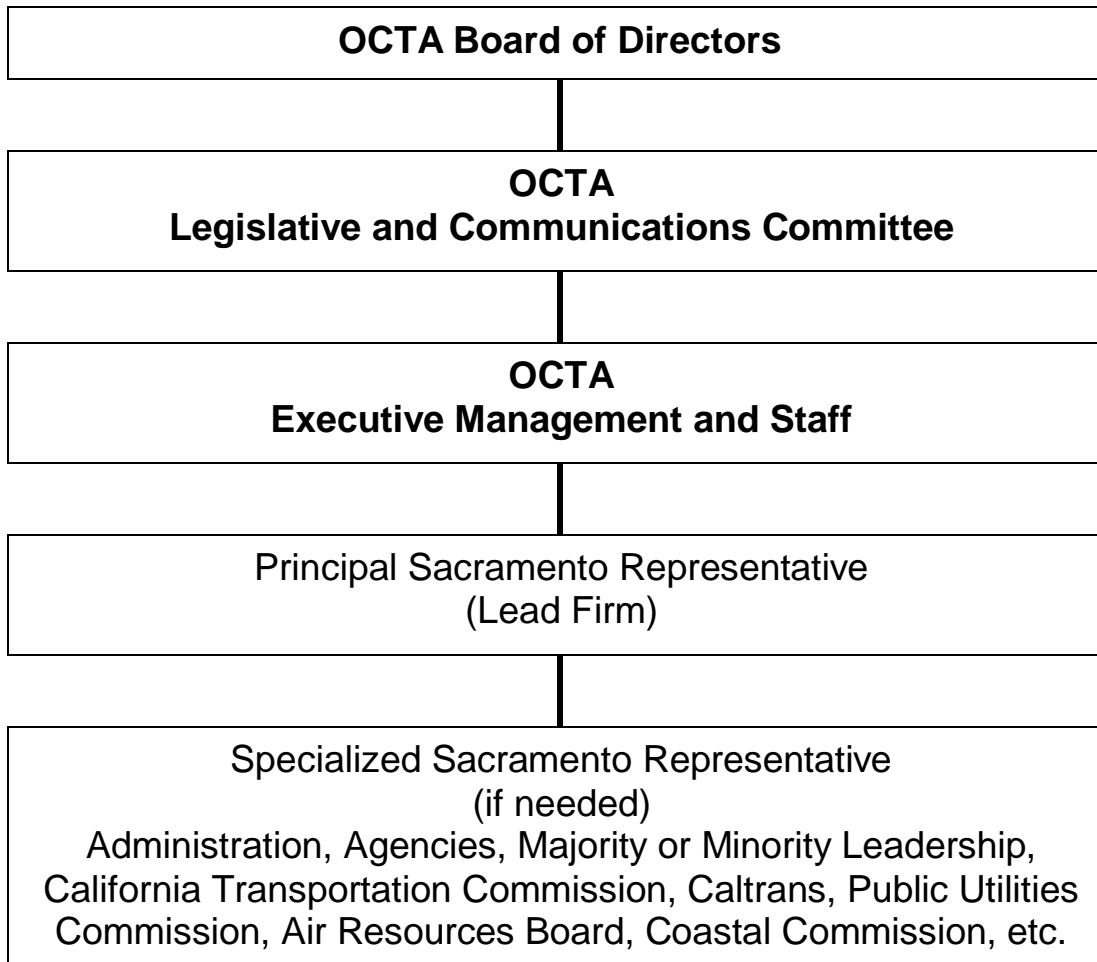
Effort: Very Good; Outcome: Very Good

Platinum and Moira Topp's efforts overall are rated as excellent based on responsiveness, time dedicated to advocating for and advancing of OCTA's positions and policies, timeliness of information, assisting in building cooperative relationships with legislators and members of various state departments, boards, and commissions, and availability. Platinum and Moira Topp's outcomes overall are rated as very good based on the outcomes of the issues discussed.

Sacramento Legislative Advocacy and Consulting Services Scope of Work

Reporting Relationship

The Manager of State and Federal Relations and/or his/her designee will be the key contact and will coordinate the work of the CONSULTANT. The Orange County Transportation Authority (OCTA), at its sole discretion, may enter into more than one contract with additional firms with a Reporting Relationship of:



Role of the CONSULTANT

Under the coordination of the Manager of State and Federal Relations and/or his/her designee, the CONSULTANT shall be responsible for implementing the objectives described below.

Objectives

Objective 1: Maintain regular contact with the Governor's office; members of the Legislature and committee staff; and state departments, agencies, boards, commissions, committees, and staff to determine impending changes in laws, regulations, and funding priorities that relate to the OCTA.

- Meet with members of the Governor's office and Legislature to discuss policy issues affecting OCTA.
- Meet with members and staff of the California Transportation Commission on issues that could affect the programming of OCTA projects.
- Attend meetings of the Board of Equalization and report on issues that could affect funding.
- Participate in transportation related meetings with various state departments, including, but not limited to, the Department of Finance; Business, Transportation, and Housing; Department of Transportation; California Highway Patrol; Environmental Protection Agency; and Air Resources Board.

Objective 1 Deliverable:

- Electronic reports of issues that could affect OCTA projects or funding.

Objective 2: Notify OCTA of anticipated, newly introduced or amended state legislation and proposed regulations, which could impact OCTA.

- Provide bill number and brief summary of introduced or amended state legislation via e-mail.
- Provide information relative to legislative hearings.
- Provide information on bills' sponsors, supporters, and opponents.
- Advise OCTA of proposed transportation, environmental, employment, and safety related legislation and regulations which could impact OCTA and provide copies as requested.

Objective 2 Deliverables:

- Copies of legislation, committee analyses, and proposed regulations as requested.
- Electronic notification of introduced bills and amendments, with summaries.
- Notification of legislative hearings.

Objective 3: Advocate OCTA's legislative program and positions on legislation, proposed regulations, and funding and transportation programming priorities as adopted by the Board.

- Participate in the preparation of OCTA's legislative program by informing staff of upcoming legislative proposals, budget forecasts, and potential policy issues.
- Assist in securing authors and drafting language for sponsor bills.
- Assist in drafting amendments to legislation and regulations.
- Build coalitions to support OCTA's positions on significant legislation.
- Testify on behalf of OCTA on Board-adopted positions on legislation at committee and floor hearings, as appropriate.
- Provide copies of all written correspondence, testimony, and position papers given on behalf of OCTA.
- Schedule meetings with legislators, Governor's office, and state departments for OCTA Directors and staff to advocate legislative and funding priorities.
- Participate in transit and transportation lobbying coalitions.
- Analyze and prepare advice on the proposed state budget as it relates to transportation, including, but not limited to, identifying decreases/increases in existing programs, new funding sources, and strategies to enhance transportation funding for OCTA.

Objective 3 Deliverables:

- Copies of all written correspondence, testimony, and position papers given on behalf of OCTA.
- Schedule of meetings with legislators, Governor, and administration.
- Budget analyses.

Objective 4: Provide written and oral reports.

- While the Legislature is in session, highlight significant transportation and related issues in Sacramento of importance to OCTA as needed.
- Submit a monthly written report of advocacy activities and accomplishments.
- As needed, present an in-person report to the Board or the Legislative and Communications Committee during a regular meeting. At least one in-person meeting should occur to develop legislative strategy.
- Once per month, participate via telephone in the Legislative and Communications Committee meeting or other designated committee of the Board.
- Maintain close contact with the Manager of State and Federal Relations on issues of importance.
- Provide electronic updates via e-mail to designated recipients on meetings of the Legislature, transportation issues of importance, press releases, and other issues of importance to OCTA.

Objective 4 Deliverables:

- Written reports highlighting significant transportation and related developments in Sacramento, as needed.
- Monthly written report of advocacy activities and accomplishments.
- As needed, oral presentations to the Board or Legislative and Communications Committee.
- As needed, an in-person legislative strategy session with Members of the Board of Directors.
- Monthly conference calls with the Legislative and Communications Committee or other designated committee.
- Electronic updates on issues of importance.

Objective 5: Maintain Sacramento office.

- Maintain an office in Sacramento, convenient to the State Capitol.
- Provide briefings at office prior to meetings at the Capitol.
- Have available an office for use by Board Members and staff while performing OCTA business in Sacramento.

Objective 5 Deliverable:

- Office in Sacramento.

Objective 6: Provide monthly invoices of services.

- Provide a written summary of meetings attended on behalf of OCTA.
- Provide a list of issues advocated during the month and status.

Objective 6 Deliverable:

- Monthly invoice that includes a written summary of meetings attended on behalf of OCTA and a list and status of the issues advocated for OCTA during the month.



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors
From: Laurena Weinert, Clerk of the Board
Subject: Property Insurance Policy Renewal

Finance and Administration Committee Meeting of November 11, 2020

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

Committee Vote

Following the roll call vote, this item was declared passed 6-0 by the Members present.

Committee Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. A46200 in the amount of \$629,269, to Marsh Risk and Insurance Services, Inc., to purchase property insurance on behalf of the Orange County Transportation Authority with Zurich Insurance Company for the policy period of December 1, 2020 to December 1, 2021.



November 11, 2020

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Property Insurance Policy Renewal

Overview

The Orange County Transportation Authority holds a property insurance policy with Zurich Insurance Company. This policy is scheduled to expire on December 1, 2020, and a renewal is necessary to maintain coverage.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. A46200 in the amount of \$629,269, to Marsh Risk and Insurance Services, Inc., to purchase property insurance on behalf of the Orange County Transportation Authority with Zurich Insurance Company for the policy period of December 1, 2020 to December 1, 2021.

Discussion

The Orange County Transportation Authority (OCTA) purchases insurance to protect OCTA property, including buildings, contents, and buses from accidental loss. OCTA is currently insured with Zurich Insurance Company for an annual net of commission premium of \$534,429, which is based on property values of \$577,477,554 and includes all OCTA-owned property, except the 91 Express Lanes, which is insured under a separate insurance policy.

Insurance companies determine property insurance quotes based upon current insurance market conditions affecting rates per \$100 in property values. The current policy runs December 1, 2019 to December 1, 2020. The renewal of this policy will be based on updated property values of \$580,397,366, which includes real and business personal property, information system equipment, and directly operated revenue and non-revenue vehicles. Due to the large number of insured buses included in this policy, there is a special insurance condition that OCTA buses are only insured while parked at the bus base. Included in the current policy, OCTA is also insured for active shooter and malicious attack coverage,

which covers damage to property and additional post-event expenses not provided for in a traditional property insurance policy.

Currently, a \$50,000 deductible is applied per occurrence for fire loss or damage to OCTA's bus fleet in this policy. Revenue vehicles are self-insured for property damage while in operation. OCTA's paratransit vehicles are not included in OCTA's insurable values since these vehicles are insured by MV Transportation, Inc., as required in Agreement No. C-2-1865, approved by the Board of Directors (Board) on March 25, 2013. In addition, fixed-route buses operated and insured by First Transit, Inc., as required in Agreement No. C-4-1737, approved by the Board on March 23, 2015, are also not included in OCTA's insurable values.

The property insurance policy limit is currently at \$235,000,000, which provides catastrophic protection equivalent to a total loss just above the current insurable values at OCTA's single largest property value location, the Santa Ana bus base. The insurance provides protection for real and business personal property, improvements and betterments, rolling stock, and extra expenses incurred after a loss. Other coverage includes fire, flood, terrorism, civil authority, ingress/egress, leaks to fire sprinkler pipes caused by earthquakes, valuable papers, and boiler and machinery. Policy deductibles for this policy vary by category of coverage. The policy has a \$50,000 deductible that applies to all losses except:

- \$100,000 deductible for flood, except Flood Zone A
- \$500,000 deductible for flood in Flood Zone A

Flood protection is also provided in the current property insurance policy. Flood is defined in the policy as "surface water, underground water, waves, tides, tidal waves, tsunamis, overflow of any body of water or their spray, all whether driven by wind or not." As with many properties in Orange County, OCTA has buildings that are in areas susceptible to flooding. Flood zones are identified by the National Flood Insurance Program and classified as a special flood hazard area if the area is within a 100-year flood boundary. A "100-year flood" does not refer to a flood that occurs once every 100 years, but refers to a flood level with a one percent or less chance of being equaled or exceeded in any given year. OCTA currently has flood protection included in the current policy with a limit of \$10,000,000. Flood Zone A is an area of increased risk of flooding and carries a \$500,000 deductible. Currently, OCTA's Garden Grove Maintenance, Operations, General Services Warehouse, and Annex buildings are in Flood Zone A. Each of OCTA's other locations have been identified in Flood Zone X, which is defined as a moderate flood area.

Earthquake coverage is also provided in the current property insurance policy. The policy provides a \$15,000,000 limit subject to a five percent deductible of the insurable value per location, with a minimum of \$250,000 damage. Earthquake is defined in the policy “as the shaking or trembling of the earth's crust, caused by underground volcanic or tectonic forces, or by breaking or shifting of rock beneath the surface of the ground from natural causes, considering all events within a 168-hour period as one single event.”

OCTA's Broker of Record, Marsh Risk and Insurance Services, Inc. (Marsh), provided marketing and will purchase the property insurance coverage on behalf of OCTA for this renewal. Marsh is paid an annual flat fee of \$105,000 for marketing and placing all property and casualty insurance per Agreement No. C-7-1585, approved by the Board on May 22, 2017. This flat fee paid to Marsh is not part of the \$700,000 Board-approved budget for the renewal of this policy. By agreement, Marsh does not earn any additional compensation or commission for its services. The contract further requires that any commissions offered by insurers will offset OCTA's premiums. In addition, Marsh has been instructed not to disclose broker compensation to prospective insurers to avoid having them net the broker's commission against their quoted premiums.

Marsh has identified a market trend of increased premium rates of 20 to 40 percent for insurance policies renewing this year. Although OCTA has a very favorable loss history, premium rate increases are expected as insurers are experiencing significant losses due to unprecedented fires and an active weather season. Marsh was directed to approach all possible markets to obtain the best coverage and premium options for this renewal. The following insurance carriers with a required AM Best financial rating of A-7 or better listed below were approached for proposals:

- Affiliated FM Insurance Company
- Allianz Insurance Group
- Endurance American Insurance Company
- Liberty Mutual Insurance Company
- XL Insurance Company
- Zurich Insurance Company

Marsh received a response from all of the insurance companies listed above and only one insurer, Zurich Insurance Company, provided a renewal quote. The other insurers declined to provide quotes due to the fact that OCTA requires the inclusion of insuring the bus fleet along with real and business personal property. Zurich Insurance Company quoted a net commission premium of \$629,269 for the policy period of December 1, 2020 to December 1, 2021.

Fiscal Impact

This expenditure was approved in OCTA's Fiscal Year 2020-21 Budget, Human Resources and Organizational Development Division, Risk Management Department, Account No. 0040-7563-A0017-DTS, and is funded through the Internal Service Fund.

Summary

Based on the information provided, staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Purchase Order No. A46200, in the amount of \$629,269, to Marsh Risk and Insurance Services, Inc., to purchase property insurance on behalf of the Orange County Transportation Authority with Zurich Insurance Company for the policy period of December 1, 2020 to December 1, 2021.

