

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 September 11, 2017 regular meeting of the Orange County Transportation Authority (OCTA) and affiliated agencies was called to order by Chairman Hennessey at 9:03 a.m. at the OCTA Headquarters, 550 South Main Street, Board Room – Conference Room 07-08, Orange, California.

## **Roll Call**

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

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

Directors Absent: Barbara Delgleize  
Shawn Nelson  
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 matters.

## **Consent Calendar (Items 1 through 11)**

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

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

A motion was made by Director Murray, seconded by Director M. Murphy, and declared passed by those present, to approve the Orange County Transportation Authority and affiliated agencies' regular meeting minutes of August 28, 2017.

Directors Jones, Pulido, and Tait were not present to vote on this item.

#### **2. Interstate 5 (Avenida Pico to San Diego County Line) Project Status Update**

Director Donchak pulled this item and provided comments that this project is an important piece of solving south Orange County's mobility. In addition, Director Donchak emphasized the need to use standards for traffic count data collection, as well as stated that this project be carried forward through the Long-Range Transportation Plan.

Director Donchak requested that this item return as an agenda item for a Board of Directors (Board) meeting in January 2018 and include a status update.

Vice Chair Bartlett stated the need for continued coordination to help solve the region's complex mobility issues.

A motion was made by Director Donchak, seconded by Vice Chair Bartlett, and declared passed by those present, to agendize the Interstate 5 (Avenida Pico to San Diego County Line) Project for a Board of Directors meeting in January 2018.

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

#### **3. Grant Award for the Pedestrian and Bicycle Safety Program**

A motion was made by Director Murray, seconded by Director M. Murphy, and declared passed by those present, to authorize the Chief Executive Officer or designee to accept the grant award and execute grant-related agreements with the California Office of Traffic Safety to develop and implement the Pedestrian and Bicycle Safety Program.

Directors Jones, Pulido, and Tait were not present to vote on this item.

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

**4. Consultant Selection for the Preparation of Plans, Specifications, and Estimates for the State Route 55 Improvement Project Between Interstate 405 and Interstate 5**

A motion was made by Director Murray, seconded by Director M. Murphy, and declared passed by those present, to:

- A. Approve the selection of WKE, Inc., as the firm to prepare the plans, specifications, and estimates for the State Route 55 Improvement Project between Interstate 405 and Interstate 5.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-1719 between the Orange County Transportation Authority and WKE, Inc., to prepare the plans, specifications, and estimates for the State Route 55 Improvement Project between Interstate 405 and Interstate 5.

Directors Jones, Pulido, and Tait were not present to vote on this item.

**5. Cooperative Agreement with the California Department of Transportation for the State Route 55 Improvement Project Between Interstate 405 and Interstate 5 and Authority to Acquire Right-of-Way**

A motion was made by Director Murray, seconded by Director M. Murphy, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-7-1936 between the Orange County Transportation Authority and the California Department of Transportation, in the amount of \$850,000, to perform right-of-way support services for the State Route 55 Improvement Project between Interstate 405 and Interstate 5.
- B. Authorize the Chief Executive Officer, or his designee, 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.

Directors Jones, Pulido, and Tait were not present to vote on this item.

**6. Environmental Mitigation Program Endowment Fund Investment Report For June 30, 2017**

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

Directors Jones, Pulido, and Tait were not present to vote on this item.

**7. Measure M2 Environmental Mitigation Program Restoration Projects Additional Funding Request**

A motion was made by Director Murray, seconded by Director M. Murphy, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to negotiate and execute an amount up to \$805,000 to fund the expedited clean water permitting requirements.
- B. Authorize staff to amend the fiscal year 2017-18 budget to include the recommended funding amount.

Directors Jones, Pulido, and Tait were not present to vote on this item.

**8. Measure M2 Performance Assessment Report Update**

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

Directors Jones, Pulido, and Tait were not present to vote on this item.

**9. Measure M2 Quarterly Progress Report for the Period of April 2017 Through June 2017**

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

Director Jones, Pulido, and Tait were not present to vote on this item.

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

A motion was made by Director Murray, seconded by Director M. Murphy, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-7-1827 for the El Toro Road (east) Regional Traffic Signal Synchronization Project.
- B. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-7-1828 for the Magnolia Street Regional Traffic Signal Synchronization Project.
- C. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-7-1829 for the Brookhurst Street Regional Traffic Signal Synchronization Project.

Directors Jones, Pulido, and Tait were not present to vote on this item.

**Orange County Service Authority For Freeway Emergencies  
Consent Calendar Matters**

**11. Motorist Services Update for Fiscal Year 2016-17**

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

Directors Jones, Pulido, and Tait were not present to vote on this item.

**Regular Calendar**

**Orange County Transportation Authority Regular Calendar Matters**

**12. 2018 State Transportation Improvement Program**

Adriann Cardoso, Capital Programming Manager, Strategic Planning, provided a PowerPoint presentation for this item as follows:

- 2018 State Transportation Improvement Program (STIP) Overview;
- Program of Projects and Funding Target; and
- Next Steps.

A discussion ensued regarding:

- The 2018 STIP allows OCTA to fund Measure M2 (M2) freeway projects (as noted in the Staff Report.)
- SB 1 will provide OCTA funding of approximately \$5 million per year.

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

- A. Approve the 2018 State Transportation Improvement Program submittal to program \$267.873 million to seven projects, from fiscal year 2018-19 through fiscal year 2022-23.
- B. Approve the use of up to \$97.418 million in Surface Transportation Block Grant Program funds for the 2018 State Transportation Improvement Program projects.
- C. Approve the use of up to \$23.355 million in Congestion Mitigation and Air Quality funds for the 2018 State Transportation Improvement Program projects.
- D. Approve the use of up to \$178.338 million in Measure M2 funds for the 2018 State Transportation Improvement Program projects.

