



Committee Members Present

Shawn Nelson, Chairman
Laurie Davies
Barbara Delgleize
Al Murray
Tim Shaw
Gregory T. Winterbottom

Staff Present

Darrell E. Johnson, Chief Executive Officer
Laurena Weinert, Clerk of the Board
Olga Prado, Assistant Clerk of the Board
James Donich, General Counsel
OCTA Staff and members of the General Public

Committee Members Absent

Michael Hennessey, Vice Chairman

Call to Order

The May 17, 2018 regular meeting of the Legislative and Communications Committee was called to order by Committee Chairman Nelson at 9:02 a.m.

Pledge of Allegiance

Director Winterbottom led in the Pledge of Allegiance.

1. Public Comments

No public comments were received.

Special Calendar

2. Conference Call with State Legislative Advocate Moira Topp

Moira Topp, Sacramento Advocate, reported on the following:

- The Governor released the May revisions to the proposed budget last Friday which included:
 - \$199 billion for general and special funds
 - \$8 billion dollars in general fund over the January estimate
 - Homelessness prevention
 - Reduction expenditures (towards mental health)
- The Governor continues to propose additional funds for the rainy day funds by a ballot initiative.
- The rainy day fund proposition and what happens once it goes over 10 percent of the state's general fund budget: extra dollars have to be spent on infrastructure expenditures such as colleges, universities, correction facilities, and prisons.



2. (Continued)

- The Governor's May revisions do not include any modifications to the January budget proposal, it is expected to go through without changes.
- The constitutional deadline to pass the budget is June 15th.
- Updates on the following bills:
 - Senate Bill (SB) 1119
 - Senate Constitutional Amendment 20

A discussion ensued regarding Assembly Bill (AB) 382. Ms. Topp offered to stay on the phone line and answer any questions regarding AB 382 under Regular Calendar Item 5.

Consent Calendar (Items 3 and 4)

3. Approval of Minutes

A motion was made by Director Murray, seconded by Director Winterbottom, and declared passed by those present, to approve the minutes of the Legislative and Communications Committee meeting of April 19, 2018.

Director Davies abstained from the vote due to not being present at the April 19, 2018 Legislative and Communications Committee meeting.

4. Amendment to Agreement for Bus Advertising Revenue Program

A motion was made by Director Murray, seconded by Director Winterbottom, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-5-3076 between the Orange County Transportation Authority and Outfront Media Group, LLC, to exercise the first option term of the agreement, with a minimum guarantee of revenue to the Orange County Transportation Authority in the amount of \$8,000,000, or 70 percent of gross advertising sales revenue, whichever is greater.

Regular Calendar

5. State Legislative Status Report

Committee Chairman Nelson opened with comments on AB 382 and the following public comments were heard from:

1. Michael Hadland, Chief of Staff for Assembly Member Rocky Chavez, who is in support of AB 382, stated that prohibiting the joint powers authority (JPA) formed by the Transportation Corridor Agencies (TCA) will return the roads back to the people of Orange County.

5. (Continued)

2. Dan P. Bane, Attorney at Sheppard Mullin Richter & Hampton LLP, stated he hopes to change this Committees' neutral recommendation on AB 382 to a support recommendation. Mr. Bane referenced the two page handout, described the role of the TCA, and stated that people are losing sales on their homes because the TCA proposes to put routes there. Mr. Bane also requested to allow the Orange County Transportation Authority (OCTA) to take the lead on regional mobility planning in Orange County.

Kristin Essner, Manager of State and Federal Relations, gave an overview on AB 382, the background of TCA, and the discrepancies involved with building the extension of the State Route 241 (SR-241) south. Ms. Essner also stated that after a settlement was reached, the TCA began planning various alternatives. Ms. Essner reported that AB 382 does not disrupt TCA's ability to operate its existing system or OCTA's ability to plan, program, and schedule future improvements.

Ms. Topp reported on AB 382 as follows:

- It is a two-year bill that was replaced with new language and referred to the Senate Transportation and Housing Committee.
- All bills, including AB 382, have to "pass out" of their policy committees by June 29th.
- The bill will be heard in the Fiscal Committee, the Senate floor, and will go back to the Assembly by the end of session on August 31st.

Darrell E. Johnson, Chief Executive Officer (CEO), stated that the TCA has created confusion by reopening a number of project decisions that were already made by the OCTA Board of Directors and provided two recent examples to explain the confusion.