Attachment

- A. OCTA – Property Program Bus Bases, Renewal Proposal Property All Risk, December 1, 2020 - 2021

Prepared by:



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Department Manager,
Risk Management
714-560-5817

Approved by:



Maggie McJilton
Executive Director,
Human Resources and Organizational
Development Division
714-560-5824

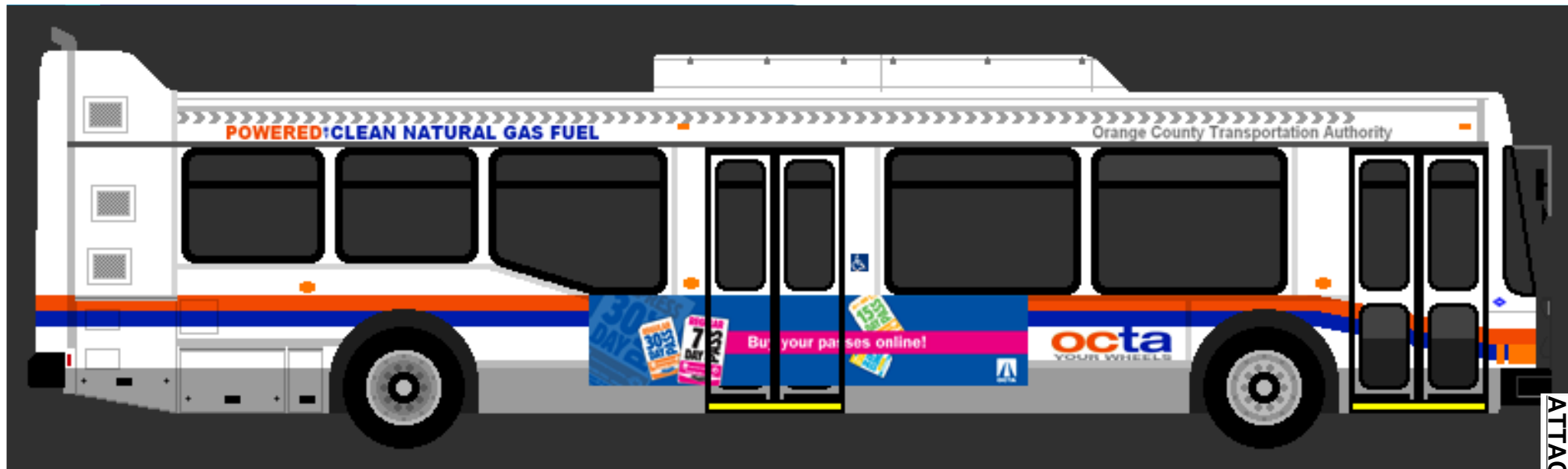


Pia Veasapen
Interim Director, Contracts
Administration and Materials
Management
714-560-5619

OCTA – Property Program Bus Bases

RENEWAL PROPOSAL
PROPERTY ALL RISK

December 1, 2020 – 2021

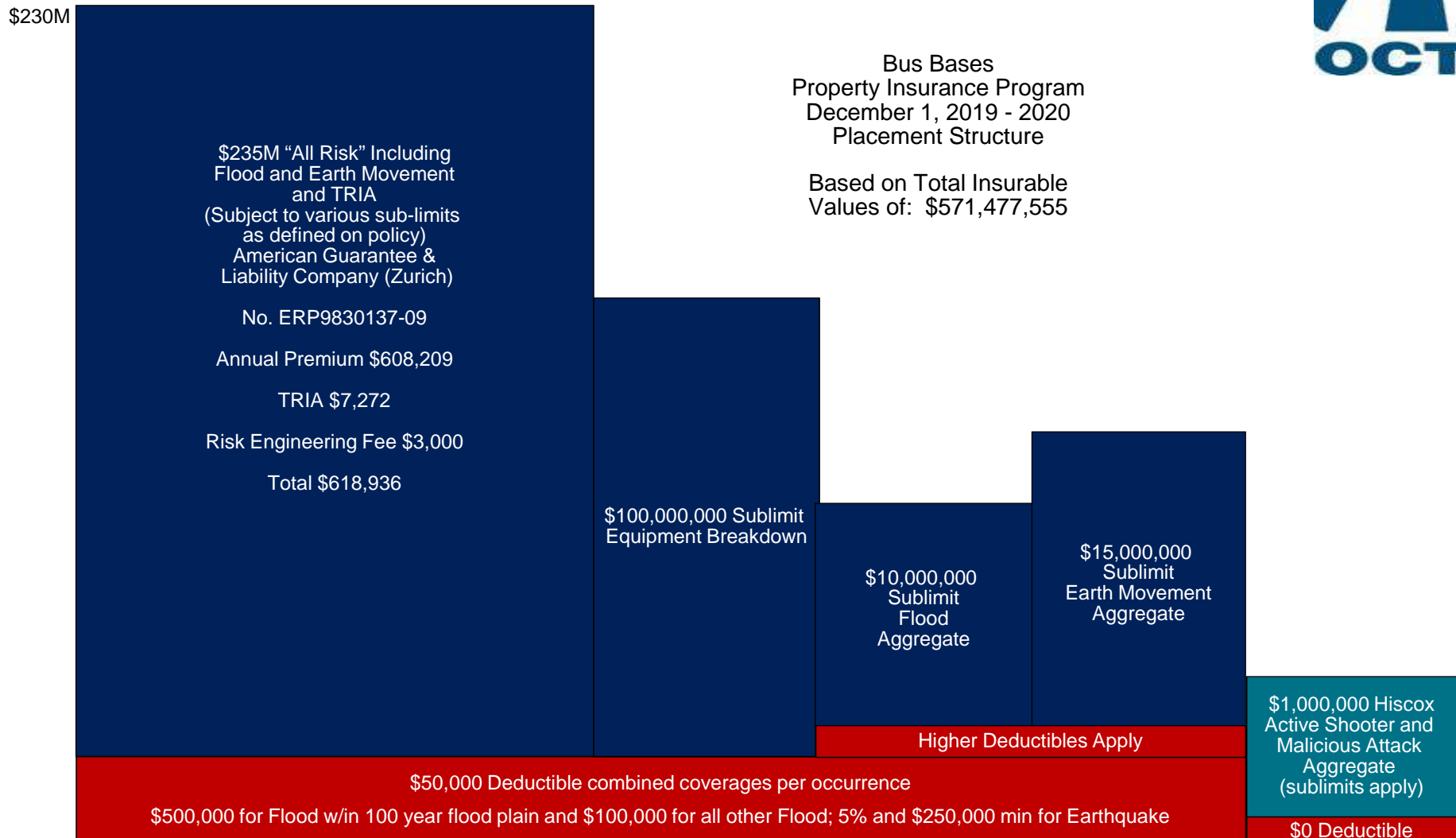


OCTA – Bus Bases Program Summary Chart



Bus Bases
Property Insurance Program
December 1, 2019 - 2020
Placement Structure

Based on Total Insurable
Values of: \$571,477,555



This graphic illustration is an oversimplification and should not be used to verify coverage in force. In addition, limits shown may have been reduced by paid claims. (Not to Scale)

Marketing Summary 2020-2021

- **Zurich** as the incumbent carrier offers a 17% composite rate increase over expiring program which is very competitive compared to the average 20% to 30% rate increases the overall property market is currently offering; however, Zurich needs to reduce some sublimits and add a Cyber Event Coverage endorsement which is now standard in all their policies.
- **AIG** – Pending at the time of this writing

Other responses received at the time of this writing:

- **Liberty** – Chris Yamauchi – Underwriter – Declined – *“We are going to pass on this opportunity again due to occupancy out of appetite”*
- **Allianz** – Ruby Seapno-Burnett – Underwriter – Declined – *“as this risk is all bus exposure, we are unable to consider. Had this been included with a rail system and the buses are in addition to, we would be able to consider”*
- **AXA XL** – Anthony Forester – Underwriter – Declined – *“This account is not in our appetite and will not be a fit for us”*
- **Affiliated FM** – Samuel Mowes – Underwriter – Declined – *“This type of account is outside the AFM risk appetite because of what they do.”*
- **Sompo (Endurance)** – Sarah Maguire – Underwriter - Declined – *“our policy excludes vehicles licensed for road use – so we would not be able to provide coverage for the buses while parked at the bases”*
- **Mitsui** – Robert Merluza – Underwriter – Declined – *“take a pass as this is not a fit for us in Inland Marine. We have entertained Railroad Property within our department, but not buses”*

Renewal Proposal Summary 2020-2021

OCTA - Bus Bases Property Program 2020-2021 Marketing Results

		POLICY YEAR		CHANGES	
		2019-2020	2020-2021	Amount	%
Property All Risk including Boiler and Machinery					
	Gross Premium		Gross Premium		
American Guarantee & Liability Company (Zurich)	\$ 608,209	American Guarantee & Liability Company (Zurich)	\$ 724,611	\$ 116,402	19%
TRIA (Optional)	\$ 7,727	TRIA (Optional)	\$ 7,282	\$ (445)	-6%
Risk Engineering Fee	\$ 3,000	Risk Engineering Fee	\$ 5,025	\$ 2,025	68%
Total	\$ 618,936	Total	\$ 736,918	\$ 117,982	19%
Active Shooter and Malicious Attack					
	Gross Premium		Gross Premium		
Lloyd's Syndicate (33) - Hiscox	\$ 9,475	Lloyd's Syndicate (33) - Hiscox	\$ 10,000	\$ 525	6%
Surplus Lines Taxes/Fees	\$ 303	Surplus Lines Taxes/Fees	\$ 325	\$ 22	7%
Combined Total Gross Premium	\$ 628,714	Combined Total Gross Premium	\$ 747,243	\$ 118,529	19%
Combined Total Net Premium	\$ 534,428	Combined Total Net Premium	\$ 629,269	\$ 94,841	18%
Total Insurable Values					
Revenue Vehicles	\$ 207,428,250		\$ 222,502,064	\$ 15,073,814	7%
All other including non revenue	\$ 364,049,305		\$ 357,895,272	\$ (6,154,033)	-2%
	\$ 571,477,555		\$ 580,397,336	\$ 8,919,781	2%
Overall Composite Program Rates					
American Guarantee & Liability Company (Zurich)	\$ 0.1078	American Guarantee & Liability Company (Zurich)	\$ 0.1261	\$ 0.0183	17%

Renewal Proposal Summary 2020-2021

General Information		EXPIRING PROGRAM ZURICH	RENEWAL PROPOSAL ZURICH
Insurer	A.M. Best's Rating	American Guarantee & Liability Company (Zurich) A+ g XV	American Guarantee & Liability Company (Zurich) A+ g XV
Perils Insured			
All risks direct physical loss or damage		Yes	Yes
Earth Movement		Yes	Yes
Flood		Yes	Yes
Main Sublimits (others apply)			
Any one occurrence		\$235,000,000	\$235,000,000
Civil Authority		90 days/1 Mile/\$5,000,000 limit	90 days/1 Mile/\$2,500,000 limit
Computer Systems Damage		\$250,000	\$100,000
Decontamination Costs		\$1,000,000	\$1,000,000
Expediting Costs		\$2,500,000	\$2,500,000
Extended Period of Liability		60 days	30 days
Extra Expense		\$5,000,000	\$5,000,000
Earth Movement		\$15,000,000 annual aggregate	\$15,000,000 annual aggregate
Equipment Breakdown		\$100,000,000	\$100,000,000
Flood		\$10,000,000 annual aggregate	\$10,000,000 annual aggregate
Impounded Water		60 days/\$1,000,000 limit	30 days/\$500,000 limit
Ingress / Egress		90 days/1 Mile/\$5,000,000 limit	90 days/1 Mile/\$2,500,000 limit
Miscellaneous Unnamed Locations		\$5,000,000	\$5,000,000
Newly Acquired Property		\$10,000,000 270 days reporting	\$5,000,000 270 days reporting
New Construction and Additions		\$5,000,000	\$5,000,000
Ordinary Payroll		90 days	30 days
Protection and Preservation of Property		48 hours / \$1,000,000 limit	48 hours / \$500,000 limit
Research and Development		6 months / \$100,000 limit	No coverage provided
Tenants Prohibited Access		\$250,000	\$250,000 annual aggregate
Sublimit for Railroad Tracks		\$2,500,000	\$2,500,000
Deductibles			
All Perils, except:		\$50,000	\$50,000
Flood		\$100,000 except \$500,000 for Flood Zone A	\$100,000 except \$500,000 for Flood Zone A
Earthquake		5% per unit with a minimum of \$250,000	5% per unit with a minimum of \$250,000
Other			
Commission		15%	15%

Renewal Considerations 2020-2021

- 1.- Savings for increasing deductible for All Other Perils to \$100,000 per occurrence – Savings of \$10,000
- 2.- Savings for increasing deductible for Revenue Vehicles only to \$500,000 per occurrence - Not provided by Zurich at the time of this writing
- 3.- Zurich acknowledges the following locations as High Hazard for Flood (Zone A):
 - 11800 Woodbury Road, Garden Grove, CA
 - 11790 Cardinal Circle, Garden Grove, CA
 - 11911 Woodbury Road, Garden Grove, CA
 - 375 Broadway, Laguna Beach, CA
- 4.- Evaluate if NFIP (National Flood Insurance Program) policies for High Hazard Flood locations should be quoted
- 5.- Revenue Buses for the renewal considered as follows:
 - Articulated 60 footers total 36 with replacement value of \$1,100,000
 - 40 footers total 252 with replacement value of \$623,537
 - 10 Hydrogen Full Cell Electric Buses with a replacement value of \$1,330,000
- 6.- Zurich to continue providing Loss Control services.

Active Shooter and Malicious Attack Coverage Renewal Proposal

- **Hiscox R5 – Lloyd's Syndicate**
- Limit of Liability: \$1,000,000 Per Occurrence / \$1,000,000 Aggregate
- Total Insured Values \$580,397,335
- Sublimits:
 - Additional Security Measures Sublimit \$250,000
 - Counseling Sublimit \$250,000
 - Public Relations Costs Sublimit \$250,000
 - Miscellaneous Crisis Management Expenses Sublimit \$250,000
 - Medical and Funeral Expenses Sublimit \$1,000,000
- Deductible: \$0
- Waiting Period: 0 Hour(s)
- Occurrence 72 hours
- Annual Premium: \$ 10,000
- Commission 20%
- Coverage excludes any exposure in Las Vegas, Nevada

Property Exposure Information – Statement of Values 2020-2021

Orange County Transportation Authority Fixed Asset Property Statement of Values Summary

As of July 31, 2020

Name	Address	City/State	Zip	Sq. Ft	Real	I.S. Equipment	Personal	Revenue Vehicles	Rpt. Total
Brea Park and Ride	Lambert & 57 Freeway	Brea, CA		38,332	886,784				886,784
Fullerton Park and Ride	3000 W. Orangethorpe Avenue	Fullerton, CA	92633	483,516	3,127,703		17,782		3,145,485
Fullerton Transit Center	123 South Pomona	Fullerton, CA	92633	20,908	3,284,499				3,284,499
Laguna Hills Transit Center	24282 Calle De Los Caballeros	Laguna Hills, CA	92653	100,188	5,389,757		34,453		5,424,210
Laguna Beach Transit Center	375 Broadway	Laguna Beach, CA	92651	19,166	444,697				444,697
Goldenwest Transit Center	7301 Center Drive	Huntington Beach, CA	92647	117,612	4,117,838				4,117,838
Newport Beach Transit Center	1550 Avocado Avenue	Newport Beach, CA	92660	121,968	1,979,103				1,979,103
Santa Ana Operations/Maintenance	4301 W. MacArthur	Santa Ana, CA		867,964	75,305,886	239,684	37,598,126	130,218,588	243,362,284
Communication Equipment	various locations	CA					22,875,798		22,875,798
Bus Shelters / Turnouts	various locations	CA					656,522		656,522
Garden Grove Operation Center/Annex	11800/11892 Woodbury Road	Garden Grove, CA	92643	83,116	6,231,899	2,257,254	1,194,498		9,683,651
Garden Grove Maintenance Center	11790 Cardinal Circle	Garden Grove, CA	92643	43,740	22,465,137	225,938	54,437,330	79,812,736	156,941,141
Garden Grove General Svcs Warehouse	11911 Woodbury Road	Garden Grove, CA	92643	8,640			50,613		50,613
Anaheim Operations/Maintenance Center	1717 E. Via Burton	Anaheim, CA	92806	157,746	22,628,361	30,165	4,318,073		26,976,599
Irvine Ops/Maint (Contracted Fixed Route)	14736 Sand Canyon Road	Irvine, CA	92714	67,927	11,880,317		14,208,704		26,089,021
Irvine Ops/Maint Veolia (Dial-A-Ride)	16281 Construction Circle West	Irvine, CA	92602	37,050	5,432,099		603,926		6,036,025
Farebox Equipment (1)							10,099,968		10,099,968
Contingency Revenue Vehicles (2)							1,375,626	12,470,740	13,846,366
Administration Facility	550 / 600 South Main Street	Orange, CA	92863	103,070	3,421,114	19,908,494	3,519,987		26,849,594
Assets used in multiple locations					3,768,060		6,366,489		10,134,549
Assets at Vegas Location						1,512,588			1,512,588
14970 Goldenwest St.(Sporting Goods)	14970 Goldenwest St.	Westminster, CA	92683		1,500,000				1,500,000
Oso Parkway Freeway Widening Project	26242 Avery Parkway	Mission Viejo, CA	92692		1,500,000				1,500,000
Oso Parkway Freeway Widening Project	28692 Camino Capistrano	Laguna Niguel, CA	92675		1,500,000				1,500,000
I-405 Widening Project	16591 & 16595 Magnolia Street	Westminster, CA	92683	25,000	1,500,000				1,500,000
Totals			FY 2020		176,363,255	24,174,122	157,357,895	222,502,064	580,397,336
			FY 2019		178,107,103	19,308,950	172,633,251	207,428,250	577,477,554
			Diff		(1,743,848)	4,865,172	(15,275,356)	15,073,814	2,919,782



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COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors
From: Laurena Weinert, Clerk of the Board
Subject: Excess Liability Insurance Renewal

Finance and Administration Committee Meeting of November 11, 2020

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

Committee Vote

Following the roll call vote, this item was declared passed 5-1 by the Members present.

Committee Vice Chairman R. Murphy voted in opposition.

Committee Recommendations (reflects a change from Staff Recommendation)
Add Recommendations B and C.

- A. Authorize the Chief Executive Officer to fully self-insure for liability claims by allowing the excess liability insurance policies with Gemini Insurance Company and Princeton Excess and Surplus Lines Insurance Company to expire until such time the insurance market pricing is more favorable.
- B. Direct staff to maintain a self-insured retention fund of no less than \$14 million.
- C. Direct staff to continue to monitor the liability insurance market and return to the Board of Directors when the average pricing trends show a reduction of at least 40 percent or in 11 months, whichever occurs first.



Committee Discussion

At the November 11, 2020 Finance and Administration (F&A) Committee (Committee) meeting, F&A Committee Chairman Hennessey continued to have concerns about the self-insured retention of \$5 million per claim and \$7 million in excess liability.

