



**Committee Members Present Via
Teleconference**

Laurie Davies, Chair
Lisa A. Bartlett, Vice Chairwoman
Barbara Delgleize
Michael Hennessey
Gene Hernandez
Donald P. Wagner
Gregory T. Winterbottom

Staff Present

Darrell E. Johnson, Chief Executive Officer
Jennifer L. Bergener, Deputy Chief Executive Officer
Laurena Weinert, Clerk of the Board
Sara Meisenheimer, Deputy Clerk of the Board
James Donich, General Counsel (teleconference)

Committee Members Absent

None

Call to Order

The May 21, 2020 regular meeting of the Legislative and Communications (L&C) Committee was called to order by Committee Chair Davies at 9:04 a.m.

Roll Call

The Deputy Clerk of the Board conducted an attendance Roll Call and announced that there was a quorum of the L&C Committee.

Pledge of Allegiance

Committee Chair Davies 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, State Legislative Advocate, reported on the following:

- The Legislature has returned from recess after a month and a half and both leaders in the houses have asked members to reduce their bill load to only those that are high priority.
- The Legislature is conducting policy meetings in various ways, but the Constitution does require in-person hearings.
- There are not a lot of transportation bills that are advancing.
- The Governor is mainly focusing on the budget.

2. (Continued)

- The Governor announced in his May Revision, a \$54 billion deficit for two years, for the current year and budget year.
- The May Revision proposes to address the \$54 billion deficit as follows:
 - \$16.2 billion is taken from the rainy-day funds over three years.
 - Proposes to cancel \$6 billion in program expansion.
 - Proposes to borrow \$4 billion from special funds.
 - Proposes \$4.4 billion in tax increases.
 - An expected \$14 billion from the federal government.
- The Governor's budget predicts a \$1.2 billion transportation revenue reduction in the next two years and a 27 percent reduction in sales tax.
- The Constitution requires the budget to be approved by June 15th.

A discussion ensued regarding:

- Whether the \$14 billion expected from the federal government is within the \$54 billion deficit and whether the Governor has identified additional cuts if those federal dollars do not materialize.
- The Governor has been very clear about his priorities with high-speed rail and the Legislature will most likely not differ from him.
- There is still time for the Legislature to put a proposition to increase taxes on the November ballot.
- The "Split Roll Call Tax initiative" that qualified for the 2020 ballot and how it impacts commercial property.
- The Governor's budget shows a \$130 million shift of transportation funding; however, the Constitution protects transportation dollars.
- James Donich, General Counsel, gave an example of borrowing and transferring special funds when Governor Brown attempted to take reserves from the Orange County Children and Families Commission.
- Ms. Topp, State Legislative Advocate, has not seen any attempts to take local funds, like revenues from the 91 Express Lanes.

Consent Calendar (Items 3 and 4)

3. Approval of Minutes

A motion was made by Director Hernandez, seconded by Director Delgleize, and following a roll call vote, declared passed 7-0, to approve the minutes from the Legislative and Communications meeting of April 16, 2020.



4. Agreement for Average Vehicle Ridership Services

A motion was made by Director Hernandez, seconded by Director Delgleize, and following a roll call vote, declared passed 7-0, to:

- A. Approve the selection of Innovative TDM Solutions as the firm to provide consulting services for the Orange County Transportation Authority's Average Vehicle Ridership (AVR) Program.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No.C-0-2167 between the Orange County Transportation Authority and Innovative TDM Solutions, in the amount of \$380,000, for the initial two-year term, with two, one-year option terms.

