

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

## **Call to Order**

The March 13, 2017 regular meeting of the Orange County Transportation Authority (OCTA) and affiliated agencies was called to order by Chairman Hennessey at 9:00 a.m. at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room – Conference Room 07-08, Orange, California.

## **Roll Call**

Following the Invocation and Pledge of Allegiance, the Clerk of the Board noted a quorum was present, with the following Directors in attendance:

Directors Present: Michael Hennessey, Chairman  
Lisa A. Bartlett, Vice Chair  
Laurie Davies  
Andrew Do  
Lori Donchak  
Steve Jones  
Mark A. Murphy  
Richard Murphy  
Shawn Nelson  
Miguel Pulido  
Michelle Steel  
Tom Tait  
Gregory T. Winterbottom  
Ryan Chamberlain, Governor's Ex-Officio Member

Directors Absent: Barbara Delgleize  
Al Murray  
Tim Shaw  
Todd Spitzer

Also Present: Darrell Johnson, Chief Executive Officer  
Ken Phipps, Deputy Chief Executive Officer  
Laurena Weinert, Clerk of the Board  
Olga Prado, Assistant Clerk of the Board  
James Donich, General Counsel  
Members of the Press and the General Public

## **Special Calendar**

There were no Special Calendar items.

## **Consent Calendar (Items 1 through 14)**

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

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

### **1. Approval of Minutes**

A motion was made by Director Donchak, seconded by Director Do, and declared passed by those present, to approve the Orange County Transportation Authority and affiliated agencies' regular meeting minutes of February 27, 2017.

Directors Nelson and Pulido were not present to vote on this item.

### **2. Agreement for Cyber Security Assessment**

Vice Chair Bartlett pulled this item, and asked about the procurement criteria and the reason why many of the firms did not meet the qualifications.

Virginia Abadessa, Director of Contracts Administration and Materials Management, responded that the rejected firms were deemed non-responsive because they did not meet the federal required Disadvantaged Business Enterprise (DBE) requirements established for this item's contract.

Ms. Abadessa also stated that the firms are required to meet the established DBE goal, have DBE certification by either performing the work themselves or use certified DBE subcontractors, or show good faith efforts in achieving the DBE goal.

A motion was made by Vice Chair Bartlett, seconded by Director R. Murphy, and declared passed by those present, to:

- A. Approve the selection of Ankura Consulting Group, LLC, as the firm to provide cyber security assessment services for the Orange County Transportation Authority's industrial control systems and related networks.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-6-1489 between the Orange County Transportation Authority and Ankura Consulting Group, LLC, in the amount of \$300,000, to provide cyber security assessment services for the Orange County Transportation Authority's industrial control systems and related networks for a one-year term.

**3. Approval of Local Transportation Fund Fiscal Year 2017-18 Apportionment Estimates**

A motion was made by Director Donchak, seconded by Director Do, and declared passed by those present, to approve the Local Transportation Fund Fiscal Year 2017-18 apportionment estimates and authorize the Chief Executive Officer to advise all prospective claimants of the amounts of all area apportionments from the Orange County Local Transportation Fund for the following fiscal year.

Directors Nelson and Pulido were not present to vote on this item.

**4. Fiscal Year 2016-17 Second Quarter Grant Reimbursement Status Report**

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

Directors Nelson and Pulido were not present to vote on this item.

**5. Fiscal Year 2016-17 Second Quarter Budget Status Report**

Vice Chair Bartlett pulled this item and asked for a briefing on the revenues, advances, and expenditures with regards to the variances timing issues.

Sean Murdock, Director of Finance and Administration, responded that the timing for the sales tax is that OCTA receives advances each month and quarterly there is a true up for the prior quarter. Mr. Murdock added that the expenditures timing is unique and provided examples.

Vice Chair Bartlett also inquired if the advances are based on timing issues versus revenue issues. Mr. Murdock responded that the sales tax revenue advances are an estimate provided by the State of California Board of Equalization and are trued up every quarter.

A discussion ensued, and Vice Chair Bartlett requested for the future, to include a chart or graph with this report.

Darrell Johnson, Chief Executive Officer (CEO), reported that this is the first budget year OCTA has used the new sales tax forecast adopted by the Board of Directors (Board) in March 2016.

A motion was made by Vice Chair Bartlett, seconded by Director Davies, and declared passed by those present, to receive and file as an information item.

**6. Agreement for Treasury Management Software System**

A motion was made by Director Donchak, seconded by Director Do, and declared passed by those present, to:

- A. Approve the selection of Clearwater Analytics, LLC, as the firm to provide a treasury management software system.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-6-1547 between the Orange County Transportation Authority and Clearwater Analytics, LLC, in the amount of \$588,306, for a five-year term, effective April 1, 2017 through March 31, 2022, to provide a treasury management software system.