F&A Committee Chairman Hennessey requested the Committee approve Recommendation A and add Recommendations B and C.



November 11, 2020

To: Finance and Administration Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: Excess Liability Insurance Renewal

Overview

The Orange County Transportation Authority currently has excess liability insurance policies with Gemini Insurance Company and Princeton Excess and Surplus Lines Insurance Company. These policies will expire on December 1, 2020.

Recommendation

Authorize the Chief Executive Officer to fully self-insure for liability claims by allowing the excess liability insurance policies with Gemini Insurance Company and Princeton Excess and Surplus Lines Insurance Company to expire until such time the insurance market pricing is more favorable.

Discussion

The Orange County Transportation Authority (OCTA) has been self-insured for liability claims since 1977 and currently maintains a self-insured retention (SIR) of \$5 million per claim. In addition, OCTA currently purchases \$7 million in excess liability insurance limits above the current SIR to provide financial protection against catastrophic events and associated losses.

Excess liability insurance is a type of insurance policy purchased by OCTA to protect against liability claims for bodily injury and property damage arising out of premises, all operations (including the 91 Express Lanes), products and completed operations, advertising and personal injury liability, errors and omissions liability (including public official's coverage), employment practices, and employee benefit liability.

The \$7 million in excess liability insurance is currently provided by two insurance carriers, Gemini Insurance Company (Gemini) and Princeton Excess and Surplus Lines Insurance Company (Princeton). Gemini provides coverage

of \$5 million in excess of OCTA's \$5 million SIR, for an annual premium of \$528,234. Princeton provides an additional \$2 million in coverage to OCTA beyond the Gemini policy, for an annual premium of \$206,400. The total annual premiums for the two policies including taxes and fees is \$734,634. These policies are scheduled to expire on December 1, 2020. On September 28, 2020, the Board of Directors (Board) approved a \$1,500,000 budget to renew the current insurance and recommended staff return to the Finance and Administration Committee for direction to bind coverage.

OCTA's Broker of Record, Marsh Risk and Insurance Services, Inc. (Marsh) assists in purchasing excess liability insurance coverage on behalf of OCTA. Marsh is paid a flat fee of \$105,000 for marketing and placing all of OCTA's property and casualty insurance per Agreement No. C-7-1585, approved by the Board on May 22, 2017. This flat fee paid to Marsh is not part of the premium OCTA pays for a renewal of this policy. By agreement, Marsh does not earn any additional compensation or commission for its services. The contract further requires that any commissions offered by insurers will offset OCTA's premiums.

Although OCTA has a very favorable loss history, with an average annual claims payout of \$1,828,000, Marsh has identified a market trend of increased premium rates of 20 to 25 percent for insurance policies renewing this year. Marsh solicited premium quotes for the renewal of the policies approaching insurance companies that currently write public transportation excess liability insurance policies and that also have the financial capacity to hold an AM Best financial rating of A-7 or better. Given the current insurance market, OCTA received only one quote, from incumbent carrier Gemini to provide \$5 million in excess liability coverage for a premium of \$719,077.40.

Considering this single quote and in order to provide the same level of coverage as is in place today, the current \$5 million self-insured retention would need to be increased to \$7.5 million, which is more than the largest claim in OCTA's history. Additionally, if OCTA were to increase the self-insured retention to \$7.5 million and renew the policy as quoted by Gemini, OCTA would essentially be responsible for paying all expected claims in the next year, which have averaged \$1,828,000 per year, while also paying \$719,077.40 to Gemini with a strong unlikelihood that Gemini would pay any claims. Additional quotes may be forthcoming but are unlikely to be more favorable than the quote from Gemini.

Fiscal Impact

The project was approved in OCTA's Fiscal Year 2020-21 Budget, Human Resources and Organizational Development Division, Risk Management Department, Account No. 0040-7562-A0017-DTN, and is funded through the Internal Service Fund.

Summary

Based on the information provided, staff recommends the Board of Directors authorize the Chief Executive Officer to fully self-insure for liability claims by allowing the excess liability insurance policies with Gemini Insurance Company and Princeton Excess and Surplus Lines Insurance Company to expire until such time the insurance market pricing is more favorable.

Attachment

None.

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Approved by:

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**November 11, 2020
Orange County Transportation Authority
Finance and Administration Committee
Meeting**

Item 9 – Excess Liability Insurance Renewal

SUPPLEMENTAL INFORMATION



MEMO

November 11, 2020

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: **Additional Quote Received After Publication of Staff Report**

On November 3, 2020, the Orange County Transportation Authority (OCTA) Risk Management Department received an additional insurance quote for excess liability insurance that is not included in the OCTA staff report, since it was received after publication of the agenda.

Gemini Insurance Company provided the quote for \$5 million for excess liability insurance in coverage above a \$5 million self-insured retention for a total of \$659,794, for a policy from December 1, 2020 to November 1, 2021.

Based on staff analysis, the recommendation is unchanged.

DEJ:ag



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors
From: *RW*
Laurena Weinert, Clerk of the Board
Subject: Amendment to Agreement with moovel North America, LLC, for Mobile Ticketing Services

Transit Committee Meeting of November 12, 2020

Present: Directors Do, Jones, Pulido, Shaw, and Sidhu
Absent: Director Davies

Committee Vote

Following the roll call vote, this item was declared passed 4-0 by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 11 to Agreement No. C-5-3244 between the Orange County Transportation Authority and moovel North America, LLC, in the amount of \$290,372, to exercise the option-term of the agreement for up to 12 months from the initial term, for licensing, maintenance, and commission fees. The amendment will increase the maximum obligation of the agreement to a total contract value of \$1,240,462.



November 12, 2020

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Agreement with moovel North America, LLC, for Mobile Ticketing Services

Overview

On July 13, 2015, the Board of Directors approved an agreement with moovel North America, LLC, to develop a mobile ticketing application that provides the ability to purchase and display fare products for OC Bus from certain smartphone devices. The initial contract term will expire on December 31, 2020, and an amendment is needed to exercise the option-term for service continuity.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 11 to Agreement No. C-5-3244 between the Orange County Transportation Authority and moovel North America, LLC, in the amount of \$290,372, to exercise the option-term of the agreement for up to 12 months from the initial term, for licensing, maintenance, and commission fees. The amendment will increase the maximum obligation of the agreement to a total contract value of \$1,240,462.

Background

On July 13, 2015, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved an agreement with moovel North America, LLC, (moovel) to develop, host, license, and maintain a mobile ticketing application that is used to purchase and display fare products on OC Bus. The agreement included an initial term of five years, which expires on December 31, 2020, and a single 24-month option-term. At the end of January 2020, moovel notified OCTA of their plans to exit the mobile ticketing market in the United States. As a result, moovel requested OCTA reduce the option-term from 24 months to 12 months, which still provided OCTA sufficient time to transition to another mobile ticketing vendor as moovel exited the market.

In order to facilitate the transition to a new mobile provider, the OCTA Board authorized the release of a request for proposals on February 10, 2020, to secure a new mobile ticketing provider. On May 11, 2020, the Board approved an agreement with Bytemark, Inc. (Bytemark), to develop a replacement mobile ticketing application that provides the ability to purchase and display fare OC Bus products from smartphone devices.

Discussion

OCTA is working diligently with Bytemark to develop the replacement mobile ticketing application, however the initial term of the moovel agreement will expire on December 31, 2020, and OCTA will need to continue to use the existing mobile application provided by moovel until the new application is implemented. Implementation of the new mobile ticketing application is anticipated in spring 2021. As a result, staff is recommending exercising a modified month-to-month option-term of up to 12 months to provide service continuity until the replacement application is implemented. The costs included in the option-term are consistent with the terms of the existing agreement and will provide OCTA the ability to fund license and maintenance fees, in the amount of \$12,063 per month, for an amount up to \$144,756, as well as an amount up to \$145,616 for commission fees associated with the sale of fare media using the mobile application, which include one-way fares, day passes, multiple day passes, and college student passes.

Procurement Approach

This procurement was handled in accordance with OCTA's Board-approved procedures for professional and technical services. On July 13, 2015, the OCTA Board approved the award of an agreement with moovel to develop and implement a mobile ticketing application for OC Bus. The original agreement was awarded on a competitive basis and included a five-year initial term and a single, two-year option-term in the amount of \$579,209. The initial term of the agreement will expire on December 31, 2020, requiring the option-term to be exercised. This agreement was previously amended as described in Attachment A.

Amending this agreement will increase the maximum obligation by \$290,372, bringing the total contract value to \$1,240,462. Exercising the option-term for up to 12 months, compensated on a month-to-month basis, provides software, license, and maintenance fees commencing January 1, 2021 through December 31, 2021, and additional funding to allow moovel to continue services on OCTA's current OC Bus Mobile Ticketing platform. This total includes

additional funds to the current term to pay for commission fees for the current term.

Fiscal Impact

This project was approved in OCTA's Fiscal Year 2019-20 Budget, Finance and Administration Division, Information Systems Department, accounts 1288-D3131-THK-7519, 1288-D3131-OAZ-7518, and 1261-D3131-OAZ-7518.

Summary

Staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Amendment No. 11 to Agreement No. C-5-3244 with moovel North America, LLC., to exercise the option-term for up to 12 months. The option-term provides mobile ticketing service continuity until the replacement mobile ticketing application is implemented in spring 2021. The option-term includes additional funding in the amount of \$290,372, which brings the total contract amount to \$1,240,462.

Attachment

A. moovel North America, LLC, Agreement No. C-5-3244 Fact Sheet

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Approved by:



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**moovel North America, LLC
Agreement No. C-5-3244 Fact Sheet**

1. July 13, 2015, Agreement No. C-5-3244, in the amount of \$579,209, approved by the Board of Directors (Board).
 - Agreement to develop, host, license and maintain a Mobile Ticketing application
 - Initial term effective September 22, 2015 through December 31, 2020, with one, two-year option term.
2. July 18, 2016, Amendment No. 1 to Agreement No. C-5-3244, \$0.00, approved by Contracts Administration and Materials Management Department (CAMM).
 - Amendment revised the Contractor name from Globesherpa, Inc to moovel North America, LLC.
3. October 31, 2016, Amendment No. 2 to Agreement No. C-5-3244, \$0.00, approved by CAMM.
 - Amendment to add CDCE, Inc. as a subcontractor.
4. April 17, 2017, Amendment No. 3 to Agreement No. C-5-3244, \$0.00, approved by CAMM.
 - Amendment to add Ride Tap module to mobile ticketing app
 - Changed designated contract and address
5. July 14, 2017, Amendment No. 4 to Agreement No. C-5-3244, \$44,000, approved by CAMM.
 - Amendment for additional funds to provide additional data elements to the fare collection interface from the computer aided dispatch and automated vehicle location (CAD/AVL) system
6. July 25, 2018, Amendment No. 5 to Agreement No. C-5-3244, \$160,000, approved by CAMM.
 - Amendment for additional functionality to the current mobile ticketing platform to administer and distribute employer and university program bus passes.
7. March 1, 2016, Amendment No. 6 to Agreement No. C-5-3244, \$15,000, approved by CAMM.

- Amendment to provide a Spanish language version of the OC Bus Mobile ticketing application
8. August 1, 2019, Amendment No. 7 to Agreement No. C-5-3244, \$0.00, approved by CAMM.
- Amendment to expand the use of the FareShare component for all colleges and universities interested in utilizing mobile ticketing for their college program.
9. December 9, 2019, Amendment No. 8 to Agreement No. C-5-3244, \$10,000, approved by CAMM.
- Amendment for additional functionality to the current mobile ticketing platform to allow for cash purchases inside of the mobile application with a five percent commission fee for all cash related transactions.
10. January 6, 2016, Amendment No. 9 to Agreement No. C-5-3244, \$55,000, approved by CAMM.
- Amendment to provide a Vietnamese language version of the OC Bus Mobile ticketing application
 - Included the annual licensing fee for the FareShare program providing the functionality to the current mobile ticketing platform to administer and distribute employer and university program bus passes
11. June 3, 2020, Amendment No. 10 to Agreement No. C-5-3244, \$86,881, approved by CAMM.
- Amendment for additional funds costs associated with the increased functionalities and distribution of fare media.
12. November 23, 2020, Amendment No. 11 to Agreement No. C-5-3244, \$290,372 pending approval by the Board.

Total commitment to moovel North America, LLC, Agreement No. C-5-3244, \$1,240,462



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors
From: *RW*
Laurena Weinert, Clerk of the Board
Subject: Sole Source Agreement for Motorola 800 Megahertz Encrypted Mobile Radio Equipment for Transit Police Services Vehicles

Transit Committee Meeting of November 12, 2020

Present: Directors Do, Jones, Pulido, Shaw, and Sidhu
Absent: Director Davies

Committee Vote

Following the roll call vote, this item was declared passed 4-0 by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendation

Authorize the Chief Executive Officer to negotiate and execute sole source Purchase Order No. A45898 between the Orange County Transportation Authority and Motorola Solutions, Inc., in the amount of \$37,362, to purchase three sets of APX 6500 Enhanced 700/800 Hot Red encrypted mobile radios and necessary accessories.



November 12, 2020

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Sole Source Agreement for Motorola 800 Megahertz Encrypted Mobile Radio Equipment for Transit Police Services Vehicles

Overview

The Orange County Transportation Authority participates in the Countywide Coordinated Communications System. Participation in this system requires the Orange County Transportation Authority to maintain compatible mobile radios and base stations. Radios are used by operations, maintenance, administrative, and Transit Police Services personnel. Board of Director's authorization is requested to award a sole source purchase order for three sets of mobile radios and necessary accessories for vehicles assigned to Transit Police Services.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute sole source Purchase Order No. A45898 between the Orange County Transportation Authority and Motorola Solutions, Inc., in the amount of \$37,362, to purchase three sets of APX 6500 Enhanced 700/800 Hot Red encrypted mobile radios and necessary accessories.

Discussion

The Orange County Transportation Authority (OCTA) maintains an active emergency coordination program. One important component of this program is the OCTA Central Communications unit and its associated radio systems and equipment. Transit Police Services (TPS), OCTA field personnel, as well as maintenance, operations, and administrative personnel utilize radios to communicate important information and coordinate response to incidents on a daily basis.

As with many public agencies in Orange County, OCTA participates in the Countywide Coordinated Communications System (CCCS), which operates on the 800 megahertz band, and is a contract participant in an agreement between

the County of Orange and Motorola Solutions, Inc. (Motorola). With the addition of five officers to support TPS as approved by the Board on July 13, 2020, three additional vehicles have been assigned to TPS, and has necessitated the purchase of three additional mobile radios and necessary accessories.

Procurement Approach

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

Motorola is the only authorized vendor to sell the required radio equipment currently in use by OCTA for all existing TPS vehicles. Therefore, it meets the sole source procurement guidelines, as the product is available from only one source. Based on the firm's technical ability and financial status, Motorola is deemed responsible.

The pricing provided to OCTA was quoted from the County of Orange Agreement # MA-060-1501-1560, (Orange County Equipment and Services Price Book Agreement), which was negotiated directly between Motorola and the County of Orange on behalf of all participating agencies of the CCCS. Sole source purchases of similar handheld radios were made in 2012, 2014, 2015, 2018, and 2019.

In accordance with the OCTA sole source procurement policies and procedures, a sole source agreement \$50,000 or under requires the Contracts Administration and Materials Management Department to conduct a price review of Motorola's proposed pricing. The rates in Motorola's proposal are consistent with the rates in the Orange County Equipment and Services Price Book Agreement. As part of the CCCS group, OCTA receives special pricing from the manufacturer. The price OCTA is paying for each item on PO A45898 is a 44 percent discount on the listed prices. Therefore, the quoted price is deemed fair and reasonable.

Fiscal Impact

This procurement is funded through the Transportation Fund, Operations Support, with funds transferred into Account 1316-9027-A0001-03N from Account 2159-9025-D2113-0PU.

Summary


Staff recommends the Board authorize the Chief Executive Officer to negotiate and execute sole source Purchase Order No. A45898 with Motorola Solutions Inc., in

the amount of \$37,362, to purchase three sets of APX 6500 Enhanced 700/800 Hot Red encrypted mobile radios and necessary accessories.

Attachment

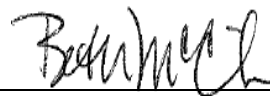
None.

Prepared by:



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Approved by:



Beth McCormick
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Pia Veasap
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COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors

From: *RW*
Laurena Weinert, Clerk of the Board

Subject: Amendment to Agreement with MV Transportation, Inc., for the Provision of the OC ACCESS Service

Transit Committee Meeting of November 12, 2020

Present: Directors Do, Jones, Pulido, Shaw, and Sidhu
Absent: Director Davies

Committee Vote

Following the roll call vote, this item was declared passed 4-0 by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendations

- A. Authorize the Chief Executive Officer to execute Amendment No. 10 to Agreement No. C-2-1865 between the Orange County Transportation Authority and MV Transportation, Inc., to revise the variable hourly rate for the period of April 2020 through December 2021, in the amount not to exceed \$10,548,201. This amount can be accommodated within the agreement's current cumulative maximum obligation of \$375,620,065.
- B. Amend the Orange County Transportation Authority Fiscal Year 2020-21 operating revenue and expense budget, in the amount of \$5,050,615, to accommodate expenses related to the current coronavirus pandemic based on revised variable hourly rates.



