

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 May 24, 2019 regular meeting of the Orange County Transportation Authority (OCTA) and affiliated agencies was called to order by Chairman Shaw at 9:04 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: Tim Shaw, Chairman
 Steve Jones, Vice Chairman
 Lisa A. Bartlett
 Doug Chaffee
 Laurie Davies
 Barbara Delgleize
 Andrew Do
 Michael Hennessey
 Gene Hernandez
 Jose F. Moreno
 Joe Muller
 Mark A. Murphy
 Richard Murphy
 Michelle Steel
 Donald P. Wagner
 Ryan Chamberlain, District Director
 California Department of Transportation District 12

Directors Absent: Miguel Pulido
 Gregory T. Winterbottom

Also Present: Darrell E. 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

Orange County Transportation Authority Special Calendar Matters

1. Presentation of Resolution of Appreciation for Employee of the Month for April 2019

Darrell E. Johnson, Chief Executive Officer (CEO), presented OCTA Resolution of Appreciation No. 2019-031 to Leonires Arteaga, Maintenance, as Employee of the Month for April 2019.

2. Presentation of Resolutions of Appreciation for Employees of the Month for May 2019

Darrell E. Johnson, CEO, presented OCTA Resolutions of Appreciation Nos. 2019-036, 2019-037, and 2019-038 to Steve Swanson, Coach Operator; Anders Holst, Maintenance; and Johnny Dunning, Jr., Administration, as Employees of the Month for May 2019.

Consent Calendar (Items 3 through 20)

Orange County Transportation Authority Consent Calendar Matters

3. Approval of Minutes

A motion was made by Director Muller, seconded by Director Davies, and declared passed by those present, to approve the Orange County Transportation Authority and affiliated agencies' regular meeting minutes of May 13, 2019.

4. Fiscal Year 2018-19 Internal Audit Plan, Third Quarter Update

A motion was made by Director Muller, seconded by Director Davies, and declared passed by those present, to receive and file the third quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2018-19 Internal Audit Plan as an information item.

5. Triennial Performance Audits

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

- A. Direct staff to implement seven recommendations included in the Fiscal Year 2016-18 Triennial Performance Audit of the Orange County Transportation Authority.

5. (Continued)

- B. Direct staff to monitor implementation of recommendations included in the Fiscal Year 2016-18 Triennial Performance Audit of Laguna Beach Municipal Transit Lines.

6. Investments: Compliance, Controls, and Reporting, July 1 through December 31, 2018

A motion was made by Director Muller, seconded by Director Davies, and declared passed by those present, to direct staff to implement two recommendations provided in Investments: Compliance, Controls, and Reporting, July 1 through December 31, 2018, Internal Audit Report No. 19-507.

7. Recruitment and Employment Audit

Director Wagner pulled this item, provided comments about the relocation assistance, and asked if a market study was conducted for the relocation assistance.

Maggie McJilton, Executive Director of Human Resources and Organizational Development, responded that a market study was conducted of California and the region. Ms. McJilton stated that the study data is from payscale.com, Society for Human Resource Management, and World at Work, and the type of candidates applying for OCTA jobs were included in the study.

A discussion ensued regarding:

- The data collected about the relocation assistance is from the public and private sectors.
- Director Wagner requested information on which government agencies offer relocation assistance that is the same as OCTA (within 75 miles or more and up to \$35,000).
- Director Wagner also requested the number of candidates that turned down employment offers because OCTA did not offer relocation assistance.
- Director Wagner asked going forward to include additional data.
- OCTA's policy allows, with appropriate approval from the CEO and Human Resources hiring manager, relocation assistance, and the Finance and Administration Committee is notified, in writing, about relocation assistance that exceeds \$20,000.

A motion was made by Director Delgleize, seconded by Director Hennessey, and declared passed by those present, to direct staff to implement three recommendations provided in Recruitment and Employment, Internal Audit Report No. 19-503.

Director Wagner voted in opposition.

8. 91 Express Lanes Update for the Period Ending March 31, 2019

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

9. Agreement with the California Highway Patrol for Enforcement Services on the 91 Express Lanes

A motion was made by Director Muller, seconded by Director Davies, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1172, between the Orange County Transportation Authority and California Highway Patrol, for a contract term of ten years, in an amount not to exceed \$12,326,335, for toll and traffic enforcement services on the 91 Express Lanes.

10. Amendment to the 91 Express Lanes Riverside County Transportation Commission/Orange County Transportation Authority Facility Agreement

A motion was made by Director Muller, seconded by Director Davies, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Amendment No. 4 to Agreement No. C-5-3828 between the Orange County Transportation Authority and Riverside County Transportation Commission, in the amount of \$917,000, for the reimbursement of shared operational expenses through June 30, 2020.

