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## **BOARD AGENDA**

### **Board Members**

Mark A. Murphy, Chairman  
Gene Hernandez, Vice Chairman  
Lisa A. Bartlett  
Doug Chaffee  
Barbara Delgleize  
Andrew Do  
Katrina Foley  
Brian Goodell  
Patrick Harper  
Michael Hennessey  
Steve Jones  
Fred Jung  
Joseph Muller  
Tam Nguyen  
Vicente Sarmiento  
Donald P. Wagner  
Ryan Chamberlain

Orange County Transportation Authority  
Board Room  
550 South Main Street  
Orange, California

**Monday, August 22, 2022 at 9:00 a.m.**

### **Teleconference Site:**

The Sands Kahana Resort  
Tennis Lobby  
4299 Lower Honoapiilani Highway  
Lahaina Maui, HI 96761

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

### **Agenda Descriptions**

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



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## **BOARD AGENDA**

### **Public Availability of Agenda Materials**

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

### **Meeting Access and Public Comments on Agenda Items**

Members of the public can either attend in-person (subject to OCTA's Coronavirus (COVID-19) safety protocols) or listen to live audio streaming of the Board and Committee meetings by clicking the below link:

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

Members of the public may address the Board of Directors regarding any item in two ways:

#### **In-Person Comment**

Members of the public may attend in-person (subject to OCTA's COVID-19 safety protocols) and address the Board regarding any item. Members of the public will be required to complete a COVID-19 symptom and temperature screening.

Please complete a speaker's card and submit it to the Clerk of the Board (or notify the Clerk of the Board the item number on which you wish to speak). Speakers will be recognized by the Chairman at the time the agenda item is to be considered. A speaker's comments shall be limited to three minutes.

#### **Written Comment**

Written public comments may also be submitted by emailing them to [ClerkOffice@octa.net](mailto:ClerkOffice@octa.net), and must be sent by **5:00 p.m. the day prior to the meeting**. 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.



## **BOARD AGENDA**

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### **Call to Order**

### **Invocation**

Director Do

### **Pledge of Allegiance**

Director Bartlett

### **Special Calendar**

#### **Orange County Transportation Authority Special Calendar Matters**

**1. Presentation of Resolutions of Appreciation for Employees of the Month for August 2022**

Present Orange County Transportation Authority Resolutions of Appreciation Nos. 2022-068, 2022-069, and 2022-070 to Richard Quinonez, Coach Operator; Martin Vo, Maintenance; and Amber Hahlbeck, Administration, as Employees of the Month for August 2022.

### **Discussion Items**

**2. Headquarters Real Estate Update**

Sean Murdock/Andrew Oftelie

Staff will provide an update on the current lease of the Orange Administrative Headquarters and discuss the work the Real Estate Ad Hoc Committee has undertaken over the last two years.

**3. Closed Session**

A Closed Session will be held as follows:

- A. Pursuant to Government Code Section 54957(b) to evaluate the performance of the Chief Executive Officer, Darrell E. Johnson.
- B. Pursuant to Government Code Section 54957.6, meet with the designated representative, Chairman Mark A. Murphy, regarding the compensation of the Chief Executive Officer.



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## **BOARD AGENDA**

- C. Pursuant to Government Code Section 54956.9(d)(1) - Conference with General Counsel - Existing Litigation - Mario Cadiente v. Orange County Transportation Authority, OCSC Case No. 30-2020-01159300

- D. Conference with real property negotiators pursuant to Government Code Section 54956.8.

OCTA Negotiators: Andrew Oftelie (OCTA), Peter Andrich (CBRE), and Rick Warner (CBRE)

Property No. 1: 550 & 600 South Main Street, Orange, CA 92868  
Negotiating Party: Lincoln Property Company  
Under negotiation: price and terms of payment

Property No. 2: 625 North Grand Avenue, Santa Ana, CA 92701  
Negotiating Party: Mike Harrah, Caribou Industries  
Under negotiation: price and terms of payment

Property No. 3: 401 West Civic Center Drive, Santa Ana, CA 92701  
Negotiating Party: County of Orange  
Under negotiation: price and terms of payment

Property No. 4: Parcel APN # 386-521-17, Lot B of ARTIC  
Negotiating Party: ocV!be  
Under negotiation: price and terms of payment

Property No. 5: Parcel APN # 253-532-07  
Negotiating Party: Trammell Crow  
Under negotiation: price and terms of payment



## **BOARD AGENDA**

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### **4. Annual Review and Compensation Adjustment for Chief Executive Officer, Darrell E. Johnson**

Darrell E. Johnson commenced service as the Orange County Transportation Authority's Chief Executive Officer on March 1, 2013. As part of this item, the Board of Directors will consider in open session the Chief Executive Officer's performance and will approve any adjustments to the Chief Executive Officer's Contract of Employment and compensation as deemed necessary by the Board of Directors.

### **Consent Calendar (Items 5 through 11)**

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**

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

##### **Recommendation**

Approve the minutes of the August 8, 2022, Orange County Transportation Authority and affiliated agencies' regular meeting.

#### **6. Fiscal Year 2021-22 Fourth 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 fourth quarter of fiscal year 2021-22, covering April through June 2022.

##### **Recommendation**

Receive and file as an information item.



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## **BOARD AGENDA**

### **7. SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program Recommendations for Fiscal Year 2022-23**

Heidi Busslinger/Kia Mortazavi

#### **Overview**

The SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program provides funding for transit capital improvement needs. The program funds are generated from the Transportation Improvement Fee. Programming recommendations for fiscal year 2022-23 funds, as well as a reprogramming action for prior-year funding, are presented for Board of Directors approval.

#### **Recommendations**

- A. Approve Resolution No. 2022-053 authorizing the use of fiscal year 2022-23 SB 1 State of Good Repair Program funding, which is estimated to provide approximately \$6.585 million for the following projects:
  - Transit Security and Operations Center (\$3.924 million),
  - Bus engine repower/rebuild contract (\$1.511 million), and
  - Heating-ventilation unit replacement at the Santa Ana Bus Base (\$1.150 million).
- B. Authorize the use of fiscal year 2019-20 SB 1 State of Good Repair Program funding of \$2.560 million for the bus engine repower/rebuild contract.
- C. Authorize staff to make all necessary amendments to the Federal Transportation Improvement Program and execute any necessary agreements to facilitate the above recommendation.



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## **BOARD AGENDA**

### **8. Federal Transit Administration Program of Projects for Federal Fiscal Year 2021-22**

Heidi Busslinger/Kia Mortazavi

#### **Overview**

The Orange County Transportation Authority annually prepares a program of projects to secure Federal Transit Administration formula grants for bus and rail capital projects as well as the related operating costs. The federal fiscal year 2022 program is presented for the Board of Directors' review and approval.

#### **Recommendations**

- A. Approve the federal fiscal year 2022 program of projects for Federal Transit Administration Section 5307 Urbanized Area Formula, Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities, Section 5337 State of Good Repair, and Section 5339 Bus and Bus Facilities programs including other federal and local funds, and the use of match credit for projects included in this report.
- B. Approve the five-year programming plans for Federal Transit Administration Sections 5307, 5310, 5337, and 5339.
- C. Approve the use of \$3.661 million in federal Congestion Mitigation and Air Quality Improvement Program funds for the following projects:
  - Southern California Regional Rail Authority Operating Subsidy Suballocation for Reinstatement (\$2.510 million), and
  - Southern California Regional Rail Authority New Capital for Replacement Locomotives (\$1.151 million).
- D. Authorize staff to adjust individual project funding consistent with final apportionments and eligibility determinations through the Infrastructure Investment and Jobs Act, and direct staff to include updated numbers in grant and programming status reports.
- E. Authorize the Chief Executive Officer or his designee to submit the Federal Transit Administration grant applications required for the recommendations above to the Federal Transit Administration.



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**BOARD AGENDA**

- F. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program and execute or amend all necessary agreements to facilitate the above actions.

## **Orange County Transit District Consent Calendar Matters**

### **9. Agreement for Intelligent Transportation Management System Radio Computing Infrastructure and Software Update**

Michael Beerer/Andrew Oftelie

#### **Overview**

The Orange County Transportation Authority operates an L3Harris OpenSky II data and voice land mobile radio system to provide voice communications, vehicle position, and diagnostic data from and to our fixed-route, paratransit, field supervisor, maintenance, and Transit Police Service vehicles. The Orange County Transportation Authority's land mobile radio computing and network infrastructure is over ten years old and in need of an update as it has reached the end of its useful life. Board of Directors' approval is requested to refresh the radio computing and network infrastructure.

#### **Recommendations**

- A. Authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C-2-2261 between the Orange County Transportation Authority and L3Harris Technologies, Inc., in the amount of \$2,270,723, to update the Intelligent Transportation Management System radio computing infrastructure and software.
- B. Amend the Orange County Transportation Authority's Fiscal Year 2022-23 Budget, in the amount of \$2,270,723, to accommodate expenses related to sole source Agreement No. C-2-2261 to update the Intelligent Transportation Management System radio computing infrastructure and software.





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**BOARD AGENDA**

## **Orange County Local Transportation Authority Consent Calendar Matters**

### **10. Adopt Resolution Approving Updated Real Property Policies and Procedures Manual**

James G. Beil

#### **Overview**

The Orange County Transportation Authority is currently acquiring and managing numerous properties required for the construction and delivery of capital improvement projects. As part of the acquisition and management process, the Orange County Transportation Authority must, by general resolution, authorize certain policies and procedures to implement this process in compliance with federal and state laws. The current Real Property and Procedures Manual of April 2018 was approved by the Board of Directors on May 14, 2018. Staff is requesting updates to the Real Property Policies and Procedures Manual which requires Board of Directors' approval.

#### **Recommendation**

Adopt Resolution No. 2022-052 approving the Real Property Policies and Procedures Manual, dated August 2022, to replace the current Real Property Policies and Procedures Manual of April 2018.

### **11. Amendment to Cooperative Agreement with the City of Anaheim for the Anaheim Canyon Metrolink Rail Station Improvement Project**

Lora Cross/James G. Beil

#### **Overview**

On August 25, 2014, the Orange County Transportation Authority Board of Directors approved Cooperative Agreement No. C-4-1714 with the City of Anaheim to define the roles and responsibilities for capital improvements to the Anaheim Canyon Metrolink rail station. An amendment to the cooperative agreement is requested to increase the reimbursement of funds to the City of Anaheim for engineering, inspection, and oversight efforts and to reimburse the Orange County Transportation Authority for construction work related to the protection of a city-owned water line.



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## **BOARD AGENDA**

### **Recommendation**

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-4-1714 between the Orange County Transportation Authority and the City of Anaheim for additional reimbursement, in the amount of \$70,000, to the City of Anaheim for engineering reviews, inspection, and oversight and extend the term of the cooperative agreement through December 31, 2023, for the Anaheim Canyon Metrolink Rail Station Improvement Project. This will increase the maximum obligation of the cooperative agreement to a total contract value of \$343,000.

### **Regular Calendar**

#### **Orange County Transportation Authority Regular Calendar Matters**

##### **12. Agreements for Health Insurance Services**

Bea Maselli/Maggie McJilton

##### **Overview**

The Orange County Transportation Authority currently has agreements with various companies to provide medical, dental, vision, life, accidental death and dismemberment, disability, and supplemental life plans for administrative employees and employees represented by the Transportation Communications International Union and represented by Teamsters Local 952 Union. These agreements expire on December 31, 2022. Staff is presenting recommendations for medical, dental, vision, life, accidental death and dismemberment, disability, and supplemental life insurance, as well as leave administration for the calendar year 2023.

##### **Recommendations**

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-5-3649 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Kaiser Permanente Health Plan, Inc., on a cost per employee basis, for prepaid medical services through December 31, 2023. The annual 2023 Kaiser Permanente



## **BOARD AGENDA**

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- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-5-3650 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Anthem Blue Cross, on a cost per employee basis, for prepaid medical services through December 31, 2023. The annual 2023 Anthem Blue Cross health maintenance organization premium costs will vary in accordance with actual enrollment.
- C. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-5-3651 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Anthem Blue Cross, on a cost per employee basis, for preferred provider organization medical services through December 31, 2023. The annual 2023 Anthem Blue Cross preferred provider organization premium costs will vary in accordance with actual enrollment.
- D. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-5-3652 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Anthem Blue Cross, on a cost per employee basis, for a consumer driven health plan through December 31, 2023. The annual 2023 Anthem Blue Cross consumer driven health plan premium costs and health savings account expenses will vary in accordance with actual enrollment.
- E. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-1-3670 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Delta Dental, on a cost per employee basis, for preferred provider organization dental services through December 31, 2023. The annual 2023 Delta Dental preferred provider organization premium costs will vary in accordance with actual enrollment.
- F. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 12 to Agreement No. C-1-2995 between the Orange County Transportation Authority and Delta Dental, on a cost per employee basis, for health maintenance organization dental services through December 31, 2023. The annual 2023 Delta Dental health maintenance organization premium costs will vary in accordance with actual enrollment.



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## **BOARD AGENDA**

- G. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-1-3672 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Delta Dental, on a cost per employee basis, for health maintenance organization dental services through December 31, 2023. The annual 2023 Delta Dental health maintenance organization premium costs will vary in accordance with actual enrollment.
- H. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-1-3671 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Vision Service Plan, on a cost per employee basis, for vision services through December 31, 2023. The annual 2023 vision services premium costs will vary in accordance with actual enrollment.
- I. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 6 to Purchase Order No. C-7-1897 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for VOYA for life and accidental death and dismemberment insurance through December 31, 2023. The annual 2023 life and accidental death and dismemberment premium costs will vary in accordance with actual volume in the plan.
- J. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Purchase Order No. C-7-1898 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for VOYA to provide supplemental life insurance to employees at their own expense through December 31, 2023.
- K. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Purchase Order No. C-7-1899 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for VOYA for short-term and long-term disability insurance through December 31, 2023. The annual 2023 short-term and long-term disability premium costs will vary in accordance with actual volume in the plan.



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## **BOARD AGENDA**

- L. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Purchase Order No. C-7-1900 between Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for VOYA with ComPsych to provide employee leave administration through December 31, 2023.

### **Discussion Items**

- 13. Public Comments**
- 14. Chief Executive Officer's Report**
- 15. Directors' Reports**
- 16. Adjournment**

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, September 12, 2022** at the Orange County Transportation Authority Headquarters, Board Room, 550 South Main Street, Orange, California.

# Headquarters Real Estate Update

August 22, 2022

# Current Headquarters Lease Highlights

- Actual rentable square footage of 172,680 based on BOMA standard
- Current lease rate is \$2.14 per square foot, which increases annually on February 1<sup>st</sup>
  - Current annual lease cost is \$4.7 million
  - Cost for remainder of lease term is \$34 million
- Lease matures January 31, 2029
- OCTA has the right to terminate the lease at a cost, which became available on January 31, 2021
  - Termination date must be 12 months after notice of termination is delivered
  - Termination amount is currently \$6.2M and decreases by ~ \$1M each year
- UBS Building Complex was recently sold to Lincoln Properties

BOMA – Building Owners and Managers Association International

OCTA – Orange County Transportation Authority

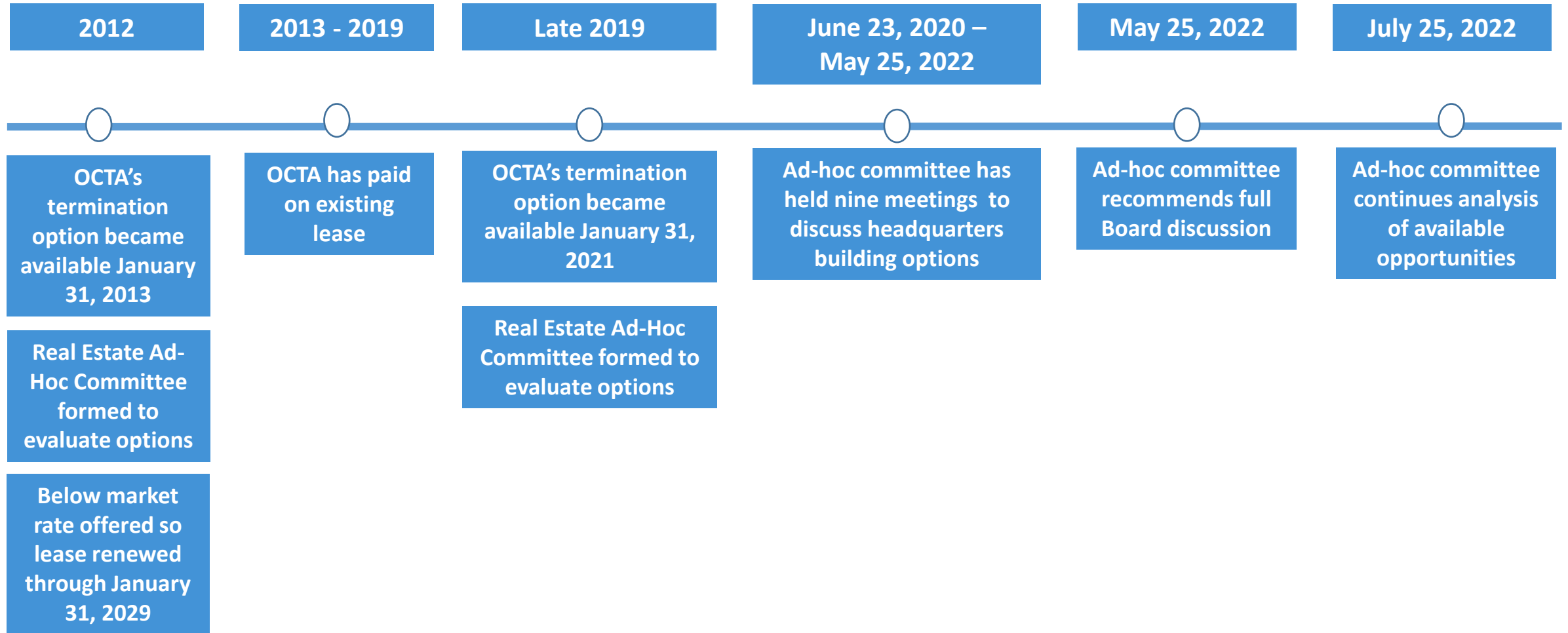
UBS – Union Bank Square

# Why Discuss This Now?

- On February 1, 2021, OCTA entered the period in which it has a right to terminate its lease
- OCTA currently has several options it may consider for a headquarters location
- Moving to a new location could take up to 5 years
  - Current lease expires in 6.5 years



# Headquarters and Ad-Hoc Committee Background



\*Board – Board of Directors

# Real Estate Ad-Hoc Committee Members

June 23, 2020,  
Sep 1, 2020  
& Jan 14, 2021  
Meetings

Steve Jones  
Mike Hennessey  
Tim Shaw  
Richard Murphy

Jun 10, 2021,  
July 26, 2021,  
Oct 14, 2021,  
& Dec 6, 2021  
Meetings

Steve Jones  
Mike Hennessey  
Tim Shaw  
Brian Goodell

Feb 11, 2022,  
May 25, 2022  
July 25, 2022  
Meetings

Steve Jones  
Mike Hennessey  
Mark Murphy  
Brian Goodell

# Next Step

- Discuss potential OCTA Headquarters options in Closed Session



## **Call to Order**

The Monday, August 8, 2022, regular meeting of the Orange County Transportation Authority (OCTA) and affiliated agencies was called to order by Chairman Murphy at 9:00 a.m. at the OCTA Headquarters, 550 South Main Street, Board Room, Orange, California.

**Directors Present:** Mark A. Murphy, Chairman  
Gene Hernandez, Vice Chairman  
Doug Chaffee  
Barbara Delgleize  
Katrina Foley  
Brian Goodell  
Patrick Harper  
Michael Hennessey  
Steve Jones  
Fred Jung  
Joseph Muller  
Vicente Sarmiento  
Donald P. Wagner  
Ryan Chamberlain

**Directors Absent:** Lisa A. Bartlett  
Andrew Do  
Tam Nguyen

**Staff Present:** Darrell E. Johnson, Chief Executive Officer  
Jennifer L. Bergener, Deputy Chief Executive Officer  
Andrea West, Interim Clerk of the Board  
Gina Ramirez, Clerk of the Board Specialist, Senior  
Allison Cheshire, Clerk of the Board Specialist, Senior  
James Donich, General Counsel

## **Invocation**

Director Wagner gave the Invocation.

## **Pledge of Allegiance**

Director Sarmiento led the Pledge of Allegiance.



## **Special Calendar**

### **Orange County Transit District Special Calendar Matters**

#### **1. Presentation of Resolutions of Appreciation for Community College Passes**

Chief Executive Officer (CEO), Darrell E. Johnson, provided comments on the College Pass Program and presented Resolutions of Appreciation to Santa Ana College, Santiago Canyon College, Fullerton College, Golden West College, Cypress College, Coastline College, Saddleback College, Irvine Valley College, Orange Coast College, and Rancho Santiago Canyon Community College District Continuing Education.

## **Consent Calendar (Items 2 through 19)**

### **Orange County Transportation Authority Consent Calendar Matters**

#### **2. Approval of Minutes**

A motion was made by Director Wagner, seconded by Director Delgleize, and declared passed by those present, to approve the Orange County Transportation Authority and affiliated agencies' regular meeting minutes of July 25, 2022.

#### **3. Fiscal Year 2021 22 Internal Audit Plan, Fourth Quarter Update**

A motion was made by by Director Wagner, seconded by Director Delgleize, and declared passed by those present, to receive and file the fourth quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2021-22 Internal Audit Plan as an information item.

#### **4. Agreement for 91 Express Lanes Channelizers**

A motion was made by Director Wagner, seconded by Director Delgleize, and declared passed by those present to:

- A. Approve the selection of Statewide Traffic Safety and Signs, Inc. to provide channelizers for the 91 Express Lanes through a competitive procurement that was conducted by the Riverside County Transportation Commission.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-2-2650 between the Orange County Transportation Authority and Statewide Traffic Safety and Signs, Inc., in the amount of \$274,238, for the procurement of channelizers for the 91 Express Lanes.



**5. Amendment to Purchase Order for Modular Systems and Ancillary Furniture**

A motion was made by Director Wagner, seconded by Director Delgleize, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Purchase Order No. C-9-1652 between the Orange County Transportation Authority and Western Office Interiors, in the amount of \$500,000, to provide for the purchase of modular systems and ancillary furniture for the Interstate 405 Customer Service and Operations Center. This will increase the purchase order to a total contract value of \$1,490,000.

**6. Fourth Quarter Fiscal Year 2021-22 Procurement Status Report**

A motion was made by Director Wagner, seconded by Director Delgleize, and declared passed by those present, to Receive and file as an information item.

**7. Orange County Transportation Authority Investment and Debt Programs Report - June 2022**

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

**8. Annual New York Credit Update - June 2022**

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

**Orange County Local Transportation Authority Consent Calendar Matters**

**9. Oversight Controls and Contract Compliance Related to the OC Streetcar Design and Construction Management, Internal Audit Report No. 22-505**

This item was pulled by Director Wagner, who requested a staff presentation.

Janet Sutter, Executive Director, Internal Audit, provided an overview of the item.

A discussion ensued between Board members and OCTA staff.

A motion was made by Chairman Murphy, seconded by Vice Chairman Hernandez, and declared passed by those present, to direct staff to implement five recommendations provided in Oversight Controls and Contract Compliance Related to the OC Streetcar Design and Construction Management, Internal Audit Report No. 22-505.



**10. Fourth Quarter Fiscal Year 2021-22 and Planned Fiscal Year 2022-2023 Capital Action Plan Performance Metrics**

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

**11. Cooperative Agreement with the California Department of Transportation for the Interstate 5 Improvement Project Between Interstate 405 and Yale Avenue and Authority to Acquire Right-of-Way**

A motion was made by Director Wagner, seconded by Director Delgleize, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-2-2592 between the Orange County Transportation Authority and the California Department of Transportation, at no cost, to perform right-of-way services for the Interstate 5 Improvement Project between Interstate 405 and Yale Avenue.
- B. Authorize the Chief Executive Officer to initiate discussions with property owners and utility owners, make offers, and execute agreements for the acquisition of all necessary real property interests and necessary utility relocations.

**12. Amendment to Cooperative Agreement with the California Department of Transportation for Preparation of the Project Report and Environmental Document for the Interstate 5/EI Toro Road Interchange Project**

A motion was made by Director Wagner, seconded by Director Delgleize, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Cooperative Agreement No. C-6-1262 between the Orange County Transportation Authority and the California Department of Transportation to provide federal funding, which the California Department of Transportation will draw directly, to complete environmental phase services for preparation of the project report and environmental document for the Interstate 5/EI Toro Road Interchange Project.
- B. Authorize the use of up to \$4,813,000 in additional Surface Transportation Block Grant Program funds for the Interstate 5/EI Toro Road Interchange Project.
- C. Authorize the use of up to \$350,000 in additional Measure M2 funds for public outreach efforts for the Interstate 5/EI Toro Road Interchange Project.



- D. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program and execute or amend all necessary agreements to facilitate the above actions.

**13. Amendment to Agreement for Additional Design Services for Interstate 5 Improvement Project Between Yale Avenue and State Route 55**

A motion was made by Director Wagner, seconded by Director Delgleize, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-0-2371 between the Orange County Transportation Authority and TranSystems Corporation, in the amount of \$984,228, for additional design services for the Interstate 5 Improvement Project between Yale Avenue and State Route 55. This will increase the maximum cumulative obligation of the agreement to a total contract value of \$13,458,941.

**14. Contract Change Order for the Interstate 405 Improvement Project from State Route 73 to Interstate 605**

A motion was made by Director Wagner, seconded by Director Delgleize, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 133 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$509,431, to provide additional landscaping at various bridges in the City of Westminster.

**15. Agreement for Partial Demolition and Reconstruction Services of a Commercial Building for the State Route 55 Improvement Project Between Interstate 5 and Interstate 405**

A motion was made by Director Wagner, seconded by Director Delgleize, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Agreement No. C-2-2154 between the Orange County Transportation Authority and Golden Gate Steel, Inc. doing business as Golden Gate Construction, the lowest responsive, responsible bidder, in the amount of \$2,046,700, for partial demolition and reconstruction services of a commercial building for the State Route 55 Improvement Project between Interstate 5 and Interstate 405.

Director Wagner voted in opposition on this item.



**16. Temporary Policy Change to Address Extraordinary Inflation for Prior Regional Capacity Program and Regional Traffic Signal Synchronization Program Allocations**

A motion was made by Director Wagner, seconded by Director Delgleize, and declared passed by those present, to:

- A. Authorize staff to accept local jurisdictions' reapplication of previously approved (2018, 2019, 2020, 2021) Regional Capacity Program and Regional Traffic Signal Synchronization Program grants for the 2023 call for projects, subject to the limitations described in this report.
- B. Authorize staff to apply one-time right-of-way and construction escalation adjustments to previously approved (2018, 2019, 2020, 2021) Regional Capacity Program and Regional Traffic Signal Synchronization Program projects, subject to the limitations described in this report.

**17. Release 2023 Annual Call for Projects for Measure M2 Comprehensive Transportation Funding Programs**

A motion was made by Director Wagner, seconded by Director Delgleize, and declared passed by those present, to:

- A. Approve proposed revisions to the Comprehensive Transportation Funding Programs guidelines.
- B. Authorize staff to issue the 2023 annual call for projects for the Regional Capacity Program.
- C. Authorize staff to issue the 2023 annual call for projects for the Regional Traffic Signal Synchronization Program.

**18. Cooperative Agreements for Regional Traffic Signal Synchronization Program Projects**

A motion was made by Director Wagner, seconded by Director Delgleize, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-2-2632 between the Orange County Transportation Authority and the cities of Irvine, Laguna Hills, and Lake Forest for the Bake Parkway and Rockfield Boulevard Regional Traffic Signal Synchronization Program Project, with local agency in-kind services and cash-matching funds totaling \$626,686.

- B. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-2-2633 between the Orange County Transportation Authority and the cities of Dana Point, Laguna Niguel, Mission Viejo, and the County of Orange for the Crown Valley Parkway Regional Traffic Signal Synchronization Program Project, with local agency in-kind services and cash-matching funds totaling \$587,318.
- C. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-2-2634 between the Orange County Transportation Authority and the cities of Dana Point, Laguna Hills, and Laguna Niguel for the Moulton Parkway Regional Traffic Signal Synchronization Program Project, with local agency in-kind services and cash-matching funds totaling \$662,913.

**19. Request to Exercise Option Term 1 for On-Call Traffic Engineering and Intelligent Transportation Systems Services Agreements**

A motion was made by Director Wagner, seconded by Director Delgleize, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to execute Option Term 1 for the following firms to continue to provide on-call traffic engineering services for the Regional Traffic Signal Synchronization Program (Project P): DKS Associates (Agreement No. C-9-1513), AGA Engineers, Inc. (Agreement No. C-9-1810), KOA Corporation (Agreement No. C-9-1811), and Iteris, Inc. (Agreement No. C-9-1812), extending the term of the agreements by one year from their current respective end dates.
- B. Authorize the Chief Executive Officer to negotiate and execute amendments between the Orange County Transportation Authority and the following consultants for on-call traffic engineering and intelligent transportation systems services agreements: with DKS Associates (Agreement No. C-9-1513), AGA Engineers, Inc. (Agreement No. C-9-1810), KOA Corporation (Agreement No. C-9-1811), and Iteris, Inc. (Agreement No. C-9-1812), in a shared amount of \$9,384,583. This will increase the maximum obligation for all the on-call firms for a total combined aggregate contract value of \$25,260,008.



## **Regular Calendar**

### **Orange County Local Transportation Authority Regular Calendar Matters**

#### **20. Interstate 405 Improvement Project Update**

Jeff Mills, Program Manager, and Chris Bouchly, Section Manager, Capital Projects Outreach, provided a presentation on this item.

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

## **Discussion Items**

#### **21. Caltrans District 12 Interstate 5 Managed Lanes Project Update**

Chris Flynn, Deputy Director, Environmental Analysis, Caltrans District 12, provided a presentation on this item.

Following the discussion, no action was taken on this item.

#### **22. San Diego Association of Governments Regional Transportation Plan Update**

Coleen Clementson, Deputy Chief Executive Officer, San Diego Association of Governments, and Allan Kosup, North County Corridor Representative, Caltrans, provided a presentation on this item.

Following the discussion, no action was taken on this item.

#### **23. Public Comments**

Public comments were received from James Jesswaldi.

#### **24. Chief Executive Officer's Report**

Mr. Johnson, CEO, provided an update on the annual call for projects for the Measure M Regional Capacity Program and Signal Synchronization Program.

#### **25. Directors' Reports**

There were no Director's Reports.



**26. Closed Session**

A Closed Session was held as follows:

- A. Pursuant to Government Code Section 54957(b) to evaluate the performance of the Chief Executive Officer, Darrell E. Johnson.
- B. Pursuant to Government Code Section 54957.6, meet with the designated representative, Chairman Mark A. Murphy, regarding the compensation of the Chief Executive Officer.

Chairman Murphy, Vice Chairman Hernandez, and Directors Chaffee, Foley, Goodell, Jones, Jung, Muller, Sarmiento, and Wagner were present.

**27. Annual Review and Compensation Adjustment for Chief Executive Officer, Darrell E. Johnson**

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present, to continue this item to the next regularly scheduled meeting of the Board.

Vice Chair Hernandez and Director Harper voted in opposition on this item.

**28. Adjournment**

The meeting adjourned at 11:12 a.m.

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, August 22, 2022** at the Orange County Transportation Authority Headquarters, Board Room, 550 South Main Street, Orange, California.

ATTEST:

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Gina Ramirez  
Clerk of the Board Specialist, Senior



## COMMITTEE TRANSMITTAL

**August 22, 2022**

**To:** Members of the Board of Directors

**From:** Andrea West, Interim Clerk of the Board *Andrea West*

**Subject:** Fiscal Year 2021-22 Fourth Quarter Grant Reimbursement Status Report

Finance and Administration Committee Meeting of August 10, 2022

**Present:** Directors Goodell, Harper, Hennessey, Hernandez, Jones, Muller, and Sarmiento

**Absent:** None

**Committee Vote**

This item was passed by the Members present.

Directors Goodell and Sarmiento were not present to vote on this item.

**Committee Recommendation**

Receive and file as an information item.



**August 10, 2022**

**To:** Finance and Administration Committee

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

**Subject:** Fiscal Year 2021-22 Fourth 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 fourth quarter of fiscal year 2021-22, covering April through June 2022.

### **Recommendation**

Receive and file as an information item.

### **Discussion**

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

Current Grant Agreements:

OCTA's Federal Transit Administration (FTA) formula grant agreements total 16 and FTA discretionary grant agreements total five.

The 12 FTA formula grant agreements have a total federal amount of \$617.8 million. This includes coronavirus (COVID-19) relief funds that will be used for operating costs for fixed-route and paratransit service and COVID-19 labor, materials, and supplies. A total of \$345.7 million has been reimbursed, leaving a balance of approximately \$272.1 million. The balance of these FTA formula grant agreements will primarily fund operating costs for fixed-route and paratransit service, the OC Streetcar project, fixed-route bus procurements, and rail rehabilitation projects.

The FTA discretionary grant agreements have a total federal amount of \$158.1 million. This includes the full funding grant agreement award of \$148.9 million. A total of \$109.2 million has been reimbursed, leaving a balance of \$48.9 million. The balance of these FTA discretionary grant agreements will primarily fund the OC Streetcar project 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 \$775.9 million. The total amount reimbursed through the fourth quarter under these grant agreements is \$454.9 million, leaving a balance of \$321 million. These grant agreements are summarized in Attachment A.

OCTA has 23 active State and Federal Highway Administration formula grant agreements that total \$71.6 million. The total amount reimbursed through the fourth quarter under these agreements is \$15.5 million, leaving a balance of \$56.1 million. These grant agreements are summarized in Attachment B.