November 12, 2020

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Agreement with MV Transportation, Inc. for the Provision of the OC ACCESS Service

Overview

On March 25, 2013, the Orange County Transportation Authority Board of Directors approved an agreement with MV Transportation, Inc., for the management and operation of OC ACCESS service. This agreement was subsequently extended through December 31, 2021, and compensation is based on a fixed rate and a variable rate driven by the number of revenue vehicle hours provided. The coronavirus pandemic and the Governor Newsom's stay-at-home orders have resulted in a significant reduction in OC ACCESS ridership of more than 80 percent. Consistent with the terms of the agreement, MV Transportation, Inc., has requested an adjustment to the variable hourly rate to relieve uncompensated expenses incurred as a result of the coronavirus pandemic. The Coronavirus Aid, Relief, and Economic Security Act of 2020 specifically provides funding for this relief with guidance from the Federal Transit Administration. Board of Directors' approval is requested to amend the agreement with MV Transportation, Inc., to adjust the variable hourly rate in order to relieve uncompensated expenses resulting from the coronavirus pandemic.

Recommendations

- A. Authorize the Chief Executive Officer to execute Amendment No. 10 to Agreement No. C-2-1865 between the Orange County Transportation Authority and MV Transportation, Inc., to revise the variable hourly rate for the period of April 2020 through December 2021, in the amount not to exceed \$10,548,201. This amount can be accommodated within the agreement's current cumulative maximum obligation of \$375,620,065.
- B. Amend the Orange County Transportation Authority Fiscal Year 2020-21 operating revenue and expense budget, in the amount of \$5,050,615, to

accommodate expenses related to the current coronavirus pandemic based on revised variable hourly rates.

Discussion

The Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 specifies funds may be used to prevent, prepare for, and respond to the coronavirus (COVID-19) pandemic. With guidance from the Federal Transit Administration (FTA), this includes operating expenses defined as the costs necessary to operate, maintain, and manage a public transportation system, and other expenses such as driver salaries, fuel, and items having a useful life of less than one year, including personal protective equipment (PPE) and cleaning supplies.

Third-party contractors with more than 500 employees providing services on behalf of transit agencies are also eligible to receive CARES Act funds, working through the public transit agency. Similar to the transit agency, contractor expenses covered by the CARES Act includes salaries and benefits for contract employees on leave due to reduced service, provision of PPE and cleaning supplies, and other expenses related to maintaining a state of readiness so that the contractor can return to normal operation when appropriate.

Under the federal guidance, transit agencies are permitted to modify existing contracts to pay for eligible expenses required to retain readiness, even if service is reduced.

Prior to the reduction in service levels resulting from the COVID-19 pandemic, MV Transportation, Inc. (MV) operated an average of 43,000 monthly revenue vehicle hours (RVH) and recorded an average of 124,000 monthly boardings for the OC ACCESS paratransit service between July 2019 and February 2020. Since the Governor's stay-at-home order went into effect on March 19, 2020, ridership has significantly decreased. MV operated an average of approximately 15,000 monthly RVH and recorded an average of 19,000 monthly boardings between April 2020 and August 2020. In response to the reduction, MV modified their work plan, which included laying off a portion of their staff, purchasing and distributing PPE, and enhancing cleaning/disinfecting of vehicles and employee work areas to help prevent the spread of COVID-19. As a result, MV is requesting relief from the Orange County Transportation Authority (OCTA) as provided under the CARES Act.

The agreement between OCTA and MV allows for a renegotiation of the variable hourly rates when RVHs change by more than ten percent from the

estimated annual totals. Since service decreased by more than the ten percent threshold due to the impacts of the COVID-19 pandemic, MV requested a renegotiation of the variable hourly rates. Staff entered into discussions with MV to identify and quantify appropriate workforce levels to maintain a state of readiness in response to the COVID-19 pandemic. Staff and MV agreed to revise the variable hourly rate compensation levels using a tiered approach as specified in Attachment B; this also includes estimated costs associated with the purchase and distribution of PPE, as well as continuing enhanced cleaning practices, such as regular disinfecting of vehicles and employee work areas for the provision of the OC ACCESS service.

Since the COVID-19 pandemic has made it challenging to predict the growth in trips over the next 15 months, a tier-pricing approach is being proposed where the variable hourly rate is adjusted as RVHs increase. Tiers one through three are structured in 100,000 RVH bands, and tier four covers 400,001 to 530,000 RVH. Tier five begins at 530,001 and represents a return to pre-COVID-19 levels and the current originally-approved agreement variable rate of \$61.29. The five tiers and the corresponding rates are detailed in Attachment B.

Staff proposes to amend the agreement with MV to revise the variable hourly rate compensation for the period of April 2020 through December 2021. The actual amount for the impact during the period of April 2020 through September 2020 is \$2,694,506, and the amount for future impacts during the period of October 2020 through December 2021 is estimated to be \$7,853,695, based on September 2020 actuals, for an amount not to exceed \$10,548,201.

Procurement Approach

This procurement was handled in accordance with OCTA Board of Directors (Board)-approved policies and procedures for professional and technical services.

On March 25, 2013, the Board approved a contract with MV for a four-year initial term with two, two-year option terms, in the amount of \$156,690,376, from July 1, 2013 through June 30, 2017. The original agreement was awarded on a competitive basis and was previously amended as described in Attachment A.

The proposed Amendment No. 10 will reimburse MV, in the amount of \$2,694,506, for the impact related to COVID-19 expenses during the period of April 2020 through September 2020. The amount for future impacts during the period of October 2020 through December 2021 is estimated to be \$7,853,695, based on September 2020 actuals.

OCTA staff from the Contracts Administration and Materials Management, Financial Planning and Analysis, and Paratransit Services departments have reviewed all the itemized costs of eligible expenses, including salaries and benefits for contract employees due to reduced service, bus maintenance costs, PPE and cleaning supplies provided by MV. Based on the reduced service level, the total cost of PPE and cleaning supplies to meet the safety requirements, and the level of efforts associated with maintaining the buses, staff found the estimated total amount of \$10,548,201 to be fair and reasonable.

Fiscal Impact

A budget amendment to the OCTA Fiscal Year (FY) 2020-21 Budget, Operations Division, in the amount of \$5,050,615, is needed to accommodate the revision to the revenue vehicle hour rate in Agreement No. C-2-1865 as detailed in this report. This amendment will align the updated projected expenses in FY 2020-21 with the budget authority in the current FY. The cost associated with this amendment is fully reimbursable via the CARES Act.

Summary

Authorize the Chief Executive Officer to execute Amendment No. 10 to Agreement No. C-2-1865 between OCTA and MV, in the amount not to exceed \$10,548,201, to revise the variable hourly rate for the period of April 2020 through December 2021. This amount can be accommodated within the agreement's current cumulative maximum obligation of \$375,620,065.

Attachments

- A. MV Transportation, Inc., Agreement No. C-2-1865 Fact Sheet
- B. Revised Variable Hourly Rate Compensation Tiers for OC ACCESS Service, April 2020 – December 2021

Prepared by:

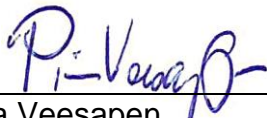


Jack Garate
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Approved by:



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Pia Veasap
Interim Director, Contracts
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Jennifer L. Bergener
Chief Operating Officer, Operations/
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714-560-5462

**MV Transportation, Inc.
Agreement No. C-2-1865 Fact Sheet**

1. March 25, 2013, Agreement No. C-2-1865, \$156,690,376, approved by the Board of Directors (Board).
 - Agreement to provide all management and operation of ACCESS service.
 - Initial term effective July 1, 2013 through June 30, 2017, with two, two-year option terms.
2. February 27, 2014, Amendment No. 1 to Agreement No. C-2-1865, \$0, approved by Contracts Administration and Materials Management Department (CAMM).
 - Amendment to revise key personnel.
3. June 20, 2014, Amendment No. 2 to Agreement No. C-2-1865, \$37,853, approved by CAMM.
 - Amendment to add decommissioning of vehicles to be utilized in the Senior Mobility Program (SMP).
4. December 28, 2015, Amendment No. 3 to Agreement No. C-2-1865, \$60,000, approved by CAMM.
 - Amendment to continue providing inspections, general maintenance, and painting service of vehicles utilized in the SMP.
5. June 13, 2016, Amendment No. 4 to Agreement No. C-2-1865, \$7,841,232, approved by the Board.
 - Amendment to accommodate the costs associated with increased demand for service.
6. June 12, 2017, Amendment No. 5 to Agreement No. C-2-1865, \$90,982,108, approved by the Board.
 - Amendment to exercise the first two-year option term and extend the agreement term to June 30, 2019.
7. April 26, 2018, Amendment No. 6 to Agreement No. C-2-1865, \$0, approved by CAMM.
 - Amendment to revise Exhibit A, Scope of Work related to assessment of penalties, performance of repair, and/or replacement of major components, as well as increase service at the call center for Same-Day Taxi.

8. September 10, 2018, Amendment No. 7 to Agreement No. C-2-1865, \$0, approved by CAMM.
 - Amendment to update insurance requirements.
9. November 12, 2018, Amendment No. 8 to Agreement No. C-2-1865, \$95,630,961, approved by the Board.
 - Amendment to exercise the second two-year option term and extend the agreement term to June 30, 2021.
10. June 22, 2020, Amendment No. 9 to Agreement No. C-2-1865, \$24,377,535, approved by the Board.
 - Amendment to extend the agreement term to December 31, 2021.
11. November 23, 2020, Amendment No. 10 to Agreement No. C-2-1865, \$0, pending approval by the Board.
 - Amendment to provide financial relief for costs related to the coronavirus pandemic and revise the variable hourly rate compensation.

Total committed to MV Transportation, Inc., Agreement No. C-2-1865: \$375,620,065.



Orange County Transportation Authority
Revised Variable Hourly Rate Compensation Tiers for OC ACCESS Service
April 2020 - December 2021

Original Fiscal Year 2020-21 Rate **\$ 61.29**

Tier Structure	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
Monthly lower bound	8,333	16,667	25,000	33,333	44,167
Monthly upper bound	16,667	25,000	33,333	44,167	+
Annual lower bound	100,000	200,000	300,000	400,000	530,000
Annual upper bound	200,000	300,000	400,000	530,000	+
Cost per revenue vehicle hour	\$ 95.26	\$ 83.72	\$ 79.32	\$ 70.96	\$ 61.29
Rate Increase from Current Rate	55.4%	36.6%	29.4%	15.8%	0.0%



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors

From: *RW*
Laurena Weinert, Clerk of the Board

Subject: Sole Source Agreement for the Replacement of
Fluid Management System Data Loggers

Transit Committee Meeting of November 12, 2020

Present: Directors Do, Jones, Pulido, Shaw, and Sidhu

Absent: Director Davies

Committee Vote

Following the roll call vote, this item was declared passed 4-0 by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C02585 between the Orange County Transportation Authority and S&A Systems, Inc., in the amount of \$106,355, for the replacement of 150 data loggers on non-revenue vehicles.



November 12, 2020

To: Transit Committee 
From: Darrell E. Johnson, Chief Executive Officer
Subject: Sole Source Agreement for the Replacement of Fluid Management System Data Loggers

Overview

The Orange County Transportation Authority operates a fleet of 777 revenue vehicles and 151 non-revenue vehicles that require managed fluid, such as oil dispensing. A proprietary computerized electronic fluid management system is currently used for authorizing fluid dispensing, as well as tracking odometer readings and fluid consumption of all fleet vehicles. One of the essential components of this system is the data loggers installed on all non-revenue vehicles. These data loggers are obsolete and no longer manufactured. Board of Directors' authorization is requested for the purchase of 150 replacement data loggers through a sole source agreement.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C02585 between the Orange County Transportation Authority and S&A Systems, Inc., in the amount of \$106,355, for the replacement of 150 data loggers on non-revenue vehicles.

Discussion

The Fluid Management System (FMS) is a critical part of the Orange County Transportation Authority's (OCTA) bus operations and support services. The FMS authorizes fluid dispensing, as well as collects and compiles vital vehicle and fueling data used to manage vehicle maintenance in order to comply with regulatory compliance requirements. One data point collected is the vehicle odometer reading, which is an essential component of OCTA's preventive maintenance program as it identifies when a maintenance interval is approaching due as required by the vehicle manufacturer to retain warranty and receive optimum performance and service life. The FMS also provides data used to report to the Federal Transit Administration's National Transit Database

as required on an annual basis. Mileage data is also used to track the useful life of vehicles in accordance with established OCTA policy.

The FMS collects odometer readings and other data remotely each time a vehicle enters the fueling station. The data loggers are installed in all non-revenue vehicles and are required in order to transmit data to the FMS. One new data logger was purchased due to immediate need. The order for 150 data loggers will complete the retrofitting of the non-revenue vehicle fleet and accommodate new vehicles approved in this fiscal year's budget. S&A Systems, Inc. (S&A), is the original equipment manufacturer of the FMS and utilizes proprietary software and hardware to perform this function. No other manufacturer or third-party support is available for the maintenance and support of this product.

Procurement Approach

This procurement for the purchase of the FMS data loggers was handled in accordance with OCTA Board of Directors (Board)-approved policies and procedures for a sole source procurement.

S&A is the exclusive owner of the FMS and the data logger equipment is an interfacing proprietary product. Therefore, this procurement meets the guidelines for a sole source purchase as these FMS data loggers are available from only one responsible source and no other supplier can meet the requirements.

S&A's quote was reviewed by staff from the Contracts Administration and Materials Management and Maintenance Resource Management departments to ensure compliance with the contract terms and conditions, as well as the technical requirements.

In accordance with OCTA's sole source procurement procedures, a sole source over \$50,000 requires OCTA's Internal Audit Department to conduct a price review of the vendor's proposed pricing. Internal Audit's review found that rates proposed by S&A were comparable to the rates awarded by other transit agencies for similar equipment. In addition, S&A's quoted prices are six percent lower than the OCTA Project Manager's independent cost estimate. Therefore, pricing is deemed fair and reasonable.

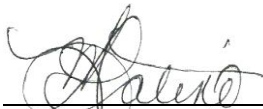
Summary

Based on the information provided, staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C02585 between the Orange County Transportation Authority and S&A Systems, Inc., in the amount of \$106,355, for the purchase and installation of 150 data loggers on non-revenue vehicles.

Attachment

None.

Prepared by:



Marie Latino
Section Manager, Maintenance
Resource Management
714-560-5323

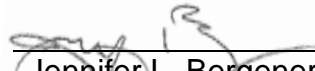
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Jennifer L. Bergener
Chief Operating Officer, Operations/
Deputy Chief Executive Officer
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COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors
From: *RW*
Laurena Weinert, Clerk of the Board
Subject: Sole Source Agreement for the Replacement of
Fluid Management Remote Island Head Units

Transit Committee Meeting of November 12, 2020

Present: Directors Do, Jones, Pulido, Shaw, and Sidhu
Absent: Director Davies

Committee Vote

Following the roll call vote, this item was declared passed 4-0 by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C02584 between the Orange County Transportation Authority and S&A Systems, Inc., in the amount of \$315,296, for the replacement of 52 remote island head units.



November 12, 2020

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Sole Source Agreement for the Replacement of Fluid Management System Remote Island Head Units

Overview

The Orange County Transportation Authority operates a fleet of 777 revenue vehicles and 151 non-revenue vehicles that require managed fluid, such as oil dispensing. A proprietary computerized electronic fluid management system is currently used for authorizing fluid dispensing, as well as tracking odometer readings and fluid consumption of all fleet vehicles. One of the essential components of this system is the remote island head units installed at each base that electronically collect vital vehicle data. This equipment is obsolete and no longer manufactured. Board of Directors' authorization is requested for the purchase of 52 replacement remote island head units through a sole source agreement.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C02584 between the Orange County Transportation Authority and S&A Systems, Inc., in the amount of \$315,296, for the replacement of 52 remote island head units.

Discussion

The fluid management system (FMS) is a critical part of the Orange County Transportation Authority's (OCTA) bus operations and support services. The FMS authorizes fluid dispensing, as well as collects and compiles vital vehicle and fueling data used to manage vehicle maintenance in order to comply with regulatory compliance requirements. One data point collected is the vehicle odometer reading, which is an essential component of OCTA's preventive maintenance program, as it identifies when a maintenance interval is approaching due as required by the vehicle manufacturer to retain warranty and receive optimum performance and service life. The FMS also provides data used to report to the

Federal Transit Administration's National Transit Database as required on an annual basis.

The FMS remotely collects odometer readings and other data each time a vehicle enters the fueling station. This data is collected through the remote island head (RIH) units, which have become obsolete and require replacement. S&A Systems, Inc. (S&A) is the original equipment manufacturer of the FMS and utilizes proprietary software and hardware to perform this function. No other manufacturer or third-party support is available for the replacement, maintenance, and support of this product.