Regular Calendar

5. State Legislative Status Report

Lance Larson, Executive Director of Government Relations, provided opening comments and introduced Kristin Jacinto, Manager of State and Federal Relations, who reported on the following:

- There is a \$1.2 billion loss that is expected in transportation funding in the 2019-20 and 2020-21 fiscal years and a \$1.8 billion loss to transportation funds through fiscal year 2023-24.
- It is anticipated that this will lead to significant impacts to the highway maintenance program and the state transportation improvement program.
- The budget will continue to work on highway projects and other capital projects with the expectation that a future stimulus effort may be provided by the federal government.
- It is projected that overall State Transit Assistance funding is expected to decrease by 40 percent in fiscal year 2020-21.
- The Orange County Transportation Authority (OCTA) receives funds from the State Transit Assistance program. These estimates could change since it is based on actual receipts from diesel fuel taxes.
- OCTA receives cap-and-trade funding through the low carbon transit operations program which is expected to hold steady. However, the Governor is recommending "a pay as you go" for the cap-and-trade program in case there are revenue shortfalls.
- There is a strong expectation that Legislature will come back in August and make adjustments to the budget.
- Referenced Attachments D and F in the Staff Report.
- On May 6th, the Governor signed an Executive Order which expands worker's compensation benefits for workers who contracted COVID-19.

5. (Continued)

- Referenced Attachments A and B of the Staff Report.

A discussion ensued regarding an overview of the Executive Order and how it creates a rebuttable presumption that an employee contracted COVID-19 on the job and having the evidence to prove it.

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

6. Federal Legislative Status Report

Lance Larson, Executive Director of Government Relations, provided opening comments and introduced Kristin Jacinto, Manager of State and Federal Relations, who reported on the following:

- Overview of the federal response to the novel coronavirus pandemic and the funding provided to the transportation agencies through the Coronavirus Aid, Relief, and Economic Security (CARES) Act.
- The Congressional Budget Office has attempted to release analysis on the economic consequences of the COVID-19 pandemic, projecting that the deficit has more than tripled to \$3.7 trillion.
- Since the drafting of this Staff Report, further stimulus efforts are being discussed including the HEROES Act, which would provide \$15 billion in transit funding and \$15 billion in highway funding.
- Referenced Attachments A and B of the Staff Report.

A discussion ensued regarding:

- The funding difficulties to implement an infrastructure package due to the increased deficit spending to pass stimulus packages.
- COVID-19 funding for states being tied to sanctuary city policies and not being able to receive the funds as a sanctuary state.

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

Discussion Items

7. Fiscal Year 2020-21 Budget Workshop Follow-up

Andy Oftelie, Chief Financial Officer, provided opening comments and reported on the following:

- Referenced the Handout and highlighted the three pie charts in question one and how the budget has changed due to the COVID-19 pandemic.



7. (Continued)

- Due to a 40 percent deduction in the State Transit Assistance portion of the budget, staff is recommending OCTA's revenue source be reduced by \$22 million.
- Lowering the sales tax figures from a four percent to 6.6 percent reduction.
- The formula portions of the budget would be reduced in the Measure M sales tax.

8. Chief Executive Officer's Report

Darrell E. Johnson, Chief Executive Officer, reported on the following:

- On Friday, May 22nd is OCTA's one Friday Board Meeting of the year due to the Memorial Day holiday.
- Last night, Mr. Johnson, CEO, hosted a telephone townhall for employees at the bases. Approximately 200 employees participated in the call and this forum provided a great opportunity to discuss the June service change, challenges with the budget development, the CARES Act funding, and OCTA's plan to return employees back to work.

9. Committee Members' Reports

Committee Vice Chairwoman Bartlett announced that Orange County is filing a reopening plan with the Governor's office today and is hoping they will receive immediate approval in hopes of businesses reopening this weekend.

Committee Chair Davies asked about San Diego reopening and Vice Committee Chair Bartlett confirmed that they have been approved.

Director Delgleize asked for clarification on what will reopen and Vice Committee Chairwoman Bartlett explained that under the latter part of stage two it includes: restaurants with dine-in and patio seating, the administration in the churches, and the malls, while continuing to abide by health and safety protocols and social distancing.



10. Closed Session

There were no Closed Session items scheduled.

11. Adjournment

The meeting adjourned at 9:57 a.m.

The next regularly scheduled meeting of this Committee will be held at **9:00 a.m. on Thursday, June 18, 2020**, at the Orange County Transportation Authority Headquarters, Conference Room 07, 550 South Main Street, Orange, California.

ATTEST

Laurie Davies
Committee Chair

Sahara Meisenheimer
Deputy Clerk of the Board