A lengthy discussion ensued regarding:

- OCTA had ongoing meetings with TCA staff, however TCA was not always responsive to OCTA's objections.
- Existing law allows a regional transportation planning agency or the California Department of Transportation to construct a toll road.
- AB 382 would only limit the TCA's ability to extend the SR-241.
- Committee Chairman Nelson expressed his numerous concerns about the TCA.
- Since 1991, OCTA has spent \$12 billion on the roads in Orange County.
- Director Murray worked with former TCA CEOs and agreed with Committee Chairman Nelson's comments on the TCA.

5. (Continued)

- Director Delgleize opposed AB 382 and stated her concerns and willingness to work with other agencies.
- OCTA's reasons for recommending a neutral position on AB 382.
- Questions regarding other alternatives for the extension of the SR-241.
- If OCTA made an amendment to the AB 382 bill, the planning portion would be the most important component.
- OCTA has tried to clarify the functions between OCTA and TCA without a bill.
- The TCA refinancing \$2 billion and the roads that would have been available to the public for free.

A motion was made by Director Murray, seconded by Committee Chairman Nelson, to adopt a SUPPORT position on AB 382 (Chavez, R-Oceanside).

A substitute motion was made by Director Davies, seconded by Director Delgleize, to adopt a neutral position on AB 382. The substitute motion failed due to opposition from Committee Chairman Nelson and Directors Murray, Shaw, and Winterbottom.

Committee Chairman Nelson referred back to the original motion made by Director Murray, seconded by Committee Chairman Nelson, and declared passed 4 to 2, to adopt a SUPPORT position on AB 382 (Chavez, R-Oceanside), which seeks to clarify the responsibilities of the Transportation Corridor Agencies, as a joint powers authority, to be limited to the maintenance, financing, and operation of its toll road system as it exists in operation on January 1, 2018.

Directors Davies and Delgleize voted in opposition.

Ms. Essner also reported on the following:

- Current status of AB 1912:
 - How it was influenced by a state auditor's report;
 - How participating in a public retirement system applies retroactively to all JPAs;
 - Future JPAs would still require members to be jointly and severally liable; and
 - OCTA's concerns on how this might impact membership with Metrolink, financing, bonding, and overall project delivery.
- A summary of OCTA's support positions on AB 3124 and SB 1434.

5. (Continued)

A discussion ensued regarding AB 1912 as follows:

- How the bill was originally written, bankruptcy, and not burdening agencies who have the ability to pay.
- Support position is a good idea, but base the apportionment on service received.
- Concerns about incurring another agency's debt.
- The retroactive option goes back to the JPAs since the beginning and the entities are allowed to come to an agreement themselves.
- While an individual continues to pay towards its own pension, it is the agency's portion of the pension that is in question.
- The mostly likely scenario in Orange County in which this could become problematic is if Irvine leaves the Orange County Fire Authority (OCFA) and the sensitivity of the bill relating to OCFA.
- The Riverside Transit Agency also took an oppose position.

A motion was made by Director Winterbottom, seconded by Director Davies, and declared passed by those present, to adopt an OPPOSE position on AB 1912 (Rodriguez, D-Pomona), which would make member agencies of a joint powers authority jointly and severally liable for the retirement benefits provided by the joint powers authority.

6. Federal Legislative Status Report

Kristin Essner, Manager of State and Federal Relations, reported on the following:

- The Federal Aviation Administration (FAA) Reauthorization Legislation was passed by the House of Representatives last month which would require sales taxing agencies to commit the portion of its sales tax from aviation fuel to airport operations.
- OCTA worked with Representatives Alan S. Lowenthal and Grace F. Napolitano to seek amendments that would grandfather in existing sales tax measures or allow additional flexibility.
- Representative Bill Shuster considered an amendment for OCTA that would clarify investing funds in an infrastructure near the airport, but it did not pass.
- OCTA is currently left without an amendment for local sales tax measures to be exempt, but there is a great interest at the State level.
- Overview on the briefing from a recent Memorandum of Understanding by multiple federal agencies to implement a One Federal Decision policy.
- New attention at the federal level about online out of state sales taxes.
- Supreme Court Case on Online Sales Tax Collection.

6. (Continued)

- Thelma Drake was recommended by the President as the new Federal Transit Administrator, however a full Senate vote is pending.

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

7. Citizens Advisory Committee Annual Update and Member Appointments

Alice Rogan, Director of Marketing and Public Outreach, provided opening comments and introduced Roy Shahbazian, Chairman of the Citizens Advisory Committee (CAC). Mr. Shahbazian discussed the following:

- The role and structure of the CAC.
- CAC's focus on the long-range transportation plan over the past year.
- CAC identifying an opportunity for public input and for consideration as they develop recommendations for the Board of Directors.
- CAC has two subcommittees: Bicycle/Pedestrian Subcommittee and the Technology and Innovation Ad Hoc Committee.
- Several new members will be joining the CAC and the orientation will take place in July.
- Next month, the Chairman and Vice Chairman of CAC will meet with staff to identify agenda items for the coming year.

