

**Date:** Monday, March 9, 2009

**Time:** 9:00 a.m.

**Where:** Orange County Transportation Authority Headquarters  
600 South Main Street, First Floor - Conference Room 154  
Orange, California 92868



## BOARD AGENDA

Orange County Transportation Authority Board Meeting  
Orange County Transportation Authority Headquarters  
First Floor - Room 154  
600 South Main Street, Orange, California  
*Monday, March 9, 2009, at 9:00 a.m.*

*ACTIONS*

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA Clerk of the Board, telephone (714) 560-5676, no less than two (2) business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

### **Agenda Descriptions**

The agenda descriptions are intended to give members of the public a general summary of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Board of Directors may take any action which it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action.

### **Public Comments on Agenda Items**

Members of the public wishing to address the Board of Directors regarding any item appearing on the agenda may do so by completing a Speaker's Card and submitting it to the Clerk of the Board. Speakers will be recognized by the Chairman at the time the agenda item is to be considered. A speaker's comments shall be limited to three (3) minutes.

### **Public Availability of Agenda Materials**

All documents relative to the items referenced in this agenda are available for public inspection at [www.octa.net](http://www.octa.net) or through the Clerk of the Board's office at the OCTA Headquarters, 600 South Main Street, Orange, California.



## BOARD AGENDA

ACTIONS

### Call to Order

### Invocation

Director Dalton

### Pledge of Allegiance

Director Norby

### Special Matters

There are no Special Matters items.

### Consent Calendar (Items 1 through 13)

All matters on the Consent Calendar are to be approved in one motion unless a Board Member or a member of the public requests separate action on a specific item.

### Orange County Transportation Authority Consent Calendar Matters

#### 1. Approval of Minutes

Of the Orange County Transportation Authority and affiliated agencies' regular meeting of February 23, 2009.

#### 2. Purchasing Card Review

Kathleen M. O'Connell

##### *Overview*

The Internal Audit Department has completed a review of internal controls over Orange County Transportation Authority's purchasing card program. Recommendations have been made to strengthen employee oversight and improve purchasing card internal controls, policies and procedures. Management has indicated the recommendations contained in the report will be implemented or otherwise satisfactorily addressed.

##### *Recommendation*

Direct staff to implement recommendations in the Purchasing Card Program Review, Internal Audit Report No. 09-029.



## BOARD AGENDA

ACTIONS

### 3. **Assembly Bill 1234 Review**

Kathleen M. O'Connell

#### ***Overview***

The Internal Audit Department has completed a review of internal controls, policies, and procedures to ensure compliance with California Assembly Bill 1234. Recommendations have been made to strengthen controls over training records and to improve procedures for review and submission of expense reimbursement requests. Internal Audit also recommends clarification of Board of Directors policy with regard to requirements for ethics training.

#### ***Committee Recommendations***

- A. Direct staff to implement recommendations in the Assembly Bill 1234 Review, Internal Audit Report No. 09-021.
- B. Approve amendment to the Policy for Compensation, Reimbursement of Expenses, and Ethics Training for Members of the Board of Directors, to clarify that the Policy is not applicable to the Director of Transportation, District 12.

### 4. **State Legislative Status Report**

Manny Leon/P. Sue Zuhlke

#### ***Overview***

On February 20, 2009, Governor Schwarzenegger signed a 16-month fiscal plan which includes budgetary changes for the current fiscal year and for the upcoming 2009-2010 fiscal year. The overall package includes \$14.9 billion in expenditure reductions, \$12.5 billion in temporary General Fund tax increases, and \$5.4 billion in borrowing. On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act which provides transportation economic recovery funds for the state. State legislation will be drafted in order to appropriate federal recovery funds for the highway, streets, and roads programs.



## BOARD AGENDA

*ACTIONS*

4. **(Continued)**

***Recommendation***

Support federal recovery implementation legislation as agreed to by local agencies and the California Department of Transportation that is consistent with the principles adopted by the Board of Directors.

5. **Federal Legislative Status Report**

Richard J. Bacigalupo

***Overview***

This Federal Legislative Status Report discusses the progress of federal fiscal year 2009 appropriations, which are expected to be enacted prior to the March 6 expiration of the continuing resolution currently funding federal programs and operations.

***Recommendation***

Receive and file as an information item.

6. **Cooperative Agreement with the Orange County Flood Control District and the California Department of Transportation for the Lewis Channel Improvement Project**

M. Joseph Toolson/Kia Mortazavi

***Overview***

The Orange County Transportation Authority proposes to enter into a cooperative agreement with the Orange County Flood Control District and the California Department of Transportation. The agreement defines the terms, conditions, and funding responsibilities for the completion of the improvements to Lewis Channel; conveys property; and identifies long term maintenance. These activities are related to the Garden Grove Freeway (State Route 22) Improvement Project.



## BOARD AGENDA

ACTIONS

6. (Continued)

***Recommendation***

Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-8-0176 among the Orange County Transportation Authority, the Orange County Flood Control District, and the California Department of Transportation, in an amount not to exceed \$1,500,000.

7. **Operational Improvement Study for the Ortega Highway (State Route 74)**  
Charlie Larwood/Kia Mortazavi

***Overview***

A study of operational improvements for the Ortega Highway (State Route 74) has been completed. This study identifies preliminary operational improvements along the Ortega Highway (State Route 74) corridor between Antonio Parkway in the County of Orange and the Ontario Freeway (Interstate 15) in the City of Lake Elsinore.

***Recommendation***

Receive and file as an information item.

8. **Second Quarter Fiscal Year 2008-09 Grant Status Report**  
Chris McCandless/James S. Kenan

***Overview***

The Quarterly Grant Status Report summarizes grant activities for information purposes for the Orange County Transportation Authority Board of Directors. This report focuses on significant activity for the period of October through December 2008. The Quarterly Grant Status Report summarizes future and pending grant applications, awarded/executed and current grant agreements, as well as closed-out grant agreements.

***Recommendation***

Receive and file as an information item.



## BOARD AGENDA

ACTIONS

9. **Fiscal Year 2008-09 Second Quarter Budget Status Report**  
Victor Velasquez/James S. Kenan

**Overview**

The Orange County Transportation Authority's staff has implemented the fiscal year 2008-09 budget. This report summarizes the material variances between the budget plan and actual revenues and expenses.

**Recommendation**

Receive and file as an information item.

### **Orange County Service Authority for Freeway Emergencies Consent Calendar Matters**

10. **Services for the Traveling Public in Orange County**  
Iain C. Fairweather/Paul C. Taylor

**Overview**

The Orange County Transportation Authority's Motorist Services Program includes the following elements: Freeway Call Box System, Freeway Service Patrol, and the 511 Motorist Aid Travelers' Information System. Collectively, the scope of these programs includes assisting motorists, mitigating traffic congestion, and allowing the traveling public to access information on highway conditions, transit services, and other important travelers' information. This report provides an overview of the programs and recommends a strategy for maintaining services for the traveling public.

**Recommendation**

Authorize the Chief Executive Officer to seek appropriate approval for a specified plan to reduce the number of call boxes in service in fiscal year 2009-2010.



## BOARD AGENDA

ACTIONS

11. **Approval to Release Request for Proposals (RFP) and Evaluation Criteria Weighting for Call Box System Operations and Maintenance Services**

Iain C. Fairweather/Paul C. Taylor

**Overview**

On June 30, 2009, the contract for the call box system operation and maintenance services will expire. Staff has prepared a request for proposals for companies to provide these services for a five-year term. The Board of Directors' approval is requested to release this proposal for the call box system operations and maintenance services. The total cost for a five-year contract is anticipated to be \$1.6 million.

**Recommendations**

- A. Approve the release of the Request for Proposals No. 9-0176 for the call box system operations and maintenance services.
- B. Approve proposed evaluation criteria weighting allocation.

### Orange County Transit District Consent Calendar Matters

12. **Amendment to Agreement for Heating, Ventilation, Air Conditioning Repairs and Maintenance Services**

Ryan Erickson/Beth McCormick

**Overview**

On April 24, 2006, the Board of Directors approved an agreement with ACM Systems, Inc., in the amount of \$150,000, to provide heating, ventilation, air conditioning repairs and maintenance services for facility maintenance for a one-year period with four option years. An amendment is required to exercise an option and extend the agreement.

**Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 5 to Agreement No. C-5-3001 between the Orange County Transportation Authority and ACM Systems, Inc., to exercise the third and fourth option terms in an amount not to exceed \$400,000 for heating, ventilation, air conditioning repairs and maintenance services for a total contract value of \$972,500.



## **BOARD AGENDA**

*ACTIONS*

- 13. Customer Relations Report for Second Quarter Fiscal Year 2008-09**  
Adam Raley/Ellen S. Burton

***Overview***

The Customer Relations report is submitted to the Orange County Transportation Authority Board of Directors on a quarterly basis. The report provides an overview of customer communications received during the prior period of October through December 2008, as well as a review of the performance of Alta Resources, the contracted provider of the Customer Information Center.

***Recommendation***

Receive and file as an information item.

### **Regular Calendar**

#### **Orange County Transportation Authority Regular Calendar Matters**

- 14. Programming of Economic Stimulus Funds**  
Abbe McClenahan/Kia Mortazavi

***Overview***

Federal legislation for economic recovery has been completed and staff is positioning projects to ensure funding eligibility. The bill does not allow for streamlining of state or federal requirements and funding recipients must act quickly and follow all required federal and state procedures.

***Recommendations***

- A. Authorize staff to use economic stimulus revenues to fund projects consistent with Board of Directors-approved guiding principles for implementation.
- B. Authorize staff to process all necessary amendments to the Regional Transportation Improvement Program and execute any necessary agreements to facilitate programming of economic stimulus funds.



## BOARD AGENDA

ACTIONS

14. (Continued)

- C. Authorize the Chief Executive Officer to file and execute grant-related agreements with the Federal Transit Administration for the purpose of obtaining economic stimulus funds.

15. **June 2009 Bus Service Reduction Program**

Scott Holmes/Beth McCormick

**Overview**

As the revenue forecast for the Orange County Transportation Authority continues to worsen, staff is working on a number of programs to address the shortfall in the current fiscal year budget, as well as that forecasted for coming fiscal year 2009-10. Included in these efforts is a bus service reduction program that will be implemented as part of the June 2009 service change removing approximately 55,000 annual revenue vehicle hours of service.

**Recommendation**

Receive and file as an information item.

16. **Radio Communication Systems Upgrade**

Joseph Vicente/Beth McCormick

**Overview**

The Orange County Transportation Authority engaged a consultant to conduct an assessment of the existing radio communication systems. The study is complete and recommendations for upgrades to the systems are presented for Board of Directors' approval.

**Recommendations**

- A. Approve consultant recommendation to proceed with an upgrade to the existing radio communication systems.



## BOARD AGENDA

ACTIONS

16. (Continued)

- B. Authorize the Chief Executive Officer to negotiate a sole source agreement between the Orange County Transportation Authority and Affiliated Computer Services and Tyco for the upgrade of the radio communication systems, in an amount not to exceed \$20 million, contingent upon the Internal Audit Department's review of cost and price.

### Discussion Items

17. **Update on High-Speed Rail Efforts in California**

Darrell E. Johnson/Kia Mortazavi

18. **91 Express Lanes' Toll Adjustment Review**

Kirk Avila/James S. Kenan

19. **Public Comments**

At this time, members of the public may address the Board of Directors regarding any items within the subject matter jurisdiction of the Board of Directors, but no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three (3) minutes per speaker, unless different time limits are set by the Chairman subject to the approval of the Board of Directors.

20. **Chief Executive Officer's Report**

21. **Directors' Reports**

22. **Closed Session**

Pursuant to Government Code Section 54957, regarding the Chief Executive Officer.

23. **Adjournment**

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, March 23, 2009**, at the OCTA Headquarters.



Minutes of the Meeting of the  
Orange County Transportation Authority  
Orange County Service Authority for Freeway Emergencies  
Orange County Local Transportation Authority  
Orange County Transit District  
Board of Directors  
February 23, 2009

## **Call to Order**

The February 23, 2009, regular meeting of the Orange County Transportation Authority and affiliated agencies was called to order by Chairman Buffa at 9:00 a.m. at the Orange County Transportation Authority Headquarters, Orange, California.

## **Roll Call**

Directors Present: Peter Buffa, Chairman  
Jerry Amante, Vice Chairman  
Patricia Bates  
Arthur C. Brown  
Bill Campbell  
Carolyn Cavecche  
William J. Dalton  
Paul Glaab  
Cathy Green  
Allan Mansoor  
John Moorlach  
Chris Norby  
Curt Pringle  
Miguel Pulido  
Gregory T. Winterbottom  
Cindy Quon, Governor's Ex-Officio Member

Also Present: Arthur T. Leahy, Chief Executive Officer  
Paul C. Taylor, Deputy Chief Executive Officer  
Wendy Knowles, Clerk of the Board  
Laurena Weinert, Assistant Clerk of the Board  
Kennard R. Smart, Jr., General Counsel  
Members of the Press and the General Public

Directors Absent: Richard Dixon  
Janet Nguyen

## **Invocation**

Director Glaab gave the invocation.

## **Pledge of Allegiance**

Vice Chairman Amante led the Board and audience in the Pledge of Allegiance.

## **Public Comments on Agenda Items**

Chairman Buffa announced that members of the public who wished to address the Board of Directors regarding any item appearing on the agenda would be allowed to do so by completing a Speaker's Card and submitting it to the Clerk of the Board.

## **Special Matters**

### **1. Chairman of the Board's Goals for 2009**

Chairman Buffa presented his goals for 2009, highlighting two specifically – that of advocating for Orange County to maximize the use of state and federal funds received and reducing the amount of paper generated by OCTA for agendas, etc.

Director Pulido reported that he had been part of several discussions in Washington, D.C., and feels the Board will need to work hard to insure funding comes to Orange County for shovel-ready projects.

Chairman Buffa presented two types of electronic notebook devices (an e-book and an Amazon Kindle) and indicated further discussions would take place to digitize paper documents with the ability to download documents in an electronic format to e-books or similar devices provided to Board Members.

### **2. Presentation of Resolutions of Appreciation for Employees of the Month for February 2009**

Chairman Buffa presented Orange County Transportation Authority Resolutions of Appreciation Nos. 2009-009, 2009-010, 2009-011 to Marvin Cotton, Coach Operator; Joel Rule, Maintenance; and Ted Nguyen, Administration, as Employees of the Month for February 2009.

### **3. Presentation of 2008 Step-Up Graduates to the Board of Directors**

Human Resources Executive Director, Patrick Gough, presented 2008 Step-Up Program Graduates to the Board of Directors. Graduates for the 2008 Step-Up Program are: Barry Reynolds, Blanca Ibarra, Carolyn Patterson, Duke Ho, Eugenia Pinheiro, Jim Jones, Joy Rosin, Kim Bowman, Patrick Sampson, and Rick Doherty.

## **Consent Calendar (Items 4 through 16)**

Chairman Buffa announced that members of the public who wished to address the Board of Directors regarding any item appearing on the agenda would be allowed to do so by completing a Speaker's Card and submitting it to the Clerk of the Board.

### **Orange County Transportation Authority Consent Calendar Matters**

#### **4. Approval of Minutes**

A motion was made by Director Pulido, seconded by Director Brown, and declared passed by those present, to approve the minutes of the Orange County Transportation Authority and affiliated agencies' regular meeting of February 9, 2009.

#### **5. Approval of Board Member Travel**

A motion was made by Director Pulido, seconded by Director Brown, and declared passed by those present, to approve requests for Chairman Buffa to travel to Washington, D.C. February 24-27, 2009, and Director Pringle to travel to Washington, D.C., February 25-27, 2009, to advocate on behalf of OCTA regarding the Federal Economic Stimulus.

Approval was also given for Directors Brown and Glaab to travel to Washington, D.C., March 8-12, 2009, to attend the American Public Transportation Association Legislative Conference and Mobility 21 ACCESS meeting.

#### **6. Draft Internal Audit Policy**

A motion was made by Director Pulido, seconded by Director Brown, and declared passed by those present, to direct staff to implement the Draft Internal Audit Policy, and include additional language regarding the reporting of fraud.

#### **7. Implementation of an Ethics Hotline**

A motion was made by Director Pulido, seconded by Director Brown, and declared passed by those present, to

- A. Direct the Internal Audit Department to develop a scope of work for the implementation of an ethics hotline and return to the Finance and Administration Committee for approval of its release.
- B. Direct the Internal Audit Department to work with the County of Orange regarding the implementation of an ethics hotline to see if costs can be reduced through a collaborative agreement.

**8. Fiscal Year 2008-09 Internal Audit Plan, Second Quarter Update**

A motion was made by Director Pulido, seconded by Director Brown, and declared passed by those present, to receive and file the second quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2008-09 Internal Audit Plan.

**9. 2009 Proposition 1B California Transit Security Grant Program Authorization**

A motion was made by Director Pulido, seconded by Director Brown, and declared passed by those present, to:

- A. Adopt Orange County Transportation Authority Resolution No. 2009-001 authorizing the Chief Executive Officer to file and execute grant-related agreements with the California Emergency Management Agency, as the designated administrative agency of the California Transit Security Grant Program.
- B. Approve the candidate project list and authorize staff to amend the Regional Transportation Improvement Program and State Transportation Improvement Program to accommodate grant revenues.

**10. Metrolink Short-Term Safety Improvements and Insurance**

A motion was made by Director Pulido, seconded by Director Brown, and declared passed by those present, to direct staff to allocate \$1,797,681 of the fiscal year 2007-08 Metrolink budget surplus to fund the Orange County Transportation Authority's share of the short-term safety improvements and insurance coverage for Metrolink.

**11. Metrolink Ridership and On-Time Performance Report**

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

**12. Draft Commuter Bikeways Strategic Plan**

This item was pulled by Director Norby, who stated that he feels bikeways are a transportation necessity and is pleased to see that OCTA has a role in the commuter bikeways strategic plan.

A motion was made by Director Norby, seconded by Director Campbell, and declared passed by those present, to direct staff to release the draft Commuter Bikeways Strategic Plan for review.

**13. Amendment to Agreement for Contract and Procurement Support Staffing**

A motion was made by Director Pulido, seconded by Director Brown, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement No. C-7-1286 between the Orange County Transportation Authority and Procurement Services Associates, in an amount not to exceed \$400,000, to continue to provide supplemental support staffing, bringing the total contract value to \$640,000.
- B. Direct staff to notify the Finance and Administration Committee when the original contract amount of \$240,000 has been expended.

**Orange County Local Transportation Authority Consent Calendar Matters**

**14. Consultant Selection for Engineering Plan Check and Design Review Services for Railroad Grade Separation Projects**

A motion was made by Director Pulido, seconded by Director Brown, and declared passed by those present, to:

- A. Approve the selection of Athalye Consulting Engineering Services, Inc., as the top-ranked firm to provide engineering plan check and design review services for the Kraemer Boulevard, Placentia Avenue, Tustin Avenue/Rose Drive, Lakeview Avenue, and Orangethorpe Avenue railroad grade separation projects.
- B. Authorize the Chief Executive Officer to request a cost proposal from Athalye Consulting Engineering Services, Inc., and negotiate an agreement for services.
- C. Authorize the Chief Executive Officer to execute the final agreement.

Director Bates abstained from voting on this item.

**15. Los Angeles - San Diego - San Luis Obispo Rail Corridor Grade Separation Project Development**

A motion was made by Director Pulido, seconded by Director Brown, and declared passed by those present, to:

- A. Direct staff to distribute the priority list of potential grade separation projects on the Los Angeles – San Diego – San Luis Obispo rail corridor to all Orange County cities on the rail corridor for review and comment.

**15. (Continued)**

- B. Direct staff to return to the Board of Directors with a recommendation to begin the formal project development process at the highest-priority locations.

**16. Selection of Consultant for Preparation of Project Report and Environmental Document for the San Diego Freeway (Interstate 5) High-Occupancy Vehicle Project from San Juan Creek Road to Avenida Pico**

A motion was made by Director Pulido, seconded by Director Brown, and declared passed by those present, to:

- A. Select RMC, Inc., as the top-ranked firm to prepare the project report and environmental document for the San Diego Freeway (Interstate 5) high-occupancy vehicle project.
- B. Authorize the Chief Executive Officer to request a cost proposal from RMC, Inc., and negotiate an agreement for services.
- C. Authorize the Chief Executive Officer to execute Agreement No. C-8-1238 between the Orange County Transportation Authority and RMC, Inc., to prepare the project report and environmental document for extension of the high-occupancy vehicle lanes from San Juan Creek Road to Avenida Pico.

Director Bates abstained from voting on this item.

## **Regular Calendar**

### **Orange County Transportation Authority Regular Calendar Matters**

**17. Orange and Los Angeles Intercounty Transportation Study Update**

Charlie Larwood, Manager of Transportation Planning, provided a brief update on this study and introduced Bill Delo, from the IBI Group.

Mr. Delo summarized the discussions, meetings, various forms of outreach, and types of public comments received during the time this study was performed and conceptual alternatives developed.

Director Moorlach asked if this would include personal rapid transit (PRT), and Mr. Larwood responded that it was not, in that the Board's direction some months ago was that PRT was not to be included until maintenance and operation of that type of system had been documented for a period of time.

**17. (Continued)**

Director Moorlach asked that the record reflect PRT had been reviewed, and previous Board direction was to defer the inclusion of that type of system in OCTA's current study.

Director Pringle inquired as to why there was an emphasis on the Pacific Electric Right-of-Way (PEROW) assessment component and where that separate assessment appears.

Mr. Delo responded that there were two reports at the end of the study and the Board is requested to receive and file those today. He explained that the first is the Study of Conceptual Alternatives, which summarizes the conceptual alternatives and the process developed for the study. The PEROW assessment is a separate technical report which was produced in addition to the conceptual alternatives report. To clarify, Mr. Delo stated they are separate reports, but being submitted together at this time.

Director Pringle stated he would have liked to see that specified and to see what is in the PEROW report, rather than what is blended into the one report. He stated he wanted to insure that everyone was aware that what is being proposed at this time is the continuation of a discussion.

Director Campbell stated that it seemed that the next phase would be a Major Investment Study or the equivalent, and that in the past in those situations, Board Members were involved in the process.

Director Norby pointed out first, that on Attachment C, State Route 142 is shown as a freeway, which is an error. Secondly, he stated that the area between the 57 Freeway and Harbor Boulevard, north of the County line, is one of the last undeveloped areas along Orange County's boundary and asked the status of that area and if there is a study of the impact to roads in the area.

Mr. Delo responded that most of that area is in Los Angeles County, and there is a traffic study that is being prepared for that effort, and there was coordination with the consultants for that study.

Director Pringle expressed concern with direction for staff to work with Los Angeles County Metropolitan Transportation Authority (LAMTA) to develop a scope of work for the next phase. He stated he would like to see the creation of a subcommittee to the OCTA Board of an undefined number of Members from each organization, similar as to what is done with the Riverside-Orange County Authority. He further stated that when policy decisions are ready to be made, it would be important that Board Members participate in those discussions.

**17. (Continued)**

A motion was made by Director Pringle, seconded by Director Pulido, and declared passed by those present, to:

- A. Receive and file conceptual alternatives report and Pacific Electric Railway right-of-way assessment.
- B. Direct staff to work with Los Angeles County Metropolitan Transportation Authority staff and develop the scope of work for the next phase of the Orange and Los Angeles Intercounty Transportation Study.
- C. Create a subcommittee with representatives from OCTA to participate in policy discussions on a scope of work to be presented.

Chief Executive Officer (CEO), Arthur T. Leahy, stated this item will go back through the Transit Committee before returning to the full Board.

**Orange County Local Transportation Authority Regular Calendar Matters**

**18. Renewed Measure M Progress Report**

Andrew Oftelie, Special Projects, reported that the Measure M Ordinance requires a quarterly progress report on the Measure M Program, and the revenue picture has changed dramatically over the past quarter.

Mr. Oftelie reported that in the past, OCTA has used a forecast derived from the average of three universities to determine what the sales tax receipts would be over the life of the program. He stated that the current forecasts are not realistic due to changes that have occurred during the past few months. He stated that receipts are down approximately five percent through December and worsened since then; therefore, the forecast for this report is down.

Mr. Oftelie explained the current and future impacts of what has taken place as well as a summary of funding requirements.

Next steps will be to complete the Freeway Strategic Plan, re-define the Metrolink Service Plan, and re-visit the Early Action Plan.

Director Campbell requested calculations for each Measure M project be prepared as to today's value.

Director Bates requested updated studies be done to reflect travel patterns recently for the southern portion of the Interstate 5

**18. (Continued)**

Director Glaab requested staff issue a report to all Orange County cities explaining individual impacts of reduced Measure M revenues.

Director Moorlach requested information on what other transit properties are doing in response to their losses in transit funding.

No action was taken on this receive and file information item.

## **Discussion Items**

**19. Bus Transit Program Revenue Assumptions**

CEO, Mr. Leahy, reported that the OCTA continues to face very serious economic problems, and the issues continue to degrade. A one percent service cut occurred in December 2008, another one percent service cut will take place in a few weeks, and larger cuts are anticipated for June, September, December, and March and June 2010.

He stated that federal stimulus money may be available soon and will be applied to preventive maintenance. He reported that the compelling requirements for service cuts are present, and at the same time, attrition is leveling off.

Mr. Leahy commented that there will be no raises or bonuses for the Administrative employees next year. Previously, it was reported that the Teamsters were unwilling to meet to discuss the situation regarding expected raises, though they did agree last Friday to meet with OCTA and discuss the overall economic situation.

Andrew Oftelie, Special Projects, stated that economic conditions have gotten much more difficult and provided a presentation, highlighting revenue assumptions, baseline scenario for vehicle hours, baseline scenario for union headcount, union labor reductions, and “doomsday” revenue assumptions and vehicle hours.

Director Pringle expressed concern for using one-time federal funds for ongoing difficulties and urged a restructure of a budget that does not rely on these one-time funds.

Public comments were heard from:

Donna Metcalf, Representative of Teamsters 952, read a prepared statement, expressing that the Union has been working to get money for transit operations and had hoped to partner with the OCTA. She stated the union felt it was disappointing that the Board voted in opposition to lobbying for federal money for transit operations. She stated the Union intends to partner with OCTA whenever they can.

**19. (Continued)**

Florice Hoffman, Attorney for Teamsters 952, urged those involved to “rise above partisan politics” in the upcoming discussions between OCTA and the union representatives. She expressed her disappointment for not requesting federal money for transit operations.

Director Norby requested a presentation be given on fare evasion, addressing how much revenue is lost, practicality of enforcement by coach operators, and cost to change policy.

CEO, Mr. Leahy, responded that he recently asked that the Transit Police Services Sheriff’s look into the validity of passes and perform an audit regarding matching passes to drivers’ licenses.

Director Pringle commented that he appreciated the comments provided, but felt the speakers missed some important points in that the Legislature and Governor voted to eliminate all transit funds in a bipartisan fashion and regardless of how much money may have been in the federal stimulus, it was one bill for one time and one opportunity.

Director Pringle stated he and the Board would like to work together with the Union to restore funding and expressed the need to identify ongoing remedies. He discouraged trying to find one-time, one opportunity “fixes”, but to find remedies which will provide continual benefits to the bus rider and bus operator communities.

Vice Chairman Amante stated that he agrees with Director Pringle and would like the members from the public to understand that it would be imprudent to use one-time federal funds in order to solve a problem which has a long-term horizon. He stated that kind of mistake is made often by legislators and has extremely negative impacts on the economy.

Director Moorlach requested that a presentation be provided to the Finance and Administration Committee regarding what other transit properties are doing with the loss of funds at this time with the economy’s situation.

**20. Public Comments**

At this time, Chairman Buffa stated that members of the public may address the Board of Directors regarding any items within the subject matter jurisdiction of the Board of Directors, but no action would be taken on off-agenda items unless authorized by law.

No additional comments from the public were offered.

## **21. Chief Executive Officer's Report**

CEO, Mr. Leahy, reported he participated in a briefing with Senator Murray from Washington, and discussed the high-speed rail program (Anaheim to Los Angeles, and Anaheim to Las Vegas, NV), as well as goods movement.

Mr. Leahy reported that the California Transportation Commission approved the swap of the Proposition 116 funds with Irvine.

Mr. Leahy reported on upcoming meetings and events.

## **22. Directors' Reports**

Director Brown reported the Interstate 5 widening project is now 65 percent complete.

Director Green reported that last week, Chairman Buffa was the keynote speaker at the Orange County Engineering Council's meeting, and the Council recognized OCTA's James Kramer for Outstanding Engineering Merit Award for Bus Maintenance and Operations Facilities and Alternative Fuel Projects. In addition, OCTA Metrolink Services Expansion and Safety Enhancement was recognized with the Engineering Project Achievement Award.

Director Green also informed Members that Brenda Ross, Councilwoman from Laguna Woods, passed away and asked that this meeting be adjourned in her memory.

Director Pringle emphasized that this evening, OC Moves is hosting a reception for those interested in the Anaheim Regional Transportation Intermodal Center (ARTIC) project. The city's responsibility with OCTA, through the Memorandum of Understanding, is to move ahead with the design component, and a Request for Qualifications has been posted, and is due at the end of February. Director Pringle encouraged Members to participate in the reception.

In addition, Director Pringle informed Members that there is a land-use conference on March 13, which he is hosting with the Restoring Community Conference at the Grand California Hotel in Anaheim at 8:00 a.m.

Director Norby advised the Board that he toured the 107 bus stops in Placentia and observed only a few shelters available. He indicated he will be working with the City on that project and monitoring progress.

## **23. Closed Session**

A Closed Session was held pursuant to Government Code 54957 to review the performance of the Chief Executive Officer.

There was not a report out of this Closed Session.

Directors Campbell and Pulido were not present for this session.

**24. Adjournment**

The meeting adjourned at 11:12 a.m. The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, March 9, 2009**, at the OCTA Headquarters.

ATTEST

---

Wendy Knowles  
Clerk of the Board

---

Peter Buffa  
OCTA Chairman





*BOARD COMMITTEE TRANSMITTAL*

**March 9, 2009**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board  
**Subject:** Purchasing Card Review

Finance and Administration Committee meeting of February 25, 2009

**Present:** Directors Amante, Bates, Campbell, Green, and Moorlach  
**Absent:** Directors Brown and Buffa

***Committee Vote***

This item was passed by all Committee Members present.

***Committee Recommendation***

Direct staff to implement recommendations in the Purchasing Card Program Review, Internal Audit Report No. 09-029.



**February 25, 2009**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Purchasing Card Review

**Overview**

The Internal Audit Department has completed a review of internal controls over Orange County Transportation Authority's purchasing card program. Recommendations have been made to strengthen employee oversight and improve purchasing card internal controls, policies and procedures. Management has indicated the recommendations contained in the report will be implemented or otherwise satisfactorily addressed.

**Recommendation**

Direct staff to implement recommendations in the Purchasing Card Program Review, Internal Audit Report No. 09-029.

**Background**

The Contracts Administration and Materials Management (CAMM) Department of the Finance and Administration Division is responsible for administering the Orange County Transportation Authority's (OCTA's) purchasing card program. The purpose of the purchasing card program is to simplify the procurement process for small dollar purchases and to allow certain employees to purchase items directly from suppliers in order to meet business needs. OCTA purchasing cards are issued by Bank of America which provides access to an internet-based program for managing the cards and card activity.

As of August 2008, a total of 47 purchasing cards are issued to OCTA employees. Transaction activity for the period February through August 2008, indicated the average transaction amount is \$400. There are approximately 200 transactions per month averaging \$79,000.

***Discussion***

This review was included in the Internal Audit Plan for Fiscal Year 2008-09. The objective of this review was to assess the adequacy of internal controls and determine compliance with established policies and procedures. The Internal Audit Department (Internal Audit) reviewed selected transaction activity during the period January through August 2008, and analyzed practices in place for review, approval, and reconciliation of purchasing card transactions.

During the review, Internal Audit noted one employee with numerous fuel purchases. Additional review of the transactions and employee timesheets identified several violations of OCTA policy and, ultimately, supervisory oversight weaknesses. Management indicated that appropriate personnel action will be taken and that procedures for monitoring purchasing card transactions will be enhanced.

Testing of selected transactions noted other exceptions resulting in a recommendation by Internal Audit that CAMM management enhance oversight of transactions and management review procedures. Internal Audit also recommended that management periodically review purchasing card assignments and activity levels to ensure appropriateness and necessity. Automated controls to prevent use of purchasing cards at restricted vendors should also be implemented. Management agreed with these recommendations and indicated that procedures and automated controls would be developed and implemented to address the recommendations.

***Summary***

Based on the review, Internal Audit offered five recommendations, which management has indicated would be implemented or otherwise satisfactorily addressed.

***Attachment***

- A. Purchasing Card Program Review, Internal Audit Report No. 09-029

**Prepared by:**



Kathleen M. O'Connell  
Executive Director, Internal Audit  
(714) 560-5669



INTEROFFICE MEMO

February 9, 2009

To: Kia Mortazavi, Executive Director  
Development Division

James Kenan, Executive Director  
Finance and Administration

From: Janet Sutter, Section Manager  
Internal Audit

Subject: **Purchasing Card Program Review, Internal Audit Report No. 09-029**

Attached hereto is the Report on the Orange County Transportation Authority's Purchasing Card Program, Internal Audit Report No. 09-029, and the related staff report. Management responses to the five recommendations have been incorporated into the report.

Please note that we anticipate including this on the Finance and Administration Committee agenda in the future, but no earlier than February 25, 2009.