In addition, OCTA has 11 active state discretionary grant agreements totaling approximately \$17.6 million. The total amount reimbursed through the fourth quarter under these other agreements is \$5.3 million, leaving a balance of \$12.3 million. These grant agreements are summarized in Attachment C.

This report activity is as of June 30, 2022, and any grants with a deadline between the quarter end and the date this report is published will be 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 seven grant agreements totaling \$90 million that are pending close-out in the fourth quarter of FY 2021-22. All invoices for these grant agreements have been submitted to their external funding agency for reimbursement. OCTA is pending approval of close-out documentation. These grant agreements are summarized in Attachment D.

#### Closed Grant Agreements:

There are four grant agreements totaling \$11.3 million that were closed out in the fourth quarter of FY 2021-22. The remaining balance on the Transportation Security Administration grant is project savings. These grant agreements are summarized in Attachment E.

***Summary***

This report provides an update of the grant agreement-funded activities for the fourth quarter of FY 2021-22, April through June 2022. Staff recommends this report be received and filed as an information item.

***Attachments***

- A. Fourth Quarter Grant Reimbursement Status Report, April through June 2022, Federal Transit Administration (FTA) Formula and Discretionary Grant Agreements
- B. Fourth Quarter Grant Reimbursement Status Report, April through June 2022, State and Federal Highway Administration Formula Grant Agreements
- C. Fourth Quarter Grant Reimbursement Status Report, April through June 2022, State Discretionary Grant Agreements
- D. Fourth Quarter Grant Reimbursement Status Report, April through June 2022, Grant Agreements Pending Close-out
- E. Fourth Quarter Grant Reimbursement Status Report, April through June 2022, Closed Grant Agreements

**Prepared by:**



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

**Approved by:**



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



## Fourth Quarter Grant Reimbursement Status Report

## ATTACHMENT A

April through June 2022

| Federal Transit Administration (FTA) Formula and Discretionary Grant Agreements               |                           |              |                       |                                 |                       |                          |
|---|---------------------------|--------------|-----------------------|---------------------------------|-----------------------|--------------------------|
|   | FEDERAL<br>FISCAL<br>YEAR | GRANT NUMBER | FEDERAL<br>AMOUNT     | FEDERAL<br>AMOUNT<br>REIMBURSED | REMAINING<br>BALANCE  | ANTICIPATED<br>CLOSE-OUT |
| <b>Formula Grants</b>   |                           |              |                       |                                 |                       |                          |
| <b>FTA Section 5307 - Federal Stimulus Funds</b>  |                           |              |                       |                                 |                       |                          |
| 1   | 2020                      | CA-2020-146  | \$ 160,419,003        | \$ 146,557,223                  | \$ 13,861,780         | January 2023             |
| 2   | 2021                      | CA-2021-153  | 163,993,248           | 23,122,316                      | 140,870,932           | December 2023            |
| <b>FTA Section 5307 Stimulus Grant Subtotal</b>   |                           |              | <b>\$ 324,412,251</b> | <b>\$ 169,679,539</b>           | <b>\$ 154,732,712</b> |                          |
| <b>FTA Section 5307 - Federal Transit Administration Urbanized Area Formula Grant Program</b> |                           |              |                       |                                 |                       |                          |
| 3   | 2013                      | CA-90-Z027   | \$ 53,878,508         | \$ 53,775,908                   | \$ 102,600            | December 2022            |
| 4   | 2020                      | CA-2022-076  | 1,016,000             | 0                               | 1,016,000             | March 2023               |
| 5   | 2021                      | CA-2021-187  | 60,143,314            | 46,500,833                      | 13,642,481            | December 2022            |
| <b>FTA Section 5307 Grant Subtotal</b>  |                           |              | <b>\$ 115,037,822</b> | <b>\$ 100,276,741</b>           | <b>\$ 14,761,081</b>  |                          |
| <b>FTA Section 5307 - Federal Funds flexed from the Federal Highway Administration (FHWA)</b> |                           |              |                       |                                 |                       |                          |
| 6   | 2014                      | CA-95-X286   | \$ 6,621,000          | \$ 5,612,580                    | \$ 1,008,420          | October 2022             |
| 7   | 2017                      | CA-2017-072  | 31,567,405            | 28,590,070                      | 2,977,335             | June 2023                |
| 8   | 2019                      | CA-2020-050  | 76,843,769            | 7,987,889                       | 68,855,880            | June 2026                |
| 9   | 2020                      | CA-2021-010  | 42,599,378            | 16,474,544                      | 26,124,834            | December 2023            |
| <b>FTA Section 5307 Flexed Grant Subtotal</b>   |                           |              | <b>\$ 157,631,552</b> | <b>\$ 58,665,083</b>            | <b>\$ 98,966,469</b>  |                          |
| <b>FTA Section 5316 - Jobs Access and Reverse Commute (JARC) Grant Program</b>                |                           |              |                       |                                 |                       |                          |
| 10  | 2009                      | CA-37-X113   | \$ 13,962,491         | \$ 13,131,414                   | \$ 831,077            | December 2022            |
| <b>FTA Section 5316 Grant Subtotal</b>  |                           |              | <b>\$ 13,962,491</b>  | <b>\$ 13,131,414</b>            | <b>\$ 831,077</b>     |                          |
| <b>FTA Section 5337 - State of Good Repair Grant Program</b>                                  |                           |              |                       |                                 |                       |                          |
| 11  | 2020                      | CA-2020-269  | \$ 3,470,454          | \$ 3,191,644                    | \$ 278,810            | September 2022           |
| 12  | 2021                      | CA-2021-227  | 3,274,762             | 773,508                         | 2,501,254             | May 2023                 |
| <b>FTA Section 5337 Grant Subtotal</b>  |                           |              | <b>\$ 6,745,216</b>   | <b>\$ 3,965,152</b>             | <b>\$ 2,780,064</b>   |                          |
| <b>FTA Formula Grants Total</b>   |                           |              | <b>\$ 617,789,332</b> | <b>\$ 345,717,929</b>           | <b>\$ 272,071,403</b> |                          |

## Fourth Quarter Grant Reimbursement Status Report

April through June 2022

| Federal Transit Administration (FTA) Formula and Discretionary Grant Agreements           |                           |              |                       |                                 |                       |                          |
|---|---------------------------|--------------|-----------------------|---------------------------------|-----------------------|--------------------------|
|   | FEDERAL<br>FISCAL<br>YEAR | GRANT NUMBER | FEDERAL<br>AMOUNT     | FEDERAL<br>AMOUNT<br>REIMBURSED | REMAINING<br>BALANCE  | ANTICIPATED<br>CLOSE-OUT |
| <b>Discretionary Grants</b>   |                           |              |                       |                                 |                       |                          |
| <b>FTA Section 5309 - Discretionary Capital Grant Program</b>                             |                           |              |                       |                                 |                       |                          |
| 13  | 2008                      | CA-04-0078   | \$ 7,021,300          | \$ 6,713,033                    | \$ 308,267            | December 2022            |
| 14  | 2018                      | CA-2020-281  | 913,115               | 112,143                         | 800,972               | September 2025           |
| <b>FTA Section 5309 Grant Subtotal</b>  |                           |              | <b>\$ 7,934,415</b>   | <b>\$ 6,825,176</b>             | <b>\$ 1,109,239</b>   |                          |
| <b>FTA Section 5309 - Capital Investment Grants - Full Funding Grant Agreement (FFGA)</b> |                           |              |                       |                                 |                       |                          |
| 15  | 2019                      | CA-2019-018  | \$ 148,955,409        | \$ 101,600,910                  | \$ 47,354,499         | October 2023             |
| <b>FTA Section 5309 FFGA Grant Subtotal</b>   |                           |              | <b>\$ 148,955,409</b> | <b>\$ 101,600,910</b>           | <b>\$ 47,354,499</b>  |                          |
| <b>FTA Section 5339b - Bus and Bus Facilities</b>   |                           |              |                       |                                 |                       |                          |
| 16  | 2017                      | CA-2021-052  | \$ 1,206,518          | \$ 753,019                      | \$ 453,499            | January 2023             |
| <b>FTA 5339b Grant Subtotal</b>   |                           |              | <b>\$ 1,206,518</b>   | <b>\$ 753,019</b>               | <b>\$ 453,499</b>     |                          |
| <b>FTA Discretionary Grants Total</b>   |                           |              | <b>\$ 158,096,342</b> | <b>\$ 109,179,105</b>           | <b>\$ 48,917,237</b>  |                          |
| <b>Total FTA Formula and Discretionary Grant Agreements</b>                               |                           |              | <b>\$ 775,885,674</b> | <b>\$ 454,897,034</b>           | <b>\$ 320,988,640</b> |                          |

### Funding Source Notes

FTA Section 5307 - Federal Stimulus Funds: Federal emergency relief funds in response to COVID-19

FTA Section 5307 - Federal Transit Administration 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 5307 - Federal Funds flexed from the Federal Highway Administration (FHWA): Funds are used to fund preventive maintenance, capital cost of contracting, and to purchase revenue vehicles, facility modifications, and bus-related equipment.

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

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

FTA Section 5309 - Capital Investment Grants (FFGA): Grants provide for projects that improve efficiency and coordination of transportation systems.

FTA Section 5339b - Bus and Bus Facilities: Grants provide support for capital projects such as the replacement, rehabilitation, and purchase of buses, vans, and related equipment.

## Fourth Quarter Grant Reimbursement Status Report

## ATTACHMENT B

April through June 2022

| State and Federal Highway Administration Formula Grant Agreements   |                     |  |                      |                      |                      |                          |
|---|---------------------|--|----------------------|----------------------|----------------------|--------------------------|
|   | FISCAL YEAR<br>(FY) | PROJECT  | GRANT<br>AMOUNT      | AMOUNT<br>REIMBURSED | REMAINING<br>BALANCE | ANTICIPATED<br>CLOSE-OUT |
| <b>State Transportation Block Grant (STBG) - Federal Highway Administration Grant Program - STBG</b>      |                     |  |                      |                      |                      |                          |
| 1   | 2016                | Interstate-405, State Route-73 to Interstate-605 (CON)                   | \$ 1,000             | \$ 0                 | \$ 1,000             | June 2023                |
| 2   | 2019                | Interstate-5, Orange/San Diego County Line to Avenida Pico (PA/ED)       | 5,500,000            | 1,826,190            | 3,673,810            | June 2025                |
| 3   | 2020                | Interstate-5 Segment 1, State Route-73 to Oso Pkwy (CON)                 | 3,984,000            | 1,329,673            | 2,654,327            | June 2025                |
| 4   | 2020                | Interstate-5, Yale to SR-55 (PS&E)                                       | 10,900,000           | 1,793,045            | 9,106,955            | June 2025                |
| 5   | 2022                | State Route-55, Interstate-405 to Interstate-5 (ROW)                     | 9,056,000            | 1,397,673            | 7,658,327            | June 2026                |
| <b>STBG Subtotal</b>  |                     |  | <b>\$ 29,441,000</b> | <b>\$ 6,346,581</b>  | <b>\$ 23,094,419</b> |                          |
| <b>Low Carbon Transit Operations Program (LCTOP) - California Department of Transportation (CALTRANS)</b> |                     |  |                      |                      |                      |                          |
| 6   | 2019                | Travel Training  | \$ 685,000           | \$ 504,639           | \$ 180,361           | December 2022            |
| 7   | 2020                | Battery Electric Buses, Bus Depot Upgrade & Charging Infrastructure      | 7,373,601            | 863,079              | 6,510,522            | June 2023                |
| 8   | 2020                | Bravo! Route 529 Start-up & Operations                                   | 3,068,078            | 530,375              | 2,537,703            | January 2023             |
| 9   | 2020                | College Fare Program - Irvine Valley, Saddleback, Cypress, and Coastline | 749,243              | 18,531               | 730,712              | December 2023            |
| 10  | 2020                | Youth Ride Free Program  | 2,000,000            | 564,344              | 1,435,656            | September 2024           |
| 11  | 2021                | College Fare Program for Orange Coast College                            | 716,152              | 0                    | 716,152              | August 2023              |
| 12  | 2021                | Welcome Back Fare Reduction Program                                      | 3,538,747            | 386,105              | 3,152,642            | August 2023              |
| <b>LCTOP Subtotal</b>   |                     |  | <b>\$ 18,130,821</b> | <b>\$ 2,867,072</b>  | <b>\$ 15,263,749</b> |                          |
| <b>State Transportation Improvement Plan (STIP) Programming, Planning &amp; Monitoring (PPM)</b>          |                     |  |                      |                      |                      |                          |
| 13  | 2021                | PPM Program  | \$ 1,000,000         | \$ 153,563           | \$ 846,437           | December 2023            |
| 14  | 2022                | PPM Program  | 1,437,000            | 0                    | 1,437,000            | December 2024            |
| <b>STIP PPM Subtotal</b>  |                     |  | <b>\$ 2,437,000</b>  | <b>\$ 153,563</b>    | <b>\$ 2,283,437</b>  |                          |
| <b>Senate Bill 1 (SB1): State of Good Repair (SGR)</b>  |                     |  |                      |                      |                      |                          |
| 15  | 2019                | iShuttle Replacement Buses   | \$ 5,580,967         | \$ 5,573,881         | \$ 7,087             | September 2022           |
| 16  | 2020                | iShuttle Replacement Buses   | 3,062,751            | 3,100                | 3,059,651            | September 2022           |
| 17  | 2021                | Bus Wash Drainage System Repairs at Anaheim Base                         | 150,000              | 0                    | 150,000              | December 2023            |
| 18  | 2021                | Electrical Service for Hydrogen Fueling Station at Santa Ana Bus Base    | 425,000              | 0                    | 425,000              | June 2024                |
| 19  | 2021                | Fire Alarm Control Panel Replacement at Santa Ana Base                   | 300,000              | 0                    | 300,000              | June 2024                |
| 20  | 2021                | Replacement of Emergency Standby Generators                              | 738,987              | 557,900              | 181,087              | July 2023                |
| 21  | 2021                | Security Gates   | 2,966,000            | 0                    | 2,966,000            | June 2024                |
| 22  | 2021                | Transit Security Operation Center  | 2,011,278            | 0                    | 2,011,278            | December 2025            |
| 23  | 2022                | Transit Security Operation Center  | 6,393,649            | 0                    | 6,393,649            | December 2025            |
| <b>SB1 SGR Subtotal</b>   |                     |  | <b>\$ 21,628,633</b> | <b>\$ 6,134,880</b>  | <b>\$ 15,493,752</b> |                          |
| <b>Total State and Federal Highway Administration Formula Grant Agreements</b>                            |                     |  | <b>\$ 71,637,454</b> | <b>\$ 15,502,097</b> | <b>\$ 56,135,356</b> |                          |

## Project Phases:

CON- Construction, Construction Management, Construction Engineering or Force Account expenses.  
PA/ED- Project Approval and Environmental Design.

PS&E- Agency Preliminary Engineering.  
ROW- Right-of-way Services, Engineering, Administration, Acquisition, Utility Relocation, or Relocation Assistance.

**Fourth Quarter Grant Reimbursement Status Report**  
**April through June 2022**

| State Discretionary Grant Agreements  |             |   |                      |                     |                      |                       |
|---|-------------|---|----------------------|---------------------|----------------------|-----------------------|
|   | FISCAL YEAR | PROJECT   | GRANT AMOUNT         | AMOUNT REIMBURSED   | REMAINING BALANCE    | ANTICIPATED CLOSE-OUT |
| <b>Hazard Mitigation Grant Program (HMGP) - Federal Emergency Management Agency (FEMA)</b>  |             |   |                      |                     |                      |                       |
| 1   | 2020        | Hazard Mitigation Plan                              | \$ 93,750            | \$ 75,858           | \$ 17,892            | September 2022        |
| <b>HMGP Subtotal</b>  |             |   | <b>\$ 93,750</b>     | <b>\$ 75,858</b>    | <b>\$ 17,892</b>     |                       |
| <b>Active Transportation Program (ATP)</b>  |             |   |                      |                     |                      |                       |
| 2   | 2020        | Safe Travels Education Program (STEP) Campaign      | \$ 500,000           | \$ 246,727          | \$ 253,273           | November 2022         |
| <b>ATP Subtotal</b>   |             |   | <b>\$ 500,000</b>    | <b>\$ 246,727</b>   | <b>\$ 253,273</b>    |                       |
| <b>Air Quality Management District (AQMD) Grant Program and Mobile Source Air Pollution Reduction Review Committee (MSRC)</b>             |             |   |                      |                     |                      |                       |
| 3   | 2019        | La Habra Union Pacific Rail Bikeway                 | \$ 91,760            | \$ 0                | \$ 91,760            | November 2023         |
| <b>MSRC Subtotal</b>  |             |   | <b>\$ 91,760</b>     | <b>\$ 0</b>         | <b>\$ 91,760</b>     |                       |
| <b>Transit and Intercity Rail Capital Program (TIRCP)</b>   |             |   |                      |                     |                      |                       |
| 4   | 2020        | Orange County Maintenance Facility (PA/ED)          | \$ 4,829,000         | \$ 0                | \$ 4,829,000         | December 2022         |
| <b>CAP &amp; TRADE TIRCP Subtotal</b>   |             |   | <b>\$ 4,829,000</b>  | <b>\$ 0</b>         | <b>\$ 4,829,000</b>  |                       |
| <b>Transit Security Administration (TSA) National Explosives Detection Canine Team Program (NEDCTP) - Department of Homeland Security</b> |             |   |                      |                     |                      |                       |
| 5   | 2020        | Transportation Security Administration Canine       | \$ 151,500           | \$ 43,468           | \$ 108,032           | February 2023         |
| <b>TSA Canine Subtotal</b>  |             |   | <b>\$ 151,500</b>    | <b>\$ 43,468</b>    | <b>\$ 108,032</b>    |                       |
| <b>Senate Bill 1 (SB1): Local Partnership Program (LPP)</b>   |             |   |                      |                     |                      |                       |
| 6   | 2018        | Garden Grove Boulevard Signal Synchronization (CON) | \$ 1,353,000         | \$ 1,073,228        | \$ 279,772           | October 2023          |
| 7   | 2018        | Katella Avenue Signal Synchronization (CON)         | 2,449,000            | 1,033,060           | 1,415,940            | December 2023         |
| 8   | 2018        | Los Alisos Boulevard Signal Synchronization (CON)   | 1,117,000            | 873,518             | 243,482              | October 2023          |
| 9   | 2018        | Main Street Signal Synchronization (CON)            | 1,926,000            | 1,681,799           | 244,201              | December 2023         |
| <b>SB1 LPP Subtotal</b>   |             |   | <b>\$ 6,845,000</b>  | <b>\$ 4,661,605</b> | <b>\$ 2,183,395</b>  |                       |
| <b>SB 1: Solutions for Congested Corridors Program (SCCP)</b>   |             |   |                      |                     |                      |                       |
| 10  | 2019        | Edinger Avenue Signal Synchronization (CON)         | \$ 4,957,000         | \$ 233,092          | \$ 4,723,908         | June 2024             |
| <b>SB1 SCCP Subtotal</b>  |             |   | <b>\$ 4,957,000</b>  | <b>\$ 233,092</b>   | <b>\$ 4,723,908</b>  |                       |
| <b>SB 1: Planning Grants (PL)</b>   |             |   |                      |                     |                      |                       |
| 11  | 2021        | OC Bike Connectors Gap Closure Feasibility Study    | \$ 160,000           | \$ 62,197           | \$ 97,803            | April 2023            |
| <b>SB1 PL Subtotal</b>  |             |   | <b>\$ 160,000</b>    | <b>\$ 62,197</b>    | <b>\$ 97,803</b>     |                       |
| <b>Total State Discretionary Grant Agreements</b>   |             |   | <b>\$ 17,628,010</b> | <b>\$ 5,322,947</b> | <b>\$ 12,305,063</b> |                       |

**Project Phases:**

CON- Construction, Construction Management, Construction Engineering or Force Account expenses.  
PA/ED- Project Approval and Environmental Design.

**Fourth Quarter Grant Reimbursement Status Report**  
**April through June 2022**

| Grant Agreements Pending Close-out              |                     |                           |  |                      |                      |                      |
|---|---------------------|---------------------------|--|----------------------|----------------------|----------------------|
|   | FISCAL YEAR<br>(FY) | FUNDING<br>SOURCE         | PROJECT  | GRANT<br>AMOUNT      | AMOUNT<br>REIMBURSED | REMAINING<br>BALANCE |
| 1   | 2016                | CAP & TRADE TIRCP         | OC Streetcar (CON)                                   | \$ 25,586,000        | \$ 25,586,000        | \$ 0                 |
| 2   | 2010                | FTA Section 5307 Flexed   | FTA CA-95-X131                                       | 2,102,650            | 2,102,650            | 0                    |
| 3   | 2021                | FTA Section 5307 Stimulus | FTA CA-2021-154                                      | 38,747,219           | 38,747,219           | 0                    |
| 4   | 2012                | FTA Section 5309          | FTA CA-05-0269                                       | 6,000,000            | 6,000,000            | 0                    |
| 5   | 2021                | FTA Section 5309 ARPA     | FTA CA-2022-024                                      | 9,407,272            | 9,407,272            | 0                    |
| 6   | 2020                | FTA Section 5339          | FTA CA-2020-276                                      | 6,794,700            | 6,794,700            | 0                    |
| 7   | 2018                | STBG                      | Interstate-5, State Route-55 to State Route-57 (CON) | 1,340,000            | 1,340,000            | 0                    |
| <b>Total Grant Agreements Pending Close-out</b> |                     |                           |  | <b>\$ 89,977,841</b> | <b>\$ 89,977,841</b> | <b>\$ 0</b>          |

**Funding Source Notes**

CAP & TRADE - Capital and Trade  
TIRCP - Transit and Intercity Rail Capital Program  
FTA - Federal Transit Administration  
STBG - State Transportation Block Grant

**Project Phases:**

CON- Construction, Construction Management, Construction  
Engineering or Force Account expenses

**Fourth Quarter Grant Reimbursement Status Report**  
**April through June 2022**

**Closed Grant Agreements**

|                            | FISCAL YEAR<br>(FY) | FUNDING<br>SOURCE | PROJECT                                       | GRANT<br>AMOUNT      | AMOUNT<br>REIMBURSED | REMAINING<br>BALANCE |
|----------------------------|---------------------|-------------------|---|----------------------|----------------------|----------------------|
| 1                          | 2019                | FTA Section 5337  | FTA CA-2020-039                               | \$ 8,349,277         | \$ 8,349,277         | \$ 0                 |
| 2                          | 2020                | SB1 SGR           | Battery Electric Buses                        | 1,964,335            | 1,964,335            | 0                    |
| 3                          | 2020                | SB1 SGR           | Replacement of Emergency Standby Generators   | 830,761              | 830,761              | 0                    |
| 4                          | 2020                | TSA Canine        | Transportation Security Administration Canine | 151,500              | 150,995              | 505                  |
| <b>Total Closed Grants</b> |                     |                   |   | <b>\$ 11,295,872</b> | <b>\$ 11,295,368</b> | <b>\$ 505</b>        |

**Funding Source Notes**

FTA - Federal Transit Administration  
 SB1 - Senate Bill 1  
 SGR - State of Good Repair Grant Program  
 TSA - Transit Security Administration Program



## COMMITTEE TRANSMITTAL

**August 22, 2022**

**To:** Members of the Board of Directors

**From:** Andrea West, Interim Clerk of the Board *Andrea West*

**Subject:** SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program Recommendations for Fiscal Year 2022-23

### Transit Committee Meeting of August 11, 2022

**Present:** Directors Do, Harper, Jones, Jung, and Nguyen  
**Absent:** Director Sarmiento

### **Committee Vote**

This item was passed by the Members present.

Director Harper was not present to vote on this item.

### **Committee Recommendations**

- A. Approve Resolution No. 2022-053 authorizing the use of fiscal year 2022-23 SB 1 State of Good Repair Program funding, which is estimated to provide approximately \$6.585 million for the following projects:
- Transit Security and Operations Center (\$3.924 million),
  - Bus engine repower/rebuild contract (\$1.511 million), and
  - Heating-ventilation unit replacement at the Santa Ana Bus Base (\$1.150 million).
- B. Authorize the use of fiscal year 2019-20 SB 1 State of Good Repair Program funding of \$2.560 million for the bus engine repower/rebuild contract.
- C. Authorize staff to make all necessary amendments to the Federal Transportation Improvement Program and execute any necessary agreements to facilitate the above recommendation.



**August 11, 2022**

**To:** Transit Committee

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

**Subject:** SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program Recommendations for Fiscal Year 2022-23

**Overview**

The SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program provides funding for transit capital improvement needs. The program funds are generated from the Transportation Improvement Fee. Programming recommendations for fiscal year 2022-23 funds, as well as a reprogramming action for prior-year funding, are presented for Board of Directors approval.

**Recommendations**

- A. Approve Resolution No. 2022-053 authorizing the use of fiscal year 2022-23 SB 1 State of Good Repair Program funding, which is estimated to provide approximately \$6.585 million for the following projects:
- Transit Security and Operations Center (\$3.924 million),
  - Bus engine repower/rebuild contract (\$1.511 million), and
  - Heating-ventilation unit replacement at the Santa Ana Bus Base (\$1.150 million).
- B. Authorize the use of fiscal year 2019-20 SB 1 State of Good Repair Program funding of \$2.560 million for the bus engine repower/rebuild contract.
- C. Authorize staff to make all necessary amendments to the Federal Transportation Improvement Program and execute any necessary agreements to facilitate the above recommendation.



***Background***

On April 28, 2017, Governor Brown signed SB 1, known as the Road Repair and Accountability Act of 2017. The State of Good Repair (SGR) Program is a transit capital program funded from the SB 1 Transportation Improvement Fee (TIF). The funding for the program is collected through vehicle registrations. It is estimated that the TIF will provide \$121 million statewide in SGR for fiscal year (FY) 2022-23. The Orange County Transportation Authority's (OCTA) share is estimated to be \$6.585 million. The State Controller's Office (SCO) will release a revised estimate for the FY 2022-23 SGR funds in August 2022, after this staff report is published. Actual revenues may differ based on the collection of funds through the TIF.

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

OCTA has received five cycles of SGR funding which have been used to support the OC Bus fleet and facilities. The OCTA Board of Directors (Board) approved prior-year SGR funding for the following projects:

- Purchase ten zero-emission hydrogen fuel cell electric buses (\$5.6 million),
- Heating-ventilation unit replacements at the Anaheim Bus Base maintenance building (\$0.1 million),
- Purchase up to 17 iShuttle replacement buses (\$9.7 million),
- Replace up to five 40-foot compressed natural gas-powered buses with 40-foot zero-emission battery-electric buses (\$1.9 million),
- Power Generator Replacement Project at the Anaheim and Irvine Construction Circle bus bases (\$1.4 million),
- Facility modifications, upgrades, and replacement projects at the OCTA bus bases (\$3.8 million),
- Transit Security and Operations Center (TSOC) (\$8.4 million), and
- Replacement of emergency standby generators (\$0.6 million).

On September 27, 2021, the OCTA Board approved the use of \$12.352 million of SGR funding for the TSOC project in order to provide full funding for the project. Of this amount, \$8.428 million was provided through prior-year SGR funding, and the remaining \$3.924 million is included in the FY 2022-23 project list.

In November 2021, the City of Irvine (City) informed OCTA that they would not be moving forward with the option to purchase an additional five iShuttle replacement buses. This decision was based on low transit ridership and the continuation of pandemic-induced changes in travel choices. Additionally, the City is in the midst of a Transit Vision Study, which may call for the flexibility of smaller vehicles that could provide shorter trips and also be available for other types of service. This makes \$2.56 million of FY 2019-20 SGR funding available for reprogramming.

The California Department of Transportation (Caltrans) revises the SGR guidelines annually with the latest version approved in July 2022. Transit agencies will submit projects for Caltrans' confirmation of eligibility by September 1, 2022. Funds will be allocated quarterly by the SCO starting in November 2022.

### ***Discussion***

To access the SGR funds, OCTA must submit a Board-approved list of projects. Staff is requesting Board approval to submit the TSOC project, bus engine repower/rebuild contract, and the heating-ventilation unit (HVAC) replacement at the Santa Ana Bus Base for the FY 2022-23 SGR funds, currently estimated to be approximately \$6.585 million. A resolution for this proposed project list is provided in Attachment A. Additionally, staff recommends reprogramming \$2.56 million of FY 2019-20 SGR funding, originally approved for purchasing five iShuttle buses to the bus engine repower/rebuild contract.

The Board previously approved \$3.924 million of SGR funding for the TSOC project, which is included in the FY 2022-23 project list. The TSOC project includes replacing OCTA's control center facility, known as the Garden Grove Annex. The current facility cannot be retrofitted to achieve the continuous operations standards required of essential facilities in California. Planned uses of the TSOC include providing space and equipment for Central Communications (dispatch), Field Operations, Security and Emergency Preparedness, Transit Police Services, and OCTA operations support personnel. The TSOC will also support Orange County emergency operations.

Staff recommends \$4.071 million of SGR funding for the bus engine repower/rebuild contract. Of this amount, \$2.56 million will be reprogrammed from the iShuttle Bus Replacement project, and the remaining \$1.511 million will be provided from FY 2022-23 funds. The bus engine repower/rebuild contract will provide on-call support for the implementation of engine replacements for up to 134 buses and will also provide overflow capacity support to the Rebuild

Department. Due to the on-call nature of the contract, staff may return to the Board in the future to request additional funding if needed.

Finally, staff recommends programming \$1.150 million of FY 2022-23 SB 1 SGR funding for the HVAC replacement at the Santa Ana Bus Base. This project includes the replacement of HVAC and exhaust fan units within all buildings at the Santa Ana Bus Base location with new energy efficient units.

The use of SGR funding for these bus transit projects is consistent with Caltrans' SGR Program guidelines, meets the program goals, and is consistent with OCTA's Capital Programming Policies, approved by the Board in December 2021. Project descriptions and additional information for each of the projects listed in this staff report are included in Attachment B. The actions recommended in this report have been added to OCTA's Capital Funding Program provided in Attachment C.

#### **Next Steps**

With Board approval, staff will submit the FY 2022-23 project list to Caltrans by September 1, 2022, for the use of \$6.585 million of FY 2022-23 SGR funding to support the TSOC project, HVAC replacement at Santa Ana Bus Base, and the bus engine repower/rebuild contract. Caltrans will finalize and submit the statewide list of the FY 2022-23 projects to the SCO on October 1, 2022. It is anticipated that the SCO FY 2022-23 funds will initiate the release of funds to transit agencies on a quarterly basis, beginning November 2022.

Additionally, with Board approval, staff will submit a project revision request to Caltrans to reprogram \$2.56 million of FY 2019-20 SGR funding from the five iShuttle replacement buses to the bus engine repower/rebuild contract.

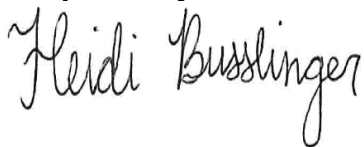
#### **Summary**

Staff is recommending OCTA use FY 2022-23 SGR funds for the TSOC project, HVAC replacement at Santa Ana Bus Base, and the bus engine repower/rebuild contract. In addition, staff recommends reprogramming \$2.56 million of FY 2019-20 SGR funds from the five iShuttle replacement buses to the bus engine repower/rebuild contract.

***Attachments***

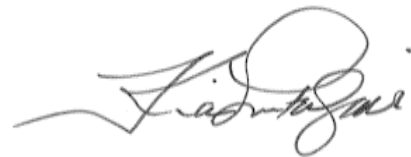
- A. Resolution 2022-053 of the Orange County Transportation Authority, SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program, Fiscal Year 2022-23
- B. SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program Recommendations, Project Descriptions
- C. Capital Funding Program Report

**Prepared by:**



Heidi Busslinger  
Senior Transportation Funding Analyst,  
Formula Funding Programs  
(714) 560-5098

**Approved by:**



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

**RESOLUTION 2022-053  
OF THE ORANGE COUNTY TRANSPORTATION AUTHORITY  
SB 1 (CHAPTER 5, STATUTES OF 2017) STATE OF GOOD REPAIR PROGRAM  
FISCAL YEAR 2022-23**

**WHEREAS**, the Orange County Transportation Authority (OCTA) is an eligible project sponsor and may receive state funding from the SB 1 (Chapter 5, Statutes of 2017) State of Good Repair (SGR) Program future for transit projects; and

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

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

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

**WHEREAS**, OCTA wishes to use the SGR funding of up to \$6,585,423 for the projects listed below; and

**WHEREAS**, OCTA will adjust funding levels for projects, if necessary, upon receipt of the SCO's revised estimates, which are expected in early August 2022 or based on actual receipt of funds.

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

**NOW, THEREFORE, BE IT FURTHER RESOLVED** by the Board that it hereby authorizes the submittal of the following project nomination to Caltrans in fiscal year 2022-23 SGR funds:

- Transit Security and Operations Center (\$3,924,458)
- Bus engine Repower/Rebuild Contract (\$1,510,965) I kept Engine capped since all other are capped in these bullets
- Heating Ventilation Replacement at Santa Ana Bus Base (\$1,150,000).

ADOPTED, SIGNED, AND APPROVED this 22nd day of August 2022.

AYES:

NOES:

ABSENT:

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Andrea West, Interim Clerk of the Board  
Orange County Transportation Authority

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Mark A. Murphy, Chairman  
Orange County Transportation Authority

## **SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program Recommendations Project Descriptions**

### **Transit Security and Operations Center Project (TSOC)**

Engineering studies determined that the building that houses the Orange County Transportation Authority's (OCTA) Transit Police Services, Operations Support, and Central Communications cannot be expanded to accommodate OCTA's projected needs as the transportation system expands. Further, the structure does not currently meet the continuous operation standard, which is required of essential facilities in California. To ensure OCTA is able to provide for more effective management of OCTA's expanding transportation network, for continuity of operations, and for disaster response transportation that can move people, goods, emergency personnel, and equipment in the aftermath of a disaster, OCTA is working to replace OCTA's control center facility, known as the Garden Grove Annex, which is currently located at 11800 Woodbury Road in the City of Garden Grove.