Procurement Approach

This procurement for the purchase of the FMS RIH units was handled in accordance with OCTA Board of Directors (Board)-approved policies and procedures for a sole source procurement.

S&A is the exclusive owner of the FMS and the RIH equipment is an interfacing proprietary product. Therefore, this procurement meets the guidelines for a sole source purchase as these FMS RIH units are available from only one responsible source and no other supplier can perform the replacement, maintenance, and support of this product.

S&A's quote was reviewed by staff from the Contracts Administration and Materials Management and Maintenance Resource Management departments to ensure compliance with the technical contract terms and conditions, as well as the technical requirements.

In accordance with OCTA's sole source procurement procedures, a sole source over \$50,000 requires OCTA's Internal Audit Department to conduct an independent pre-award price review of the vendor's proposed pricing. Internal Audit's review found that rates proposed by S&A were comparable to the rates awarded by other transit agencies for similar equipment. In addition, S&A's quoted prices are six percent lower than the OCTA Project Manager's independent cost estimate. Therefore, pricing is deemed fair and reasonable.

Summary

Based on the information provided, staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C02584 between the Orange County Transportation Authority and S&A Systems, Inc., in the amount of \$315,296, for the upgrade of 52 remote island head units.

Attachment

None.

Prepared by:



Marie Latino
Section Manager, Maintenance
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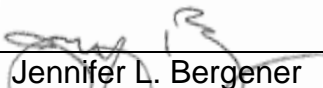
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COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors
From: *RW*
Laurena Weinert, Clerk of the Board
Subject: 2020 Coordinated Public Transit – Human Services
Transportation Plan for Orange County

Transit Committee Meeting of November 12, 2020

Present: Directors Do, Jones, Pulido, Shaw, and Sidhu
Absent: Director Davies

Committee Vote

Following the roll call vote, this item was declared passed 4-0 by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendation

Direct staff to finalize the 2020 Coordinated Public Transit – Human Services Transportation Plan incorporating feedback provided by the Board of Directors.

Committee Discussion

Transit Committee Chairman Do asked several questions regarding the outreach activities used as input for the needs reflected in the plan. The consultant noted that the coronavirus impacted the availability of human service agencies, specialized transportation providers, and target populations to respond in a timely-manner and follow-up requests. The outreach process relied on the input of the larger human service agencies and specialized transportation providers to reflect the needs of their users.

Transit Committee Chairman Do requested that the future “Enhanced Mobility for Seniors and Disabled Grant Program” call-for-projects include additional outreach to target populations and potential applicants. Transit Committee Chairman Do also requested to include equity as a project selection criterion for the grant program.

**Committee Discussion (Continued)**

Transit Committee Chairman Do noted that input from human service agencies highlighted lengthy fixed-route headways as an impediment for some potential users. He asked staff to analyze peer agencies' bus headways and return with this information in the future. In response, staff indicated that historically, the Orange County Transportation Authority (OCTA) has been on par with suburban transit systems in the south Orange County (County) area and comparable with urban systems in the central areas of the County with respect to bus transit frequencies. Staff noted that OCTA does not offer the density of transit services by systems such as Los Angeles County Metropolitan Transportation Authority. An updated comparison will be provided to the Board of Directors as part of future service planning reports.



November 12, 2020

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: 2020 Coordinated Public Transit – Human Services Transportation Plan for Orange County

Overview

The Coordinated Public Transit – Human Services Transportation Plan identifies strategies to address unmet transportation needs among seniors, persons with disabilities, and persons of low income. The plan is a requirement to receive certain federal transit funding. The update process has concluded, and Board of Directors' approval is requested to finalize the 2020 plan update.

Recommendation

Direct staff to finalize the 2020 Coordinated Public Transit – Human Services Transportation Plan incorporating feedback provided by the Board of Directors.

Background

The Coordinated Public Transit – Human Services Transportation Plan (Coordinated Plan) brings together human service organizations and public transit providers to identify mobility needs of seniors, persons with disabilities, and persons of low income. Consistent with requirements in Federal Transit Administration (FTA) Section 5310 Program, the Coordinated Plan process helps leverage and extend scarce transportation resources by coordinating different and often “siloe” public transportation and private nonprofit transportation providers. The plan identifies and prioritizes strategies for coordinating transportation services, meeting mobility needs, and addressing barriers to transportation access.

The Orange County Transportation Authority (OCTA) Board of Directors (Board) adopted the first Coordinated Plan in 2008. Strategies identified in this plan have been used to award grant funding to Orange County agencies to support transportation programs for target populations. In 2018, OCTA began using the FTA Section 5310 funds for the OC ACCESS Program that provides federally-required “complementary paratransit” service to persons with disabilities who cannot use the fixed-route bus system.

In order to continue providing funding for specialized transportation providers, a locally-funded “Enhanced Mobility for Seniors and Disabled Grant Program” was developed to provide more flexibility for specialized transportation projects. The Coordinated Plan is also used to identify project and program needs prior to developing specific funding guidelines for this grant program. It is important to note that not everything identified in the plan is required to be funded and OCTA grant programs supplement other sources of funds received by the specialized transportation providers. The OCTA Grant Program Guidelines will be brought to the Board for approval prior to release, which is anticipated in early 2021.

Discussion

OCTA retained consulting services to assist in updating the Coordinated Plan. This process covered the following areas further described below:

- Evaluating target population and demographic changes;
- Conducting public outreach activities to reassess existing transportation services and resources; and
- Developing goals and strategies to address needs.

Target Population Demographic Findings

Between 2012 and 2018, the population over 65 increased by over 33 percent, compared to the 5.4 percent increase in total population. During the same period, people in Orange County that reported having at least one type of disability increased by almost 25 percent. The total number of individuals living in poverty increased by two percent between 2012 and 2018. Overall, increases in the older population, persons with reported disabilities, and the low-income population have increased since 2012, underscoring the need to address these populations as part of the Coordinated Plan. In addition to this demographic data, OCTA coordinated with key stakeholders to gain an understanding of specific provider needs, which are further described below.

Transportation Provider and Public Outreach

Due to coronavirus (COVID-19) social distancing guidelines, face-to-face meetings could not be conducted. OCTA outreach efforts included telephone interviews and videoconference meetings with cities, human service agencies

and organizations, members of target populations, and the OCTA Special Needs Advisory Committee. Surveys of seniors were also undertaken. Common survey results and interviews included the following:

- Lengthy fixed-route bus headways;
- Limited service options in some geographic areas of the County;
- Access to transit stops from social/community service provider locations;
- Difficulty navigating wide and busy streets/lanes near bus lines;
- Limited ability to travel outside the service area to major medical facilities; and
- Lack of service availability for low-income persons under 60 years of age.

Social service agencies were also asked to specify the transportation needs most often communicated to them by their clients. Traveling to both local and regional medical locations was the most reported transportation need, followed by shopping and escorted trips to and through the door. Transportation to or from south Orange County, trips with multiple destinations, and commuting to worksites were also identified needs. Traveling to neighboring counties was the least communicated transportation need.

To further assess the existing needs of target populations, survey respondents were asked an open-ended question to describe the barriers that their clients experience in accessing transportation. The following were the top responses:

- Twenty-four percent of the agency clients indicated having difficulty paying the required fare;
- Twenty-one percent reported long walking distances to the nearest bus stop; and
- Twenty-one percent experienced challenges with low frequency of transit buses.

The following barriers were common among older adults and persons with disabilities:

- Twelve percent had difficulty navigating the transit network;
- Twelve percent had difficulty traveling beyond the public transit service area; and
- Nine percent reported issues with eligibility, completing advanced registration, and scheduling on demand response programs.

For complete results on needs and barriers, please refer to figures four and five in Section IV of the Executive Summary (Attachment A).

Goals and Strategies

As a result of the demographic analysis, assessment of transportation services, and public outreach efforts, four draft coordination goals and 16 strategies were identified:

Goal 1 – Restore and enhance the specialized public transportation network to meet the needs of the target populations in a post-COVID-19 environment.

- 1.1 Continue to support the capital costs, operations, and maintenance of OC ACCESS.
- 1.2 Integrate flexible transportation options to meet first/last mile needs.
- 1.3 Provide reliable on-demand transportation services for disabled persons.
- 1.4 Improve safety and access to services for target populations through technology.

Goal 2 – Rebuild specialized services for target populations.

- 2.1 Continue to fund the maintenance and purchase of new vehicles for human service transportation agencies/organizations.
- 2.2 Continue to support transportation services for low-income, transit-dependent populations.
- 2.3 Prioritize services in areas that are underserved or have gaps in service.
- 2.4 Promote coordination between agencies and organizations that provide special needs transportation.

Goal 3 – Leverage transportation information to enhance mobility – measure outcomes.

- 3.1 Continue progress towards the use of technology by target populations to access travel information, schedule rides, and travel training.
- 3.2 Support participation in 211 Community Information Exchange.
- 3.3 Institute measurements to outcomes evaluate.

Goal 4 – Improve and expand external and internal mobility infrastructure.

- 4.1 Identify bus stop and transfer locations needing physical improvements necessary for persons with disabilities to access public transit.
- 4.2 Expand volunteer driver services to existing transportation needs.
- 4.3 Expand non-profit mobility options using retired vehicles.

- 4.4 Explore shared use of grant-funded vehicles by grantees serving compatible needs.
- 4.5 Explore flexible use of grant funding to allow for non-traditional uses and users.

The draft goals and strategies outlined in the 2020 update to the Coordination Plan will facilitate coordination and community partnership among human services transportation providers. Further, it will assist in developing programs to address the unmet needs and gaps in transportation services for seniors, persons with disabilities, and persons of low income. Staff will return to the Board with funding guidelines for the OCTA Enhanced Mobility for Seniors and Disabled Grant Program that will consider the strategies included in the Coordinated Plan.


Summary

The 2020 Coordinated Public Transit - Human Services Transportation Plan is prepared in accordance with federal guidelines under the Moving Ahead for Progress in the 21st Century Act. The plan identifies unmet transportation needs for seniors, persons with disabilities, and persons of low income, and offers recommended project strategies. Staff is seeking feedback on the draft goals and strategies prior to finalizing the plan.

Attachment

- A. Orange County Transportation Authority, Human Services Transportation Coordination Plan, Draft Executive Summary

Prepared by:



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Associate Transportation Analyst
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Approved by:



Kia Mortazavi
Executive Director, Planning
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ORANGE COUNTY TRANSPORTATION AUTHORITY



HUMAN SERVICES TRANSPORTATION COORDINATION PLAN DRAFT EXECUTIVE SUMMARY

Prepared by:

Judith Norman – Transportation Consultant (JNTC)

in coordination with:

Arun Prem

August 27, 2020

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SECTION I: INTRODUCTION

The Orange County Transportation Authority (OCTA) is the regional public transit operator in Orange County. OCTA's stated mission "is to develop and deliver transportation solutions to enhance the quality of life and keep Orange County moving". OCTA is also the designated Consolidated Transportation Services Agency (CTSA). As the CTSA, OCTA is required to prepare a Coordinated Public Transit – Human Services Transportation Plan (Coordinated Plan) every four years.

OCTA secured the services of the project team to develop the 2020 update of the Coordinated Plan. The following objectives were established by OCTA to guide completion of the Plan:

- To develop a Coordinated Public Transit – Human Services Plan and implementation process to guide the prioritization and selection of projects for funding by the Federal Transit Administration (FTA) Section 5310 within Orange County over the next four years;
- To facilitate stakeholder participation among a broad group of agencies and encourage a higher level of public-private participation in the transportation coordination discussion and planning process;
- To update the inventory of public transit – human services transportation in Orange County;
- To provide relevant peer examples of coordination that offer fresh ideas to Orange County;
- To ensure the proposed plan is consistent with the transportation coordination regulatory requirements of the Fixing America's Surface Transportation (FAST) Act; and
- To devise a program for the coordination and implementation of public transit – human services transportation.

We conducted the work activities associated with completion of the five (5) tasks outlined in the Coordinated Plan RFP as follows:

- **Peer Review**
- **Survey**
- **Demographics and Demand Analysis**
- **Stakeholder Outreach**
- **Strategic Plan and Coordination**

This update to OCTA's Coordinated Plan was developed in an environment marked by unprecedented challenges, particularly for the transportation industry. Beginning in late March 2020, the Coronavirus (COVID-19) pandemic and the response to it has been unlike anything experienced in recent history. As the country is still grappling with the economic fallout of the outbreak with millions of citizens now unemployed, transportation needs and access to mobility will be impacted for the foreseeable future.

Coordinated Planning Requirements

The four (4) required elements of a Coordinated Plan are as follows:

1. An assessment of available services that identify current transportation providers (public, private, and nonprofit);
2. An assessment of transportation needs for individuals with disabilities and seniors;
3. Strategies, activities, and/or projects to address the identified gaps between current services and needs, as well as opportunities to achieve efficiencies in service delivery; and
4. Priorities for implementation based on resources (from multiple program sources), time, and feasibility for implementing specific strategies and/or activities identified.

The work effort undertaken in the development of the Coordinated Plan is documented below.

SECTION II: PEER REVIEW

The Peer Review was conducted to highlight best practices from other public transit and human services coordinated plans/projects in California and across the nation. The review provides an integrated and contextualized assessment of opportunities and targeted strategies culled from recent state and national experience. Members of the project team identified, screened and selected peer agency candidates to interview using a 10-question interview guide. The following five (5) agencies/organizations and their specific programs were interviewed:

1. Jewish Family Services—Seniors on the Go Suite of Mobility Options
2. Hitch Health-Proprietary Software Integrating Healthcare, Patients & Transportation Providers
3. FACT/RideFACT -In-house Brokerage + Ride of Last Resort in San Diego County
4. Michigan – Flint Mass Transit Authority’s shared “Rides to Wellness” NEMT service
5. LA Metro Partnership with VIA-First Mile/Last Mile Connectivity (Promoting Transit Ridership)

Findings: Peer Review Assessment and Comparison

Information collected and evaluated by the project team included: program clientele, outcomes and engagement, and funding requirements. The assessment and comparison of the Peer projects and programs are as follows:

- All five of the projects/programs interviewed effectively expand mobility options to seniors, persons with disabilities, and in most cases, those with low incomes or with no other trip options, by either referring people to, or providing a trip that meets the needs of the rider;
- Hitch Health and the JFS programs are both very transferable and scalable, as they work with local healthcare systems and Lyft or other locally available transportation providers, as does OCTA.
- The FACT and RideFACT In-House Brokerage could be adopted wholesale, or gradually.

- Recognizing the desire in the current environment to avoid the costs and complexity of a large operational footprint for a new and challenging service option, it may be advisable to invite, facilitate, coordinate and/or help fund new partnerships between human service agencies and organizations who would administer and manage programs and projects to increase mobility options for the target populations in Orange County. Facilitating exploratory meetings between the proponents of these models and their likely partners within Orange County would achieve the same outcomes with a much smaller agency footprint.

The gaps in services revealed could be filled by any of these types of projects/programs. There are opportunities to select, modify and/or combine one or more of the programs to meet the identified transportation needs.

SECTION III: TARGET POPULATION DEMOGRAPHIC FINDINGS

Orange County Target Population Demographic Characteristics

The project team documented and contrasted the demographic characteristics of the target populations. In addition, Persons with Limited English proficiency (LED) were also included, along with households without vehicles that may rely on public and specialized transportation.

Methodology

This demographic analysis utilized 2017 and 2018 American Community Survey (ACS) data to show population change at the county level, contrasted with 2012 ACS data from the previous 2015 Coordinated Plan Update, and the 2000 Census as used in the original 2008 Coordinated Plan. Disability characteristics are self-reported by type of disability, and the low-income population for 2018 is presented at 150% of the federal poverty line in accordance with FTA guidance for grant programs under MAP-21.