We appreciate the cooperation we received from both staff and management.

c: Darrell Johnson  
Tom Wulf  
Linda Hunter  
Kathleen O'Connell

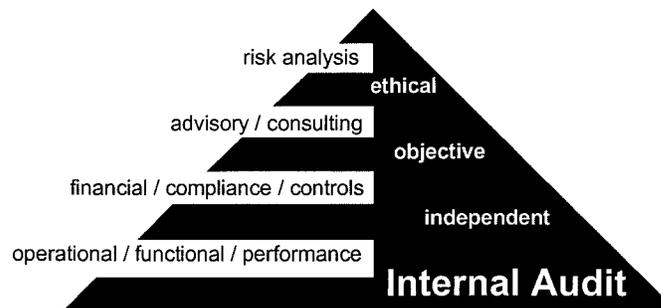
# ORANGE COUNTY TRANSPORTATION AUTHORITY INTERNAL AUDIT DEPARTMENT



## Purchasing Card Program Review

INTERNAL AUDIT REPORT NO. 09-029

February 9, 2009



**Internal Audit Team:**

Kathleen M. O'Connell, CPA, Internal Audit, Executive Director  
Janet Sutter, CIA, Internal Audit, Section Manager

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Purchasing Card Program Review  
February 9 , 2009**

<b>CONCLUSION .....</b>	<b>1</b>
<b>BACKGROUND .....</b>	<b>1</b>
<i>Purchasing Card Process .....</i>	<i>1</i>
<b>OBJECTIVES, SCOPE, AND METHODOLOGY .....</b>	<b>2</b>
<b>AUDIT COMMENTS, RECOMMENDATIONS AND MANAGEMENT RESPONSES .....</b>	<b>3</b>
<i>Noteworthy Accomplishments .....</i>	<i>3</i>
<i>Lack of Management Oversight and Questionable Purchases .....</i>	<i>3</i>
<i>Purchasing Card Transaction Exceptions .....</i>	<i>5</i>
<i>Purchasing Card Activity Levels .....</i>	<i>6</i>
<i>Semi-Annual Inventory Procedures .....</i>	<i>6</i>
<i>Purchasing Card Automated Controls .....</i>	<i>7</i>

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Purchasing Card Program Review  
February 9, 2009**

**CONCLUSION**

The Internal Audit Department (Internal Audit) has completed a review of internal controls over Orange County Transportation Authority's (OCTA) purchasing card program. Based on this review, employee oversight and purchasing card internal controls should be improved. Recommendations are being made to improve supervisory review and monitoring and to enhance system controls.

**BACKGROUND**

The Contracts Administration and Materials Management (CAMM) Department of the Finance and Administration Division is responsible for administering OCTA's purchasing card program. The purpose of the purchasing card program is to simplify the procurement process for small dollar purchases and to allow certain employees to purchase items directly from suppliers in order to meet business needs. OCTA purchasing cards are issued by Bank of America and include access to an internet-based program for managing the cards and card activity.

As of August 2008, a total of 47 purchasing cards are issued to OCTA employees. Transaction activity for the period February through August 2008 indicates the average transaction amount is \$400. There are approximately 200 transactions per month averaging \$79,000.

**Purchasing Card Process**

The CAMM purchasing card administrator forwards monthly transaction statements to individual cardholders and assigns a due date for submission of the approved reports with supporting documentation to the General Accounting Section (Accounting) of the Finance and Administration Division. Accounting is responsible for entering transactions into the Integrated Financial and Accounting System (IFAS) and reconciling amounts to supporting purchasing card logs, the Bank of America statement, and the monthly automatic payment made from OCTA's bank account with Bank of The West.

Purchasing cards have both a transaction limit and a total monthly spending limit. All but three cards have a \$2,500 transaction limit and a \$5,000 monthly limit. Cardholders are required to complete a purchasing card log for each transaction. At the end of each month, cardholders reconcile their logs to their monthly statement, attach all receipts and supporting documentation, and obtain approval from their manager. The packages are forwarded to Accounting, reviewed, posted, and reconciled. Subsequent to the monthly process, the purchasing card administrator performs a detailed review of every transaction and documents any issues identified.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Purchasing Card Program Review  
February 9, 2009**

**OBJECTIVES, SCOPE, AND METHODOLOGY**

This engagement was included in the Internal Audit Plan for Fiscal Year 2008-09. The objective of this review was to assess the adequacy of internal controls and determine compliance with established policies and procedures. Specifically, Internal Audit reviewed practices to determine that internal controls are adequate to ensure that transactions are valid, authorized, and in compliance with policies and procedures. Internal Audit also reviewed accounting records to determine proper, timely, and accurate reconciliation of these transactions. The review scope included transaction activity during the period January through August 2008. The methodology consisted of:

- Interview with personnel responsible for administering the program and accounting personnel responsible for reconciliation and recording of transactions in the accounting system;
- Testing of selected purchasing card transactions and activities;
- Review of purchasing card activity statements, accounting records, and payments to the card vendor for a sample period;

This review was conducted in accordance with generally accepted government auditing standards. Those standards require that Internal Audit plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on audit objectives. Internal Audit believes that the evidence obtained provides a reasonable basis for these findings and conclusions.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Purchasing Card Program Review  
February 9, 2009**

**AUDIT COMMENTS, RECOMMENDATIONS AND MANAGEMENT RESPONSES**

**Noteworthy Accomplishments**

Internal Audit noted during this review that the Accounting Department procedures for reconciling purchasing card transactions to OCTA general ledger records and bank statements is both thorough and accurate. The current process, however, is manual and Internal Audit noted that Accounting and Contracts Administration and Materials Management (CAMM) staff were in the process of meeting with the vendor to automate the process for increased efficiency.

**Lack of Management Oversight and Questionable Purchases**

---

Internal Audit's review of purchasing card activity during the period February through August 2008, noted one employee with numerous fuel purchases totaling \$3,870. Further review of the employee's purchasing card transactions and timesheets identified several violations of OCTA policy and, ultimately, supervisory oversight weaknesses.

Specifically, this full-time, non-exempt employee is assigned an OCTA vehicle in violation of OCTA's Personnel and Salary Resolution. Records indicate 67 percent of the vehicle's mileage results from the employee's 43 mile, one way commute. Analysis of fuel purchases and days worked suggests the employee utilizes the vehicle for non-work purposes. For example, there were several instances in which fuel was purchased during periods when the employee was not working and some instances in which the employee fueled more than once during a series of non-working days.

The employee is compensated for full-time hours despite records suggesting the employee is not working a full-time schedule. The employee works a 4/10 work week, with every Friday off. Internal Audit noted numerous instances of receipts that reflected fuel purchases near the employee's home in the mid-morning, mid-afternoon, and early evening. For example, Internal Audit noted one workday in which gas and a car wash were purchased at 9:40 a.m. and 10:00 a.m., respectively, and on another workday, gas was purchased at 12:00 p.m. and a car wash at 3:00 p.m. Interview of the employee's supervisor revealed that the employee's work schedule and purchases are not scrutinized and the employee is allowed latitude with respect to work schedule.

The employee also made purchases of vehicle and cell phone equipment, totaling \$1,286.61, in violation of OCTA procurement policies and procedures. The employee also had car wash expenses totaling \$51.00 rather than utilizing OCTA facilities or car wash coupons provided by OCTA.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Purchasing Card Program Review  
February 9, 2009**

Details related to these, and related to this employee, have been provided to management.

**Recommendation:**

Internal Audit recommends management take appropriate action related to both the employee and the supervisor responsible for approval of these expenses and timesheets.

Internal Audit recommends that the purchasing card administrator develop procedures to review selected transactions and examine related documentation in an effort to determine whether transactions are valid, allowable, and properly supported and to determine whether managers are exercising adequate oversight of purchasing card activities. Policies governing action to be taken in the event of non-compliance should be documented and followed.

**Management Response:**

(Development) Management agrees with the recommendation. Corrective action has been taken to require the employee to report to duty at OCTA's administrative offices at 600 Main Street each morning to retrieve the required vehicle. The employee also returns the vehicle each afternoon to the 600 Main Street location. A log of this activity is kept. In addition, all fueling is now required to be completed at OCTA's Sand Canyon Bus Base in Irvine, California. Fueling using the purchasing card is now only allowed on an exception basis and must be reported and justified to the employee's direct supervisor. Management is currently in the process of taking appropriate disciplinary action as specified in OCTA's discipline policy related to both the employee and supervisor identified in the above audit findings.

(Camm) Camm agrees with this recommendation. Camm will revise the current policies and procedures relative to reviewing monthly transactions. We will change from auditing the detail of all cardholders' transactions to selecting only a sample of transactions to conduct an in-depth audit to determine any non-compliance activity.

A form will be developed that will require each cardholder's manager to sign confirming that the manager has read the purchasing card policies and procedures and that they approve all the transactions made by the purchasing cardholder.

The revised policies for action to be taken in the event of non-compliance will include a new form identifying the non-compliance along with a required date for correcting the problem. The cardholder, department manager, and division director will be required to sign the non-compliance form and return it to the purchasing card administrator.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Purchasing Card Program Review  
February 9, 2009**

**Purchasing Card Transaction Exceptions**

---

Review of 30 purchasing card transactions during the period February 15, 2008 through August 29, 2008, identified the following:

1. One card was used to purchase food and drinks totaling \$322.39, for OCTA employees in violation of purchasing card policies and procedures.
2. Three approved cover sheets indicated one less attachment than the number actually included. Purchasing card packages with multiple transaction logs often include a 'cover sheet' that indicates the number of logs attached. By signing the cover sheet, the manager indicates his/her approval of all attached logs. In these instances it is unclear whether the manager reviewed the additional attachment and the count was listed in error or whether one attachment was included *after* manager approval was obtained.
3. There were three instances in which documentation included with the purchasing card packages was insufficient to determine the validity of the purchases.

One purchase for 10 Amtrak tickets totaling \$550.00 did not include documentation as to the recipients of the tickets. Upon request, the cardholder was able to produce additional documentation; however, this documentation was not provided in the package reviewed and approved by the cardholder's manager.

Two other instances were noted where an employee purchasing card was used to pay monthly toll road invoices of \$600 and \$792.90 for transponder fees. Included with the purchasing card packages was only the first and last pages of a multiple-page invoice from The Toll Roads and the remark "Transponder fees for supervisor and transit police cars". The employee had no additional detail to validate these monthly payments. Internal Audit was unable to locate documentation indicating that a detailed review of the invoice is performed prior to payment.

4. Seven of the 30 statements were not submitted by the due date assigned by the CAMM purchasing card administrator.

**Recommendation:**

Internal Audit recommends that the purchasing card administrator develop procedures to review selected transactions and examine related documentation in an effort to determine whether transactions are valid, allowable, and properly supported and to determine whether manager's are exercising adequate oversight of purchasing card

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Purchasing Card Program Review  
February 9, 2009**

activities. Policies governing action to be taken in the event of non-compliance should be documented and followed.

CAMM management should review the due dates assigned for submitting monthly purchasing card packages to determine whether additional time is required or take appropriate action to enforce due dates.

**Management Response:**

CAMM agrees with this recommendation. As stated in the first response, the policies and procedures will be revised to address non-compliance issues.

Once the revised policies and procedures are written, training for all existing and new cardholders and their managers will be mandatory. If an existing cardholder or manager does not attend the training, the purchasing card will be revoked from that cardholder.

CAMM will review the due date requirement and determine if enough time is being given to submit purchasing card packages on time and will revise the current policies and procedures along with enforcing appropriate action.

**Purchasing Card Activity Levels**

---

Internal Audit reviewed purchasing card activity for 47 users over a six month period and found 15 percent of the cardholders had no activity, and an additional 21 percent reflected three or fewer transactions.

**Recommendation:**

Internal Audit recommends that management enhance procedures to include a periodic review of cardholder activity so that cards that are not used or needed can be closed. The purchasing card administrator should forward activity reports on a periodic basis to department managers for their review. The purchasing card administrator should require positive confirmation from department managers that cardholder assignments are appropriate and necessary.

**Management Response:**

CAMM agrees with this recommendation. CAMM will revise the policies and procedures to include a semi-annual review of cardholder activity so that cards that are not used or needed can be closed. The purchasing card administrator should forward activity reports on a periodic basis to department managers for their review. The purchasing

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Purchasing Card Program Review  
February 9, 2009**

card administrator should require positive confirmation from department managers that cardholder assignments are appropriate and necessary.

**Semi-Annual Inventory Procedures**

---

Purchasing card policies and procedures indicate that on a semi-annual basis the purchasing card administrator will provide departments with a listing of employees assigned purchasing cards so that the department managers can conduct a physical inventory of cards. This semi-annual inventory of cards is not being performed.

**Recommendation:**

Internal Audit recommends that management revise procedures to include a semi-annual review of cardholder assignments and activity levels to ensure assignments are appropriate and necessary.

**Management Response:**

CAMM agrees with this recommendation. CAMM has been performing card inventory informally. CAMM will revise the current procedure to allow for a formal written review of cardholder activity levels and assignments.

**Purchasing Card Automated Controls**

---

The Bank of America purchasing card system allows organizations to place automated restrictions on the cards to prevent them from being used at certain specified types of merchants, such as travel merchants (airlines, hotels, casinos, rental cars), money transfer services, and health care product merchants.

Automated controls to prevent purchasing cards from being used at certain types of vendors have not been implemented.

**Recommendation:**

Internal Audit recommends that management implement available automated restrictions to enhance the control environment and prevent purchasing card misuse or abuse.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Purchasing Card Program Review  
February 9, 2009**

**Management Response:**

CAMM agrees with this recommendation. CAMM and Accounting are currently working with Bank of America to enhance and automate the purchasing card system. These available automated restrictions will be implemented to control the environment and prevent purchasing card misuse.





BOARD COMMITTEE TRANSMITTAL

**March 9, 2009**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Assembly Bill 1234 Review

Finance and Administration Committee meeting of February 25, 2009

**Present:** Directors Amante, Bates, Campbell, Green, and Moorlach  
**Absent:** Directors Brown and Buffa

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendations (Reflects a change from staff recommendations)**

- A. Direct staff to implement recommendations in the Assembly Bill 1234 Review, Internal Audit Report No. 09-021.
- B. Approve amendment to the Policy for Compensation, Reimbursement of Expenses, and Ethics Training for Members of the Board of Directors, to clarify that the Policy is not applicable to the Director of Transportation, District 12.

**Note:**

The Transmittal Attachment shows General Counsel's revision to the Policy for Compensation, Reimbursement of Expenses, and Ethics Training for Members of the Board of Directors. (See II Scope).

Amended June 12, 2006

**POLICY FOR COMPENSATION, REIMBURSEMENT OF  
EXPENSES, AND ETHICS TRAINING FOR  
MEMBERS OF THE BOARD OF DIRECTORS**

**I. PURPOSE**

The purpose of this policy is to (i) define and clarify OCTA business activities for which a member of the Board of Directors is authorized to receive compensation and reimbursement of expenses in accordance with Public Utilities Code Section 130108.5 and Government Code Sections 53232, et seq., (ii) establish procedures for compensating and reimbursing such expenses, and (iii) define and clarify requirements for ethics training for members of the Board of Directors in accordance with Government Code Sections 53234 through 53235.2.

**II. SCOPE**

This policy is applicable to voting members of the Board of Directors and is not applicable to the Director of Transportation, District 12. Members of OCTA advisory committees, including, but not limited to, the Citizens Oversight Committee, the Special Needs Committee, and the Citizens Advisory Committee, do not receive compensation or reimbursement of their expenses for their service to OCTA.

**III. COMPENSATION**

A Director is authorized to receive compensation in the amount of one hundred dollars (\$100) per day, not to exceed five hundred dollars (\$500) in any calendar month, for any of the following OCTA business activities:

1. A meeting of the Board of Directors.
2. A meeting of Board-established Committees.
3. A meeting of any Committee or organization that the Director is a member of as a representative of the OCTA.
4. A meeting of an OCTA advisory body.
5. A conference, or organized educational activity, including ethics training, when the Director is participating as a member of the Board of Directors.



**February 25, 2009**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Assembly Bill 1234 Review

### **Overview**

The Internal Audit Department has completed a review of internal controls, policies, and procedures to ensure compliance with California Assembly Bill 1234. Recommendations have been made to strengthen controls over training records and to improve procedures for review and submission of expense reimbursement requests. Internal Audit also recommends clarification of Board of Directors policy with regard to requirements for ethics training.

### **Recommendations**

- A. Direct staff to implement recommendations in the Assembly Bill 1234 Review, Internal Audit Report No. 09-021.
- B. Direct legal counsel to return to the Board of Directors with recommended revisions to the Policy for Compensation, Reimbursement of Expenses, and Ethics Training for Members of the Board of Directors as recommended in Assembly Bill 1234 Review, Internal Audit Report No. 09-021.

### **Background**

California Assembly Bill 1234 (Bill) was passed by the Legislature in October 2005. The Bill provides guidelines and requirements for compensating members of the governing body of public agencies for attending meetings and performing other related duties. The Bill requires agencies that provide compensation or expense reimbursement to their governing members to adopt a written policy concerning what qualifies a member to receive compensation or reimbursement of expenses for travel, meals, and lodging. It also imposes related requirements, including the filing of expense reports as a public record. The Bill requires that members of the governing body receive ethics training on a regular basis. The Board of Directors (Board) of the Orange County

Transportation Authority (OCTA) adopted the Policy for Compensation, Reimbursement of Expenses, and Ethics Training for Members of the Board of Directors (Policy) on May 8, 2006.

***Discussion***

This engagement was included in the Fiscal Year 2008-09 Internal Audit Plan. The objective of the review was to assess internal controls, policies, and procedures in place to ensure OCTA's compliance with Assembly Bill 1234. Internal Audit reviewed training records and selected compensation and expense reimbursement payments to members of the Board.

During the review, Internal Audit noted that signed compensation and expense reimbursement forms are not always obtained and on file to support payments. Internal Audit recommended that management improve procedures for follow-up and receipt of signed forms. Management indicated that procedures and practices will be enhanced.

Internal Audit also noted that complete and timely ethics training records were not on file for all members of the Board and that required annual communication regarding ethics training was not provided to the Board of Directors by management as required by the Bill. Management agreed to improve procedures for obtaining training records and to comply with the requirement for annual communication of available ethics training.

Finally, Internal Audit noted that the Policy requires all members of the Board to obtain ethics training and does not address members who do not receive or accept compensation or expense reimbursement. Under the Bill, such members are not subject to the ethics training requirement. Internal Audit recommends that the Policy be clarified as to Directors that do not receive or accept compensation or expense reimbursement.

***Summary***

Based on the review, Internal Audit offered three recommendations, which management has indicated would be implemented or otherwise satisfactorily addressed. A fourth recommendation will be implemented through the recommendation to the Board of revisions to the Policy.

***Attachment***

- A. Assembly Bill 1234 Review, Internal Audit Report No. 09-021

**Prepared by:**



Kathleen M. O'Connell  
Executive Director, Internal Audit  
(714) 560-5669

# ORANGE COUNTY TRANSPORTATION AUTHORITY INTERNAL AUDIT DEPARTMENT



## Assembly Bill 1234 Review

INTERNAL AUDIT REPORT NO. 09-021

February 18, 2009

Revised



**Internal Audit Team:**

Kathleen M. O'Connell, CPA, Internal Audit, Executive Director  
Janet Sutter, CIA, Internal Audit, Section Manager  
Charles Patterson, Internal Audit, Intern

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Assembly Bill 1234 Review  
February 18, 2009**

<b>CONCLUSION .....</b>	<b>1</b>
<b>BACKGROUND .....</b>	<b>1</b>
<b>AB 1234 Compensation and Expense Reimbursement Process.....</b>	<b>1</b>
<b>OBJECTIVES, SCOPE, AND METHODOLOGY .....</b>	<b>2</b>
<b>AUDIT COMMENTS, RECOMMENDATIONS AND MANAGEMENT RESPONSES .....</b>	<b>3</b>
<i>Noteworthy Accomplishments .....</i>	<i>3</i>
<i>Certification of Compensation and Mileage Expense .....</i>	<i>3</i>
<i>Expense Reimbursements.....</i>	<i>4</i>
<i>Ethics Training.....</i>	<i>4</i>
<i>Board Policy .....</i>	<i>5</i>
<b>APPENDIX A: Policy for Compensation, Reimbursement of Expenses, and Ethics Training for Members of the Board of Directors.....</b>	<b>6</b>

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Assembly Bill 1234 Review  
February 18 , 2009**

**CONCLUSION**

Internal Audit has completed a review of internal controls, policies and procedures to ensure compliance with California Assembly Bill 1234. Based on this review, we recommend enhancing controls over training records and improving procedures for review, approval, and submission of requests for expense reimbursement.

**BACKGROUND**

California Assembly Bill 1234 (AB1234 or Bill) was passed in October 2005. The Bill provides guidelines and requirements for compensating members of the governing body of public agencies for attending meetings and performing other related duties. The Bill requires agencies that provide compensation or expense reimbursement to their governing members to adopt a written policy concerning what qualifies a member to receive compensation or reimbursement of expenses for travel, meals, and lodging. It also imposes related requirements, including the filing of expense reports as a public record. The Bill requires that members of the governing body receive ethics training on a regular basis. The Board of Directors of the Orange County Transportation Authority (OCTA) adopted the Policy for Compensation, Reimbursement of Expenses, and Ethics Training for members of the Board of Directors (Policy) on May 8, 2006 (Appendix A).

Total compensation payments made to members of the Board of Directors of OCTA for attendance at meetings and performing related duties from January 1, 2007 through September 17, 2008, was \$160,600. Total expense reimbursements paid to members of the Board of Directors for the same period was \$43,812.

**AB 1234 Compensation and Expense Reimbursement Process**

Members of the Board of Directors (Directors) of OCTA subject to AB1234 are compensated \$100 per day when conducting OCTA business to a maximum of \$500 per month. Compensation payments and related mileage for travel to conduct OCTA business are recorded by the Assistant Clerk of the Board on a Fees and Expenses Form (Form) for each Director. From these Forms a memorandum summarizing payments due to all Directors is prepared by the Assistant Clerk of the Board and reviewed and approved by the Clerk of the Board. The memorandum is sent to the payroll and accounts payable departments for processing of the compensation and mileage reimbursement amounts. The checks and pay stubs are delivered to the Assistant Clerk of the Board who mails them to the Directors along with their Fees and Expenses Form and they are asked to sign and return the Form to OCTA. When returned, the Forms are forwarded to the payroll department for filing.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Assembly Bill 1234 Review  
February 18 , 2009**

Directors may also receive reimbursement for expenses incurred in the performance of their duties such as travel related expenses and registration fees for conferences.

For reimbursement of out-of-state travel expenses, Directors are required to obtain prior approval by submitting a travel request to the Board of Directors before arrangements are made. Once approved, the request is sent to the accounts payable department to confirm that there are sufficient budget funds to pay the expenses. When travel is complete, Directors turn in their receipts to an administrative assistant in the Executive Office, who will review the receipts for reasonableness and validity, and then complete and sign an Out-of-State Travel Expense Report on their behalf.

For in-state travel, Directors are not required to obtain prior approval but turn in receipts to an administrative assistant in the Executive Office who will process the reimbursements as indicated above using an In-State Travel Expense Report.

For all meetings and conferences attended at the expense of OCTA, Directors are required to provide a brief report at the next regular meeting of the Board of Directors. The report may be given orally or in writing.

**OBJECTIVES, SCOPE, AND METHODOLOGY**

This engagement was included in the Internal Audit Plan for Fiscal Year 2008-09. The objectives of this review included:

- Determining that internal controls, policies, and procedures are adequate to ensure compliance with Assembly Bill 1234 and Government Code Section 53232, and to ensure records are maintained to evidence compliance;
- Determining that compensation and expense reimbursement requests are properly prepared, reviewed, approved, and processed;
- Determining that records are maintained to evidence required ethics training for Directors.

The review methodology included review of AB1234 legislation; interviews with staff involved in the preparation, processing and maintenance of related records; testing selected compensation, reimbursement requests, and training records and interviews with other agencies regarding their policies and procedures for ensuring compliance with the Bill. The review scope covered the period January through November 2008.

This review was conducted in accordance with generally accepted government auditing standards. Those standards require that Internal Audit plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on audit objectives. Internal Audit believes that the evidence obtained provides a reasonable basis for these findings and conclusions.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Assembly Bill 1234 Review  
February 18 , 2009**

**AUDIT COMMENTS, RECOMMENDATIONS AND MANAGEMENT RESPONSES**

**Noteworthy Accomplishments**

---

Internal Audit noted during this review that procedures followed for documenting reimbursed expenses, providing oral reports of meetings attended at the expense of OCTA, and timely submission of reimbursed expenses are in place and operating effectively. Based on Internal Audit's test work, payments for compensation and expense reimbursement are processed timely and accurately.

**Certification of Compensation and Mileage Expense**

---

Policy allows Directors to receive compensation in the amount of \$100 per day, to a maximum of \$500 per month and to receive mileage reimbursement for travel to an OCTA business meeting.

Each month the Clerk of the Board's office prepares a Directors Fees and Expenses Form (Form) for each Director, recording all meetings attended and related mileage. The Forms for all Directors are compiled and a memo summarizing payments due is sent to both the payroll and accounts payable departments for processing. The memo is signed by the Clerk of the Board authorizing the payments. The Forms are mailed to each Director for signature and, when returned, are sent to the payroll department.

Discussion and testing noted that signed Forms are not always returned. No follow-up is performed to ensure Directors have verified the compensation and mileage expense information.

**Recommendation:**

Management should revise procedures to ensure Director's are requested to review, sign, and return these Forms to the Clerk of the Board's office and that timely follow-up for receipt of these forms is performed and documented.

**Management Response:**

In January 2009, the Clerk of the Board's office will implement follow-up procedures to ensure all Forms are signed and returned in a timely manner.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Assembly Bill 1234 Review  
February 18 , 2009**

**Expense Reimbursements**

---

Director expense reimbursement requests are completed and signed by an administrative assistant in the Executive Office. These forms are not reviewed or approved by anyone and the Board of Directors adopted Policy does not indicate who should approve these requests.

**Recommendation:**

Management should develop and document written procedures outlining the requirements for submission and approval of expense reimbursements.

**Management Response:**

The Clerk of the Board will revise practices to require expense reimbursement forms to be signed by Directors and will develop desk procedures whereby the forms are signed by the Clerk of the Board or a designee to evidence verification of receipts provided and compliance with Policies. Any concerns will be escalated to the Chief Executive Officer for resolution.

**Ethics Training**

---

California Assembly Bill 1234 and the Board of Directors adopted Policy require that Directors receive ethics training within 12 months of being appointed and every 2 years thereafter.

While reviewing training records Internal Audit noted that records for several Directors were not on file. During the course of the review, the Clerk of the Board's office performed follow-up and obtained additional records. As of the date of this report, evidence of ethics training for all Directors is on file; however, training records for seven Directors indicate that training was not received within prescribed timeframes and training evidence for two Directors indicates less than the required two hours.

Internal Audit noted that OCTA does not provide Directors with information on training available to meet the requirements of AB1234 on an annual basis as required.

**Recommendation:**

While the responsibility for compliance with ethics training requirements of Assembly Bill 1234 rests with individual Directors, Internal Audit recommends that management develop and document procedures for timely, continued follow-up to ensure training records are on file and complete for all Directors. Management should also ensure that

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Assembly Bill 1234 Review  
February 18 , 2009**

required communication related to available ethics training be provided annually to the Directors.

**Management Response:**

The Clerk of the Board will develop and implement more detailed procedures for the tracking and monitoring of training requirements to ensure compliance. The Clerk of the Board will also provide training material to Directors annually as required by Assembly Bill 1234.

**Board Policy**

---

AB1234 requires ethics training for any official who receives any type of compensation or expense reimbursement and for any official who is designated by the agency to receive the training. The Policy currently requires all members of the Board of Directors to obtain ethics training and does not address members who do not receive or accept compensation or expense reimbursement.

**Recommendation:**

Internal Audit recommends that the Board of Directors clarify the Policy with regard to ethics training for Directors who do not receive or accept compensation or reimbursement of expenses.

**Internal Audit Comment:**

Upon direction from the Board of Directors, legal counsel will recommend revisions to the Policy with regard to Directors who do not receive or accept compensation or reimbursement of expenses.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
Assembly Bill 1234 Review  
February 18 , 2009**

**Appendix A: Policy for Compensation, Reimbursement of Expenses,  
and Ethics Training for Members of the Board of Directors**

Amended June 12, 2006

**POLICY FOR COMPENSATION, REIMBURSEMENT OF  
EXPENSES, AND ETHICS TRAINING FOR  
MEMBERS OF THE BOARD OF DIRECTORS**

**I. PURPOSE**

The purpose of this policy is to (i) define and clarify OCTA business activities for which a member of the Board of Directors is authorized to receive compensation and reimbursement of expenses in accordance with Public Utilities Code Section 130108.5 and Government Code Sections 53232, et seq., (ii) establish procedures for compensating and reimbursing such expenses, and (iii) define and clarify requirements for ethics training for members of the Board of Directors in accordance with Government Code Sections 53234 through 53235.2.

**II. SCOPE**

This policy is applicable to members of the Board of Directors. Members of OCTA advisory committees, including, but not limited to, the Citizens Oversight Committee, the Special Needs Committee, and the Citizens Advisory Committee, do not receive compensation or reimbursement of their expenses for their service to OCTA.

**III. COMPENSATION**

A Director is authorized to receive compensation in the amount of one hundred dollars (\$100) per day, not to exceed five hundred dollars (\$500) in any calendar month, for any of the following OCTA business activities:

1. A meeting of the Board of Directors.
2. A meeting of Board-established Committees.
3. A meeting of any Committee or organization that the Director is a member of as a representative of the OCTA.
4. A meeting of an OCTA advisory body.
5. A conference, or organized educational activity, including ethics training, when the Director is participating as a member of the Board of Directors.
6. A meeting, including a meeting with an OCTA employee, hearing, or event in which the Director is participating as a member of the Board of Directors and for an OCTA business purpose.

#### IV. AUTHORIZATION AND REIMBURSEMENT OF BUSINESS EXPENSES

##### A. General

OCTA shall reimburse Directors for actual and necessary expenses incurred in the performance of their duties. Directors shall be expected to exercise good judgment and show proper regard for economy when incurring expenses in connection with official OCTA business. The principle of “reasonable and necessary” should be used when deciding to expend taxpayer money. All expenditures and requests for reimbursement shall logically relate to the conduct of OCTA business and shall be “necessary” to accomplish the purposes of such business and shall be “reasonable” in amount.

##### B. Specific Occurrences

The following occurrences, also referred to as activities in this policy, are approved as qualifying for reimbursement of actual and necessary expenses incurred by a Director: all activities in Section III above. Any occurrence which does not fall within the specified activities in Section III above must be approved by the Board of Directors, in a public meeting, before the expense is incurred in order for the Director to be reimbursed for any expenses related to the occurrence.

##### C. Transportation

The following transportation modes may be employed for the purpose of traveling on OCTA business:

###### 1. Airfare

Domestic Air – All Directors shall utilize coach or tourist class accommodations when traveling within the continental United States by commercial airline. Reservations, where possible, should be made at least 14 days in advance to take advantage of all available discounts. Increased costs related to late booking may be disallowed without a sound business reason. Travel can be made through an OCTA-approved travel agent or on a personal credit card. Credit card purchases will be reimbursed only for the actual round-trip fare and only after the trip. Directors may, at their own expense, pay to upgrade their airline accommodations.

International Air – For travel outside of the continental United States, Directors may choose to travel business class with sound business justification and benefit to the OCTA.

2. Private Automobile – Directors will be reimbursed actual mileage (not to exceed coach or tourist class airfare where commercial air travel is a reasonably available alternative) for the use of their private cars in travel to and from designated places on OCTA business. The reimbursement rate will be at the rate established by the Internal Revenue Service. Directors shall be reimbursed for total round-trip miles.
3. Garage, Parking, Bridge and Highway Tolls – Expenses for necessary parking and storage of private vehicles are authorized. Expenses for necessary bridge and highway tolls are authorized. Receipts or other reasonable verification should be provided to obtain reimbursement.
4. Vehicle Rentals, Taxi, and Transit Fare – Expenses for such transportation may be authorized where reasonable and necessary to conduct OCTA business. Receipts must be provided to obtain reimbursement. When vehicle rental is chosen over taxi or shuttle service, there should be a business reason or economic benefit to support the rental decision. If rental vehicle is subsequently denied, the related parking fees will also be denied and the Director will only be reimbursed the costs equivalent to shuttle or taxi charges.

#### D. Lodging

Expenses will be allowed for adequate lodging. Price is an issue in selecting “adequate lodging.” Prudence and good stewardship should be used when selecting a hotel. Itemized receipts for lodging must be provided to obtain reimbursement. Lodging in connection with a conference or event held in a hotel qualifies as adequate lodging for purposes of the policy. However, if lodging at the event hotel is not available, lodging is then limited to the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available at the time of booking. If the group rate is not available, the Director shall use comparable lodging that is consistent with the requirements of this policy.

#### E. Meals

Reasonable and customary expenses for meals are authorized for Directors as required to conduct official OCTA duties. The maximum that will be reimbursed for meals in one day, including beverages, shall be the Internal Revenue Service reimbursement rate applicable to the specific locality, excluding gratuity. This sum can be split among meals as desired and should be reduced accordingly for less than full business days. Directors who, during the normal course of performing their duties, must provide meals for representatives of other governmental agencies or other

persons doing business with the OCTA in order to effectively execute their responsibilities are authorized to exceed the meal allowance, but must use prudent judgment, and excessive amounts are subject to disallowance. In such cases, the meal must be documented with a description of the purpose of the meal(s), including an explanation of its necessity to the OCTA, and a list of all persons, including other Directors who were in attendance, specifying their organization and/or title.

F. Tips and Gratuities

Reasonable expenses for tips are allowable for meals (as limited above), hotel, and transportation purposes.

G. Registration Fees

Convention or meeting registration fees qualify for reimbursement. The OCTA will directly pre-pay conference registrations and other event fees prior to the date of the event. In cases where early registration is not possible, a receipt or registration form illustrating the fee amount must be provided with the reimbursement request.

H. Telephone, Fax and Computer

Telephone, fax and computer expenses may be incurred only for the conduct of OCTA business. Directors are encouraged to use cell phones when available.

I. Miscellaneous

Expenses for public stenographer fees, duplicating expenses, and publications of value to the OCTA are authorized for reimbursement. Expenses not specified in this policy but which are reasonable and necessary for the performance of a Director's duties are authorized for reimbursement.

J. Reimbursement/Reporting of Travel Expenses

In accordance with Government Code Section 53232.3, Directors shall submit Expense Reports within ninety (90) days after incurring the expense, and the reports shall be accompanied by the receipts documenting each expense. Such documentation includes, but is not limited to:

1. Credit card slip or meal receipt.
2. Hotel receipt.
3. Conference brochure.
4. Meeting agenda.
5. Trip or meeting purpose.
6. Other attendees at a meal or meeting.

