



April 27, 2020

To: Members of the Board of Directors
From: Darrell E. Johnson, Chief Executive Officer
Subject: Coronavirus (COVID-19) Update

Overview

The Orange County Transportation Authority is continuing to actively respond to the public health emergency caused by the novel coronavirus pandemic and closely monitor the related transportation implications. Following directions issued by Governor Gavin Newsom and county public health officials, the Orange County Transportation Authority has implemented its Emergency Operations Plan and taken steps to ensure the health and safety of the public and Orange County Transportation Authority employees. Additionally, efforts are underway to plan for short- and long-term impacts on projects, programs, and services provided to the public. An overview and update on these efforts are presented.

Recommendations

Receive and file as an information item.

Background

On February 27, 2020 the Orange County Transportation Authority (OCTA) activated its Emergency Operations Center (EOC) and implemented its Emergency Operations Plan (EOP) in response to potential impacts from the novel coronavirus (COVID-19), which subsequently was declared a pandemic by the World Health Organization. The pandemic has had an unprecedented global effect. Since the last update to the Board of Directors (Board) on April 13, 2020, OCTA staff has continued to proactively address the immediate needs of the public and agency employees, and implemented aspects of the Continuity of Operations Plan while developing strategies to address long-term impacts.

Long-standing Board-approved policies, procedures, and agency practices related to finance, administration, operations, planning, emergency

preparedness, and public communications continue to enable the agency to respond to the crisis based on the health and safety needs of the residents of Orange County and OCTA employees.

OCTA is proactively working with agencies at all levels of government, as well as the public, to reduce and manage the impacts of the pandemic as they relate to transportation as further described below.

Discussion

OCTA has been following guidance issued by Governor Gavin Newsom dating back to March 4, 2020, when he declared a State of Emergency to help the State of California prepare for a broader spread of COVID-19. On March 19, 2020, the Governor issued a stay-at-home order to protect the health and well-being of all Californians and slow the spread of COVID-19. Public transportation and infrastructure projects are designated by the state and federal governments as essential. Because of this, OCTA continues serving the public with transit service and capital project delivery. OCTA also plays a vital role within the County of Orange EOC, serving on the Policy Group and providing input and resources as needed related to transportation.

OCTA is continuing operations while following best practices and health guidance from local, state, and federal officials to help ensure the health of the public and employees. These practices include remote working for most administrative employees, enhanced cleaning of buses, worksites, and transit facilities, cancelling or suspending employee travel, and hosting Board and committee meetings via teleconference with those who are required to be in attendance practicing social distancing.

OCTA has also continued to make operational changes to the OC Bus system to encourage proper social distancing and has implemented updated Federal Transit Administration (FTA) guidelines for coach operators.

OCTA is closely monitoring the financial implications of the pandemic, providing input to state and federal officials as stimulus packages are rolled out at the federal level, and being considered at the state level. OCTA's Executive Team is meeting at least three times per week to address immediate impacts and lead planning efforts for mid-range and long-term recovery. Discussion and actions are taken related to multiple areas including the OCTA budget, which is currently in development, Measure M projects and program guidelines, restoration of bus service, and developing a return-to-work strategy for employees. In addition, a cross-divisional COVID-19 Action Task Force has also been meeting three times

per week to provide input to the Executive Team, put response strategies into action, and coordinate directly with the County of Orange EOC.

The following are more detailed updates on actions and responses from OCTA's functional business units:

Finance and Administration

Development and refinement of OCTA's annual budget continues in the light of the effects of the COVID-19 pandemic. Preparation of the fiscal year (FY) 2020-21 proposed budget was based on a series of programmatic assumptions that have since been revised and presented to the Finance and Administration (F&A) Committee on April 8, 2020, and the Board on April 13, 2020. The revision reflects the changed revenue and expense assumptions used to develop the budget for OCTA's major programs, including Measure M2 (M2), transit, commuter rail, motorist services, and 91 Express Lanes.

