



July 13, 2020

To: Members of the Board of Directors 
From: Steve Jones, Chairman of the Board of Directors
Darrell E. Johnson, Chief Executive Officer 
Subject: 2020 Board of Directors and Chief Executive Officer Initiatives and Action Plan – Mid-Year Report

On January 27, 2020, the Board of Directors (Board) approved the 2020 Board and Chief Executive Officer's (CEO) Initiatives (Attachment A) and Action Plan (Attachment B). The Action Plan consists of five Board initiatives broken down into nine CEO initiatives to be monitored through 97 milestones. As a result of the unprecedented impacts of the novel coronavirus (COVID-19) pandemic, adjustments to the milestones were required. On May 22, 2020, a revised Action Plan was presented to the Board reflecting an updated total of 92 milestones. This mid-year report summarizes the Orange County Transportation Authority's (OCTA) progress on advancing these initiatives between January 1, 2020 and June 30, 2020. At the conclusion of the second quarter, 41 of the 92 milestones have been completed. Highlights of these accomplishments are provided below.

Board Initiative: Comprehensive Mobility Solutions

OCTA continues to enhance transit service quality and customer experience along with advancing Orange County's Measure M2 (M2) Program and adopted Next 10 Delivery Plan through balanced investments in transit, streets and roads, and freeways.

- Orange County Rail Maintenance Facility: Environmental and preliminary design efforts were initiated for the Orange County Rail Maintenance Facility in April 2020. This facility will support Metrolink operations providing additional train storage and a maintenance facility in Orange County allowing for more efficient operations and to support future growth.
- M2 Community-Based Transit Circulators (Project V): On April 13, 2020, the Board approved programming recommendations of over \$9 million to fund six local jurisdiction projects for capital and operating services, and three local jurisdiction planning studies. Through Project V grants, local jurisdictions provide local bus transit services that complement regional bus and rail services and help to address unmet transit needs in areas where demand does not support regular regional transit.

- M2 Regional Capacity Program (Project O) and M2 Regional Traffic Signal Synchronization Program (Project P): On May 11, 2020, the Board approved programming recommendations to award \$23.4 million to eight local jurisdiction Project O projects and \$12.1 million to six local jurisdiction Project P projects. OCTA continues to support streets and roads capital projects to relieve congestion countywide.
- June Bus Service Change: The June 2020 bus service change was presented to the Board on May 22, 2020. It consisted of service adjustments to Saturday service levels with increased frequency on higher ridership routes and restored service on some routes that were suspended in March 2020 due to the COVID-19 pandemic. The service change was implemented on June 14, 2020.

Board Initiative: Regional Leadership and Public Transparency

Through public outreach efforts, planning studies and collaboration with local and regional partners, OCTA prioritizes public accountability and transparency, provides regional leadership and advocates for improved mobility throughout Southern California.

- M2 Eligibility – City of Santa Ana and City of Stanton: On April 13, 2020, the cities of Santa Ana and Stanton were found by the Board to be eligible to receive M2 net revenues. All suspended payments have since been disbursed to the two cities. The cities had been found ineligible in May 13, 2019 (for the first time in the history of Measure M1 and M2), and M2 funding allocations and disbursements were suspended at that time.
- Beach Boulevard Corridor Study: In partnership with the Beach Boulevard corridor agencies and the California Department of Transportation District 12, OCTA initiated the Beach Boulevard Corridor Study in October 2018. The corridor study was completed, and a comprehensive multimodal transportation vision for the 21-mile Beach Boulevard corridor was presented to the Board on April 27, 2020.

Board Initiative: Resiliency, Sustainability and Innovation

To be forward-thinking and sustainable, OCTA is promoting and deploying innovative ideas and technology and focusing on improving transportation while minimizing its environmental impacts. OCTA strives to bring balanced and sustainable mobility solutions to Orange County.