The reason for the expenses should be clearly documented on the Expense Report or in the attached documents.

A Director shall not be required to submit an Expense Report for any expense paid directly by another Director or OCTA employee. A Director or OCTA employee who pays an OCTA expense on behalf of a Director, either by use of an OCTA-issued credit card or by any other means for which reimbursement is sought, shall submit an Expense Report indicating the name of the recipient Director and the nature, amount and business purpose of the expenditure. A copy of said Expense Report shall be provided to the recipient Director within thirty days following the date such expense is incurred.

In accordance with Government Code Section 53232.3(e), all documentation relating to reimbursable OCTA expenditures shall be subject to disclosure under the California Public Records Act, Government Code Section 6250, et seq.

K. Public Report of Meetings

In accordance with Government Code Section 53232.3(d), a Director shall provide a brief report on meetings attended at the expense of the OCTA at the next regular meeting of the Board of Directors. Such reports may be made orally or may be submitted in writing. For purposes of this section, 'meeting' shall mean a Brown Act meeting (Government Code Section 54952.2), excluding Board standing committee meetings, and Director travel activities approved by the Board of Directors.

**V. ETHICS TRAINING**

A. General

Each member of the Board of Directors shall receive at least two hours of training in general ethics principles and ethics laws relevant to the Director's public service every two years.

B. Ethics Training Courses

Courses in ethics training may be provided by a local public agency, an association of local agencies, or by private vendors. The courses or sets of self-study materials may be taken at home, in person, or on-line. All providers of training courses shall provide participants with proof of participation. The OCTA shall provide information on training available to members of the Board of Directors at least once annually.

C. Time Requirements

A Director whose term commenced on or before January 1, 2006 shall receive the training before January 1, 2007, and at least once every two years thereafter. A Director whose term commenced after January 1, 2006 shall receive the training no later than one year from the first day of service as a Director, and once every two years thereafter.

D. Concurrent Public Offices

A Director who serves more than one local agency shall satisfy the ethics training requirements without regard to the number of local public agencies with which the Director serves.

E. Records

The Clerk of the Board shall maintain records indicating both of the following: (i) the dates that each Director satisfied the ethics training requirement, and (ii) the entity that provided the training. The records shall be maintained for at least five years after the Directors receive the training and the records are public records subject to disclosure under the California Public Records Act, commencing with Government Code Section 6250.





MEMO

March 4, 2009

To: Members of the Board of Directors  
From: Wendy Knowles<sup>WK</sup>, Clerk of the Board  
Subject: **Board Committee Transmittal for Agenda Item**

The following item is being discussed at a Committee meeting which takes place subsequent to distribution of the Board agenda. Therefore, you will be provided a transmittal following that Committee meeting (and prior to the Board meeting) informing you of Committee action taken.

Thank you.



**March 5, 2009**

**To:** Legislative and Communications Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** State Legislative Status Report

**Overview**

On February 20, 2009, Governor Schwarzenegger signed a 16-month fiscal plan which includes budgetary changes for the current fiscal year and for the upcoming 2009-2010 fiscal year. The overall package includes \$14.9 billion in expenditure reductions, \$12.5 billion in temporary General Fund tax increases, and \$5.4 billion in borrowing. On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act which provides transportation economic recovery funds for the state. State legislation will be drafted in order to appropriate federal recovery funds for the highway, streets, and roads programs.

**Recommendation**

Support federal recovery implementation legislation as agreed to by local agencies and the California Department of Transportation that is consistent with the principles adopted by the Board of Directors.

**Discussion**

The recently enacted budget will cover a 16-month period starting February 2009 and ending June 30, 2010. The final enacted budget includes \$14.9 billion in expenditure reductions, \$12.5 billion in temporary tax increases, and \$5.4 billion in borrowing leaving a \$1 billion General Fund reserve and covering the projected \$40 billion deficit.

The approved budget will include an estimated \$12.5 billion in temporary new revenues including a 1 percent sales tax increase and a 0.5 percent vehicle license fee increase. The budget plan would also decrease the dependent tax credit to \$100 (currently \$309). An income tax surcharge up to 5 percent and a gas excise tax increase of 12 cents were initially part of the budget package, but were pulled during last minute negotiations and replaced with a 0.25 percent increase in the state income tax rate, an increased projection of

federal stimulus dollars, and approximately \$1 billion in spending cuts from the Governor.

The budget deal also consists of a spending cap measure to be placed on the May 19, 2009, ballot. If the spending cap measure is passed, all the above mentioned temporary revenue increases will be extended from two to four years (see table below). Under the spending cap measure, the rainy day fund would claim 3 percent of the General Fund off the top and grow to 12.5 percent. Any revenues which exceed a projected figure determined over a 10-year period would be required to be placed into a rainy day fund where funds could only be accessed when General Fund revenues are projected to be insufficient to cover the prior year's expenditure level plus an amount adjusted for population and inflation.

**Sunset**

	<b>Begins</b>	<b>If Spending Cap Fails</b>	<b>If Spending Cap Passes</b>
One-Cent Sales Tax Increase	April 1, 2009	June 30, 2011	June 30, 2012
0.25 Percent Personal Income Tax Increase (lowered to 0.125 percent if certain federal funding levels are reached)	Tax Year 2009	Tax Year 2010	Tax Year 2012
Personal Income Tax Dependent Credit Reduction	Tax Year 2009	Tax Year 2010	Tax Year 2012
Vehicle License Fee Increase from 0.65 Percent to 1Percent	May 19, 2009	June 30, 2011	June 30, 2013
Vehicle License Fee 0.15 Percent Increase (public safety)	May 19, 2009	June 30, 2011	June 30, 2013

The budget package also includes an estimated \$14.9 billion in program cuts. Several of these cuts include approximately \$458.8 million from the State Transit Assistance Program (STA), \$8.6 billion in cuts for K-12 education and community colleges, a diversion of \$830 million in mental health and early childhood development revenue (Proposition 10 and Proposition 63 – both of these changes would require voter approval), and the elimination of two unspecified state holidays and ongoing furloughs for state employees until June 2010 (currently being negotiated with several labor unions). Furthermore, the Governor used his line-item veto to cut an additional \$957 million in

General Fund spending with the majority from the budgets of constitutional officers.

In order to cover the remaining shortfall, legislative leaders and the Governor agreed to approximately \$5 billion in borrowing from the state lottery and \$432.6 million in special fund loans. The initial proposal to borrow an additional \$5 billion in revenue anticipation warrants (which are required to be paid back at the beginning of the 2010-2011 fiscal year) to cover the General Fund gap was removed during final negotiations.

#### The Transportation Component of the Enacted Budget

##### Proposition 42

The budget funds Proposition 42 at \$1.7 billion for fiscal year (FY) 2009-2010. This is an approximate \$300 million increase due to the 1 cent sales tax increase. Proposition 42 revenue is distributed as follows:

- \$680 million to the State Transportation Improvement Program (STIP)
- \$680 million to local cities and counties
- \$340 million to the Public Transportation Account (PTA)

##### Tribal Gaming Diversions

In order to cover the General Fund gap, the budget package carries out a number of transfers from Special Funds to provide General Fund relief. The enacted budget will divert \$200 million in tribal gaming revenues dedicated to the Traffic Congestion Relief Program (TCRP) to the General Fund from the current year and FY 2009-2010.

##### Infrastructure Bonds

The approved budget will appropriate Proposition 1B infrastructure bond dollars in the following manner:

- \$1.3 billion for the Corridor Mobility Improvement Account (CMIA)
- \$350 million for the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA)
- \$490 million for the Trade Corridors Improvement Fund
- \$200.5 million for the State-Local Partnership Program (SLPP)
- \$78 million for the State Highway Operations and Protection Program (SHOPP)
- \$431 million for State Route 99
- \$125 million for Intercity Rail

- \$101 million for the Transit System Safety, Security, and Disaster Response Account (TSSSDRA)

#### State Transit Assistance

The enacted budget eliminates STA funding for the remaining fiscal year and all of 2009-2010. Moreover, under the approved provisions, the STA program will be suspended for the next five fiscal years. The approved budget cuts STA funds by \$152 million for the current fiscal year leaving only \$153.2 million for first and second quarter payments to transit operators. With first quarter STA payments already allocated to transit operators, \$76 million remains to be allocated for second quarter payments.

The elimination of funding for the STA program allows these funds to now be shifted to fund programs traditionally covered under the General Fund. Specifically, the diverted STA dollars, along with supplemental PTA funds will be used to fund home-to-school transportation and regional center transportation services. It should be noted that although Proposition 42 is not suspended, specific budget bill language is written to redirect the Proposition 42 STA allocation to cover home-to-school transportation.

#### Spillover

The enacted budget diverts all "spillover" revenues (a calculation of the difference between a portion of the state sales tax on all goods and the sales tax on gasoline) to provide General Fund relief for the upcoming fiscal year. Existing law diverts 50 percent of total "spillover" dollars to the Mass Transportation Fund (MTF). Funds deposited in the MTF cover debt service for transportation loans and past transportation bond debt service, including repayment of Proposition 42 funds. The remaining "spillover" funds are allocated two-thirds to the STA and one-third to the PTA. However, \$935 million was automatically diverted in FY 2008-2009. The enacted budget diverts all "spillover" revenues, estimated at \$90 million for FY 2009-2010, to debt service on previously issued transportation bonds.

#### California Environmental Quality Act Exclusions

The enacted state budget exempts eight specific transportation projects from the California Environmental Quality Act (CEQA) process, unless the lead agency changes the scope of the project on or after February 1, 2009. These exemptions will allow the listed projects to streamline the project development process to allow for an accelerated schedule for project delivery, thereby providing further stimulus to the economy. One of the projects listed as qualifying for the CEQA exemption is the Orange County Transportation Authority's (OCTA) widening of the Riverside Freeway (State Route 91) by

adding one mixed-flow lane in each direction from the Costa Mesa Freeway (State Route 55) to Weir Canyon Road. However, given the delay in the time projects were initially considered for this benefit in early special session negotiations and the time it was ultimately approved, the time savings for this particular project will be more limited.

#### Streamlined Project Permitting Processes

The enacted state budget creates an ad hoc critical infrastructure permit review panel to streamline the permit review process for 10 specific projects. The panel will consist of the secretaries from the Business, Transportation, and Housing Agency; the Environmental Protection Agency; and the Natural Resources Agency. The panel will conduct public meetings which will include the attendance of permitting agencies with jurisdiction over a specific transportation project to streamline, resolve conflicts, and finalize permitting applications at the earliest date feasible.

The provisions specify that a permitting application should be deemed complete by a permitting agency 15 days after receipt of the application from the California Department of Transportation (Caltrans), unless the permitting agency requests additional information. If the permitting agency does neither within the 15-day period, the permit is deemed complete. Overall, the permitting agency must act on a permit for a transportation project within 30 days after the permit application is deemed complete pursuant to the above requirements. If the permitting agency fails to act within the 30-day time limit, the permit will be deemed approved by the permitting agency.

The following three OCTA projects are included in the list of ten projects that qualify for these permitting streamlining provisions, thereby allowing for additional project acceleration of approximately three months:

- Orange Freeway (State Route 57) northbound widening, from Katella Avenue to Lincoln Avenue
- State Route 91 (SR-91) widening, adding one mixed-flow lane in each direction, from State Route 55 (SR-55) to Weir Canyon Road
- Addition of an auxiliary westbound lane to SR-91, from the Santa Ana Freeway (Interstate 5) to State Route 57 (SR-57)

### Right of Way Acquisition Authority

The state budget also specifically grants OCTA advanced right-of-way (ROW) authority for the following two projects, which will also contribute to faster project delivery timeframes:

- Addition of an auxiliary westbound lane to SR-91, from the Interstate 5 (I-5) to the SR-57
- SR-57 northbound widening, from Katella Avenue to Lincoln Avenue

This advanced authority will allow OCTA to begin acquiring ROW from willing sellers before the environmental document has been certified. Current law would otherwise require that the environmental document be fully certified before ROW acquisition can begin. This action will accelerate these projects by six to nine months.

### Expanded Public-Private Partnership Authority

A significant provision included in the state budget is the unlimited authority for Caltrans and regional transportation planning agencies (RTPA), such as OCTA, to use public-private partnerships (PPP) for transportation projects through January 1, 2017. Under existing law, authorization is given for four PPP demonstration projects in the state, specifically to improve goods movement. The proposed state budget deletes these limitations, and no longer requires legislative approval of selected projects. The new authority provided through the budget action would provide a mechanism for projects such as high-occupancy toll lanes on the San Diego Freeway (Interstate 405) to move forward should that option be a part of the final plan for that corridor.

Under provisions in the state budget, both Caltrans and RTPAs will need to apply to the California Transportation Commission (CTC) for PPP projects that will improve mobility or reduce vehicle hours of delay, improve the operation and safety of the corridor, and create air quality benefits for the region. Lease agreements completed under this authority are subject to specified public hearing and comment provisions. The legislation also requires protection against non-compete clauses and includes protections for claims and losses resulting from the agreement. For projects on the state highway system, Caltrans is the responsible agency for specified project development services and preparation of specified project documents. The use of design-build for procurement is authorized for these projects by the lessee or contracting entity.

The facility is to completely revert back to either Caltrans or the RTPA at the expiration of the lease. Moreover, the CTC or RTPA may extend tolls and user fees associated with the facility at the end of the lease. However, if revenues

are extended, they may only be used for improvement, continued operations, and maintenance of the facility.

In order to facilitate the development of PPPs within the state, language was included which creates the Public Infrastructure Advisory Commission (Commission) to identify opportunities for PPPs within the state and to create a database of information related to PPPs for use by Caltrans and RTPAs. In addition, the Commission can advise and provide procurement services to Caltrans and RTPAs on request, with authority to charge a fee for such services.

#### Expanded Design-Build Authority

Another significant provision includes the expanded use of design-build authority. Subject to the approval of the CTC, local transportation entities are authorized to use design-build for up to five projects statewide related to local streets and roads, bridges, tunnels, or public transit. In addition, Caltrans is authorized to utilize the same authority for up to 10 state highway, bridge, or tunnel projects. Of the 15 projects, the projects must vary in regards to location, size, and type. Furthermore, the CTC must determine whether the design-build contract is to be awarded based on lowest responsible bid or best value and provide for a balance in the two methods authorized as well.

To qualify, the project must be subject to the existing process of either the STIP, Proposition 1B, TCRP, or SHOPP. Furthermore, specified labor compliance standards and wage requirements must be followed. For a project where a design-build contract is awarded, the transportation entity is to submit a progress report to the CTC no later than June 30, each year after the award.

The CTC is also to establish a peer review committee to conduct an evaluation of the 15 projects selected to compare procurement methods, determine whether the project was delivered on time and on budget, and compare those findings to projects that used the design-bid-build method of procurement. The CTC is to submit a report to the Legislature on its findings by June 30, 2012, and again by June 30, 2015.

#### Additional Measures to the Enacted Budget

Other measures that were included in the enacted budget packet are two constitutional amendments that would establish an open primary system and ban legislative pay increases in deficit years. The constitutional amendment establishing the open primary system will be placed on the June 2010 ballot and will impact state and congressional races starting in 2012.

Under the proposed system, the top two candidates in the primary election will face off in the general election, with each candidate able to retain its party affiliation on the ballot. The constitutional amendment that will ban legislative pay increases during deficit years will be on the May 19, 2009, special election ballot.

The enacted budget also includes a variety of tax relief measures. Existing tax codes will be modified to allow large corporations to change the method of how they compute state taxes from the current formula which factors in property, size of payroll, and amount of overall sales to being taxed on sales only. Projected General Fund revenue lost will be an estimated \$700 million with this measure beginning in 2011. The budget also includes \$3,000 tax credits for each new worker hired by a small business starting July 2009, provides \$100 million in tax breaks to film companies to keep productions in California, and provides a homebuyer credit up to \$10,000 for newly constructed homes.

#### Impact on Orange County:

The enacted state budget eliminates STA funding for the remaining fiscal year (third and fourth quarter of FY 2008-2009) and for the next five fiscal years. Furthermore, assuming STA will be funded at \$306 million in FY 2009-2010 (same as FY 2008-2009), STA will be cut by a total of \$458.8 million for the two fiscal years. As a result, the OCTA is expected to only receive \$8.14 million of the \$16.3 million it was anticipating for FY 2008-2009. However, OCTA has only received its first quarter payment of \$4.07 million with no present indication as to when second quarter payments will be distributed. The elimination of STA will result in an estimated \$24.4 million loss for OCTA transit operations over current and upcoming fiscal year. Moreover, the budget suspends the STA program for the next five fiscal years with no assurance that the program will be reinstated at that time.

Assuming STIP will be funded at \$680 million, OCTA anticipates approximately \$43.8 million for FY 2009-2010.

The approved budget does allocate Proposition 1B infrastructure bonds for a number of programs in FY 2009-2010. OCTA is anticipated to receive an estimated \$18.6 million from the PTMISEA and \$3.52 million from the TSSSDRA. Under current guidelines of the SLPP, OCTA will receive an estimated \$17.15 million and has programmed an estimated \$270 million from CMIA in the time period covered by this budget.

---

### State Legislation for the American Recovery and Reinvestment Act of 2009

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act (ARRA) a \$787 billion spending plan designed

to stimulate the nation's struggling economy. The spending plans provides financial assistance in a variety of program areas as well as \$144 billion in state and local fiscal relief and \$288 billion in tax relief. Infrastructure assistance will be distributed to states and local agencies through a series of existing formulas currently used by federal agencies.

Overall, the highway infrastructure investment section of ARRA will allocate approximately \$2.6 billion out of a total \$26.8 billion to California. In order for ARRA dollars to be appropriated by the California Department of Transportation (Caltrans) and be allocated in a manner which allows local agencies to adequately fund priority projects, the Legislature and Governor must approve and enact legislation which ensures recovery funds are fully obligated within the constraints of the ARRA. The Legislature is currently working with stakeholders to draft legislative language to meet this objective.

Additionally, on January 26, 2009, the OCTA Board of Directors approved a set of economic recovery guiding principles which identified guidelines that would allow OCTA to capitalize on stimulus dollars and efficiently inject funds into high-priority transportation projects. Several of these principles for state allocation include: two-thirds of transportation stimulus funds be allocated to RTPAs, with RTPAs then allocating portions to counties and cities; projects not being required to be approved by the CTC; and the protection of Proposition 1B program funds. As legislation continues to be crafted, OCTA staff will continue to work diligently with stakeholders to ensure state legislation is consistent with the adopted principles.

As of the writing of this report, OCTA staff has worked with Caltrans and local agencies around the state to draft language for the allocation of ARRA highway infrastructure investment funds. As mentioned, legislation will enable Caltrans to set an allocation formula which will provide local agencies with a larger portion of recovery dollars and also provide greater flexibility in ARRA funds used by Caltrans. The enacted ARRA highway program states recovery funds will be distributed by formulas as stipulated in the federal Surface Transportation Program (STP) and Transportation Enhancement Activities (TEA) program. Under draft legislation, recovery dollars would be first distributed to Caltrans then allocated in the following manner: 62.5 percent to regional agencies and 37.5 percent to Caltrans. As a result, of the \$2.6 billion, regional agencies statewide would receive approximately \$1.5 billion and

---

Caltrans would receive approximately \$935 million. The \$1.5 billion includes all ARRA program shares including STP suballocations and TEA set asides. Regional agencies would then receive their share based on the current STP formula.

Under these draft provisions, OCTA anticipates approximately \$130.86 million in STP suballocations and state shares plus \$4.05 in TEA set asides totaling \$134.9 million

Legislative language is also included to protect funding for Proposition 1B projects. Under the draft legislation, an RTPA with a Proposition 1B project which receives federal recovery dollars for the project will not lose committed Proposition 1B dollars, rather the CTC will ensure additional qualifying projects in that county may be eligible for those unused funds. The draft legislation would also allow Caltrans to use recovery funds on Proposition 1B projects that are already under construction in order to keep projects moving. The CTC and Caltrans would then work in cooperation with the regional agency to allocate available previously-committed funds to other eligible projects in the region.

As legislation continues to be drafted, OCTA staff will continue to work diligently to ensure Orange County receives an adequate share of ARRA highway funds. Overall, the current draft legislation falls in line with OCTA economic recovery principles: In particular, the funds are directed to RTPAs through the STP formula and Proposition 1B protections. It should be noted that without specific legislation, economic recovery dollars would be distributed under current state statutes where the SHOPP would receive a substantial portion of economic recovery funds and OCTA would receive notably less if the remaining funds were allocated through the STIP process. Also, without legislation there would be no Proposition 1B project protections.

With the ARRA now enacted, state and local agencies will start to receive economic recovery funds in a relatively short period of time. It is expected for the Legislature to promptly act in order to set up the framework for the distribution of ARRA dollars. OCTA staff recommends a support position on federal recovery legislation contingent on legislation remaining consistent with OCTA Board adopted federal recovery principles.

### **Summary**

On February 20, 2009, Governor Schwarzenegger signed a 16-month fiscal plan which includes budgetary changes for the current fiscal year and for the upcoming 2009-2010 fiscal year. The budget plan includes a variety of revenue increases, program cuts, and borrowing to cover the \$40 billion deficit along with a number of budget reforms which require voter approval.

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act which provides transportation economic recovery funds for the state. The California Legislature is currently in the process of drafting legislation in order to appropriate the highway infrastructure investment funds of the American Recovery and Reinvestment Act.

**Attachment**

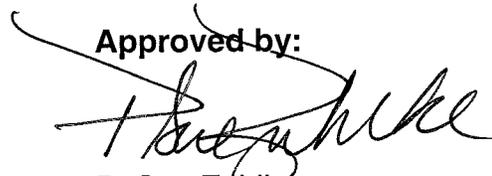
- A. Orange County Transportation Authority Legislative Matrix

Prepared by:



Manny S. Leon  
Senior Government Relations  
Representative  
(714) 560-5393

Approved by:



P. Sue Zuhlke  
Chief of Staff  
(714) 560-5574



## Orange County Transportation Authority Legislative Matrix

**2009 State Legislation Session  
March 5, 2009**

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>BILLS BEING MONITORED</b>			
<p>► <b>AB 26</b> <b>(Hernandez – D)</b></p> <p>Public Contracts: Bid Preferences: Employee Health Care</p>	<p>Requires a state agency awarding a public works contract to provide a bid preference to a bidder whose employee health care expenditures, and those of its subcontractors, are a percentage of the aggregate Social Security Wages paid to its employees in the state. Requires a bidder and its subcontractors to submit statements certifying that they qualify for the bid preference. Requires the bidder and contractors to continue to make employee health care expenditures.</p>	<p><b>INTRODUCED:</b> 12/01/2008 <b>LOCATION:</b> Assembly Business and Professions Committee</p> <p><b>STATUS:</b> 02/05/2009 To ASSEMBLY Committee on BUSINESS AND PROFESSIONS</p>	<p style="text-align: center;">None Listed</p>
<p>► <b>AB 31 (Price – D)</b></p> <p>Public Contracts: Small Business Procurement Act</p>	<p>Relates to existing law which permits a state agency to award a contract to a certified small business without complying with competitive bidding requirements. Increases the maximum amount of the contracts from \$100,000 to \$250,000. Requires the contractor upon completion of a public contract for which a commitment to achieve small business or disabled veteran business enterprise participation goals was made, to report the actual percentage of participation that was achieved.</p>	<p><b>INTRODUCED:</b> 12/01/2008 <b>LOCATION:</b> Assembly Jobs, Economic Development and The Economy Committee</p> <p><b>STATUS:</b> 02/05/2009 To ASSEMBLY Committee on JOBS, ECONOMIC DEVELOPMENT AND THE ECONOMY</p>	<p style="text-align: center;">None Listed</p>
<p>► <b>AB 109 (Feuer – D)</b></p> <p>Outdoor Advertising</p>	<p>Amends the Outdoor Advertising Act; prohibits an advertising display that is visible from a state, county or city highway from being constructed as, or converted, enhanced, improved, modified, modernized or altered into a digital advertising display; prohibits an official highway changeable message sign from being constructed as or converted, enhanced, improved modified, modernized or altered into a digital advertising display for the purpose of displaying commercial messages.</p>	<p><b>INTRODUCED:</b> 1/13/2009 <b>LOCATION:</b> Assembly</p> <p><b>STATUS:</b> 01/13/2009 INTRODUCED</p>	<p style="text-align: center;">None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>▶ <b>AB 118 (Logue – R)</b>  California Global Warming Solutions Act of 2006</p>	<p>Repeals the California Global Warming Solutions Act of 2006, which requires the State Air Resources Board to adopt regulations to require the reporting of greenhouse gases and to adopt a statewide greenhouse gas emissions limit.</p>	<p><b>INTRODUCED:</b> 01/15/2009 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 01/15/2009 INTRODUCED</p>	<p>None Listed</p>
<p>▶ <b>AB 216 (Beall – D)</b>  Public Contracts: Claims</p>	<p>Provides for a mediation process and binding arbitration process for 3rd party claim disputes between a contractor and a local agency, charter city, or charter county that does not have an alternative dispute process, if those claims remain unresolved after a 105 day time period for review of the claim, 10 day period for a meet and confer conference to occur, and 30 day time period for mediation.</p>	<p><b>INTRODUCED:</b> 02/03/2009 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 02/03/2009 INTRODUCED</p>	<p>None Listed</p>
<p>▶ <b>AB 231 (Huffman – D)</b>  Global Warming Solutions Act of 2006: Trust Fund</p>	<p>Requires the State Air Resources Board to adopt a schedule of fees to be paid by the sources of greenhouse emissions which would be deposited in the Climate Protection Trust Fund for purposes of carrying out the Global Warming Solutions Act of 2006.</p>	<p><b>INTRODUCED:</b> 02/05/2009 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 02/05/2009 INTRODUCED</p>	<p>None Listed</p>
<p>▶ <b>AB 251 (Knight – R)</b>  L.A. County Metropolitan Transportation Authority</p>	<p>Provides for the appointment of one member of the Los Angeles County Metropolitan Transportation Authority by the city councils of the Cities of Palmdale, Lancaster, and Santa Clarita, and deletes one of the public members appointed by the Mayor of Los Angeles. Excludes the Cities of Palmdale, Lancaster, and Santa Clarita from the selection of the 4 members appointed from other cities in the county.</p>	<p><b>INTRODUCED:</b> 02/10/2009 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 02/10/2009 INTRODUCED</p>	<p>None Listed</p>
<p>▶ <b>AB 254 (Jeffries – R)</b>  Emergency Vehicles: Payment of Tolls</p>	<p>Exempts emergency vehicles from the payment of a toll or charge on a bridge or toll road while engaged in rescue operations.</p>	<p><b>INTRODUCED:</b> 02/11/2009 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 02/11/2009 INTRODUCED</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► <b>AB 263 (Miller – R)</b> Riverside County Transportation Commission</p>	<p>Authorizes the Riverside County Transportation Commission (RCTC) to approve and award one best-value design-build contract for transportation improvements on the State Highway Route 91 corridor based on criteria established by RCTC.</p>	<p><b>INTRODUCED:</b> 02/11/2009 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 02/11/2009 INTRODUCED</p>	<p>None Listed</p>
<p>► <b>AB 266 (Carter – D)</b> Transportation Needs Assessment</p>	<p>Requires the California Transportation Commission to develop an assessment of the unfunded costs of programmed state projects and federally earmarked projects in the state, as well as an assessment of available funding for transportation purposes and unmet transportation needs on a statewide basis.</p>	<p><b>INTRODUCED:</b> 02/11/2009 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 02/11/2009 INTRODUCED</p>	<p>None Listed</p>
<p>► <b>AB 282 (Assembly Transportation Committee)</b> Transportation</p>	<p>Requires any interest or other return earned by a city or county from investment of bond funds from Proposition 1B - the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 to be expended or reimbursed under the same conditions as are applicable to the bond funds themselves. Extends the time period with which transit operators must file an annual report of their operation with transportation planning agencies having jurisdiction over them and the state Controller from 90 to 110 days after the close of the operator's fiscal year, if the report is filed electronically.</p>	<p><b>INTRODUCED:</b> 02/12/2009 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 02/12/2009 INTRODUCED</p>	<p>None Listed</p>
<p>► <b>AB 309 (Price – D)</b> Public Contracts: Small Business Participation</p>	<p>Requires state agencies, departments, boards, and commissions to establish and achieve a goal of small business participation in state procurements and contracts and to work with the Department of General Services to help small businesses market their products, goods and services to the state by providing access to information about current bid opportunities on their web sites. Requires the Office of Small Business Advocate to collaborate with the Department of General Services to enhance the states small business program.</p>	<p><b>INTRODUCED:</b> 02/17/2009 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 02/17/2009 INTRODUCED</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► <b>AB 319 (Niello – R)</b> Elections: Ballot Titles</p>	<p>Requires the Legislative Analyst, instead of the Attorney General, to prepare the ballot title and summary for all measures submitted to the voters of the state. Requires the Legislative Analyst, instead of the Department of Finance and the Joint Legislative Budget Committee, to prepare any fiscal estimate or opinion required by a proposed initiative measure.</p>	<p><b>INTRODUCED:</b> 02/18/2009 <b>LOCATION:</b> Assembly <b>STATUS:</b> 02/18/2009 INTRODUCED</p>	<p>None Listed</p>
<p>► <b>AB 338 (Ma – D)</b> Transit Village Developments: Infrastructure Financing</p>	<p>Recasts the area included in a transit village plan to include all land within at least a half mile of the main entrance to a transit station. Provides that voter approval for the formation of an infrastructure financing district, adoption of a financing plan, and an issuance of bonds for developing and financing a transit facility would be eliminated. A transit village plan financed by these bonds would have to show affordable housing benefits, and include provisions dedicating at least 20 percent of revenues derived from the property tax increment to affordable housing in the transit village.</p>	<p><b>INTRODUCED:</b> 02/18/2009 <b>LOCATION:</b> Assembly <b>STATUS:</b> 02/18/2009 INTRODUCED</p>	<p>None Listed</p>
<p>► <b>ACA 1 (Silva – R)</b> Legislature</p>	<p>Proposes an amendment to the Constitution to provide that no bill that would result in more than \$150,000 of annual expenditure by the state may be passed unless, by roll call vote entered in the journal, two thirds of the membership of each house concurs.</p>	<p><b>INTRODUCED:</b> 12/01/2008 <b>LOCATION:</b> Assembly <b>STATUS:</b> 12/01/2008 INTRODUCED</p>	<p>None Listed</p>
<p>► <b>ACA 3 (Blakeslee – R)</b> Initiatives: Bond Funding Source</p>	<p>Requires an initiative measure that would authorize the issuance of state general obligation bonds in a total amount exceeding \$1 billion to either provide additional tax or fee revenues, the elimination of existing programs, or both, as necessary to fully fund the bonds, as determined by the Legislative Analyst, in order to be submitted to the voters or take effect.</p>	<p><b>INTRODUCED:</b> 12/01/2008 <b>LOCATION:</b> Assembly <b>STATUS:</b> 12/01/2008 INTRODUCED</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► <b>ACA 5 (Calderon – D)</b></p> <p>Initiatives: State General Obligation Bonds</p>	<p>Proposes an amendment to the State Constitution to require an initiative measure that would authorize the issuance of state general obligation bonds to either provide additional tax or fee revenues, the elimination of existing programs, or both, as necessary to fully fund the bonds, as determined by the Legislative Analyst, in order to be submitted to the voters or to take effect. Requires the Attorney General to identify the new revenue source. Requires at least 55 percent of voters approve an initiative authorizing the issuance of state general obligation bonds.</p>	<p><b>INTRODUCED:</b> 12/15/2008  <b>LOCATION:</b> Assembly  <b>STATUS:</b> 12/15/2008  INTRODUCED</p>	<p>None Listed</p>
<p>► <b>ACA 9 (Huffman – D)</b></p> <p>Local Government Bonds: Special Taxes: Voter Approval</p>	<p>Changes the two-thirds voter-approval requirement for special taxes to, instead, authorize a city, county, or special district to impose a special tax with the approval of 55 percent of its voters voting on the tax. Lowers the voter-approval threshold for a city, county, or city and county to incur general obligation bonded indebtedness for amounts exceeding in one year the income and revenue provided in that year to 55 percent.</p>	<p><b>INTRODUCED:</b> 02/06/2009  <b>LOCATION:</b> Assembly  <b>STATUS:</b> 02/06/2009  INTRODUCED</p>	<p>None Listed</p>
<p>► <b>ACR 14 (Niello – R)</b></p> <p>Global Warming Solutions Act of 2006</p>	<p>Calls upon the State Air Resources Board, prior to any regulatory action being taken consistent with the scoping plan for the implementation of the Global Warming Solutions act of 2006, to perform an economic analysis that will give the State a more complete picture of costs and benefits of the implementation. Calls upon the Governor to use the authority granted by the act to adjust any applicable deadlines.</p>	<p><b>INTRODUCED:</b> 01/27/2009  <b>LOCATION:</b> Assembly Natural Resources Committee  <b>STATUS:</b> 02/05/2009 To ASSEMBLY Committee on NATURAL RESOURCES</p>	<p>None Listed</p>
<p>► <b>ACR 16 (Silva – R)</b></p> <p>Joint Rules: Fiscal Committee</p>	<p>Provides that whenever a bill that would result in net costs for a program is referred or re-referred to the fiscal committee of either house, the bill shall not be heard or acted upon by the committee or either house until the bill either provides for an appropriation or other funding source in an amount that meets or exceeds the net costs.</p>	<p><b>INTRODUCED:</b> 02/02/2009  <b>LOCATION:</b> Assembly  <b>STATUS:</b> 02/02/2009  INTRODUCED</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► <b>SB 31 (Pavley – D)</b></p> <p>Global Warming Solutions Act</p>	<p>Relates to the Global Warming Solutions Act of 2006. Requires that revenues collected pursuant to compliance mechanisms adopted by the State Air Resources Board be deposited in the Air Pollution Control Fund. Specifies that uses of the revenues collected pursuant to the fee and the compliance mechanisms are to include such things as renewable energy and energy efficiency programs, investments in technologies to reduce greenhouse gas emissions, green jobs development and training, and for administrative costs related to implementing the Act.</p>	<p><b>INTRODUCED:</b> 12/02/2008  <b>LOCATION:</b> Senate Environmental Quality Committee</p> <p><b>STATUS:</b> 01/29/2009 To SENATE Committee on ENVIRONMENTAL QUALITY and ENERGY, UTILITIES AND COMMUNICATIONS</p>	<p>None Listed</p>
<p>► <b>SB 104 (Oropeza – D)</b></p> <p>Global Warming Solutions Act of 2006: Greenhouse Gases</p>	<p>Amends the Global Warming Solutions Act of 2006 to include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride. Includes nitrogen trifluoride and any other anthropogenic gas, one metric ton of which makes the same or greater contribution to global warming as one metric ton of carbon dioxide. Includes a procedure by which any person could petition for a designation. Requires the State Air Resources Board to adopt appropriate regulations.</p>	<p><b>INTRODUCED:</b> 01/27/2009  <b>LOCATION:</b> Senate Environmental Quality Committee</p> <p><b>STATUS:</b> 02/05/2009 To SENATE Committee on ENVIRONMENTAL QUALITY</p>	<p>None Listed</p>
<p>► <b>SB 136 (Huff - R)</b></p> <p>Surplus State Real Property: Exemption from CEQA</p>	<p>Exempts the sale of surplus state real property made on an "as is" basis from designated provisions of the California Environmental Quality Act (CEQA). Exempts from those provisions of CEQA the execution of the disposition agreement for surplus state real property when the disposition is not made on an "as is" basis and the close of escrow is contingent on specified conditions.</p>	<p><b>INTRODUCED:</b> 02/10/2009  <b>LOCATION:</b> Senate Environmental Quality Committee</p> <p><b>STATUS:</b> 02/10/2009 INTRODUCED</p>	<p>None Listed</p>
<p>► <b>SB 165 (Lowenthal – D)</b></p> <p>Federal Transportation Funds</p>	<p>Makes legislative findings and declarations relative to additional federal funds to be made available to the state pursuant to federal economic stimulus legislation, the American Recovery and Reinvestment Act of 2009. States that the investment of federal transportation funds should be guided by the principles that investments should stimulate job creation in the near term and support economic activity in the long term, and contribute to a transportation system that is environmentally sustainable.</p>	<p><b>INTRODUCED:</b> 02/14/2009  <b>LOCATION:</b> Senate</p> <p><b>STATUS:</b> 02/14/2009 INTRODUCED</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► <b>SCA 1 (Walters – R)</b> State Budget</p>	<p>Proposes an amendment to the State Constitution. Provides, that if the total amount of General Fund appropriations in a Budget Bill for the ensuing fiscal year combined with all other General Fund appropriations for that fiscal year on the date of passage does not exceed by 5 percent or more the amount of the General Fund appropriations for the immediately preceding fiscal year, the budget bill may be passed by a simple majority.</p>	<p><b>INTRODUCED:</b> 12/01/2008 <b>LOCATION:</b> Senate Rules Committee  <b>STATUS:</b> 01/29/2009 To SENATE Committees on RULES and ELECTIONS, REAPPORTIONMENT AND CONSTITUTIONAL AMENDMENTS</p>	<p>None Listed</p>
<p>► <b>SCA 3 (Wyland – R)</b> Transportation Investment Fund</p>	<p>Proposes an amendment to the State Constitution. Deletes current provisions authorizing the transfer of revenues to the Transportation Investment Fund to be suspended during a fiscal emergency. Prohibits a loan of fund revenues under any circumstances. Prohibits any statute that would reduce the extent to which these tax revenues are deposited into the General Fund for transfer to the fund for transportation purposes.</p>	<p><b>INTRODUCED:</b> 12/01/2008 <b>LOCATION:</b> Senate Revenue and Taxation Committee  <b>STATUS:</b> 01/29/2009 To SENATE Committees on REVENUE AND TAXATION; ELECTIONS, REAPPORTIONMENT AND COSTITUTIONAL AMENDMENTS; and APPROPRIATIONS</p>	<p>None Listed</p>
<p>► <b>SCA 5 (Hancock – D)</b> State Budget</p>	<p>Exempts General Fund appropriations in the Budget Bill from the two-thirds vote requirement.</p>	<p><b>INTRODUCED:</b> 12/02/2008 <b>LOCATION:</b> Senate Rules Committee  <b>STATUS:</b> 01/29/2009 To SENATE Committees on RULES; and ELECTIONS, REAPPORTIONMENT AND CONSTITUTIONAL AMENDMENTS</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► <b>SCA 7 (Maldonado – R)</b></p> <p>Legislature: Compensation</p>	<p>Proposes an amendment to the State Constitution. Provides that if a Budget Bill is not passed by June 15, Members of the Legislature may not be paid any salary or per diem until the Budget Bill is passed and sent to the Governor.</p>	<p><b>INTRODUCED:</b> 01/15/2009 <b>LOCATION:</b> Senate Third Reading File</p> <p><b>STATUS:</b> 02/23/2009 In SENATE. Read second time. To third reading.</p>	<p>None Listed</p>
<p>► <b>SCA 9 (Ducheny – D)</b></p> <p>Finance: State Budget: Taxes</p>	<p>Proposes an amendment to the Constitution that exempts from the two-thirds vote requirement appropriations made in a Budget Bill, and appropriations made in a bill identified in the Budget Bill containing only changes in law necessary to implement the Budget Bill, and instead be passed by a 55 percent vote in each house.</p>	<p><b>INTRODUCED:</b> 01/26/2009 <b>LOCATION:</b> Senate Budget &amp; Fiscal Review Committee</p> <p><b>STATUS:</b> 02/05/2009 To SENATE Committees on BUDGET AND FISCAL REVIEW; and ELECTIONS, REAPPORTIONMENT, AND CONSTITUTIONAL AMENDMENTS</p>	<p>None Listed</p>