This new TSOC will be located on a 2.86-acre site at the intersection of Lincoln Avenue and Manchester Avenue in the City of Anaheim. The TSOC will be a secured facility for authorized personnel only and not open to the general public. The building is planned to support the following user groups:

- Emergency Operations Center,
- Central Communications (Dispatch),
- Field Operations (Transit),
- Public Information Officer,
- Security and Emergency Preparedness, and
- Transit Police Services.

The TSOC will provide for dispatch of 60 OCTA bus routes over the OCTA service area in Orange County and parts of Los Angeles and Riverside counties. The TSOC will also provide additional parking intended for emergency events, and a proposed microwave tower would improve the level of communication and collaboration with the Loma Ridge Emergency Center, the Orange County Emergency Operations Center, and other partner agencies. It could also serve as an alternate site of the California Department of Transportation's emergency operations.

## SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Program Recommendations Project Descriptions

Current funding plan is depicted below:

| Proposed Funding (\$000s) | TSSSDRA         | Local Transit   | SB 1 SGR         | LPP-F            | CRRSAA          | STIP             | Total            |
|---------------------------|-----------------|-----------------|------------------|------------------|-----------------|------------------|------------------|
| PA/ED                     | \$ 884          | \$ 201          |                  |                  |                 |                  | \$ 1,085         |
| PS&E                      |                 | \$ 4,588        |                  |                  |                 |                  | \$ 4,588         |
| ROW                       | \$ 4,719        |                 |                  |                  |                 |                  | \$ 4,719         |
| CON                       |                 |                 | \$ 12,352        | \$ 19,650        | \$ 3,660        | \$ 10,382        | \$ 46,044        |
| <b>TOTAL</b>              | <b>\$ 5,603</b> | <b>\$ 4,789</b> | <b>\$ 12,352</b> | <b>\$ 19,650</b> | <b>\$ 3,660</b> | <b>\$ 10,382</b> | <b>\$ 56,436</b> |

TSSSDRA – Transit System Safety, Security, and Disaster Response Relief Account / LPP-F – Local Partnership Program – Formula / SGR – State of Good Repair / CRRSAA – Coronavirus Response and Relief Supplemental Appropriations Act / STIP – State Transportation Improvement Program / PA/ED – Project Approval/Environmental Documents / PS&E – Plans, Specifications, Estimates / ROW – Right-of-Way / CON – Construction

### Bus Engine Repower/Rebuild Contract

The on-call bus engine repower/rebuild contract provides support for the implementation of engine replacements for up to 134 buses. OCTA is performing a midlife engine repower for 2015 New Flyer Xcelsior 40' and 60' buses. However, due to the size of the project and limited resources, an external installation contractor is needed. This contract will also provide overflow capacity support to the rebuild department. With repetitive engine failures within the 2007/08 New Flyer compressed natural gas-powered buses, multiple projects, and bus acceptance activity, the rebuild shop will need the added capacity. Procurement for this contract is anticipated to begin in early 2023 with contract award expected in spring 2023. Work on the engines is expected to be completed in fall 2024. Staff is recommending a total of \$4.071 million of SGR funding for this contract and may return to the Board to request additional funding if needed.

### Heating Ventilation Replacement at Santa Ana Bus Base

The heating ventilation and air conditioning (HVAC) replacement at Santa Ana Bus Base project includes replacement of HVAC, heating, and ventilating units and exhaust fan units within all buildings at the Santa Ana location. The project is necessary for mechanical equipment life cycle replacements and to maintain Santa Ana Bus Base building mechanical systems' functionality in a state of good repair. The project will replace the old rooftop mechanical HVAC, heating and ventilation, and exhaust fan units with new energy efficient units. The design process for this project is anticipated to begin in fall 2022, with construction expected to begin in summer 2023. The construction phase of this project is anticipated to take approximately eight months with a one-year warranty period. Staff is recommending \$1.150 million of SGR funds to fully fund the HVAC replacement project.



# Capital Funding Program Report

Pending Approval by OCTA Board of Directors (Board) - August 22, 2022

| Bus Transit Project   |        |               |               |           |            |             |          |             |             |          |             |
|---|--------|---------------|---------------|-----------|------------|-------------|----------|-------------|-------------|----------|-------------|
| Project Title   | M Code | Total Funding | Federal Funds |           |            | State Funds |          |             | Local Funds |          |             |
|   |        |               | STBG/CMAQ     | FTA       | Other Fed. | STIP        | SB1      | Other State | M1          | M2       | Other Local |
| Go Local - Step 1   | S      | \$5,730       |               |           |            |             |          |             | \$5,730     |          |             |
| Mobile ticketing equipment  | S      | \$4,036       |               |           |            |             |          | \$4,036     |             |          |             |
| M2 Project V Community Circulators  | V      | \$53,767      |               |           |            |             |          |             |             | \$53,767 |             |
| M2 Project W Safe Transit Stops (City)  | W      | \$1,708       |               |           |            |             |          |             |             | \$1,708  |             |
| M2 Project W Safe Transit Stops (OCTA)  | W      | \$370         |               |           |            |             |          |             |             | \$370    |             |
| ACCESS and fixed-route radio systems upgrade  |        | \$22,465      |               | \$4,434   | \$341      |             |          | \$16,239    |             |          | \$1,451     |
| Anaheim Transportation Network suballocation <sup>3,4</sup>   |        | \$5,715       |               | \$5,715   |            |             |          |             |             |          |             |
| Associated Transportation Improvements  |        | \$556         |               | \$556     |            |             |          |             |             |          |             |
| Bravo! 529 buses (six)  |        | \$3,595       | \$549         |           |            |             |          | \$3,046     |             |          |             |
| Bus engine repowers (173)   |        | \$12,526      | \$12,526      |           |            |             |          |             |             |          |             |
| Bus replacement - articulated alternative fuel buses (60')  |        | \$31,105      | \$22,250      | \$8,855   |            |             |          |             |             |          |             |
| Bus replacement (40' and ACCESS)  |        | \$149,009     | \$29,198      | \$68,139  |            |             |          |             |             |          | \$51,672    |
| Capital cost of contracting FY 2021-22 to FY 2025-26 (ACCESS and contracted fixed-route contracts) <sup>3,4</sup> |        | \$270,608     |               | \$173,156 |            |             |          |             |             |          | \$97,452    |
| Digital bus stop sign 13" along high quality transit corridors (143 sign)   |        | \$2,500       |               |           |            | \$2,500     |          |             |             |          |             |
| Engine rebuild  |        | \$16,294      |               | \$14,824  |            |             |          | \$1,470     |             |          |             |
| Engine repower/rebuild contract <sup>1,2</sup>  |        | \$4,071       |               |           |            |             | \$4,071  |             |             |          |             |
| Facility modifications, upgrades, and replacement projects  |        | \$5,347       |               |           |            |             | \$5,347  |             |             |          |             |
| FTA Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities                                   |        | \$3,657       |               | \$3,657   |            |             |          |             |             |          |             |
| FTA Section 5316 Jobs Access and Reverse Commute  |        | \$13,962      |               | \$13,962  |            |             |          |             |             |          |             |
| Goldenwest Transportation Center parking structure  |        | \$4,000       | \$3,400       |           |            |             |          |             |             |          | \$600       |
| Goldenwest Transportation Center surface lot  |        | \$2,000       |               |           |            |             |          | \$1,200     |             |          | \$800       |
| Harbor Boulevard High-Capacity Transit Expansion Environmental  |        | \$14,000      | \$14,000      |           |            |             |          |             |             |          |             |
| Heating ventilation replacement at Santa Ana bus base <sup>1</sup>  |        | \$1,150       |               |           |            |             | \$1,150  |             |             |          |             |
| iShuttle replacement buses (12)   |        | \$6,803       |               |           |            |             | \$6,123  |             |             |          | \$680       |
| MSRC County Transportation Commission Partnership Program   |        | \$2,319       |               |           |            | \$176       |          |             |             |          | \$2,143     |
| Non-fixed-route paratransit operations assistance - FY 2021-22 to FY 2025-26 <sup>3,4</sup>                       |        | \$276,335     |               | \$113,113 |            |             |          |             |             |          | \$163,222   |
| OC Mobility Hubs Strategy   |        | \$300         | \$266         |           |            | \$34        |          |             |             |          |             |
| Preventive maintenance - including salaries and benefits (includes ATN & Laguna Beach) <sup>3,4</sup>             |        | \$260,727     |               | \$260,727 |            |             |          |             |             |          |             |
| Purchase 117 replacement paratransit vehicles   |        | \$14,995      |               | \$14,995  |            |             |          |             |             |          |             |
| Purchase 131 replacement paratransit vehicles <sup>3,4</sup>  |        | \$18,225      |               | \$18,225  |            |             |          |             |             |          |             |
| Purchase 201 40-foot alternative fuel replacement buses (OCTA)  |        | \$229,384     | \$134,670     | \$47,696  |            |             |          |             |             |          | \$47,018    |
| Rehabilitation and renovation at OCTA bus facilities  |        | \$1,509       |               | \$1,207   |            |             |          |             |             |          | \$302       |
| Rideshare/vanpool   |        | \$11,232      | \$11,232      |           |            |             |          |             |             |          |             |
| Standby backup generators at Anaheim and IRCC bases   |        | \$1,374       |               |           |            |             | \$1,374  |             |             |          |             |
| Transit Security and Operations Center <sup>1</sup>   |        | \$56,436      |               |           | \$3,660    | \$10,382    | \$32,002 | \$5,603     |             |          | \$4,789     |
| Transit Security Program  |        | \$3,167       |               |           |            |             |          | \$3,167     |             |          |             |





# Capital Funding Program Report

Pending Approval by OCTA Board of Directors (Board) - August 22, 2022

| Bus Transit Project  |        |                    |                  |                  |                |                 |                 |                 |                |                 |                  |
|--|--------|--------------------|------------------|------------------|----------------|-----------------|-----------------|-----------------|----------------|-----------------|------------------|
| Project Title  | M Code | Total Funding      | Federal Funds    |                  |                | State Funds     |                 |                 | Local Funds    |                 |                  |
|  |        |                    | STBG/CMAQ        | FTA              | Other Fed.     | STIP            | SB1             | Other State     | M1             | M2              | Other Local      |
| Vanpool Program - capital lease  |        | \$12,838           | \$12,838         |                  |                |                 |                 |                 |                |                 |                  |
| VSS upgrades at OCTA facilities  |        | \$1,159            |                  | \$960            |                |                 |                 | \$199           |                |                 |                  |
| Zero-emission Bravo! buses (ten-battery electric) and bus infrastructure |        | \$14,004           |                  |                  |                |                 | \$6,466         | \$7,538         |                |                 |                  |
| <b>Bus Transit Project Totals</b>  |        | <b>\$1,538,978</b> | <b>\$240,929</b> | <b>\$750,221</b> | <b>\$4,001</b> | <b>\$13,092</b> | <b>\$56,533</b> | <b>\$42,498</b> | <b>\$5,730</b> | <b>\$55,845</b> | <b>\$370,129</b> |
| <b>Federal Funding Total</b>   |        | <b>\$995,151</b>   |                  |                  |                |                 |                 |                 |                |                 |                  |
| <b>State Funding Total</b>   |        | <b>\$112,123</b>   |                  |                  |                |                 |                 |                 |                |                 |                  |
| <b>Local Funding Total</b>   |        | <b>\$431,704</b>   |                  |                  |                |                 |                 |                 |                |                 |                  |
| <b>Total Funding (000's)</b>   |        | <b>\$1,538,978</b> |                  |                  |                |                 |                 |                 |                |                 |                  |

| Bus Transit Project Completed                |        |                 |               |                |            |             |                |                |             |    |             |
|--|--------|-----------------|---------------|----------------|------------|-------------|----------------|----------------|-------------|----|-------------|
| Project Title                                | M Code | Total Funding   | Federal Funds |                |            | State Funds |                |                | Local Funds |    |             |
|  |        |                 | STBG/CMAQ     | FTA            | Other Fed. | STIP        | SB1            | Other State    | M1          | M2 | Other Local |
| FTA Section 5317 New Freedom                 |        | \$6,388         |               | \$6,388        |            |             |                |                |             |    |             |
| Heating ventilation unit replacements        |        | \$405           |               | \$313          |            |             | \$92           |                |             |    |             |
| Zero-emission hydrogen fuel cell buses (ten) |        | \$12,978        |               |                |            |             | \$5,640        | \$7,338        |             |    |             |
| <b>Bus Transit Project Completed Totals</b>  |        | <b>\$19,771</b> |               | <b>\$6,701</b> |            |             | <b>\$5,732</b> | <b>\$7,338</b> |             |    |             |
| <b>Federal Funding Total</b>                 |        | <b>\$6,701</b>  |               |                |            |             |                |                |             |    |             |
| <b>State Funding Total</b>                   |        | <b>\$13,070</b> |               |                |            |             |                |                |             |    |             |
| <b>Local Funding Total</b>                   |        | <b>\$0</b>      |               |                |            |             |                |                |             |    |             |
| <b>Total Funding (000's)</b>                 |        | <b>\$19,771</b> |               |                |            |             |                |                |             |    |             |



# Capital Funding Program Report

Pending Approval by OCTA Board of Directors (Board) - August 22, 2022

## Board Actions:

1. Approve Resolution No. 2022-053 authorizing the use of FY 2022-23 SB 1 State of Good Repair funding, which is estimated to provide approximately \$6.585 million, for the following projects:
  - Transit Security and Operations Center (\$3.924 million),
  - Engine repower/rebuild contract (\$1.511 million), and
  - Heating-ventilation unit replacement at the Santa Ana Bus Base (\$1.150 million).
2. Authorize the use of FY 2019-20 SB 1 State of Good Repair Program funding of \$2.560 million for the engine repower/rebuild contract.

Approve the federal FY 2022 FTA Section 5307 Urbanized Area Formula, Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities, Section 5337 State of Good Repair, and Section 5339 Bus and Bus Facilities program of projects, including federal and local funds, and the use of match credit for projects included in this report.
3. Approve the five-year programming plans for FTA Sections 5307, 5310, 5337, and 5339.

## Acronyms:

ATN - Anaheim Transportation Network  
CMAQ - Congestion Mitigation Air Quality Improvement Program  
FTA - Federal Transit Administration  
FY - Fiscal Year  
IRCC - Irvine Construction Circle  
M Code - Project Codes in Measure M1 and M2  
M1 - Measure M1  
M2 - Measure M2  
MSRC - Mobile Source Air Pollution Reduction Review Committee  
OCTA - Orange County Transportation Authority  
SB 1 - Senate Bill 1 (Chapter 5, Statutes of 2017)  
STBG - Surface Transportation Block Grant  
STIP - State Transportation Improvement Program  
VSS - Video Surveillance System



## COMMITTEE TRANSMITTAL

**August 22, 2022**

**To:** Members of the Board of Directors

**From:** Andrea West, Interim Clerk of the Board *Andrea West*

**Subject:** Federal Transit Administration Program of Projects for Federal Fiscal Year 2021-22

### Transit Committee Meeting of August 11, 2022

**Present:** Directors Do, Harper, Jones, Jung, and Nguyen  
**Absent:** Director Sarmiento

### **Committee Vote**

This item was passed by the Members present.

Director Harper was not present to vote on this item.

### **Committee Recommendations**

- A. Approve the federal fiscal year 2022 program of projects for Federal Transit Administration Section 5307 Urbanized Area Formula, Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities, Section 5337 State of Good Repair, and Section 5339 Bus and Bus Facilities programs including other federal and local funds, and the use of match credit for projects included in this report.
- B. Approve the five-year programming plans for Federal Transit Administration Sections 5307, 5310, 5337, and 5339.
- C. Approve the use of \$3.661 million in federal Congestion Mitigation and Air Quality Improvement Program funds for the following projects:
  - Southern California Regional Rail Authority Operating Subsidy Suballocation for Reinstatement (\$2.510 million), and
  - Southern California Regional Rail Authority New Capital for Replacement Locomotives (\$1.151 million).



- D. Authorize staff to adjust individual project funding consistent with final apportionments and eligibility determinations through the Infrastructure Investment and Jobs Act, and direct staff to include updated numbers in grant and programming status reports.
- E. Authorize the Chief Executive Officer or his designee to submit the Federal Transit Administration grant applications required for the recommendations above to the Federal Transit Administration.
- F. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program and execute or amend all necessary agreements to facilitate the above actions.



**August 11, 2022**

**To:** Transit Committee

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

**Subject:** Federal Transit Administration Program of Projects for Federal Fiscal Year 2021-22

### **Overview**

The Orange County Transportation Authority annually prepares a program of projects to secure Federal Transit Administration formula grants for bus and rail capital projects as well as the related operating costs. The federal fiscal year 2022 program is presented for the Board of Directors' review and approval.

### **Recommendations**

- A. Approve the federal fiscal year 2022 program of projects for Federal Transit Administration Section 5307 Urbanized Area Formula, Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities, Section 5337 State of Good Repair, and Section 5339 Bus and Bus Facilities programs including other federal and local funds, and the use of match credit for projects included in this report.
- B. Approve the five-year programming plans for Federal Transit Administration Sections 5307, 5310, 5337, and 5339.
- C. Approve the use of \$3.661 million in federal Congestion Mitigation and Air Quality Improvement Program funds for the following projects:
  - Southern California Regional Rail Authority Operating Subsidy Suballocation for Reinstatement (\$2.510 million), and
  - Southern California Regional Rail Authority New Capital for Replacement Locomotives (\$1.151 million).
- D. Authorize staff to adjust individual project funding consistent with final apportionments and eligibility determinations through the Infrastructure Investment and Jobs Act, and direct staff to include updated numbers in grant and programming status reports.

- E. Authorize the Chief Executive Officer or his designee to submit the Federal Transit Administration grant applications required for the recommendations above to the Federal Transit Administration.
- F. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program and execute or amend all necessary agreements to facilitate the above actions.

***Background***

The Infrastructure Investment and Jobs Act (IIJA) was passed by Congress and signed into law by President Biden on November 15, 2021. The IIJA provides new funding levels for surface transportation programs, including financial assistance for public transportation services for the federal fiscal year (FFY) 2022 through FFY 2026. The Federal Transit Administration (FTA) distributes the IIJA federal formula transit funds to designated recipients through four major funding programs:

- 1) FTA Section 5307 Urbanized Area Formula Program (FTA 5307),
- 2) FTA Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program (FTA 5310),
- 3) FTA Section 5337 State of Good Repair Program (FTA 5337), and
- 4) FTA Section 5339 Bus and Bus Facilities Program (FTA 5339).

The FTA publishes annual apportionments for each program. The Southern California Association of Governments (SCAG) then confirms the apportionments for each recipient in the SCAG region. Following that confirmation, the Orange County Transportation Authority (OCTA), as a recipient transit agency, is able to submit grant applications consistent with the authorized apportionment. The full apportionment for FFY 2022 was released by FTA in April 2022.

OCTA also receives annual apportionments from the Federal Highway Administration (FHWA) of federal Congestion Mitigation and Air Quality Improvement (CMAQ) Program funds. When these funds are applied to transit or rail projects, the funds are transferred from FHWA to the FTA and are included in FTA grants as FTA 5307 transfer funds.

The FTA requires agencies to have a formal public participation process for the adoption of the transit program of projects (POP). OCTA satisfies this requirement through the SCAG Federal Transportation Improvement Program approval process, which includes a public hearing and meets the FTA requirement.

### ***Discussion***

The proposed selection of projects for FTA funding by OCTA is based on the current Board of Directors (Board)-adopted policies outlined in the Capital Programming Policies (CPP) (Attachment A), federal funding rules and regulations, and OCTA's adopted Comprehensive Business Plan (CBP). Project descriptions for the proposed FFY 2022 FTA POP are provided in Attachment B.

The proposed FFY 2022 FTA POP, organized by the FTA program, is provided in Attachment C. In addition, the proposed FTA POP for FFY 2022, organized by project and type of transit service, is provided in Attachment D.

The FFY 2022 FTA POP directs the funds attributable to the Anaheim Transportation Network (ATN) service to ATN through a subrecipient process. In prior years, OCTA provided an equivalent amount of local funds to ATN and utilized the federal funds for OCTA projects. However, passing the funds through to ATN will allow OCTA to expedite the drawdown of federal funds as the ATN and OCTA expenditures will occur simultaneously.

### **FTA 5307**

OCTA expects to receive \$77.155 million in FTA 5307 funds for FFY 2022. The use of funds for the projects listed below allows for the most immediate use of grant funds, thereby improving OCTA's transit program cash flow. The funds generated by ATN are recommended to be suballocated to ATN through a subrecipient process.

- Fixed-route bus preventive maintenance (\$18.249 million),
- Southern California Regional Rail Authority (SCCRA) preventive maintenance (\$17.032 million),
- Non-fixed-route paratransit operating assistance (\$15.404 million),
- Capital cost of contracted transit services (\$13.835 million),
- SCCRA rehabilitation and renovation (\$9.321 million),
- SCRRRA new capital (\$2.297 million), and
- ATN suballocation primarily for preventive maintenance (\$1.018 million).

The FFY 2022 FTA 5307 project list includes an increase in funding for SCRRA over prior years. This is consistent with SCRRA's fiscal year (FY) 2022-23 budget request, which included increases in both operations and rehabilitation expenses over prior years. The influx of federal stimulus dollars allows OCTA to fully support bus program needs and address the greater funding need for rail program per the SCRRA FY 2022-23 budget.

#### **FTA 5310**

OCTA expects to receive \$3.309 million in FTA 5310 Enhanced Mobility of Seniors and Individuals with Disabilities funds for FFY 2022. These funds are proposed to be used for the capital cost of contracting for OC ACCESS services, consistent with the CPP assumptions. OC ACCESS service provides curb-to-curb paratransit service for seniors and the disabled in Orange County. Staff relied on the OCTA Human Services Transportation Coordination Plan, which was developed by OCTA as the Consolidated Transportation Service Agency and approved by the Board on November 23, 2020, to develop the recommended uses consistent with federal guidance. The proposed use of funds also allows for the most immediate use of grant funds, thereby improving OCTA's cash flow.

As background, FTA 5310 funds are intended to support non-profit organizations and local public agencies to help meet the special transportation needs of seniors and individuals with disabilities. However, to relieve these organizations from the burden of administration of federal funds, OCTA provides local funds to these agencies to streamline project implementation and retains the federal apportionment to support OC ACCESS. Most recently, OCTA awarded \$2.750 million in local funding to 14 capital projects and operating services.

#### **FTA 5337**

OCTA expects to receive \$27.558 million in FTA 5337 State of Good Repair funds for FFY 2022. The following projects are proposed for these funds (Attachments C and D).

- SCRRA rehabilitation and renovation (\$18.686 million),
- SCRRA rehabilitation – emergency track stabilization (\$4 million),
- OCTA bus preventive maintenance (\$3.906 million), and
- San Juan Creek bridge replacement (\$0.966 million).

Each year, OCTA, as a member agency of SCRRA, is asked to fund rehabilitation projects that are required to maintain the system in a state of good repair. FTA 5337 can only be used for this type of work. Consistent with the CPP, funds are split between rail and bus based on the formula used to calculate the revenues.



**FTA 5339**

OCTA expects to receive \$5.951 million in FTA 5339 bus and bus facilities funds for FFY 2022. The use of these funds is proposed primarily for the Paratransit Vehicle Replacement Project. The funds generated by ATN are recommended to be suballocated to ATN through a subrecipient process. ATN will use the suballocated funds to purchase new bus lifts and bus ladders.

There are currently up to 131 paratransit vehicles that are due to be replaced, consistent with the useful life of vehicles defined by OCTA's Transit Asset Management Plan. The FFY 2022 funds will support the replacement of up to 41 vehicles. The remaining vehicles will be replaced using future FTA 5339 funds.

- Paratransit Vehicle Replacement Project (\$5.827 million), and
- ATN suballocation for bus lifts and ladders (\$0.125 million).

**FFY 2021-22 FTA POP**

The following table summarizes the recommended formula programming by system for the FFY 2022 FTA POP.

| Formula Programs | Bus           | Rail          | ATN          | Total          |
|------------------|---------------|---------------|--------------|----------------|
| FTA 5307         | \$ 47,487,642 | \$ 28,650,021 | \$ 1,017,690 | \$ 77,155,353  |
| FTA 5310         | \$ 3,308,661  |               |              | \$ 3,308,661   |
| FTA 5337         | \$ 3,906,000  | \$ 23,651,861 |              | \$ 27,557,861  |
| FTA 5339         | \$ 5,826,512  |               | \$ 124,959   | \$ 5,951,471   |
| Total            | \$ 60,528,815 | \$ 52,301,882 | \$ 1,142,649 | \$ 113,973,346 |

Overall, the proposed FFY 2022 FTA POP includes \$113.973 million of FTA formula funding for transit projects, which is an increase of 31 percent over the FFY 2021 FTA POP, which only provided \$86.951 million. Also included in the FFY 2022 FTA POP is \$4.851 million of local match funds for non-fixed route paratransit operating assistance and SCRRRA rehabilitation for emergency track stabilization. Of the total formula funding recommended, approximately 46 percent will be used for investments in rail programs, approximately 53 percent will be utilized for bus transit programs, and one percent for ATN projects. The funding for OCTA bus also breaks down to approximately 90 percent directed towards capitalized operating expenses and approximately ten percent for capital projects. Directing the majority of the federal funds towards capitalized operating expenses allows for timely use of grant funds, thereby reducing pressure on local transit funds, which tend to be more flexible and can also contribute to OCTA's reserve for future needs.

### Five-Year Programming Plans

To complete the FY2022 POP, OCTA also develops five-year programming plans for each FTA funding program. These funding plans reflect OCTA's future transit project and service needs. In addition, these plans allow OCTA to expedite transit projects or service delivery and have the ability to seek federal reimbursement once federal grants are in place. The five-year programming plan for projects and services funded with FTA 5307, FTA 5310, FTA 5337, and FTA 5339 programs are provided in Attachments E-H.

These programming plans are consistent with the typical use of FTA funds as expected in the CBP and conform to the CPP. The plans can also be updated as better information on needs and funding levels become available. The funding plans include use of FTA funds to support bus and rail preventive maintenance, capitalized cost of contracting, OC Access costs, commuter rail rehabilitation, and continued paratransit vehicle replacements.

### CMAQ

In June 2022, the Board approved the SCRRA's request for an operations budget of \$46.167 million for the FY 2022-23 SCRRA Budget. In order to support this budget, while maximizing external funds, staff is proposing a combination of the FTA 5307 (\$9.321 million), noted above, \$22.274 million in previously approved American Rescue Plan Act funds, \$4.351 million in previously approved Coronavirus Response and Relief Supplemental Appropriations Act funding, and \$2.510 million in CMAQ funds. CMAQ funds can be used for the reinstatement of service as that is considered service expansion. While SCRRA has decided to delay planned reinstatement of service in FY 2022-23, Metrolink service increased by seven percent from 57 trains to 61 trains effective April 2022. This expanded/reinstated service is eligible to use the CMAQ funding proposed.

Additionally, OCTA is recommending utilizing \$1.151 million in CMAQ funds for the OCTA match for the Tier 4 Replacement Locomotives project. This use is consistent with the CPP, as the CMAQ funds will be used towards the purchase of Tier 4 locomotives. The Tier 4 locomotives reduce emissions by 85 percent compared with SCRRA's oldest locomotives, thus contributing to improved air quality.

### Next Steps

With Board approval, staff will initiate the programming and grant process for the projects included in this report. The changes that are requested in this report have been added to the OCTA Capital Funding Program Report in Attachment I.

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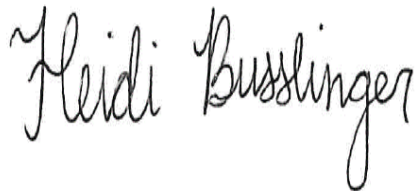
***Summary***

Board approval is requested to program \$113.973 million in FTA formula funding for the FFY 2021-22 FTA POP, the five-year programming plan for FTA 5307, 5310, 5337, and 5339, and \$3.661 million in federal CMAQ funds.

***Attachments***

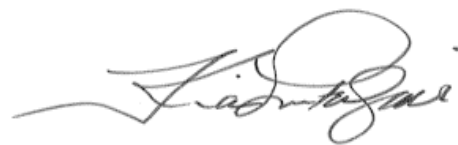
- A. Capital Programming Policies by Fund Source, December 2021
- B. Orange County Transportation Authority, Federal Transit Administration Program of Projects Description
- C. Proposed Program of Projects for Federal Fiscal Year 2022 by Fund Source
- D. Proposed Program of Projects (POP) for Federal Fiscal Year (FFY) 2022 by Project
- E. Proposed Five-Year Programming Plan for FTA Section 5307 Funds, Urbanized Area Formula Program (FFY 2022 through FFY 2026)
- F. Proposed Five-Year Programming Plan for FTA Section 5310 Funds, Enhanced Mobility of Seniors and Individuals with Disabilities Program (FFY 2022 through FFY 2026)
- G. Proposed Five-Year Programming Plan for FTA Section 5337 Funds, State of Good Repair Program (FFY 2022 through FFY 2026)
- H. Proposed Five-Year Programming Plan for FTA Section 5339 Funds, Bus and Bus Facilities Program (FFY 2022 through FFY 2026)
- I. Capital Funding Program Report

**Prepared by:**



Heidi Busslinger  
Senior Transportation Funding Analyst  
Formula Funding Programs  
(714) 560-5098

**Approved by:**



Kia Mortazavi  
Executive Director, Planning  
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**Capital Programming Policies by Fund Source  
December 2021**

| Equity Consideration for All Funding Programs: In addressing the mobility needs of the County, the Orange County Transportation Authority (OCTA) will consider both benefits and impacts of improvements to low-income and disadvantaged communities, with the goal of improving transportation and mobility options. |  |
|---|--|
| Funding Source  | Updated Measure M2 (M2) Programming Policies   |
| M2 Programs   |  |
| Projects A-M<br>(Freeway projects on Interstate 5, State Route 22, State Route 55, State Route 57, State Route 91, Interstate 405, and Interstate 605)  | Use projects A-M M2 funding consistent with the M2 Transportation Investment Plan (TIP), the M2020 Plan, and subsequent Board of Directors (Board)-approved plans and updates to the M2 Program. Program funds to projects through formal programming actions.                                   |
| Freeway Environmental Mitigation Program<br>(Tied to projects A-M)  | Utilize five percent net revenues derived from M2 funding for projects A-M consistent with the M2 TIP, the M2020 Plan, and subsequent Board-approved plans and updates to the M2 Program. Program funds to projects through Board approved actions for needed environmental mitigation projects. |
| Project N<br>(Freeway Service Patrol)   | Use Project N funds for the Freeway Service Patrol Program. Funds are programmed through the annual budget process.  |
| Project O<br>(Regional Capacity Program) and Project P<br>(Regional Traffic Signal Synchronization Program)   | Use Project O and Project P M2 funding consistent with the Measure M Ordinance No. 3, and consistent with the Comprehensive Transportation Funding Programs (CTFP) guidelines. Program funds to projects through the cyclical CTFP call for projects (call) programming recommendations          |
| Project R<br>(High-Frequency Metrolink Service)   | Use Project R M2 funding consistent with the M2 TIP, with the latest Next 10 Delivery Plan (Next 10 Plan), the Comprehensive Business Plan (CBP), and subsequent Board-approved plans and updates to the M2 Program. Program funds to projects through formal programming actions.               |
| Project S (Transit Extensions to Metrolink) and Project T (Metrolink Gateways)  | Use Project S and Project T M2 funding consistent with the M2 TIP, and consistent with CTFP guidelines. Program funds to projects through formal call awards. Supplemental funds for approved competitive projects may be changed through Board action.  |
| Project U<br>(Expand Mobility Choices for Seniors and Persons with Disabilities)  | Use Project U M2 funds, consistent with the Measure M Ordinance No. 3, the CBP, and subsequent Board-approved plans and updates to the M2 Program. Funds are programmed through the annual budget process.   |

**Capital Programming Policies by Fund Source  
December 2021**

| Funding Source   | Updated Measure M2 (M2) Programming Policies  |
|--|---|
| Project V<br>(Community-Based Transit Circulators)<br>and Project W (Safe Transit Stops)       | Use Project V and Project W M2 funding consistent with the M2 TIP, and consistent with CTFP guidelines. Program funds to projects through formal call awards and/or Board action. Funds for the OCTA-approved projects may be programmed through Board action.  |
| Project X (Environmental Cleanup)  | <p>Use Project X M2 funding consistent with the M2 TIP and consistent with CTFP guidelines. Program funds to projects through the CTFP call.</p> <p>The Environmental Cleanup Program consists of two programs. The Tier 1 Grant Program is designed to mitigate the more visible forms of pollution. Tier 1 consists of funding for equipment purchases and upgrades to existing catch basins and related devices such as screens, filters, and inserts. The Tier 2 Grant Program consists of funding regional, multi-jurisdictional, and capital-intensive projects, such as constructed wetlands, detention/infiltration basins, and bioswales.</p>  |
| Funding Source/Agency  | Other Local Funding Programming Policies  |
| 91 Express Lanes Excess Revenues/OCTA  | Please see the Policy for the Use of Excess 91 Express Lanes Toll Revenue finalized through Board action on June 9, 2014.   |
| County Transportation Commission/Mobile Source Air Pollution Reduction Review Committee (MSRC) | Prioritize activities that encourage transit ridership and support zero- emission bus initiatives. Depending on work program criteria, submit OCTA priority projects that meet program criteria, and work to support a return to source program for Orange County through all MSRC programs, including but not limited to freight focused programs. Funds are programmed through formal programming action.   |
| Funding Source/Agency  | State and Federal Programming Policies  |
| All State and Federal Fund Sources and New Funding Programs                                    | OCTA's goal for external funding is to be successful in increasing the use of external funds and decrease the use of local funds, when possible. First priority of all funding sources, when consistent with the funding agency priority and policies, is to fulfill commitments to the latest Next 10 Plan, specifically M2 projects, and to maintain existing OCTA assets in a state of good repair and support OCTA priorities. Consideration will be given to use state and federal funds for projects that are complementary to M2 projects and that share the M2 Program goals to reduce congestion, strengthen the economy, and improve the quality of life. All fund sources must be programmed through formal programming actions. |