FY 2020-21 sales tax revenues are forecasted to decline by 4.3 percent on a year-over-year basis. OCTA is also assuming a sales tax decline of approximately 33 percent in the last quarter of FY 2019-20.

The COVID-19 pandemic is expected to impact sales tax revenues under the M2 Program, however there is financial capacity within the program to continue to improve freeways, streets and roads throughout Orange County, as well as fund multiple transit programs through FY 2020-21.

With the help of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the FY 2020-21 budget will include the same level of fixed-route bus service as was included in the FY 2019-20 budget. A total of 1.63 million revenue vehicle hours are budgeted with 62 percent of the hours directly operated by OCTA and 38 percent provided by OCTA's contractor.

The CARES Act funds put OCTA in a good position to take a demand-based approach to restoring bus service and staff will continue to work with Metrolink on its subsidy request.

Staff will present the budget in detail in a workshop setting on May 11, 2020. A public hearing for the budget is scheduled to occur at the June 8, 2020, Board meeting, after which staff anticipates seeking Board approval of the budget.

From a resource management perspective related to COVID-19 supplies, there is a national shortage of the National Institute for Occupational Safety and

Health-approved N95 masks required for OCTA's maintenance service workers. OCTA's inventory team continues to search for these masks through various sources. Other supplies such as disinfectants, hand sanitizers, and surgical masks, as well as reusable cloth face coverings, have been received from various vendors and are expected to last over the next several months.

Operations

Beginning March 23, 2020, OCTA temporarily reduced bus service by approximately 60 percent to the Sunday service levels. This proactive measure was in response to significantly lower ridership, and an effort to help minimize health risks to coach operators and passengers while still providing a critical public service for essential employees and for passengers who have no other means of transportation for essential activities.

Boardings remain down approximately 70 percent, mirroring trends around the country. Beginning the first week of April, OCTA – like other transit agencies across the nation – temporarily implemented rear-door boarding for passengers in an additional effort to reinforce social distancing and help ensure the health of coach operators and the public. OCTA expects to recover costs associated with the loss in fare revenue because of this measure through disaster-related relief.

OCTA continues enhanced nightly bus cleaning with anti-viral disinfectant and enhanced focus on cleaning surfaces that are touched most frequently. Additionally, all coach operators, maintenance staff, and service workers have been provided with face coverings and have been strongly encouraged to wear them based on guidance from public health officials.

OCTA has made no changes to OC ACCESS paratransit service; however, boardings have declined by nearly 90 percent on the reservation-based service.

Planning and Programming

Staff is continuing to identify and develop strategies to address issues related to the M2 sales tax ordinance and associated guidelines to assist local jurisdictions and ensure the promises to voters are delivered, despite unprecedented sales tax declines.

Work to develop an M2 maintenance of effort (MOE) adjustment is ongoing and OCTA staff has had preliminary conversations with local agencies' staff and the OCTA Technical Advisory Committee to better assess the situation. Local agencies have indicated that meeting the MOE requirement – a prerequisite to receiving M2 funds – may be difficult as a result of the financial

impacts of COVID-19. A proposed amendment to the M2, Ordinance No. 3 is expected to be presented to the Executive Committee on May 4, and the Board on May 11.

Competitive M2 grants continue to move forward with up to \$9.2 million in Community-Based Transit Circulators (Project V) funds recently awarded for six local transit services and completion of new transit planning studies. OCTA will work closely with agencies to adjust project schedules as necessary.

Since the Board update on April 13, 2020, staff has surveyed local agencies and determined an extension of the May 7, 2020, application deadline for the Environmental Clean Up Program (Project X) call for projects was warranted. On April 21, 2020, in consultation with Board Chairman Steve Jones, a notice was issued to extend the deadline until June 25, 2020.