Orange County Total Population Estimates and Density

For 2018, ACS data reports Orange County's total population at 3,185,968 persons, an increase of 5.4 percent from 2012 (Table1). The increase in population from the 2000 Census and the 2012 ACS is reported at 6.2 percent. The California department of Finance projects that **the county's total population will increase by an additional 6.3 percent or almost 200,000 people by the year 2030.**

Table 1 - Total Population for Orange County

Total Population for Orange County (2000-2030)					
	2000 Census [1]	2012 ACS [2]	2018 ACS [3]	% Change from 2012	2030 Projection [4]
Total Population	2,846,289	3,021,840	3,185,968	5.4%	3,385,857

[1] Census 2000 Summary File 1

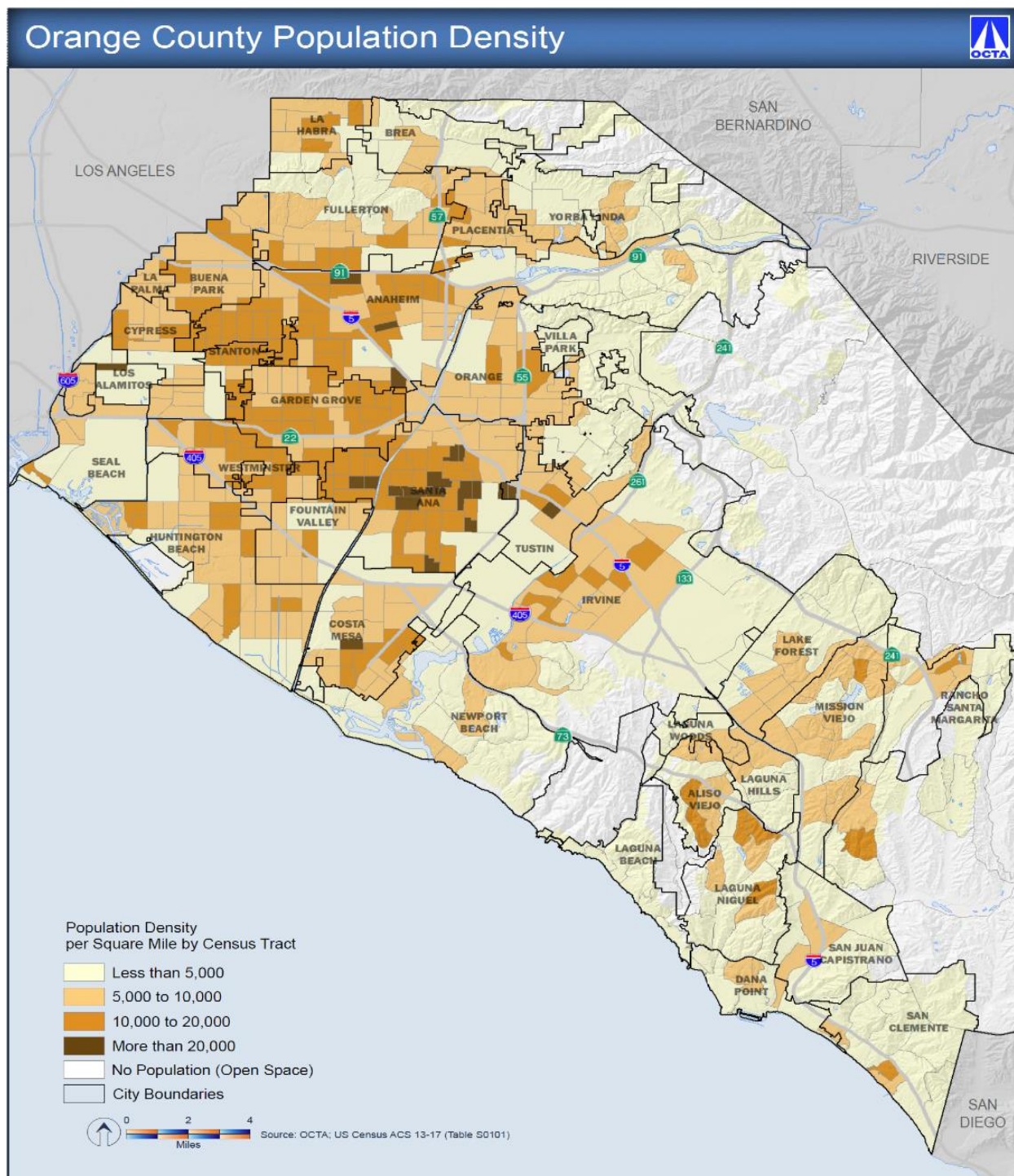
[2] 2008-2012 American Community Survey 5-Year Estimates

[3] 2018 American Community Survey 1-Year Estimates

[4] 2020 California department of Finance July 1, 2010 to July 1, 2060 in 1-year Increments

Orange County's population density is depicted in Figure 1, showing the number of persons per square mile within each census tract. The highest concentration of residents are reflected in the darker areas on the map, and are found primarily in North County, in the cities of Santa Ana, Garden Grove, Anaheim and Costa Mesa.

Figure 1 - Orange County Total Population Density



Older Adults

The 2018 older adult population, persons over the age of 65, is reported at 471,226 persons ,or 14.8 percent of the county's total population. This is an increase of 33 percent over the 2012 population of 354,272 which is the same rate of increase recorded in the 2015 Coordinated Plan between 2000 and 2012, and is a significantly higher rate of change compared to the 2018 increase in total population at 5.4 percent.

The population projection for older adults in 2030 is estimated to be 723,408 or 21.4 percent of the county's population. This would represent an increase of almost 54 percent or more than 250,000 persons from 2018.

Persons with Disabilities

As of 2018, 264,617 people in Orange County reported having at least one type of disability, representing 8.3 percent of the county's total population. This is an increase of almost 25 percent over the total for 2012. The largest category of disability is reported by those with an ambulatory difficulty at 125,634 persons, individuals with an independent living difficulty at 106,099 persons and those with a cognitive difficulty at 84,531. It should be noted that a person could be counted more than once if they reported having more than one disability type.

Persons of Low Income

Poverty is defined each year by the Department of Health and Human Services (HHS), an amount that escalates based on household size. A single individual with a household income in 2018 of \$12,140 would be considered low-income. The guidelines add \$4,320 for each additional household member for 2018.

As of 2018, there are 238,027 individuals living below poverty and 537,598 persons living below 150 percent of the poverty line. While the number of individual living in poverty increased by two percent between 2012 and 2018, the percent of the total population dropped from 7.7 percent to 7.5 percent.

Veterans

The County's veteran population has been declining since the 2000 Census, from 193,548 to 136,611 in 2012 and further to 106,246 in 2018. The reduction in overall veteran population can attributed to the loss of older veterans as is reported amongst World War II, Korean War and Vietnam veterans.

SECTION IV: TRANSPORTATION PROVIDER AND PUBLIC OUTREACH

The community and stakeholder outreach process was severely impacted by the fallout from the pandemic. Due to state and federal social distancing guidelines, face-to-face interviews, in-person meetings and gatherings that are important elements of the Coordinated Plan development process could not be scheduled. In light of the guidance, the decision was made to conduct telephone interviews and videoconference meetings with as many cities, human service agencies, organizations, and members of the target populations as possible, in addition to OCTA program staff.

The project team utilized an Orange County database of human service agency/organization stakeholders serving the target populations. ***The final updated combined database used for the outreach effort included a total of 873 contacts.***

Telephone Interviews

The following five (5) cities, human services agencies, and organizations agreed to participate in the interview process:

- Dayle McIntosh
- Orange County Office on Aging, Age Well, Abrazar
- Braille Institute
- City of Stanton
- 211 Orange County

An interview questionnaire was developed to guide the interview and was provided to participants in advance of the interviews. During the interviews, project team members asked to be referred to clients or consumers served by these entities who might be interested in participating in an interview or online meeting, however, no referrals were forthcoming.

Interview Results

Obtaining input from the human service agencies and organizations was important because, with the exception of Stanton, these entities have a “county-wide” perspective of the needs of clients and consumers. Further, they provide human services and/or operate transportation services throughout Orange County. The discussion with interview participants was valuable and provided insights into the day-to-day transportation needs of clients and consumers. In addition, those entities that operate services were able to expound upon their service-related issues following the onset of the pandemic. Common interview and survey results included the following:

- Limited service availability in South County (Laguna Beach, Irvine, etc.);
- Lengthy fixed-route bus headways, exceeding 90 minutes on some routes;
- No consistency in announcing stops for persons with disabilities. This can severely impact visually impacted persons;
- Service pass-ups with buses not stopping when at capacity and unable to serve wheelchairs;
- Gaining access to stops with respect to social/community service provider locations is challenging for persons with disabilities; and
- Difficulty navigating the wide and busy streets/lanes near bus lines.

We also interviewed members of the OCTA staff whose day-to-day responsibilities are centered on the agency’s specialized transportation programs, mobility management and funding. These interviews provided the project team with a greater understanding of OCTA’s work throughout the County on programs designed to improve access to mobility options for the target populations.

Stakeholder Survey Design and Development

The project team worked in coordination with OCTA staff to develop and administer the Transportation Needs Assessment (TNA) Survey as an important element of the stakeholder involvement process conducted as a part of the Coordinated Plan. The TNA survey was developed in an online format and was comprised of twenty-five (25) questions, which included both check-box and open-ended responses. The survey was accessed using an active web-based link, which was to be disseminated to stakeholders by electronic mail and completed online. In late February, **OCTA staff distributed the survey link to all 873 stakeholder cities, agencies and organizations in the database.**

The number of survey responses from the initial email blast was less than anticipated. This was primarily due to organizational closures, lay-offs, and employee adjustments to working remotely during the months of March and April 2020. To increase the survey response rate, project team members began telephoning stakeholders. **Members of the project team telephoned 110 stakeholder cities and agencies/organizations in the database, and made direct contact with seventy-four (74) stakeholder entities.** However, only thirty-five (35) completed surveys were received.

Survey Findings and Results

Survey results were grouped into three categories for reporting purposes:

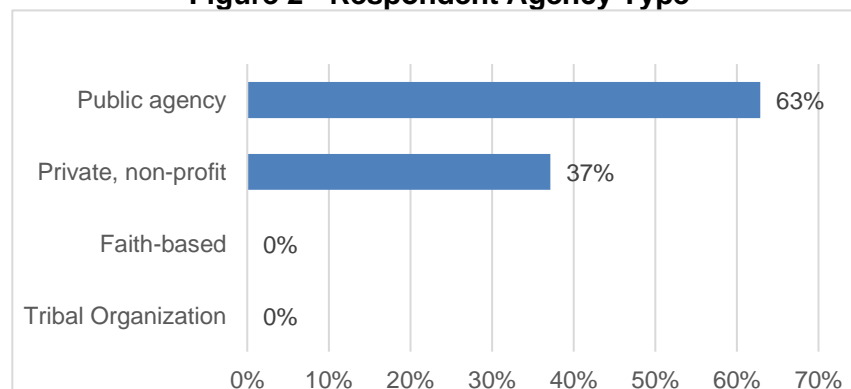
- Agency Characteristics,
- Transportation Needs and Barriers, and
- Transportation Provider Characteristics

A summary of the major survey findings are presented on the following pages.

Agency Characteristics

The majority of survey responses were received from public agencies (63%), representative of many of the county's city-operated human service transportation programs (Figure 2). The remaining responses (37%) were received by non-profit agencies that either provide transportation or serve clients that have transportation needs. None of the survey's respondents identified themselves as either faith-based or tribal organizations.

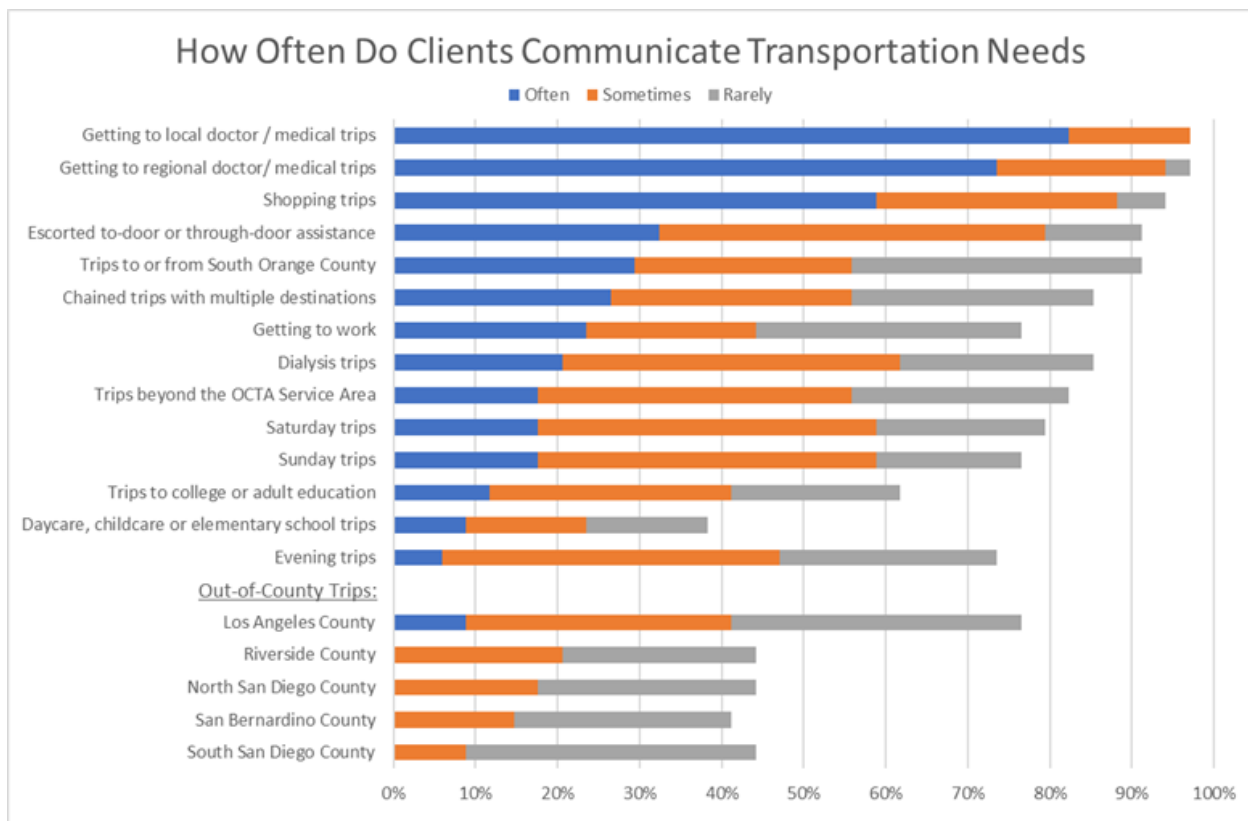
Figure 2 - Respondent Agency Type



Transportation Needs and Barriers

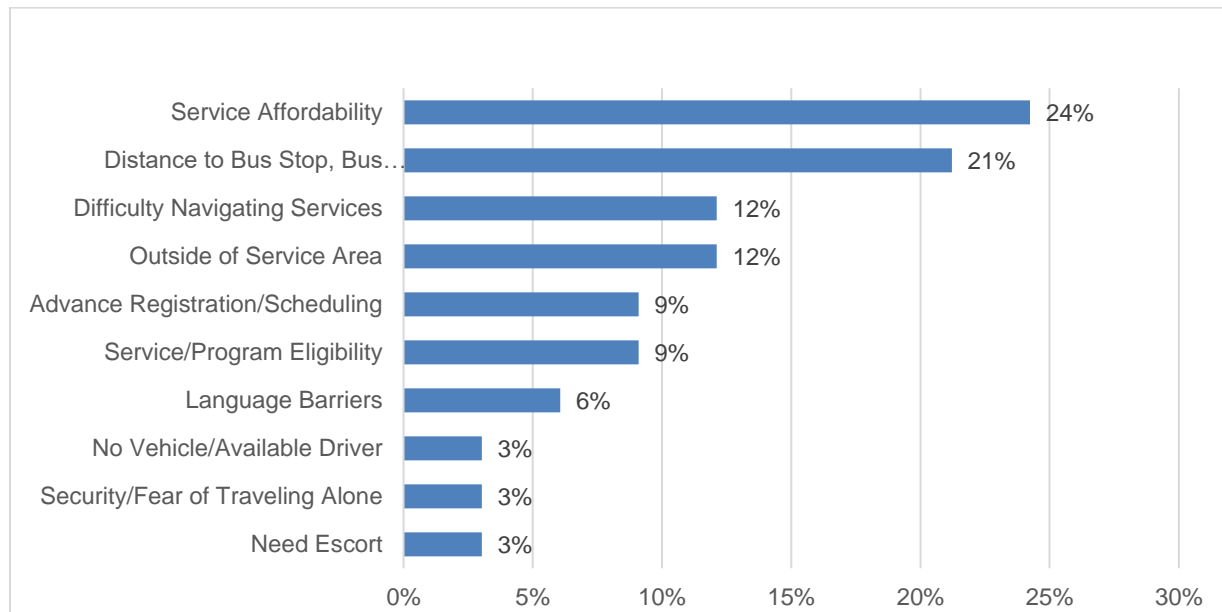
Agencies were asked to specify the transportation needs most often communicated to them by their clients (Figure 3). ***Traveling to both local and regional medical locations was the most reported transportation need***, followed by shopping and escorted trips to and through the door. Transportation to or from south Orange County, trips with multiple destinations, and commuting to work sites were also a need often communicated. Traveling to neighboring counties was the least communicated transportation need.

Figure 3 - Transportation Needs Most Often Communicated by Clients



Survey respondents were asked in an open-ended question to describe the barriers their clients express that they experience in accessing transportation (Figure 4). Respondents indicated that a total of **24 percent of the agency clients communicate difficulty affording the required fare. Long walking distances to the nearest bus stop and the frequency of transit buses is reported by 21 percent of respondents.** Barriers cited as common amongst older adults and persons with disabilities included difficulty navigating the transit network, and traveling beyond the public transit service area, which was reported by 12 percent of agencies.

Figure 4 - Barriers to Accessing Transportation



The drivers and vehicle resources utilized by agencies/organizations to provide transportation has resulted in the delivery of 21,568 monthly one-way passenger trips, as reported through the survey and presented in Table 2. When annualized, this equates to almost 260,000 annual trips.