MEMO

March 4, 2009

To: Members of the Board of Directors  
From: <sup>WK</sup> Wendy Knowles, Clerk of the Board  
Subject: **Board Committee Transmittal for Agenda Item**

The following item is being discussed at a Committee meeting which takes place subsequent to distribution of the Board agenda. Therefore, you will be provided a transmittal following that Committee meeting (and prior to the Board meeting) informing you of Committee action taken.

Thank you.



*March 5, 2009*

**To:** Legislative and Communications Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Federal Legislative Status Report

***Overview***

This Federal Legislative Status Report discusses the progress of federal fiscal year 2009 appropriations, which are expected to be enacted prior to the March 6 expiration of the continuing resolution currently funding federal programs and operations.

***Recommendation***

Receive and file as an information item.

***Discussion***

On February 23, 2009, the House Appropriations Committee released its omnibus federal fiscal year (FFY) 2009 appropriations bill which encompasses the nine funding bills for those federal agencies that have been operating under a continuing resolution since the start of the FFY on October 1, 2008. The current short-term continuing resolution expires on March 6, 2009.

The bill released by the House, H.R. 1105, has been pre-negotiated with the Senate and therefore is being treated as if it were a conference report, reflecting final program spending levels and project earmarks. The House is expected to take the bill directly to the floor before the end of February. The Senate will likely take up the House-passed bill early in the first week in March. While House passage appears assured, Senate action is still unpredictable. Many Senate Republicans continue to object to the large number of project earmarks and the use of a multi-agency omnibus bill rather than the ability to vote on individual agency bills.

Funding for the Department of Transportation's FFY 2009 budget is included in the omnibus bill. This funding is separate and in addition to the recently passed economic stimulus funding. It is also distinct from the FFY 2010

appropriations process, which is well underway with the filing of request forms in congressional offices for specific earmark requests in next year's budget.

H.R 1105 provides \$40.7 billion for the federal highway program, which splits the difference between the original House and Senate recommended levels. This amount is \$500 million less than the level guaranteed by the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). The FFY 2008 level was somewhat higher at \$41.2 billion, because it included an additional \$1 billion for the bridge program in the wake of the Minneapolis bridge collapse. The bill includes over \$592 million for a variety of individual highway project earmarks.

The Orange County Transportation Authority (OCTA) received four highway project earmarks totaling \$1.33 million in the House bill. From the Interstate Maintenance and Discretionary Program, \$237,500 was provided by Representative Gary Miller (R-CA) for connector and capacity improvements on Riverside Freeway (State Route 91), \$380,000 was provided by Representative Dana Rohrabacher (R-CA) for widening of San Diego Freeway (Interstate 405), and \$237,500 was provided by Representative Ken Calvert (R-CA) for segment improvements to San Diego Freeway (Interstate 5) in South Orange County. In addition, Representative Calvert provided a \$475,000 earmark from the Surface Transportation Priorities Program for the State Route 91 projects.

On the transit side, the House bill provides \$10.23 billion for the total program, which is \$100 million less than the SAFETEA-LU authorized level, but approximately \$730 million more than the FFY 2008 level. OCTA received an earmark from the Bus and Bus Facility Program of \$2,612,500 from Senator Dianne Feinstein (D-CA) and Representatives Ed Royce (R-CA) and Loretta Sanchez (D-CA) for the Anaheim Regional Transportation Intermodal Center (ARTIC). This represents the largest earmark to date for ARTIC.

A complete list of all transportation project earmarks for California is included as attachment A.

Finally, the House bill provides \$1.5 billion for Amtrak, which is \$165 million above the FFY 2008 level, and \$90 million for intercity passenger rail grants, which is \$60 million above the FFY 2008 level. This dramatic increase in funding reverses a prior resistance to rail funding and continues to illustrate the priority that the White House and Congress are giving to rail programs.

---

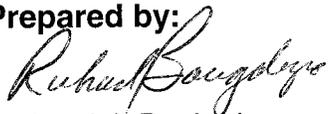
**Summary**

The House Appropriations Committee has released a FFY 2009 omnibus appropriations bill, which is expected to pass Congress in early March. OCTA received a total of \$3,942,500 in project earmarks. The January monthly reports for Potomac Partners DC and Smith, Dawson, and Andrews are included as Attachments B and C.

**Attachments**

- A. HR 1105 Omnibus Appropriations Act for 2009 Transportation Earmarks in California
- B. Report to the Orange County Transportation Authority from Potomac Partners DC, January 2009
- C. Report to the Orange County Transportation Authority from Smith, Dawson, & Andrews, January 2009

**Prepared by:**



Richard J. Bacigalupo  
Federal Relations Manager  
(714) 560-5901

HR 1105 Omnibus Appropriations Act for 2009

Transportation Earmarks in California

PROGRAM	Account	Project	Amount	Requester(s)	
HIGHWAYS	Surface Transportation Priorities	Alameda Corridor East Grade Separations, Riverside County, CA	\$570,000	Rep. Calvert; Rep. Bono-Mack	
		Alameda Corridor East Grade Separations, San Gabriel Valley, CA	\$570,000	Rep. Dreier; Rep. Schiff; Rep. Solis	
		Assessment of Transit-Oriented Development Along Phase II of the Gold Line Foothill Extension, Monrovia, CA	\$237,500	Rep. Dreier	
		Avenue 52 Grade Separation, over Union Pacific Railroad tracks and Grapefruit Blvd, Coachella, CA	\$380,000	Rep. Bono-Mack	
		Cesar Chavez Blvd/Calexico-West Port of Entry Congestion Improvements, CA	\$2,850,000	Sen. Boxer	
		Garfield Avenue at Slauson Avenue Intersection, Commerce, CA	\$475,000	Rep. Roybal-Allard	
		Harney Way Roadway Improvements, CA	\$475,000	Rep. Pelosi	
		Intersection Modernization, Synchronization, and Re-pavement, Bell, CA	\$427,500	Rep. Roybal-Allard	
		Lenwood Road Grade Separation Project, CA	\$237,500	Rep. McKeon	
		Monterey Bay Sanctuary Scenic Trail, CA	\$475,000	Rep. Farr	
		Potrero Boulevard/SR 60 Interchange, Beaumont, CA	\$855,000	Rep. Lewis, Jerry	
		Rancho Vista Blvd (Ave P) Project, Palmdale, CA	\$475,000	Rep. McKeon	
		Santa Clarita Cross Valley Connector, Santa Clarita, CA	\$570,000	Rep. McKeon; Sen. Boxer	
		SR-91 Improvements, Orange and Riverside Counties, CA	\$475,000	Rep. Calvert	
			<b>Total</b>	<b>\$9,072,500</b>	
		Interstate Maintenance Discretionary	Encinitas Blvd/Interstate 5 Interchange Environmental Review, CA	\$285,000	Rep. Bilbray
			Environmental Design, ROW Acquisition and Project Report for the I-215/University Parkway Project, San Bernadino, CA	\$508,250	Rep. Lewis, Jerry
			I-10 at Grove Avenue and Fourth Street Interchange and Grove Avenue Corridor, Ontario, CA	\$475,000	Rep. Baca
	I-10/Cherry and I-10/Citrus Interchanges Reconstruction, San Bernardino, CA		\$475,000	Rep. Baca	
	I-10/Ramon Road/Bob Hope Interchange Improvements, CA		\$475,000	Rep. Bono-Mack	
	I-15/Railroad Canyon Road Interchange ROW acquisition, Lake Elsinore, CA		\$237,500	Rep. Issa	
	I-205/Lammers Road Interchange Improvements, Tracy, CA		\$950,000	Rep. McNerney	
	I-280/I-880/Stevens Creek Interchange Project, San Jose, CA		\$950,000	Rep. Honda	
	I-405 Cherry Ramp Improvements, CA		\$237,500	Rep. Richardson	
	I-580 HOV Lanes, Alameda County, CA		\$475,000	Rep. Tauscher; Rep. McNerney	
	I-710 Atlantic Blvd/Bandini Blvd On and Off-Ramp Interchange Modifications, Vernon, CA		\$570,000	Rep. Roybal-Allard	
	Interchange at I-5 and French Camp Road, and Arch-Sperry Road Construction, Stockton, CA		\$950,000	Rep. McNerney	
	Ranchero Road Corridor Project, Hesperia, CA		\$650,750	Rep. Lewis, Jerry	
	Rancho Cucamonga, CA I15/Baseline Rd. Interchange, CA		\$712,500	Rep. Dreier	
	San Diego Freeway (I-405) Widening and Improvement, CA		\$380,000	Rep. Rohrabacher	
	San Diego Freeway (I-5) Widening and Improvement, CA		\$237,500	Rep. Calvert	
	SR-56 Connectors and I-5 Widening, CA		\$475,000	Rep. Bilbray	
	SR-91 Congestion Relief Project, Orange County, CA		\$237,500	Rep. Miller, Gary G.	
	Wilmington Avenue Interchange Modification at the I-405 Freeway, CA	\$712,500	Rep. Richardson		
		<b>Total</b>	<b>\$9,994,000</b>		
	Transportation, Community, and System Preservation	Antonio Parkway Rehabilitation, Rancho Santa Margarita, CA	\$95,000	Rep. Miller, Gary G.	
		Aten Road and Old County Road 111 Improvements, Imperial County, CA	\$712,500	Rep. Filner	
		Bluff Top Park Improvements, CA	\$95,000	Rep. Rohrabacher	
Branham Lane/Monterey Highway Rail Grade Separation, San Jose, CA		\$475,000	Rep. Lofgren		
Central Expressway Auxiliary Lanes, CA		\$475,000	Rep. Eshoo		
City of San Fernando Downtown Revitalization Project, CA		\$285,000	Rep. Berman		
Economic Development/Revitalization of the Rosecrans Corridor, CA		\$190,000	Rep. Waters		

Transportation Earmarks in California  
(\$000's)

PROGRAM	Account	Project	Amount	Requester(s)
		Encinas Creek/Pacific Coast Highway 101 Bridge Replacement, CA	\$237,500	Rep. Bilbray
		Golden Gate Bridge Moveable Median Barrier, San Francisco, CA	\$950,000	Rep. Pelosi; Rep. Woolsey; Rep. Thompson, Mike
		Heim Bridge Replacement, Alameda Corridor Transportation Authority, CA	\$380,000	Rep. Rohrabacher
		Hwy 50/Missouri Flat--Western Placerville Interchange Improvement/Weber Creek Bridge Upgrade, CA	\$570,000	Rep. McClintock
		International Drive Extension/Folsom South Canal Bridge, CA	\$237,500	Rep. Lungren
		Lemon Grove Lighting Project, CA	\$285,000	Rep. Becerra
		Light Rail Corridor Improvements Study, Chula Vista, CA	\$237,500	Rep. Filner
		Los Banos Bypass on State Route 152, CA	\$950,000	Rep. Cardoza
		Metro Gold Line Foothill Extension Transit Oriented Development Project, CA	\$237,500	Rep. Solis
		Park Street Pedestrian Safety Transportation Improvements, Alameda, CA	\$475,000	Rep. Stark
		Shoal Creek Pedestrian Bridge, CA	\$570,000	Rep. Hunter
		Sidewalk Construction in Ashland and Cherryland, CA	\$475,000	Rep. Lee
		SR 23/US 101 Freeway Interchange Project, CA	\$427,500	Rep. Gallegly
		SR-47 Port Access Expressway, CA	\$237,500	Rep. Harman
		SR89 Mousehole Improvement Project, Truckee, CA	\$380,000	Rep. McClintock
		State Route 180 East, CA	\$1,330,000	Rep. Costa; Rep. Radanovich
		State Route 71 expansion from SR-60 to I-10, Pomona, CA	\$475,000	Rep. Napolitano
		State Routes 52 and 67 Interchange Improvements, CA	\$380,000	Rep. Hunter
		Sun Valley Lighting Project, CA	\$285,000	Rep. Berman
		Traffic Signal Modernization, City of Lakewood, CA	\$475,000	Rep. Sánchez, Linda T.
		Veterans Boulevard Project, Fresno County, CA	\$570,000	Rep. Radanovich
		West Vista Way Widening (from Melrose Drive to the east of Thunder Drive), Vista, CA	\$570,000	Rep. Issa
		<b>Total</b>	<b>\$13,062,500</b>	
	<b>Federal Lands (Public Lands Highways)</b>	Bald Hill Slide Mitigation, Hoopa Reservation, CA	\$712,500	Rep. Thompson, Mike
		Forest Highway 171 Widening, Butte County, CA	\$998,450	Rep. Herger
		Fort Baker Transportation Upgrades, CA	\$475,000	Rep. Woolsey
		Needles Highway, Needles, CA	\$3,800,000	Rep. Lewis, Jerry
		Presidio Transportation Demand Management Project, San Francisco, CA	\$712,500	Rep. Pelosi
		South Access to the Golden Gate Bridge, Doyle Drive, City and County of San Francisco, CA	\$2,612,500	Rep. Pelosi; Sen. Boxer
		State Route 88 Pine Grove Corridor Improvement Project, Amador County, CA	\$180,500	Rep. Lungren
		<b>Total</b>	<b>\$9,491,450</b>	
<b>TRANSIT</b>	<b>Alternatives Analysis</b>	SMART Preliminary Engineering, CA	\$427,500	Rep. Woolsey; Rep. Thompson, Mike
		Telegraph Avenue/International Boulevard/E.14th Street Bus Rapid Transit Corridor in Alameda County, CA	\$237,500	Rep. Lee
		<b>Total</b>	<b>\$665,000</b>	
	<b>Buses and Bus Facilities</b>	Anaheim Regional Transportation Intermodal Center, Orange County, CA	\$2,612,500	Rep. Royce; Rep. Sanchez, Loretta; Sen. Feinstein
		Bus Replacement, Culver City, CA	\$142,500	Rep. Watson
		Bus Replacement/Expansion (Alternative Fuel), Solano County, CA	\$760,000	Rep. Miller, George; Rep. Tauscher
		Bus Shelters, Bellflower, CA	\$475,000	Rep. Roybal-Allard
		Clean Air Buses, City of Cerritos, CA	\$190,000	Rep. Sánchez, Linda T.
		Clean Air Buses, City of Paramount, CA	\$142,500	Rep. Sánchez, Linda T.
		East County Bus Maintenance and Paratransit Facility, El Cajon, CA	\$261,250	Rep. Hunter
		Ed Roberts Campus Intermodal Facility, Berkeley, CA	\$475,000	Rep. Lee
		Gold Coast Transit Maintenance and Operations Facility, Oxnard, CA	\$475,000	Rep. Capps
		Historic Filipinotown Bus Security Lights, Los Angeles, CA	\$62,700	Rep. Becerra

Transportation Earmarks in California  
(\$000's)

PROGRAM	Account	Project	Amount	Requester(s)
		La Cienega Intermodal Center, Los Angeles, CA	\$475,000	Rep. Watson
		Lake Tahoe Bus Facilities	\$475,000	Sen. Reid
		Monrovia Transit Village Improvements, CA	\$237,500	Rep. Dreier
		Monterey Salinas Transit Bus Refinancing, CA	\$475,000	Rep. Farr
		MTOC Clean Fuel Bus Purchases and Facility Enhancements, CA	\$475,000	Rep. Harman; Rep. Napolitano; Rep. Waters
		Multi-modal Transit Centers, Riverside and Corona, CA	\$950,000	Rep. Calvert; Sen. Boxer
		Norwalk/Santa Fe Springs Transportation Center Improvements, Santa Fe Springs, CA	\$475,000	Rep. Napolitano
		Palmdale Transportation Center Metrolink Platform Extension, CA	\$380,000	Rep. McKeon
		Purchase Clean Fuel Buses for Long Beach Transit, CA	\$950,000	Rep. Rohrabacher; Rep. Richardson; Rep. Sánchez, Linda T.
		Purchase CNG Buses for Foothill Transit, CA	\$1,187,500	Rep. Dreier; Rep. Schiff; Rep. Napolitano; Rep. Solis; Sen. Boxer
		Regional Bus Replacement, San Diego, CA	\$475,000	Rep. Davis, Susan A.
		Santa Cruz Metro Smart Fare Payment System, CA	\$475,000	Rep. Farr
		Santa Maria Intermodal Transportation Center, Santa Maria, CA	\$475,000	Rep. Capps
		Senior Center Clean Fuel/Hybrid Transit Bus, City of South El Monte, CA	\$380,000	Rep. Solis
		Sunline Bus and Bus Facilities, Thousand Palms, CA	\$475,000	Rep. Bono-Mack
		Transit Station Expansion Project (Metrolink Parking Lot), Rialto, CA	\$285,000	Rep. Baca
		Tri-Delta Transit Park and Ride Lots, Eastern Contra Costa County, CA	\$641,250	Rep. Tauscher; Rep. Miller, George; Rep. McNerney
		Union City Intermodal Phase II--Commuter Rail Connection, Union City, Alameda County, CA	\$475,000	Rep. Stark
		<b>Total</b>	<b>\$15,357,700</b>	
	<b>Capital Investment Grants</b>	AC Transit BRT Corridor, CA	\$4,000,000	Sen. Feinstein
		Livermore-Amador BRT, Livermore, CA	\$7,990,000	Sen. Feinstein; Sen. Boxer; Rep. Tauscher; Rep. McNerney; The President
		Metro Gold Line Eastside Extension, Los Angeles, CA	\$81,600,000	Rep. Roybal-Allard; Sen. Feinstein; Sen. Boxer; The President
		Metro Rapid Bus System Gap Closure, Los Angeles, CA	\$332,620	Sen. Feinstein; Sen. Boxer; Rep. Roybal-Allard; The President
		Mid-City Rapid, San Diego, CA	\$19,485,000	Sen. Feinstein; The President
		Perris Valley Line, Riverside, CA	\$45,000,000	Sen. Feinstein; Sen. Boxer; The President
		San Francisco Muni Third St. Light Rail-Central Subway Project, CA	\$10,000,000	Rep. Pelosi; Sen. Feinstein; Sen. Boxer
		South Sacramento Light Rail Extension, CA	\$7,000,000	Sen. Feinstein; Sen. Boxer; Rep. Matsui
		Van Ness BRT Project, San Francisco, CA	\$400,000	Rep. Pelosi
		Wilshire Blvd Bus-Only Lane, Los Angeles, CA	\$9,857,097	Sen. Feinstein; Sen. Boxer; Rep. Roybal-Allard; The President
		<b>Total</b>	<b>\$185,664,717</b>	
<b>FERRIES</b>	<b>Ferry Boats and Terminal Facilities</b>	Berkeley/Albany Ferry Service in CA	\$475,000	Rep. Lee
\$475,000		<b>Total</b>	<b>\$475,000</b>	

Transportation Earmarks in California  
(\$000's)

PROGRAM	Account	Project	Amount	Requester(s)
RAIL	Grade Crossings on Designated High Speed Rail Corridors	Alameda Corridor East Grade Separations, CA	\$950,000	Sen. Feinstein
		San Gabriel Trench Grade Separation Project- Alameda Corridor East Constructing Authority, CA	\$1,235,000	Rep. Schiff; Rep. Dreier; Rep. Solis
	<b>Total</b>		<b>\$2,185,000</b>	
	Rail Line Relocation and Improvement Program	Intermodal Terminal Facility and Track Railroad Relocation, Sacramento, CA Transbay Transit Center, San Francisco, CA	\$950,000 \$1,900,000	Rep. Matsui; Rep. Thompson, Mike; Sen. Feinstein; Sen. Boxer Sen. Boxer; Rep. Pelosi
<b>Total</b>		<b>\$2,850,000</b>		
AVIATION	Airport Improvement Program	French Valley Airport, Feasibility Study, CA	\$142,500	Rep. Issa
		Terminal Air Traffic Facilities	San Francisco, CA	\$500,000
	<b>Total</b>		<b>\$500,000</b>	
	Facilities and Equipment (FAA)	Glide Slope Runway 36L, Napa County Airport, CA	\$380,000	Rep. Thompson, Mike
<b>Total</b>		<b>\$380,000</b>		

**Report to Orange County Transportation Authority from  
Potomac Partners DC  
January 2009**

Partners contributing to the work in this report include: Rick Alcalde, Dan Feliz, and Lesli McCollum Gooch.

**1. Transportation & Infrastructure Rail Subcommittee Hearing**

On January 28<sup>th</sup> the House Subcommittee on Railroads, Pipelines, and Hazardous Materials held a hearing on the role, needs, and benefits of passenger and freight rail in our communities. At this hearing, Chairman Buffa provided testimony on behalf of the Orange County Transportation Authority.

Prior to the hearing on January 14<sup>th</sup>, Potomac Partners DC facilitated a meeting between Chairman Buffa and Congresswoman Corrine Brown, who chairs the Railroad subcommittee, to discuss transportation reauthorization issues and specifically goods movement. During that meeting Mr. Buffa described many opportunities for enhancing the economic recovery efforts with increased federal assistance for goods movement infrastructure like increased freight capacity and more funding for grade separations. Chairwoman Brown also mentioned for the first time her intention to include a new rail title in the upcoming surface transportation reauthorization, which would provide significant new passenger rail funding. After an excellent meeting, the Congresswoman offered the opportunity for Mr. Buffa to present these issues before her Subcommittee at the upcoming hearing. Over the next two weeks Potomac Partners DC worked with the Subcommittee on the logistics of hearing and Chairman Buffa's testimony. One theme of the testimony was the far-reaching impact of goods movement on the Southern California region and the transportation network as a whole. In his testimony, Chairman Buffa discussed the need to create a dedicated revenue source to address the local impact of increased container traffic coming from the Ports of Los Angeles and Long Beach. This issue garnered much attention from many of the subcommittee members present throughout the hearing and from Chairman Oberstar who briefly attended the hearing and listened intently to Chairman Buffa's testimony. Following the testimony, Mr. Oberstar addressed the committee and re-iterated Chairman Buffa's call for more federal infrastructure spending, especially on grade separations.

The three main **objectives** of the testimony were accomplished:

1. Advance the concept of a dedicated funding stream for goods movement in the next re-authorization bill and develop a host of key supporters on the committee.

2. Enhance OCTA's profile with the committee as an organization committed to improving transportation policy for the next transportation re-authorization bill.

3. Educate the Railroad Subcommittee on the extensive passenger rail service in the region.

Another OCTA objective of pointing out the need for more transportation funding in the economic recovery (stimulus) efforts was also accomplished. This transportation infrastructure panel was extremely supportive of transportation stimulus spending that has both the near term effects of creating new jobs and the long term effect of maintaining a healthy national transportation network. On the same day of the hearing, the House debated many transportation amendments to H.R. 1 (The American Recovery and Reinvestment Act of 2009) like the Flake amendment (#18) that would have eliminated Amtrak and other rail funding in the bill. This amendment was struck down with the help of a bi-partisan effort of transportation-minded members. Members voting against the amendment that had been present during the hearing included Rep. Shuster, Rep. Brown, Rep. Oberstar, Rep. Schauer, Rep. Cummings, Rep. Nadler, Rep. Lipinski, Rep. Petri, Rep. Napolitano, Rep. Richardson, Rep. Dent, Rep. Teague, and Rep. Carney.

Following the panel's testimony, several members had questions for Chairman Buffa. Ranking Member Shuster asked Mr. Buffa if a systematic solution was in place to address the impacts of goods movement to the region and if the Chairman had any suggestions for the Subcommittee. In response, Mr. Buffa again pointed the chance for the federal government to partner with local and regional efforts to help ensure the proper funding for key transportation corridors impacted by the flow of goods from the major ports.

After the hearing Mr. Buffa and Potomac Partners DC met with Ranking Member Mica over dinner to discuss goods movement in more detail.

Potomac Partners DC is continuing to follow up with key committee members and other stakeholders. Since the hearing we have met with Rep. Mica, Rep. Gary Miller, Rep. Oberstar, and Rep. Calvert to discuss the strategy for expanding support for the goods movement initiative.

**Next steps** for advancing this augmented goods movement funding concept includes the following:

1. Continue to work with key members of the House Transportation & Infrastructure Committee to further develop a dedicated funding mechanism and help with needed information to develop funding sources.

2. Meet with Department of Transportation officials to discuss the concept and explore opportunities to expand DOT's role in advancing key projects in the affected regions like Orange County.
3. Build a broader "Goods Movement Coalition" with other interested parties to include Florida stakeholders (ie local entities, Florida's Congressional Delegation, and the Governor's office), New York, Chicago, Texas, Louisiana, and Washington.
4. Continue to work with our Congressional delegation on support for the proposal and key aspects like ensuring that any new revenue stream stays in the transportation corridor.

## **2. Progress of the Economic Stimulus and Transportation Funding**

H.R. 1, the American Recovery and Reinvestment Act of 2009, passed the House on January 28<sup>th</sup>. It is moving through the Senate now with expected passage in early February and possibly signed into law by the President before Congress's February recess period. In the Senate, a multitude of amendments were drafted to address the transportation and infrastructure portion of the bill. Many of these amendments have been tabled with the possibility that the Senators may address similar changes during the conference negotiations with the House. With the focus of our advocacy efforts on increasing the size of the transportation portion of the bill and increasing the sub-allocation portion of the highway formula funding, we have made contacts with leadership (Republican and Democrat) in the House and Senate on the following committees:

*House:*

Appropriations Committee  
Transportation and Infrastructure Committee  
Ways and Means Committee  
Financial Services Committee

*Senate:*

Appropriations Committee  
Environment and Public Works Committee  
Banking, Housing, and Urban Affairs Committee  
Finance Committee

Our strategy in concert with the rest of the OCTA advocacy team has been to target both Senators and Representatives who play a significant role in the decision making process rather than focus on one particular member. Throughout the process we have been providing (in some cases hourly) updates to the OCTA legislative affairs team. The intricacies combined with

the speed at which this bill is moving is unlike any other piece of legislation, presenting unique opportunities and challenges for transportation entities. In large part, what many Members of Congress have considered the must pass section of the bill that will be “stimulat-ive” has been the transportation and infrastructure funding. The final disposition of the bill will occur in a conference negotiation with House and Senate leaders that will reconcile the differences in a House passed version and a Senate version. Democrats and Republican in both chambers will likely focus their attention on the funding allocations of the appropriations portion of the bill.

Another effort on behalf of OCTA in this bill has been to extend the “Alternative Fuel Credit.” Last year in the Emergency Economic Stabilization Act, the Senate included in the tax extenders title of the bill a three month extension of the Alternative Fuel Credit now set to expire on December 31, 2009. We have attempted to include a multi-year extension in a package of Senate amendments that were proposed on the Senate floor prior to passage. If it does not get included in an amendment package, we will continue to press the issue in the potential conference negotiations while still anticipating the potential inclusion of a multi-year extension in the transportation re-authorization bill or the potential Energy Bill sponsored by Sen. Bingaman (D-NM).

### **3. Omnibus Appropriations and Transportation Funding**

The House had tentatively scheduled to consider on the floor a \$410B omnibus appropriations bill the first week of February. During the month of January, portions of the bill had been “pre-conferenced” with House and Senate appropriations members. With the Senate still considering the Stimulus bill, House leadership decided to postpone floor consideration until after the conference negotiations are concluded for H.R. 1. Neither the full text of the bill nor the earmark section for the THUD portion has been released yet. Our strategy has been to re-iterate OCTA requests with key members and the appropriations committee. To aid that effort, the OCTA delegation has also sent “re-iteration letters” to the appropriations THUD sub-committee. Potomac Partners DC has met with Congressman Lewis, Miller and their staffs several times to advance OCTA’s requests, especially SR-91 request.

### **4. Other Activities on Behalf of OCTA**

During the month of January we facilitated meetings on behalf and Mobility 21. Those meetings included the following:

-Office of Congressman Jim Oberstar, Chief of Staff

- Office of Congresswoman Corrine Brown. Legislative Director
- Congressman Ken Calvert
- Transportation and Infrastructure Committee, Minority Staff

We are also making preparations for a follow up visit for OCTA board members at the end of February.

After several delays in Confirmation hearings, Secretary Ray LaHood was finally sworn in as Secretary of Transportation on January 23<sup>rd</sup>. As one of his first priorities, Secretary Ray LaHood created a team at the U.S. Department of Transportation (DOT) to coordinate the Department's role in President Obama's economic recovery program. The team is helping ensure that economic recovery funding is rapidly made available for transportation infrastructure projects and that project spending is monitored and transparent. The team, known as the Transportation Investment Generating Economic Recovery (TIGER) team, is composed of officials from across the Department's operating administrations and offices. The team is co-chaired by Lana Hurdle, deputy assistant secretary for budget and programs, and Joel Szabat, deputy assistant secretary for transportation policy. Over the summer we had scheduled a meeting with Mr. Szabat and CEO Art Leahy, but Mr. Leahy's trip was subsequently postponed. We are following up with Mr. Szabat and also identifying other key DOT TIGER team members that would be helpful in advancing OCTA projects that could receive funding from the Stimulus bill.