Directors Nelson and Pulido were not present to vote on this item.

**7. Grant Award for the 2017 and 2018 Angels Express Service**

Director Davies pulled this item and suggested Metrolink service to the Angels Stadium for the Walk to Cure Arthritis and aging network events, as another opportunity to market the Metrolink service.

Mr. Johnson, CEO, responded that OCTA will review the guidelines to provide Metrolink service for major events and if Director Davies suggested events could be included for next year's grant proposal.

Vice Chair Bartlett asked about the status for this year versus last year Angels Express service. Ric Teano, Grants Section Manager in Government Relations, responded that last year OCTA was not able to grant fund the service due to a Tier 4 low emission locomotive requirement. Mr. Teano also reported that in 2015, the service was fully grant-funded and generated 53,600 boardings.

Chairman Hennessey asked how the boardings were tracked. Jennifer Bergener, Director of Rail Programs & Facilities Engineering, responded that the Angels Express service has a special fare, there is a true up process for tickets sold, as well as fare enforcement on certain amount of trains.

Vice Chair Bartlett inquired if the Angels Express service was subsidized in addition to all the other funding sources. Mr. Teano responded that OCTA's cost is \$28,000.

Director Winterbottom stated that most of the funding comes from the Mobile Source Air Pollution Reduction Review Committee, last year's grant funding required a Tier 4 low emission locomotive, and the service attracts new riders. Mr. Teano also stated that for the 2015 service, 27 percent of the riders had never used the Metrolink train.

**7. (Continued)**

Vice Chair Bartlett stated that more information was needed in the staff report and would have been helpful.

A motion was made by Director Davies, seconded by Vice Chair Bartlett, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer or designee to accept the grant award and execute grant-related agreements with the Mobile Source Air Pollution Reduction Review Committee to support the Angels Express service.
- B. Authorize the Chief Executive Officer or designee to execute agreements with the Southern California Regional Rail Authority to provide special rail service for the Angels Express.

**8. Budget Development, Monitoring, and Reporting, Internal Audit Report No. 16-509**

Vice Chair Bartlett pulled this item and referenced the Internal Audit Department's recommendations to have specific approval for budget transfers and asked what is OCTA's current process.

Janet Sutter, Executive Director of Internal Audit, responded that there is a procedure in place, and the recommendation is to have the procedures in writing for utilizing the budget transfer form.

Vice Chair Bartlett also noted that the sole source list identified a proposed budget for each agreement and many of the agreements exceeded the amounts budgeted. Ms. Sutter responded that the audit alluded that the amount on the sole source list was higher than what was budgeted.

Sean Murdock, Director of Finance and Administration, clarified that the budgeted amounts were not exceeded. In addition, going forward, Internal Audit has recommended that management justify the budget amount, as well as provide oversight as to what is listed on the sole source list and what is budgeted.

Vice Chair Bartlett requested for future staff reports to provide clarification.

A motion was made by Vice Chair Bartlett, seconded by Director Davies, and declared passed by those present, to direct staff to implement four recommendations provided in Budget Development, Monitoring, and Reporting, Internal Audit Report No. 16-509.

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

**9. Sole Source Agreement for the Construction of a Liquid Hydrogen Fuel Station at the Santa Ana Bus Base**

A motion was made by Director Donchak, seconded by Director Do, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C-7-1577 between the Orange County Transportation Authority and Linde LLC, in the amount of \$4,777,732, for the construction of a liquid hydrogen fuel station at the Santa Ana Bus Base.
- B. Amend the Orange County Transportation Authority's Fiscal Year 2016-17 Adopted Budget, in the amount of \$4,777,732, to accommodate the construction of a liquid hydrogen fuel station at the Santa Ana Bus Base.

Directors Nelson and Pulido were not present to vote on this item.

**10. Sole Source Agreement for Warranty and Non-Warranty Cummins Engine Services**

A motion was made by Director Donchak, seconded by Director Do, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C-6-1605 between the Orange County Transportation Authority and Cummins Pacific, LLC, in the amount of \$750,000, for warranty and non-warranty engine services, effective May 1, 2017 through April 30, 2022.

Directors Nelson and Pulido were not present to vote on this item.

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

**11. Cooperative Agreement with the California Department of Transportation for the Interstate 5 Plant Establishment Project Between Avenida Pico and San Juan Creek Road**

A motion was made by Director Donchak, seconded by Director Do, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-7-1561 between the Orange County Transportation Authority and the California Department of Transportation, in the amount of \$1,320,000, for the Interstate 5 Plant Establishment Project between Avenida Pico and San Juan Creek Road.