**Capital Programming Policies by Fund Source  
December 2021**

| Funding Source/Agency   | State Programming Policies  |
|---|---|
| State Programs  |   |
| Active Transportation Program (ATP) – Southern California Association of Governments (SCAG) Regional Selection (Formula)/ California Transportation Commission (CTC)/SCAG | OCTA, through Board action, will establish prioritization criteria, based on regional planning for SCAG regional call through Board action with every cycle.  |
| Cap-and-Trade (Formula) – Low Carbon Transit Operations Program (LCTOP)/ California Department of Transportation (Caltrans)   | Use LCTOP for transit operations or capital for expansion of bus transit service, fare reduction programs, and other bus and commuter rail transit efforts that increase ridership and reduce greenhouse gas (GHG) emissions, where 50 percent of the funds provide benefit for passengers in disadvantaged communities, as appropriate. Funds generated from commuter rail service in Orange County may be used in Orange County for the expansion of commuter rail service, fare reduction programs for commuter rail, and other eligible commuter rail efforts that increase ridership and reduce GHG emissions. |
| SB 1 (Chapter 5, Statutes of 2017)- Local Partnership Program (LPP) – Formula/CTC   | Use LPP for ready-to-deliver committed and prioritized projects which are compatible with state goals and seek to balance funds between freeways, streets and roads, transit capital, and eligible environmental clean-up and based on the timing for the request for project nominations.  |
| SB 1 - State of Good Repair (SGR) /Caltrans   | Use funds for bus transit capital projects and for maintenance, rehabilitation, and replacement of existing OCTA transit assets. Funds may be used for transit operations, if allowed by the State.   |
| SB 1 - Trade Corridors Enhancement Program (TCEP)/CTC   | Use TCEP for eligible trade corridor projects that meet the requirements and goals of the program.  |
| State Transportation Improvement Program (STIP)/CTC   | Use STIP for eligible transit capital, freeway, traffic system management, complete streets, commuter rail, fixed-guideway projects, planning/programming, and complementary activities, which seek an equitable balance among all modes and are consistent with state goals.   |

**Capital Programming Policies by Fund Source  
December 2021**

| Funding Source/Agency   | Federal Programming Policies   |
|---|--|
| Federal Programs  |  |
| <p>Congestion Mitigation and Air Quality (CMAQ)/Caltrans for Federal Highways Administration (FHWA)</p> | <p>Use CMAQ funding for:</p> <ul style="list-style-type: none"> <li>• Fixed-guideway and/or high-occupancy vehicle or high-occupancy toll operational improvements,</li> <li>• vanpool program and rideshare services,</li> <li>• rail and bus transit capital projects,</li> <li>• traffic light synchronization projects,</li> <li>• new or expanded transit operations (three years of CMAQ funding may be used for the first five years), and</li> <li>• eligible bicycle and pedestrian projects.</li> </ul> <p>All projects that use CMAQ funds must demonstrate a quantifiable air quality benefit. Projects must be recommended based on performance.</p>  |
| <p>Federal Transit Administration (FTA) Section 5307 Formula/FTA</p>                                    | <p>Use funds to support ongoing transit operations and SGR through (not in priority order):</p> <ul style="list-style-type: none"> <li>• Preventive maintenance,</li> <li>• capital cost of contracting, and</li> <li>• bus replacement.</li> </ul> <p>Lower priority but eligible if funding available:</p> <ul style="list-style-type: none"> <li>• Other priority capital projects that are consistent with the comprehensive business plan.</li> </ul> <p>Set-Asides: Up to 20 percent for paratransit operating assistance, one percent for transit security (unless funded using local, state, or other federal funds), and percent of funds generated by rail operations to be used for rail operations and capital projects.</p> |
| <p>FTA Section 5310 Formula/FTA</p>   | <p>Use funds for eligible enhancements to paratransit capital and operations.</p>  |

**Capital Programming Policies by Fund Source  
December 2021**

| Funding Source/Agency   | Federal Programming Policies   |
|---|--|
| FTA Section 5337 Formula/FTA  | Use funds for commuter rail rehabilitation and/or renovation projects, for capital projects that maintain and/or replace equipment and facilities to keep the commuter rail system in a state of good repair and for preventive maintenance. Use funds generated by express bus transit for bus transit capital maintenance. Use of funding must also benefit OCTA express bus services.                 |
| FTA Section 5339 Formula/FTA  | Use funds for: <ul style="list-style-type: none"> <li>• Capital maintenance,</li> <li>• capital cost of contracting,</li> <li>• bus replacement, and</li> <li>• other bus capital projects as identified in the Transit Asset Management Plan.</li> </ul>  |
| Highway Infrastructure Program/Caltrans for FHWA  | Use funds for M2 Freeway Program (consistent with the latest Next 10 Plan).  |
| National Highway Freight Program/CTC for FHWA   | These funds are administered by the State through the TCEP (see TCEP above).   |
| Surface Transportation Block Grant Program - Formerly the Regional Surface Transportation Program/Caltrans for FHWA | Use funds for M2 Freeway Program (consistent with the latest Next 10 Plan) and for other non-M2 freeway projects that are complementary with the M2 freeway program, local streets and roads, and bicycle, pedestrian, and/or complete streets projects. Funds may also be used for countywide planning activities up to five percent annually<br><br>Projects will be recommended based on performance. |
| Transportation Alternatives Program – CTC/SCAG through ATP  | These funds are administered by the State through the ATP. See ATP above.  |



**Orange County Transportation Authority  
Federal Transit Administration Program of Projects Description**

This attachment includes project descriptions for all projects noted throughout the federal fiscal year 2022 Federal Transit Administration (FTA) program of projects staff report.

**Preventive Maintenance**

The OC Bus preventive maintenance costs include all maintenance costs related to maintaining buses, fixed-route infrastructure equipment and facilities, salaries, and benefits of maintenance personnel, as well as building and vehicle repair. Preventive maintenance is funded through FTA Section 5307 (FTA 5307) and FTA Section 5337 (FTA 5337) funds.

**Non-Fixed-Route Paratransit Operations Assistance**

OC ACCESS is Orange County Transportation Authority's (OCTA) paratransit service that provides specialized services for passengers who are unable to use OCTA's fixed-route bus service because of functional limitations caused by a disability. The proposed FTA 5307 funds will support operating assistance to continue existing OC ACCESS service or increase service to meet routine changes in demand.

**Capital Cost of Contracted Transit Services**

The capital costs associated with contracting for transit and maintenance services include OC ACCESS paratransit service (described above) and contracted OC Bus fixed-route service. This is meant to help support the capitalized costs for revenue fleet vehicles owned by OCTA and used and maintained through contracted service. Fixed-route service refers to a vehicle operated along a fixed route on a specific schedule. Eligible components include the capital costs of the vehicles used in the services, as well as the capital component of overhead (e.g., offices and equipment for the provider of the OC ACCESS paratransit service). Capital cost of contracting is funded through FTA 5307, FTA Section 5310 (FTA 5310), and in prior years by FTA Section 5339 (FTA 5339).

**Paratransit Vehicle Replacement Project**

The Paratransit Vehicle Replacement Project includes the purchase of 23-foot OC ACCESS paratransit vehicles to replace aging buses in the OCTA transit fleet. The proposed FTA 5339 funds will support the acquisition of these OC ACCESS paratransit replacement vehicles consistent with the Fleet Outlook and the Comprehensive Business Plan.

**Southern California Regional Rail Authority (SCRRA) Rehabilitation/Renovation**

The SCRRA Rehabilitation/Renovation Project will rehabilitate and/or replace track, signal, communications, rolling stock, and other equipment and facilities used to keep the commuter rail system in a state of good repair. FTA 5337 funds will support these

## **Orange County Transportation Authority Federal Transit Administration Program of Projects Description**

commuter rail rehabilitation/renovation projects. The emergency work noted below as SCRRA Rehabilitation - Emergency Track Stabilization will also be funded through FTA 5337 SCRRA rehabilitation but is further described below.

### **SCRRA Preventive Maintenance**

The commuter rail preventive maintenance costs include all maintenance costs related to maintaining rolling stock, vehicles, rail infrastructure, equipment and facilities, salaries, and benefits of maintenance personnel for the commuter rail service. The proposed FTA 5307 funds will support OCTA's share of preventive maintenance costs for SCRRA.

### **SCRRA Operating Subsidy – Reinstated/Expanded Service**

SCRRA requested \$46.167 million for OCTA's share of operating subsidy in the fiscal year (FY) 2022-23 budget. OCTA is recommending utilizing \$2.510 million in Congestion Mitigation Air Quality (CMAQ) funds for expanded rail operations as part of the overall funding plan. The reinstated service includes service, which was reinstated effective April 2022. OCTA will utilize a combination of \$17.032 million in FTA 5307 and prior Coronavirus Response and Relief Supplemental Appropriations Act funding of \$4.351 million, and \$22.274 million of American Rescue Plan Act funds to fully fund SCRRA's FY 2022-23 operations budget request. No local funds are required.

### **SCRRA New Capital and Locomotive Replacement**

SCRRA New capital projects add new track, signal, communications, rolling stock, and other equipment and facilities to the Metrolink system. In most cases, the projects are eligible for FTA 5337, if not, FTA 5307 funds or CMAQ funds are used for new capital projects. OCTA is proposing the use of \$1.151 million in CMAQ funds for OCTA's match for Tier 4 replacement locomotives, as well as \$2.297 million in FTA 5307. The Tier 2 MP36 fleet of 15 locomotives was deployed in 2008-2009 and is now approaching its mid-life, and the metrics are trending down as expected for locomotives at this age and use. To stabilize and improve reliability in line with industry standards, diesel locomotives commonly undergo mid-life overhaul by the 15th year. The overhaul includes the upgrade of the main and head-end power engines to a higher emissions tier (i.e., Tier 4), removal of trucks, cooling systems, and other critical systems for refurbishment, as well as addressing body damage and exterior repainting.

### **San Juan Creek Bridge Replacement**

The San Juan Creek Bridge is a 100-year-old bridge that crosses over San Juan Creek between Control Point (CP) Oso and CP Capistrano on the Orange Subdivision, owned by OCTA, in the Los Angeles-San Diego Rail Corridor. This project will support the replacement and construction of a new bridge that will significantly reduce the amount of maintenance required and will meet current design standards and rail load capabilities.

## Orange County Transportation Authority Federal Transit Administration Program of Projects Description

Construction is anticipated to begin in March 2023. Proposed FTA 5337 funds will support the replacement of the bridge. The current funding plan is provided below.

| Funding in 000s | Total            | FTA<br>5337      | CMAQ          | Demo          | Proposition 1B<br>TSSSDRA | M2              |
|-----------------|------------------|------------------|---------------|---------------|---------------------------|-----------------|
| Engineering     | \$ 1,300         | \$ 1,300         |               |               |                           |                 |
| ROW             | \$ 1,438         |                  |               |               | \$ 59                     | \$ 1,379        |
| Construction    | \$ 40,353        | \$ 38,532        | \$ 908        | \$ 913        |                           |                 |
| <b>TOTAL</b>    | <b>\$ 43,091</b> | <b>\$ 39,832</b> | <b>\$ 908</b> | <b>\$ 913</b> | <b>\$ 59</b>              | <b>\$ 1,379</b> |

Demo – Federal Demonstration funds

TSSSDRA – Transit System Safety, Security and Disaster Response Account

M2 – Measure M2

ROW – Right-of-Way

### SCRRA Rehabilitation - Emergency Track Stabilization

Tidal surges and a recent slope failure have severely degraded the railroad track structure on the OCTA-owned railroad ROW in the City of San Clemente (City). The ROW is operated and maintained by the SCRRA through an agreement with OCTA. After a site analysis by SCRRA geotechnical engineers, it was determined that rail service must be suspended to allow for stabilization work to occur safely and efficiently.

On September 16, 2021, SCRRA suspended Metrolink rail service in south Orange County in order to effect efforts to stabilize railroad track structure in the City. The stabilization work began on September 16, 2021, and was completed the first week of October. Passenger rail service resumed on October 4, 2021. Emergency repair was undertaken by SCRRA to stabilize the railroad tracks from further shifting due to a failing slope originating at the westerly coastal slope and extending below the railroad ROW to the west of the tracks at the beach. The failing slope has resulted in severe cracks and has caused severe deflection in the railroad tracks, requiring passenger rail service to be suspended for the roughly two-and-a-half-week period from September 16 through October 4, 2021. An additional supplemental emergency track stabilization effort was completed on January 30, 2022. The current scope and level of effort for this repair work is estimated to cost up to \$5 million and is the responsibility of OCTA as the ROW owner. SCRRA has performed the majority of this work with contract forces on behalf of OCTA.

On November 11, 2021, the Board of Directors approved \$5 million of commuter rail funds for this emergency work with the caveat that staff would continue searching for external funding opportunities. The \$4 million of FTA funding that is recommended for this emergency work will offset those commuter rail funds, therefore maximizing external funding opportunities and alleviating the strain on declining commuter rail revenues.

## **Orange County Transportation Authority Federal Transit Administration Program of Projects Description**

### Anaheim Transportation Network (ATN)

OCTA will request funding representing the federal funds generated by ATN as defined by the National Transit Database Reporting System to support eligible capitalized operating costs, preventive maintenance, and/or transit capital projects. Eligible expenses for these funds include ATN maintenance personnel costs, tire lease for fleet vehicles, electric van lease, lubricants, and new bus lifts and ladders.

## Proposed Program of Projects for Federal Fiscal Year 2022 by Fund Source

Pending Board Approval 8/22/22

| Proposed Projects                                 | FTA Sec 5307         | Local Match <sup>6</sup> |
|---|----------------------|--------------------------|
| Non-Fixed Route Paratransit Operations Assistance | \$ 15,403,673        | \$ 3,850,918             |
| OCTA Preventive Maintenance - Salaries & Benefits | \$ 18,248,577        | \$ -                     |
| Anaheim Transportation Network Suballocation      | \$ 1,017,690         | \$ -                     |
| Capital Cost of Contracted Transit Services       | \$ 13,835,392        | \$ -                     |
| SCRRA Preventive Maintenance <sup>1,2,3</sup>     | \$ 17,032,463        | \$ -                     |
| SCRRA New Capital <sup>3</sup>                    | \$ 2,296,800         | \$ -                     |
| SCRRA 22-23 Rehab/Renovation <sup>3,4</sup>       | \$ 9,320,758         | \$ -                     |
| <b>Total FFY 2022 FTA 5307</b>                    | <b>\$ 77,155,353</b> | <b>\$ 3,850,918</b>      |

| Proposed Projects   | FTA Sec 5337 <sup>5</sup> | Local Match         |
|---|---------------------------|---------------------|
| OCTA Preventive Maintenance                                 | \$ 3,906,000              | \$ -                |
| San Juan Creek Bridge (hold for SCRRA or OCTA)              | \$ 965,770                | \$ -                |
| Suballocation for SCRRA 21-22 Rehab/Renovation <sup>5</sup> | \$ 769,239                | \$ -                |
| Suballocation for SCRRA 22-23 Rehab/Renovation <sup>4</sup> | \$ 17,916,852             | \$ -                |
| SCRRA Rehab - Emergency Track Stabilization <sup>7</sup>    | \$ 4,000,000              | \$ 1,000,000        |
| <b>Total FY 2022 FTA 5337</b>                               | <b>\$ 27,557,861</b>      | <b>\$ 1,000,000</b> |

| Proposed Projects             | FTA Sec 5310        | Local Match |
|-------------------------------|---------------------|-------------|
| ACCESS Contract               | \$ 3,308,661        | \$ -        |
| <b>Total FY 2022 FTA 5310</b> | <b>\$ 3,308,661</b> | <b>\$ -</b> |

| Proposed Projects                            | FTA Sec 5339        | Local Match |
|--|---------------------|-------------|
| Replacement Paratransit Vans (part of 131)   | \$ 5,826,512        | \$ -        |
| Anaheim Transportation Network Suballocation | \$ 124,959          | \$ -        |
| <b>Total estimated FY 2022 FTA 5339</b>      | <b>\$ 5,951,471</b> | <b>\$ -</b> |

1. For FY 2022-23 operations budget, SCRRA requested \$46 million compared with \$28 million for prior years and \$39 million in FY 2021-22. In prior years, OCTA provided \$8.5 million for preventive maintenance.

2. In addition to the FTA 5307 funds, this proposal will use \$2,510,122 in CMAQ for expanded rail operations, \$4.351 million in CRRSAA, and \$22.274 million in ARPA to fully fund SCRRA's 2022-23 operations budget. No local funds are required.

3. Bus is currently paying back rail annually for the use of rail share of FTA 5307 for bus projects in FYs 2014, 2015, 2016, 2017, 2019, and 2020. This FTA POP proposal pays rail back for the use of FTA 5307 for bus entirely.

4. SCRRA request for rehab for FY 2022-23 budget is \$27.2 million. This proposal uses a combination of FTA 5307 and FTA 5337 to fully support rehab.

5. In 2021, the Board approved the use of \$769,239 from FFY 2021-22 FTA 5337 apportionment for FY 2021-22 SCRRA budget.

6. FTA funded projects usually have a match requirement of any where from 60 percent to 20 percent. The

7. On November 11, 2021 the Board approved \$5 million in commuter rail funds for emergency track stabilization. This funding will offset a portion of these local funds in order to maximize external funding.

Acronyms:

ARPA - American Rescue Plan Act

Board - Board of Directors

CMAQ - Congestion Mitigation and Air Quality Improvement Program

CRRSAA - Coronavirus Response and Relief Supplemental Appropriations Act

FY - Fiscal Year

FFY - Federal Fiscal Year

FTA - Federal Transit Administration

OCTA - Orange County Transportation Authority

POP - Program of Projects

SCRRA - Southern California Regional Rail Authority

# Proposed Program of Projects (POP) for Federal Fiscal Year (FFY) 2022 by Project

Pending Board Approval 8/22/22

| Proposed Projects - Fixed Route Bus   | FTA Programs | Proposed Amount       |
|---|--------------|-----------------------|
| OCTA Preventive Maintenance - Salaries & Benefits   | 5307         | \$ 18,248,577         |
| OCTA Preventive Maintenance   | 5337         | \$ 3,906,000          |
| Capital Cost of Contracted Transit Services <sup>1</sup>  | 5307         | \$ 13,835,392         |
| <b>Subtotal Fixed-Route</b>   |              | <b>\$ 35,989,969</b>  |
| <b>Proposed Projects - Paratransit</b>  |              |                       |
| Non-Fixed Route Paratransit Operations Assistance   | 5307         | \$ 15,403,673         |
| ACCESS Contract   | 5310         | \$ 3,308,661          |
| Replacement Paratransit Vans (41 of 131)  | 5339         | \$ 5,826,512          |
| <b>Subtotal Paratransit</b>   |              | <b>\$ 24,538,846</b>  |
| <b>Proposed Projects - Metrolink</b>  |              |                       |
| SCRRA Operating Subsidy Suballocation (fiscal year {FY} 23 budget request) <sup>2,3,4</sup>           | 5307         | \$ 17,032,463         |
| SCRRA Operating Subsidy Suballocation (FY 23 budget request) <sup>2,3</sup> - Expansion/Reinstatement | CMAQ         | \$ 2,510,122          |
| SCRRA New Capital (FY 23 budget request) <sup>4</sup>   | 5307         | \$ 2,296,800          |
| SCRRA New Capital (FY 23 budget request) - Replacement Locomotives                                    | CMAQ         | \$ 1,150,550          |
| SCRRA 22-23 Rehab/Renovation (FY 23 budget request) <sup>4,5</sup>                                    | 5307         | \$ 9,320,758          |
| San Juan Creek Bridge (hold for SCRRA or OCTA)  | 5337         | \$ 965,770            |
| SCRRA Rehab - Emergency Track Stabilization   | 5337         | \$ 4,000,000          |
| SCRRA FY 2022 Budget Rehab/Renovation <sup>6</sup>  | 5337         | \$ 769,239            |
| SCRRA FY 2023 Budget Rehab/Renovation <sup>5</sup>  | 5337         | \$ 17,916,852         |
| <b>Subtotal Metrolink</b>   |              | <b>\$ 55,962,554</b>  |
| <b>Proposed Projects - Other</b>  |              |                       |
| Anaheim Transportation Network Suballocation  | 5307         | \$ 1,017,690          |
| Anaheim Transportation Network Suballocation  | 5339         | \$ 124,959            |
| <b>Subtotal Other</b>   |              | <b>\$ 1,142,649</b>   |
| <b>Total FTA funds</b>  |              | <b>\$ 113,973,346</b> |
| <b>FTA Total Bus and Access</b>   |              | <b>\$ 60,528,815</b>  |
| <b>FTA Total Metrolink (includes CMAQ)</b>  |              | <b>\$ 55,962,554</b>  |
| <b>Local Funds - SCRRA FY 23 Budget Rehab:</b>  |              | <b>\$ -</b>           |
| <b>Local Funds - SCRRA FY 23 Budget Capital:</b>  |              | <b>\$ -</b>           |
| <b>Local Funds committed for Cypress Shore:</b>   |              | <b>\$ 1,000,000</b>   |
| <b>Total local:</b>   |              | <b>\$ 1,000,000</b>   |

1. Funds will be utilized for both the Fixed Route and ACCESS contract costs.

2. For FY 2022-23 operations budget, SCRRA requested \$46 million compared with \$28 million for prior years and \$39 million in FY 2021-22. The operating subsidy funding is applied primarily to preventive maintenance (PM). PM is also higher, and SCRRA has capacity to use up to \$21 million in 5307 for PM. In prior years, OCTA was limited to \$8.5 million for PM.

3. This proposal will use \$2,510,122 in CMAQ for expanded rail operations, \$4.351 million in CRRSAA and \$22.274 million in ARPA to fully fund SCRRA's FY 2022-23 operations budget. No local funds are required.

4. Bus is currently paying back rail annually for the use of rail share of FTA 5307 for bus projects in FY 2014, 2015, 2016, 2017, 2019 and 2020. This FTA POP proposal pays rail back for the use of FTA 5307 for bus entirely.

5. SCRRA request for rehab for FY 2022-23 budget is \$27.2 million. This proposal uses a combination of FTA 5307 and FTA 5337 to fully support rehab.

6. In 2021, the Board approved the use of \$769,239 from FFY 2021-22 FTA 5337 apportionment for FY 2021-22 SCRRA budget.

## Acronyms:

ARPA - American Rescue Plan Act / Board - Board of Directors / CMAQ - Congestion Mitigation and Air Quality Improvement Program / CRRSAA - Coronavirus Response and Relief Supplemental Appropriations Act / FTA - Federal Transit Authority / FFY - Federal Fiscal Year / FY - Fiscal Year / SCRRA - Southern California Regional Rail Authority

**Proposed Five-Year Programming Plan for FTA Section 5307 Funds  
Urbanized Area Formula Program (FFY 2022 through FFY 2026)**

(Pending Board approval on August 22, 2022)

| Line Item Description  | FFY 2022      | FFY 2023      | FFY 2024      | FFY 2025      | FFY 2026 <sup>8</sup> |
|--|---------------|---------------|---------------|---------------|-----------------------|
| Non-Fixed Route Paratransit Ops Assistance                     | 15,403,673    | 15,431,071    | 15,431,071    | 15,431,071    | 15,431,071            |
| OCTA Preventive Maintenance - Salaries & Benefits <sup>1</sup> | 18,248,577    | 34,062,358    | 34,062,358    | 34,062,358    | 34,062,358            |
| Anaheim Transportation Network Suballocation <sup>1</sup>      | 1,017,690     | 1,017,690     | 1,017,690     | 1,017,690     | 1,017,690             |
| Capital Cost of Contracted Transit Services <sup>1</sup>       | 13,835,392    | 17,109,457    | 17,109,457    | 17,109,457    | 17,109,457            |
| SCRRA Preventive Maintenance <sup>1,2,3,4</sup>                | 17,032,463    | 9,534,777     | 9,534,777     | 9,534,777     | 9,534,777             |
| SCRRA New Capital <sup>1,4,5</sup>                             | 2,296,800     | -             | -             | -             | -                     |
| SCRRA 22-23 Rehab/Renovation <sup>1,4,6,7</sup>                | 9,320,758     | -             | -             | -             | -                     |
| FFY 2021-22 to 2025-26 Total (All Projects)                    | \$ 77,155,353 | \$ 77,155,353 | \$ 77,155,353 | \$ 77,155,353 | \$ 77,155,353         |

Notes:

1. The projects are proposed to use statewide match credit, which allows projects to be federally-funded at 100 percent.
2. SCRRA requested \$46 million for operations. SCRRA has capacity to use up to \$21 million in FTA 5307 for preventive maintenance (PM). In prior years, OCTA provided \$8.5 million per year for PM.
3. SCRRA requested \$46 million for operations. This proposal recommends a combination of FTA 5307 and CMAQ for FY 2022-23 SCRRA operations budget. This combined with ARPA and CRSSA funds means that no local funds required.
4. In this POP, more FTA 5307 is used for rail SCRRA operating subsidy, new capital and rehab/renovation beyond what is generated by rail so that bus can pay rail back for the use of rail share of FTA 5307 for bus projects in FY's 2014, 2015, 2016, 2017, 2019, and 2020.
5. SCRRA requested \$3.4 million for new capital. This proposal recommends a combination of FTA 5307 and CMAQ to support SCRRA New Capital.
6. SCRRA request for rehab for FY 2022-23 budget is \$27.2 million. This proposal uses a combination of FTA 5307 and FTA 5337 to fully support rehab.
7. In 2021 the Board approved the use of \$769,239 from FY 2022 federal apportionment for 2022 SCRRA budget.
8. Five years of funding is provided in order to program funds to projects in the Federal Transportation Improvement Program.

Acronyms:

Board - Board of Directors  
FTA - Federal Transit Administration  
FFY - Federal fiscal year  
SCRRA - Southern California Regional Rail Authority

Proposed Five-Year Programming Plan for FTA Section 5310 Funds  
Enhanced Mobility of Seniors and Individuals with Disabilities Program (FFY 2022 through FFY 2026)

(Pending Board approval on August 22, 2022)

| Line Item Description  | FFY 2022     | FFY 2023     | FFY 2024     | FFY 2025     | FFY 2026 <sup>2</sup> |
|--|--------------|--------------|--------------|--------------|-----------------------|
| Capital Cost of Contracting for ACCESS Services <sup>1</sup> | 3,308,661    | 3,308,661    | 3,308,661    | 3,308,661    | 3,308,661             |
| FFY 2021-22 to 2025-26 Total (All Projects)                  | \$ 3,308,661 | \$ 3,308,661 | \$ 3,308,661 | \$ 3,308,661 | \$ 3,308,661          |

Notes:

1. The projects are proposed to use statewide match credit which allows projects to be federally funded at 100 percent.
2. Five years of funding is provided in order to program funds to projects in the Federal Transportation Improvement Program.



**Proposed Five-Year Programming Plan for FTA Section 5337 Funds  
State of Good Repair Program (FFY 2022 through FFY 2026)**

(Pending Board approval on August 22, 2022)

| Line Item Description                                       | FFY 2022 <sup>5</sup> | FFY 2023             | FFY 2024             | FFY 2025             | FFY 2026 <sup>7</sup> |
|---|-----------------------|----------------------|----------------------|----------------------|-----------------------|
| SCRRA Rehabilitation/Renovation FY 2021-22 <sup>1,2</sup>   | 769,239               | -                    | -                    | -                    | -                     |
| SCRRA Rehabilitation/Renovation FY 2022-23 <sup>1,2,5</sup> | 17,916,852            | -                    | -                    | -                    | -                     |
| SCRRA Rehabilitation/Renovation FY 2023-24 <sup>1,2</sup>   | -                     | 23,651,861           | -                    | -                    | -                     |
| SCRRA Rehabilitation/Renovation FY 2024-25 <sup>1,2</sup>   | -                     | -                    | 23,651,861           | -                    | -                     |
| SCRRA Rehabilitation/Renovation FY 2025-26 <sup>1,2</sup>   | -                     | -                    | -                    | 23,651,861           | -                     |
| SCRRA Rehabilitation/Renovation FY 2026-27 <sup>1,2</sup>   | -                     | -                    | -                    | -                    | 23,651,861            |
| San Juan Creek Bridge Replacement <sup>3</sup>              | 965,770               | -                    | -                    | -                    | -                     |
| SCRRA Rehab - Emergency Track Stabilization <sup>6</sup>    | 4,000,000             | -                    | -                    | -                    | -                     |
| OCTA Bus Preventive Maintenance <sup>1,3,4</sup>            | 3,906,000             | 3,906,000            | 3,906,000            | 3,906,000            | 3,906,000             |
| <b>Total (All Projects)</b>                                 | <b>\$ 27,557,861</b>  | <b>\$ 27,557,861</b> | <b>\$ 27,557,861</b> | <b>\$ 27,557,861</b> | <b>\$ 27,557,861</b>  |

**Notes:**

1. The projects are utilizing statewide match credit which allows projects to be federally funded at 100 percent.
2. SCRRA rehabilitation amounts are based on the SCRRA-adopted FY 2020-21 budget and the OCTA Comprehensive Business Plan thereafter.
3. These funds will be in an OCTA grant.
4. Per OCTA's Board policy, FTA Section 5337 (FTA 5337) funds generated by bus operations are programmed to OCTA bus preventive maintenance.
5. SCRRA request for rehab for FY 2022-23 budget is \$27.2 million. This proposal uses a combination of FTA Section 5307 and FTA 5337 to fully support rehab.
6. This proposal uses \$4 million in FTA 5337 to support emergency track work as part of the rehab project. The Board approved support of \$5 million for this project. The difference will be addressed through prior operating savings and local funds through the cooperative agreement with SCRRA.
7. Five years of funding is provided in order to program funds to projects in the Federal Transportation Improvement Program.

**Acronyms:**

Board - Board of Directors

FFY - Federal fiscal year

FTA - Federal Transit Administration

FY - Fiscal year

OCTA - Orange County Transportation Authority

SCRRA - Southern California Regional Rail Authority

**Proposed Five-Year Programming Plan for FTA Section 5339 Funds  
Bus and Bus Facilities Program (FFY 2022 through FFY 2026)**

(Pending Board approval on August 22, 2022)

| <b>Line Item Description</b>                           | <b>FFY 2022</b> | <b>FFY 2023</b> | <b>FFY 2024</b> | <b>FFY 2025</b> | <b>FFY 2026<sup>2</sup></b> |
|--|-----------------|-----------------|-----------------|-----------------|-----------------------------|
| Paratransit Vehicle Replacement Project (131 vehicles) | 5,826,512       | 5,826,512       | 5,826,512       | 744,464         |                             |
| Capital Cost of Contracted Transit Service             |                 |                 |                 | 5,082,048       | 5,826,512                   |
| Anaheim Transportation Network Suballocation           | 124,959         | 124,959         | 124,959         | 124,959         | 124,959                     |
| FFY 2021-22 to 2025-26 Total (All Projects)            | \$ 5,951,471    | \$ 5,951,471    | \$ 5,951,471    | \$ 5,951,471    | \$ 5,951,471                |

Notes:

1. The projects are utilizing statewide match credit which allows projects to be federally funded at 100 percent.
2. Five years of funding is provided in order to program funds to projects in the Federal Transportation Improvement Program.