**Report to the Orange County Transportation Authority from  
Smith, Dawson & Andrews  
January 2009**

Focus: Presidential, Congressional & DOT Action regarding Stimulus  
February 2009

**Highlights**

The Senate on Tuesday, February 10<sup>th</sup>, with the help of three moderate Republicans, Snow, Collins and Specter passed, 61-37, an economic stimulus package estimated to cost \$837 billion. The Senate named conferees (Reid, Inouye, Cochran, Baucus and Grassley) for what is likely to be a contentious conference with the House. The House also named conferees (Obey, Rangel, Waxman, Lewis of CA, and Camp) on Tuesday evening. Conference talks will formally start on Wednesday-February 11, but staff has been pre-conferencing, with a goal of getting the final bill to President Obama by the end of the week. While the dollar levels of the two bills are relatively close -- the House passed an \$819 billion package in January -- there are significant differences in the two bills. The progressive/liberal wing of the House caucus is not pleased with some of the provisions in the Senate bill and there are likely to be a few long drawn out battles in the conference.

Further complicating the conference committee is that it will be necessary to have at least two of the three GOP senators (Collins, Snow and Specter) and Senator Nelson who backed the Senate bill, vote to approve the conference report, so any significant changes the House demands will have to be acceptable to them. "Obviously we are confronted with the reality that we have three people saying, 'If you change anything, we are jumping ship,'" said House Majority Leader Hoyer. The Obama Administration continues to seek bipartisan support, with President Obama urging immediate passage each day that the debate and the deliberations continue.

To mirror the Highways and Transit Subcommittee Chairman Peter DeFazio and New York City Congressman Jerry Nadler amendment, additional transit funding was proposed in an amendment offered New York Senator Chuck Schumer and Senate Banking Chairman Chris Dodd. The Senate's \$8.4 billion in additional transit funding remains in the reduced bill. This amount will be conference with the \$12 billion for transit in the House-passed stimulus.

The first week of February brought huge pressure for the Senate and the President in maneuvering to keep action on the stimulus legislation moving forward. With daily unemployment rising and bank stimulus investments still

being questioned regarding the necessary immediate impact of their output, the ongoing deliberations worry many lawmakers on both sides of the aisle.

Although the House bill was approved without a single Republican vote, the President continued to advocate for bipartisan Senate agreement on the final details. Over the first days of February, legions of governors, mayors, transit authorities and other infrastructure advocates continued a full court press for more spending that could be used immediately to put people back to work.

Transportation Secretary Ray LaHood was sworn in to office on January 23. The naming of a new Deputy Secretary is still under deliberation, but former FAA Administrator and Deputy FHWA Administrator Jane Garvey is in the forefront. All modal administrations, including FTA, FHWA and Maritime, continue with Acting Administrators, while myriad candidates to replace them are being reviewed at varied stages of the nomination process.

Department of Energy Secretary Dr. Stephen Chu was sworn in January 21; EPA Administrator Lisa Jackson was confirmed by the Senate Environment & Public Works Committee on January 23 and is in the department working. On January 26, the President issued an executive order for EPA to review denial of California (and 13 other states) waiver to set automobile and fuel efficiency standards to reduce air emissions. The order can be found on the White House Web site [http://www.whitehouse.gov/the\\_press\\_office/Presidential\\_Memorandum\\_EPA\\_Waiver/](http://www.whitehouse.gov/the_press_office/Presidential_Memorandum_EPA_Waiver/)

### **SDA Outreach**

#### **Contact on Capitol Hill on behalf of OCTA**

- SDA on meetings for upcoming OCTA leadership visits Feb 26 & 27
- Smith, Andrews, Gaines, Burrell and Bailey with *Rep. Peter DeFazio, Rep Loretta Sanchez, Rep. Barbara Lee* and appropriations staff on increased stimulus transit funding, 2009 and 2010 appropriations and on schedule for reauthorization
  - Newman with *Congressional Budget Office* staff on stimulus numbers
  - Andrews and Gaines with Chairman Peter Buffa in January 14 meetings with Highways and Transit Subcommittee Chair Peter DeFazio, Transportation Appropriations Subcommittee Chair Patty Murray and Peter Rogoff
  - Garson attended January 16 briefing conducted by Speaker Nancy Pelosi on the stimulus
  - Gaines with *Rep. Loretta Sanchez* regarding stimulus language and dinner appointment with new OCTA Chairman on January 15
  - Smith with *Sen. Patty Murray* staff on status of continuing resolution and pending and next appropriations process
  - Andrews with *Rep. John Olver* staff on status on continuing resolution and pending and next appropriations process

### **Contact with relevant organizations on behalf of OCTA**

- Burrell—January 27 meeting with former DOT Secretary Rodney Slater
- Burrell—January 27 follow-up with LA Metro David Kim regarding March 10 California Congressional reception
- Garson & Lopez- US Conference of Mayors Main Street coalition meeting and weekly updates from USCM transportation and environment legislative staff
- SDA group—lunch on January 15 with DOT Transition leader Mort Downey, former CALTRANS Director Jeff Morales, OCTA Chairman Peter Buffa and Rick Bacigalupo
- Andrews and Burrell with Chairman Peter Buffa and Rick Bacigalupo on January 14 meeting with DOT Transition official Michael Huerta, ACS EVP
- Burrell-January 12 symposium at Wilson Center regarding advocacy on Capitol Hill with new Presidential Administration
- Burrell –January 6 swearing of Congressional Black Caucus Chairwoman Barbara Lee
- SDA group--outreach to Republican and Democratic leadership regarding activities related to Presidential transition, stimulus plans, appropriations preparations and reauthorization discussions
- SDA group--review of important Congressional hearings and press conferences related to OCTA goals

### **Miscellaneous**

- February 2 Memorial Service for Tom Dawson, attended by Members of Congress, appropriations staff and numerous high level transportation officials





BOARD COMMITTEE TRANSMITTAL

**March 9, 2009**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board  
**Subject:** Cooperative Agreement with the Orange County Flood Control District and the California Department of Transportation for the Lewis Channel Improvement Project

Highways Committee Meeting of March 2, 2009

**Present:** Directors Amante, Dixon, Glaab, Green, Mansoor, Nguyen, Norby, and Pringle  
**Absent:** Director Cavecche

**Committee Vote**

This item was passed by all Committee Members present.

Director Nguyen abstained on this item.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-8-0176 among the Orange County Transportation Authority, the Orange County Flood Control District, and the California Department of Transportation, in an amount not to exceed \$1,500,000.



**March 2, 2009**

**To:** Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Cooperative Agreement with the Orange County Flood Control District and the California Department of Transportation for the Lewis Channel Improvement Project

**Overview**

The Orange County Transportation Authority proposes to enter into a cooperative agreement with the Orange County Flood Control District and the California Department of Transportation. The agreement defines the terms, conditions, and funding responsibilities for the completion of the improvements to Lewis Channel; conveys property; and identifies long term maintenance. These activities are related to the Garden Grove Freeway (State Route 22) Improvement Project.

**Recommendation**

Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-8-0176 among the Orange County Transportation Authority, the Orange County Flood Control District, and the California Department of Transportation, in an amount not to exceed \$1,500,000.

**Background**

The Garden Grove Freeway (State Route 22) improvements included extensive modifications to the Lewis Channel, owned by the Orange County Flood Control District (OCFCD), because of drainage and right-of-way (ROW) requirements related to the project. A central 1,000-foot portion of this channel was not originally identified for improvements as part of the State Route 22 Improvement Project. In September 2007, staff reported to the Orange County Transportation Authority (Authority) Board of Directors (Board) that further design studies have concluded that improvements were needed along this portion of the channel. These improvements are related to ROW and utility work which was outside of the State Route 22 design-build scope of services. Until these improvements are finished, the Authority remains the permit-holder with

the OCFCD for this portion of the Lewis Channel and is responsible for maintaining and insuring it.

Since these future improvements will affect California Department of Transportation (Caltrans) property, a three-party agreement was proposed between the OCFCD, the Authority, and Caltrans to perform the necessary improvements.

On January 28, 2008, the Authority approved an amendment to the contract with Parsons Transportation Group to commence design of the improvements to the final section of the Lewis Channel. Design was initiated in February 2008, and construction is planned to start in summer 2009 and be completed in late 2009.

***Discussion***

The Authority, OCFCD, and Caltrans have agreed to the terms, conditions, and funding responsibilities for the Lewis Channel Improvement Project related to State Route 22 construction (Attachment A).

A summary of the points in the proposed cooperative agreement is listed below:

The Authority agrees to:

- Fund environmental, design and construction costs for the unimproved reach of the Lewis Channel.
- Pay construction costs, in an amount not to exceed \$1,500,000, for the remaining channel improvements.

The OCFCD agrees to:

- Review the design and award and administer the contract for the construction of the unimproved reach of Lewis Channel.
- Transfer ultimate ownership of property necessary for State Route 22 to Caltrans.

**Cooperative Agreement with the Orange County Flood Control District and the California Department of Transportation for the Lewis Channel Improvement Project** **Page 3**

---

Caltrans agrees to:

- Assume maintenance responsibility of the portion of Lewis Channel within Caltrans ROW, upon transfer of property to Caltrans.
- Enter into a maintenance agreement with the OCFCD for long-term maintenance of this portion of the Lewis Channel within Caltrans ROW.

Fiscal Impact

Cooperative Agreement No. C-8-0176 is included in the Authority's Fiscal Year 2008-09 Budget, Development Division, Account 0010-9017-F7100-KPU, and is funded through the Local Transportation Authority.

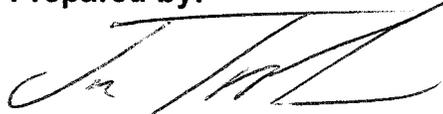
**Summary**

Staff recommends the Board's approval for the Chief Executive Officer to execute a cooperative agreement between the Authority and the OCFCD, in an amount not to exceed \$1,500,000, for the construction and construction management of the Lewis Channel, and Caltrans, for the maintenance and transfer of property for the Lewis Channel, as part of the State Route 22 Improvement Project

**Attachment**

- A. Cooperative Agreement No. C-8-0176 Between the Orange County Transportation Authority, the Orange County Flood Control District, and the California Department of Transportation
- B. Exhibits A through E for Cooperative Agreement No. C-8-0176 Between the Orange County Transportation Authority, the Orange County Flood Control District, and the California Department of Transportation

**Prepared by:**



M. Joseph Toolson  
Program Manager  
(714)-560-5406

**Approved by:**



Kia Mortazavi  
Executive Director, Development  
(714) 560-5741

**COOPERATIVE AGREEMENT**  
**NO. C-8-0176 BETWEEN THE**  
**ORANGE COUNTY TRANSPORTATION**  
**AUTHORITY, THE ORANGE COUNTY**  
**FLOOD CONTROL DISTRICT, AND**  
**THE CALIFORNIA DEPARTMENT OF**  
**TRANSPORTATION**  
**AGREEMENT NO. D03-086**

**ATTACHMENT A**

1 This AGREEMENT is made and entered into and effective this \_\_\_\_ day of \_\_\_\_\_, 2009, BY  
2 and BETWEEN

3  
4  
5 ORANGE COUNTY FLOOD CONTROL DISTRICT,  
6 a body corporate and politic in the State of  
7 California, hereinafter referred to as "DISTRICT",

8 AND

9 ORANGE COUNTY TRANSPORTATION  
10 AUTHORITY, a public corporation of the State of  
11 California, hereinafter referred to as "AUTHORITY",

12 AND

13 STATE OF CALIFORNIA, acting by and through its  
14 Department of Transportation, hereinafter referred  
15 to as "STATE",

16 Which are sometimes individually referred to as "PARTY" or collectively as "PARTIES."

17  
18  
19  
20  
21  
22  
23  
24  
25  
26  

**RECITALS**

27 **WHEREAS**, AUTHORITY, in cooperation with STATE, widened State Route 22 (SR-22)  
28 between State Route 55 and Valley View Street, to add High Occupancy Vehicle (HOV) and auxiliary  
29 lanes, which project is hereinafter referred to as the SR-22 HOV Project; and

30 **WHEREAS**, by the widening of the SR-22 HOV Project, the AUTHORITY is in the process of  
31 acquiring a majority of DISTRICT's fee owned property occupied by the Lewis Storm Channel  
32 (DISTRICT Facility No. C05S11). The property soon to be acquired by the AUTHORITY is located  
33 between the confluence with East Garden Grove-Wintersburg Channel (EGGWC) (DISTRICT Facility  
34 No. C05) and Garden Grove Boulevard and also from approximate SR-22 Highway Station 153+20 to  
35 Metropolitan Drive (generally as shown in Exhibit A), which hereinafter collectively is referred to as  
36 RIGHT-OF-WAY; and

/

1           **WHEREAS**, DISTRICT is willing to convey the RIGHT-OF-WAY to AUTHORITY that enabled  
2 the SR-22 HOV Project to be accomplished in exchange for AUTHORITY constructing the  
3 improvements to the Lewis Storm Channel to convey DISTRICT's approved 100-year discharges.  
4 Some of the improvements have already been constructed and are part of the SR-22 HOV Project.  
5 The constructed improvements include modifications to EGGWC and modifications to portions of Lewis  
6 Storm Channel from its confluence with EGGWC to Metropolitan Drive (generally as shown in Exhibit B,  
7 Sheets 1 and 2), which are hereinafter collectively referred to as DRAINAGE IMPROVEMENTS; and

8           **WHEREAS**, STATE has determined that Government Code does not give STATE the authority  
9 to own or operate flood control facilities but STATE has agreed to maintain the DRAINAGE  
10 IMPROVEMENTS once AUTHORITY conveys the RIGHT-OF-WAY to STATE for the operation of SR-  
11 22 HOV Project and the STATE has an executed maintenance agreement with the DISTRICT; and

12           **WHEREAS**, STATE will issue DISTRICT, which DISTRICT will record, a no-cost longitudinal  
13 encroachment permit in perpetuity for the longitudinal placement of DISTRICT's DRAINAGE  
14 IMPROVEMENTS within the RIGHT-OF-WAY; and

15           **WHEREAS**, the confluence of EGGWC and Lewis Storm Channel can no longer be accessed  
16 from SR-22 due to a new soundwall, DISTRICT will grant STATE access rights for maintenance  
17 purposes within the DRAINAGE IMPROVEMENTS in perpetuity over portions of EGGWC right-of-way  
18 from Garden Grove Boulevard to approximately 1,200 feet south of Garden Grove Boulevard, including  
19 the area over the constructed turn-around needed for the SR-22 HOV Project (generally as shown in  
20 Exhibit C) which is hereinafter referred to as ACCESS RIGHTS; and

21           **WHEREAS**, once the SR-22 HOV Project contractor has been relieved of maintenance  
22 responsibilities for the DRAINAGE IMPROVEMENTS by AUTHORITY, AUTHORITY will be responsible  
23 for maintenance of DRAINAGE IMPROVEMENTS until such time that AUTHORITY conveys RIGHT-  
24 OF-WAY to STATE and there is a longitudinal encroachment permit and an executed maintenance  
25 agreement between STATE and DISTRICT; and

26 /

1           **WHEREAS**, fee ownership of one reach of the Lewis Storm Channel (generally as shown in  
2 Exhibit D) which is hereinafter referred to as UNIMPROVED LEWIS CHANNEL, was not needed to  
3 facilitate the SR-22 widening but was part of SR-22 HOV Project. AUTHORITY agreed to modify this  
4 reach to convey DISTRICT's approved 100-year discharges. The proposed conceptual modification to  
5 be made to this reach was to raise the walls of the open channel. However, during SR-22 HOV Project  
6 construction it was determined that the proposed conceptual modification would not work structurally.  
7 This reach was left unimproved as part of the SR-22 HOV Project but ultimately will be improved under  
8 a project that AUTHORITY agrees to fund via this AGREEMENT; and

9           **WHEREAS**, AUTHORITY agrees to provide the design of the ultimate improvements for the  
10 UNIMPROVED LEWIS CHANNEL in accordance with DISTRICT's standards and criteria; and

11           **WHEREAS**, DISTRICT will perform, without cost to AUTHORITY or STATE, the construction  
12 administration, including advertising, contract award, inspection, and materials testing for the  
13 UNIMPROVED LEWIS CHANNEL; and

14           **WHEREAS**, AUTHORITY or STATE shall certify that the previously adopted SR-22 HOV  
15 Project Environmental Document as administratively amended by AUTHORITY or STATE satisfies the  
16 requirements of CEQA and is approved for the construction of the UNIMPROVED LEWIS CHANNEL  
17 prior to DISTRICT approval of this AGREEMENT; and

18           **WHEREAS**, AUTHORITY's contractor has already completed the construction of the  
19 DRAINAGE IMPROVEMENTS via obtaining encroachment permits (Encroachment Permits) from  
20 DISTRICT; and

21           **WHEREAS**, AUTHORITY and DISTRICT wish to finalize and close these Encroachment  
22 Permits as expeditiously as possible; and

23           **WHEREAS**, the PARTIES are mutually desirous of cooperating to finalize the SR-22 HOV  
24 Project.

25 /  
26 /

1           **NOW, THEREFORE the PARTIES hereto agree as follows:**

2   **1.    PURPOSE**

3           This AGREEMENT, including all attachments, establishes the terms and conditions for:

- 4           (i)     AUTHORITY constructing DRAINAGE IMPROVEMENTS as part of the SR-22 HOV  
5                    Project in exchange for DISTRICT conveying fee owned property necessary to facilitate  
6                    SR-22 HOV Project construction.
- 7           (ii)    DISTRICT to grant fee ownership to AUTHORITY for DISTRICT's Lewis Storm Channel  
8                    RIGHT-OF-WAY property within the designated SR-22 right-of-way for the purpose of  
9                    construction with the understanding that the fee title to said property will be transferred  
10                  to STATE upon completion of DRAINAGE IMPROVEMENTS.
- 11          (iii)   AUTHORITY to be responsible for the maintenance of DRAINAGE IMPROVEMENTS  
12                  until RIGHT-OF-WAY has been transferred from AUTHORITY to STATE and STATE  
13                  has an executed longitudinal encroachment permit and maintenance agreement with the  
14                  DISTRICT.
- 15          (iv)    STATE to be responsible for maintenance of the DRAINAGE IMPROVEMENTS  
16                  constructed within STATE's SR-22 future rights-of-way upon completion of said  
17                  DRAINAGE IMPROVEMENTS once RIGHT-OF-WAY has been transferred from  
18                  AUTHORITY to STATE and STATE has an executed longitudinal encroachment permit  
19                  and maintenance agreement with the DISTRICT.
- 20          (v)     STATE will issue a no-cost longitudinal encroachment permit for the longitudinal  
21                  placement of DISTRICT's DRAINAGE IMPROVEMENTS within the right-of-way in  
22                  perpetuity to DISTRICT over the areas of DRAINAGE IMPROVEMENTS within the  
23                  RIGHT-OF-WAY.
- 24          (vi)    Upon receiving a longitudinal encroachment permit and with an executed Maintenance  
25                  Agreement between the STATE and DISTRICT, DISTRICT will maintain the hydraulic  
26                  capacity of DRAINAGE IMPROVEMENTS at a cost to be agreed to in the Maintenance

1 Agreement, between STATE and DISTRICT, and for so long as STATE reimburses  
2 DISTRICT for its costs.

3 (vii) DISTRICT to grant STATE ACCESS RIGHTS for maintenance purposes in perpetuity  
4 over portions of EGGWC right-of-way from Garden Grove Boulevard to approximately  
5 1,200 feet south of Garden Grove Boulevard, including the area over the constructed  
6 turn-around needed for the SR-22 HOV Project.

7 (viii) AUTHORITY to provide the design Plans, Specifications, and Estimate (PS&E) and fund  
8 the total construction costs of the ultimate improvements for the UNIMPROVED LEWIS  
9 CHANNEL. In addition, AUTHORITY shall be responsible for acquiring any required  
10 temporary construction easements or other temporary rights necessary to facilitate  
11 construction of the UNIMPROVED LEWIS CHANNEL and DISTRICT will perform the  
12 construction administration including advertising, contract award, inspection and  
13 materials testing.

14 (ix) AUTHORITY to be responsible for the maintenance of UNIMPROVED LEWIS  
15 CHANNEL until DISTRICT has a contractor under contract for UNIMPROVED LEWIS  
16 CHANNEL work or until two years after finalization of design PS&E for UNIMPROVED  
17 LEWIS CHANNEL and approval by DISTRICT pursuant to sub-Paragraph 6.b,  
18 whichever date occurs first.

19 **2. PROJECT COORDINATION**

20 a. Director of OC Public Works Department (OCPW), or an authorized designee, hereinafter  
21 referred to as "DIRECTOR-OCPW," shall be DISTRICT's representative in all matters pertaining  
22 to this AGREEMENT.

23 b. Chief Executive Officer of the AUTHORITY, or an authorized designee, hereinafter referred to  
24 as "CEO-OCTA," shall be AUTHORITY's representative in all matters pertaining to this  
25 AGREEMENT.

- 1 c. Director of the Department of Transportation's District 12, or an authorized designee, hereinafter  
2 referred to as "DIRECTOR-Caltrans," shall be STATE's representative in all matters pertaining  
3 to this AGREEMENT.

4 **3. PERIOD OF PERFORMANCE**

5 The term of this AGREEMENT shall commence upon its execution by the DISTRICT's Board of  
6 Supervisors (which execution shall occur after execution of this AGREEMENT by AUTHORITY and  
7 STATE), and shall, with the exception of sub-Paragraphs 5.a.,5.c., 5.d., 5.e., and 6.d and Paragraphs  
8 10, 13, 15 and 17 below, terminate upon STATE's acceptance from AUTHORITY of the SR-22 RIGHT-  
9 OF-WAY necessary to maintain the DRAINAGE IMPROVEMENTS and an executed longitudinal  
10 encroachment permit and maintenance agreement between STATE and DISTRICT for maintenance of  
11 the DRAINAGE IMPROVEMENTS; and completion and acceptance of the ultimate improvements of  
12 the UNIMPROVED LEWIS CHANNEL by DISTRICT.

13 **4. RESPONSIBILITIES OF AUTHORITY**

14 AUTHORITY agrees to the following responsibilities:

- 15 a. Act as Lead Agency for the purpose of implementing the SR-22 HOV Project, including the  
16 necessary DRAINAGE IMPROVEMENTS, by preparing an addendum to the previously adopted  
17 Environmental Document, if required, and certifying that the requirements of CEQA are satisfied  
18 and is approved for Project construction, and obtaining needed clearances and permits from  
19 regulatory agencies, and others. AUTHORITY shall provide PS&E (including but not limited to  
20 Plans, Specifications, Cost Estimates, and any necessary information for completion of  
21 DISTRICT's bid package), hydraulic calculations, pertinent engineering and geotechnical  
22 information, and reports for the ultimate improvements for the UNIMPROVED LEWIS  
23 CHANNEL for DISTRICT to incorporate with the bid package. In addition, AUTHORITY will be  
24 responsible for processing all environmental documents and obtaining necessary permits from  
25 regulatory agencies for the UNIMPROVED LEWIS CHANNEL.

- 1 b. Funding and managing the design of UNIMPROVED LEWIS CHANNEL, processing all  
2 environmental documents and obtaining needed clearances and permits from regulatory  
3 agencies and others, and being responsible for modifications, relocations, or reconstruction of  
4 utilities to facilitate construction of UNIMPROVED LEWIS CHANNEL.
- 5 c. Deposit with DISTRICT, prior to bid opening and upon receipt of invoice from DISTRICT, fifty  
6 percent (50%) of Engineer's Estimate for construction costs associated with UNIMPROVED  
7 LEWIS CHANNEL. After DISTRICT successfully bids a construction contract (per the California  
8 Public Contract Code) for the UNIMPROVED LEWIS CHANNEL, DISTRICT will send a copy of  
9 the DISTRICT's Construction Agreement to AUTHORITY. After AUTHORITY receives, reviews  
10 and approves of such written documentation for the contract cost (CONTRACT COST),  
11 AUTHORITY shall deposit such amount, and an additional ten (10%) percent contingency,  
12 minus any monies deposited previously, with DISTRICT within thirty (30) calendar days of the  
13 receipt of a request for payment/invoice from DISTRICT. The total amount deposited shall not  
14 exceed One Million Five Hundred Thousand Dollars (\$1,500,000).
- 15 d. Have the PS&E prepared for the ultimate channel improvements for the UNIMPROVED LEWIS  
16 CHANNEL in accordance with current criteria and standards of DISTRICT, including, but not  
17 limited to, the *Orange County Hydrology Manual* and *Orange County Flood Control District*  
18 *Design Manual* in effect at the time that the UNIMPROVED LEWIS CHANNEL is constructed.
- 19 e. Prepare the ultimate design PS&E of the channel improvements for the UNIMPROVED LEWIS  
20 CHANNEL to assure that the Lewis Storm Channel will be capable of conveying DISTRICT's  
21 approved 100-year discharges in accordance with current DISTRICT criteria and standards.
- 22 f. At no cost to DISTRICT, prepare and submit for review by STATE and DISTRICT, those  
23 documents needed for the transfer of RIGHT-OF-WAY from DISTRICT to AUTHORITY for the  
24 constructed SR-22 HOV Project in accordance with this Section 4.
- 25 g. Submit the ultimate channel improvements for the UNIMPROVED LEWIS CHANNEL PS&E  
26 together with all required hydraulic calculations, structural calculations, pertinent engineering

1 and geotechnical information; and reports to DISTRICT for review and written approval.

2 h. Convey to STATE that RIGHT-OF-WAY transferred by the DISTRICT to AUTHORITY  
3 necessary for STATE's operation of SR-22.

4 i. Be responsible for the maintenance of DRAINAGE IMPROVEMENTS beginning when the  
5 DRAINAGE IMPROVEMENTS are accepted by AUTHORITY from the SR-22 HOV Project  
6 contractor until the DISTRICT has accepted the DRAINAGE IMPROVEMENTS as provided for  
7 in section 6d below.

8 j. Be responsible for the maintenance of UNIMPROVED LEWIS CHANNEL until (1) DISTRICT  
9 has a contractor under contract or, (2) until two years after finalization of design PS&E for  
10 UNIMPROVED LEWIS CHANNEL and the PS&E have been approved by DISTRICT pursuant  
11 to sub-Paragraph 6.b of this AGREEMENT, including receipt of all project approvals including  
12 but not limited to environmental documents and regulatory permits, whichever date occurs first.

13 k. Provide DISTRICT:

14 (i) One set of reproducible Mylar construction "Record Drawings" of DRAINAGE  
15 IMPROVEMENTS and UNIMPROVED LEWIS CHANNEL;

16 (ii) Design plans and computations for DRAINAGE IMPROVEMENTS in an electronic format  
17 compatible with DISTRICT's current version of Bentley Microstation.

18 l. Acquiring any required right-of-way, temporary construction easements, and encroachment  
19 permits that are necessary to facilitate construction of the UNIMPROVED LEWIS CHANNEL

20 m. Ensure the design engineer preparing the ultimate improvements for the UNIMPROVED LEWIS  
21 CHANNEL remains under contract with AUTHORITY during construction to provide construction  
22 support, if needed.

23 n. AUTHORITY may at its discretion, and at no cost to DISTRICT and STATE, furnish a resident  
24 engineer/construction inspector during construction of the UNIMPROVED LEWIS CHANNEL to  
25 observe the contractor's performance of the work. AUTHORITY shall be entitled to consult and  
26 cooperate with DISTRICT'S resident engineer to ensure conformance of the work to the

1 UNIMPROVED LEWIS CHANNEL approved plans and specifications and provide review and  
2 approval of any change orders within two (2) days upon request from DISTRICT. If  
3 AUTHORITY chooses at its discretion not to provide a resident engineer/construction inspector  
4 for UNIMPROVED LEWIS CHANNEL, AUTHORITY's contact person for this AGREEMENT  
5 shall coordinate AUTHORITY's review and approval of all contract change orders (CCO's) that  
6 conform to paragraph (o) within two (2) days upon receipt from DISTRICT .

- 7 o. Subject to this AGREEMENT, AUTHORITY shall be responsible for payment of all approved  
8 CCO's for the UNIMPROVED LEWIS CHANNEL. Any CCO's greater than fifteen thousand  
9 dollars (\$15,000) requires AUTHORITY's review and approval prior to execution and  
10 implementation by the DISTRICT'S contractor. Total project costs, which include all approved  
11 CCO's, shall not exceed One Million Five Hundred Thousand Dollars (\$1,500,000) without  
12 written amendment to this AGREEMENT. In the event that the amounts deposited to DISTRICT  
13 pursuant to Section 4.c. above are not adequate to cover all CCO's, AUTHORITY shall have 15  
14 days to review all subsequent CCO's, regardless of the CCO amount, and after approval shall  
15 deposit additional amounts within 5 days to DISTRICT to cover the approved CCO's. Any costs  
16 exceeding the maximum obligation of this AGREEMENT require prior approval of the  
17 AUTHORITY Board of Directors. Because STATE has no obligations under this AGREEMENT  
18 to fund any portion of the construction of UNIMPROVED LEWIS CHANNEL, any amendment to  
19 this AGREEMENT whose sole purpose and effect is to increase AUTHORITY's maximum  
20 financial obligation for the construction of UNIMPROVED LEWIS CHANNEL may be executed  
21 by the AUTHORITY's Board and DIRECTOR-OCPW and does not need to be executed by  
22 STATE. STATE, however, shall be notified of and provided a copy of any such amendments.

23 **5. RESPONSIBILITIES OF STATE**

24 STATE agrees to the following responsibilities:

- 25 a. STATE, in its capacity as the designated owner of RIGHT-OF-WAY transferred from  
26 AUTHORITY, will issue permanent no-cost longitudinal encroachment permit to the DISTRICT

1 whose terms will be consistent with the terms of this AGREEMENT. This permit will authorize  
2 the use of the State's right of way for the DRAINAGE IMPROVEMENTS and will contain other  
3 terms and conditions including maintenance access rights. STATE will also execute a  
4 maintenance agreement with DISTRICT under which the DISTRICT will undertake the  
5 maintenance of the DRAINAGE IMPROVEMENTS and will establish STATE's obligation to  
6 reimburse DISTRICT for DISTRICT's costs in maintaining the hydraulic capacity of the  
7 DRAINAGE IMPROVEMENTS as constructed. This maintenance agreement will also include  
8 terms and conditions governing the STATE's fiscal responsibility for any future relocation of  
9 DRAINAGE IMPROVEMENTS if required by STATE operations or a future rearrangement of  
10 the STATE Highway.

11 b. Upon acceptance of the DRAINAGE IMPROVEMENTS by DISTRICT, STATE shall be  
12 responsible for the structural integrity of the DRAINAGE IMPROVEMENTS. Notwithstanding  
13 the foregoing, STATE will not be responsible for any future upgrades or improvements to the  
14 DRAINAGE IMPROVEMENTS as may be required by DISTRICT to increase the hydraulic  
15 capacity. Maintenance of hydraulic capacity shall include, but shall not be limited to, the  
16 removal of debris and sediment as needed on a schedule to be determined by DISTRICT so as  
17 to maintain the hydraulic capacity of DRAINAGE IMPROVEMENTS to convey flows from the  
18 design event. The PARTIES to this AGREEMENT recognize that STATE and DISTRICT have  
19 no operational control in regards to water quality, quantity, debris and other material that may  
20 pass from DISTRICT's system upstream into the DRAINAGE IMPROVEMENTS and return to  
21 the downstream DISTRICT system.

22 c. STATE has not designed, sized or otherwise calculated the necessary capacity of DISTRICT's  
23 100-year Flood events nor has STATE participated in the design or construction of the  
24 DRAINAGE IMPROVEMENTS, which work was performed by AUTHORITY's design consultant  
25 pursuant to review and approval by DISTRICT.  
26

1 d. Upon acceptance of the DRAINAGE IMPROVEMENTS by DISTRICT, STATE will be  
2 responsible for the maintenance of DRAINAGE IMPROVEMENTS. STATE may comply with its  
3 maintenance obligations by entering into a maintenance agreement with the DISTRICT whereby  
4 DISTRICT will undertake hydraulic capacity maintenance responsibilities for the DRAINAGE  
5 IMPROVEMENTS subject to STATE reimbursement of invoices from DISTRICT. STATE will  
6 also grant DISTRICT a longitudinal encroachment permit for the DRAINAGE IMPROVEMENTS  
7 STATE agrees that DISTRICT's obligations related to the maintenance of the DRAINAGE  
8 IMPROVEMENTS shall only be those obligations contained in the maintenance agreement and  
9 shall continue only for so long as that maintenance agreement remains in effect and for so long  
10 as DISTRICT is reimbursed by the STATE. If the maintenance agreement terminates for any  
11 reason or if STATE fails to include appropriations to reimburse DISTRICT in accordance with  
12 the terms of the maintenance agreement, responsibility for the hydraulic maintenance of the  
13 DRAINAGE IMPROVEMENTS shall remain with STATE.

14 e. In the event of any future upgrades or improvements, as stated in Section 5, of DRAINAGE  
15 IMPROVEMENTS by DISTRICT, that duty to maintain those modified portions of the  
16 DRAINAGE IMPROVEMENTS shall revert from STATE to DISTRICT or to the entity causing  
17 such modification.

18 f. STATE reimbursement obligations under the maintenance agreement are not funded under this  
19 AGREEMENT and these obligations are dependent and conditional upon the passage of the  
20 Annual State Budget Act and allocation of sufficient resources by the California Transportation  
21 Commission. STATE shall immediately notify DISTRICT if STATE fails to include adequate  
22 appropriations in any year's Annual State Budget to cover its on-going obligations under this  
23 AGREEMENT and or any Maintenance Agreement. DISTRICT's obligations under the  
24 Maintenance Agreement shall immediately terminate upon approval of such Annual State  
25 Budget.