Directors Nelson and Pulido were not present to vote on this item.

**12. Agreement for Pacific Electric Right-of-Way Weed Abatement and Debris Removal Services**

This item was pulled for a public comment.

Paul Webb, RPW Services, Inc. (RPW), stated that RPW is the current contractor and for the past four years has provided Pacific Electric Right-of-Way weed abatement and debris removal services.

Mr. Webb also stated that during the bid process there were three different addendums and one of the addendums was very last minute. Mr. Webb commented that he submitted RPW's bid without executing the bid form, and explained how he reached out to OCTA's purchasing staff to let them know that he stood by the submitted bid.

Mr. Webb also expressed his concerns about OCTA spending 12 percent more for the recommended contractor to perform the same services currently provided by RPW at a lower cost.

James Donich, General Counsel, responded that pursuant to OCTA's policy, the bid was found non-responsive, because the bid was not signed.

A discussion ensued regarding:

- Under California law and OCTA's policies, OCTA would have to find RPW non-responsive for failure to execute the bid form.
- At the discretion of the Board, all the current bids could be rejected, go through another bid process, and the current contract would need to be extended for a new bid process.
- OCTA cannot correct the current bid.
- In order to go through this bid process, RPW's initial term was partially exercised by OCTA to extend the term for a few months.
- OCTA could enter into a standard contract that would have an initial term with no options or have initial terms with various options.

A motion was made by Director Donchak, seconded by Director Do, and declared passed by those present, to:

- A. Find RPW Services, Inc., the apparent low bidder, as non-responsive for failure to execute the bid form.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-6-1504 between the Orange County Transportation Authority and Pest Options, Inc., the lowest responsive, responsible bidder, in the amount of \$215,830.80, for a five-year term, for the Pacific Electric right-of-way weed abatement and debris removal services.

Director Pulido abstained as he was not present for the discussion of this item.

**12. (Continued)**

A substitute motion was offered by Director M. Murphy to reject the bids and rebid. In addition, Director M. Murphy deferred to the maker and second of the motion if they wished to change the original motion.

Director Donchak provided comments and affirmed that her original motion stands, and Director Do affirmed that his original second stands.

**13. Measure M2 Quarterly Progress Report for the Period of October 2016 Through December 2016**

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

Directors Nelson and Pulido were not present to vote on this item.

**14. Regional Traffic Signal Synchronization Program Overview**

Director Donchak pulled this item and provided comments on the successful Regional Traffic Signal Synchronization Program (RTSSP.) She also thanked staff for the excellent execution on the program, and encouraged her colleagues to look for opportunities to place the RTSSP in their district.

Director Donchak also inquired when the next call for projects would be. Kia Mortazavi, Executive Director of Planning, responded that the next call for projects would be released in August, and is due in October of 2017.

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

**Regular Calendar**

**Orange County Transportation Authority Regular Calendar Matters**

**15. Central Harbor Boulevard Transit Corridor Study Update**

Darrell Johnson, CEO, provided opening comments that in February 2017, the Transit Committee and Board were presented this item. Mr. Johnson noted that at the last Board meeting Director Tait asked that this item be re-agendized for a Board meeting.

Director Tait, as the Mayor of Anaheim, provided his and the City of Anaheim's concerns. Director Tait recommended a bigger study that includes technology and does not take a lane from Anaheim.



**15. (Continued)**

A very lengthy discussion ensued, and Director Donchak requested information on what Measure M2 Project S funding could be used going forward.

Mr. Johnson, CEO, stated that this study is based upon supporting data from an initial planning study. He reaffirmed that this study is technically driven and will include the stakeholders and city councils input. In addition, Mr. Johnson stated that the draft final report will be presented to the Board in July 2017.

Director Pulido asked if the transportation network companies would also be included in the study as also mentioned by Directors Donchak and Tait. Mr. Johnson, CEO, responded that OCTA is considering separately, the transportation network companies and all OCTA's transit activities.

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

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

**16. Measure M2 Environmental Cleanup Program - Tier 1 Grant Program Call for Projects**

Sam Kaur, Section Manager of Measure M Local Programs, provided an overview on the Measure M2 Environmental Cleanup Program and highlighted the recommendations.

A motion was made by Director Nelson, seconded by Director Pulido, and declared passed by those present, to:

- A. Approve the proposed revisions to the Comprehensive Transportation Funding Programs Guidelines for Environmental Cleanup Program Tier 1 projects.
- B. Authorize staff to issue the fiscal year 2017-18 Environmental Cleanup Program Tier 1 call for projects, totaling approximately \$3.1 million.

