

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 January 8, 2018 regular meeting of the Orange County Transportation Authority (OCTA) and affiliated agencies was called to order by Chairman Hennessey at 9:05 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:	Lisa A. Bartlett, Chair Tim Shaw, Vice Chairman Laurie Davies Barbara Delgleize Andrew Do Lori Donchak Michael Hennessey Steve Jones Mark A. Murphy Richard Murphy Al Murray Shawn Nelson Miguel Pulido Todd Spitzer Michelle Steel Tom Tait Gregory T. Winterbottom
Directors Absent:	Ryan Chamberlain, Governor's Ex-Officio Member
Also Present:	Darrell Johnson, 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

Orange County Transportation Authority Special Calendar Matters

1. Administration of the Oath of Office to Returning Orange County Transportation Authority Board of Directors

James Donich, General Counsel, administered the oaths of office to returning Board Members Laurie Davies, Barbara Delgleize, Steve Jones, Al Murray, and Tom Tait.

2. Election of Orange County Transportation Authority Board Chair

A motion was made by Chairman Hennessey, seconded by Director Murray, to elect Lisa A. Bartlett to be the 2018 Chair of the Orange County Transportation Authority Board of Directors.

Directors Delgleize, Pulido, Nelson, and Tait were not present to vote.

3. Election of Orange County Transportation Authority Vice Chair

A motion was made by Chairman Hennessey, seconded by Director Murray, to elect Tim Shaw to be the 2018 Vice Chairman of the Orange County Transportation Authority Board of Directors.

Directors Delgleize, Pulido, Nelson, and Tait were not present to vote.

4. 2017 Year In Review

Darrell Johnson, Chief Executive Officer (CEO), opened with comments and referenced the pamphlet titled "2017 A Progress Report on OCTA Accomplishments" that was provided to the Board at the dais, as well as presented a video of OCTA's 2017 accomplishments.

Mr. Johnson, CEO, recognized and presented to outgoing Chairman Hennessey, a gift of appreciation for his leadership as the 2017 Chairman of the Board of Directors.

Outgoing Chairman Hennessey and newly-elected Chair Bartlett provided comments.

No action was taken on this item.

Consent Calendar (Items 5 through 15)

Orange County Transportation Authority Consent Calendar Matters

5. Approval of Minutes

A motion was made by Director Murray, seconded by Director Donchak, and declared passed by those present, to approve the Orange County Transportation Authority and affiliated agencies' regular meeting minutes of December 11, 2017.

6. Internal Audit Policy

Director Hennessey pulled this item and asked if the Internal Audit Policy considers reporting on regular intervals an audit that is not completed after a 12-month period.

Janet Sutter, Executive Director of Internal Audit, responded that at the request of Finance and Administration Committee Chairman Do, the reporting of aged audit recommendations has been expanded in the Internal Audit Policy.

Ms. Sutter also reported that Internal Audit follows up every six months on every aged recommendation. In addition, she stated that after two follow ups, after a 12-month period, if a recommendation has not been closed, Internal Audit will provide additional detailed and estimated progress towards completion, which will be reported to the CEO and in the quarterly update.

A motion was made by Director Hennessey, seconded by Director M. Murphy, and declared passed by those present, to direct staff to implement the Internal Audit Policy, as revised.

7. Orange County Transportation Authority, Proposition 1B Bond Programs

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

8. Amendment to Agreement for Internet Service

A motion was made by Director Murray, seconded by Director Donchak, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-4-1396 between the Orange County Transportation Authority and CenturyLink, Inc., in the amount of \$32,000, to provide increased internet bandwidth. This will increase the maximum obligation of the agreement to a total contract value of \$129,786.

Due to a conflict of interest, Director Tait did not participate or vote on this item.

9. Agreements for Investment Management Service

Director Hennessey and Chair Bartlett pulled this item. Director Hennessey complimented Chair Bartlett for requesting staff to rebid the evergreen contracts, and this item is a result of her request.

Director Hennessey inquired about the savings for this item's agreements. Rodney Johnson, Deputy Treasurer, responded that the savings are approximately \$590,000 per year for the next five years.

Chair Bartlett thanked staff for being cooperative with regards to this item by rebidding the contracts, as the savings are substantial.

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

- A. Approve the selection of Chandler Asset Management, Inc.; Logan Circle Partners, L.P.; Payden & Rygel; and PFM Asset Management LLC, as the firms to provide investment management services in the aggregate amount of \$8,995,608.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-1813 between the Orange County Transportation Authority and Chandler Asset Management, Inc., to provide investment management services for a five-year initial term effective through December 31, 2022, with two, two-year option terms.
- C. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-2062 between the Orange County Transportation Authority and Logan Circle Partners, L.P., to provide investment management services for a five-year initial term effective through December 31, 2022, with two, two-year option terms.
- D. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-2063 between the Orange County Transportation Authority and Payden & Rygel, to provide investment management services for a five-year initial term effective through December 31, 2022, with two, two-year option terms.
- E. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-2064 between the Orange County Transportation Authority and PFM Asset Management LLC, to provide investment management services for a five-year initial term effective through December 31, 2022, with two, two-year option terms.