1 **6. RESPONSIBILITIES OF DISTRICT**

2 DISTRICT agrees with the following responsibilities:

3 a. Provide construction administration, without cost to AUTHORITY or STATE, including, but not  
4 limited to advertising, bidding, contract award, inspection, and materials testing for the  
5 UNIMPROVED LEWIS CHANNEL.

6 b. Review and approve the submitted PS&E by AUTHORITY, including but not limited to,  
7 hydraulic calculations, pertinent engineering and geotechnical information, and reports for the  
8 ultimate improvements for the UNIMPROVED LEWIS CHANNEL subject to the following terms  
9 and conditions:

10 i. DISTRICT's approval will not be unreasonably withheld. The determination that the bid  
11 package is satisfactory and the approval of all PS&E and other pertinent documents per  
12 Section 4a above for the UNIMPROVED LEWIS CHANNEL, shall be within DIRECTOR-  
13 OCPW's sole and absolute discretion.

14 ii. DISTRICT will not assess review fees for PS&E and documents associated with  
15 UNIMPROVED LEWIS CHANNEL, which are submitted by the AUTHORITY and or its  
16 design consultants to the DISTRICT for review and approval.

17 iii. DISTRICT'S approval of the DRAINAGE IMPROVEMENT and ultimate improvements for  
18 the UNIMPROVED LEWIS CHANNEL PS&E shall not be deemed approval from the  
19 standpoint of structural safety, suitability for purpose or conformance with building or other  
20 codes or other governmental requirements. DISTRICT is not responsible for design,  
21 assumptions or accuracy of DRAINAGE IMPROVEMENT and ultimate improvements for  
22 the UNIMPROVED LEWIS CHANNEL PS&E. DISTRICT and STATE will rely on the  
23 professional expertise of AUTHORITY's design consultant when reviewing or approving  
24 DRAINAGE IMPROVEMENT PS&E and other submittals related to the SR-22 HOV  
25 Project.

1 iv. DISTRICT's approval of the PS&E and other pertinent documents per Section 4a above  
2 for the UNIMPROVED LEWIS CHANNEL will not be granted until AUTHORITY obtains all  
3 necessary project approvals including but not limited to environmental documents, utility  
4 relocations, right-of-way acquisition, and regulatory permits.

5 c. Grant AUTHORITY and STATE the following interest in DISTRICT's real property:

6 i. DISTRICT will grant to AUTHORITY the DISTRICT's RIGHT-OF-WAY for Lewis Storm  
7 Channel as generally shown in Exhibit A RIGHT-OF-WAY.

8 ii. DISTRICT will grant STATE ACCESS RIGHTS in perpetuity over portions of EGGWC  
9 right-of-way from Garden Grove Boulevard to approximately 1,200 feet south of Garden  
10 Grove Boulevard, including the area over the proposed turn-around to allow for access to  
11 DRAINAGE IMPROVEMENTS for maintenance. These ACCESS RIGHTS shall be  
12 granted substantially in the form of Exhibit C.

13 d. DISTRICT will continue to own and operate all portions of Lewis Storm Channel and EGGWC  
14 inside DISTRICT's right-of-way. Upon acceptance of the DRAINAGE IMPROVEMENTS by  
15 DISTRICT, DISTRICT will own and operate the DRAINAGE IMPROVEMENTS located on  
16 STATE right-of-way pursuant to a longitudinal encroachment PERMIT granted by STATE.  
17 DISTRICT will accept the DRAINAGE IMPROVEMENTS once the sewer line located within the  
18 DRAINAGE IMPROVEMENTS has been relocated and all other items on the DISTRICT's punch  
19 list have been corrected. Upon acceptance of the DRAINAGE IMPROVEMENTS by DISTRICT,  
20 STATE will be responsible for the maintenance of the hydraulic capacity of the DRAINAGE  
21 IMPROVEMENTS, DISTRICT agrees to enter into a maintenance agreement with STATE as  
22 provided for in Section 5 above. DISTRICT will continue (pursuant to grant of longitudinal  
23 encroachment PERMIT and via a separate maintenance agreement between DISTRICT and  
24 STATE) to own and operate the DRAINAGE IMPROVEMENTS. DISTRICT's and STATE's  
25 responsibilities for maintenance of DRAINAGE IMPROVEMENTS will be in accordance with  
26 Section 5.

- 1 e. In the event of any future upgrades or improvements, as stated in Section 5, of DRAINAGE  
2 IMPROVEMENTS by DISTRICT, that duty to maintain those modified portions of the  
3 DRAINAGE IMPROVEMENTS shall revert from STATE to DISTRICT or to the entity causing  
4 such modification.
- 5 f. DISTRICT shall manage construction cost as prescribed in this AGREEMENT. After DISTRICT  
6 successfully bids a construction contract (per the California Public Contract Code) for the  
7 UNIMPROVED LEWIS CHANNEL, DISTRICT will send a copy of the DISTRICT's Construction  
8 Agreement to AUTHORITY. After AUTHORITY receives, reviews and approves of such written  
9 documentation for the CONTRACT COST, AUTHORITY shall deposit an amount in accordance  
10 with the provisions of Section 4c above. AUTHORITY's deposit will be a portion of the total cost  
11 of the UNIMPROVED LEWIS CHANNEL. Final CONTRACT COST will be determined at the  
12 close of the DISTRICT construction contract. Total project costs, including all approved CCO's,  
13 shall not exceed One Million Five Hundred Thousand Dollars (\$1,500,000) without written  
14 amendment to this AGREEMENT. Because STATE has no obligations under this  
15 AGREEMENT to fund any portion of the construction of UNIMPROVED LEWIS CHANNEL, any  
16 amendment to the AGREEMENT whose sole purpose and effect is to increase AUTHORITY's  
17 maximum financial obligation for the construction of UNIMPROVED LEWIS CHANNEL may be  
18 executed by the AUTHORITY's Board and DIRECTOR-OCPW and does not need to be  
19 executed by STATE. STATE, however, shall be notified of and provided a copy of any such  
20 amendments.
- 21 g. After completion of the UNIMPROVED LEWIS CHANNEL, DISTRICT shall provide to  
22 AUTHORITY a final written cost accounting report, which shall include initial CONTRACT COST  
23 and all, approved CCO's. If the report indicates that CONTRACT COST and approved CCO's  
24 were greater than those amounts previously deposited with DISTRICT, AUTHORITY shall pay  
25 DISTRICT the difference (amount under paid by AUTHORITY) within thirty (30) calendar days  
26 from receipt of DISTRICT written cost accounting report and receipt of DISTRICT invoice by

1 AUTHORITY. If the report indicates that the amount initially deposited with DISTRICT is greater  
2 than initial CONTRACT COST and all approved CCO's, then DISTRICT shall pay AUTHORITY  
3 the difference (amount over paid by AUTHORITY) within thirty (30) days from approval of the  
4 cost accounting report. Total project costs, including all approved CCO's, shall not exceed One  
5 Million Five Hundred Thousand Dollars (\$1,500,000) without written amendment to this  
6 Agreement.

7 **7. CONSTRUCTION CLAIMS**

8 The District shall resolve construction contracts claims for the UNIMPROVED LEWIS CHANNEL, in  
9 accordance with the District's claims resolution process.

10 **8. NOTICES**

11 a. Notices or other communications which may be required or provided under the terms of this  
12 AGREEMENT shall be given as follows:

13 **DISTRICT:** Director  
14 OC PUBLIC WORKS  
15 County of Orange  
16 300 North Flower Street  
17 Santa Ana, CA 92703  
18 Facsimile No. (714) 834-2395

17 **AUTHORITY:** Chief Executive Officer  
18 ORANGE COUNTY TRANSPORTATION AUTHORITY  
19 550 South Main Street  
20 PO Box 14184  
21 Orange, CA 92863-1584  
22 Facsimile No. (714) 560-5983

20 **STATE:** Director  
21 DEPARTMENT OF TRANSPORTATION, DISTRICT 12  
22 3337 Michelson Drive, Suite 380  
23 Irvine, CA 92612-8894  
24 Facsimile No. (949) 724-2019

23 b. All notices shall be in writing and deemed effective when delivered in person or deposited in the  
24 United States mail, first class, postage prepaid and addressed as above. Notwithstanding the  
25 above, PARTIES may also provide notices by facsimile transmittal, and any such notice so  
26 given shall be deemed to have been given upon receipt during normal business hours or in the

1 event of receipt after business hours, the following business day. Any notices, correspondence,  
2 reports and/or statements authorized or required by this AGREEMENT, addressed in any other  
3 fashion shall be deemed not given.

- 4 c. Any PARTY hereto may change its address to which notices are to be sent by giving notice of  
5 such change to the other PARTIES.

6 **9. TERMINATION**

7 Except as herein provided, this AGREEMENT will, with the exception of sub-Paragraph 5.a.,  
8 5.c., 5.d., 5.e. and 6.d and Paragraphs 10, 13, 15, and 17 herein, terminate upon STATE's acceptance  
9 from AUTHORITY of the SR-22 RIGHT-OF-WAY necessary to maintain the DRAINAGE  
10 IMPROVEMENTS and a longitudinal encroachment permit and a maintenance agreement is executed  
11 between STATE and DISTRICT for maintenance of the DRAINAGE IMPROVEMENTS; and the  
12 ultimate improvements for the UNIMPROVED LEWIS CHANNEL are completed and accepted by  
13 DISTRICT. All contractual commitments regarding ownership, operation and maintenance of the  
14 DRAINAGE IMPROVEMENTS and UNIMPROVED LEWIS CHANNEL as well as the indemnification  
15 provisions of this AGREEMENT shall survive the termination of this AGREEMENT unless amended in  
16 writing by the PARTIES.

17 **10. INDEMNIFICATIONS**

- 18 a. AUTHORITY hereby agrees to indemnify, defend with counsel approved in writing by  
19 DISTRICT, and to hold harmless DISTRICT and County of Orange ("COUNTY") and their  
20 elected and appointed officials, employees, agents and contractors (collectively, the  
21 "DISTRICT/COUNTY INDEMNITEES"), and each of them, and its and their property from all  
22 loss, injury, liability, damages, claims, costs and expenses, whether incurred by or made against  
23 DISTRICT, COUNTY, DISTRICT/COUNTY INDEMNITEES, including attorneys' fees and court  
24 costs, arising out of (i) breach of this AGREEMENT by AUTHORITY, (ii) the willful misconduct  
25 or negligent acts or omissions of AUTHORITY and/or the AUTHORITY INDEMNITEES in  
26 connection with a) AUTHORITY's performance of or failure to perform its maintenance

1 responsibilities of UNIMPROVED LEWIS CHANNEL as stated in paragraph j of SECTION 4.  
2 RESPONSIBILITIES of AUTHORITY, b) AUTHORITY's preparation of PS&E, hydraulic  
3 calculations, pertinent engineering and geotechnical information, and reports for the ultimate  
4 improvements for the UNIMPROVED LEWIS CHANNEL with respect to DISTRICT's 100 year  
5 storm flows, c) any construction delay due to AUTHORITY's funding of design and construction  
6 of the UNIMPROVED LEWIS CHANNEL and retention of designer throughout , d) any delay in  
7 construction due to AUTHORITY's failure to acquire necessary Temporary Construction  
8 Easements (TCEs), encroachment permits and perform necessary utility relocation as required  
9 under this AGREEMENT, provided however, that nothing contained in this subparagraph shall  
10 operate to relieve DISTRICT,COUNTY or DISTRICT/COUNTY INDEMNITEES from any loss,  
11 injury, liability, damages, claims, costs or expenses to the extent determined by a court of  
12 competent jurisdiction to have been proximately caused by the willful misconduct or negligent  
13 acts of DISTRICT, COUNTY or DISTRICT/COUNTY INDEMNITEES or any of them.

14 b. AUTHORITY hereby agrees to indemnify, defend with counsel approved in writing by STATE,  
15 and to hold harmless STATE and its elected and appointed officials, employees, agents and  
16 contractors (collectively, the "STATE INDEMNITEES"), and each of them, and its and their  
17 property from all loss, injury, liability, damages, claims, costs and expenses, whether incurred  
18 by or made against STATE or STATE INDEMNITEES, including attorneys' fees and court costs,  
19 arising out of (i) breach of this AGREEMENT by AUTHORITY, (ii) the willful misconduct or  
20 negligent acts or omissions of AUTHORITY and/or the AUTHORITY INDEMNITEES in  
21 connection with a) AUTHORITY's responsibility for the maintenance of DRAINAGE  
22 IMPROVEMENTS as stated in paragraph i. of SECTION 4. RESPONSIBILITIES of  
23 AUTHORITY, b) AUTHORITY's conveyance of the RIGHT-OF-WAY to STATE, provided,  
24 however, that nothing contained in this subparagraph shall operate to relieve STATE or STATE  
25 INDEMNITEES from any loss, injury, liability, damages, claims, costs or expenses to the extent  
26 determined by a court of competent jurisdiction to have been proximately caused by the willful

1 misconduct or active negligent acts or omissions of STATE or STATE INDEMNITEES or any of  
2 them.

3 c. DISTRICT hereby agrees to indemnify, defend with counsel approved in writing by  
4 AUTHORITY, and to hold harmless AUTHORITY and its elected and appointed officials,  
5 employees, agents and contractors (collectively, the "AUTHORITY INDEMNITEES"), and each  
6 of them, and its and their property from all loss, injury, liability, damages, claims, costs and  
7 expenses, whether incurred by or made against AUTHORITY or AUTHORITY INDEMNITEES,  
8 including attorneys' fees and court costs, arising out of (i) breach of this AGREEMENT by  
9 DISTRICT or (ii) the willful misconduct or negligent acts or omissions of DISTRICT, COUNTY or  
10 the DISTRICT/COUNTY INDEMNITEES in connection with a) DISTRICT's failure to issue of  
11 Access Rights to STATE to maintain DRAINAGE IMPROVEMENTS, as defined in the  
12 RECITALS, b) Any claims arising from the construction of UNIMPROVED LEWIS CHANNEL  
13 against AUTHORITY due to DISTRICT's administration of contract and construction of the  
14 UNIMPROVED LEWIS CHANNEL per the approved PS&E, provided however that nothing  
15 contained in this subparagraph shall operate to relieve AUTHORITY from any loss, injury,  
16 liability, damages, claims, costs or expenses to the extent determined by a court of competent  
17 jurisdiction to have been proximately caused by the willful misconduct or negligent acts or  
18 omissions of AUTHORITY or AUTHORITY INDEMNITEES or any of them.

19 d. DISTRICT hereby agrees to indemnify, defend with counsel approved in writing by STATE, and  
20 to hold harmless STATE and STATE INDEMNITEES, and each of them, and its and their  
21 property from all loss, injury, liability, damages, claims, costs and expenses, whether incurred  
22 by or made against STATE or STATE INDEMNITEES, including attorneys' fees and court costs,  
23 arising out of (i) breach of this AGREEMENT by DISTRICT or (ii) the willful misconduct or  
24 negligent acts or omissions of DISTRICT, COUNTY or the DISTRICT/COUNTY INDEMNITEES  
25 in connection with a) liability arising from DISTRICT's failure to issue of Access Rights to  
26 STATE to maintain DRAINAGE IMPROVEMENTS as required by this Agreement, b) any claims

1 against STATE related to the construction of UNIMPROVED LEWIS CHANNEL arising from  
2 DISTRICT's administration of contract and construction of the UNIMPROVED LEWIS  
3 CHANNEL per the approved PS&E, provided however, that nothing contained in this  
4 subparagraph shall operate to relieve STATE from any loss, injury, liability, damages, claims,  
5 costs or expenses to the extent determined by a court of competent jurisdiction to have been  
6 proximately caused by the willful misconduct or active negligent acts or omissions of STATE or  
7 STATE INDEMNITEES or any of them.

8 e. STATE hereby agrees to indemnify, defend with counsel selected by AUTHORITY , and to hold  
9 harmless AUTHORITY and AUTHORITY INDEMNITEES and each of them, and its and their  
10 property from all loss, injury, liability, damages, claims, costs and expenses, whether incurred  
11 by or made against AUTHORITY or AUTHORITY INDEMNITEES, including attorneys' fees and  
12 court costs, arising out of (i) a material breach of this AGREEMENT by STATE or (ii) the willful  
13 misconduct or negligent acts or omissions of STATE or the STATE INDEMNITEES in  
14 connection with a) STATE's issuance of longitudinal encroachment permit and maintenance  
15 agreement to maintain DRAINAGE IMPROVEMENTS, b) STATE's responsibility of maintaining  
16 the DRAINAGE IMPROVEMENTS along the SR-22 future RIGHT-OF-WAY, c) STATE's  
17 responsibility to fund maintenance of DRAINAGE IMPROVEMENTS as agreed upon by STATE  
18 and DISTRICT, exclusive of this AGREEMENT, provided, however, that nothing contained in  
19 this subparagraph shall operate to relieve AUTHORITY or AUTHORITY INDEMNITEES from  
20 any loss, injury, liability, damages, claims, costs or expenses to the extent determined by a  
21 court of competent jurisdiction to have been proximately caused by the willful misconduct or  
22 negligent acts or omissions of AUTHORITY or AUTHORITY INDEMNITEES, or any of them.

23 f. STATE hereby agrees to indemnify, defend with counsel selected by DISTRICT, release and  
24 hold harmless DISTRICT and COUNTY and DISTRICT/COUNTY INDEMNITEES and each of  
25 them, and their property from all loss, injury, liability, damages, claims, costs and expenses,  
26 whether incurred by or made against DISTRICT, COUNTY OR DISTRICT/COUNTY

1 INDEMNITEES, including attorneys' fees and court costs, arising out of (i) a material breach of  
2 this AGREEMENT by STATE or (ii) the willful misconduct or negligent acts or omissions of  
3 STATE or the STATE INDEMNITEES in connection with a) STATE's performance of or failure  
4 to perform its maintenance responsibilities of the DRAINAGE IMPROVEMENTS along the SR-  
5 22 future RIGHT-OF-WAY, Nothing contained in this subparagraph shall operate to relieve  
6 DISTRICT or COUNTY or DISTRICT/COUNTY INDEMNITEES from any loss, injury, liability,  
7 damages, claims, costs or expenses to the extent determined by a court of competent  
8 jurisdiction to have been proximately caused by the willful misconduct or negligent acts of  
9 DISTRICT or COUNTY or DISTRICT/COUNTY INDEMNITEES, or any of them.

10 **11. INSURANCE REQUIREMENTS**

- 11 a. Once responsibility for DRAINAGE IMPROVEMENTS transfers from AUTHORITY's SR-22  
12 HOV Project contractor to AUTHORITY, the AUTHORITY will maintain required insurance until  
13 the DRAINAGE IMPROVEMENTS are accepted by the STATE pursuant to the terms of this  
14 AGREEMENT. For the UNIMPROVED LEWIS CHANNEL, the insurance will be maintained by  
15 the AUTHORITY until such time that DISTRICT has a contractor under contract to construct  
16 UNIMPROVED LEWIS CHANNEL or until two years after finalization of the PS&E for  
17 UNIMPROVED LEWIS CHANNEL and approval by DISTRICT pursuant to sub-Paragraph 6.b of  
18 this AGREEMENT, whichever date occurs first.
- 19 b. The AUTHORITY developed PS&E package for the UNIMPROVED LEWIS CHANNEL shall  
20 require that the DISTRICT's contractor for construction of the UNIMPROVED LEWIS CHANNEL  
21 maintain insurance as detailed below. Once the DISTRICT's contractor has provided the  
22 required insurance levels as specified below the AUTHORITY will be released of its insurance  
23 requirements.
- 24 c. All insurance policies required by this AGREEMENT shall declare any deductible or self-insured  
25 retention (SIR). The maximum deductible amount shall be \$25,000 for general liability and  
26 \$5,000 for automobile liability or as stated on a PARTY's SIR. AUTHORITY's contractor for

1 DRAINAGE IMPROVEMENTS, the AUTHORITY, or DISTRICT's contractor for UNIMPROVED  
2 LEWIS CHANNEL shall be responsible for reimbursement of any deductible to the insurer. Any  
3 SIR or deductibles shall be clearly stated on the Certificate of Insurance. "Fronted Deductibles,"  
4 where the insurance company steps in from the first dollar of loss and is reimbursed by the  
5 insured, are acceptable. Written documentation from the contractor's insurance agent or broker  
6 is required to verify this type of deductible.

7 d. The AUTHORITY shall cause its Architect/Engineer (A/E) preparing the PS&E for  
8 UNIMPROVED LEWIS CHANNEL developed to maintain insurance as detailed below. The  
9 professional liability clause shall include a Discovery Clause or its equivalent stating that claims  
10 made following insurance policy expiration if A&E gives written notice of a claim to the insurer.  
11 AUTHORITY shall require A/E to maintain Professional Liability coverage for a minimum of two  
12 (2) years following the completion of the contract.

13 e. If AUTHORITY or its contractor fails to maintain insurance acceptable to DISTRICT for the full  
14 term of this AGREEMENT, DISTRICT may terminate this AGREEMENT.

15 **Qualified Insurer**

- 16 1. The policy or policies of insurance must be issued by an insurer licensed to do business in the  
17 state of California (California Admitted Carrier) or proof of self-insurance acceptable to all  
18 parties.
- 19 2. Minimum insurance company ratings as determined by the most current edition of the **Best's**  
20 **Key Rating Guide/Property-Casualty/United States or ambest.com** shall be A- (Secure  
21 Best's Rating) and VIII (Financial Size Category).
- 22 3. If the carrier is a non-admitted carrier in the state of California, the PARTIES retain the right to  
23 approve or reject carrier after a review of the company's performance and financial ratings.
- 24 4. All insurance policies or self-insurance required by this AGREEMENT shall waive all rights of  
25 subrogation against the PARTIES, County of Orange and members of their Board of  
26 Supervisors, its elected and appointed officials, officers, agents and employees when acting

1 within the scope of their appointment or employment.

- 2 5. The policy or policies of insurance or self-insurance maintained by the PARTIES, or any  
3 contractor shall provide the minimum limits and coverage as set forth below:

4 <u>Coverage</u>	<u>Minimum Limits</u>
5 Commercial General Liability including broad 6 form property damage, operations, products, 7 completed operations, contractual liability, and XCU (explosion, collapse and underground property damage hazards)	\$1,000,000 combined single limit per occurrence \$2,000,000 project specific aggregate
8 Automobile Liability including coverage 9 for owned, non-owned and hired vehicles	\$1,000,000 combined single limit per occurrence
10 Workers' Compensation 11 Employers' Liability Insurance	Statutory Including a waiver of subrogation \$1,000,000 per occurrence
12 Builder's Risk Policy	When required, as specified below
13 Professional Liability	\$1,000,000 per claims made

- 14 f. The AUTHORITY, the AUTHORITY INDEMNITEES, STATE and the STATE INDEMNITEES,  
15 shall be added as additional insured on all insurance policies or self-insurance required by this  
16 AGREEMENT with respect to work done by DISTRICT under the terms of this AGREEMENT  
17 (except Workers' Compensation/Employers' Liability and Professional Liability). An additional  
18 insured endorsement evidencing that AUTHORITY, AUTHORITY INDEMNITEES, STATE and  
19 the STATE INDEMNITEES are insureds shall accompany the Certificate of Insurance. The  
20 inclusion of AUTHORITY, AUTHORITY INDEMNITEES, STATE and the STATE INDEMNITEES  
21 as insureds shall not affect any right, which such organization would have as a claimant if not so  
22 included.

- 23 g. The DISTRICT, DISTRICT INDEMNITEES, STATE and the STATE INDEMNITEES, and the  
24 County of Orange, shall be added as additional insured on all insurance policies or self-  
25 insurance required by this AGREEMENT with respect to work done by AUTHORITY under the  
26 terms of this AGREEMENT (except Workers' Compensation/Employers' Liability and

1 Professional Liability). An additional insured endorsement evidencing that DISTRICT,  
2 DISTRICT INDEMNITEES, STATE and the STATE INDEMNITEES, and the County of Orange  
3 are insureds shall accompany the Certificate of Insurance. The inclusion of DISTRICT,  
4 DISTRICT INDEMNITEES, STATE and the STATE INDEMNITEES, and the County of Orange,  
5 as insureds shall not affect any right, which such organization would have as a claimant if not so  
6 included.

7 h. All insurance policies or self-insurance required by this AGREEMENT to be maintained by  
8 AUTHORITY shall be primary insurance, and any insurance or self-insurance maintained by  
9 DISTRICT and the County of Orange shall be excess and non-contributing with insurance or  
10 self-insurance provided by these policies. An endorsement evidencing that AUTHORITY's  
11 insurance is primary and non-contributing shall specifically accompany the Certificate of  
12 Insurance for the Commercial General Liability.

13 i. All insurance policies or self-insurance required by this AGREEMENT to be maintained by  
14 DISTRICT shall be primary insurance, and any insurance or self-insurance maintained by  
15 AUTHORITY shall be excess and non-contributing with insurance or self-insurance provided by  
16 these policies. An endorsement evidencing that DISTRICT's insurance is primary and non-  
17 contributing shall specifically accompany the Certificate of Insurance for the Commercial  
18 General Liability.

19 j. All insurance policies or self-insurance required by this AGREEMENT shall give the PARTIES  
20 thirty (30) days prior written notice in the event of modification or cancellation. This shall be  
21 evidenced by an endorsement separate from the Certificate of Insurance. In addition, the  
22 cancellation clause must include language as follows, which edits the pre-printed ACORD  
23 certificate:

24 /  
25 /  
26 /

1 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE  
2 EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30  
3 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED. BUT FAILURE TO MAIL  
4 SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE  
5 COMPANY, ITS AGENT OR REPRESENTATIVE.

- 6 k. All insurance policies or self-insurance required by this AGREEMENT shall waive all rights of  
7 subrogation against the AUTHORITY, DISTRICT, STATE and the STATE INDEMNITEES,  
8 County of Orange and members of their Board of Supervisors, its elected and appointed  
9 officials, officers, agents and employees when acting within the scope of their appointment or  
10 employment.

11 The Commercial General Liability policy shall contain a severability of interests clause.

- 12 i. DISTRICT's contractor shall secure and maintain a Builder's Risk policy for the new  
13 construction amounting to 100 percent of the insurable value of the work. A Builder's Risk  
14 policy shall also be required for additions to existing buildings/structures, or major alterations to  
15 existing buildings/structures. A Loss Payee endorsement must name the DISTRICT and  
16 AUTHORITY as Loss Payee.

17 **12. INDEPENDENT CONTRACTOR STATUS**

18 This AGREEMENT is by and between DISTRICT, AUTHORITY and STATE and is not intended  
19 and shall not be construed so as to create the relationship of agent, servant, employee, partnership,  
20 joint venture or association, as among DISTRICT, AUTHORITY and STATE.

21 **13. SUCCESSORS AND ASSIGNS**

22 This AGREEMENT shall be binding on the successors and assigns of the PARTIES hereto, and  
23 shall not be assigned by AUTHORITY or STATE, without the written consent of DISTRICT. The  
24 consent of DISTRICT shall not be withheld unreasonably but, prior to approving any such assignment  
25 involving the performance of any obligations pursuant to this AGREEMENT, DISTRICT shall be  
26 satisfied by competent evidence that the assignee is technically qualified and financially able to perform

1 those services to be assigned. Failure to obtain DISTRICT's required written approval of any proposed  
2 transfer or assignment will render this AGREEMENT terminated, as specified in Paragraph 9  
3 ("TERMINATION"), above.

4 **14. WAIVER OF RIGHTS**

5 The failure of DISTRICT, AUTHORITY and/or STATE to insist upon strict performance of any of  
6 the terms, covenants or conditions of this AGREEMENT shall not be deemed a waiver of any right or  
7 remedy that DISTRICT, AUTHORITY and/or STATE may have, and shall not be deemed a waiver of  
8 the right to require strict performance of all the terms, covenants and conditions of this AGREEMENT  
9 thereafter, nor a waiver of any remedy for the subsequent breach or default of any term, covenant or  
10 condition of this AGREEMENT.

11 **15. APPLICABLE LAW**

12 This AGREEMENT has been negotiated and executed in the State of California and shall be  
13 governed by and construed in accordance with the laws of the State of California. In the event of any  
14 legal action to enforce or interpret this AGREEMENT, the sole and exclusive venue shall be a court of  
15 competent jurisdiction located in Orange County, California, and the PARTIES hereto agree to and do  
16 hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure section 394.

17 The PARTIES specifically agree that by soliciting and entering into and performing services under this  
18 AGREEMENT, AUTHORITY and STATE shall be deemed to constitute doing business within Orange  
19 County from the time of initiation of work, through the period when all work under this AGREEMENT is  
20 completed, and continuing until the expiration of any applicable limitations period.

21 **16. SEVERABILITY**

22 If any part of this AGREEMENT is held, determined or adjudicated to be illegal, void or  
23 unenforceable by a court of competent jurisdiction, the remainder of this AGREEMENT shall be given  
24 effect to the fullest extent reasonably possible.

25 /

26 /

1 **17. ATTORNEY FEES/COSTS**

2 Should litigation be necessary to enforce any terms or provisions of this AGREEMENT, then  
3 each PARTY shall bear its own litigation and collection expenses, witness fees, court costs and  
4 attorney's fees.

5 **18. EXHIBITS**

6 This AGREEMENT incorporates by this reference, the following exhibits, which are attached  
7 hereto and incorporated herein:

8 **Exhibit A – RIGHT-OF-WAY**

9 **Exhibit B – DRAINAGE IMPROVEMENTS**

10 **Exhibit C -- ACCESS RIGHTS**

11 **Exhibit D – UNIMPROVED LEWIS CHANNEL**

12 **Exhibit E – INSURANCE**

13 **19. WAIVER AND INTERPRETATION**

14 Titles or captions contained herein are inserted as a matter of convenience and for reference,  
15 and in no way define, limit, extend, or describe the scope of this AGREEMENT or any provisions  
16 hereof. No provision in this AGREEMENT is to be interpreted for or against a PARTY because that  
17 PARTY or his legal representative drafted such provision.

18 **20. AUTHORITY**

19 The PARTIES to this AGREEMENT represent and warrant that this AGREEMENT has been  
20 duly authorized and executed and constitutes the legally binding obligation of their respective  
21 organization or entity, enforceable in accordance with its terms.

22 **21. AMENDMENT(S)**

23 It is mutually understood and agreed that no addition to, alteration of, or variation of the terms of  
24 this AGREEMENT, nor any oral understanding or agreement not incorporated herein, shall be valid  
25 unless made in writing and signed and approved by all necessary PARTIES. Notwithstanding the  
26 above, in accordance with the provisions of Section 4 (o) and 6 (e) above, any amendment to the

1 AGREEMENT whose sole purpose and effect is to increase AUTHORITY's maximum financial  
2 obligation for the construction of UNIMPROVED LEWIS CHANNEL may be executed by AUTHORITY's  
3 Board and DIRECTOR-OCPW and does not need to be executed by STATE. STATE, however, shall  
4 be notified of and provided a copy of any such amendments.

5 **22. ENTIRE AGREEMENT**

6 This document sets forth the entire AGREEMENT among DISTRICT, AUTHORITY and STATE,  
7 and may be modified only by further written amendment between the PARTIES hereto, in accordance  
8 with Paragraph 21 ("AMENDMENT(S)"), above.

9 **23. COUNTERPARTS**

10 This Agreement may be executed in counterparts, each of which shall be deemed an original,  
11 but all of which together shall constitute on and the same document.

12 ///

13 ///

1           **IN WITNESS WHEREOF**, each PARTY hereto has executed this AGREEMENT by its duly  
2 authorized representatives as of the date set forth above.