- Zero-Emission Battery-Electric Buses: The California Air Resources Board passed the Innovative Clean Transit Rule in 2018 requiring transit agencies to transition their bus fleets to 100 percent zero-emission buses by year 2040. OCTA plans to pilot ten 40-foot plug-in battery-electric buses in addition to the existing pilot of ten hydrogen fuel-cell electric buses to help guide further procurements that comply with the new rule. On April 27, 2020, the Board approved the release of a request for quotes to purchase buses through the California Statewide Contract for Zero-Emission Transit Buses issued by the California Department of General Services.
- Fare Collection System: On May 22, 2020, the Board approved the selection of a consultant to provide technical consulting services to support the development and implementation of a next generation fare collection system. Fare collection technology has evolved dramatically in recent years. The latest fare collection systems offer numerous benefits including more convenient payment options for customers. In addition, new technologies also provide increased flexibility for transit agencies to manage fare policy and revenue collection.

Board Initiative: Fiscal Accountability

OCTA takes pride in and champions fiscal responsibility. To build public trust, OCTA continues to be a good steward of taxpayer dollars.

- OCTA's Operating and Capital Budget: The Board approved the fiscal year 2020-21 budget following the public hearing on June 8, 2020. The \$1,427.6 million budget is a balanced plan of sources and uses of funds while providing for current and future transportation needs of Orange County. Staff will closely monitor potential COVID-19 impacts and bring forward recommendations for amendments to the Board as appropriate.
- Credit Ratings: Annual rating agency meetings were held virtually on June 18 and 19, 2020. OCTA provided updates on major programs and projects and the challenges, as well as opportunities related to COVID-19 were highlighted. OCTA's conservative and strategic financial planning was discussed, in addition to OCTA's strong cash and reserve positions.
- 405 Express Lanes Back Office System: On June 22, 2020, the Board approved the release of request for proposals to design, develop, implement, and maintain the back-office system for the 405 Express Lanes.

The 405 Express Lanes will operate in a manner similar to the 91 Express Lanes with all-electronic tolling using transponders, and with same account types and violation process. Although the 405 Express Lanes is not anticipated to open until calendar year 2023, mobilization efforts need to get underway to ensure all lane operations systems will be ready in time.

Board Initiative: Organizational Excellence

Two components of organizational excellence that OCTA is focused on are strengthening safety and security measures and maximizing workforce potential. Whether it be employee development programs, operational safety plans or ensuring agency and staff preparedness for crises, OCTA prioritizes safety and retention of a high-quality workforce.

- **Cybersecurity Training:** OCTA follows industry best practices and continually strengthens security by taking into account current industry trends. To protect OCTA's Information Systems, employees are required to complete annual cybersecurity training. Through strategic decisions to move from a traditional model of on-premise applications to a hybrid cloud model, OCTA operations have continued seamlessly through remote work during COVID-19 stay-at-home orders.
- **Leadership Development Academy (LDA):** The fourth cohort of the LDA was selected and launched on January 16, 2020, to provide senior professional development designed to grow and support the next generation of leaders at OCTA. The LDA is just one component of OCTA's overall talent management strategy by making a deliberate and systematic effort to ensure leadership continuity, retain and develop intellectual and knowledge capital for the future, and encourage individual advancement.
- **Safety Management System:** On May 11, 2020, the Board adopted OCTA's Public Transportation Agency Safety Plan (PTASP) for the transit system. Adoption of the PTASP allows staff to incorporate this plan into business as additional means to ensure the safety of OCTA's employees, customers, and communities.

The timetable adjusted milestones are summarized in Attachment B. Schedule adjustments were necessary to further define project scope and costs or issues with integration of new technology. Additional COVID-19 impacted milestones adjustments were made to allow more time for OCTA to focus on management and recovery plans.

Quarterly progress reports on the Action Plan will continue to be presented to the Board. OCTA is committed to proactively and strategically addressing the immediate needs of the public and agency employees to keep Orange County moving. Please let me know if you have any questions or contact Darrell Johnson, CEO at (714) 560-5343.

SJ/DEJ:fc
Attachments