Acronyms:

Board - Board of Directors

FTA - Federal Transit Administration

FFY - Federal fiscal year



# Capital Funding Program Report

Pending Approval by OCTA Board of Directors (Board) - August 22, 2022

| Rail Project  |        |                    |                  |                  |                |                 |     |                 |                 |                  |                 |
|---|--------|--------------------|------------------|------------------|----------------|-----------------|-----|-----------------|-----------------|------------------|-----------------|
| Project Title   | M Code | Total Funding      | Federal Funds    |                  |                | State Funds     |     |                 | Local Funds     |                  |                 |
|   |        |                    | STBG/CMAQ        | FTA              | Other Fed.     | STIP            | SB1 | Other State     | M1              | M2               | Other Local     |
| Fullerton Transportation Center parking expansion                             | M1/R   | \$33,667           |                  |                  |                | \$11,250        |     | \$11,035        | \$9,718         |                  | \$1,664         |
| OC Streetcar (New Starts)   | M1/S   | \$509,540          | \$108,132        | \$171,961        |                |                 |     | \$25,586        |                 | \$203,861        |                 |
| OC Streetcar (non-New Starts)   | M1/S   | \$8,601            |                  | \$341            |                |                 |     |                 | \$6,904         | \$1,213          | \$143           |
| Anaheim Canyon Station  | R      | \$34,200           | \$30,432         |                  |                |                 |     |                 |                 | \$2,000          | \$1,768         |
| Fullerton Transportation Center stair rehabilitation                          | R      | \$1,330            |                  | \$1,295          |                |                 |     |                 |                 |                  | \$35            |
| Future VSS  | R      | \$217              |                  | \$174            |                |                 |     |                 |                 |                  | \$43            |
| Laguna Niguel to San Juan Capistrano passing siding                           | R      | \$36,360           | \$25,056         | \$1,015          |                | \$3,000         |     | \$6,734         |                 |                  | \$555           |
| Metrolink new capital <sup>1,3</sup>  | R      | \$3,964            | \$1,151          | \$2,813          |                |                 |     |                 |                 |                  |                 |
| Metrolink rehabilitation/renovation - FY 2021-22 to FY 2025-26 <sup>1,2</sup> | R      | \$167,244          |                  | \$166,244        |                |                 |     |                 |                 |                  | \$1,000         |
| Metrolink station and track improvements, and rehabilitation                  | R      | \$3,063            |                  | \$2,617          |                |                 |     |                 |                 |                  | \$446           |
| Mile post 206.8 track stabilization project                                   | R      | \$1,010            |                  |                  | \$1,010        |                 |     |                 |                 |                  |                 |
| OC Maintenance Facility   | R      | \$198              |                  | \$198            |                |                 |     |                 |                 |                  |                 |
| OC Streetcar Operations   | R      | \$19,500           | \$19,500         |                  |                |                 |     |                 |                 |                  |                 |
| Orange Olive Wye connection   | R      | \$16,000           |                  |                  |                | \$16,000        |     |                 |                 |                  |                 |
| Placentia Commuter Rail Station   | R      | \$34,825           | \$50             |                  |                | \$2,500         |     | \$400           |                 | \$8,000          | \$23,875        |
| Preventive Maintenance (SCRRA - Metrolink) <sup>1,2</sup>                     | R      | \$72,172           |                  | \$72,172         |                |                 |     |                 |                 |                  |                 |
| San Juan Creek Bridge replacement   | R      | \$43,092           | \$908            | \$39,833         | \$913          |                 |     | \$59            |                 | \$1,379          |                 |
| SCRRA operating subsidy assistance <sup>3</sup>                               | R      | \$2,510            | \$2,510          |                  |                |                 |     |                 |                 |                  |                 |
| Slope and Culvert improvements  | R      | \$300              |                  | \$300            |                |                 |     |                 |                 |                  |                 |
| Slope stabilization Laguna Niguel-Lake Forest                                 | R      | \$5,168            |                  | \$4,834          |                |                 |     |                 |                 | \$334            |                 |
| State College grade separation (LOSSAN)                                       | R      | \$79,284           |                  |                  |                |                 |     | \$46,000        |                 | \$33,284         |                 |
| Tactile Tile Project  | R      | \$1,304            |                  | \$1,273          |                |                 |     |                 |                 | \$31             |                 |
| Ticket vending machines   | R      | \$6,857            |                  |                  |                |                 |     |                 |                 |                  | \$6,857         |
| VSS at commuter rail stations   | R      | \$4,409            |                  | \$3,594          |                |                 |     | \$56            |                 |                  | \$759           |
| M2 Project S Transit extensions to Metrolink (Rubber Tire)                    | S      | \$733              |                  |                  |                |                 |     |                 |                 | \$733            |                 |
| <b>Rail Project Totals</b>  |        | <b>\$1,085,548</b> | <b>\$187,739</b> | <b>\$468,664</b> | <b>\$1,923</b> | <b>\$32,750</b> |     | <b>\$89,870</b> | <b>\$16,622</b> | <b>\$250,835</b> | <b>\$37,145</b> |
| <b>Federal Funding Total</b>  |        | <b>\$658,326</b>   |                  |                  |                |                 |     |                 |                 |                  |                 |
| <b>State Funding Total</b>  |        | <b>\$122,620</b>   |                  |                  |                |                 |     |                 |                 |                  |                 |
| <b>Local Funding Total</b>  |        | <b>\$304,602</b>   |                  |                  |                |                 |     |                 |                 |                  |                 |
| <b>Total Funding (000's)</b>  |        | <b>\$1,085,548</b> |                  |                  |                |                 |     |                 |                 |                  |                 |

| Rail Project Completed   |        |               |               |       |            |             |     |             |             |          |             |
|--|--------|---------------|---------------|-------|------------|-------------|-----|-------------|-------------|----------|-------------|
| Project Title  | M Code | Total Funding | Federal Funds |       |            | State Funds |     |             | Local Funds |          |             |
|  |        |               | STBG/CMAQ     | FTA   | Other Fed. | STIP        | SB1 | Other State | M1          | M2       | Other Local |
| Laguna Niguel-Mission Viejo Station parking improvements and expansion (ADA ramps) | M1/R   | \$5,177       | \$2,800       | \$732 |            |             |     |             | \$1,645     |          |             |
| Metrolink Grade Crossing safety improvements (OCX)                                 | M1/R   | \$80,618      |               |       |            |             |     | \$18,250    | \$7,600     | \$30,710 | \$24,058    |



# Capital Funding Program Report

Pending Approval by OCTA Board of Directors (Board) - August 22, 2022

| Rail Project Completed  |        |                  |                 |                 |                |                 |     |                  |                  |                 |                 |
|---|--------|------------------|-----------------|-----------------|----------------|-----------------|-----|------------------|------------------|-----------------|-----------------|
| Project Title   | M Code | Total Funding    | Federal Funds   |                 |                | State Funds     |     |                  | Local Funds      |                 |                 |
|   |        |                  | STBG/CMAQ       | FTA             | Other Fed.     | STIP            | SB1 | Other State      | M1               | M2              | Other Local     |
| Metrolink rolling stock   | M1/R   | \$158,009        | \$42,230        | \$35,390        |                |                 |     | \$36,300         | \$44,089         |                 |                 |
| Metrolink service track expansion   | M1/R   | \$119,957        |                 |                 |                |                 |     | \$51,399         | \$68,558         |                 |                 |
| Orange Transportation Center parking structure                            | M1/R   | \$31,003         | \$2,555         | \$2,644         |                | \$13,762        |     |                  | \$1,850          | \$420           | \$9,772         |
| Sand Canyon Avenue grade separation                                       | M1/R   | \$62,050         | \$10,536        |                 |                |                 |     | \$28,192         | \$3,116          | \$5,352         | \$14,854        |
| M2 Project S Fixed-Guideway Anaheim Rapid connection                      | M1/S   | \$9,924          |                 | \$1,516         |                |                 |     |                  | \$6,000          | \$1,286         | \$1,122         |
| Anaheim Regional Intermodal Transportation Center (ARTIC) construction    | M1/T   | \$184,164        | \$33,250        | \$37,253        | \$3,501        | \$29,219        |     |                  | \$43,900         | \$35,291        | \$1,750         |
| Fullerton Transportation Station expansion planning, environmental PSR    | M1/T   | \$0              | \$0             |                 |                |                 |     |                  | \$0              |                 |                 |
| Santa Ana grade separation planning and environmental PSR                 | M1/T   | \$1,333          | \$1,180         |                 |                |                 |     |                  | \$153            |                 |                 |
| Santa Ana Transportation Station planning and environmental PSR           | M1/T   | \$1,003          | \$888           |                 |                |                 |     |                  | \$115            |                 |                 |
| 17th Street grade separation environmental                                | R      | \$2,476          |                 |                 |                |                 |     |                  |                  | \$2,476         |                 |
| Control Point at 4th Street   | R      | \$2,985          |                 | \$2,985         |                |                 |     |                  |                  |                 |                 |
| Control Point Stadium crossover   | R      | \$6,490          |                 | \$3,245         |                |                 |     | \$3,245          |                  |                 |                 |
| LOSSAN Corridor grade separations PSR in Anaheim, Orange, and Santa Ana   | R      | \$2,699          |                 |                 |                |                 |     |                  |                  | \$2,699         |                 |
| Metrolink grade crossing safety improvements ROW                          | R      | \$3,025          |                 |                 |                |                 |     |                  |                  | \$3,025         |                 |
| North Beach crossings safety enhancements                                 | R      | \$348            |                 |                 |                |                 |     | \$166            |                  | \$182           |                 |
| Positive Train Control (Metrolink)  | R      | \$39,916         |                 | \$4,492         | \$1,234        |                 |     | \$34,190         |                  |                 |                 |
| Rail Crossing signal lights and pedestrian gates                          | R      | \$252            |                 |                 |                |                 |     | \$252            |                  |                 |                 |
| Rail station platform safety improvements (Fullerton, Irvine, and Tustin) | R      | \$553            |                 |                 |                |                 |     | \$553            |                  |                 |                 |
| Safety repairs for San Clemente Pier Station                              | R      | \$122            |                 |                 |                |                 |     | \$122            |                  |                 |                 |
| San Clemente Beach Trail crossings safety enhancements                    | R      | \$4,999          |                 |                 |                |                 |     | \$2,170          |                  | \$2,251         | \$578           |
| Transit Rail Security (monitors, fencing, video surveillance)             | R      | \$163            |                 |                 |                |                 |     | \$163            |                  |                 |                 |
| Go Local  | S      | \$7,730          |                 |                 |                |                 |     |                  | \$7,730          |                 |                 |
| ARTIC environmental, ROW, program management support, site plan           | M1     | \$41,369         |                 |                 |                |                 |     |                  | \$8,869          |                 | \$32,500        |
| Fiber Optics installation (Metrolink)                                     | M1     | \$23,183         |                 | \$10,903        |                |                 |     | \$10,479         | \$1,801          |                 |                 |
| Laguna Niguel-Mission Viejo Station parking expansion (south lot)         | M1     | \$4,135          |                 |                 |                |                 |     | \$695            | \$3,440          |                 |                 |
| Tustin Rail Station parking expansion                                     | M1     | \$15,390         |                 |                 |                | \$1,100         |     | \$7,181          | \$7,109          |                 |                 |
| <b>Rail Project Completed Totals</b>                                      |        | <b>\$809,073</b> | <b>\$93,439</b> | <b>\$99,160</b> | <b>\$4,735</b> | <b>\$44,081</b> |     | <b>\$193,357</b> | <b>\$205,975</b> | <b>\$83,692</b> | <b>\$84,634</b> |
| <b>Federal Funding Total</b>  |        | <b>\$197,334</b> |                 |                 |                |                 |     |                  |                  |                 |                 |
| <b>State Funding Total</b>  |        | <b>\$237,438</b> |                 |                 |                |                 |     |                  |                  |                 |                 |
| <b>Local Funding Total</b>  |        | <b>\$374,301</b> |                 |                 |                |                 |     |                  |                  |                 |                 |
| <b>Total Funding (000's)</b>  |        | <b>\$809,073</b> |                 |                 |                |                 |     |                  |                  |                 |                 |



# Capital Funding Program Report

## Pending Approval by OCTA Board of Directors (Board) - August 22, 2022

### Board Actions:

1. Approve the federal fiscal year 2022 program of projects for Federal Transit Administration Section 5307 Urbanized Area Formula, Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities, Section 5337 State of Good Repair, and Section 5339 Bus and Bus Facilities programs including other federal and local funds, and the use of match credit for projects included in this report.
2. Approve the five-year programming plans for Federal Transit Administration Sections 5307, 5310, 5337, and 5339.
3. Approve the use of \$3.661 million in federal Congestion Mitigation and Air Quality Improvement Program funds for the following projects:
  - Southern California Regional Rail Authority Operating Subsidy Suballocation for Reinstatement (\$2.510 million), and
  - Southern California Regional Rail Authority New Capital for Replacement Locomotives (\$1.151 million).

### Acronyms:

ADA - Americans with Disabilities Act  
CMAQ - Congestion Mitigation Air Quality Improvement Program  
FTA - Federal Transit Administration  
FY - Fiscal Year  
LOSSAN - Los Angeles-San Diego-San Luis Obispo Rail Corridor  
M Code - Project Codes in Measure M1 and M2  
M1 - Measure M1  
M2 - Measure M2  
OC - Orange County  
OCTA - Orange County Transportation Authority  
OCX - Rail-Highway Grade Crossing/Safety Enhancement Project  
PSR - Project Study Report  
ROW - Right-of-Way  
SB 1 - Senate Bill 1 (Chapter 5, Statutes of 2017)  
SCRRA - Southern California Regional Rail Authority  
STBG - Surface Transportation Block Grant  
STIP - State Transportation Improvement Program  
VSS - Video Surveillance System



# Capital Funding Program Report

Pending Approval by OCTA Board of Directors (Board) - August 22, 2022

| Bus Transit Project   |        |               |               |           |            |             |          |             |             |          |             |
|---|--------|---------------|---------------|-----------|------------|-------------|----------|-------------|-------------|----------|-------------|
| Project Title   | M Code | Total Funding | Federal Funds |           |            | State Funds |          |             | Local Funds |          |             |
|   |        |               | STBG/CMAQ     | FTA       | Other Fed. | STIP        | SB1      | Other State | M1          | M2       | Other Local |
| Go Local - Step 1   | S      | \$5,730       |               |           |            |             |          |             | \$5,730     |          |             |
| Mobile ticketing equipment  | S      | \$4,036       |               |           |            |             |          | \$4,036     |             |          |             |
| M2 Project V Community Circulators  | V      | \$53,767      |               |           |            |             |          |             |             | \$53,767 |             |
| M2 Project W Safe Transit Stops (City)  | W      | \$1,708       |               |           |            |             |          |             |             | \$1,708  |             |
| M2 Project W Safe Transit Stops (OCTA)  | W      | \$370         |               |           |            |             |          |             |             | \$370    |             |
| ACCESS and fixed-route radio systems upgrade  |        | \$22,465      |               | \$4,434   | \$341      |             |          | \$16,239    |             |          | \$1,451     |
| Anaheim Transportation Network suballocation <sup>3,4</sup>   |        | \$5,715       |               | \$5,715   |            |             |          |             |             |          |             |
| Associated Transportation Improvements  |        | \$556         |               | \$556     |            |             |          |             |             |          |             |
| Bravo! 529 buses (six)  |        | \$3,595       | \$549         |           |            |             |          | \$3,046     |             |          |             |
| Bus engine repowers (173)   |        | \$12,526      | \$12,526      |           |            |             |          |             |             |          |             |
| Bus replacement - articulated alternative fuel buses (60')  |        | \$31,105      | \$22,250      | \$8,855   |            |             |          |             |             |          |             |
| Bus replacement (40' and ACCESS)  |        | \$149,009     | \$29,198      | \$68,139  |            |             |          |             |             |          | \$51,672    |
| Capital cost of contracting FY 2021-22 to FY 2025-26 (ACCESS and contracted fixed-route contracts) <sup>3,4</sup> |        | \$270,608     |               | \$173,156 |            |             |          |             |             |          | \$97,452    |
| Digital bus stop sign 13" along high quality transit corridors (143 sign)   |        | \$2,500       |               |           |            | \$2,500     |          |             |             |          |             |
| Engine rebuild  |        | \$16,294      |               | \$14,824  |            |             |          | \$1,470     |             |          |             |
| Engine repower/rebuild contract <sup>1,2</sup>  |        | \$4,071       |               |           |            |             | \$4,071  |             |             |          |             |
| Facility modifications, upgrades, and replacement projects  |        | \$5,347       |               |           |            |             | \$5,347  |             |             |          |             |
| FTA Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities                                   |        | \$3,657       |               | \$3,657   |            |             |          |             |             |          |             |
| FTA Section 5316 Jobs Access and Reverse Commute  |        | \$13,962      |               | \$13,962  |            |             |          |             |             |          |             |
| Goldenwest Transportation Center parking structure  |        | \$4,000       | \$3,400       |           |            |             |          |             |             |          | \$600       |
| Goldenwest Transportation Center surface lot  |        | \$2,000       |               |           |            |             |          | \$1,200     |             |          | \$800       |
| Harbor Boulevard High-Capacity Transit Expansion Environmental  |        | \$14,000      | \$14,000      |           |            |             |          |             |             |          |             |
| Heating ventilation replacement at Santa Ana bus base <sup>1</sup>  |        | \$1,150       |               |           |            |             | \$1,150  |             |             |          |             |
| iShuttle replacement buses (12)   |        | \$6,803       |               |           |            |             | \$6,123  |             |             |          | \$680       |
| MSRC County Transportation Commission Partnership Program   |        | \$2,319       |               |           |            | \$176       |          |             |             |          | \$2,143     |
| Non-fixed-route paratransit operations assistance - FY 2021-22 to FY 2025-26 <sup>3,4</sup>                       |        | \$276,335     |               | \$113,113 |            |             |          |             |             |          | \$163,222   |
| OC Mobility Hubs Strategy   |        | \$300         | \$266         |           |            | \$34        |          |             |             |          |             |
| Preventive maintenance - including salaries and benefits (includes ATN & Laguna Beach) <sup>3,4</sup>             |        | \$260,727     |               | \$260,727 |            |             |          |             |             |          |             |
| Purchase 117 replacement paratransit vehicles   |        | \$14,995      |               | \$14,995  |            |             |          |             |             |          |             |
| Purchase 131 replacement paratransit vehicles <sup>3,4</sup>  |        | \$18,225      |               | \$18,225  |            |             |          |             |             |          |             |
| Purchase 201 40-foot alternative fuel replacement buses (OCTA)  |        | \$229,384     | \$134,670     | \$47,696  |            |             |          |             |             |          | \$47,018    |
| Rehabilitation and renovation at OCTA bus facilities  |        | \$1,509       |               | \$1,207   |            |             |          |             |             |          | \$302       |
| Rideshare/vanpool   |        | \$11,232      | \$11,232      |           |            |             |          |             |             |          |             |
| Standby backup generators at Anaheim and IRCC bases   |        | \$1,374       |               |           |            |             | \$1,374  |             |             |          |             |
| Transit Security and Operations Center <sup>1</sup>   |        | \$56,436      |               |           | \$3,660    | \$10,382    | \$32,002 | \$5,603     |             |          | \$4,789     |
| Transit Security Program  |        | \$3,167       |               |           |            |             |          | \$3,167     |             |          |             |



# Capital Funding Program Report

Pending Approval by OCTA Board of Directors (Board) - August 22, 2022

| Bus Transit Project  |        |                    |                  |                  |                |                 |                 |                 |                |                 |                  |
|--|--------|--------------------|------------------|------------------|----------------|-----------------|-----------------|-----------------|----------------|-----------------|------------------|
| Project Title  | M Code | Total Funding      | Federal Funds    |                  |                | State Funds     |                 |                 | Local Funds    |                 |                  |
|  |        |                    | STBG/CMAQ        | FTA              | Other Fed.     | STIP            | SB1             | Other State     | M1             | M2              | Other Local      |
| Vanpool Program - capital lease  |        | \$12,838           | \$12,838         |                  |                |                 |                 |                 |                |                 |                  |
| VSS upgrades at OCTA facilities  |        | \$1,159            |                  | \$960            |                |                 |                 | \$199           |                |                 |                  |
| Zero-emission Bravo! buses (ten-battery electric) and bus infrastructure |        | \$14,004           |                  |                  |                |                 | \$6,466         | \$7,538         |                |                 |                  |
| <b>Bus Transit Project Totals</b>  |        | <b>\$1,538,978</b> | <b>\$240,929</b> | <b>\$750,221</b> | <b>\$4,001</b> | <b>\$13,092</b> | <b>\$56,533</b> | <b>\$42,498</b> | <b>\$5,730</b> | <b>\$55,845</b> | <b>\$370,129</b> |
| <b>Federal Funding Total</b>   |        | <b>\$995,151</b>   |                  |                  |                |                 |                 |                 |                |                 |                  |
| <b>State Funding Total</b>   |        | <b>\$112,123</b>   |                  |                  |                |                 |                 |                 |                |                 |                  |
| <b>Local Funding Total</b>   |        | <b>\$431,704</b>   |                  |                  |                |                 |                 |                 |                |                 |                  |
| <b>Total Funding (000's)</b>   |        | <b>\$1,538,978</b> |                  |                  |                |                 |                 |                 |                |                 |                  |

| Bus Transit Project Completed                |        |                 |               |                |            |             |                |                |             |    |             |
|--|--------|-----------------|---------------|----------------|------------|-------------|----------------|----------------|-------------|----|-------------|
| Project Title                                | M Code | Total Funding   | Federal Funds |                |            | State Funds |                |                | Local Funds |    |             |
|  |        |                 | STBG/CMAQ     | FTA            | Other Fed. | STIP        | SB1            | Other State    | M1          | M2 | Other Local |
| FTA Section 5317 New Freedom                 |        | \$6,388         |               | \$6,388        |            |             |                |                |             |    |             |
| Heating ventilation unit replacements        |        | \$405           |               | \$313          |            |             | \$92           |                |             |    |             |
| Zero-emission hydrogen fuel cell buses (ten) |        | \$12,978        |               |                |            |             | \$5,640        | \$7,338        |             |    |             |
| <b>Bus Transit Project Completed Totals</b>  |        | <b>\$19,771</b> |               | <b>\$6,701</b> |            |             | <b>\$5,732</b> | <b>\$7,338</b> |             |    |             |
| <b>Federal Funding Total</b>                 |        | <b>\$6,701</b>  |               |                |            |             |                |                |             |    |             |
| <b>State Funding Total</b>                   |        | <b>\$13,070</b> |               |                |            |             |                |                |             |    |             |
| <b>Local Funding Total</b>                   |        | <b>\$0</b>      |               |                |            |             |                |                |             |    |             |
| <b>Total Funding (000's)</b>                 |        | <b>\$19,771</b> |               |                |            |             |                |                |             |    |             |



# Capital Funding Program Report

**Pending Approval by OCTA Board of Directors (Board) - August 22, 2022**

## Board Actions:

1. Approve Resolution No. 2022-053 authorizing the use of fiscal year 2022-23 SB 1 State of Good Repair Program funding, which is estimated to provide approximately \$6.585 million, for the following projects:
  - Transit Security and Operations Center (\$3.924 million),
  - Engine repower/rebuild contract (\$1.511 million), and
  - Heating-ventilation unit replacement at the Santa Ana Bus Base (\$1.150 million)
2. Authorize the use of fiscal year 2019-20 SB 1 State of Good Repair Program funding of \$2.560 million for the engine repower/rebuild contract
3. Approve the federal fiscal year 2022 Federal Transit Administration Section 5307 Urbanized Area Formula, Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities, Section 5337 State of Good Repair, and Section 5339 Bus and Bus Facilities Program of Projects, including federal and local funds, and the use of match credit for projects included in this report.
4. Approve the five-year programming plans for Federal Transit Administration Sections 5307, 5310, 5337, and 5339.

## Acronyms:

ATN - Anaheim Transportation Network  
CMAQ - Congestion Mitigation Air Quality Improvement Program  
FTA - Federal Transit Administration  
FY - Fiscal Year  
IRCC - Irvine Construction Circle  
M Code - Project Codes in Measure M1 and M2  
M1 - Measure M1  
M2 - Measure M2  
MSRC - Mobile Source Air Pollution Reduction Review Committee  
OCTA - Orange County Transportation Authority  
SB 1 - Senate Bill 1 (Chapter 5, Statutes of 2017)  
STBG - Surface Transportation Block Grant  
STIP - State Transportation Improvement Program  
VSS - Video Surveillance System





## COMMITTEE TRANSMITTAL

**August 22, 2022**

**To:** Members of the Board of Directors

**From:** Andrea West, Interim Clerk of the Board *Andrea West*

**Subject:** Agreement for Intelligent Transportation Management System  
Radio Computing Infrastructure and Software Update

### Transit Committee Meeting of August 11, 2022

**Present:** Directors Do, Harper, Jones, Jung, and Nguyen  
**Absent:** Director Sarmiento

### **Committee Vote**

This item was passed by the Members present.

### **Committee Recommendations**

- A. Authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C-2-2261 between the Orange County Transportation Authority and L3Harris Technologies, Inc., in the amount of \$2,270,723, to update the Intelligent Transportation Management System Software radio computing infrastructure and software.
- B. Amend the Orange County Transportation Authority's Fiscal Year 2022-23 Budget, in the amount of \$2,270,723, to accommodate expenses related to sole source Agreement No. C-2-2261 to update the Intelligent Transportation Management System radio computing infrastructure and software.



**August 11, 2022**

**To:** Transit Committee

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

**Subject:** Agreement for Intelligent Transportation Management System  
Radio Computing Infrastructure and Software Update

**Overview**

The Orange County Transportation Authority operates an L3Harris OpenSky II data and voice land mobile radio system to provide voice communications, vehicle position, and diagnostic data from and to our fixed-route, paratransit, field supervisor, maintenance and Transit Police Service vehicles. The Orange County Transportation Authority's land mobile radio computing and network infrastructure is over ten years old and in need of an update as it has reached the end of its useful life. Board of Directors' approval is requested to refresh the radio computing and network infrastructure.

**Recommendations**

- A. Authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C-2-2261 between the Orange County Transportation Authority and L3Harris Technologies, Inc., in the amount of \$2,270,723, to update the Intelligent Transportation Management System radio computing infrastructure and software.
- B. Amend the Orange County Transportation Authority's Fiscal Year 2022-23 Budget, in the amount of \$2,270,723, to accommodate expenses related to sole source Agreement No. C-2-2261 to update the Intelligent Transportation Management System radio computing infrastructure and software.

**Discussion**

The Orange County Transportation Authority (OCTA) last updated the Intelligent Transportation Management System (ITMS) radio computing infrastructure in fiscal year (FY) 2011-12. The radio computing infrastructure employed at the Garden Grove base, Construction Circle base, and seven radio site locations

has reached its end of life and is no longer receiving manufacturer and security updates for the networking routers, switches, servers, and operating systems. This hardware and software infrastructure needs to be updated to current technology and cyber security standards to protect normal operations from potential cyber attacks.

Three years ago, the OCTA Board of Directors (Board) approved an update of the ITMS computer-aided dispatch/automated vehicle location (CAD/AVL) infrastructure, which is separate and distinct from the land mobile radio portion of the ITMS system. The Board also approved a separate Voice Over Internet Protocol (VOIP) pilot program for 12 fixed-route vehicles to test the VOIP solution.

The ITMS CAD/AVL dispatching update added the cellular VOIP communications feature to the ITMS system for fixed-route and paratransit vehicles only. OCTA then completed the VOIP pilot for fixed-route vehicles successfully. The pilot demonstrated that cellular voice communications is significantly clearer and easier for dispatch and driver to understand communications than the land mobile radio system. Based on the result of the pilot, OCTA is gradually transitioning all fixed-route vehicles from land mobile radio to cellular VOIP solutions. This will lead to improvements in safety and operations due to clearer communications as VOIP is implemented across the fleets.

This radio computing infrastructure and software update adds significant cellular VOIP capabilities to OCTA's dispatch centers to support our field supervisors, maintenance, managers and Transit Police Services with cellular VOIP technologies. This radio refresh update also provides new interoperability gateways to support interoperability with other law enforcement and fire agencies such as the County of Orange 800MHz Cordinated Communications System. This system also provides current network, switching, and operating systems updates that will provide updates from manufacturers for potential and future cyber security threats.

The radio computing infrastructure and software update is intended to position OCTA to take full advantage of cellular VOIP technologies and discontinue land mobile radio operations over time with minimal impact to operations.

### ***Procurement Approach***

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

## **Agreement for Intelligent Transportation Management System   Page 3 Radio Computing Infrastructure and Software Update**

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L3Harris Technologies, Inc. (L3Harris) is the exclusive owner of all proprietary rights for OCTA's ITMS and the sole-entity able to market and sell the system. Therefore, L3Harris is the sole source contractor who can perform the services required to ensure successful completion of this project, which meets OCTA's criteria for a sole source procurement. Based on their technical ability and financial status, L3Harris is deemed responsible.

L3Harris' proposal was reviewed by staff from the Contracts Administration and Materials Management and Information Systems departments to ensure compliance with 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 (Internal Audit) to conduct a price review of L3Harris' proposed pricing. As is common with these types of vendors, L3Harris did not provide a detailed cost breakdown in order to perform a price review. Therefore, Internal Audit compared pricing proposed for standard products to L3Harris' equipment pricing for the New York Office of General Services. Based on the review, L3Harris proposed comparable pricing. Furthermore, the quoted price is lower than the OCTA project manager's independent cost estimate. Therefore, the quoted price is deemed fair and reasonable.

### **Fiscal Impact**

This project was anticipated to begin in late FY 2021-22, but has moved to FY 2022-23. As a result, an amendment is needed to accommodate the request in the FY 2022-23 budget. An amendment is needed to OCTA's FY 2022-23 Budget, Finance and Administration, Information Systems Department, Account Nos. 1288-9028-D1111-17Z and 1288-7612-D1111-189, in the amount of \$1,678,426 and \$592,297, respectively. The project will be funded through Local Transportation Funds.

### **Summary**

Staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C-2-2261 between the Orange County Transportation Authority and L3Harris Technologies, Inc., in the amount of \$2,270,723, to update the Intelligent Transportation Management System radio computing infrastructure and software.

***Attachment***

None.

**Prepared by:**



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Michael Beerer  
Senior Section Manager, Information  
Systems  
714-560-5352

**Approved by:**



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



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

# Agreement for Intelligent Transportation Management System Radio Computing Infrastructure and Software Update

# ITMS\* Radio Refresh Overview

- **OCTA\*\* operates a land mobile radio system provided by L3 Harris called OpenSky II**
  - Provides voice and data communications to:
    - Fixed-route vehicles
    - Paratransit vehicles
    - Field Supervisors, Maintenance, and Transit Police Services
  - Last updated in 2012
  - Key elements are end of life

\*ITMS – Intelligent Transportation Management System

\*\*OCTA – Orange County Transportation Authority

# ITMS Radio Refresh Highlights

- Update computing and network infrastructure to comply with current technology and cyber security standards
- Extend Voice Over Internet Protocol (VOIP) technology already incorporated in ITMS (CAD/AVL\*) infrastructure
- Enhance and improve interoperability gateways for police and fire with VOIP technology
- VOIP expands coverage of vehicles, field supervisors, maintenance, transit police, and managers
- Positions OCTA to discontinue land mobile radio operations gradually over time with minimal impact to operations
- Allows OCTA to operate both OpenSky and VOIP simultaneously

\*CAD/AVL - computer aided dispatch/automated vehicle location



# Staff Recommendations

- Authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C-2-2261 between the Orange County Transportation Authority and L3Harris Technologies, Inc., in the amount of \$2,270,723, to update the ITMS radio computing infrastructure and software
- Amend the OCTA Fiscal Year 2022-23 Budget, in the amount of \$2,270,723, to accommodate expenses related to sole source Agreement No. C-2-2261 to update the ITMS radio computing infrastructure and software



## COMMITTEE TRANSMITTAL

**August 22, 2022**

**To:** Members of the Board of Directors

**From:** Andrea West, Interim Clerk of the Board *Andrea West*

**Subject:** Adopt Resolution Approving Updated Real Property Policies and Procedures Manual

### Finance and Administration Committee Meeting of August 10, 2022

**Present:** Directors Goodell, Harper, Hennessey, Hernandez, Jones, Muller, and Sarmiento

**Absent:** None

### **Committee Vote**

Following a discussion, this item was passed by the Members present.

### **Committee Recommendation**

Adopt Resolution No. 2022-052 approving the Real Property Policies and Procedures Manual, dated August 2022, to replace the current Real Property Policies and Procedures Manual of April 2018.



**August 10, 2022**

**To:** Finance and Administration Committee

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

**Subject:** Adopt Resolution Approving Updated Real Property Policies and Procedures Manual

### **Overview**

The Orange County Transportation Authority is currently acquiring and managing numerous properties required for the construction and delivery of capital improvement projects. As part of the acquisition and management process, the Orange County Transportation Authority must, by general resolution, authorize certain policies and procedures to implement this process in compliance with federal and state laws. The current Real Property Policies and Procedures Manual of April 2018 was approved by the Board of Directors on May 14, 2018. Staff is requesting updates to the Real Property Policies and Procedures Manual which requires Board of Directors' approval.

### **Recommendation**

Adopt Resolution No. 2022-052 approving the Real Property Policies and Procedures Manual, dated August 2022, to replace the current Real Property Policies and Procedures Manual of April 2018.

### **Background**

In the course of developing and delivering transportation projects, the acquisition of public and private properties may be required to implement the project. Although extensive efforts are made during the design process to minimize impacts to property owners, some projects require the acquisition of public and private properties. Orange County Transportation Authority (OCTA) staff follows the current Real Property Policies and Procedures Manual of April 2018 (Current Policies Manual) to properly handle the acquisition and management of property, which was approved by the Board of Directors (Board) on May 14, 2018. The approved Current Policies Manual is intended to describe the internal steps that OCTA takes to ensure compliance with federal and state laws.

***Discussion***

Staff is seeking approval to implement the updated Real Property Policies and Procedures Manual, dated August 2022 (2022 Policies Manual), to describe steps OCTA will take to ensure federal and state laws and regulations are followed (Attachment A). The 2022 Policies Manual states OCTA will comply with the requirements of all federal and state laws, statutes and regulations, particularly, 49 Code of Federal Regulations (CFR) part 24, Uniform Relocation Assistance and Real Property Acquisition Act of 1970, as amended (Uniform Act); Title 25, CFR Chapter 6, Article 1, Section 6000 et seq., Relocation Assistance and Real Property Acquisition Guidelines; California Code of Civil Procedure; California Government Code Section 7260-7277; and Uniform Standards of Professional Appraisal Practice. Provided there are future changes to federal and state laws described above, the 2022 Policies Manual will automatically adopt the legislative changes and obligate OCTA to comply. Provided there is a significant change in legislation, staff will recommend another update to the 2022 Policies Manual. For example, staff is recommending changes regarding the Surplus Land Act (SLA) discussed further below.

When implementing all right-of-way (ROW) and property management activities, the 2022 Policies Manual describes how OCTA shall adhere to the California Department of Transportation (Caltrans) ROW Manual, if applicable. There are certain internal procedures described in the Caltrans ROW Manual which are not applicable to OCTA's internal administrative processes. The 2022 Policies Manual describes how OCTA staff will implement internal OCTA procedures not covered within the Caltrans ROW Manual, which include certain appraisal, acquisition, and relocation assistance procedures, appeal procedures, utility relocation procedures, project development procedures, the adoption of resolutions of necessity procedures, settlement authorizations, contract execution authorizations, use of consultant services, as well as internal administrative processes. OCTA staff recommends the Board adopt, by Resolution No. 2022-052, the approval of the 2022 Policies Manual (Attachment B). The adopted resolution will provide documentation to title insurance companies that validates the Chief Executive Officer (CEO), or designee, the authority to execute ROW and real estate-related documents on behalf of OCTA, such as conveyance deeds.