9. (Continued)

- F. Approve the selection of US Bancorp Asset Management, Inc.; State Street Global Advisors; and Western Asset Management Company, as the firms to be placed on a secondary list of on-call firms to provide investment management services.

10. Fiscal Year 2017-18 First Quarter Budget Status Report

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

11. Fiscal Year 2017-18 First Quarter Grant Reimbursement Status Report

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

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

Director Hennessey pulled this item, provided comments, and stated that he asked staff to bring this item forward and include additional information as to the status of the loan agreements.

Sean Murdock, Director of Finance and Administration, stated that staff included additional columns at the request of Director Hennessey.

Director Hennessey requested that the status of the loan agreements are reported to the Board on regular intervals. Mr. Johnson, CEO, stated that the updates will come forward to the Board annually.

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

Orange County Transit District Consent Calendar Matters

13. Transit Division Performance Measurements Report for the First Quarter of Fiscal Year 2017-18

Director Do pulled this item and inquired about bus routes 64 and 64X and which routes operate on Harbor Boulevard.

Johnny Dunning, Jr., Manager, Scheduling and Customer Advocacy, responded that the bus routes that operate on Harbor Boulevard are bus routes 43 and Bravo service 543. He also stated that bus routes 64 and 64X operate on First Street/Bolsa Avenue.

13. (Continued)

A discussion ensued regarding:

- Director Do asked about the 40-foot bus usage, if the number of buses operating on Harbor Boulevard and First Street have reached their saturation point, and could boardings increase by adding more buses and frequency on the routes.
- OCTA's goal is to minimize the number of vehicles needed to serve the bus routes that considers associated costs (e.g., capital replacement, maintenance of the vehicles, and other resources).
- Each bus route has different frequencies and resources.
- Director Do asked staff to highlight the data and compare the productivity of the bus routes and the number of buses used on the routes. In addition, he stated that the bus route productivity should be reexamined in order to increase capacity and speed on the higher ridership routes.
- As a measure of productivity, OCTA reviews the boardings per revenue vehicle hour, which is provided in this item's report.
- OC Bus 360°, OCTA's annual budget review, and three times a year bus service changes reviews boardings, frequency, capacity, and other resources needed to support the bus system.

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

Orange County Local Transportation Authority Consent Calendar Matters

14. Amendment to Agreement for Project Management Consultant Services for Rail Programs

A motion was made by Director Murray, seconded by Director Donchak, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Amendment No. 8 to Agreement No. C-3-1587 between the Orange County Transportation Authority and Mott MacDonald, LLC, in the amount of \$1,125,156, for continued program management consultant support services for rail programs. This will increase the maximum cumulative payment obligation of the agreement to a total contract value of \$7,320,512.

15. Project V Community-Based Transit Circulators Program Ridership Report

Director Donchak and Chair Bartlett pulled this item. Director Donchak commented that Project V is a great program. She asked if OCTA received letters of interests from the communities and what is the go forward plan to respond to the letters of interests for the Project V program.

Darrell Johnson, CEO, responded that OCTA received approximately 13 letters of interests and at the next Board meeting, staff will present a summary on the letters of interests, as well as provide guidelines for the Board's consideration.

Director Donchak inquired if the Project V funding would be released in calendar year 2018. Mr. Johnson, CEO, responded that upon Board approval, the funding would be released in calendar year 2018.

Chair Bartlett commented that the Project V community circulators have been successful, as well as provided other comments.

Director Tait commented that Attachment A of the Staff Report is very informative. He feels that the fare policy needs to be reviewed again and that the Project V ridership success is due free fare pricing.

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

Regular Calendar

Orange County Transportation Authority Regular Calendar Matters

16. Central Harbor Boulevard Transit Corridor Study

Kurt Brotcke, Director of Strategic Planning, provided a PowerPoint presentation as follows:

- Today's Update;
- Study Phases and Schedule;
- Mode/Feature Options;
- 12 Conceptual Alternatives;
- Evaluation Criteria;
- Evaluation Scores;
- Technical Evaluation Summary;
- Technical Input on Alternatives;
- Council Input on Alternatives;
- Community Input;
- Online Survey; and
- Next Steps.