3 **STATE OF CALIFORNIA**  
4 **DEPARTMENT OF TRANSPORTATION**

**ORANGE COUNTY TRANSPORTATION**  
**AUTHORITY**

5 Will Kempton: \_\_\_\_\_  
6 Director of Transportation

BY: \_\_\_\_\_  
Arthur T. Leahy  
Chief Executive Officer

7  
8 BY: \_\_\_\_\_  
9 James Pinheiro,  
10 Deputy District Director  
11 Operations & Maintenance

12 **APPROVED AS TO FORM AND PROCEDURE:**

**APPROVED AS TO FORM:**

13  
14 BY: \_\_\_\_\_  
15 Attorney, Department of Transportation

BY: \_\_\_\_\_  
Kennard R. Smart, Jr.  
AUTHORITY General Counsel

16  
17 **CERTIFIED AS TO FUNDS:**

**APPROVED:**

18  
19  
20 BY: \_\_\_\_\_  
21 District Budget Manager

BY: \_\_\_\_\_  
Kia Mortazavi  
Executive Director, Development

22 **CERTIFIED AS TO FINANCIAL TERMS AND CONDITIONS:**

23  
24  
25 BY: \_\_\_\_\_  
26 Accounting Administrator

**ORANGE COUNTY FLOOD CONTROL DISTRICT**

A body corporate and politic

1  
2  
3  
4 Date: \_\_\_\_\_

By \_\_\_\_\_  
Chair of the Board of Supervisors  
Orange County, CA

5  
6  
7 Signed and certified that a copy of this AGREEMENT has  
8 been delivered to the Chair of the Board per G. C. Sec  
9 25103, Reso 79-1535

Attest:

10 Date: \_\_\_\_\_

\_\_\_\_\_  
Darlene J. Bloom  
Clerk of the Board of Supervisors  
Orange County, California

11  
12  
13 **APPROVED AS TO FORM:**  
14 Office of the County Counsel  
15 Orange County, California

16 By: \_\_\_\_\_  
Deputy

17  
18 Date: \_\_\_\_\_

**EXHIBITS A THROUGH E FOR**  
**COOPERATIVE AGREEMENT NO. C-8-0176**  
**BETWEEN THE**  
**ORANGE COUNTY TRANSPORTATION**  
**AUTHORITY, THE ORANGE COUNTY**  
**FLOOD CONTROL DISTRICT AND**  
**THE CALIFORNIA DEPARTMENT OF**  
**TRANSPORTATION**

**ATTACHMENT B**

DISTRICT Agreement No. D03-086  
AUTHORITY Agreement No. C-8-0176  
STATE Agreement No. 12-607

**EXHIBIT A**

**RIGHT-OF-WAY**

**(Provided by AUTHORITY)**

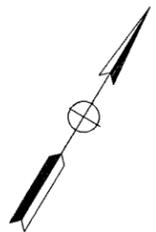


STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION  
**ORANGE COUNTY**  
**TRANSPORTATION**  
**AUTHORITY**

OCTA PROJECT MANAGER  
**JOHN GARCIA**

STATE ROUTE 22  
 DESIGN-BUILD PROJECT

DATE	REVISOR	DATE	REVISOR
CHECKED BY	CHECKED BY	CHECKED BY	CHECKED BY
DESIGNED BY	DESIGNED BY	DESIGNED BY	DESIGNED BY
CALCULATED BY	CALCULATED BY	CALCULATED BY	CALCULATED BY



**RIGHT OF WAY**



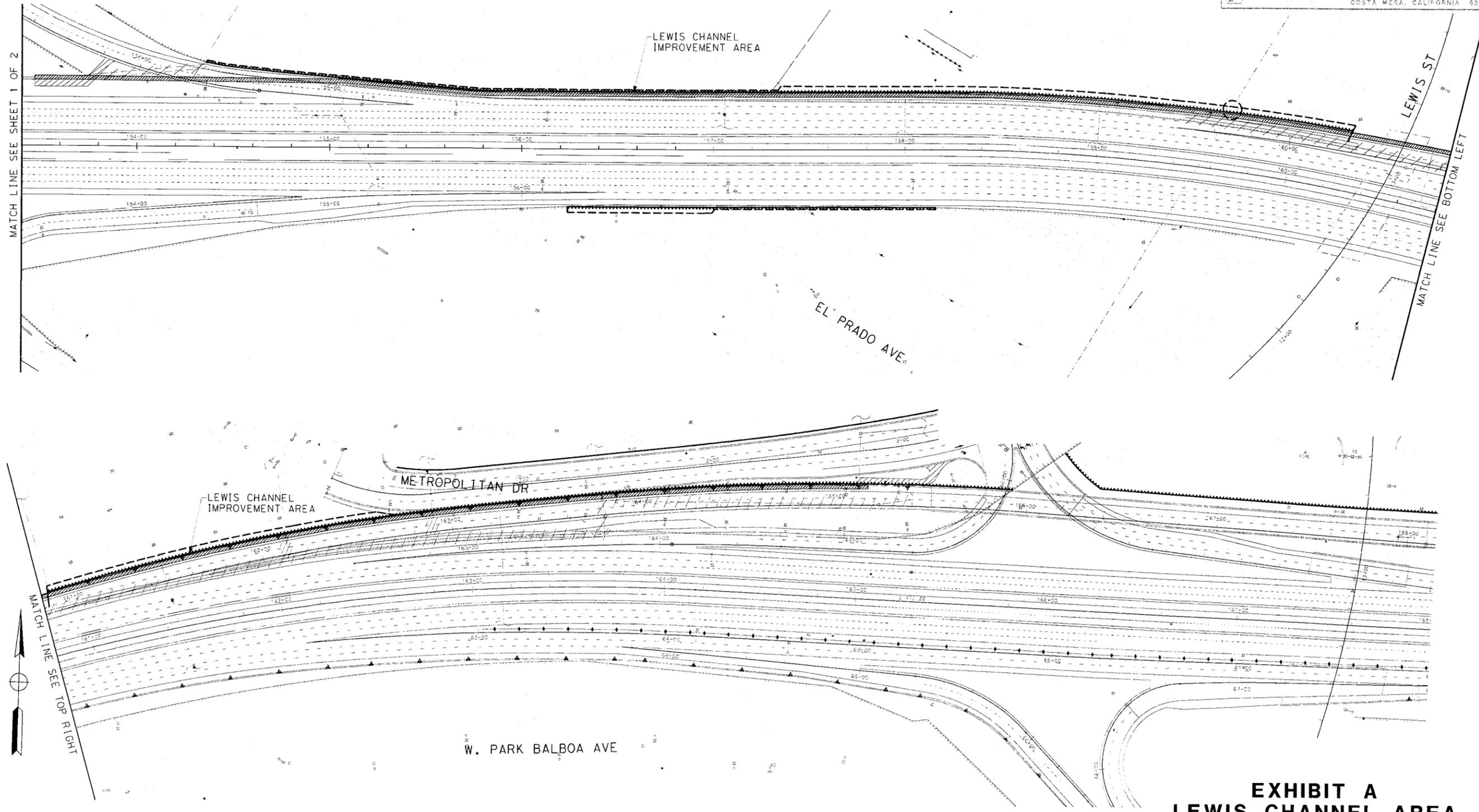
DIST	COUNTY	ROUTE	KILOMETER POST TOTAL PROJECT	SHEET NO.	TOTAL SHEETS
12	ORA	22	RI.48/21.9		

REGISTERED CIVIL ENGINEER

PLANS APPROVAL DATE

The State of California or its officers or agents shall not be responsible for the accuracy or completeness of electronic copies of this plan sheet.

3157 RED HILL AVENUE SUITE 105  
 COSTA MESA, CALIFORNIA 92626



**EXHIBIT A**  
**LEWIS CHANNEL AREA**  
 SCALE 1:1000  
**2 OF 2**

ALL DIMENSIONS ARE IN METERS UNLESS OTHERWISE SHOWN

FOR REDUCED PLANS ORIGINAL SCALE IS IN MILLIMETERS

DATE PLOTTED → \$DATE\$  
 TIME PLOTTED → \$TIME\$  
 USER PLOTTED → \$USER\$

CU 00000 EA 000000

**Cal Trans Parcel No. 102257**

1 A STRIP OF LAND 3.658 METERS WIDE IN THAT PORTION OF THE NORTHEAST ¼ AND PORTION OF THE  
2 NORTHWEST ¼ OF SECTION 3, TOWNSHIP 5 SOUTH, RANGE 10 WEST, IN THE RANCHO LAS BOLSAS,  
3 COUNTY OF ORANGE, STATE OF CALIFORNIA, PER MAP RECORDED IN BOOK 51, PAGE 12 OF  
4 MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, THE NORTHERLY  
5 LINE IS DESCRIBED AS FOLLOWS:

6  
7 BEGINNING AT THE NORTHEAST CORNER OF SAID NORTHEAST ¼, SAID CORNER ALSO BEING THE  
8 CENTERLINE INTERSECTION OF GARDEN GROVE BLVD. AND FAIRVIEW STREET, SAID POINT IS A  
9 STANDARD COUNTY WELL MONUMENT, AS SHOWN ON RECORD PARCEL MAP No. 81-506 RECORDED IN  
10 BOOK 165 PAGE 4 OF MISCELLANEOUS MAPS, IN THE OFFICE OF SAID RECORDER; THENCE NORTH  
11 89°21'35" WEST, 307.385 METERS (1008.50 FEET) ALONG THE NORTH LINE OF SAID NORTHEAST ¼, SAID  
12 NORTH LINE ALSO BEING THE CENTERLINE OF GARDEN GROVE BLVD.; THENCE PERPENDICULAR AND AT  
13 RIGHT ANGLES TO SAID CENTERLINE, SOUTH 0°38'25" WEST 22.860 METERS (75.00 FEET) TO THE  
14 NORTHEASTERLY TERMINUS OF THAT CERTAIN COURSE ON THE NORTHERLY LINE OF THE PROPERTY  
15 DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED MAY 28, 1957, IN BOOK 3922, PAGE  
16 369 OF OFFICIAL RECORDS IN THE OFFICE OF SAID COUNTY RECORDER, CITED AS HAVING A BEARING OF  
17 "SOUTH 55°36'14" WEST, 1182.76 FEET"; THENCE ALONG SAID NORTHERLY LINE SOUTH 55°35'49" WEST  
18 122.032 METERS TO THE TRUE POINT OF BEGINNING;

19  
20 THENCE CONTINUING SOUTH 55°35'49" WEST 238.759 METERS ALONG SAID NORTHERLY LINE TO THE  
21 NORTHEASTERLY CORNER OF PARCEL 2 IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED IN  
22 BOOK 3345, PAGE 325, OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG THE NORTHWESTERLY LINE  
23 OF SAID PARCEL 2 THE FOLLOWING (3) COURSES: (1) THENCE SOUTH 56°48'57" WEST 54.440 METERS; (2)  
24 THENCE SOUTH 59°21'38" WEST 45.588 METERS TO THE BEGINNING OF A CURVE, CONCAVE  
25 NORTHWESTERLY AND HAVING A RADIUS OF 3019.002 METERS; (3) THENCE SOUTHWESTERLY 137.013  
26 METERS ALONG SAID CURVE AND THROUGH A CENTRAL ANGLE OF 2°36'01" TO THE NORTHERLY  
27 CONTINUATION OF THE EASTERLY LINE OF LOT D OF TRACT No. 1992, PER MAP RECORDED IN BOOK 73,  
28 PAGES 27 THROUGH 29, INCLUSIVE OF MISCELLANEOUS MAPS; THE SIDELINES OF SAID STRIP SHALL BE

Cal Trans Parcel No. 102257

1 PROLONGED OR SHORTENED AS TO TERMINATE IN SAID NORTHERLY CONTINUATION OF SAID EASTERLY  
2 LINE OF LOT D.

3  
4 CONTAINS 1745.4 SQUARE METERS

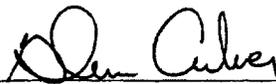
5  
6 THE BEARINGS AND METRIC DISTANCES IN THE ABOVE DESCRIPTIONS ARE BASED ON THE CALIFORNIA  
7 COORDINATE SYSTEM OF 1983, ZONE 6, 1991.35 EPOCH. MULTIPLY ALL METRIC DISTANCES USED IN THE  
8 ABOVE DESCRIPTIONS BY 1.0000580 TO OBTAIN GROUND LEVEL DISTANCES.

9  
10 THIS CONVEYANCE IS MADE FOR THE PURPOSE OF A FREEWAY AND THE GRANTOR HEREBY RELEASES  
11 AND RELINQUISHES TO THE GRANTEE ANY AND ALL ABUTTER'S RIGHTS, INCLUDING ACCESS RIGHTS,  
12 APPURTENANT TO GRANTOR'S REMAING PROPERTY, IN AND TO SAID FREEWAY

13  
14 LANDS ABUTTING SAID FREEWAY SHALL HAVE NO RIGHT OR EASEMENT OF ACCESS THERETO.

15  
16 TOGETHER WITH ALL OF THE EXISTING IMPROVEMENTS WHICH ARE LOCATED PARTIALLY WITHIN AND  
17 PARTIALLY OUTSIDE THE BOUNDARIES OF THE ABOVE-DESCRIBED PARCEL, TOGETHER WITH THE RIGHT  
18 AND EASEMENT TO ENTER UPON THE OWNER'S REMAINING LAND OUTSIDE THE BOUNDARIES OF SAID  
19 PARCEL AT ANY TIME WITHIN 120 DAYS AFTER THE DATE POSSESSION IS AUTHORIZED AS INDICATED IN  
20 THE ORDER FOR POSSESSION, OR WITHIN 120 DAYS AFTER THE FINAL JUDGEMENT IN CONDEMNATION,  
21 FOR THE PURPOSE OF REMOVEING ALL OF THE SAID EXISTING IMPROVEMENTS.

22  
23 EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART THEREOF PREPARED UNDER MY  
24 SUPERVISION

25  
26 

27 GLENN E. CULVER P.L.S. 5420

28 LICENSE EXPIRES 09/30/04

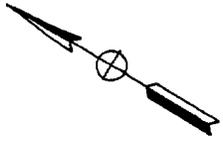


January 22, 2003

DATE

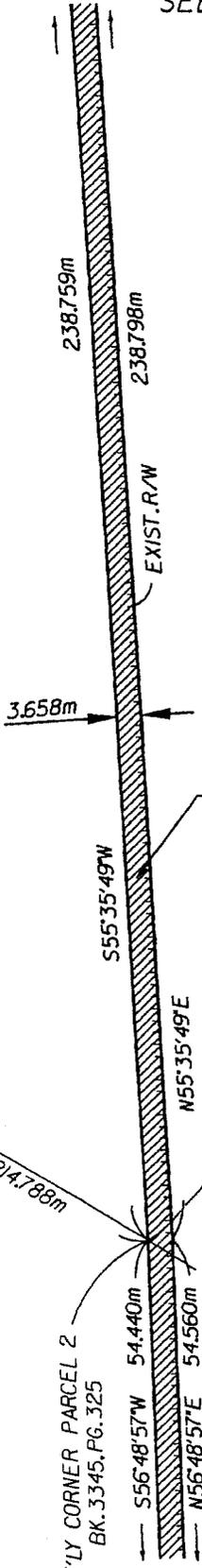


SEE EXHIBIT "B-1"



CITY OF GARDEN GROVE

P. M. B. 165 - 506  
PARCEL 1 - 3 - 4  
P. M. 81



FEE  
102257-1  
1745.4 SQ. METERS

GARDEN GROVE FREEWAY - SR 22

NE 1/4 & POR. NW 1/4  
SEC. 3, T 5 S., R 10 W.  
S. B. B. & M.

N0°19'11\"/>

214.788m

NE'LY CORNER PARCEL 2  
BK. 3345, PG. 325

S56°48'57\"/>  
N56°48'57\"/>  
54.440m  
54.560m

EXHIBIT "B-2"

12-ORA-22-8.9



1:1000

SEE EXHIBIT "B-3"



**LEGAL DESCRIPTION**

**Parcel No. 102257-2**

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 3, TOWNSHIP 5 SOUTH, RANGE 10 WEST, IN THE RANCHO LAS BOLSAS, COUNTY OF ORANGE, STATE OF CALIFORNIA, PER MAP RECORDED IN BOOK 51, PAGE 12 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID NORTHEAST QUARTER, SAID CORNER ALSO BEING THE CENTERLINE INTERSECTION OF GARDEN GROVE BLVD. AND FAIRVIEW STREET, SAID POINT BEING A STANDARD COUNTY SURVEY WELL MONUMENT, AS SHOWN ON PARCEL MAP NO. 81-506 RECORDED IN PARCEL MAP BOOK 165 PAGE 3 & 4, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE NORTH  $89^{\circ}21'35''$  WEST, 307.362 METERS ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER, SAID NORTH LINE ALSO BEING THE CENTERLINE OF GARDEN GROVE BLVD.; THENCE SOUTH  $0^{\circ}38'25''$  WEST 22.860 METERS TO THE NORTHEASTERLY TERMINUS OF THAT CERTAIN COURSE IN THE NORTHERLY LINE OF THE PROPERTY DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED MAY 28, 1957, IN BOOK 3922, PAGE 369 OF OFFICIAL RECORDS IN THE OFFICE OF SAID COUNTY RECORDER, CITED AS HAVING A BEARING OF "SOUTH  $55^{\circ}36'14''$  WEST, 1182.76 FEET" AND HEREINAFTER TO BE KNOWN AS "LINE A", ALSO BEING THE TRUE POINT OF BEGINNING;

THENCE SOUTH  $34^{\circ}24'11''$  EAST 3.658 METERS TO THE NORTHERLY RIGHT OF WAY LINE OF THE EXISTING GARDEN GROVE FREEWAY (S.R. 22); THENCE SOUTH  $55^{\circ}35'49''$  WEST 122.032 METERS ALONG SAID NORTHERLY RIGHT OF WAY LINE; THENCE NORTH  $34^{\circ}24'11''$  WEST 3.658 METERS TO SAID "LINE A"; THENCE NORTH  $55^{\circ}35'49''$  EAST 110.891 METERS ALONG SAID "LINE A" TO A POINT BEARING SOUTH  $55^{\circ}35'49''$  WEST 11.141 METERS FROM THE TRUE POINT OF BEGINNING; THENCE NORTH  $00^{\circ}38'24''$  EAST 10.969 METERS TO AN ANGLE POINT IN THE SOUTHERLY LINE OF GARDEN GROVE BLVD AS SHOWN ON SAID PARCEL MAP NO. 81-506; THENCE SOUTH  $62^{\circ}44'19''$  EAST 10.203 METERS ALONG SAID SOUTHERLY LINE, TO THE TRUE POINT OF BEGINNING.

CONTAINS 496.4 SQUARE METERS





NOT TO SCALE

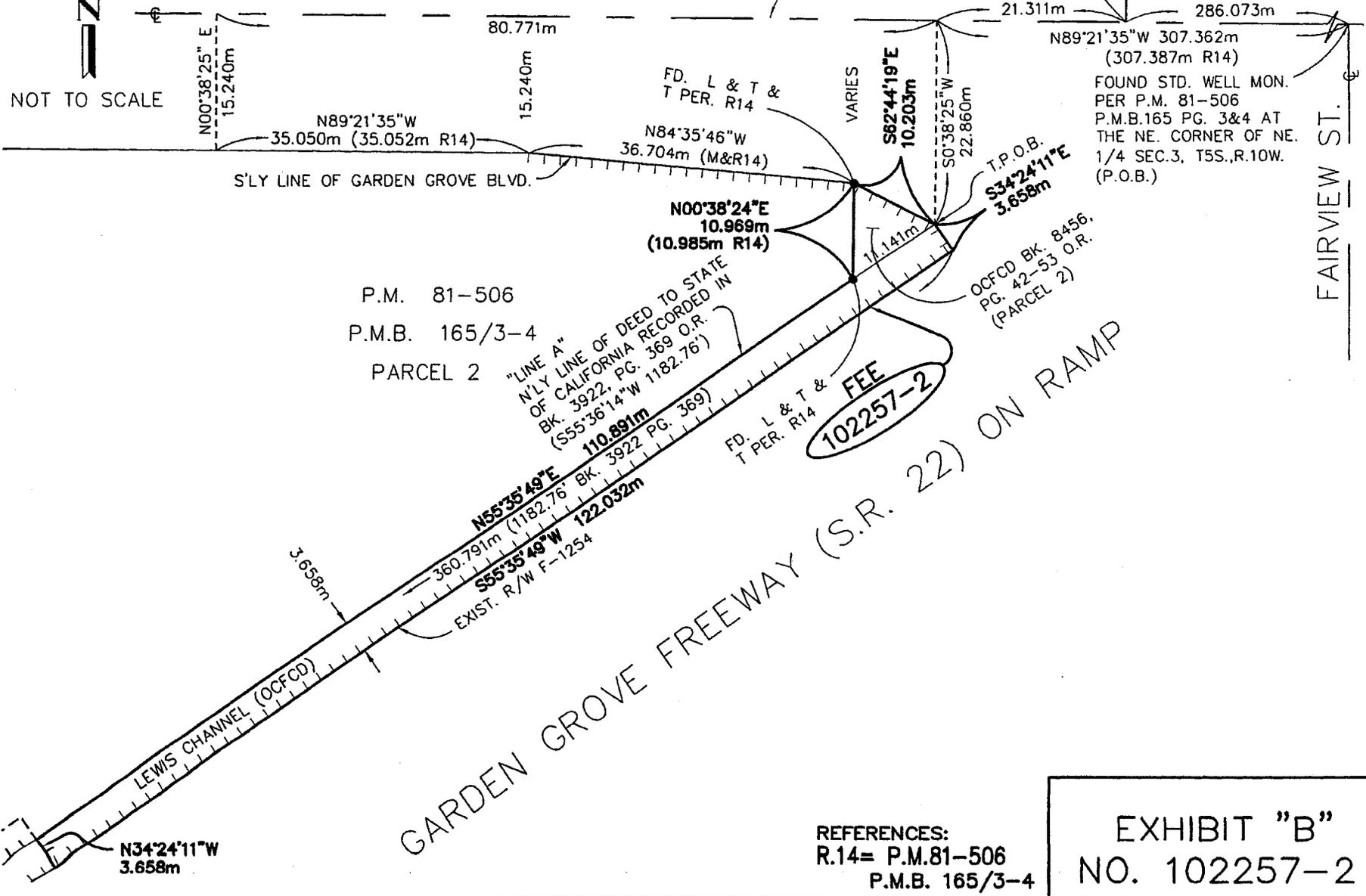
FOUND STD. WELL MON.  
2" BRASS CAP STAMPED  
"CALIFORNIA DIVISION OF  
HIGHWAYS", MON. PER R14

HASTER  
ST.

SEC. LINE BETWEEN  
SEC. 34 AND 35,  
T4S, R10W

GARDEN GROVE BOULEVARD

NORTH LINE OF SEC. 3,  
T. 5 S., R. 10 W.



N00°38'25" E  
15.240m

80.771m

N89°21'35" W  
35.050m (35.052m R14)

S'LY LINE OF GARDEN GROVE BLVD.

15.240m

FD. L & T &  
T PER. R14

N84°35'46" W  
36.704m (M&R14)

N00°38'24" E  
10.969m  
(10.985m R14)

P.M. 81-506  
P.M.B. 165/3-4  
PARCEL 2

"LINE A"  
N'LY LINE OF DEED TO STATE  
OF CALIFORNIA RECORDED IN  
BK. 3922, PG. 369 O.R.  
(S55°36'14" W 1182.76')

N55°35'49" E  
110.891m  
BK. 3922 PG. 369

S55°35'49" W  
122.032m  
EXIST. R/W F-1254

LEWIS CHANNEL (OCFCD)

N34°24'11" W  
3.658m

GARDEN GROVE FREEWAY (S.R. 22) ON RAMP

FD. L & T &  
T PER. R14

FEE  
102257-2

S62°44'19" E  
10.203m

S0°38'25" W  
22.860m

T.P.O.B.  
S34°24'11" E  
3.658m

OCFCD BK. 8456,  
PG. 42-53 O.R.  
(PARCEL 2)

21.311m

286.073m

N89°21'35" W 307.362m  
(307.387m R14)

FOUND STD. WELL MON.  
PER P.M. 81-506  
P.M.B. 165 PG. 3&4 AT  
THE NE. CORNER OF NE.  
1/4 SEC.3, T5S.,R.10W.  
(P.O.B.)

FAIRVIEW ST.

REFERENCES:  
R.14= P.M.81-506  
P.M.B. 165/3-4

EXHIBIT "B"  
NO. 102257-2

Cal Trans Parcel No. 102260

1 THAT PORTION OF THE NORTHEAST ¼ AND PORTION OF THE NORTHWEST ¼ OF SECTION 3,  
2 TOWNSHIP 5 SOUTH, RANGE 10 WEST, IN THE RANCHO LAS BOLSAS, COUNTY OF ORANGE, STATE OF  
3 CALIFORNIA, PER MAP RECORDED IN BOOK 51, PAGE 12 OF MISCELLANEOUS MAPS, IN THE OFFICE  
4 OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

5  
6 BEGINNING AT THE NORTHEAST CORNER OF SAID NORTHEAST ¼, SAID CORNER ALSO BEING THE  
7 CENTERLINE INTERSECTION OF GARDEN GROVE BLVD. AND FAIRVIEW STREET, SAID POINT BEING  
8 A STANDARD COUNTY SURVEY WELL MONUMENT, AS SHOWN ON PARCEL MAP No. 81-506 RECORDED  
9 IN BOOK 165 PAGE 4 OF MISCELLANEOUS MAPS, IN THE OFFICE OF SAID RECORDER; THENCE  
10 NORTH 89°21'35" WEST, 307.385 METERS (1008.50 FEET) ALONG THE NORTH LINE OF SAID  
11 NORTHEAST ¼, SAID NORTH LINE ALSO BEING THE CENTERLINE OF GARDEN GROVE BLVD.;  
12 THENCE PERPENDICULAR AND AT RIGHT ANGLES TO SAID CENTERLINE, SOUTH 0°38'25" WEST  
13 22.860 METERS (75.00 FEET) TO THE NORTHEASTERLY TERMINUS OF THAT CERTAIN COURSE ON  
14 THE NORTHERLY LINE OF THE PROPERTY DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA,  
15 RECORDED MAY 28, 1957, IN BOOK 3922, PAGE 369 OF OFFICIAL RECORDS IN THE OFFICE OF SAID  
16 COUNTY RECORDER, CITED AS HAVING A BEARING OF "SOUTH 55°36'14" WEST, 1182.76 FEET";  
17 THENCE ALONG SAID NORTHERLY LINE SOUTH 55°35'49" WEST 179.718 METERS TO THE BEGINNING  
18 OF A NON-TANGENT CURVE, CONCAVE SOUTHEASTERLY, AND HAVING A RADIUS OF 810.600  
19 METERS, TO WHICH A RADIAL LINE BEARS NORTH 32°16'10" WEST, SAID POINT BEING THE TRUE  
20 POINT OF BEGINNING;

21  
22 THENCE LEAVING SAID NORTHERLY LINE, SOUTHWESTERLY 33.986 METERS ALONG SAID CURVE,  
23 THROUGH A CENTRAL ANGLE OF 2°24'08"; THENCE SOUTH 53°25'25" WEST 14.586 METERS TO SAID  
24 NORTHERLY LINE; THENCE NORTH 55°35'49" EAST 48.556 METERS, ALONG SAID NORTHERLY LINE,  
25 TO THE TRUE POINT OF BEGINNING.

26  
27 CONTAINS 17.5 SQUARE METERS  
28

Cal Trans Parcel No. 102260

1 THE BEARINGS AND METRIC DISTANCES IN THE ABOVE DESCRIPTIONS ARE BASED ON THE  
2 CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE 6, 1991.35 EPOCH. MULTIPLY ALL METRIC  
3 DISTANCES USED IN THE ABOVE DESCRIPTIONS BY 1.0000580 TO OBTAIN GROUND LEVEL  
4 DISTANCES.

6 THIS CONVEYANCE IS MADE FOR THE PURPOSE OF A FREEWAY AND THE GRANTOR HEREBY  
7 RELEASES AND RELINQUISHES TO THE GRANTEE ANY AND ALL ABUTTER'S RIGHTS, INCLUDING  
8 ACCESS RIGHTS, APPURTENANT TO GRANTOR'S REMAING PROPERTY, IN AND TO SAID FREEWAY

10 LANDS ABUTTING SAID FREEWAY SHALL HAVE NO RIGHT OR EASEMENT OF ACCESS THERETO.

12 TOGETHER WITH ALL OF THE EXISTING IMPROVEMENTS WHICH ARE LOCATED PARTIALLY WITHIN  
13 AND PARTIALLY OUTSIDE THE BOUNDARIES OF THE ABOVE-DESCRIBED PARCEL, TOGETHER WITH  
14 THE RIGHT AND EASEMENT TO ENTER UPON THE OWNER'S REMAINING LAND OUTSIDE THE  
15 BOUNDARIES OF SAID PARCEL AT ANY TIME WITHIN 120 DAYS AFTER THE DATE POSSESSION IS  
16 AUTHORIZED AS INDICATED IN THE ORDER FOR POSSESSION, OR WITHIN 120 DAYS AFTER THE  
17 FINAL JUDGEMENT IN CONDEMNATION, FOR THE PURPOSE OF REMOVEING ALL OF THE SAID  
18 EXISTING IMPROVEMENTS.

20 EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART THEREOF PREPARED  
21 UNDER MY SUPERVISION

25   
26 \_\_\_\_\_

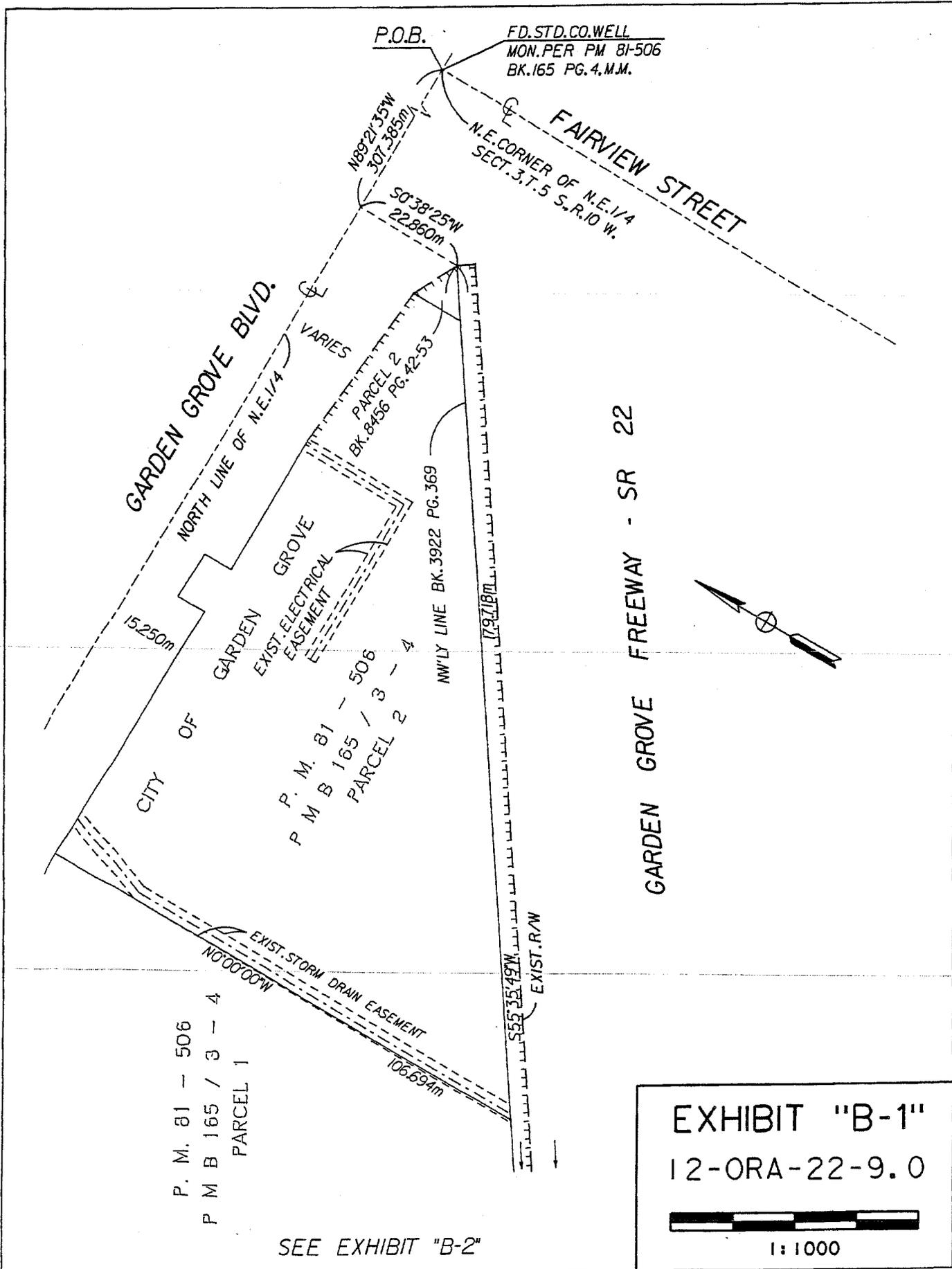
27 GLENN E. CULVER P.L.S. 5420

28 LICENSE EXPIRES 09/30/04

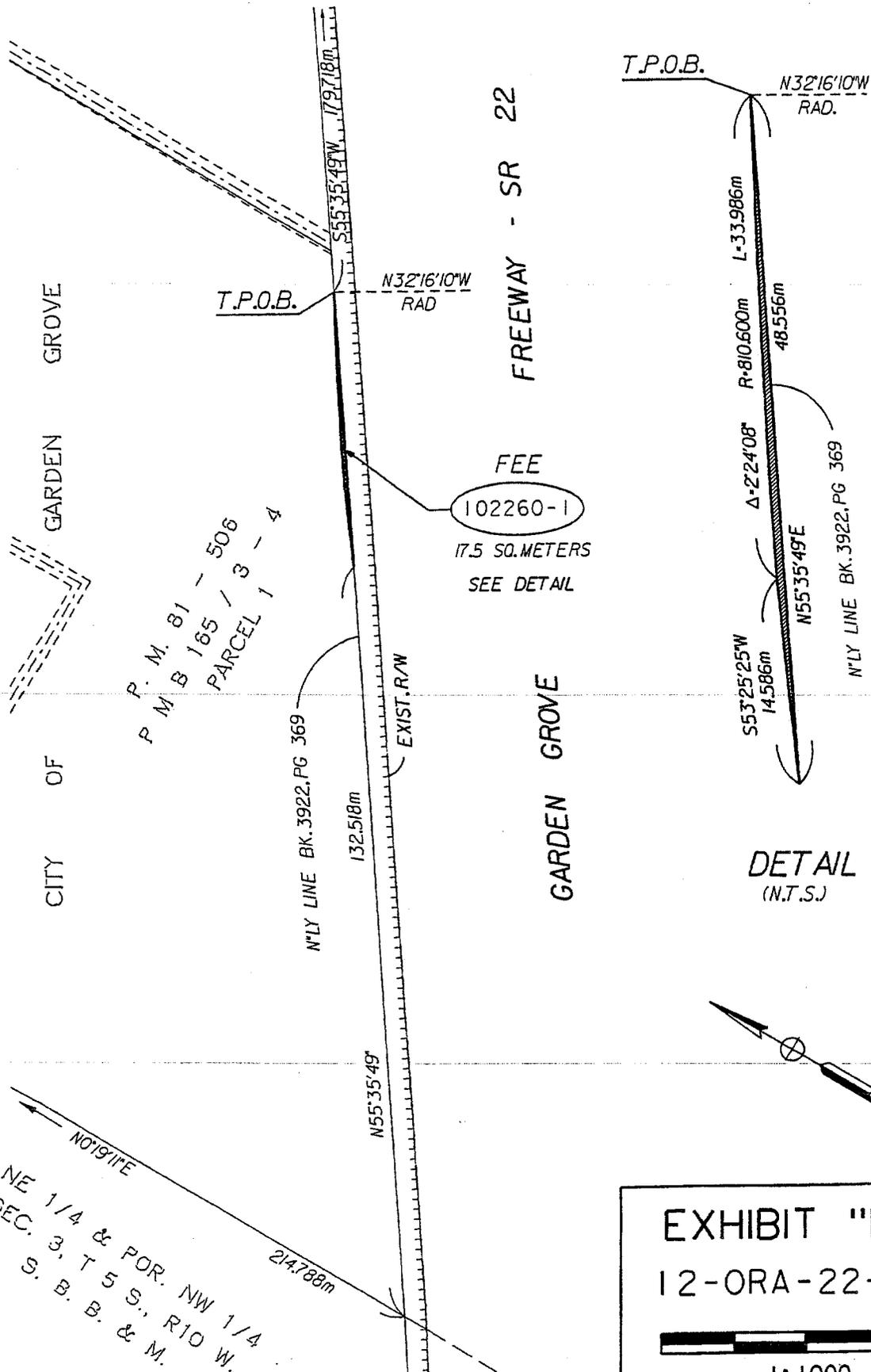


JANUARY 22, 2003

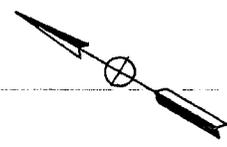
DATE



SEE EXHIBIT "B-1"



DETAIL  
(N.T.S.)