Two significant changes from the Current Policies Manual are updates to the CEO's settlement delegation authority and the introduction of the Incentive Payment Program (IPP) for property acquisitions. These two policies were previously approved for use by the Board and were implemented successfully on the Interstate 405, State Route 55, and State Route 91 improvement projects.

Staff recommends implementing modifications to the existing Board-approved settlement delegation authority thresholds for the CEO. The modifications will expedite the acquisition of property to help maintain project delivery schedules. The requested modifications would be related to ROW acquisition, negotiation, and eminent domain only. The proposed modifications authorize the CEO to approve a settlement when the difference between the approved appraisal and the proposed settlement is no more than 50 percent over the approved appraisal, and no more than \$500,000. This is an increase in the settlement authority of \$250,000 from the existing policy. The CEO will also be authorized to approve a settlement when the difference between the approved appraisal and the proposed settlement is more than 50 percent over the approved appraisal, but not more than \$100,000. This is an increase in the settlement authority of \$75,000 from the existing policy. This \$100,000 threshold is intended to resolve issues for smaller-valued parcels. A comparison of the existing settlement delegation authority to the proposed project-related settlement delegation authority is shown in Attachment C. The modifications to the settlement authority are intended to allow staff to react more quickly to reach a resolution of issues with property owners and reduce administrative and legal costs of lengthy negotiations. All proposed settlements will still require legal review and written justification that the proposed settlement is fair and reasonable.

Staff proposes to introduce the OCTA Acquisition – Incentive Payment Program (Attachment D), which encourages the expeditious acquisition of needed real property and is consistent with the intent of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act). The Federal Highway Administration (FHWA), Office of Real Estate Services, has determined that the FHWA may participate in ROW acquisition incentive payments made under the FHWA-approved plan or program. Acquisition incentive payments are payments that are over and above the just compensation offer provided by the Uniform Act.

The IPP will provide an incentive to all property owners that execute an agreement within 60 days of the first written offer. The IPP incentive will allow payment of a lump sum of 20 percent above the appraised value, with a minimum payment of \$1,000, and a maximum payment of \$100,000 for each acquisition. The IPP is intended to help maintain project delivery schedules, reduce the possibility of impasses in negotiations with property owners, and reduce project legal and administrative costs in trying to reach settlements. Considering fluctuating cost trends for real estate and construction labor and materials, as well as legal expense and project delay cost risks associated with eminent domain, it is in the interest of the public and OCTA to use all available methods to deliver transportation projects quickly with as little reliance on eminent domain as possible. OCTA intends to implement the IPP on all OCTA acquisitions. OCTA's policy complies with the terms of the Caltrans incentive program;

however, Caltrans is limited to a ten percent incentive payment. When implementing the IPP on the State Highway System, OCTA will be required to obtain Caltrans' concurrence to provide a 20 percent incentive payment.

Another significant update to the Current Policies Manual is the addition of policies and procedures to comply with the California SLA, Government Section 54220 et seq.<sup>1</sup> It was previously determined that OCTA was not subject to the SLA; however, recent amendments make the SLA applicable to OCTA in the disposal and sale of surplus property. OCTA is now subject to various requirements in disposing of property which it owns in fee, including the SLA, which applies to the sale or lease of any property declared surplus or exempt surplus; Code of Civil Procedure section 1245.245, which applies to property that has been condemned and not used for the purpose acquired; and Caltrans ROW Manual Chapter 17.

Under the SLA, surplus land means land owned in fee simple by OCTA for which OCTA's Board takes formal action in a regular public meeting declaring that the land is surplus and is not necessary for OCTA's use (Section 54221). Any disposition of surplus land must comply with the SLA guidelines published by the California Department of Housing and Community Development (HCD). The SLA and guidelines generally require OCTA to issue notices of availability of surplus land to local public entities and housing sponsors; when applicable, participate in good faith negotiations after receiving notice of interest to purchase or lease the surplus land, provide HCD with specified information related to the potential disposition of surplus land and exempt surplus land, and record restrictions against the property, if required.

Many of OCTA's properties are purchased with state or federal funds, and thus disposition of these lands must also comply with applicable state and federal laws and regulations, including federal requirements to dispose of property at fair market value. To accomplish this, OCTA obtains property appraisals prior to disposition and utilizes the services of a commercial brokerage real estate agent to market OCTA properties and obtain competitive bids when possible. OCTA staff will work in consultation with OCTA General Counsel to dispose of surplus property pursuant to these procedures.

Minor administrative changes to the 2022 Policies Manual may be made through amendment by a recommendation from the Real Property Manager and the Executive Director of Capital Programs. Any recommended amendment must be in compliance with the requirements of all federal and state laws, statutes, and regulations, as referenced above, and must be concurred with by OCTA General

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<sup>1</sup> All section references hereinafter refer to the California Government Code unless otherwise specified.

Counsel. A recommended amendment must also be in compliance and cannot conflict with any action approved by the Board.

The replacement of the Current Policies Manual with the recommended updated 2022 Policies Manual will facilitate OCTA's ability to comply with all ROW and property management requirements under the law.


***Summary***

Staff recommends the Board of Directors adopt Resolution No. 2022-052 approving the Real Property Policies and Procedures Manual, dated August 2022, to replace the current Real Property Policies and Procedures Manual of April 2018.

***Attachments***

- A. Orange County Transportation Authority Real Property Policies and Procedures Manual, Dated August 2022
- B. [Proposed] Resolution No. 2022-052
- C. Settlement Delegation Authority Comparison
- D. Orange County Transportation Authority Improvement Acquisition – Incentive Payment Program

**Prepared by:**



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**Approved by:**



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## **Orange County Transportation Authority**

### **Real Property Policies and Procedures Manual**

August 2022





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# **Orange County Transportation Authority Real Property Policies and Procedures Manual**

## **General Policies**

*This manual and its addenda contain the regulations, requirements, and procedural directives governing the operations of the Real Property Department (Department), reporting directly to the Capital Programs Division of the Orange County Transportation Authority (OCTA). This manual will be updated and amended as needed. This manual is neither intended as, nor does it establish, a legal standard for these functions. Policies and practices established herein are for the information and guidance of the officers and employees of OCTA. This manual is not a textbook or a substitute for law, statute, regulation, knowledge, experience, or judgment.*

*The Department shall be responsible for all right-of-way (ROW) activities including property acquisitions, relocation assistance, utility relocations, property management activities, and real estate related activities on behalf of OCTA. The Department shall implement all policies and procedures to assist and advise OCTA personnel in the administration of such policies and procedural requirements. The Department shall consult with General Counsel to determine whether OCTA is in compliance with all applicable federal, state and local laws, regulations, policies, and ordinances. The Department shall be supervised and managed by a Department Manager, hereinafter the “Real Property Manager”, as defined by the OCTA Human Resources Department who shall report to the Executive Director, Capital Programs.*

*OCTA will comply with the requirements of federal and state laws, statutes and regulations, particularly, 49 Code of Federal Regulations (CFR) part 24, Uniform Relocation Assistance and Real Property Acquisition Act of 1970, as amended (Uniform Act); Title 25, California Code of Regulations Ch 6, Art 1, Section 6000 et seq., Relocation Assistance and Real Property Acquisition Guidelines; California Code of Civil Procedure; California Government Code Section 7260-7277; and Uniform Standards of Professional Appraisal Practice (USPAP). When implementing ROW and Property Management activities, OCTA shall utilize the California Department of Transportation (Caltrans) Right of Way Manual and the Caltrans Local Assistance Manual, if applicable.*

*The Real Property Manager, with the concurrence of the Executive Director, Capital Programs, shall interpret the Caltrans Right of Way Manual and the Caltrans Local Assistance Manual to determine how policies and procedures identified within the manuals are applicable to OCTA as a County Transportation Commission formed pursuant to Public Utilities Code sections 130000 et seq. and are applicable to directives as established by OCTA Board of Directors (Board).*

## **I. ROW Engineering**

*For OCTA projects, Right of Way Engineering will be the responsibility of the Project Designer of record who will report to the assigned Project Manager or Program Manager. The Department is not the responsible department for this function.*

- For Projects on the State Highway System: OCTA will seek the Project Designer's and Caltrans' concurrence of ROW requirements prior to completing the appraisal.
- For Projects off the State Highway System: OCTA will seek the Project Designer's concurrence of ROW requirements prior to completing the appraisal.

## **II. Environmental Soil Assessment, Remediation and Mitigation**

*Environmental policies address concerns involving residential, commercial, and industrial properties which may be wholly owned by OCTA or jointly held with other owners.*

- For Projects on the State Highway System: OCTA will follow the Caltrans Request for Acquisition of Contaminated Property (RACP) policies and procedures.
- If the Hazardous Material Disclosure Documents (HMDD) recommends a Phase II study with remediation and requires concurrence prior to purchase, the acquisition of the property must be approved by the Executive Director, Capital Programs.

## **III. Appraisals**

*Appraisals are used to establish a basis for determining just compensation. The Uniform Act requires that an appraisal and a reviewer's analysis be obtained on all parcels proposed for acquisition. Regulations implementing appraisal standards of the Uniform Act are found in 49 CFR Part 24. The Uniform Act applies to any federal or federally assisted programs or projects and it applies when federal funding is to be used in any phase of the programs or projects. If federal funds are going to be used in any part of the project, but not in acquiring ROW, the Uniform Act applies to the appraisals and acquisitions.*

- OCTA will secure an appraisal of all properties to be acquired, exchanged, or sold, except those that are exempt under the Uniform Act. Appraisers are instructed that the appraisal shall conform to the requirements of the Uniform Standards of Professional Appraisal Practice and the Uniform Act.
- All acquisition appraisals shall be reviewed by an independent review appraiser who will either approve, amend, or reject the appraisal.
- An independent review appraiser shall confirm their review of the appraisal in writing.
- All property owners shall be given notice of the date and time of inspection of their property by the appraiser and shall be given the opportunity to be present or have a representative present

when the appraiser inspects their property. Property owners may submit information as to the value of their property during the appraisal process, and such information shall be considered by the appraiser.

- Property owners will be permitted to review the approved real estate appraisal for their property.
- Fixtures and equipment appraisals, if applicable and available, shall be included in the appraisal report.
- A loss of business goodwill appraisal will be performed upon receipt of a loss of business goodwill claim. The loss of business goodwill appraiser shall review and consider tax returns and any other supporting financial data that is furnished by the business owner.
- The selection of independent appraisers is based on qualifications and experience for the property being appraised in accordance with criteria for appraisals contained in 49 CFR Part 24. Appraisers must be qualified to give expert testimony in support of their value estimates in the event of condemnation proceeds.
- The Federal Transit Administration (FTA), Federal Highway Administration (FHWA), and Caltrans (depending on the funding source) concurrence thresholds, appraisal, and settlement guidelines should be strictly followed.
- OCTA shall contract qualified appraisers and qualified review appraisers in accordance with OCTA's Contract Administration and Material Management (CAMP) procurement process.

#### **IV. Acquisition and Negotiations**

*OCTA is empowered by law, to purchase, lease, or condemn real or personal property. The intent and purposes of Acquisition and Negotiations Policies and Procedures are to assure uniform acquisition practices, which will provide consistent and equitable treatment of owners and tenants of real property acquired by OCTA for public purposes. In accordance with State of California law, OCTA will make an effort to interpret acquisition policies to the benefit of the property owner while understanding it cannot make interpretations that would result in the gift of public funds.*

*It is the policy of OCTA that all negotiations shall be expeditious and result in the property owner receiving just compensation. The goal is that any settlement will be just and fair to the property owner and the public. Every courtesy and consideration will be extended to the property owner in order to establish trust in OCTA, the members of its Board, and its employees.*

- All property acquisitions must be approved by the Board.
- For capital improvement projects, upon adoption of the National Environmental Policy Act and the California Environmental Quality Act (NEPA/CEQA) environmental document, OCTA staff will seek Board authority to acquire property or property interests based on the preferred design.
- All statutory offers shall comply with Section 7267.2 of the California Government Code.
- All statutory offers will include acquisition of all applicable real property interests, land and improvements, fixtures, and equipment, if applicable and available, and tenant interests, if applicable and available.

- For commercial properties, an unsegregated offer for fixtures and equipment will be made to the property owner and business owner, if applicable.
- Owners of appraised fixtures and equipment will be advised of their right to remove fixtures and equipment from a valuation list and be permitted to relocate the fixtures and equipment at the expense of the project.
- An offer for loss of business goodwill, if any, will be made upon an approved loss of business goodwill appraisal. A loss of business goodwill appraisal will be completed after the business owner files a claim for loss of business goodwill.
- Prior to making the loss of business goodwill offer, the acquisition agent shall recognize any “in-lieu” or reestablishment payments that may have been or will be made under relocation assistance in order to avoid duplication of payment.
- The Real Property Manager has the authority to approve Just Compensation based on an appraisal and the independent review appraisal.
- Prior to making the statutory offer, OCTA staff and consultants shall confirm the offer is consistent with the design needs and the appraisal.
- Property owners are entitled to obtain their own independent appraisal of the real property interests being acquired by OCTA in compliance with the California Code of Civil Procedure Section 1263.025.
- OCTA ROW consultants, under the direction of the Real Property Manager and/or General Counsel, will conduct negotiations for acquisition of property rights on behalf of OCTA.
- At any time during the acquisition process, if the property owner is represented by legal counsel, General Counsel shall be notified.
- For mobile home acquisitions, condominium complexes, or when there is a homeowners’ association ownership involved, a legal opinion as to ownership interests shall be obtained.
- When acquiring real property pertaining to real estate, a mobile home or manufactured dwelling requiring a limited power of attorney to transfer title, the Real Property Manager shall obtain an authorization memorandum from General Counsel’s office to execute documents on behalf of OCTA.

## **V. Title and Escrow Services**

*Title reports are needed for the purpose of establishing ownership, property lines, and transferring clear title to the property or property rights being acquired by OCTA. Title Reports are used in the preparation of surveys, legal descriptions, ROW contracts and utility relocation plans, and to ensure that the title and ownership of properties and property interests acquired by OCTA are free and clear of liens and encumbrances that will adversely affect the use of the property for the project.*

- OCTA will secure title insurance for acquired property interests at the discretion of the Real Property Manager.
- The purchase and sale of permanent interests in real property will be handled through an escrow with a title company at the discretion of the Real Property Manager.

- Matters where there are title issues, vesting is in question, or there is a cloud on title, will be referred to OCTA Legal Counsel.

## **VI. Settlement Delegation Authority**

*The settlement delegation authority thresholds described in this paragraph may not be increased by amendment, as described on Page 15, Paragraph XIX, Procedure Amendments. Any increase in thresholds requires approval by the Board. Staff shall provide the Board a quarterly summary of all transactions where compensation is approved utilizing the settlement delegation authority.*

*Administrative and legal settlement delegation authority thresholds (real property interests only, excludes relocation assistance):*

- The Executive Director, Capital Programs, is authorized to approve an administrative or legal settlement when the difference between the approved appraisal and the proposed settlement is no more than 20 percent over the approved appraisal and no more than \$250,000 over the approved appraisal;
- The Chief Executive Officer (CEO) is authorized to approve an administrative or legal settlement when the difference between the approved appraisal and the proposed settlement is no more than 50 percent over the approved appraisal and no more than \$500,000 over the approved appraisal;
- The CEO is also authorized to approve an administrative or legal settlement when the difference between the approved appraisal and the proposed settlement is more than 50 percent over the approved appraisal, but not more than \$100,000 over the approved appraisal;
- The Board must approve an administrative or legal settlement when the difference between the approved appraisal and the proposed settlement is more than 50 percent and more than \$500,000 over the approved appraisal and must approve all administrative or legal settlements when the proposed settlement is more than 50 percent over the approved appraisal and is more than \$100,000 over the approved appraisal.

## **VII. Incentive Payment Program**

*The OCTA Acquisition – Incentive Payment Program encourages the expeditious acquisition of needed real property and is consistent with the intent of the Uniform Act. The FHWA, Office of Real Estate Services, has determined that the FHWA may participate in ROW acquisition incentive payments made under the FHWA-approved plan or program. Acquisition incentive payments are payments that are over and above the just compensation offer provided by the Uniform Act.*

*The Incentive Payment Program shall be implemented in accordance with the Caltrans Right of Way Manual.*

- The Incentive Payment Program shall be offered for permanent and temporary acquisitions.
- The payment will be based on a lump sum payment of 20 percent of the appraised value.
- The minimum payment is \$1,000 and the maximum payment is \$100,000.
- OCTA must receive written approval from Caltrans and FHWA prior to implementing the incentive payment program on the State Highway System where the incentive payment will be 20 percent above the appraised value.

## **VIII. Administrative and Legal Settlements**

*Administrative settlements are made for the purpose of concluding negotiations for amounts considered reasonable, prudent, and in the public interest, after reasonable efforts to negotiate agreements at the approved offers have failed. When federal or state funds pay for or participate in acquisition costs, a written justification shall be prepared which indicates that available information (e.g., appraisals, recent court awards, estimated trial costs or valuation problems) support such a settlement. (See 49 CFR 24.102(i)).*

- All administrative settlements must be accompanied by a written recommendation prepared by a Senior Real Property Agent, recommending the administrative settlement to the Real Property Manager, who with concurrence by General Counsel will determine if the settlement is fair and reasonable. The Real Property Manager shall recommend and seek approval for all administrative settlements from the authorized level of approval.
- All legal settlements shall be accompanied by a written justification prepared by General Counsel.

## **IX. Eminent Domain and Resolutions of Necessity (RON)**

*If negotiations have not reached an agreement with the owner or owners of any property interest required for a project, in an effort to maintain the approved project schedule, eminent domain proceedings may be recommended by the Real Property Manager to the Executive Director, Capital Programs to proceed with a recommendation to the Board to adopt a Resolution of Necessity (RON). Upon approval of the CEO to proceed with the recommendation, the Real Property Manager and the Executive Director, Capital Programs will coordinate with General Counsel to seek the adoption of the RON.*

- For projects on the State Highway System: Consideration of whether to adopt and, if appropriate, the adoption of the RON shall be approved by the Board, pursuant to a cooperative agreement with Caltrans.
- For projects off the State Highway System: Consideration of whether to adopt and, if appropriate, the adoption of the RON shall be approved by the Board.
- For projects on the State Highway System: OCTA will follow the Caltrans Right of Way Manual pertaining to the notice of a RON hearing.

- For projects off the State Highway System: Property owners shall be given at least 30 days to consider the statutory offer prior to receiving notice of a RON hearing.

*The following describes the OCTA Administrative Review Process prior to a RON hearing for projects on and off the State Highway System:*

- If the property owner has questions or concerns relating to project design and the necessity of the property interests for the project, the property owner can request a Condemnation Evaluation Meeting at any time during the acquisition process.
- If an agreement has not been reached with the property owner and staff intends to proceed with requesting the Board to consider the adoption of a RON, the Real Property Manager will request a Condemnation Evaluation Meeting with the property owner prior to the mailing of a notice of RON hearing.
- The Capital Programs Division will conduct the Condemnation Evaluation Meeting. The Condemnation Evaluation Meeting will be attended by the property owner(s) and/or their representatives, OCTA staff and/or OCTA's ROW consultant, the Project Manager or designer of record, Legal Counsel, if necessary, and shall be chaired by staff of the Department. This Condemnation Evaluation Meeting is an effort to identify and resolve all the property owner's issues. If issues remain unresolved after the Condemnation Evaluation Meeting, a Fact Sheet will be prepared and provided to the Executive Director, Capital Programs by the Real Property Manager. Upon completion of the Condemnation Evaluation Meeting, OCTA staff shall make a property owner or their representatives aware they may request a Condemnation Panel Review Meeting.
- If requested by the property owner, a Condemnation Panel Review Meeting will be scheduled within 30 days after the request. The Condemnation Panel Review Meeting will consist of OCTA management and decision makers consisting of a Chairperson (Executive Director, Capital Programs or designee), the Real Property Manager, the Director, Highway Programs or Transit Programs, the assigned Program Manager, Legal Counsel, if necessary, and a Caltrans representative(s), if applicable, and the designer of record. If issues remain unresolved after the Condemnation Panel Review Meeting, the following documents will be prepared: (a) a written summary of unresolved issues; and (b) a chronology of contacts with the property owner or their representative(s). The Executive Director, Capital Programs will make the final determination to proceed with the recommendation to adopt the RON once the Condemnation Panel Review Meeting is complete.
- If a Condemnation Evaluation or Condemnation Panel Review Meeting has not been conducted with the property owner and/or their representative and they timely submit a request to speak and be heard at the RON adoption hearing, then OCTA will send a request immediately to the property owner and/or their representative to schedule a combined Condemnation Evaluation and Condemnation Panel Review Meeting prior to the RON hearing.



## **X. Conflict of Interest: Employee or Board of Director Owned Property**

*The policies on acquisition of property owned by an OCTA employee or member of the Board shall be as follows:*

- When the property or property rights to be acquired are owned by an OCTA employee or member of OCTA Board of Directors, the Department shall order one appraisal for the property/property rights to be acquired. If the property owner is a member of the Board or an OCTA employee, and the Director or employee rejects the appraisal, the Department shall immediately notify General Counsel for further direction. General Counsel shall as soon as possible determine the extent to which negotiations can legally continue and who may conduct negotiations. The Department may continue to receive information provided by the employee or Director and forward to OCTA's independent appraiser for evaluation.

## **XI. Relocation Assistance Program**

*The law, regulations, policies, and this manual are intended for the benefit of the displaced person to ensure that such persons receive fair and equitable treatment and do not suffer disproportionate injuries as the result of programs designed for the benefit of the public as a whole. California state law requires that all ROW determinations/interpretations be construed to affect this intent.*

*The Relocation Assistance and Payment Program is applicable to all OCTA projects, regardless of whether the project receives federal or state funds, and other activity which requires the acquisition of real estate by OCTA.*

- Anyone who is wholly or partially displaced as a result of an OCTA project is entitled to relocation assistance and benefits as defined in the Uniform Act, 49 CFR part 24 (Implementing Regulations), California Government Code 7260, and Title 25 California Regulations, Chapter 6, Article 1, Section 6000 et seq. (Guidelines); except in cases of voluntary sales where the owner-occupant of the property sells their property to OCTA, after being informed in writing prior to negotiations, that if a mutually satisfactory agreement cannot be reached, the property will not be acquired by eminent domain.
- If the project will cause residential or business displacements, a relocation plan must be prepared in accordance with the Uniform Act and Title 25, California Code of Regulations Ch 6, Art 1, Section 6000 et seq.
- Eligibility for relocation assistance shall begin on the date of initiation of negotiations.
- Appeals Process: Anyone who is wholly or partially displaced that wishes to appeal the decision to deny or limit relocation assistance shall file an appeal in writing with the relocation agent representing OCTA, who will then forward the appeal to the Department. The Senior Agent on the project and the Real Property Manager will either concur or disagree with the issues presented in the appeal. If OCTA staff agrees with the issues presented in the appeal, additional relocation benefits will be awarded and/or eligibility status will be adjusted accordingly. If OCTA staff does not concur with the issues presented in the appeal, a date will be set within 30 days from the receipt of the appeal request for a review panel to hear the claimant's appeal (the

review panel shall be appointed by the Executive Director, Capital Programs). The CEO or designee and a panel of knowledgeable personnel, not a party to the project, will hear the appeal (the "appeal board"). Within 30 days, OCTA staff will notify the claimant of the appeal board's decision. The appeal board's decision is final; however, the claimant has the right to seek judicial review of the appeal board's decision. The claimant may be represented by legal counsel during any phase of the appeal process; however, there will be no reimbursement to the claimant by OCTA of legal fees incurred.

- The Real Property Manager shall determine if a displacee qualifies for relocation benefits upon a recommendation by OCTA's qualified Relocation Agent. This shall include permanent or temporary relocations.
- The Real Property Manager shall authorize and execute all relocation assistance claims forms and any related documents.

## **XII. Utility Relocations**

*During the design and engineering process, utilities affected by the proposed construction will be identified. Typically, the affected utilities may need to be relocated, protected in place, or possibly abandoned. Early identification of affected utilities and early coordination with the affected utility companies is highly recommended as timely design and completion of all utility adjustments affect the OCTA's ability to commence construction.*

*OCTA is responsible for relocation or removal of utility facilities that are in physical conflict with a proposed project. This responsibility shall be delegated to the Department to implement OCTA's policies.*

- OCTA staff will seek Board authority to enter into utility agreements with utilities that have facilities which are in conflict with the preferred design. OCTA will follow the Caltrans Right of Way Manual on all projects located on the State Highway System and adhere to the cooperative agreement entered into between the Agencies. OCTA will follow the Caltrans Local Assistance Procedures Manual for all federally funded projects off the State Highway System.

## **XIII. ROW Certification**

*ROW Certification is a written statement summarizing the status of all ROW-related matters pertaining to a proposed construction project. The purpose of the ROW Certification is to document the construction project is ready for advertising and states that, real property interests have been, or are being, secured, physical obstructions including utilities and railroads have been or will be removed, relocated, or protected as required for construction and ROW acquisition and relocation assistance program requirements were conducted in accordance with applicable federal and state laws and procedures.*

- For all projects on and off the State Highway System with federal funds and Caltrans oversight: OCTA will follow the Caltrans Right of Way Manual and Caltrans Local Assistance Procedures

Manual. The Real Property Manager will recommend ROW certification to the Executive Director, Capital Programs for approval and will seek Caltrans approval or concurrence.

- For projects off the State Highway System with no Caltrans oversight, including rail and FTA projects: OCTA will follow the Caltrans Right of Way Manual and Caltrans Local Assistance Procedures Manual. The Real Property Manager will recommend ROW Certification to the Executive Director, Capital Programs for approval.

#### **XIV. Environmental Mitigation Program**

*For the Measure M2 freeway Environmental Mitigation Program acquisition process, the Department shall contract a qualified appraiser and qualified review appraiser to appraise properties requested by the Planning Division to establish just compensation per the USPAP in accordance with 49 CFR and state rules and regulations. The Planning Division will make a determination, through an analysis, as to the environmental value of the property to be acquired, including the cost of start-up and long-term maintenance. The environmental value will determine a basis for the percentage amount of the established just compensation for which an offer will be presented to a willing seller. This percentage amount established by the Planning Division will be reviewed and approved by General Counsel. The terms and conditions agreed upon with the willing seller shall require approval by the Board.*

#### **XV. Property Management**

*OCTA acquires real property for both rail and highway transportation purposes. OCTA strives to manage its real property with the objective of maximizing existing and future public transportation benefits, safety, and financial income by means of professional property management policies and procedures. This includes entering into lease agreements, issuing licenses and rights of entry for authorized third-party uses, as well as investigating and resolving issues regarding uses that are not authorized by OCTA. On certain occasions, OCTA may also grant easements. General maintenance activities and security measures are also part of the property management scope of work on all OCTA properties.*

The Department shall have management responsibilities for properties acquired and owned by OCTA, including the following:

- Manage existing leases, licenses, and rights of entry through periodic field inspections to ensure compliance with the terms and conditions of their respective agreements.
- Review the terms and conditions of existing agreements, ensuring annual license/lease rates are based on the property's fair market value and consistently implement fair market adjustments (FMA) and Consumer Price Index (CPI) adjustments. The Real Property Department shall, at least every five years, through an independent consultant, conduct a fair market analysis of the revenue generating real estate interest owned by the OCTA. The Real Property Manager will make a recommendation to the Executive Director, Capital Programs whether or not to enforce any FMA in leases. If recommended and approved, the FMA shall be applied in accordance to the terms and conditions of its corresponding lease.

- If an adjustment is approved, it shall be applied within 90 days (or, per the lease terms). If the adjustment is not applied due to negotiations and/or other considerations, this decision must be documented, validated by the Real Property Manager, and approved by the Executive Director, Capital Programs.
- Maintain a tenant revenue spreadsheet that flags fair market adjustments 90 days in advance of scheduled adjustment dates.
- Implement insurance requirements as determined by the Risk Management Department. Consult with OCTA's Risk Management Department for approval of changes to the standard insurance requirements. Review tenant insurance certificates to ensure compliance with the insurance terms and conditions in their respective agreements.
- Prepare and issue new licenses, leases, and rights of entry for use of OCTA property in conformity with OCTA policies.
- Consult with General Counsel for approval of changes to the standard rights of entry, licenses, and lease agreements.
- Coordinate with OCTA's Accounting Department in the organization and maintenance of a revenue collection system designed to operate in conjunction with other OCTA departments.
- Manage all properties to minimize maintenance and prevent unauthorized uses.
- Identify excess/surplus properties that may be candidates for sale.
- Manage and oversee demolition services.
- The Executive Director, Capital Programs, as designee of the CEO, may execute deeds that dispose or transfer permanent or temporary easement interests or other real property interests, that are not subject to the Surplus Land Act (SLA) requirements discussed below, provided the disposition or transfer is in the best interest of OCTA. All documents must be recommended for approval by the Real Property Manager and reviewed by General Counsel.

## **XVI. Surplus Land**

*OCTA is subject to various requirements in disposing of property which it owns in fee, including the SLA, Government Code section 54220 et seq.,<sup>1</sup> which applies to the sale or lease of any property declared surplus, Code of Civil Procedure section 1245.245, which applies to property that has been condemned and not used for the purpose acquired, and Caltrans Right of Way Manual Chapter 17. These guidelines shall apply to any parcel in which OCTA owns in fee and seeks to dispose of, including by lease or sale, and to any property rights OCTA seeks to convey. Disposition of property shall be disposed of in accordance with Code of Civil Procedure Section 1245.245, Government Code Sections 54220 et seq., and the Caltrans Right of Way Manual Chapter 17, to the extent they are applicable to the disposition, and as otherwise set forth in these procedures.*

*It is OCTA's policy to dispose of property in a manner that obtains fair market value. To accomplish this, OCTA obtains property appraisals prior to their disposition and utilizes the services of a commercial brokerage real estate agent to market OCTA properties and obtain competitive bids when possible. Many*

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<sup>1</sup> All section references hereinafter refer to the California Government Code unless otherwise specified.

*of OCTA's properties are purchased with state or federal funds, and thus their disposition must comply with all applicable state and federal laws and regulations, including requirements to dispose of property at fair market value. OCTA staff will work in consultation with the General Counsel to dispose of property pursuant to these procedures.*

*SLA Requirements:*

- Under the SLA, surplus land is land owned in fee simple by OCTA for which the Board takes formal action in a regular public meeting declaring that the land is surplus and is not necessary for OCTA's use.
- Any disposition of surplus land must comply with the SLA and the SLA guidelines published by the California Department of Housing and Community Development (HCD).
- The SLA guidelines generally require OCTA to issue notices of availability of surplus land to local public entities and housing sponsors, when applicable, participate in good faith negotiations after receiving notice of interest to purchase or lease the surplus land, provide HCD with specified information related to the potential disposition of surplus land and exempt surplus land, and record restrictions against the property, if required. OCTA must also comply with the SLA guidelines in the disposition of exempt surplus land, as defined by the SLA.

*Procedures for the Sale or Lease of Surplus Land:*

- The Executive Director of Capital Programs and Real Property Manager shall consult with executive management regarding the disposition of surplus property. After determining that property is no longer needed by OCTA, the property disposition may be initiated in accordance with these procedures.
- The Board must formally declare the property as "surplus land" or "exempt surplus land" in a public meeting before staff may take any action to dispose of the property. Board determination must be supported by written findings. The Board may, on an annual basis, declare multiple parcels as either surplus land or exempt surplus land.
- The Department shall commission an appraisal of the property.
- The Department, in consultation with General Counsel, shall comply with the applicable procedures of the SLA guidelines to dispose of the property including, for example, sending notices of availability, negotiating with entities that express interest in purchasing or leasing the property, and providing information to HCD. Any marketing of the property through a commercial brokerage or otherwise must be done in accordance with the timeframes allowed by the guidelines.
- Prior to disposing of the property, a determination shall be made as to whether the disposition triggers any requirements under the California Environmental Quality Act. On federal-aid projects, an evaluation shall be made as to whether the sale or lease will have environmental effects under the National Environmental Policy Act, which trigger FHWA approval pursuant to Title 23 of the Code of Federal Regulations Section 771.
- The proposed sale or lease of the property will be brought to the Board for approval.

- It is recommended that the disposition of surplus land and exempt surplus land should be based on an approved appraisal dated no more than two years from the acceptance of a written offer by a prospective buyer.

*Federal-Aid Projects:*

- On federal-aid projects, the disposition of surplus land and exempt surplus land shall be in compliance with Title 23 of the CFR Sections 710 and 771 and this manual. The procedures in this manual are intended to comply with 23 CFR Section 710.403(c).
- If the property was acquired, in whole or in part, with federal funds, OCTA shall charge current fair market value or rent as set forth in this manual.
- FHWA approval shall be obtained if federal funds participated in the acquisition cost of the property. FHWA approval is required if the property is sold or rented at less than fair market value. While 23 CFR Section 710.403(e)(1) provides several exceptions to the requirement to dispose of property for fair market value, state law may be more restrictive as to below fair market sale or rent. Any situation in which OCTA determines to sell or rent property at less than fair market value shall be reviewed on a case-by-case basis as to compliance with state law, and compliance with the requirements in the CFR.
- To the extent there is a federal share from the net income derived from the sale or lease of the property, OCTA shall use such federal share for activities that are eligible for funding under Title 23 of the United States Code. The use of such income for an eligible activity, does not, in and of itself, make that activity a federal-aid project.