Table - 2 One-Way Passenger Trips

Passenger Trips Provided	Monthly	Annualized
One-Way Passenger Trips	21,568	258,816

SECTION V: DEVELOPMENT OF COORDINATED PLAN GOALS

The 2008 and the 2015 Coordinated Plans were focused upon improvements/enhancements to information, expanding/enhancing both transit and specialized transportation to better serve the public and the target populations, and improving mobility infrastructure. The work activities completed by the project team in development of the Coordinated Plan (i.e. the TNA survey, the interviews, our review of the both the 2008 and 2015 Coordinated Plans, the Peer Review and other project team research and strategy discussions) dictated that ***the goals developed for the 2020 Coordinated Plan will remain much the same as those developed in previous plans.***

OCTA has made significant strides in implementing the 2015 Coordinated Plan recommended strategies. In fact, ***OCTA proceeded with implementation to varying degrees on eighteen (18) of twenty-two (22) strategies from the 2015 Plan.*** In addition, new needs have been exposed as a result of the pandemic. There were four (4) elements that guided the development of the 2020 Coordinated Plan goals, as follows:

- Results of the TNA survey,
- Stakeholder and OCTA staff interviews,
- Reoccurring non-implemented strategies from the 2015 plan yet to be implemented, and
- Implications of coronavirus pandemic

The following four (4) goals were developed in response to the transportation needs and gaps identified by stakeholders:

- **Goal #1 – Restore and enhance the specialized public transit network to meet the needs of the target populations in a post-COVID-19 environment**
- **Goal #2 – Rebuild specialized services for target populations**
- **Goal #3 – Leverage transportation information to enhance mobility -- measure outcomes**
- **Goal #4 – Improve and expand mobility infrastructure**

The pandemic-induced crisis presents opportunities for transit operators to restructure services in ways that would not have been feasible in the past. A review of service contracts, grants, service demand, modes and funding will likely be needed to identify opportunities to reshape transit as the main component of overall mobility in the County.

Goal #1 and the associated strategies, recommended actions, projects or programs that OCTA may choose to undertake in order to improve mobility on public transit for members of the target populations. Strategies outlined under Goals 2, 3 and 4 are designed to encourage collaborative engagement and problem solving in and between human service agency/organizations in coordination or partnership with OCTA. The goals and recommended strategies are presented below.

SECTION VI: COODINATED PLAN PRIORITIES

Rationale for Prioritization of Projects

The recommended strategies/projects/programs are ranked as Level 1-3 (high to low). Strategies proposed to varying degrees, meet one or more of the following criteria:

- Address identified gaps and barriers
- Impact the highest number of members of the target populations
- Make use of new technology in delivery of service whenever possible
- Strong potential to be funded and implemented over the life of the Plan (4 years)

Although all of the strategies in the Coordinated Plan are important, the higher level priorities are meant to highlight those with lower cost implications and shorter implementation timelines. Establishing priority levels are also a tool for differentiating between projects/programs in order to continue to improve or enhance services during periods of constrained funding and/or if immediate programmatic outcomes are necessitated.

These priorities can be adjusted as needs of the community evolve, either due to the COVID-19 crisis or other longer-term factors. Other considerations like unforeseen changes in technology, economic or industry conditions may merit reconsideration of the feasibility or priority of a strategy. The priority levels are:

Priority Level 1 (High):

Projects/Programs that Enhance Existing Services: Low/No Cost or Safety Impacts (3-6 months)

Priority Level 2 (Medium):

Projects/Programs that Involve Expansion of Existing Services and have Relatively Short Implementation Timelines (3-9 months)

Priority Level 3 (Low):

New Projects and Services that Require Development of Apps, Developing New Service Agreements or Implementing New Service Models with Lengthy Timelines (18-24 months).

VII: RECOMMENDED STRATEGIES/PROJECTS AND PROGRAMS

Goal #1 – Restore and Enhance the Specialized Public Transportation Network to Meet the Needs of the Target Populations in a post-COVID-19 Environment

Strategy 1.1: Continue to support the capital costs, operations, and maintenance of OC ACCESS:

- OC ACCESS continues to be the largest provider of specialized transportation in Orange County. The on-going operation of OC ACCESS service is critical to segments of the target population. ACCESS is a federally-mandated service designed to ensure mobility for difficult to serve persons. **(PRIORITY 1)**

Strategy 1.2: Transit integration with flexible transportation options to meet first/last mile needs:

- Integrate transit with flexible mobility options – this strategy would reduce first/last mile gaps. The use of smaller vehicles with fewer passengers for these local services would address rider concerns about exposure to the virus and distancing. **(PRIORITY 1)**
- Partnerships with ride-hailing services to improve the connectivity with fixed-route services. The partnerships may take the form of a subsidized geofenced service that ensure improved access to nearest fixed route or rail options. It could also be accomplished by partnerships with ride pooling options. The Dallas Area Rapid Transit (DART) recently implemented GoLink an on-demand, personalized, curb-to-curb service called for local as well as first/last mile transportation. The GoLink service offers subsidized on demand taxicab option as well as Uber Pool. **(PRIORITY 2)**

Strategy 1.3: Reliable on-demand taxicab services for disabled persons:

- Integrate ride hailing services into same day taxi services: LA Metro uses Via - a ride hailing service that can be dispatched when a rider requests a ride in real time using an app. In San Diego County, FACT uses a portal provided by LYFT to dispatch trips for same day needs. The trips are subsidized. FACT staff monitor the rides in real-time in order to ensure services are on-time and reliable. The oversight by FACT provides a layer of security for seniors and people with disabilities. **(PRIORITY 1)**
- Implement a brokerage based same day taxi program – the brokerage-based approach is cost effective and allows access to several vendors who may be selected based on the quality and cost of services. FACT has found this approach to be cost-effective in purchasing rides for the services they provide. If managed effectively, brokerage can grow or reduce in size in response to demand for service. The investment in infrastructure is minimal since the vehicles and drivers are managed by the vendors in the brokerage. It is public/private partnership model that benefits the community and the economy. **(PRIORITY 3)**

Strategy 1.4: Improve safety and access to services for target populations through technology:

- Improved access to service related information online and via apps for example, maps, schedule and fares can be conveniently accessed via apps and online information portals. Use of app-based services to make stop announcements would improve the quality of transit service for visually impaired. Another reported issue i.e. drivers passing by passengers in wheelchairs at a stop, when the wheelchair locations are occupied – this issue could be resolved using technology and app-based communications as well. Recently, in response to the pandemic related concerns, some transit agencies have developed apps to inform riders of the occupancy level of the vehicles in advance, in order to allow them to determine if the service met their safety criteria. **(PRIORITY 3)**

- Touchless and seamless fare payments through use of contactless card readers or online payment options. These services create a safer environment during a pandemic, but also improve service quality in general. Flexible fare payment mechanisms allow riders to connect with different transportation modes seamlessly. App-based fare payment systems are gaining prevalence and tend to be less expensive to implement; however, they still present a barrier for seniors who may not own smart phones or may not be savvy with app-based services. **(PRIORITY 1)**

Goal #2 – Re-build Specialized Services for Target Populations

Strategy 2.1 Continue to fund maintenance and purchase of vehicles for specialized transportation providers:

- The vehicles funded during past funding cycles that are currently in service comprise a key segment of specialized mobility services in Orange County. These vehicles mitigate demand on OC ACCESS and also serve individuals who need specialized services but may not qualify under Americans with Disabilities ACT (ADA) or live outside the areas served by ACCESS. Many of these vehicles were reported to be ready for replacement. COVID-19 related safety practices including distancing and the reduction in shared rides will strain the capacity of all paratransit services and vehicles when demand for services returns to normal levels. Continued maintenance and expansion of the existing fleets will be necessary to meet the demand.**(PRIORITY 1)**

Strategy 2.2: Continue to support transportation services for low-income transit-dependent populations:

- Support low-cost community transportation services for low income populations. The needs of transit dependent populations in less dense areas or areas with limited transit services could be met more effectively by partnering with agencies that provide social services in those communities and have a transportation component in the services offered. In San Diego, FACT has partnered with local nonprofits to pay for rides performed on behalf of FACT's clients. This mechanism may be a win-win for nonprofits that have spare capacity in the transportation program or who are interested in expanding the transportation to include revenue services. **(PRIORITY 1)**
- Pursue fee for service transportation agreements with Medi-Cal Service Providers for reimbursement of the cost of Medi-Cal eligible riders' transportation. As per recent changes in State Medicaid transportation regulations, the Media-Cal services providers like Molina are required to purchase transportation services directly. OCTA could enter into these service agreements at negotiated rates for transportation services for eligible (ADA Paratransit) clients. **(PRIORITY 3)**

Strategy 2.3: Prioritize services in areas that are underserved or have gaps in services:

- Focus on delivery of projects that serve areas that have been identified as underserved or demonstrate gap in services should receive higher ranking. The information from census tracks that identify low income areas, or feedback from the community or other criteria may be used to assess needs and gaps in services. **(PRIORITY 2)**

Strategy 2.4: Promote coordination between agencies and organizations that provide special needs transportation:

- Establish a peer group of social service agencies who are consumers and/or providers of social services to enhance networking and explore opportunities for collaboration. The group would also raise awareness about existing services and needs. OCTA staff could manage the meetings and provide the facilities in order to ensure continuity and focus on mutual coordination. In San Diego, the Council on Access and Mobility (CAM) is a cross cutting group that includes social services providers, consultants, transportation vendors, MPO staff, transit agency staff and several City SMP program staff, medical services providers and others. The group meets on a regular schedule and invites members to share information on programs and services on a rotating basis. Participation in the Council is strongly recommended by the MPO for potential grant applicants. **(PRIORITY 1)**
- Prioritize projects or partnerships involving agencies serving Veterans, Low Income and Youth. This approach responds to the needs expressed by survey respondents who felt that demographics other than seniors and people with disabilities were underserved due to lack of affordable and convenient services mandates and funding directed at their needs. **(PRIORITY 2)**
- Prioritize joint applications for providing rides for agency clients. Applications that are submitted collaboratively and involve active participation by the partners could be scored higher with additional points during the project proposals review. Examples of collaboration may be sharing resources including vehicles, training programs, vehicle maintenance services or call center services. **(PRIORITY 1)**
- Encourage transportation referrals between partner agencies/organizations –Agencies receiving grant funds could be encouraged to refer rides amongst their programs if there is capacity. Typically social services agencies prefer to operate transportation services in silos; however the barriers to coordination, real or perceived can be removed if the partners are open to change. **(PRIORITY 1)**

Goal #3 – Leverage Transportation Information to Enhance Mobility - Measure Outcomes

Strategy 3.1: Continue progress towards the use of technology by target populations to access travel information, schedule rides and travel training:

- Funding for apps that promote mobility as a service (MAAS). MAAS allows a rider to plan for all modes with one process or app with a unified fare system. The unified apps allow the rider the flexibility to plan a complete trip using a ride hailing service for the “first mile” and completing the ride using a fixed route bus. Other options like microtransit (bikes, scooters etc.) could also be included as first or last mile solutions. **(PRIORITY 3)**
- Promote non-traditional and technology based training. Using online meeting and webinar services is an effective and affordable alternative to in-person training. The use of on-line services expands the reach of the existing programs without additional investments, brings

in additional users and has the advantage of being safer during a pandemic. **(PRIORITY 2)**

Strategy 3.2: Support participation in 211 Community Information Exchange (CIE):

- Prioritize projects that provide education, training and assistance with the CIE integration. Funding may be offered for projects to implement new CIE partnerships, including training, or to offset some of the costs of participating in the CIE (licensing or risk management). **(PRIORITY 3)**

Strategy 3.3 Institute program measurement requirements:

- Use of CIE as a resource. The CIE can be used as a resource for higher levels of effective transportation referrals between participating agencies. The CIE has potential for making the referrals quicker, more accurate, and efficient and the success of referrals can be tracked from the data. **(PRIORITY 1)**

Goal #4 – Improve and Expand External and Internal Mobility Infrastructure

Strategy 4.1 Identify bus stop and transfer locations needing physical improvements necessary for persons with disabilities to access public transit:

- Signage, curb cuts, ramps, etc. necessary for Individuals with Disabilities. In many cases the relocation of the facility may make it more user-friendly or convenient. Human service agencies and organizations should be encouraged to work with OCTA to identify areas where improvements are needed. **(PRIORITY 1)**

Strategy 4.2 Expand volunteer driver services to meet existing needs:

- Cost-Effective Volunteer Driver Services. Services including rides for dialysis, dementia care and other needs that are recurring and benefit due to the greater familiarity between the rider and driver, and/or greater level of care and flexibility. These services offer a value by serving the most vulnerable populations in ways that are cost-effective and offer a societal benefit by improving the quality of life of the service recipients. **(PRIORITY 3)**

Strategy 4.3 Expand non-profit mobility options using retired vehicles:

- Deploy retired OCTA vehicles in community transportation. There may be demand for used vehicles from agencies that operate their own fleets. Generally, transit agencies vehicle agencies are well maintained, and tend to be retired before the useful life of the vehicle is over. Some donor agencies provide further assistance with maintenance of the vehicles and driver training to help recipients become partners in mitigating demand for the ADA paratransit services. **(PRIORITY 1)**

Strategy 4.4 Explore shared use of grant-funded vehicles by grantees serving compatible needs:

- Encourage higher utilization of grant funded vehicles via vehicle sharing. Typically Section 5310 funded vehicles are used at or below the 20 hours of mandated services per week.

This compares with 40-60 hours of use in the taxicab/private industry. This kind of under-utilization of publicly funded resources could be avoided by promoting higher levels of utilization compared to the prescribed minimum, and encouraging shared use of vehicles between agencies. This could also be accomplished by additional optional scores for applications that propose higher utilization levels. **(PRIORITY 1)**

Strategy 4.5 Explore flexible use of funding to allow for non-traditional uses and users:

- Use of Section 5310 funds and other eligible grants for allowable incidental services. In the San Diego region, FACT has used Section 5310 funds to provide rides to “non-target” populations for up to 20% of the total number of rides provided with capital or mobility management funds. Using the built-in flexibility in the 5310 grant and potentially other funding options could be one of the ways the need for low income individuals and other transit dependent populations could be met. **(PRIORITY 2)**
- Allow Grantees to provide specialized services using vehicles during a State of Emergency. Cities and human services providers serving vulnerable populations suspended most in-person services during the pandemic. Congregate meal programs, senior center activities as well as adult day care services were discontinued during the spring of 2020 to protect attendees from exposure to infection. In order to respond to future emergencies, the vehicles awarded through the grants will be eligible to perform emergency response services including evacuations during fires or meal deliveries during an epidemic. OCTA could elect to include options in the grant agreements that would allow recipients flexibility in the use of vehicles when a state of emergency is in effect. **(PRIORITY 2)**

SECTION VIII: COORDINATED PLAN IMPLEMENTATION ACTIVITIES

Phasing and Timing of Coordinated Plan Strategies

Establishing a comprehensive coordination environment is a challenging undertaking in the best of times. The effort needed to both restore services and expand programs necessary to ensure greater access and mobility for the target populations will require that OCTA develop an “agenda” that seeks to accomplish the following:

- Maintaining consistent community-focused interaction and involvement to strengthen existing and build new relationships with cities, stakeholder agencies and organizations, towards implementation of the recommended transportation services projects and programs; and
- Planning and participation with agency/organization partners to identify, secure and leverage funding resources for OCTA projects and programs of local and regional significance.

These actions will assist OCTA in improving support and collective agency/organization participation. JNTC recommends a measured approach, given the current operating environment, to ensure that agency programmatic and funding objectives can be reasonably achieved.

Whether coordinated projects and programs are implemented individually or collectively, OCTA should assess and evaluate each project/program as an important part of a collective whole. Subsequently, working towards sustaining and assimilating projects and programs that prove beneficial in meeting the specialized transportation needs of the target populations into the Orange County transportation network.

Performance Measurement

As an integral part of any funding program, OCTA must continue to include project-specific performance measures for the specialized transportation projects and programs selected for implementation that meet funding agency requirements. For this Coordinated Plan update, the recommended strategies/projects/programs are consistent with funding-related performance measurements for mobility management, coordinated transportation, and other relevant Federal requirements.

For example, a project or program proposed for implementation may initially be developed to serve a smaller or larger geographic area. Therefore, expected productivity (e.g., numbers of calls received, trips provided, etc.) may be revised higher or lower depending upon the size of the target population that is proposed to be served. These productivity measures will also be useful in monitoring the progress of the various services and programs on a monthly basis, to ascertain if the project/program is routinely meeting established performance objectives. This regular evaluation of the projects/programs will assist OCTA and/or the subrecipients in making refinements/modifications to the projects/programs as needed.

Making progress toward defined performance goals: coherence between agencies with differing missions can be challenging. There can be tension between transit agencies or transportation providers, and the human services agencies relative to stated and unstated performance goals. This is partly historical, partly regulatory.

Transit operators focus their performance measures on standard cost per hour, cost per trip, revenue hour, or passenger, the human services side of the picture will focus on ridership, utilization, customer satisfaction, and mental and physical health outcomes. Inherent beneath both sets of performance measures is the fact that increased utilization of specialized transit is a double or triple-edged sword: it can mean that the target populations are gaining more access to desired and critical destinations; it may also indicate success in moving riders to more cost effective and flexible options along the specialized transportation spectrum. However, given the target users, increased utilization of specialized transportation compared to fixed-route service can also signal more ill-health among populations of interest, more poverty and unemployment, and a failure of the built environment and the transportation/land use system as a whole to accommodate people's needs through the entire lifecycle.