**12. (Continued)**

- E. Authorize staff to make all necessary amendments to the State Transportation Improvement Program and the Federal Transportation Improvement Program, as well as execute any necessary agreements to facilitate the recommendations above.

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

**13. Next 10: Market Conditions Forecast and Risk Analysis**

Tami Warren, Manager, Measure M Program Office, provided opening comments and introduced the presenters:

- Dr. Wallace Walrod, Chief Economic Advisor, Orange County Business Council.
- Dr. Marlon Boarnet, Professor and Chair of the Department of Urban Planning and Spatial Analysis, Sol Price School of Public Policy, University of Southern California.

Doctors Walrod and Boarnet provided a PowerPoint presentation as follows:

- Objectives;
- Timeline;
- Seven Risk Factors;
- Near Term Cost Risks; and
- Looking Forward Cost Mitigation Recommendations.

A discussion ensued regarding:

- At the September 7<sup>th</sup> Executive Committee meeting:
  - Executive Committee Chair Donchak requested a summary of the cost savings achieved between the Next 10 and Measure M2020 plans for accelerating the delivery of the M2 projects.
  - A consensus was reached by the Executive Committee for staff to develop a plan (and appropriate interval) to report to the Board the results of the monitoring efforts, identifying trends, and risk associated with project delivery.
- Staff was thanked for responding to the Board's need to evaluate the cost constraints going forward.

**13. (Continued)**

- Staff was thanked for supporting the students that participated in the Anaheim Unified School District's mentorship program.
- Director Tait suggested, that as OCTA bids the projects, to include as a requirement, local school districts' apprenticeship programs.
- Staff meets quarterly with the Associated General Contractors, trade unions, and California Council for Jobs about the project schedules.

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

- A. Receive and file the Next 10 Market Conditions Forecast and Risk Analysis.
- B. Continue to monitor the changing environment and its effects on the advancement of the Next 10 Delivery Plan.
- C. Continue to prioritize Measure M2 projects for external funding consistent with the Orange County Transportation Authority's adopted programming policies.

**Discussion Items**

**14. Measure M2 Sales Tax Forecast**

Sean Murdock, Director of Finance and Administration, provided a PowerPoint presentation for this item as follows:

- Background;
- Historical Measure M Sales Tax Revenues;
- Short-Term Growth Rate Forecasts;
- Long-Term Growth Rate Forecasts;
- Annual Measure M2 Sales Tax Revenue Forecast;
- Results of Updated Forecasts;
- Forecast Comparison – 2017 versus 2016; and
- Next Steps.

A discussion ensued regarding:

- The forecast methodology uses MuniServices for the first five years, and Chapman University, University of California, Los Angeles, and California State University, Fullerton for the remaining years.
- Chapman University provides the most conservative forecast.
- OCTA has used MuniServices for two years and will monitor its accuracy.
- Currently, OCTA has seven years of actuals and 23 years of forecasting.

**14. (Continued)**

- The long-term growth forecasts takes into consideration growth and recession and most indicators show no recession.
- Concerns about the long-term growth rate forecasts.
- OCTA forecast goes up to the year 2040, with \$723 million in sales tax revenue, and does not forecast a rolling 30 years.
- Sales tax revenues concerns (i.e., internet sales, shared-use vehicles, people are spending on experiences, and managing the project costs and scope of work.)
- Have a dashboard to address the concerns.
- Need to leverage M2 funding by finding other funding sources.
- Staff will return to the Board (through the appropriate committee) with the draft Next 10 Plan.

**15. Public Comments**

There were no public comments received.

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

Darrell Johnson, CEO, reported that:

- Last week, OCTA launched its first on-line Long-Range Transportation Plan survey to solicit public feedback. The survey will help OCTA to prioritize future transportation improvements throughout Orange County.
- On September 16<sup>th</sup> and 17<sup>th</sup>, OCTA will be at the Fiestas Patrias festival in Santa Ana to provide information about the OC Streetcar Project.
- For the West County Connectors Project, crews will be landscaping and planting. Motorists will not be affected by the work; however, there may be some impacts to residents in the area.
- On September 15<sup>th</sup> at 11:30 a.m., OCTA will promote the launch of the Santa Ana College (SAC) Pass Program at SAC. Chairman Hennessey and Directors Do and Shaw will be attending the event. In addition, during the first week of the SAC Pass Program, OCTA saw strong usage by the students and will continue to monitor the data.



**17. Directors' Reports**

Chairman Hennessey provided comments and asked that this meeting be adjourned to commemorate the September 11, 2001 United States attacks, the September 12, 2008 Metrolink (Chatsworth) train crash victims, and in memory of Director Shawn Nelson's father who recently passed away.

Chairman Hennessey also emphasized that as a partner in Metrolink, the Board Members' responsibility is to ensure the safety of Metrolink passengers.

**18. Closed Session**

There were no Closed Session items scheduled.

**19. Adjournment**

The meeting was adjourned in commemoration of the September 11<sup>th</sup> United States attacks, the Metrolink September 12<sup>th</sup> (Chatsworth) train crash victims, as well as in memory of Director Shawn Nelson's father who recently passed away.

The meeting adjourned at 10:09 a.m., and the next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, September 25, 2017**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room – Conference Room 07-08, Orange, California.

ATTEST:

---

Laurena Weinert  
Clerk of the Board

---

Michael Hennessey  
OCTA Chairman