11. State Legislative Status Report

Director Bartlett pulled this item and reported that at the recent Legislative and Communications Committee meeting, OCTA's opposed position on Senate Bill (SB) 732 was discussed.

Director Bartlett also serves on the South Coast Air Quality Management District (SCAQMD) Board of Directors (Board) and expressed concerns about the SB 732 proposed tax as there are other ways for the SCAQMD to increase revenues for its shortfalls.

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

- A. Adopt an OPPOSE position on SB 498 (Hurtado, D-Bakersfield), which would redirect project savings from the Trade Corridor Improvement Fund towards short-line railroads.
- B. Adopt an OPPOSE position on SB 732 (Allen, D-Santa Monica), which would create a special voting district in the South Coast Air Quality Management District jurisdiction in order to facilitate a ballot initiative to institute a transactions and use tax to help the region meet state and federal air quality standards.

12. Federal Legislative Status Report

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

13. Consultant Selection for the Implementation of the Federal Disadvantaged Business Enterprise Program

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

- A. Approve the selection of Padilla & Associates, Inc., as the firm to provide assistance in administering the Federal Disadvantaged Business Enterprise Program for the Orange County Transportation Authority.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-0987 between the Orange County Transportation Authority and Padilla & Associates, Inc., to provide assistance in administering the Federal Disadvantaged Business Enterprise Program for a five-year term, in the amount of \$950,000.

14. Innovation Update

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

15. Master Agreement for Transit and Intercity Rail Capital Program

Director Wagner pulled this item and expressed that he remains troubled and skeptical about the OC Streetcar and will vote in opposition.

Director Steel asked if the rail capital program includes the OC Streetcar along with Metrolink and other rail services.

Darrell E. Johnson, CEO, responded that this item allows OCTA to accept the approved funds to be used for OCTA's existing transit and intercity rail that are Amtrak and Metrolink services.

A motion was made by Director Muller, seconded by Director Hernandez, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to execute Master Agreement No. 64OCTA2015MA for the Transit and Intercity Rail Capital Program and all necessary program supplement agreements with the California Department of Transportation for the reimbursement of Transit and Intercity Rail Capital Program-funded projects.

15. (Continued)

- B. Approve Orange County Transportation Authority Resolution No. 2019-029, as required by the California Department of Transportation, to execute the above agreement and authorize the Chief Executive Officer, or his designee, to sign future program supplements.

Director Wagner voted in opposition.

Orange County Transit District Consent Calendar Matters

16. Mobile Ticketing Operations, Internal Audit Report No. 19-505

A motion was made by Director Muller, seconded by Director Davies, and declared passed by those present, to direct staff to implement two recommendations provided in Mobile Ticketing Operations, Internal Audit Report No. 19-505.

17. Approval to Release Request for Proposals for the Preparation of Plans, Specifications, and Estimates for the Transit Security and Operations Center

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

- A. Approve the proposed evaluation criteria and weightings for Request for Proposals 9-0965 for consultant services for the preparation of plans, specifications, and estimates for the Transit Security and Operations Center.
- B. Approve the release of Request for Proposals 9-0965 for consultant services for the preparation of plans, specifications, and estimates for the Transit Security and Operations Center.

18. Amendment for On-Board Vehicle Video Surveillance Fleet Retrofit

A motion was made by Director Muller, seconded by Director Davies, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C-9-1140 between the Orange County Transportation Authority and March Networks Corporation, in the amount of \$1,739,921, for the retrofit of on-board video surveillance system for 295 fixed-route buses.

19. Amendment to Cooperative Agreements with Non-Profit Agencies to Provide Senior Mobility Program Services

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

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 6 to Cooperative Agreement No. C-1-2490 between the Orange County Transportation Authority and Abrazar, Inc., in the amount of \$89,745, to provide funding through June 30, 2020.
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Cooperative Agreement No. C-1-2491 between the Orange County Transportation Authority and Korean American Senior Association, in the amount of \$110,334, to provide funding through June 30, 2020.
- C. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Cooperative Agreement No. C-1-2492 between the Orange County Transportation Authority and Southland Integrated Services, Inc., formerly doing business as Vietnamese Community of Orange County, in the amount of \$97,015, to provide funding through June 30, 2020.

Orange County Local Transportation Authority Consent Calendar Matters

20. Agreement for Public Communications and Community Outreach for the Interstate 5 Improvement Project from State Route 73 to El Toro Road

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

- A. Approve the selection of TRC Solutions, Inc., as the firm to provide public communications and community outreach for the Interstate 5 Improvement Project from State Route 73 to El Toro Road.