For the bus program, while OCTA is temporarily operating Sunday service levels on a daily basis, service restoration plans are being developed for implementation as the current stay-at-home orders become relaxed or lifted. Service restoration considerations include supplying sufficient service along major corridors to ensure transit remains a viable option, serving transit-dependent markets, ensuring customer confidence, and compliance with federal requirements. The approach will likely be based on incremental service restoration as OCTA monitors and responds to the new norms and emerging travel-demand patterns.

Capital Projects

Construction continues on capital projects including the Interstate 405 (I-405) Improvement Project, Interstate 5 (I-5) South and I-5 Central projects, OC Streetcar, and the Laguna Niguel to San Juan Capistrano Passing Siding Project.

Staff continues to work with contractors and the California Department of Transportation (Caltrans) to accelerate construction where possible, due to significantly less traffic on freeways and streets and the ability to take advantage of reduced traffic volumes. Contractors are taking advantage of Caltrans-approved daytime freeway lane closures and extended hours of nighttime closures. Daytime work is safer for construction crews, inspection staff, and drivers. On the I-405 Improvement Project, it is estimated that daytime and extended nighttime lane closures will provide over 4,800 additional work hours for contractor productivity from March 16, 2020 to May 14, 2020.

On the OC Streetcar, storm drain and water line installation continues during daytime street closures along Fourth Street in Downtown Santa Ana while many of the businesses are closed and traffic is extremely light. Owners of closed businesses have expressed appreciation that this work is being performed while there are closures and that a certain level of security is provided by the contractors' presence and activity.

The Laguna Niguel to San Juan Capistrano Passing Siding Project completed some major work, including reconstruction of the Saddleback Church private railroad crossing during the railroad shutdown over the weekend of April 18-19, 2020. Work was significantly sped up because the neighboring Saddleback Church did not have any on-site weekend services due to COVID-19.

To date, no substantial COVID-19 risks in material supply chain and subcontractor labor availability impacts have surfaced. However, some material and product suppliers and subcontractors have submitted advance notice of "potential" material and supply delays.

Project delivery-related COVID-19 risks to schedule-critical right-of-way (ROW) acquisition schedules and processes are beginning to surface. On the State Route 55 Improvement Project, ROW acquisition offers to owners, associated discussions, negotiations, and meetings are being impacted by business closures and availability of owners and attorneys. Risk remains for additional COVID-19-related ROW impacts due to court closures, filing and service delays, potential temporary easement timeline expirations, utility relocation delays, land and business valuation challenges, and appraisal and site inspection issues.

The continued drop in oil prices, due to increased supply and drastically reduced demand, will reduce the cost of asphalt and other oil-based construction materials. General material and labor costs will likely be erratic until some stability returns and demand driven by potential infrastructure stimulus funding is determined. Staff continues to monitor the situation to ensure the health and safety of workers while tracking any impacts to project costs and schedules.

Public and Employee Communications

Comprehensive communication efforts in English, Spanish, and Vietnamese remain a critical part of OCTA's COVID-19 pandemic response. These efforts include e-blasts, riders' alerts, website updates, press releases, and social media posts, as well as signage and recorded announcements on all buses. Examples of these efforts are included in Attachment A.

To help safeguard riders and employees, education campaigns were created both for customers and base staff that focused on social distancing, handwashing, and recommending the use of face coverings through e-blasts, bus interior cards, social media, and press releases in multiple languages. Also, customers were notified about rear-door boarding through on-board signage and automatic voice announcements. In addition, posters and postcards were produced along with a video to recognize and show appreciation to coach operators, maintenance and service workers for their dedication and essential work during this challenging time.

Diversity outreach plays an integral part in helping develop public information messages, and in providing translation into Spanish and Vietnamese of many different types for printed and online communications with OC Bus customers, stakeholders, and other groups. Updates are regularly provided to existing diverse community stakeholders through various news media.