*Property Condemned but not Used:*

- If OCTA acquires property by way of eminent domain but does not use the property for the purpose for which it was acquired, the disposition of the property shall be governed by Code of Civil Procedure section 1245.245.

## **XVII. Project Development**

*The Department shall coordinate with assigned Program Managers, Project Managers, and consultants to develop and establish all ROW, relocation assistance, utility relocation, and property management project cost estimates and budgets needed for the overall project delivery.*

- The Real Property Manager shall execute project data sheets and make the final determination of project ROW, utility relocation, and property management costs estimates and shall coordinate with management to establish project budgets, including budget amendments.
- The Department shall coordinate with assigned program managers, project managers, and consultants to develop and establish all ROW, relocation assistance, utility relocation and property requirements project cost estimates and budgets for each fiscal year prior to Board approval of the annual budget. The Real Property Manager shall review and approve each project

right of way, utility relocation, and property management costs estimates and fiscal year budgets for Board approval.

- The Department shall coordinate with the assigned program managers, project managers, and designer of record to ensure the preferred design has taken into consideration the least private injury to a property and recommend design changes if warranted. The Real Property Manager shall seek concurrence of General Counsel to make certain that any proposed project is planned in a manner that will be most compatible with the greatest public good and the least private injury.

## **XVIII. Department Administrative Procedures**

### *Execution of Contracts*

- The CEO or designee is authorized to execute all contracts and/or agreements and other real estate documents (Real Property contracts). The CEO designates the Executive Director, Capital Programs to execute real estate agreements, ROW contracts, utility agreements, deeds, certificates of acceptance, leases, licenses, permits or any Department agreement document. All documents must be recommended for approval by the Real Property Manager and reviewed by General Counsel.

### *ROW Consultants*

- The Real Property Manager shall assign work to Senior Real Property Agents, Real Property Agents, and Associate Real Property Agents and, if required, assign a ROW consultant to assist in the delivery of the assigned work. The ROW consultant shall be selected through the CAMM procurement process.
- The Senior Real Property Agents will oversee all work assigned to the ROW consultant to ensure compliance with OCTA's policies and procedures, federal and state regulations, and in cases of on the State Highway System projects, the cooperative agreement with Caltrans.
- The assigned ROW consultant shall make recommendations on given assignments for review and concurrence by a Senior Real Property Agent. The Senior Real Property Agent shall make recommendations to the Real Property Manager for approval. The Real Property Manager shall approve all decisions and execute documents for the Department within the Real Property Manager's delegated authority or seek approval of the Executive Director, Capital Programs.

### *Payment Authorization*

- The Real Property Manager is authorized to release funds for payment of invoices, escrow fees, just compensation, relocation claims, condemnation deposits, return of security deposits, rent credits, and any other ROW or property management-related payments. If the amount to be released exceeds the Real Property Manager's signature authority, the Real Property Manager will submit a request for approval to the Executive Director, Capital Programs, Director, Highway Programs, or the Director, Transit Programs.

## *Document Control*

- The Department shall maintain an electronic file copy and a physical file copy, if necessary, for each parcel which is either being acquired, leased, or maintained by OCTA.

## **XIX. Procedure Amendments**

*This manual may be amended by a recommendation for approval to the CEO from the Executive Director, Capital Programs upon recommendation by the Real Property Manager. Any recommendation must be concurred with by General Counsel. Any recommended amendment to this manual must be in compliance with the requirements of all federal and state laws, statutes and regulations, as referenced above. Any recommended amendment to this manual must be in compliance and must not be in conflict with any action approved by the Board.*

## **XX. Supplemental Guidelines and Procedures**

*The Real Property Manager may incorporate and modify additional supplemental guidelines and procedures that detail the day-to-day steps needed to ensure work product quality when implementing policies and procedure as approved in this manual, the Caltrans Right of Way Manual, and the Local Assistance Manual. These additional supplemental guidelines and procedures are unofficial daily steps intended to assist the Department when working with OCTA staff and consultants and are not applicable to the authorized provision under Paragraph XIX Procedure Amendments.*



[PROPOSED] RESOLUTION NO. 2022-052

**A RESOLUTION OF THE ORANGE COUNTY TRANSPORTATION AUTHORITY  
ADOPTING AND IMPLEMENTING THE REAL PROPERTY POLICIES AND  
PROCEDURES MANUAL, DATED AUGUST 2022**

**WHEREAS**, the Orange County Transportation Authority (OCTA), in the course of developing and delivering transportation projects, requires the acquisition and management of public owned and privately owned properties; and

**WHEREAS**, part of acquisition and management process, OCTA must, by general resolutions, authorize certain policies and procedures to implement this process in compliance with federal and state laws.

**NOW, THEREFORE, BE IT RESOLVED**, The OCTA Board of Directors does hereby resolve as follows:

1. Approve and adopt the attached Real Property Policies and Procedures Manual, dated August 2022; and
2. Rescind and terminate the current Real Property Policies and Procedures Manual of April 2018; and
3. This resolution shall be effective upon adoption.

PASSED, APPROVED, and ADOPTED on this \_\_\_\_\_ day of \_\_\_\_\_, 2022

\_\_\_\_\_  
MARK A. MURPHY, CHAIRMAN  
ORANGE COUNTY TRANSPORTATION AUTHORITY

APPROVED AS TO FORM:

\_\_\_\_\_  
JAMES M. DONICH  
GENERAL COUNSEL

ATTEST:

I, Andrea West, Interim Clerk of Board of Directors of the Orange County Transportation Authority, do hereby certify that the foregoing Resolution No. 2022-052 by the following votes:

AYES:

NOES;

ABSENT:

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ANDREA WEST  
INTERIM CLERK OF THE BOARD

## Settlement Delegation Authority Comparison

|                                      | Existing                |                           |
|--------------------------------------|-------------------------|---------------------------|
|                                      | Percentage of Appraisal | Maximum \$ Over Appraisal |
| Executive Director, Capital Programs | ≤ 20%                   | ≤ \$250,000               |
| Chief Executive Officer              | ≤ 50%                   | ≤ \$250,000               |
|                                      | ≥ 50%                   | ≤ \$25,000                |
| OCTA Board of Directors              | > 50%                   | > \$25,000                |
|                                      | -----                   | > \$250,000               |

|   | Proposed                |                           |
|---|-------------------------|---------------------------|
|   | Percentage of Appraisal | Maximum \$ Over Appraisal |
| Executive Director, Capital Programs <sup>(1)</sup> | ≤ 20%                   | ≤ \$250,000               |
| Chief Executive Officer <sup>(2)</sup>              | ≤ 50%                   | ≤ \$500,000               |
|   | ≥ 50%                   | ≤ \$100,000               |
| OCTA Board of Directors                             | > 50%                   | > \$100,000               |
|   | -----                   | > \$500,000               |

<sup>(1)</sup> Recommended by Real Property Manager  
 Concurred with by General Counsel  
 Approved by Executive Director of Capital Programs

<sup>(2)</sup> Recommended by Real Property Manager  
 Concurred with by General Counsel  
 Concurred with by Executive Director of Capital Programs  
 Approved by Chief Executive Officer

ORANGE COUNTY TRANSPORTATION AUTHORITY IMPROVEMENT  
ACQUISITION – INCENTIVE PAYMENT PROGRAM

The Orange County Transportation Authority (OCTA) Acquisition – Incentive Payment Program (Payment Program) encourages the expeditious acquisition of needed real property and is consistent with the intent of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act). The Federal Highway Administration (FHWA), Office of Real Estate Services, has determined that the FHWA may participate in right-of-way (ROW) acquisition incentive payments made under the FHWA-approved plan or program. Acquisition incentive payments are payments that are over and above the just compensation offer provided by the Uniform Act.

The authority for the FHWA to participate in incentive payments is found in 23 Code of Federal Regulations (CFR) 710.203(b)(2)(ii), which allows federal participation in relocation assistance and payments provided under the law of the State that may exceed the requirements of 49 CFR Part 24. The FHWA has the general authority to participate in the costs of construction that includes costs of ROW acquisition (see 23 U.S. Code §101(a)(4)). The use of incentive programs for ROW acquisition is analogous to the use of incentive/disincentive provisions for early completion in contracts for construction of federal aid projects (see 23 CFR 635.127(d)).

On June 12, 2014, the California Department of Transportation (Caltrans) adopted a Payment Program.

Based on the authority granted by the OCTA Board of Directors and the concurrence of FHWA and Caltrans, OCTA shall implement the Payment Program as follows:

Written offers to owners for the purchase of their property shall be based on the fair market value of the property (just compensation). The Payment Program payment (Payment) amounts will be based on the appraised value. The use of the Payment does not preclude the use of administrative and legal settlements, and each administrative and legal settlement will require independent support.

The procedures on the Payment shall incorporate the same level of safeguard against coercive negotiation practices as do standard OCTA Real Estate Policies and Procedures and Caltrans ROW Procedures. Per federal regulation, OCTA is required to allow at least 30 days for property owners to consider an offer prior to initiating the condemnation process (see 49 CFR 24.102(f) and Appendix A). Parcels acquired using acquisition incentive offers will be subject to the same quality control and quality assurance processes that are used for OCTA ROW activities.

The Payment will be offered for both permanent and temporary acquisitions.

For all offers, the Payment for a permanent or temporary acquisition will be based on a lump sum payment of 20 percent of the appraised value of all parcels under the same ownership with a minimum payment of \$1,000, and a maximum payment of \$100,000.

The Payment amount will be calculated on the final appraised value and will then be rounded separately from the final appraised value based on the rounding rules found in Section 7.02.11 of the Caltrans ROW Manual.

The Payment is a standing offer for 60 days. The 60 days starts with the Initiation of Negotiations (ION) as day one. The 60 days includes weekends and holidays. For mailed offers, it starts on the date the offer was received by certified mail.

If the 60th day falls on a weekend or holiday and the OCTA acquisition agent working with the grantor will not be available to conduct business with the grantor, the agent may end the incentive period on the first working day after the 60-day period is complete. Personal leave of the OCTA acquisition agent working with the grantor will not be cause to extend the incentive period. An alternate OCTA acquisition agent should be identified to address the issue.

The Payment offer will end at the execution of the ROW contract or at 5:00 p.m. on the 60th day if a ROW contract has not been signed by grantor. The 60 days will restart with a new offer based on an approved appraisal revision if one is deemed necessary by OCTA. An appraisal revision may result in a change in the Payment amount.

The Payment is a standing offer for 60 days regardless of OCTA initiating eminent domain proceedings. Additionally, this time period will be sufficient to allow the property owner the opportunity to obtain their own appraisal where OCTA pays the reasonable cost of the appraisal up to \$5,000, as provided by California Code of Civil Procedure Section 1263.025.

The following clause will be used in ROW contracts pertaining to the Payment Program:

“In addition to the Fair Market Value, it is agreed by and between the parties hereto that the amount in clause XX above includes the sum of \$\_\_\_\_\_ as an incentive to the grantor for the timely signing of this Right of Way Contract. This incentive payment offer expires sixty (60) days from the Initiation of Negotiations (DATE).”

The Payment Program will be applied to all parcels in the Project, including public agencies, regardless of type, size, appraisal, amount, or ownership.

When implementing the Payment Program on the State Highway System, OCTA must obtain Caltrans' concurrence in writing to utilize the 20 percent incentive payment.

## OCTA Payment Program

| Acquisition Type       | Incentive Amount | Minimum Payment | Maximum Payment |
|------------------------|------------------|-----------------|-----------------|
| Temporary or Permanent | 20% of Appraisal | \$1,000         | \$100,000       |

### Example 1 (Minimum Payment)

|  |                |
|--|----------------|
| Appraised Value                          | \$4,500        |
| Calculated at 20%                        | \$900          |
| Minimum Payment                          | \$1,000        |
| Incentive Payment for Acquisition        | \$1,000        |
| <b>Total Amount of Just Compensation</b> | <b>\$5,500</b> |

### Example 2 (20% Payment)

|  |                 |
|--|-----------------|
| Appraised Value                          | \$50,000        |
| Calculated at 20%                        | \$10,000        |
| Incentive Payment for Acquisition        | \$10,000        |
| <b>Total Amount of Just Compensation</b> | <b>\$60,000</b> |

### Example 3 (Maximum Payment)

|  |                    |
|--|--------------------|
| Appraised Value                          | \$1,000,000        |
| Calculated at 20%                        | \$ 200,000         |
| Maximum Payment                          | \$ 100,000         |
| Incentive Payment for Acquisition        | \$ 100,000         |
| <b>Total Amount of Just Compensation</b> | <b>\$1,100,000</b> |



## COMMITTEE TRANSMITTAL

**August 22, 2022**

**To:** Members of the Board of Directors

**From:** Andrea West, Interim Clerk of the Board *Andrea West*

**Subject:** Amendment to Cooperative Agreement with the City of Anaheim for the Anaheim Canyon Metrolink Rail Station Improvement Project

### Transit Committee Meeting of August 11, 2022

**Present:** Directors Do, Harper, Jones, Jung, and Nguyen  
**Absent:** Director Sarmiento

### **Committee Vote**

This item was passed by the Members present.

Director Harper was not present to vote on this item.

### **Committee Recommendation**

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-4-1714 between the Orange County Transportation Authority and the City of Anaheim for additional reimbursement, in the amount of \$70,000, to the City of Anaheim for engineering reviews, inspection, and oversight and extend the term of the cooperative agreement through December 31, 2023, for the Anaheim Canyon Metrolink Rail Station Improvement Project. This will increase the maximum obligation of the cooperative agreement to a total contract value of \$343,000.



**August 11, 2022**

**To:** Transit Committee

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

**Subject:** Amendment to Cooperative Agreement with the City of Anaheim for the Anaheim Canyon Metrolink Rail Station Improvement Project

### **Overview**

On August 25, 2014, the Orange County Transportation Authority Board of Directors approved Cooperative Agreement No. C-4-1714 with the City of Anaheim to define the roles and responsibilities for capital improvements to the Anaheim Canyon Metrolink rail station. An amendment to the cooperative agreement is requested to increase the reimbursement of funds to the City of Anaheim for engineering, inspection, and oversight efforts and to reimburse the Orange County Transportation Authority for construction work related to the protection of a city-owned water line.

### **Recommendation**

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-4-1714 between the Orange County Transportation Authority and the City of Anaheim for additional reimbursement, in the amount of \$70,000, to the City of Anaheim for engineering reviews, inspection, and oversight and extend the term of the cooperative agreement through December 31, 2023, for the Anaheim Canyon Metrolink Rail Station Improvement Project. This will increase the maximum obligation of the cooperative agreement to a total contract value of \$343,000.

### **Discussion**

The Orange County Transportation Authority (OCTA) is the lead agency for the construction phase of the Anaheim Canyon Metrolink Rail Station Improvement Project (Project). Due to changes in the construction plans that require review and approval from the City of Anaheim (City) for permits, the City's effort has increased beyond the amount estimated in the original agreement. Changes to the plans were due to unknown field conditions and value engineering that were



proposed by OCTA's construction contractor, Stacy Witbeck Inc. Additionally, overtime inspections were required during weekend railroad closures for track work and street improvements that were not originally accounted for when the City's effort was estimated. Due to the increase in the City's participation in engineering reviews, inspection efforts and oversight, additional funds are required in the amount of \$70,000.

It was anticipated during the design phase of the Project that the City's water department would complete a water line replacement project that would provide appropriate protection from live train loads above the line. This replacement will not be completed on time. To minimize delays to the Project, Stacy Witbeck Inc. will be performing work to protect the existing water line and the City will reimburse OCTA an estimated amount of \$39,800. The reimbursement from the City will be based on actual construction costs.

The current construction schedule anticipated the Project to be completed by the end of 2022. In order to process the closeout of permits and final as-built plans with the City, staff is requesting the agreement be extended for 12 months through December 31, 2023.

The original Cooperative Agreement No. C-4-1714 was executed on January 9, 2015, and has been previously amended as shown in Attachment A.

#### **Fiscal Impact**

Funding for the Project is included in the OCTA's Fiscal Year 2022-23 Budget, Capital Programs Division, Account No. 0018-7831-C5061-TXD, and is funded with Federal Transit Administration Congestion Mitigation and Air Quality funds.

#### **Summary**

Staff is requesting Board of Directors' approval for the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-4-1714 between the Orange County Transportation Authority and the City of Anaheim for additional reimbursement, in the amount of \$70,000, to the City of Anaheim for engineering reviews, inspection, and oversight and extend the term of the cooperative agreement through December 31, 2023, for the Anaheim Canyon Metrolink Rail Station Improvement Project.

**Attachment**

- A.     City of Anaheim, Cooperative Agreement No. C-4-1714 Fact Sheet

**Prepared by:**



Lora Cross  
Project Manager  
(714) 560-5788

**Approved by:**



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



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

**City of Anaheim  
Cooperative Agreement No. C-4-1714 Fact Sheet**

1. August 25, 2014, Cooperative Agreement No. C-4-1714, \$173,000, approved by the Board of Directors (Board).
  - On January 9, 2015, Cooperative Agreement No. C-4-1714 was executed with the City of Anaheim (City) for staff administrative costs for the Anaheim Canyon Metrolink Rail Station Improvement Project.
2. October 28, 2019, Amendment No. 1 to Cooperative Agreement No. C-4-1714, \$100,000, approved by the Board.
  - To allow for the City to reimburse the Orange County Transportation Authority (OCTA) for work related to protecting City-owned sewer line in railroad right-of-way in the amount of \$40,840.
  - To increase the amount OCTA will reimburse the City for administration costs and inspections.
  - Time extension of 24 months through December 31, 2022.
3. August 22, 2022, Amendment No. 2 to Cooperative Agreement No. C-4-1714, \$70,000, pending Board approval.
  - Increase the reimbursement amount to the City for engineering reviews, inspection efforts, and oversight.
  - Time extension of 12 months through December 31, 2023.

Total committed to the City after approval of Amendment No. 2 to Cooperative Agreement No. C-4-1714: \$343,000.



## COMMITTEE TRANSMITTAL

**August 22, 2022**

**To:** Members of the Board of Directors

**From:** Andrea West, Interim Clerk of the Board *Andrea West*

**Subject:** Agreements for Health Insurance Services

### Finance and Administration Committee Meeting of August 10, 2022

**Present:** Directors Goodell, Harper, Hennessey, Hernandez, Jones, Muller, and Sarmiento

**Absent:** None

### **Committee Vote**

Following a discussion, this item was passed by the Members present.

Director Harper opposed this item.

Director Sarmiento abstained on this item.

### **Committee Recommendations**

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-5-3649 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Kaiser Permanente Health Plan, Inc., on a cost per employee basis, for prepaid medical services through December 31, 2023. The annual 2023 Kaiser Permanente Health Plan, Inc. premium cost will vary in accordance with actual enrollment.
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-5-3650 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Anthem Blue Cross, on a cost per employee basis, for prepaid medical services through December 31, 2023. The annual 2023 Anthem Blue Cross health maintenance organization premium costs will vary in accordance with actual enrollment.



- C. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-5-3651 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Anthem Blue Cross, on a cost per employee basis, for preferred provider organization medical services through December 31, 2023. The annual 2023 Anthem Blue Cross preferred provider organization premium costs will vary in accordance with actual enrollment.
- D. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-5-3652 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Anthem Blue Cross, on a cost per employee basis, for a consumer driven health plan through December 31, 2023. The annual 2023 Anthem Blue Cross consumer driven health plan premium costs and health savings account expenses will vary in accordance with actual enrollment.
- E. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-1-3670 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Delta Dental, on a cost per employee basis, for preferred provider organization dental services through December 31, 2023. The annual 2023 Delta Dental preferred provider organization premium costs will vary in accordance with actual enrollment.
- F. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 12 to Agreement No. C-1-2995 between the Orange County Transportation Authority and Delta Dental, on a cost per employee basis, for health maintenance organization dental services through December 31, 2023. The annual 2023 Delta Dental health maintenance organization premium costs will vary in accordance with actual enrollment.
- G. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-1-3672 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Delta Dental, on a cost per employee basis, for health maintenance organization dental services through December 31, 2023. The annual 2023 Delta Dental health maintenance organization premium costs will vary in accordance with actual enrollment.



- H. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-1-3671 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Vision Service Plan, on a cost per employee basis, for vision services through December 31, 2023. The annual 2023 vision services premium costs will vary in accordance with actual enrollment.
- I. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 6 to Purchase Order No. C-7-1897 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for VOYA for life and accidental death and dismemberment insurance through December 31, 2023. The annual 2023 life and accidental death and dismemberment premium costs will vary in accordance with actual volume in the plan.
- J. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Purchase Order No. C-7-1898 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for VOYA to provide supplemental life insurance to employees at their own expense through December 31, 2023.
- K. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Purchase Order No. C-7-1899 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for VOYA for short-term and long-term disability insurance through December 31, 2023. The annual 2023 short-term and long-term disability premium costs will vary in accordance with actual volume in the plan.
- L. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Purchase Order No. C-7-1900 between Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for VOYA with ComPsych to provide employee leave administration through December 31, 2023.



**August 10, 2022**

**To:** Finance and Administration Committee  
**From:** Darrell E. Johnson, Chief Executive Officer  
**Subject:** Agreements for Health Insurance Services

**Overview**

The Orange County Transportation Authority currently has agreements with various companies to provide medical, dental, vision, life, accidental death and dismemberment, disability, and supplemental life plans for administrative employees and employees represented by the Transportation Communications International Union and represented by Teamsters Local 952 Union. These agreements expire on December 31, 2022. Staff is presenting recommendations for medical, dental, vision, life, accidental death and dismemberment, disability, and supplemental life insurance, as well as leave administration for the calendar year 2023.

**Recommendations**

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-5-3649 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Kaiser Permanente Health Plan, Inc., on a cost per employee basis, for prepaid medical services through December 31, 2023. The annual 2023 Kaiser Permanente Health Plan, Inc. premium cost will vary in accordance with actual enrollment.
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-5-3650 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Anthem Blue Cross, on a cost per employee basis, for prepaid medical services through December 31, 2023. The annual 2023 Anthem Blue Cross health maintenance organization premium costs will vary in accordance with actual enrollment.

- C. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-5-3651 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Anthem Blue Cross, on a cost per employee basis, for preferred provider organization medical services through December 31, 2023. The annual 2023 Anthem Blue Cross preferred provider organization premium costs will vary in accordance with actual enrollment.
- D. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-5-3652 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Anthem Blue Cross, on a cost per employee basis, for a consumer driven health plan through December 31, 2023. The annual 2023 Anthem Blue Cross consumer driven health plan premium costs and health savings account expenses will vary in accordance with actual enrollment.
- E. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-1-3670 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Delta Dental, on a cost per employee basis, for preferred provider organization dental services through December 31, 2023. The annual 2023 Delta Dental preferred provider organization premium costs will vary in accordance with actual enrollment.
- F. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 12 to Agreement No. C-1-2995 between the Orange County Transportation Authority and Delta Dental, on a cost per employee basis, for health maintenance organization dental services through December 31, 2023. The annual 2023 Delta Dental health maintenance organization premium costs will vary in accordance with actual enrollment.
- G. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-1-3672 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Delta Dental, on a cost per employee basis, for health maintenance organization dental services through December 31, 2023. The annual 2023 Delta Dental health maintenance organization premium costs will vary in accordance with actual enrollment.



- H. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-1-3671 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for Vision Service Plan, on a cost per employee basis, for vision services through December 31, 2023. The annual 2023 vision services premium costs will vary in accordance with actual enrollment.
- I. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 6 to Purchase Order No. C-7-1897 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for VOYA to provide life and accidental death and dismemberment insurance through December 31, 2023. The annual 2023 life and accidental death and dismemberment premium costs will vary in accordance with actual volume in the plan.
- J. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Purchase Order No. C-7-1898 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for VOYA to provide supplemental life insurance to employees at their own expense through December 31, 2023.
- K. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Purchase Order No. C-7-1899 between the Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for VOYA to provide short-term and long-term disability insurance through December 31, 2023. The annual 2023 short-term and long-term disability premium costs will vary in accordance with actual volume in the plan.
- L. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Purchase Order No. C-7-1900 between Orange County Transportation Authority and Public Risk Innovation, Solutions, and Management for VOYA with ComPsych to provide employee leave administration through December 31, 2023.

***Background***

Staff continues to focus on developing and maintaining a long-term strategy to contain rising healthcare costs as a multi-year program. The goal of this long-term strategy is to develop and maintain a sustainable and strategic

long-term benefits program that is both cost-effective and meets the needs of the employees, and consists of four basic components:

- 1) Provide an equitable cost-sharing structure,
- 2) Manage utilization,
- 3) Educate employees to be better healthcare consumers, and
- 4) Implement a health risk management program.

***Discussion***

OCTA received proposals for medical and life insurance plans from Public Risk Innovation, Solutions, and Management (PRISM) and OCTA's broker, Alliant Insurance Services, for services effective January 1, 2023 through December 31, 2023.

With both medical and dental plans, employees are given options for coverage. Employees who select the more expensive Preferred Provider Organization (PPO) plan pay a higher percentage of the premium than those electing the lower cost Health Maintenance Organization (HMO) plans.

Specific to the Anthem Blue Cross (Anthem) medical plan, the Consumer Driven Health Plan (CDHP), along with a Health Savings Account, supports employee engagement and encourages employees to be connected to health care dollars, thereby increasing use of generic drugs, reducing emergency visits, and increasing participation in wellness programs. Cost savings continue to increase as employees migrate to the CDHP plan, which has a 26 percent lower premium than the PPO plan.

Staff recommends the following medical, dental, vision, life, accidental death and dismemberment, disability, administrative services for protected leaves, and supplemental life insurance.

**Medical**

Since 2015, the OCTA Board of Directors (Board) has approved contracting with PRISM, for the most competitive pricing of medical insurances. OCTA's experience with PRISM for administrative, coach operator, and Transportation Communications International Union (TCU) employee health plans has resulted in competitive pricing below California market trends for six of the last seven years. In 2021, OCTA experienced a 0.9 percent renewal increase as compared to market trends of seven to nine percent increases for medical plans, and in 2022, OCTA experienced a 3.4 percent renewal decrease as compared to market trends of seven percent increases for medical plans.

For the 2023 medical rate renewal, PRISM proposes a renewal increase of 8.9 percent for the Kaiser Permanente Health Plan, Inc. (Kaiser) and Anthem medical insurance plans. This renewal increase of 8.9 percent is less than the market trend of ten percent increases for medical plans. The premium increase is mostly attributable to higher-than-expected utilization from coronavirus-suppressed healthcare and higher-than-average catastrophic claims. Other contributing factors include the health industry approval and expanded use of new medical technology and procedures, increases in fees paid to providers, and rising costs of prescription drugs and specialty medications. If the 2022 and 2023 renewals are taken together, the PRISM program averaged about a three percent increase each year, outperforming both trend and competitive alternatives. Staff recommends continuing to offer the PRISM Kaiser and Anthem HMO, PPO, and CDHP plans.

#### Dental

OCTA currently offers two choices of dental plans to its employees: a dental PPO plan and a dental HMO plan. Administrative, TCU, and coach operator employees are offered a dental PPO plan with Delta Dental, contracted through PRISM. A rate decrease of approximately 4.7 percent is proposed for the dental PPO plan.

The dental HMO plan for administrative and TCU employees is with Delta Dental and contracted through PRISM that proposed no rate increases for 2023.

The dental HMO plan offered to coach operators is contracted directly with Delta Dental and proposed no rate increases for 2023.

#### Vision

The PRISM Vision Service Plan for administrative and TCU employees proposed no rate increases. OCTA staff recommends vision plan enhancements to increase the frame allowance to \$150 and change the frequency of replacement frames to 12 months. In addition, a buy-up option for more enhanced benefits will be offered at the employee's own expense.

The PRISM Vision Service Plan offered to coach operators proposed no rate increases.

#### Life Insurance

OCTA provides eligible employees with life insurance as well as accidental death and dismemberment insurance. For administrative and TCU employees, the

benefit amount is equal to two times the annual salary of the employee, to a maximum of \$500,000. For coach operators, life insurance of \$25,000 is provided, as well as a \$5,000 spousal and \$500 child life insurance benefit. PRISM for Voya life insurance proposed no rate increases.

#### Supplemental Life Insurance

OCTA offers voluntary supplemental life insurance to all eligible employees at their own expense. PRISM for Voya proposed no rate increases.

#### Disability Insurance

OCTA provides administrative employees with short-term disability and administrative and TCU employees with long-term disability insurance. It provides a 67 percent wage replacement while an employee is on an approved disability leave of absence. The insurance benefit paid is incremental to wage replacement paid by the California State Disability Insurance (SDI) program. Benefits paid through the SDI program is available to administrative, TCU, coach operator, and maintenance employees.

PRISM for Voya proposed no rate increases for short-term disability and long-term disability insurance.

#### Protected Leave Management

PRISM for Voya provides protected leave administrative services to OCTA. No rate increases are proposed for 2023.

#### Fiscal Impact

The costs for healthcare benefits were approved in OCTA's Fiscal Year (FY) 2022-23 Budget, assuming a ten percent increase in rates beginning January 1, 2023. Based on staff recommendations for calendar year 2023, OCTA's cost for health and life insurance benefits for the administrative, TCU, and coach operator employees will be approximately eight percent higher than last calendar year and within the budgeted amount for FY 2022-23. Since the renewals are on a calendar year basis, OCTA will address the FY 2023-24 amounts, along with the other assumptions utilized in the budget, during the next budgeting cycle.

***Summary***

Staff is recommending that the Board authorize the Chief Executive Officer to negotiate and execute amendments to the existing contracts with PRISM for medical, dental, and vision insurance, and with Delta Dental for dental insurance, as well as negotiate and execute amendments with PRISM for life, accidental death and dismemberment, short-term and long-term disability, and supplemental life insurance, and protected leave management through December 31, 2023.

***Attachments***

- A. Public Risk Innovation, Solutions, and Management, Kaiser Permanente Health Plan, Inc., Agreement No. C-5-3649 Fact Sheet
- B. Public Risk Innovation, Solutions, and Management, Anthem Blue Cross Health Maintenance Organization, Agreement No. C-5-3650 Fact Sheet
- C. Public Risk Innovation, Solutions, and Management, Anthem Blue Cross Preferred Provider Organization, Agreement No. C-5-3651 Fact Sheet
- D. Public Risk Innovation, Solutions, and Management, Anthem Blue Cross Consumer Driven Health Plan, Agreement No. C-5-3652 Fact Sheet
- E. Public Risk Innovation, Solutions, and Management, Delta Dental Preferred Provider Organization, Agreement No. C-1-3670 Fact Sheet
- F. Delta Dental Health Maintenance Organization for Coach Operators, Agreement No. C-1-2995 Fact Sheet
- G. Public Risk Innovation, Solutions, and Management, Delta Dental Health Maintenance Organization, Agreement No. C-1-3672 Fact Sheet
- H. Public Risk Innovation, Solutions, and Management Vision Service Plan, Agreement No. C-1-3671 Fact Sheet
- I. Public Risk Innovation, Solutions, and Management, VOYA, Purchase Order No. C-7-1897 Fact Sheet
- J. Public Risk Innovation, Solutions, and Management, VOYA, Purchase Order No. C-7-1898 Fact Sheet
- K. Public Risk Innovation, Solutions, and Management, VOYA, Purchase Order No. C-7-1899 Fact Sheet
- L. Public Risk Innovation, Solutions, and Management, VOYA, Purchase Order No. C-7-1900 Fact Sheet
- M. Orange County Transportation Authority, Financial Overview, Effective January 1, 2023
- N. Orange County Transportation Authority, Monthly Rate Comparison – 2023 vs. 2022
- O. Orange County Transportation Authority, Administrative & TCU Monthly Employee Cost for 2023

- P. Orange County Transportation Authority, Coach Operators Monthly Employee Cost for 2023

**Prepared by:**



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**Public Risk Innovation, Solutions, and Management  
Kaiser Permanente Health Plan, Inc.  
Agreement No. C-5-3649 Fact Sheet**

1. October 12, 2015, Agreement No. C-5-3649, \$2,520,000, approved by the Board of Directors (Board).
2. August 22, 2016, Amendment No. 1 to Agreement No. C-5-3649, \$2,500,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2017 through December 31, 2017.
3. August 28, 2017, Amendment No. 2 to Agreement No. C-5-3649, \$2,760,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2018 through December 31, 2018.
4. August 27, 2018, Amendment No. 3 to Agreement No. C-5-3649, \$11,986,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2019 through December 31, 2019.
5. August 26, 2019, Amendment No. 4 to Agreement No. C-5-3649, \$13,260,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2020 through December 31, 2020.
6. August 24, 2020, Amendment No. 5 to Agreement No. C-5-3649, \$13,112,500, approved by the Board.
  - To continue services and extend contract for period January 1, 2021 through December 31, 2021.
7. August 23, 2021, Amendment No. 6 to Agreement No. C-5-3649, \$12,285,340, approved by the Board.
  - To continue services and extend contract for period January 1, 2022 through December 31, 2022.
8. August 22, 2022, Amendment No. 7 to Agreement No. C-5-3649, \$13,430,304, pending approval by the Board.

- To continue services and extend contract for period January 1, 2023 through December 31, 2023.

Total committed to Public Risk Innovation, Solutions, and Management for Kaiser Permanente Health Plan, Inc., Agreement No. C-5-3649, in the amount of \$71,854,144.