20. (Continued)

- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-2086 between the Orange County Transportation Authority and TRC Solutions, Inc., in the amount of \$771,410, for a six-year term, through June 30, 2025, to provide public communications and community outreach for the Interstate 5 Improvement Project from State Route 73 to El Toro Road.

Regular Calendar

Orange County Transit District Regular Calendar Matters

21. OC Flex Microtransit Pilot Project: Six-Month Project Update

Johnny Dunning, Jr., Manager of Scheduling and Customer Advocacy, and Stella Lin, Department Manager of Marketing and Customer Service, co-presented this item's PowerPoint as follows:

- Service Background;
- Pilot Zones;
- Service Characteristics;
- Fares;
- Board Adopted Goals/Measures;
- Boardings;
- Popular Origins/Destinations;
- Productivity;
- Cost Effectiveness;
- Trip Sharing;
- Connecting to Transit;
- Transfers in the Orange Zone;
- Customer Satisfaction;
- Performance Summary;
- Customer Feedback;
- Trip Purpose;
- Customer Demographics;
- Marketing Activities;
- Weekend Fare Promotion;
- B2B – Business to Business and Partnerships;
- Keeping it Flex-ible...; and
- Next Steps.

21. (Continued)

A discussion ensued regarding:

- Staff was thanked for the robust and innovative OC Flex program;
- Concerns about the \$41 subsidy per boardings.
- The Board can help staff achieve the \$9 boarding subsidy by keeping the current service zones, not expand the service during the pilot period, and allow ridership to increase.
- Director Bartlett suggested that the Board Members could help promote the service by placing the service information in their cities' newsletters.
- Director Bartlett suggested providing the Board Members cards or posters to provide to key places in the service zone.
- Director Delgleize mentioned that the Huntington Beach students like the service and offered to promote the OC Flex.
- Director Davies highlighted how the OC Flex has more than one mission, and suggested outreach to the auto shops on Forbes Road in Laguna Niguel and Aliso Creek in Aliso Viejo.
- Director Davies commented at the recent Transit Committee meeting to promote the service at the cities of Aliso Viejo, Laguna Niguel, and Mission Viejo concerts.
- Director Davies suggested a long-term service expansion to Ocean Ranch Village in Laguna Niguel.
- Slide 6 of the PowerPoint was referenced to address Director M. Murphy's question as to what defines success, and OCTA defines success as six boardings per revenue vehicle hour.
- Director M. Murphy suggested review of the weekend service as it may change the subsidy costs if not offered.
- The fixed bus route subsidy ranges from approximately \$5.60 to \$9.60, and the Express routes subsidy range up to \$59 per boarding.
- Concerns about the economic piece of the service.
- The riders using the service are technology driven, and OCTA has seen responses to promoting the service through social media.
- The pilot's targeted areas are where the traditional bus service had modifications, and the pilot service connections to high-demand areas are very successful.

A motion was made by Director Delgleize, seconded by Director Bartlett, and declared passed by those present, to direct staff to complete the Board of Directors-approved one-year pilot of the OC Flex project and report back to the Board of Directors.

Director Steel was not present to vote on this item.

22. Adopt the Mitigated Negative Declaration and Approve the Preliminary Engineering for the Transit Security and Operations Center

James G. Beil, Executive Director of Capital Programs, provided the PowerPoint presentation as follows:

- Project Overview;
- Site Selection;
- Project Site and Building Information;
- Site Plan – Secure Access;
- Parking Plan;
- Front View – Building Main Entrance;
- Transit Police Entrance;
- Looking East;
- Building Section – Emergency Operations Center/Dispatch;
- Project Schedule; and
- Public Outreach.

A discussion ensued that the existing Transit Security and Operations Center (TSOC) site will be used long-term for training and other usage.

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

- A. Adopt Resolution No. 2019-035 to adopt the Mitigated Negative Declaration and Mitigation Monitoring Reporting Program, pursuant to the California Environmental Quality Act, for the Transit Security and Operations Center.
- B. Approve the Transit Security and Operations Center.

Directors Chaffee and Steel were not present to vote on this item.

Discussion Items

23. Update on Interstate 5 Widening Project Between State Route 73 and El Toro Road

Rose Casey, Director, Highway Programs, and Fernando Chavarria, Community Relations Officer, External Affairs, co-presented a PowerPoint for this item as follows:

- Project Area;
- Project Improvements;
- La Paz Road Interchange Reconstruction (Stages 1 through 3);
- La Paz Road – Interchange Improvements;
- Avery Parkway – Interchange Improvements;

23. (Continued)

- Retaining Wall Aesthetics;
- Traffic Management Plan;
- Current Activities;
- Estimated Construction Schedule;
- Public Communications and Outreach; and
- Outreach Staff Contact Information.