Director Do was not present to vote on this item.

## **Discussion Items**

### **17. Update on the State Route 55 Improvement Project Between Interstate 405 and Interstate 5**

Darrell Johnson, CEO, provided opening comments that OCTA worked with the California Department of Transportation (Caltrans) to minimize the right-of-way impacts for this item's project.

Mr. Johnson also stated that Chairman Hennessey requested, in January 2017, to review acceleration options for the State Route 55 Improvement Project. Mr. Johnson reported that OCTA has been working with Caltrans to accelerate this project.

Rose Casey, Director of Highway Programs, provided a PowerPoint presentation for this item as follows:

- Background;
- Comparison of Alternative 3 and 3 Modified;
- Traffic Performance Measures Update;
- Current Activities;
- Schedule and Proposed Acceleration; and
- Next Steps.

Director Chamberlain stated that the Interstate 405 Improvement Project and State Route 55 project are examples of OCTA and Caltrans having a long-standing partnership to work for solutions. Director Chamberlain looks forward to this same type of working relationship on projects in the future.

After a discussion ensued, Chairman Hennessey thanked OCTA and Caltrans staff for all their effort and asked to continue reviewing opportunities to advance this project.

### **18. Public Comments**

There were no public comments received.

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

Mr. Johnson, CEO, reported that:

- On Monday, March 20th, the Riverside County Transportation Commission (RCTC) will have a soft opening of the 91 Express Lanes, and the grand opening will be held at 11:00 a.m. on Friday, March 31st at the Corona Metrolink Station.

**19. (Continued)**

- OCTA is also working in partnership with RCTC for the lease terms, third-party operating agreements, and the coordination with Caltrans for the 91 Express Lanes in Riverside County. In addition, there will be extensive public outreach about the opening of the 91 Express Lanes in Riverside County.
- Last week, the nightly closures started on the northbound Interstate 5 off-ramps, and southbound on-ramps at Avenida Pico from 10:00 p.m. to 5:00 a.m., Monday through Friday, and will continue through early April 2017. In addition, the closures have been announced to the public.
- On Tuesday, April 11th, at 6:00 p.m. the Taxpayer Oversight Committee will hold its annual M2 public hearing at the OCTA's Headquarters. In addition, OCTA will report the TOC's findings to the Board.

**20. Directors' Reports**

Director R. Murphy referenced Item 15 on today's agenda and stated the importance to have an ongoing study of the new technology.

Director R. Murphy also reported on his recent experience with the road conditions and suggested reviewing options on how to improve the road conditions.

Director Do reported that a few weeks ago he, along with Transit Committee Chairman Shaw, went "under cover" and boarded buses throughout Central Orange County to obtain feedback from passengers on Routes 543 and 64X. Director Do stated that the buses were clean, staff was courteous, the buses were punctual, and both routes were at full capacity.

Director Do also reported on the "under cover" experience on how the bus riders used the bus routes and that mobile ticketing will speed up the boarding time. He also commented that OCTA may want to revisit the way the bus routes are operated, review potential circulator options, and increase the bus service frequency in the busiest portions of the bus system.

Mr. Johnson, CEO, stated that OCTA will review "short-turn" bus trips. In addition, he reported that there are 14,900 mobile ticketing user accounts and 95,000 tickets have been sold, and about half of those tickets are for the single ride day pass.

Director Tait reported that at the recent Transit Committee meeting, there was a presentation from the University of California, Los Angeles on transit issues and he requested that presentation also be provided to the full Board.

**20. (Continued)**

Director Tait stated that for Item 15 on this agenda that the Board is given an opportunity to vote on the issues raised in the future.

Director Pulido asked Mr. Johnson, CEO, to briefly describe the permanent break on the 91 Express Lanes between Orange and Riverside counties.

Mr. Johnson, CEO, responded that there is a detailed striping plan for ingress and egress from Orange County to the Interstate 15 in Riverside County.

Director Pulido suggested that based on Directors Do's and R. Murphy's comments today about technology, that the Transit Committee be renamed to the Transit and Technology Committee in order to address new technology for transit.

Director R. Murphy commented that technology will not slow down and supported Director Pulido's idea.

**21. Closed Session**

There were no Closed Session items scheduled.

**22. Adjournment**

The meeting was adjourned at 10:37 a.m.

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, March 27, 2017**, at Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room – Conference Room 07-08, Orange, California.

ATTEST:

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Laurena Weinert  
Clerk of the Board

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Michael Hennessey  
OCTA Chairman