Director Murray stated ten years ago he was on the CAC and he understands their objectives. He thanked Mr. Shahbazian for his leadership and good work. Directors Delgleize and Winterbottom echoed Directors Murray's comments and thanked Ms. Rogan and Mr. Shahbazian for their efforts.

Following the discussion, no action was taken on this receive and file Citizens Advisory Committee status report.

8. Special Needs Advisory Committee Annual Update and Member Appointments

Ryan Maloney, Section Manager of Customer Engagement and Data Analysis, provided opening comments and introduced Charles Mitchell, Chairman of the Special Needs Advisory Committee (SNAC).

Mr. Mitchell reported on the following:

- The purpose of the SNAC and how the committee represents a wide variety of agencies.

8. (Continued)

- Activities during the past year included:
 - Updates on OC Bus 360° and bus service changes;
 - Recommendations to proposed service changes;
 - Feedback on public outreach efforts, development of the long-range transportation plan, and OC Streetcar;
 - Impacts to the ACCESS service area;
 - OC ACCESS Online; and
 - 5310 funding alternative.
- Exemplary service of ACCESS drivers.

Various Committee Members recognized Mr. Mitchell's dedication and commitment to the SNAC, and commented on the following:

- Appreciation for SNAC's focus on the needs of transit riders with disabilities.
- ACCESS receiving a statewide recognition for its program.
- SNAC's future input on new programs in south Orange County.

Mr. Johnson, CEO, recognized the SNAC for their ACCESS service awards and their dedicated Committee Members.

Mr. Mitchell responded that the SNAC has an exceptional group of drivers and it gives him pleasure to recognize them.

Following the discussion, no action was taken on this receive and file Special Needs Advisory Committee's status report.

Discussion Items

9. Fiscal Year 2018-19 Budget Workshop Follow-up

Mr. Johnson, CEO, provided opening comments and referred to a handout provided at today's meeting, which listed questions and answers that resulted from the May 14, 2018 Budget Workshop. Mr. Johnson, CEO, introduced Victor Velasquez, Department Manager of Financial Planning and Analysis, who offered one-on-one meetings to all Board Members.



10. Chief Executive Officer's Report

Mr. Johnson, CEO, reported on the following:

- On May 16-17, the California Transportation Commission (CTC) held meetings in San Diego and approved \$65 million for the SR-57 Lambert Road Interchange as a part of the SB 1 freight program and \$20 million for the Central Corridor Congestion Program which includes: active transportation, buses, and signal synchronization in the SR-55 corridor. In addition, CTC allocated \$25.5 million of cap-and-trade funds for the OC Streetcar Project.
- May is Bike Month and there are number of activities taking place. Mr. Johnson, CEO, thanked Directors Murray and Winterbottom, as well as, City Manager and Councilmember Alvarez for their participation in the annual bike rally this morning.
- OCTA is hosting a series of open houses to advise the public on the Interstate 405 Improvement Project. The next open house will be held on Thursday, May 24th at the Long Beach Veteran's Hospital from 6:00 p.m. to 8:00 p.m. The open houses will continue through June.
- The first of two public hearings for Project B-Interstate 5 from Interstate 405 to SR-55 will be held on Thursday, May 24th at Tustin High School from 5:30 p.m. to 8:00 p.m. This will allow for the public to comment on the draft environmental document and review of the documents continues through Friday, June 8th.

11. Committee Members' Reports

- Director Murray thanked OCTA for the Bike Rally and invited everyone to attend the 34th Annual Street Fair and Chili Cook-off hosted by the City of Tustin on Sunday, June 3rd.
- Committee Chairman Nelson reported that the City of Brea opened its next segment of the OC Loop and he attended the ribbon cutting ceremony. The event was well attended and people were very enthusiastic and appreciative that the loop was expanded past the City of Brea.
- Director Delgleize inquired about the status of the OC Loop and Committee Chairman Nelson responded that every segment of the OC Loop has its own funding. He explained the process to develop the OC Loop and highlighted the challenges with the La Habra, Seal Beach, and Brea/Yorba Linda segments.

12. Closed Session

There were no Closed Session items scheduled.



13. Adjournment

The meeting adjourned at 10:23 a.m.

The next regularly scheduled meeting of this Committee will be held at **9:00 a.m. on Thursday, June 21, 2018**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.

ATTEST

Shawn Nelson
Committee Chairman

Sahara Meisenheimer
Deputy Clerk of the Board