At a very concrete level, OCTA will need to:

- Clearly define performance measures for mobility management projects, programs and services so that required preconditions to success are built into those measures. For example, other agencies/organizations in the business of providing services or mobility management services include as a performance measure the number of community partners in its coordinated transportation network. This is not only an “outcome” but also should be considered a critical prerequisite to developing an effective organization that is sustainable, because it is based on and serves community needs and has community support;
- Ensure that value added through coordinated delivery of specialized transportation services is captured in the selection, definition and measure of performance indicators; and
- Define success carefully – indicators should be neither too high nor too low.

Legal and Regulatory Issues

OCTA already works cooperatively with 211 Orange County and other cities, stakeholder agencies/organizations in the county. Issues that will need to be addressed relate to the nature and scope of new partnerships between OCTA and other stakeholder agencies and organizations, specific to shared funding arrangements, liability, etc.

Consistent with some of the recommended strategies, more involved legal and structural arrangements may need to be instituted between OCTA and a “collective” or group of agencies or organizations to ensure proper and adequate governance, oversight and management of longer-term, multi-year regional specialized transportation projects and programs. These types of projects and programs could conceivably result in creation of a multi-agency partnership. Decisions and direction related to on-going projects and programs could be made at the discretion of OCTA alone, or in cooperation with their agency partners.

Funding Availability

In general funding for transportation will likely be constrained for some time effectively limiting the ability to accurately pinpoint the amounts of total funding than can be used to implement the recommended 2020 Coordinated Plan programs and projects. However, as funding for these

types of programs and projects are identified, OCTA can undertake the actions necessary to gradually implement the projects/programs as budgetary constraints allow.

Conclusion

Ongoing project involvement and monitoring will allow OCTA to assess and report upon each project implemented to determine the impact on the target populations relative to improving mobility. The future use of 211 Orange County's CIE database and other technology-based improvements will provide solid productivity and performance data that can be used to determine the actual effectiveness of each project implemented.



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors

From: *RW*
Laurena Weinert, Clerk of the Board

Subject: Amendment to Agreement with MV Transportation, Inc., for the Provision of the OC Flex Service Microtransit Pilot Program Services

Transit Committee Meeting of November 12, 2020

Present: Directors Do, Jones, Pulido, Shaw, and Sidhu
Absent: Director Davies

Committee Vote

Following the roll call vote, this item was declared passed 4-0 by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendations

- A. Approve staff recommendation to extend the OC Flex microtransit pilot program for 14 months, from October 2020 to December 31, 2021, and direct staff to incorporate the scope of work for management and operation of the OC Flex into the OC ACCESS scope of work request for proposals.
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Agreement No. C-7-2052 with MV Transportation, Inc., in the amount of \$330,856, to extend the term of the agreement to operate the OC Flex microtransit pilot program for an additional seven months through December 31, 2021. This will increase the maximum obligation amount of the agreement to a total contract value of \$2,693,699.



November 12, 2020

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Agreement with MV Transportation, Inc., for the Provision of the OC Flex Service Microtransit Pilot Program

Overview

The Orange County Transportation Authority is underway with a two-year microtransit pilot program known as OC Flex. The OC Flex pilot program which began in October 2018 as a one-year pilot, was subsequently extended by the Board of Directors for an additional year through October 14, 2020. Operations and maintenance of the OC Flex service is currently provided by MV Transportation, Inc., through an assigned contract that is set to expire on May 31, 2021. MV Transportation, Inc., also provides OC ACCESS service under a separate agreement and operates OC Flex from the same operating base. The term of the OC ACCESS agreement expires December 31, 2021. In order to align the terms of the agreements for both services, Board of Directors' approval is requested to extend the contract term for the OC Flex pilot to December 31, 2021 and to extend the pilot program for an additional 14 months to align with the recommended contract term.

Recommendations

- A. Approve staff recommendation to extend the OC Flex microtransit pilot program for 14 months, from October 2020 to December 31, 2021, and direct staff to incorporate the scope of work for management and operation of the OC Flex into the OC ACCESS scope of work request for proposals.
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Agreement No. C-7-2052 with MV Transportation, Inc., in the amount of \$330,856, to extend the term of the agreement to operate the OC Flex microtransit pilot program for an additional seven months through December 31, 2021. This will increase

the maximum obligation amount of the agreement to a total contract value of \$2,693,699.

Discussion

On March 26, 2018, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved an agreement with Keolis Transit Services, LLC, (Keolis) for the operation and maintenance of the OC Flex microtransit pilot program for a one-year initial term and two, one-year option terms. On September 23, 2019, the Board approved the first one-year option term effective October 15, 2019 through October 14, 2020.

Under the terms of the agreement, the contractor provides:

- Day-to-day management of the operation of the OC Flex microtransit service, including the provision of operators and back-up vehicles to dispatch all ambulatory and wheelchair trips as requested in compliance with applicable local, state, and federal regulations; and
- All maintenance for vehicles, including the original equipment manufacturer's recommendations for preventive maintenance.

The OC Flex microtransit pilot program began in October 2018 as a one-year pilot program operating in two zones. In January 2020, the Board approved a 12-month extension of the one-year pilot through October 2020 to allow staff to implement strategies to improve performance and allow for greater service establishment and awareness. In March 2020, OC Flex service demand was seriously impacted by the coronavirus (COVID-19) pandemic in both zones, but more significantly in the blue zone serving portions of the cities of Huntington Beach and Westminster. As a result of the significantly diminished demand for service, a determination was made to temporarily suspend OC Flex service in the blue zone, effective March 23, 2020. The orange zone, encompassing portions of the cities of Aliso Viejo, Laguna Niguel, and Mission Viejo continued to operate as service requests to and from key destinations, such as the Laguna Niguel/Mission Viejo Metrolink Station, continued.

As previously shared with the Board in May 2020, Keolis notified OCTA that as a result of the impacts of the COVID-19 pandemic, it could no longer continue to provide service in Orange County, including the OC Flex service, effective June 1, 2020. At that time, Keolis made a formal request to OCTA to utilize the assignment provision included in their agreement to assign all rights title, interest, obligations, and liability under the agreement to MV Transportation, Inc.

(MV), OCTA's current provider of OC ACCESS service, operating out of an OCTA-owned facility in Irvine, which has sufficient capacity to also accommodate OC Flex. Through mutual agreement and to ensure no disruption to the OC Flex microtransit pilot program, the agreement for the operation and maintenance of the OC Flex microtransit pilot program was assigned from Keolis to MV for a one-year term effective June 1, 2020 through May 31, 2021.

The impacts of the COVID-19 pandemic on the OC Flex service have made it challenging to evaluate the performance of the microtransit pilot project. Performance in February 2020, immediately following Board direction to extend the pilot for one year, reflected continued improvement in key metrics such as subsidy per boarding, and ridership in the south county zone had been steadily increasing. In order to fairly and adequately evaluate the OC Flex microtransit pilot, staff is recommending an extension of the pilot period for an additional 14 months beyond October 2020. The proposed 14-month extension will provide staff with the opportunity to make necessary service adjustments and to evaluate the performance of the OC Flex service through and beyond the COVID-19 pandemic, as well as incorporate future recommended health and safety adjustments as part of the OC Flex service. In addition, this extension will support planning efforts underway to examine the OC Bus service in a post-COVID-19 environment. As the fixed-route system begins to recover from the impacts of the COVID-19 pandemic, staff can continue to gain experience with the use of microtransit and consider the role this type of service may have going forward to support mobility throughout the county.

To accommodate the extension of the OC Flex microtransit pilot program, staff recommends an extension of the agreement with MV for an additional seven months until December 31, 2021, which aligns with the current OC ACCESS agreement. During this time staff will continue to evaluate the future contracting options for OC Flex and OC Access services both separately and combined. Aligning the terms of the agreement will ensure continuity of operations for the OC Flex microtransit pilot program until such time as staff can evaluate the applicability of microtransit in Orange County and develop a more comprehensive service plan that complements the OC Bus service now and in the future.

Procurement Approach

The original procurement was handled in accordance with OCTA Board-approved policies and procedures for professional services. The original agreement was awarded on a competitive basis, and it was issued in the amount of \$1,150,000. The Board approved an agreement with Keolis for the operation and maintenance of the OC Flex microtransit pilot program for a one-year initial

term and two, one-year option terms. On September 23, 2019, the Board approved the first one-year option term effective through October 14, 2020, as described in Attachment A.

MV assumed operation of the OC Flex service beginning on June 1, 2020 through May 31, 2021. The proposed Amendment No. 5 will extend the term of the agreement for an additional seven months through December 31, 2021. Amending this agreement will increase the maximum obligation by \$330,856, bringing the total contract value to \$2,693,699. The rate escalation will remain as originally negotiated. Exercising the amendment will allow MV to continue providing OC Flex services through the term of the existing agreement for the provision of OC ACCESS services.

Fiscal Impact

The project was approved in the OCTA Fiscal Year 2020-21 Budget, Operations Division, Contract Transportation Services, accounts 2149-7317-D2160-N96 and 2149-7317-D2161-N97.

Summary

Authorize the Chief Executive Officer to execute Amendment No. 5 to Agreement No. C-7-2052 with MV, in the amount of \$330,856, to extend the term of the agreement for an additional seven months to operate the OC Flex microtransit pilot program through December 31, 2021. This will increase the maximum obligation amount of the agreement to a total contract value of \$2,693,699.

Attachment

A. MV Transportation, Inc., Agreement No. C-7-2052 Fact Sheet

Prepared by:



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Approved by:



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Executive Director, Operations
714-560-5964



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Interim Director, Contracts
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714-560-5619



Jennifer L. Bergener
Chief Operating Officer, Operations/
Deputy Chief Executive Officer
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**MV Transportation, Inc.
Agreement No. C-7-2052 Fact Sheet**

1. March 26, 2018, Agreement No. C-7-2052, \$1,150,000, approved by the Board of Directors (Board).
 - Keolis Transit Services, LLC (Keolis), to provide operation and maintenance of OC Flex microtransit pilot program.
 - Initial term effective through August 31, 2019 with two, one-year option terms.
2. August 6, 2018, Amendment No. 1 to Agreement No. C-7-2052, \$106,837, approved by Contracts Administration and Materials Management (CAMM).
 - Amendment to revise the scope of work.
3. October 15, 2018, Amendment No. 2 to Agreement No. C-7-2052, \$0, approved by CAMM.
 - Amendment to revise the scope of work, revise the start date of the service, and extend the end date of the initial term to October 14, 2019, as well as make additional administrative changes.
4. September 23, 2019, Amendment No. 3 to Agreement No. C-7-2052, \$1,106,006, approved by the Board.
 - Exercise the first option term of the agreement effective October 15, 2019 through October 14, 2020.
5. June 1, 2020, Amendment No. 4 to Agreement No. C-7-2052, \$0, approved by CAMM.
 - Amendment to assign all rights, responsibilities, and liability from Keolis to MV Transportation, Inc., effective June 1, 2020 through May 31, 2021.
6. November 23, 2020, Amendment No. 5 to Agreement No. C-7-2052, \$330,856, pending approval by the Board.
 - Amendment to extend the agreement term to December 31, 2021.

Total committed to MV Transportation, Inc., Agreement No. C-7-2052: \$2,693,699.



**Amendment to Agreement with
MV Transportation, Inc., for the Provision of
the OC Flex Service Microtransit Pilot Program**



- March 2018 – Board of Directors (Board) approved an agreement with Keolis Transit Services, LLC for the provision of the OC Flex service
- October 2018 – OC Flex begins in two zones
 - Orange Zone (areas of Aliso Viejo, Laguna Niguel, and Mission Viejo)
 - Blue Zone (areas of Huntington Beach and Westminster)
- September 2019 – Board authorized contract extension
- January 2020 – Board authorized 12-month extension of pilot
- May 2020 – Assigned agreement to MV Transportation, Inc.



OC FLEX PROGRAM OPTIONS



- Maintain OC Flex Service
- Terminate OC Flex Program
- Modify, Expand, or Adjust



Maintain Current Service

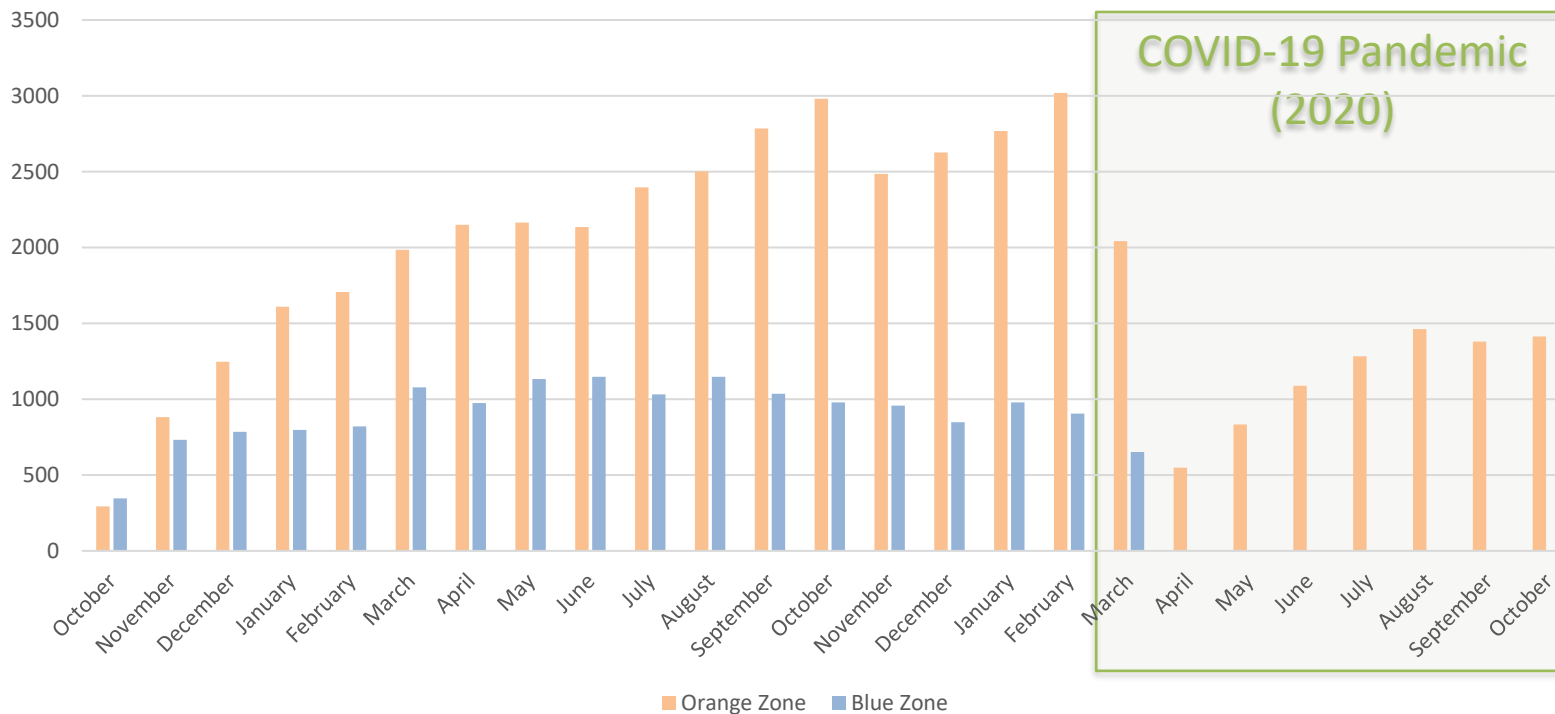
- Advantages

- Provides more time to evaluate the effects of changes implemented in February 2020
- Keeps on-demand transit in the mix of service delivery options for future bus system restructuring
- Focus resources on most successful zone
- Maintains established connections from Laguna Niguel/Mission Viejo Metrolink Station
- Gives time to regain ridership and get back to the level of performance achieved in February 2020 or better

- Disadvantages

- Elimination of Blue Zone due to low ridership

OC Flex Ridership



PERFORMANCE SUMMARY



Board-Adopted Goals <i>(Measures)</i>	Target	Performance*	Goal Met?
Productivity <i>(Boardings per Revenue Vehicle Hour)</i>	6	1.87	X
Cost Effectiveness <i>(Subsidy per Boarding)</i>	\$9.00	\$27.43	X
Shared Rides <i>(% of Bookings sharing a vehicle, groups)</i>	25%	29.3%	✓
Connecting Transit Trips <i>(% of transfer trips)</i>	25%	30.3%	✓
Customer Satisfaction – (by survey) <i>(% “likely”/“very likely” to recommend service)</i>	85%	91%	✓

* Performance through February 2020



NEXT STEPS



- Continue to monitor performance and evaluate impacts of COVID-19
- Report quarterly performance
- Return to the Board in December 2020 with a path forward beyond the pilot program