16. (Continued)

A lengthy discussion ensued regarding:

- Staff will present all 12 alternatives to the corridor cities.
- The next phase of the study assumes right-of-way and traffic impacts.
- Staff solicited feedback from the corridor cities and is aware of the City of Anaheim's point of view.
- Staff will return in several months with additional information.
- Director Tait stated Anaheim's concerns about right-of-way and traffic impacts with the various alternatives. Director Tait also provided his concerns regarding cost, speed, flexibility, streetcar ridership and impacts, and increase of overall capacity. He also stated that the corridor needs enhanced bus service.
- This phase of the study is a conceptual review of options to improve the Harbor Boulevard corridor, and the mode/feature options show how many passengers could be carried.
- The Transit Committee discussed this phase of the study in great length.
- Director Nelson explained why the Board decided to go forward with this study due, and the Board is reviewing facts and long-term mobility.
- Director Spitzer referenced the asterisk in Attachment C of the Staff Report that states "*Starred criteria match Federal Transit Administration (FTA) New Starts evaluation criteria," which is why the streetcar mode scores higher.
- The FTA New Starts evaluation criteria considers land-use and transit connectivity.
- Ensure to discuss the study with the corridor cities and residents.

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

- A. Direct staff to offer presentations of the study results to the city councils in the study area, and return to the Board of Directors with a status report when completed.
- B. Direct staff to continue to work with technical staff from each of the corridor cities and the California Department of Transportation to identify key issues that would need to be addressed during any subsequent study efforts.

Director Tait voted in opposition of this item.

Discussion Items

17. Public Comments

Public comments were heard from the following:

1. Almeta Carter, Teamsters Local 952 (Teamsters) Representative, thanked Director Do for his comments about the overcrowding and additional frequency is needed. Ms. Carter stated that Teamsters is in mediation during the negotiations and asked the Board to pay close attention.
2. Stan Brown, Teamsters Representative and retired Coach Operator, commented that the Coach Operators continue to represent OCTA and Orange County as professionals per the performance standards. In addition, Mr. Brown stated that the Coach Operators are looking for a decent contract in order to continue to take care of their families.
3. Mark Pynchon, Coach Operator, provided comments about the impacts of Proposition 47 on the OCTA bus routes. He reported that he was assaulted last Friday night when working on bus route 64 and many other Coach Operators have been assaulted. He also stated that the Coach Operators are asking for a fair conclusion to the contract negotiations, and Long Beach Transit finalized a contract with its drivers with a top rate of approximately \$33.00 per hour.
4. Daniel Finke, Coach Operator, thanked Director Spitzer for supporting labor and thanked Director Do and the Board Members that rode the buses a few months ago.

Mr. Finke provided numerous comments regarding his disappointment that the OC Streetcar drivers will be contracted, ten minutes is not enough time for a pre-operation bus inspection, dead head location concerns, paying to use restrooms when on a break from the bus run, uniform allocation is not enough and issues with the uniforms, bus exchange issues when a bus passenger uses the bus as a restroom, Coach Operator job is very difficult, issues with the new buses, and Long Beach Transit top rate for a drive is \$33.46 per hour.

5. Bobby Block, Teamsters Business Representative at the County of Orange Operations, Service, and Maintenance Unit, commented that he is here to support OCTA's Teamsters members during their time of negotiations to get a fair contract.

17. (Continued)

6. Andrew Smith, Coach Operator and Teamsters Shop Steward, asked the Board to consider a fair and equitable contract for the Coach Operators as they earned it. He stated that the Coach Operators have a very stressful job and meet the performance standards. Mr. Smith thanked Director Do for the bus frequency comments, and stated that he feels that in order to obtain additional bus ridership, more buses are needed on the routes.

Mr. Smith also asked for consideration of additional law enforcement and security at the transportation centers, cleanup the homeless and drug use issues, and place the funds into the bus service instead of the streetcar.

7. Gerald Allen, Shop Steward at the Santa Ana Base, asked for the fair contract. Mr. Allen also stated that the Coach Operators report to work and provide excellent service throughout Orange County.
8. Arthur Aguilera, Coach Operator and Teamsters Shop Steward, commented on the December 30, 2017, Orange County Register article about the costs to live in Orange County. He also commented on the Coach Operator pay compared to other transit agencies in the nation.
9. Stephen Peters, Coach Operator, commented that he is proud to be part of OCTA, as it is rewarding to be a safe, courteous, and focused during a long shift, as well as the face of OC Bus. Mr. Peters also stated that he is here to support the Coach Operators getting a fair contract.
10. James McAnally, County of Orange Operations and Maintenance employee, commented that the County of Orange Board of Supervisors was fair with the negotiations contract. He stated that Board of Supervisor's Bartlett, noted for the record that the County of Orange needs to be competitive with its salaries in order to retain the employees and asked the same for the OCTA Teamsters members.
11. Paulesia Hunter, Coach Operator, commented on OCTA's salary inequities, challenges she had with difficult bus passengers, and the Coach Operators deserve a fair chance.
12. Jason Love, OC Bus customer, commented that the Coach Operators are the frontline and face of OCTA and complimented their service. Mr. Love stated that many Coach Operators work hard for OCTA and often deal with difficult passengers and traffic. He asked that the Board give the Coach Operators what they need and a pay raise.
13. Robert Lee, Coach Operator, commented that the Coach Operators go beyond what is required of their duties.