Public outreach continues on the I-405 Improvement Project, the I-5 Central Improvement Project, and the OC Streetcar Project through virtual neighborhood meetings, geo-targeted social media, and personal emails. In addition, the OC Streetcar outreach effort is supporting local restaurants by promoting their take-out and delivery services in Downtown Santa Ana.

Frequent updates from OCTA's Chief Executive Officer are being sent to employees to provide information related to the agency's actions, along with guidance from county and state healthcare officials. Regular updates are posted to the employee intranet and sent through email and OCTA's mass notification system. More than 300 employees have twice participated in virtual townhalls to ask questions and receive updates from the CEO, with a third scheduled for April 28, 2020.

Government Relations

For the first time since the State Legislature recessed March 20, 2020, the Senate and Assembly each held virtual budget subcommittee hearings to begin shaping an unprecedented state budget because of the COVID-19 pandemic. The California Department of Finance (DOF) previously announced that it will operate using a baseline budget. Currently, DOF is working on revenue projections to inform changes in the Governor's May Revise, but specifics will be lacking because the tax deadline has been extended. It is highly anticipated that while the Legislature will move forward with the traditional May Revise and constitutionally proscribed June budget deadline, there will be budget adjustments in August to account for revised revenue projections. The DOF estimates roughly \$7 billion will be spent for the COVID-19 pandemic response,

of which the Federal Emergency Management Agency is expected to reimburse a significant portion. In addition, while the State is better positioned to weather the budget uncertainty, given approximately \$17.5 billion in reserves, it is unlikely that this will be enough to sustain the revenue loss impacts. The Legislative Analyst's Office stated that California has entered a recession and will see significant revenue decreases for multiple budget cycles.

Given the significant economic uncertainty moving forward, the Governor announced the formation of a task force on business and jobs recovery, co-chaired by the Governor's Chief of Staff Ann O'Leary, and environmentalist and businessman, Tom Steyer. The task force includes representatives from business, labor, and healthcare, as well as legislative leadership and former California governors. The task force is charged with developing actions that government and businesses can implement to recover from pandemic impacts.

OCTA continues to provide input to stakeholders and state delegation members to ensure transportation is at the table during these discussions. On April 16, OCTA communicated its support of the California Transit Association's priorities, including reevaluating the distribution of Local Transportation Fund revenues to transit agencies, authorizing the use of Low Carbon Transit Operations Program and State of Good Repair funding to support all operating and capital expenses associated with COVID-19, and postponing the implementation of the California Air Resources Board's Innovative Clean Transit regulation.

At the federal level, the \$25 billion in FTA funding from the CARES Act is being allocated to transit agencies across the country. OCTA staff is closely monitoring FTA guidance to ensure expenditures comply with the CARES Act. Congress continues considering legislation to provide additional funding for small business loans, hospitals, and testing. There are also discussions of more comprehensive stimulus legislation that could provide added funding for transportation. In anticipation of such proposals, OCTA has been advocating for beneficial policies, such as clarity on OCTA's ability to reset the interest rate for its Transportation Infrastructure Finance and Infrastructure Act loan on the I-405 Improvement Project. Staff will continue to provide updates to the Board as necessary.

Human Resources and Organizational Development

The Health, Safety and Environmental Compliance Department falls under the Human Resources and Organizational Development Division and is responsible for leading the response to COVID-19 cases or exposures, in consultation with the Orange County Health Care Agency (HCA).

On April 13, 2020, OCTA was notified that a contractor working at the Garden Grove and Santa Ana bases tested positive for COVID-19. OCTA immediately implemented the process that was previously developed for this situation. OCTA identified and personally contacted 16 employees who were classified as having potential exposure due to their direct contact with the contractor.

As of April 24, the group of employees identified as having potential exposure have reported no symptoms related to the virus. That completed a 14-day monitoring period recommended by HCA.