**Public Risk Innovation, Solutions, and Management  
Anthem Blue Cross Health Maintenance Organization  
Agreement No. C-5-3650 Fact Sheet**

1. October 12, 2015, Agreement No. C-5-3650, \$2,500,000, approved by the Board of Directors (Board).
2. August 22, 2016, Amendment No. 1 to Agreement No. C-5-3650, \$2,500,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2017 through December 31, 2017.
3. August 28, 2017, Amendment No. 2 to Agreement No. C-5-3650, \$2,100,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2018 through December 31, 2018.
4. August 27, 2018, Amendment No. 3 to Agreement No. C-5-3650, \$3,092,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2019 through December 31, 2019.
5. August 26, 2019, Amendment No. 4 to Agreement No. C-5-3650, \$2,350,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2020 through December 31, 2020.
6. August 24, 2020, Amendment No. 5 to Agreement No. C-5-3650, \$2,753,904, approved by the Board.
  - To continue services and extend contract for period January 1, 2021 through December 31, 2021.
7. August 23, 2021, Amendment No. 6 to Agreement No. C-5-3650, \$2,669,360, approved by the Board.
  - To continue services and extend contract for period January 1, 2022 through December 31, 2022.
8. August 22, 2022, Amendment No. 7 to Agreement No. C-5-3650, \$2,906,976, pending approval by the Board.

- To continue services and extend contract for period January 1, 2023 through December 31, 2023.

Total committed to Public Risk Innovation, Solutions and Management for Anthem Blue Cross Health Maintenance Organization, Agreement No. C-5-3650, in the amount of \$20,872,240.

**Public Risk Innovation, Solutions, and Management  
Anthem Blue Cross Preferred Provider Organization  
Agreement No. C-5-3651 Fact Sheet**

1. October 12, 2015, Agreement No. C-5-3651, \$1,700,000, approved by the Board of Directors (Board).
2. August 22, 2016, Amendment No. 1 to Agreement No. C-5-3651, \$1,300,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2017 through December 31, 2017.
3. August 28, 2017, Amendment No. 2 to Agreement No. C-5-3651, \$1,035,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2018 through December 31, 2018.
4. August 27, 2018, Amendment No. 3 to Agreement No. C-5-3651, \$1,432,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2019 through December 31, 2019.
5. August 26, 2019, Amendment No. 4 to Agreement No. C-5-3651, \$1,600,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2020 through December 31, 2020.
6. August 24, 2020, Amendment No. 5 to Agreement No. C-5-3651, \$1,717,656, approved by the Board.
  - To continue services and extend contract for period January 1, 2021 through December 31, 2021.
7. August 23, 2021, Amendment No. 6 to Agreement No. C-5-3651, \$1,677,565, approved by the Board.
  - To continue services and extend contract for period January 1, 2022 through December 31, 2022.
8. August 22, 2022, Amendment No. 7 to Agreement No. C-5-3651, \$2,136,240, pending approval by the Board.

- To continue services and extend contract for period January 1, 2023 through December 31, 2023.

Total committed to Public Risk Innovation, Solutions, and Management for Anthem Blue Cross Preferred Provider Organization, Agreement No. C-5-3651, in the amount of \$12,598,461.

**Public Risk Innovation, Solutions, and Management  
Anthem Blue Cross Consumer Driven Health Plan  
Agreement No. C-5-3652 Fact Sheet**

1. October 12, 2015, Agreement No. C-5-3652, \$1,600,000, approved by the Board of Directors (Board).
2. August 22, 2016, Amendment No. 1 to Agreement No. C-5-3652, \$2,900,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2017 through December 31, 2017.
3. August 28, 2017, Amendment No. 2 to Agreement No. C-5-3652, \$2,160,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2018 through December 31, 2018.
4. August 27, 2018, Amendment No. 3 to Agreement No. C-5-3652, \$2,443,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2019 through December 31, 2019.
5. August 26, 2019, Amendment No. 4 to Agreement No. C-5-3652, \$2,420,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2020 through December 31, 2020.
6. August 24, 2020, Amendment No. 5 to Agreement No. C-5-3652, \$2,454,912, approved by the Board.
  - To continue services and extend contract for period January 1, 2021 through December 31, 2021.
7. August 23, 2021, Amendment No. 6 to Agreement No. C-5-3652, \$2,367,132, approved by the Board.
  - To continue services and extend contract for period January 1, 2022 through December 31, 2022.
8. August 22, 2022, Amendment No. 7 to Agreement No. C-5-3652, \$2,678,748, pending approval by the Board.

- To continue services and extend contract for period January 1, 2023 through December 31, 2023.

Total committed to Public Risk Innovation, Solutions, and Management for Anthem Blue Cross Consumer Driven Health Plan, Agreement No. C-5-3652, in the amount of \$19,023,792.

**Public Risk Innovation, Solutions, and Management  
Delta Dental Preferred Provider Organization  
Agreement No. C-1-3670 Fact Sheet**

1. August 23, 2021, Agreement No. C-1-3670, \$1,266,010, approved by the Board of Directors (Board).
2. August 22, 2022, Amendment No. 1 to Agreement No. C-1-3670, \$1,246,564, pending approval by the Board.
  - To continue services and extend contract for period January 1, 2023 through December 31, 2023.

Total committed to Public Risk Innovation, Solutions, and Management for Delta Dental Preferred Provider Organization, Agreement No. C-1-3670, in the amount of \$2,512,574.

**Delta Dental Health Maintenance Organization for Coach Operators  
Agreement No. C-1-2995 Fact Sheet**

1. October 7, 2011, Agreement No. C-1-2995, \$18,000, approved by the Board of Directors (Board).
2. October 22, 2012, Amendment No. 1 to Agreement No. C-1-2995, \$18,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2013 through December 31, 2013.
3. October 11, 2013, Amendment No. 2 to Agreement No. C-1-2995, \$15,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2014 through December 31, 2014.
4. October 13, 2014, Amendment No. 3 to Agreement No. C-1-2995, \$19,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2015 through December 31, 2015.
5. October 12, 2015, Amendment No. 4 to Agreement No. C-1-2995, \$19,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2016 through December 31, 2016.
6. August 22, 2016, Amendment No. 5 to Agreement No. C-1-2995, \$16,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2017 through December 31, 2017.
7. August 28, 2017, Amendment No. 6 to Agreement No. C-1-2995, \$15,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2018 through December 31, 2018.



8. April 23, 2018, Amendment No. 7 to Agreement No. C-1-2995, \$60,963, approved by the Board.
  - To provide dental services to include the coach operators beginning July 1, 2018 through December 31, 2018.
9. August 27, 2018, Amendment No. 8 to Agreement No. C-1-2995, \$51,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2019 through December 31, 2019.
10. August 26, 2019, Amendment No. 9 to Agreement No. C-1-2995, \$54,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2020 through December 31, 2020.
11. August 24, 2020, Amendment No. 10 to Agreement No. C-1-2995, \$57,069, approved by the Board.
  - To continue services and extend contract for period January 1, 2021 through December 31, 2021.
12. August 23, 2021, Amendment No. 11 to Agreement No. C-1-2995, \$51,722, approved by the Board.
  - To continue services and extend contract for period January 1, 2022 through December 31, 2022.
13. August 22, 2022, Amendment No. 12 to Agreement No. C-1-2995, \$50,388, pending approval by the Board.
  - To continue services and extend contract for period January 1, 2023 through December 31, 2023.

Total committed to Delta Dental Health Maintenance Organization for coach operators, Agreement No. C-1-2995, in the amount of \$445,142.

**Public Risk Innovation, Solutions, and Management  
Delta Dental Health Maintenance Organization  
Agreement No. C-1-3672 Fact Sheet**

1. August 23, 2021, Agreement No. C-1-3672, \$18,960, approved by the Board of Directors (Board).
2. August 22, 2022, Amendment No. 1 to Agreement No. C-1-3672, \$21,511, pending approval by the Board.
  - To add \$3,000 to the current term through December 31, 2022.
  - To continue services in the amount of \$18,511 and extend contract for period January 1, 2023 through December 31, 2023.

Total committed to Public Risk Innovation, Solutions, and Management for Delta Dental Health Maintenance Organization, Agreement No. C-1-3672, the amount of \$40,471.

**Public Risk Innovation, Solutions, and Management  
Vision Service Plan  
Agreement No. C-1-3671 Fact Sheet**

1. August 23, 2021, Agreement No. C-1-3671, \$248,562, approved by the Board of Directors (Board).
2. August 22, 2022, Amendment No. 1 to Agreement No. C-1-3671, \$313,057, pending approval by the Board.
  - To continue services and extend contract for period January 1, 2023 through December 31, 2023.

Total committed to Public Risk Innovation, Solutions, and Management for Vision Service Plan, Agreement No. C-1-3671, the amount of \$561,619.

**Public Risk Innovation, Solutions, and Management  
VOYA  
Purchase Order No. C-7-1897 Fact Sheet**

1. August 28, 2017, Purchase Order No. C-7-1897, \$155,000, approved by the Board of Directors (Board).
  - Agreement to provide life and accidental death and dismemberment insurance.
  - Term of the agreement is effective January 1, 2018 through December 31, 2018.
2. April 23, 2018, Amendment No. 1 to Purchase Order No. C-7-1897, \$40,983, approved by the Board.
  - To provide life and accidental death and dismemberment insurance to include the coach operators beginning July 1, 2018 through December 31, 2018.
3. August 27, 2018, Amendment No. 2 to Purchase Order No. C-7-1897, \$232,203, approved by the Board.
  - To continue services and extend contract for period January 1, 2019 through December 31, 2019.
4. August 26, 2019, Amendment No. 3 to Purchase Order No. C-7-1897, \$240,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2020 through December 31, 2020.
5. August 24, 2020, Amendment No. 4 to Purchase Order No. C-7-1897, \$264,242, approved by the Board.
  - To continue services and extend contract for period January 1, 2021 through December 31, 2021.
6. August 23, 2021, Amendment No. 5 to Purchase Order No. C-7-1897, \$262,170, approved by the Board.
  - To continue services and extend contract for period January 1, 2022 through December 31, 2022.
7. August 22, 2022, Amendment No. 6 to Purchase Order No. C-7-1897, \$272,250, pending approval by the Board.

- To continue services and extend contract for period January 1, 2023 through December 31, 2023.

Total committed to Public Risk Innovation, Solutions, and Management for VOYA, Purchase Order No. C-7-1897, in the amount of \$1,466,848.

**Public Risk Innovation, Solutions, and Management  
VOYA  
Purchase Order No. C-7-1898 Fact Sheet**

1. August 28, 2017, Purchase Order No. C-7-1898, \$0.00, approved by the Board of Directors (Board).
  - Agreement to provide supplemental life insurance to employees at their own expense.
  - Term of the agreement is effective January 1, 2018 through December 31, 2018.
2. August 27, 2018, Amendment No. 1 to Purchase Order No. C-7-1898, \$0.00, approved by the Board.
  - To continue services and extend contract for period January 1, 2019 through December 31, 2019.
3. August 26, 2019, Amendment No. 2 to Purchase Order No. C-7-1898, \$0.00, approved by the Board.
  - To continue services and extend contract for period January 1, 2020 through December 31, 2020.
4. August 24, 2020, Amendment No. 3 to Purchase Order No. C-7-1898, \$0.00, approved by the Board.
  - To continue services and extend contract for period January 1, 2021 through December 31, 2021.
5. August 23, 2021, Amendment No. 4 to Purchase Order No. C-7-1898, \$0.00, approved by the Board.
  - To continue services and extend contract for period January 1, 2022 through December 31, 2022.
6. August 22, 2022, Amendment No. 5 to Purchase Order No. C-7-1898, \$0.00, pending approval by the Board.
  - To continue services and extend contract for period January 1, 2023 through December 31, 2023.

Total committed to Public Risk Innovation, Solutions, and Management for VOYA, Purchase Order No. C-7-1898, in the amount of \$0.00.

**Public Risk Innovation, Solutions, and Management  
VOYA  
Purchase Order No. C-7-1899 Fact Sheet**

1. August 28, 2017, Purchase Order No. C-7-1899, \$130,000, approved by the Board of Directors (Board).
  - Agreement to provide short-term and long-term disability insurance.
  - Term of the agreement is effective January 1, 2018 through December 31, 2018.
2. August 27, 2018, Amendment No. 1 to Purchase Order No. C-7-1899, \$130,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2019 through December 31, 2019.
3. August 26, 2019, Amendment No. 2 to Purchase Order No. C-7-1899, \$167,000, approved by the Board.
  - To continue services through December 31, 2019 and extend contract for period January 1, 2020 through December 31, 2020.
4. August 24, 2020, Amendment No. 3 to Purchase Order No. C-7-1899, \$160,631, approved by the Board.
  - To continue services through December 31, 2020 and extend contract for period January 1, 2021 through December 31, 2021.
5. August 23, 2021, Amendment No. 4 to Purchase Order No. C-7-1899, \$180,418, approved by the Board.
  - To continue services and extend contract for period January 1, 2022 through December 31, 2022.
6. August 22, 2022, Amendment No. 5 to Purchase Order No. C-7-1899, \$179,382, pending approval by the Board.
  - To continue services and extend contract for period January 1, 2023 through December 31, 2023.

Total committed to Public Risk Innovation, Solutions, and Management for VOYA, Purchase Order No. C-7-1899, in the amount of \$947,431.

**Public Risk Innovation, Solutions, and Management  
VOYA  
Purchase Order No. C-7-1900 Fact Sheet**

1. August 28, 2017, Purchase Order No. C-7-1900, \$26,000, approved by the Board of Directors (Board).
  - Agreement to provide employee leave administration.
  - Term of the agreement is effective January 1, 2018 through December 31, 2018.
2. August 27, 2018, Amendment No. 1 to Purchase Order No. C-7-1900, \$26,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2019 through December 31, 2019.
3. August 26, 2019, Amendment No. 2 to Purchase Order No. C-7-1900, \$30,000, approved by the Board.
  - To continue services and extend contract for period January 1, 2020 through December 31, 2020.
4. August 24, 2020, Amendment No. 3 to Purchase Order No. C-7-1900, \$24,388, approved by the Board.
  - To continue services and extend contract for period January 1, 2021 through December 31, 2021.
5. August 23, 2021, Amendment No. 4 to Purchase Order No. C-7-1900, \$27,234, approved by the Board.
  - To continue services and extend contract for period January 1, 2022 through December 31, 2022.
6. August 22, 2022, Amendment No. 5 to Purchase Order No. C-7-1900, \$27,234, pending approval by the Board.
  - To continue services and extend contract for period January 1, 2023 through December 31, 2023.

Total committed to Public Risk Innovation, Solutions, and Management for VOYA, Purchase Order No. C-7-1900, in the amount of \$160,856.



## ORANGE COUNTY TRANSPORTATION AUTHORITY

## FINANCIAL OVERVIEW

Effective January 1, 2023

| PLAN/COVERAGE                                    |      | Current Annual Cost | Renewal Annual Cost                   | % Δ   |
|--|------|---------------------|---------------------------------------|-------|
| <b>MEDICAL</b>                                   | EEs  |                     |                                       |       |
| PRISM-Kaiser Admin/TCU HMO                       | 191  | \$3,020,448         | \$3,289,008                           | 8.9%  |
| PRISM-Kaiser Coach Operators HMO                 | 597  | \$9,312,624         | \$10,141,296                          | 8.9%  |
| PRISM-Anthem HMO Admin/TCU                       | 122  | \$2,126,544         | \$2,315,928                           | 8.9%  |
| PRISM-Anthem HMO Coach Operators                 | 32   | \$542,688           | \$591,048                             | 8.9%  |
| PRISM-Anthem PPO Admin/TCU                       | 63   | \$1,234,416         | \$1,344,432                           | 8.9%  |
| PRISM-Anthem PPO Coach Operators                 | 40   | \$727,008           | \$791,808                             | 8.9%  |
| PRISM-Anthem CDHP Admin/TCU                      | 143  | \$2,460,012         | \$2,678,748                           | 8.9%  |
| <b>DENTAL</b>                                    |      |                     |                                       |       |
| PRISM-Delta Admin/TCU DMO                        | 55   | \$18,511            | \$18,511                              | 0.0%  |
| Direct-Delta Coach Operators DMO                 | 140  | \$45,811            | \$45,811                              | 0.0%  |
| PRISM-Delta Admin/TCU DPO                        | 460  | \$714,925           | \$680,686                             | -4.8% |
| PRISM-Delta Coach Operators DPO                  | 510  | \$593,994           | \$565,878                             | -4.7% |
| <b>VISION</b>                                    |      |                     | <b>Enhanced VSP Base &amp; Buy-Up</b> |       |
| PRISM-VSP Base Vision Plan Admin/TCU             | 520  | \$147,254           | \$207,341                             | 40.8% |
| PRISM-VSP Buy-up Vision Admin/TCU (cost neutral) | 86   | N/A                 | \$9,962                               | N/A   |
| PRISM-VSP Vision Coach Operators                 | 650  | \$95,754            | \$95,754                              | 0.0%  |
| <b>BASIC LIFE/AD&amp;D</b>                       |      |                     | <b>In Rate Guarantee Until 2024</b>   |       |
| PRISM-Voya Life/AD&D Admin/TCU                   | 541  | \$190,541           | \$190,541                             | 0.0%  |
| PRISM-Voya Life/AD&D Coach Operators             | 650  | \$81,709            | \$81,709                              | 0.0%  |
| <b>SHORT TERM DISABILITY</b>                     |      |                     | <b>In Rate Guarantee Until 2024</b>   |       |
| PRISM-Voya STD Admin                             | 487  | \$31,617            | \$31,617                              | 0.0%  |
| <b>LONG TERM DISABILITY</b>                      |      |                     | <b>In Rate Guarantee Until 2024</b>   |       |
| PRISM-Voya LTD Admin/TCU                         | 527  | \$147,765           | \$147,765                             | 0.0%  |
| <b>FMLA Leave Administration</b>                 |      |                     |                                       |       |
| VOYA   | 1355 | \$27,234            | \$27,234                              | 0.0%  |
| <b>TOTAL ANNUAL PREMIUM</b>                      |      | <b>\$21,518,857</b> | <b>\$23,255,078</b>                   |       |
| <b>ANNUAL DOLLAR CHANGE</b>                      |      |                     | <b>\$1,736,221</b>                    |       |
| <b>ANNUAL PERCENT CHANGE</b>                     |      |                     | <b>8.1%</b>                           |       |

CDHP - Consumer Driven Health Plan  
 DHMO - Dental Health Maintenance Organization  
 HMO - Health Maintenance Organization  
 PPO - Preferred Provider Organization  
 PRISM - Public Risk Innovation, Solutions, and Management  
 TCU - Transportation Communications International Union  
 VSP - Vision Service Plan

## Orange County Transportation Authority

### Monthly Rate Comparison - 2023 vs. 2022

| PLAN                                  | COVERAGE          | CURRENT    | RENEWAL    | \$ CHANGE |
|---------------------------------------|-------------------|------------|------------|-----------|
| (PRISM) Kaiser HMO - Coach Operators  | Employee          | \$638.00   | \$695.00   | \$57.00   |
|                                       | Employee + one    | \$1,260.00 | \$1,372.00 | \$112.00  |
|                                       | Employee + family | \$1,776.00 | \$1,934.00 | \$158.00  |
| (PRISM) Kaiser HMO - Admin/TCU        | Employee          | \$644.00   | \$701.00   | \$57.00   |
|                                       | Employee + one    | \$1,352.00 | \$1,472.00 | \$120.00  |
|                                       | Employee + family | \$1,930.00 | \$2,102.00 | \$172.00  |
| (PRISM) Anthem HMO                    | Employee          | \$693.00   | \$755.00   | \$62.00   |
|                                       | Employee + one    | \$1,457.00 | \$1,587.00 | \$130.00  |
|                                       | Employee + family | \$2,081.00 | \$2,266.00 | \$185.00  |
| (PRISM) Anthem PPO                    | Employee          | \$876.00   | \$954.00   | \$78.00   |
|                                       | Employee + one    | \$1,838.00 | \$2,002.00 | \$164.00  |
|                                       | Employee + family | \$2,626.00 | \$2,860.00 | \$234.00  |
| (PRISM) Anthem CDHP PPO               | Employee          | \$644.00   | \$701.00   | \$57.00   |
|                                       | Employee + one    | \$1,353.00 | \$1,473.00 | \$120.00  |
|                                       | Employee + family | \$1,931.00 | \$2,103.00 | \$172.00  |
| (PRISM) DeltaCare DHMO - Admin/TCU    | Employee          | \$16.80    | \$16.80    | \$0.00    |
|                                       | Employee + one    | \$29.90    | \$29.90    | \$0.00    |
|                                       | Employee + family | \$43.80    | \$43.80    | \$0.00    |
| (PRISM) Delta PPO - Admin/TCU         | Employee          | \$60.50    | \$57.60    | (\$2.90)  |
|                                       | Employee + one    | \$127.80   | \$121.70   | (\$6.10)  |
|                                       | Employee + family | \$171.00   | \$162.80   | (\$8.20)  |
| DeltaCare DHMO - Coach Operators      | Employee          | \$14.43    | \$14.43    | \$0.00    |
|                                       | Employee + one    | \$27.54    | \$27.54    | \$0.00    |
|                                       | Employee + family | \$42.91    | \$42.91    | \$0.00    |
| (PRISM) Delta PPO - Coach Operators   | Employee          | \$46.90    | \$44.70    | (\$2.20)  |
|                                       | Employee + one    | \$84.00    | \$80.00    | (\$4.00)  |
|                                       | Employee + family | \$135.30   | \$128.90   | (\$6.40)  |
| (PRISM) VSP - Admin/TCU               | Employee          | \$13.25    | \$17.15    | \$3.90    |
|                                       | Employee + one    | \$24.50    | \$31.97    | \$7.47    |
|                                       | Employee + family | \$34.62    | \$45.31    | \$10.69   |
| (PRISM) VSP Buy-Up Option - Admin/TCU | Employee          | \$13.25    | \$22.10    | \$8.85    |
|                                       | Employee + one    | \$24.50    | \$41.86    | \$17.36   |
|                                       | Employee + family | \$34.62    | \$59.79    | \$25.17   |
| (PRISM) VSP - Coach Operators         | Employee          | \$6.70     | \$6.70     | \$0.00    |
|                                       | Employee + one    | \$12.00    | \$12.00    | \$0.00    |
|                                       | Employee + family | \$19.32    | \$19.32    | \$0.00    |

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VSP - Vision Service Plan

# Orange County Transportation Authority Administrative & TCU Monthly Employee Cost for 2023

| PLAN                             | COVERAGE          | LESS THAN 10 YEARS OF SERVICE |              | MORE THAN 10 YEARS OF SERVICE |              |
|----------------------------------|-------------------|-------------------------------|--------------|-------------------------------|--------------|
|                                  |                   | COST SHARE %                  | MONTHLY COST | COST SHARE %                  | MONTHLY COST |
| <b>(PRISM) Kaiser HMO</b>        | Employee          | 10%                           | \$70.09      | 0%                            | \$0.00       |
|                                  | Employee + one    | 15%                           | \$220.81     | 5%                            | \$73.60      |
|                                  | Employee + family | 15%                           | \$315.29     | 5%                            | \$105.11     |
| <b>(PRISM) Anthem HMO</b>        | Employee          | 10%                           | \$75.51      | 0%                            | \$0.00       |
|                                  | Employee + one    | 15%                           | \$238.05     | 5%                            | \$79.34      |
|                                  | Employee + family | 15%                           | \$339.91     | 5%                            | \$113.30     |
| <b>(PRISM) Anthem PPO</b>        | Employee          | 15%                           | \$143.11     | 7.5%                          | \$71.54      |
|                                  | Employee + one    | 20%                           | \$400.40     | 10%                           | \$200.20     |
|                                  | Employee + family | 20%                           | \$572.00     | 10%                           | \$286.00     |
| <b>(PRISM) Anthem CDHP PPO</b>   | Employee          | 10%                           | \$70.09      | 5%                            | \$35.06      |
|                                  | Employee + one    | 15%                           | \$220.96     | 7.5%                          | \$110.48     |
|                                  | Employee + family | 15%                           | \$315.45     | 7.5%                          | \$157.73     |
| <b>(PRISM) DeltaCare DHMO</b>    | Employee          | 10%                           | \$1.69       | 10%                           | \$1.69       |
|                                  | Employee + one    | 15%                           | \$4.49       | 15%                           | \$4.49       |
|                                  | Employee + family | 15%                           | \$6.57       | 15%                           | \$6.57       |
| <b>(PRISM) Delta PPO</b>         | Employee          | 10%                           | \$5.76       | 10%                           | \$5.76       |
|                                  | Employee + one    | 15%                           | \$18.27      | 15%                           | \$18.27      |
|                                  | Employee + family | 15%                           | \$24.42      | 15%                           | \$24.42      |
| <b>(PRISM) VSP</b>               | Employee          | 10%                           | \$1.72       | 10%                           | \$1.72       |
|                                  | Employee + one    | 15%                           | \$4.80       | 15%                           | \$4.80       |
|                                  | Employee + family | 15%                           | \$6.80       | 15%                           | \$6.80       |
| <b>(PRISM) VSP Buy-Up Option</b> | Employee          | 10%                           | \$6.67       | 10%                           | \$6.67       |
|                                  | Employee + one    | 15%                           | \$14.69      | 15%                           | \$14.69      |
|                                  | Employee + family | 15%                           | \$21.28      | 15%                           | \$21.28      |

CDHP - Consumer Driven Health Plan

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## Orange County Transportation Authority Coach Operators Monthly Employee Cost for 2023

| PLAN                        | COVERAGE          | COST SHARE % | MONTHLY COST* |
|-----------------------------|-------------------|--------------|---------------|
| <b>(PRISM) Kaiser - HMO</b> | Employee          | 5%           | \$34.75       |
|                             | Employee + one    | 7%           | \$96.05       |
|                             | Employee + family | 10%          | \$193.40      |
| <b>(PRISM) Anthem HMO</b>   | Employee          | 5%           | \$37.74       |
|                             | Employee + one    | 7%           | \$111.09      |
|                             | Employee + family | 10%          | \$226.59      |
| <b>(PRISM) Anthem PPO</b>   | Employee          | 5%           | \$47.71       |
|                             | Employee + one    | 7%           | \$140.14      |
|                             | Employee + family | 10%          | \$286.00      |
| <b>DeltaCare DHMO</b>       | Employee          | 5%           | \$0.72        |
|                             | Employee + one    | 7%           | \$1.93        |
|                             | Employee + family | 10%          | \$4.29        |
| <b>(PRISM) Delta PPO</b>    | Employee          | 5%           | \$2.23        |
|                             | Employee + one    | 7%           | \$5.59        |
|                             | Employee + family | 10%          | \$12.89       |
| <b>(PRISM) VSP</b>          | Employee          | 5%           | \$0.33        |
|                             | Employee + one    | 7%           | \$0.85        |
|                             | Employee + family | 10%          | \$1.93        |

\*Note: Cost share is in agreement with Teamsters Local 952 Union Collective Bargaining Agreement as negotiated.

DHMO - Dental Health Maintenance Organization

HMO - Health Maintenance Organization

PPO - Preferred Provider Organization

PRISM - Public Risk Innovation, Solutions, and Management

VSP - Vision Service Plan

# **Agreements for Health Insurance Services**

# Background



## **Each year, OCTA renews employee benefits, including:**

- Medical Insurance
- Dental Insurance
- Vision Insurance
- Life Insurance
- Accidental Death and Dismemberment Insurance
- Disability Insurance
- Employee Leave Administration



**Goal:** Provide cost-sharing structure, manage utilization, educate employees to be better healthcare consumers, and implement a health risk management program.



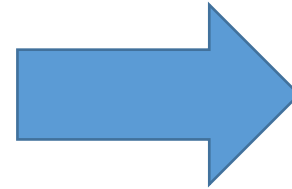
## **Plan Participants:**

- Administrative Employees
- Parts Clerks and Facility Technicians represented by the Transportation Communications International Union
- Coach Operators represented by Teamsters Local 952 Union

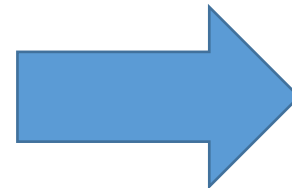
# PRISM Overview

In 2015 (plan year 2016), OCTA joined Public Risk Innovation, Solutions, and Management (PRISM), a medical purchasing program offered to counties, cities and special districts.

OCTA has benefited from renewal rates far below market trends since joining PRISM:



OCTA shares risk with PRISM members and rates are renewed as a single pool.



PRISM is dedicated to controlling losses and providing effective risk management solutions.

# Current Plan Offerings

## **Plans through PRISM:**

- Medical Insurance (Anthem HMO, PPO and CDHP, and Kaiser)
- Dental Insurance (Delta Dental HMO and PPO)
- Vision Insurance (VSP Choice)
- Life Insurance (VOYA)
- Accidental Death and Dismemberment Insurances (Voya)
- Short-term and Long-term Disability Insurance (Voya)
- Employee Protected Leave Administration (Voya)

## **Plan outside of PRISM Pool:**

- Dental Insurance (Delta Dental HMO for Coach Operators)

CDHP – Consumer Driven Health Plan

HMO – Health Maintenance Organization

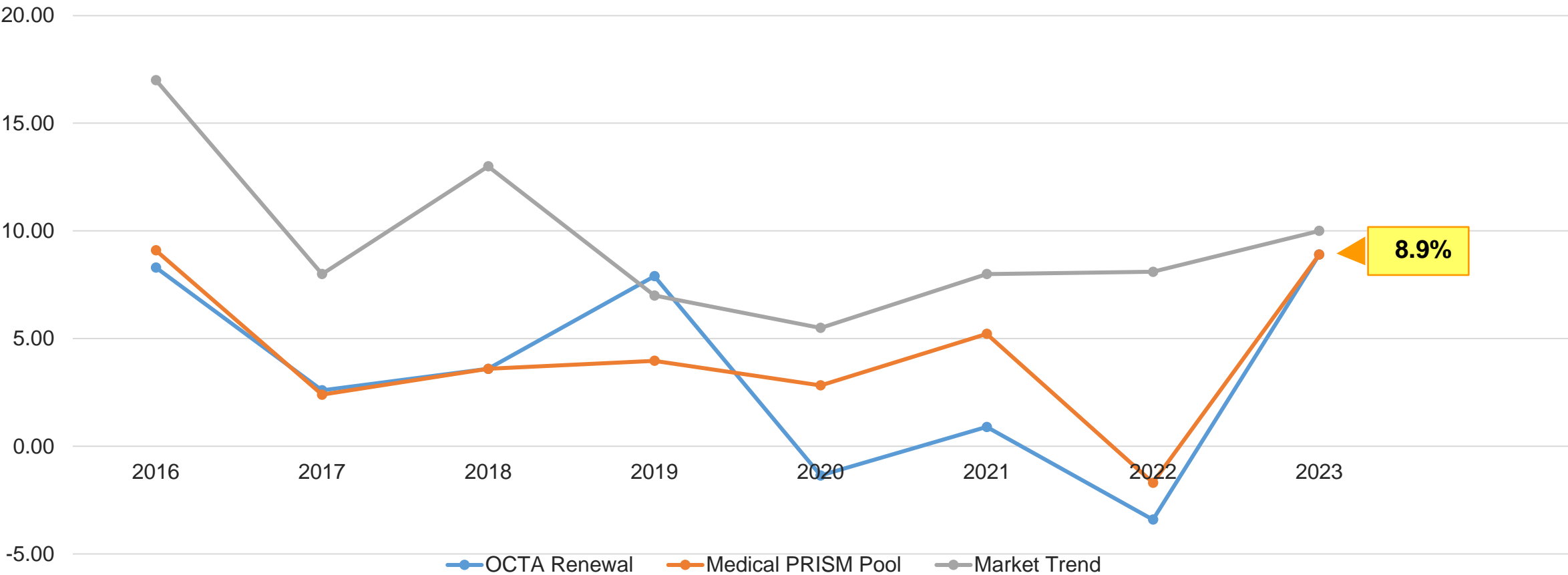
PPO – Preferred Provider Organization

VSP – Vision Services Plan



# OCTA Medical Plan Renewal Trends

OCTA vs. Medical PRISM Pool vs. Market Trend by Year



# 2023 Renewal Rate Changes

**2023 medical renewals are based on the most recent 12 months of actual claim data (March 2021 through February 2022)**



Healthcare utilization from coronavirus (COVID-19)-suppressed claims during these recent 12 months.



Significant increase in the number and dollar value of high-cost claims as compared to the prior year.



In large part, COVID-19-suppressed healthcare utilization resulted in a 0.9% renewal increase in 2021 and a 3.4% renewal decrease in 2022.

**The 3-year average of renewals for 2021, 2022 and 2023 is 2.1%.**

# Financial Summary

| ORANGE COUNTY TRANSPORTATION AUTHORITY           |            |                     |                                       |       |
|--|------------|---------------------|---------------------------------------|-------|
| FINANCIAL OVERVIEW                               |            |                     |                                       |       |
| Effective January 1, 2023                        |            |                     |                                       |       |
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| <b>DENTAL</b>                                    |            |                     |                                       |       |
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| <b>SHORT TERM DISABILITY</b>                     |            |                     | <b>In Rate Guarantee Until 2024</b>   |       |
| PRISM-Voya STD Admin                             | 487        | \$31,617            | \$31,617                              | 0.0%  |
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| PRISM-Voya LTD Admin/TCU                         | 527        | \$147,765           | \$147,765                             | 0.0%  |
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| VOYA   | 1355       | \$27,234            | \$27,234                              | 0.0%  |
| <b>TOTAL ANNUAL PREMIUM</b>                      |            | <b>\$21,518,857</b> | <b>\$23,255,078</b>                   |       |
| <b>ANNUAL DOLLAR CHANGE</b>                      |            |                     | <b>\$1,736,221</b>                    |       |
| <b>ANNUAL PERCENT CHANGE</b>                     |            |                     | <b>8.1%</b>                           |       |

# Recommendations



Remain in PRISM to continue benefiting from lower than market renewal rates.



Execute agreements to continue medical, dental, vision, life, accidental death and dismemberment, and short-term and long-term disability insurances and employee protected leave administration with PRISM through December 31, 2023.



Execute agreement to continue dental HMO insurance with Delta Dental for Coach Operators through December 31, 2023.