18. Chief Executive Officer's Report

Darrell Johnson, CEO, reported that:

- OCTA is in negotiations with Teamsters Local 952 and is focused on getting a fair contract for the employees at the same time balancing the fiscal sustainability needs of OCTA. The Board will be provided an update on the negotiation status at a future Board meeting.
- On December 15, 2017, OCTA hosted, along with ABC7 and Southern California firefighters, at the Honda Center, the 25th Annual Stuff-A-Bus Spark of Love Toy Drive. He stated that 21 buses were stuffed with toys, and Director Spitzer was thanked for stopping by the toy drive.
- Interstate 405 Improvement Project updates are as follows:
 - The groundbreaking event is scheduled for 9:00 a.m., on Friday, January 26th, at Ikea in Costa Mesa, and an invitation was sent to the Board.
 - On Thursday, January 11th, OCTA's community outreach team will host a booth in Ikea's staff cafe to distribute project information to the employees.

19. Directors' Reports

Director R. Murphy thanked outgoing Chairman Hennessey for his leadership.

Vice Chairman Shaw stated that he appreciated hearing today's public speakers. He asked if the Coach Operators have an opportunity to provide suggestions. Mr. Johnson, CEO, responded that there are a number of opportunities and various ways for Coach Operators to provide suggestions, and today's public comments will be inventoried.

Vice Chairman Shaw thanked outgoing Chairman Hennessey for his leadership, congratulated Chair Bartlett for being elected, as this year's Chair, and announced his sixth son's birth.

Director Spitzer stated his concerns about today's public comment from a Coach Operator about being assaulted, and requested historical to current data regarding Coach Operator assault trends. Director Spitzer also asked if OCTA is experiencing an increase in assaults, since the legislative changes, and is the assault mentioned under today's public comments being investigated.

Mr. Johnson, CEO, responded that Coach Operator assault incidents are reported and investigated. Mr. Johnson reported that OCTA has reviewed the Coach Operator crime trends, which industry-wide assaults have increased over the last decade, and staff will compile the data and report as appropriate.

19. (Continued)

Director Spitzer requested that the Coach Operator assaults data also be compared to similar transit agencies data.

Director Murray requested that the Coach Operator safety concerns data be presented to the Transit Committee. He also thanked outgoing Chairman Hennessey for a job well-done and congratulated newly-elected Chair Bartlett and Vice Chairman Shaw.

Director Winterbottom thanked outgoing Chairman Hennessey for a job well-done.

Director Delgleize thanked outgoing Chairman Hennessey for his leadership. Director Delgleize suggested that OCTA develop public relationships with restaurants, etcetera, for Coach Operators to have restrooms access, and asked to review options for the protection of Coach Operators.

Mr. Johnson, CEO, stated that it is part of OCTA's bus scheduling process to review layover rest stops and restroom access. He also stated that some transit agencies are providing safety enclosures to Coach Operator on the bus and will review the options.

Director Davies appreciated today's public comments from the Coach Operators, and thanked outgoing past Chairman Hennessey for his leadership.

Director Pulido commented on his years serving on the Board, the larger Board has more city participation, and the Board and staff are doing a great job. He complimented outgoing Chairman Hennessey for a job well-done, and feels newly-elected Chair Bartlett will do a great job, as well as congratulated Director Shaw on the birth of his sixth son.

Director Hennessey congratulated Vice Chairman Shaw on the birth of his sixth son. In addition, he thanked the Coach Operators for today's public comments, and the Board is aware of the Coach Operators' demanding and difficult job. He also stated that the Board is concerned about the Coach Operator assault trends, as well as commented on the Board's compensation and time commitments.

Chair Bartlett thanked outgoing Chairman Hennessey for his service and leadership.

20. Closed Session

A Closed Session will be held as follows:

Pursuant to Government Code Section 54956.9(d)(1) – Existing Litigation.
City of Seal Beach v. State of California Department of Transportation, et al.,
San Diego Superior Court Case No. 37-2016-00021062.

There was no report out for the Closed Session item.

Directors Davies and M. Murphy were not present for the Closed Session item.

21. Adjournment

The meeting adjourned at 10:55 a.m.

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, January 22, 2018**, 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

Lisa A. Bartlett
OCTA Chair