Another group of 20 employees were identified as having had potential surface contact with buses that were serviced by the contractor. This group was classified as a no/low potential of exposure and no actions were required in accordance with public health officials and medical professionals. This group of employees also was directly communicated to via memo and another memo was sent to all OCTA employees regarding the situation.

It's important to note that there was no potential exposure to the public or coach operators. OCTA's COVID-19 response protocol and communication process continues to be refined should a contractor, employee, or passenger test positive for COVID-19. Preventative practices and reinforcement messages for protecting one's health in order to protect others have been disseminated at the bases and to the public.

Security and Emergency Preparedness

Security and Emergency Preparedness staff continue to coordinate the EOC utilizing OCTA's EOP. Additionally, as the pandemic has unfolded, a number of areas of OCTA's Continuity of Operations Plan have been implemented to allow for the near-seamless functioning of personnel in a remote work environment.

Staff has started to gather data and information that will be used over the coming months to develop an After-Action Review of OCTA's overall emergency operations response. The purpose of this review is to analyze the management and response to the COVID-19 pandemic by identifying strengths to be maintained and built upon, as well as identifying potential areas of improvement. This will provide analysis for lessons learned, best practices, and recommendations for future planning, training, and exercise development. As improvement actions are identified and addressed, this information will be used to update OCTA's EOP, Continuity of Operations Plan, and the current draft Pandemic Annex.

Information Systems

The Information Systems (IS) team is providing equipment and ongoing technical support that is enabling approximately 600 employees to continue performing essential duties while practicing social distancing by working remotely from home. As part of the social distancing effort, IS staff continues to lead efforts on virtual Board and committee meetings.

In addition, IS staff has worked closely with Operations to provide executive management daily bus boarding information, and the team has worked closely with planning staff to provide bus load factors to help in developing strategies for social distancing on buses and developing plans to restore service.

91 Express Lanes

Compared to the same time period last year, the 91 Express Lanes facility is still experiencing traffic declines of approximately 70 percent, which is similar to other managed lanes across the nation. Recent average weekday daily traffic volumes in Orange County seem to have stabilized at around 16,500 vehicles.

With the lower traffic volumes, calls into the Customer Service Center have decreased as well by about 60 percent. Operational activities in the Anaheim and Corona locations continue to function with a combination of remote workers and core staff located at the facilities. The Customer Walk-In Center in the City of Corona remains closed.

Metrolink

Effective March 26, 2020, Metrolink temporarily reduced service by 30 percent in response to the COVID-19 pandemic, while still providing vital transportation services for essential workers. The service reduction will be in place until further notice. As of April 17, 2020, Metrolink rail ridership in Orange County was down by more than 91 percent compared to the same day the previous year. Metrolink's April 6, 2020, service change has been put on hold until full service is reinstated. This includes an evening round trip on the Orange County Line and a reverse-peak round trip on the 91/Perris Valley Line.

On April 22, 2020, the Metrolink CEO presented an update to the F&A Committee on rail performance, COVID-19 response, and the upcoming FY budget development. On April 24, 2020, the Metrolink Board approved an item to delay budget approval for three months into FY 2020-21. The Metrolink CEO is scheduled to provide another update to the Board on May 11. Metrolink leadership has indicated that the agency intends to explore other budget cuts to

ensure there is no increase in member agency subsidies for the current FY. OCTA will continue to work closely with Metrolink to monitor agency actions and provide regular updates to the Board.

Summary

The Orange County Transportation Authority continues to closely monitor, respond and plan for impacts related to the COVID-19 pandemic, and proactive and strategic measures are being taken to continue essential transportation services and projects while helping to ensure the health of the public and OCTA employees, supporting the County of Orange in the ongoing emergency response, and ensuring that short- and long-term agency programs can be successfully delivered.

Attachments

- A. Public and Employee Communications

Prepared by:

Joel Zlotnik
Communications Manager
(714) 560-5713

Approved by:

Darrell E. Johnson
Chief Executive Officer
(714) 560-5343