A discussion ensued regarding:

- The groundbreaking ceremony will be a traditional event that incorporates the past history of the area.
- Staff was thanked for a very positive impactful project that provides comprehensive outreach, as well as throughput and public safety.
- The decorative panels at the La Paz Road interchange will look great.
- Segment 3 of this project will not conflict with the proposed El Toro Road Interchange Project.
- Director Davies requested that staff present to this item to the Laguna Niguel City Council.
- The costs for all three segments are approximately \$570 million.
- Chairman Shaw asked about the funding and how much of Measure M2 (M2) is being used for this project.
- This project is using a combination of federal, state, and M2 funds, and OCTA is exploring funding opportunities to maximize external funds which should be known by October 2019.

No action was taken on this information item.

24. 2019 Chief Executive Officer's Initiatives and Action Plan - First Quarter Progress Report

Darrell E. Johnson, CEO, provided comments and reported that there are 88 specific milestones for 2019, and in the first quarter of 2019, 12 of the 17 milestones were completed, along with two of the six Board milestones were accomplished.

Mr. Johnson highlighted some of the first quarter accomplishments as follows:

- OC Streetcar received its reimbursement of \$8.3 million from the Federal Transit Administration of the Full Funding Grant Agreement.
- Interstate 405 Improvement Project bridge reconstruction was initiated on Harbor Boulevard and Fairview Avenue.
- The 529 Bravo! Bus Service was launched.
- OCTA worked with the California Department of Transportation (Caltrans) to award the construction contract for the Interstate 5 Widening Project.

24. (Continued)

- On March 11, 2019, the Board received the results of the fourth M2 assessment. The independent review found OCTA meeting and fulfilling the promises made to the voters.
- Staff was thanked for the continuous overview of the M2 program.

No action was taken on this information item.

25. Public Comments

A public comment was heard from Patrick Kelly, Teamsters Local 952 (Teamsters), who thanked the Board for its public service. Mr. Kelly stated that Teamsters supports building the new TSOC, and the Teamsters members are concerned about the lack of security at the Bases.

Mr. Kelly stated that Teamsters will be going into negotiations with OCTA for the maintenance agreement and enhancing security at the Bases will be a topic Teamsters will discuss during negotiations.

Mr. Kelly asked the Board to consider the impacts that subcontracting with Uber on-demand type service has on unions and people in general, because Uber type service does not pay towards Medicare, Social Security, or any other pension plan.

26. Chief Executive Officer's Report

Darrell E. Johnson, CEO, reported the following:

Bike Ride and Rally:

- Yesterday, OCTA hosted its annual bike ride and rally which was rescheduled from last Thursday due to the rain.
- Director Hernandez was thanked for participating.
- Director Hernandez commented that more Board Members are encouraged to participate.

American Public Transportation Association (APTA) International Bus Rodeo (Rodeo):

- Last weekend, the APTA Rodeo was held in Louisville, Kentucky, and OCTA's Rodeo team finished overall in seventh place.
- OCTA's maintenance team placed first in the nation.

26. (Continued)

OC Bus:

- An OCTA bus was in the OCTA Headquarters parking lot.
- Today, there is a group of approximately 25 students with special needs from Lathrop middle school in Santa Ana.
- OCTA's training department is working with these students to teach them how to ride the bus.

Happy Memorial Day:

- In closing, everyone was wished a happy Memorial Day and asked to remember and honor those who have died while serving our country.

27. Directors' Reports

Director Chamberlain reported that a few weeks ago, Caltrans District 12 hosted its annual workers' memorial at the Batavia Maintenance Station. Director Chamberlain stated that Caltrans' is reinvigorating safety, highlighted some of the safety precautions, and the goal is to make it safer for Caltrans' construction and maintenance crews and contracted construction crews.

Chairman Shaw reported that he was in Washington, D.C., the week of May 13th, for a work business convention, and President Trump was a speaker at the convention who commented on his withdrawal of all federal funding from the California High-Speed Rail Project.

28. Closed Session

A Closed Session was held as follows:

- A. Pursuant to Government Code Section 54956.9(a) – Conference with General Counsel – Existing Litigation; B & Lee, Inc dba Rainbow Auto Spa, et al. v. Orange County Transportation Authority, OCSC No. 30-2019-01059189.
- B. Pursuant to Government Code Section 54956.9(a) – Conference with General Counsel – Existing Litigation; Lourdes Rodriguez Leon v. Orange County Transportation Authority, OCSC No. 30-2018-00984566.

Directors Do, Moreno, and Steel were not present for the Closed Session items.

29. Adjournment

The meeting adjourned at 10:47 a.m.

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, June 10, 2019**, 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

Tim Shaw
OCTA Chairman