**EXHIBIT "B-2"**  
 12-ORA-22-9.0

1:1000

Cal Trans Parcel No. 102261

1 THAT PORTION OF THE SOUTHWEST ¼ OF SECTION 35, TOWNSHIP 4 SOUTH, RANGE 10 WEST IN THE  
2 RANCHO LAS BOLSAS, AS SHOWN ON A MAP THEREOF RECORDED IN BOOK 51 PAGE 10, MISCELLANEOUS  
3 MAPS, RECORDS OF ORANGE COUNTY, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

4

5 PARCELS 4, 5, 6, 7 AND 8 IN DEED TO THE ORANGE COUNTY FLOOD CONTROL DISTRICT RECORDED  
6 DECEMBER 5, 1967 IN BOOK 8456 PAGES 42 TO 53 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY  
7 RECORDER OF ORANGE COUNTY, STATE OF CALIFORNIA,  
8 CONTAINS 1803.6 SQUARE METERS

9

10 THIS CONVEYANCE IS MADE FOR THE PURPOSE OF A FREEWAY AND THE GRANTOR HEREBY RELEASES  
11 AND RELINQUISHES TO THE GRANTEE ANY AND ALL ABUTTER'S RIGHTS, INCLUDING ACCESS RIGHTS,  
12 APPURTENANT TO GRANTOR'S REMAING PROPERTY, IN AND TO SAID FREEWAY

13

14 LANDS ABUTTING SAID FREEWAY SHALL HAVE NO RIGHT OR EASEMENT OF ACCESS THERETO.

15

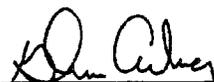
16 TOGETHER WITH ALL OF THE EXISTING IMPROVEMENTS WHICH ARE LOCATED PARTIALLY WITHIN AND  
17 PARTIALLY OUTSIDE THE BOUNDARIES OF THE ABOVE-DESCRIBED PARCEL, TOGETHER WITH THE RIGHT  
18 AND EASEMENT TO ENTER UPON THE OWNER'S REMAINING LAND OUTSIDE THE BOUNDARIES OF SAID  
19 PARCEL AT ANY TIME WITHIN 120 DAYS AFTER THE DATE POSSESSION IS AUTHORIZED AS INDICATED IN  
20 THE ORDER FOR POSSESSION, OR WITHIN 120 DAYS AFTER THE FINAL JUDGEMENT IN CONDEMNATION,  
21 FOR THE PURPOSE OF REMOVEING ALL OF THE SAID EXISTING IMPROVEMENTS.

22

23 EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART THEREOF PREPARED UNDER MY  
24 SUPERVISION

25

26



27

GLENN E. CULVER P.L.S. 5420

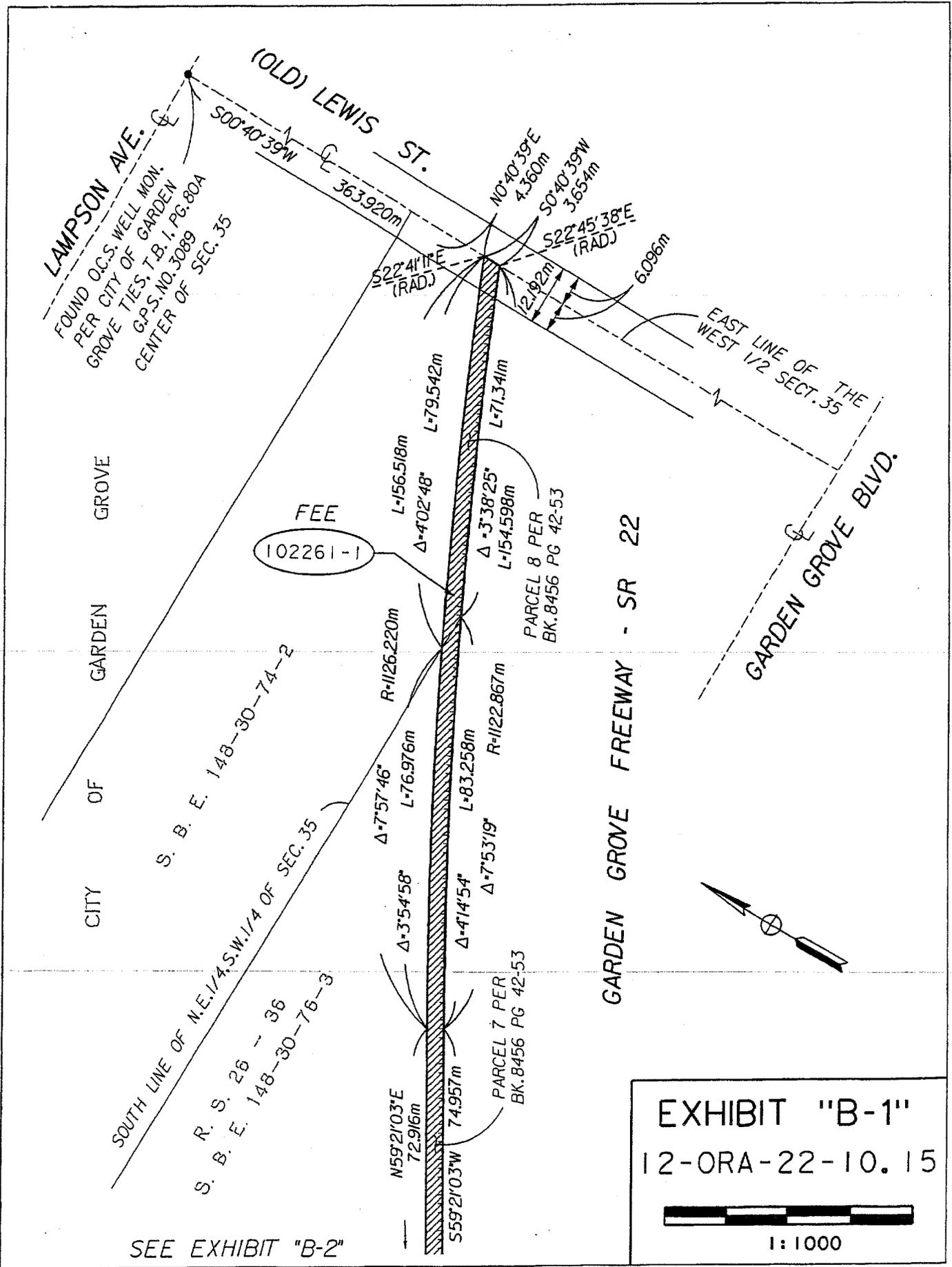
28

LICENSE EXPIRES 09/30/04



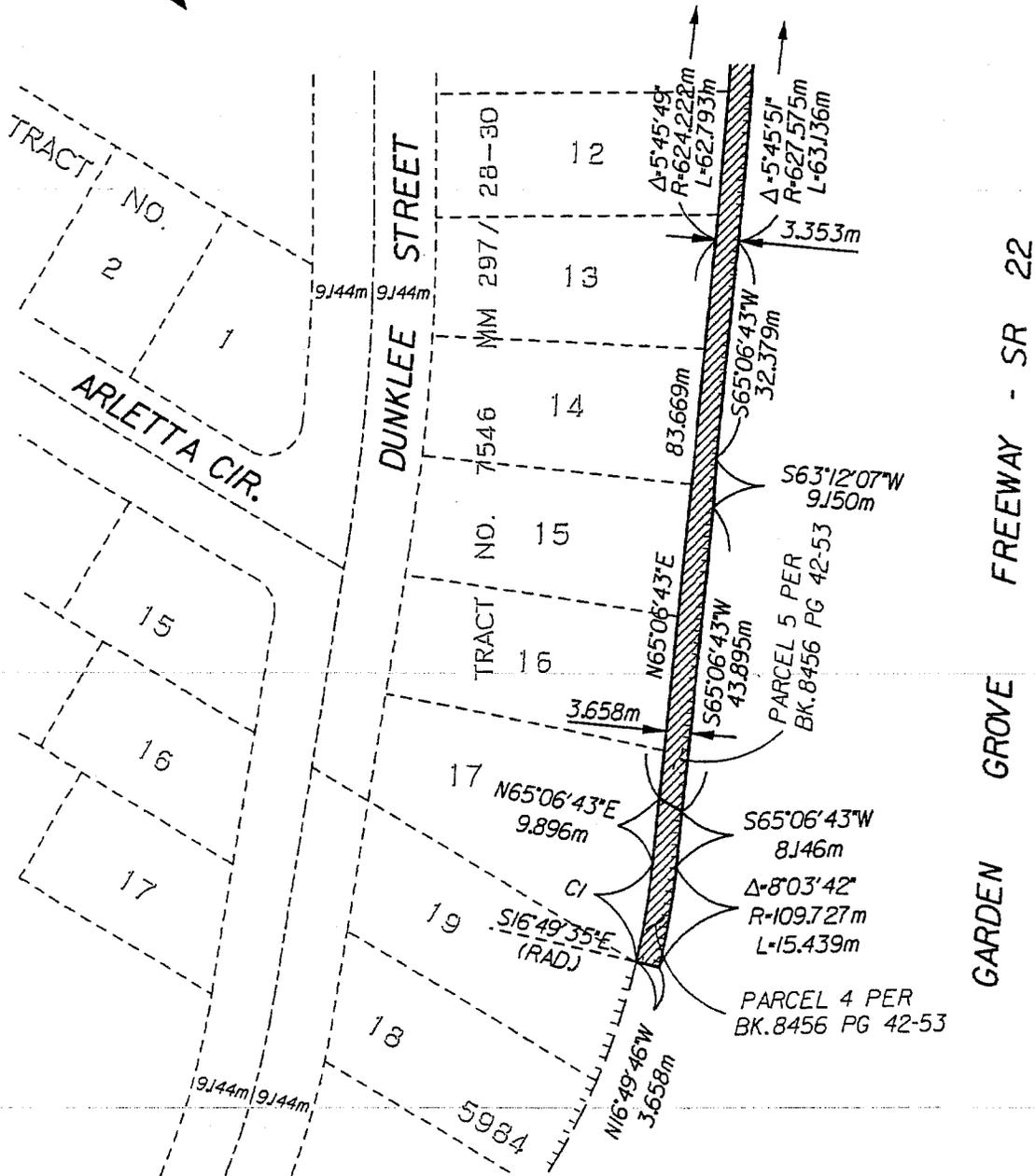
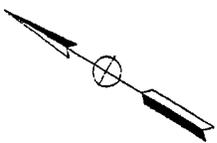
JANUARY 22, 2003

DATE





SEE EXHIBIT "B-2"



CURVE DATA:

NO.	DELTA	RADIUS	LENGTH
CI	8°03'42"	106.069m	14.924m

EXHIBIT "B-3"

12-ORA-22-10.15



1:1000

DIST.	COUNTY	ROUTE	MARKETER POST	SHEET	TOTAL
12	ORA	22	KP 78 - 204	03	4

**MISCELLANEOUS NOTES:**

- 1 AN EASEMENT FOR ROADS, RAILROADS AND DITCH PURPOSES RECORDED APRIL 4, 1895 IN BOOK 87, PAGE 225 OF RECORDS
- 2 AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES IN FAVOR OF SOUTHERN CALIFORNIA EDISON, RECORDED IN BOOK 1446, PAGE 227 OF OFFICIAL RECORDS
- 3 AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES IN FAVOR OF SOUTHERN CALIFORNIA GAS CO., RECORDED IN BOOK 4634, PAGE 414 OF OFFICIAL RECORDS
- 4 NO ACCESS OR EGRESS TO FREEWAY PER BOOK 3345, PAGE 325 OF OFFICIAL RECORDS
- 5 AN EASEMENT FOR SANITARY SEWER AND INCIDENTAL PURPOSES RECORDED IN BOOK 3736, PAGE 211 OF OFFICIAL RECORDS
- 6 AN EASEMENT FOR PUBLIC STREET, ROAD OR HIGHWAY PURPOSES RECORDED IN BOOK 3868, PAGE 389 OF OFFICIAL RECORDS (PARTRIDGE STREET)
- 7 AN EASEMENT FOR PUBLIC STREET, ROAD OR HIGHWAY PURPOSES RECORDED IN BOOK 3868, PAGE 89 OF OFFICIAL RECORDS (PARTRIDGE CUL-DE-SAC)
- 8 AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES IN FAVOR OF SOUTHERN CALIFORNIA EDISON, RECORDED IN BOOK 4258, PAGE 228 OF OFFICIAL RECORDS
- 9 AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES IN FAVOR OF SOUTHERN CALIFORNIA EDISON, RECORDED IN BOOK 4712, PAGE 485 OF OFFICIAL RECORDS
- 10 AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES IN FAVOR OF SOUTHERN CALIFORNIA EDISON, RECORDED IN BOOK 4712, PAGE 487 OF OFFICIAL RECORDS
- 11 AN EASEMENT FOR STORM DRAIN AND INCIDENTAL PURPOSES RECORDED MARCH 31, 1982 AS INSTRUMENT NO. 82-11044 OF OFFICIAL RECORDS

SEE SHEET E120022-01 FOR REFERENCES

**DATUM NOTES:**

COORDINATES AND BEARINGS ARE ON OCS MAD 83 ZONE 6, 1983.25 EPOCH ADJUSTMENT. DISTANCES AND STATIONING ARE GRID. MULTIPLY GRID DISTANCES SHOWN BY 1.0000580 TO OBTAIN GROUND DISTANCES. GRID WAS ESTABLISHED FROM THE COUNTY OF ORANGE GEODETIC CONTROL NETWORK GLOBAL POSITIONING SYSTEM (GPS) POINTS: 3075, 3077, 3082, 3090, 4655 AND 467. SUPPLEMENTARY INFORMATION MAY BE OBTAINED FROM THE DISTRICT OFFICE, SURVEY BRANCH OR RIGHT OF WAY ENGINEERING BRANCH, DISTRICT 12.

**NOTE:**

THIS MAP IS AN EXHIBIT ONLY, EXCEPT IN THE APPLICATION OF SECTION 85 OF THE STREETS AND HIGHWAYS CODE. THE STATE'S RIGHT-OF-WAY IS CREATED BY RECORD DEED CONVEYANCE AND RECORD MAP DEDICATION, NOT BY SUBJECT RIGHT-OF-WAY MAP. THIS MAP IS ATTENDANT AND SUBORDINATE TO THE RECORD DOCUMENT OR MAP REFERENCES SHOWN HEREON. ALL RECORD DOCUMENTS OR MAPS CONTROLLING THE LOCATION OF BOUNDARY LINES SHOWN ON THIS MAP MAY NOT BE REFERENCED HEREON. A CURRENT TITLE SEARCH IS NECESSARY TO DISCLOSE THE EXISTING RECORD FOR ANY PARCEL ADJOINING THE RIGHT-OF-WAY SHOWN HEREON. TO ESTABLISH, REESTABLISH, MONITOR OR REINFORCE ANY RIGHT-OF-WAY LINES OR POINTS, OR OTHER RECORD LINES OR POINTS SHOWN HEREON, REFER TO THE RECORD DOCUMENT OR MAP WHICH CREATED THOSE LINES OR POINTS. IN THE ABSENCE OF EVIDENCE TO THE CONTRARY, WHEN A MATERIAL DISCREPANCY EXISTS BETWEEN INFORMATION SHOWN ON THIS MAP AND A RECORD DOCUMENT OR MAP, THE RECORD DOCUMENT OR MAP IS SUPERIOR AND CONTROLLING.

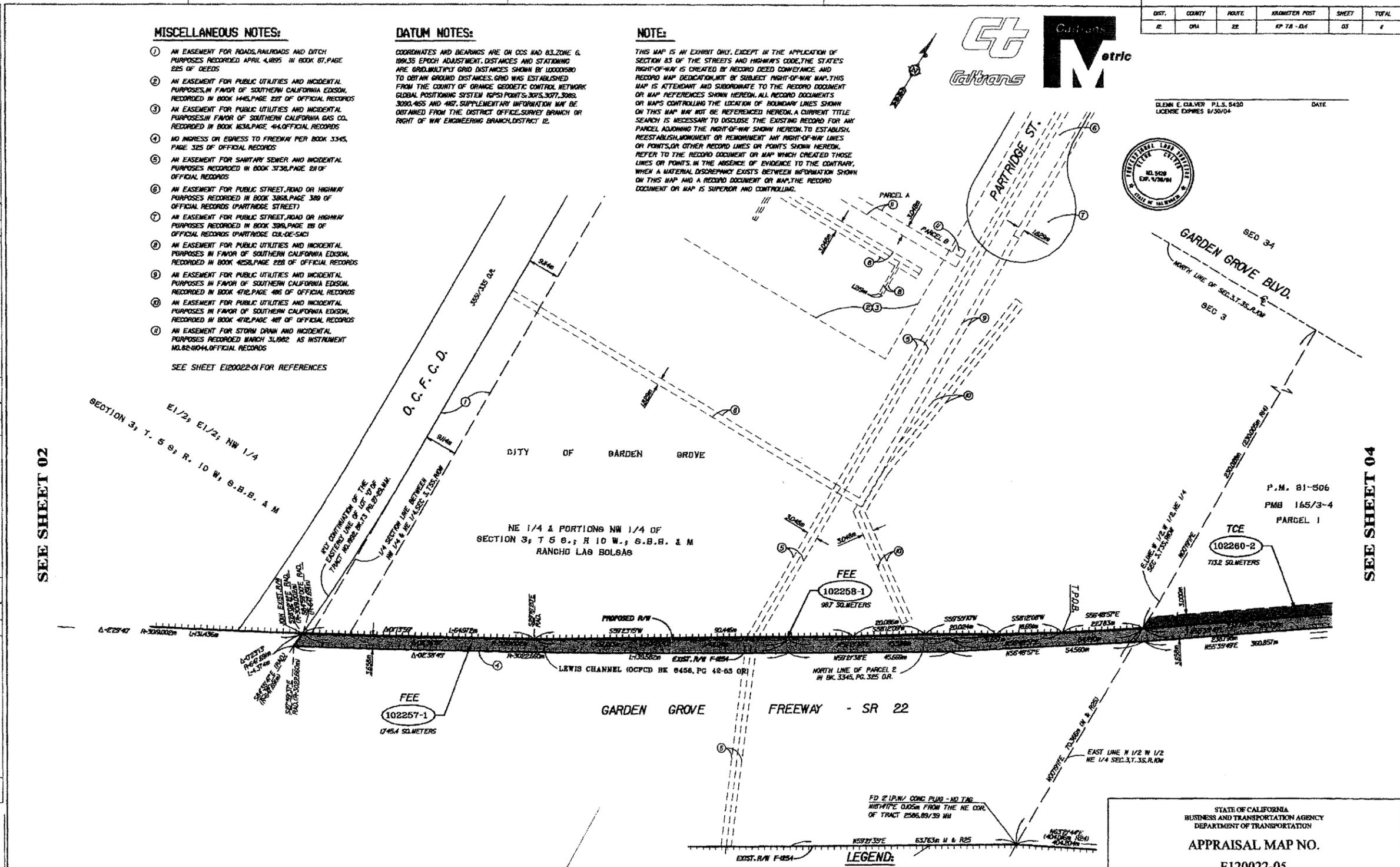


GLENN E. CULVER P.L.S. 5420  
LICENSE EXPIRES 9/30/04



SEE SHEET 02

SEE SHEET 04



PARCEL NO.	GRANTOR	AREAS			RECORDATION			REMARKS
		REQUIRED SQ. METERS	REMAINDER SQ. METERS	TOTAL SQ. METERS	EXCESS SQ. METERS	INSTR	DATE	
102257-1	O.C. FLOOD CONTROL DISTRICT	1745.4	00	1745.4		FEE		
102258-1	REVX-84, INC., A CALIFORNIA CORP.	987	33733.2	33830.9		FEE		
102260-2	REVX-84, INC., A CALIFORNIA CORP.	713.2	34468	35181.2		TCE		

**LEGEND:**

- EXISTING RIGHT OF WAY [Symbol]
- PROPOSED RIGHT OF WAY [Symbol]
- ACCESS PROHIBITED [Symbol]
- TCE = TEMPORARY CONSTRUCTION EASEMENT

STATE OF CALIFORNIA  
BUSINESS AND TRANSPORTATION AGENCY  
DEPARTMENT OF TRANSPORTATION

**APPRAISAL MAP NO.**  
E120022-05

0 25 50 75  
METER

1:500

ACCESS PROHIBITED [Symbol]

R/W ENG: \_\_\_\_\_ P.L.S. SR \_\_\_\_\_ P.L.S. E.A. \_\_\_\_\_

DIST.	COUNTY	ROUTE	KILOMETER POST	SHEET	TOTAL
02	ORA	22	KP 7.5 - 04	04	8



GLENN E. GILVER P.L.S. 5420  
 LICENSE EXPIRES 8/30/04



**MISCELLANEOUS NOTES:**

- AN EASEMENT FOR UNDERGROUND SUPPLY AND COMMUNICATION SYSTEMS, IN FAVOR OF SOUTHERN CALIFORNIA EDISON RECORDED JULY 18/95 IN BOOK 1447, PAGE 409 OF OFFICIAL RECORDS
  - AN EASEMENT FOR STORM DRAIN PURPOSES, IN FAVOR OF THE CITY OF GARDEN GROVE RECORDED JANUARY 13/95 IN BOOK 1352, PAGE 179 OF OFFICIAL RECORDS
- SEE SHEET E120022-01 FOR REFERENCES

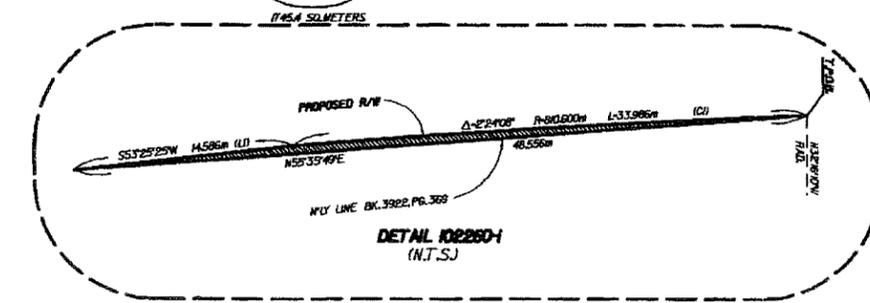
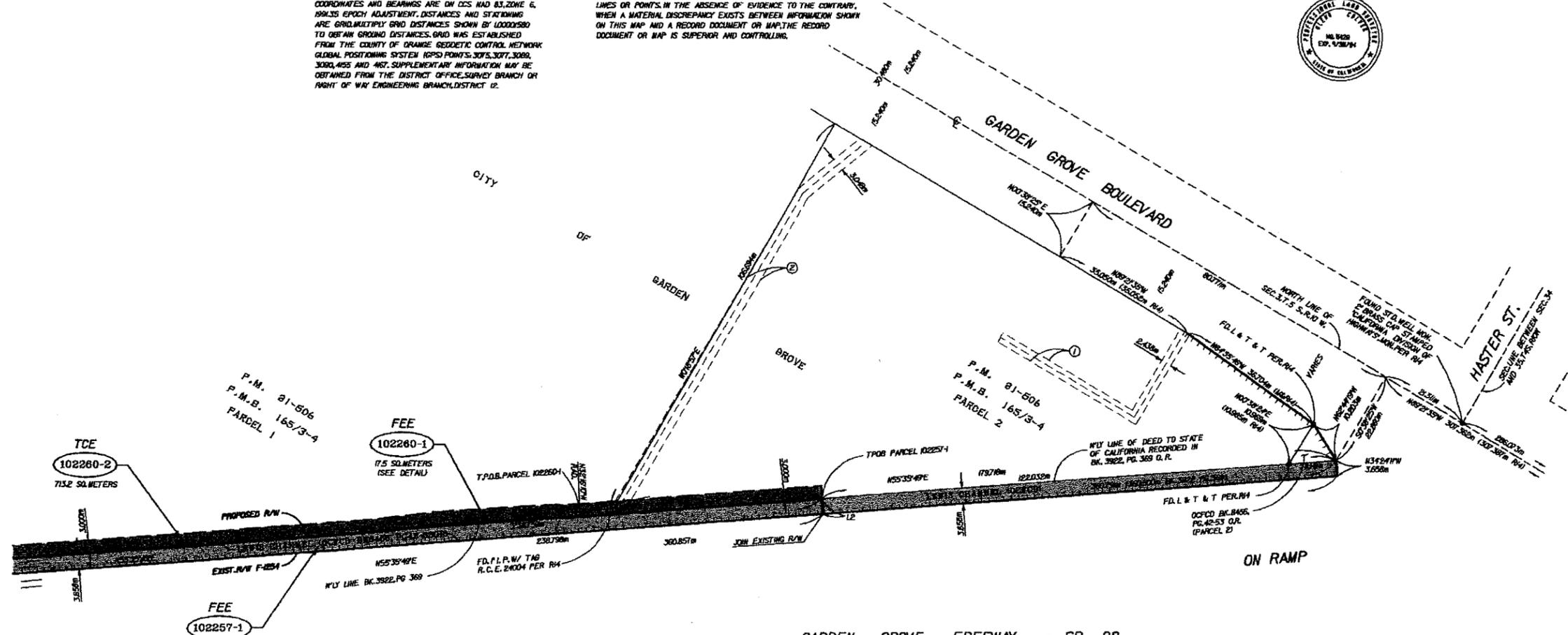
**NOTE:**

THIS MAP IS AN EXHIBIT ONLY, EXCEPT IN THE APPLICATION OF SECTION 153 OF THE STREETS AND HIGHWAYS CODE, THE STATE'S RIGHT-OF-WAY IS CREATED BY RECORD DEED CONVEYANCE AND RECORD MAP DEDICATION, NOT BY SUBJECT RIGHT-OF-WAY MAP. THIS MAP IS ATTENDANT AND SUBORDINATE TO THE RECORD DOCUMENT OR MAP REFERENCES SHOWN HEREON. ALL RECORD DOCUMENTS OR MAPS CONTROLLING THE LOCATION OF BOUNDARY LINES SHOWN ON THIS MAP MAY NOT BE REFERENCED HEREON. A CURRENT TITLE SEARCH IS NECESSARY TO DISCLOSE THE EXISTING RECORD FOR ANY PARCEL ADJOINING THE RIGHT-OF-WAY SHOWN HEREON. TO ESTABLISH, REESTABLISH, MONUMENT OR REMONUMENT ANY RIGHT-OF-WAY LINES OR POINTS, OR OTHER RECORD LINES OR POINTS SHOWN HEREON, REFER TO THE RECORD DOCUMENT OR MAP WHICH CREATED THOSE LINES OR POINTS. IN THE ABSENCE OF EVIDENCE TO THE CONTRARY, WHEN A MATERIAL DISCREPANCY EXISTS BETWEEN INFORMATION SHOWN ON THIS MAP AND A RECORD DOCUMENT OR MAP, THE RECORD DOCUMENT OR MAP IS SUPERIOR AND CONTROLLING.

**DATUM NOTES:**

COORDINATES AND BEARINGS ARE ON DCS NAD 83, ZONE 6, 1993.55 EPOCH ADJUSTMENT. DISTANCES AND STATIONING ARE GRID, MULTIPLY GRID DISTANCES SHOWN BY 1.0000580 TO OBTAIN GROUND DISTANCES. GRID WAS ESTABLISHED FROM THE COUNTY OF ORANGE GEODETIC CONTROL NETWORK GLOBAL POSITIONING SYSTEM (GPS) POINTS 3075, 3077, 3080, 3080, 4855 AND 487. SUPPLEMENTARY INFORMATION MAY BE OBTAINED FROM THE DISTRICT OFFICE, SURVEY BRANCH OR RIGHT OF WAY ENGINEERING BRANCH, DISTRICT 12.

SEE SHEET 03



**LINE DATA:**

NO.	BEARING	DISTANCE
L 1	S53°25'25"W	145.06m
L 2	N55°35'49"E	3.658m

**CURVE DATA:**

NO.	DELTA	RADIUS	LENGTH
C 1	E2°40'0"	60,600m	33,986m

**LEGEND:**

EXISTING RIGHT OF WAY [Symbol]

PROPOSED RIGHT OF WAY [Symbol]

ACCESS PROHIBITED [Symbol]

TCE = TEMPORARY CONSTRUCTION EASEMENT

STATE OF CALIFORNIA  
 BUSINESS AND TRANSPORTATION AGENCY  
 DEPARTMENT OF TRANSPORTATION

**APPRAISAL MAP NO.**  
 E120022-06

0 25 50 75  
 METER

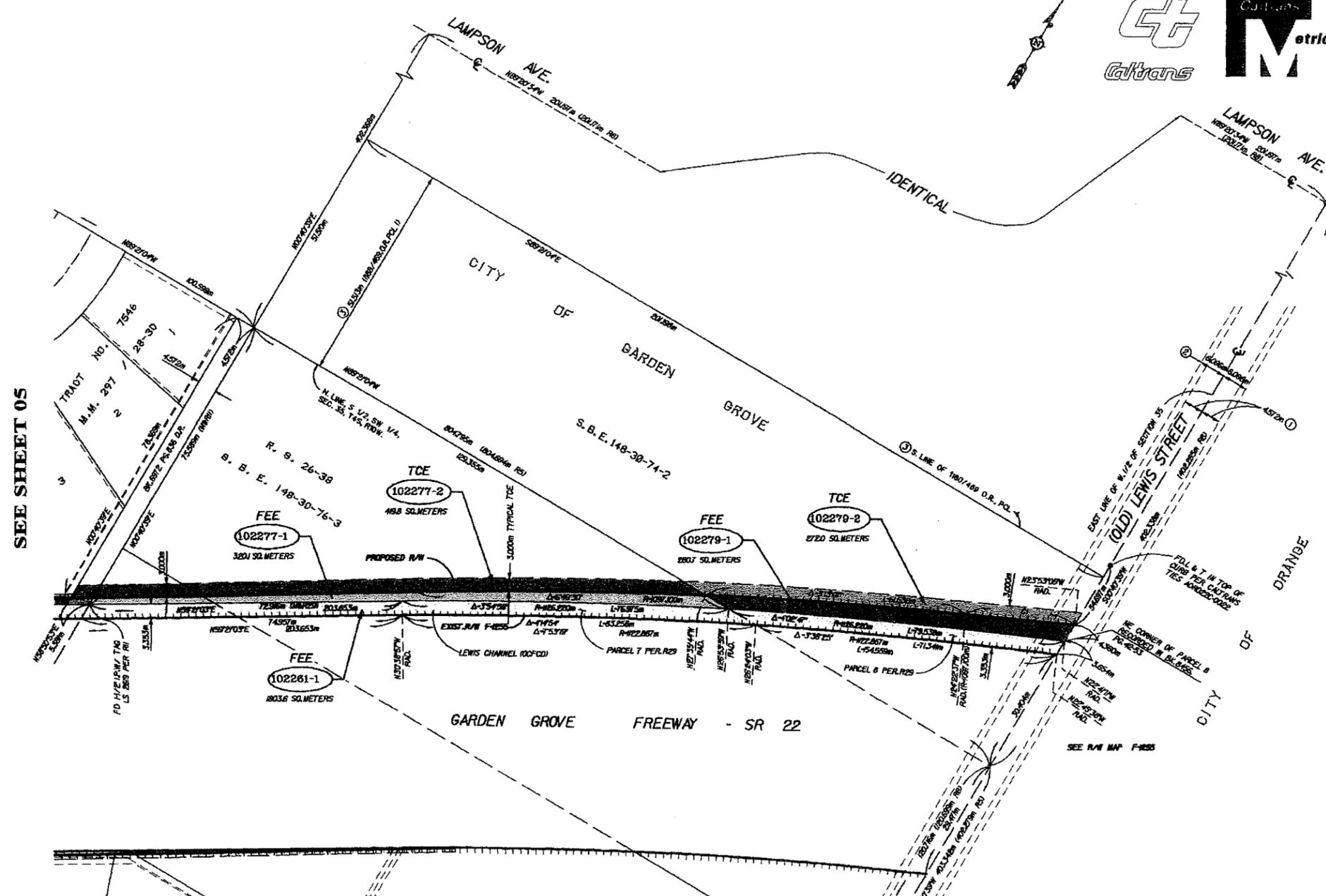
1:500  
 ACCESS PROHIBITED

P.L.S. SR P.L.S.  
 E.A.

PARCEL NO.	GRANTOR	AREAS				RECORDATION			REMARKS
		REQUIRED SOLMETERS	REMANINDER SOLMETERS	TOTAL SOLMETERS	EXCESS SOLMETERS	INSTR	DATE	O.R.	
102257-1	DC FLOOD CONTROL DISTRICT	1745.4	0.0	1745.4					
102260-1	CEDARBROOK GARDEN GROVE, L.L.C., MEYEDA	17.5	3912.5	3930.0					
102260-2	REYX-H&L, INC., A CALIFORNIA CORP.	713.2	3146.8	3860.0					

DIST.	COUNTY	ROUTE	MEASURE POST	SHEET	TOTAL
12	ORA	22	KP 7.8 - 8.4	06	1

GLORIA E. CALVER P.L.S. 8426  
 LICENSE EXPIRES 8/30/04



**MISCELLANEOUS NOTES:**

- ① ROAD EASEMENT 30 FEET WIDE PER BK.77, PG.26 DEEDS (NO RECORDING DATE)
- ② ROAD EASEMENT PER BK.407, PG.300 O.A., 02/28/94 WIDE/RECORDED JUNE 16, 2006
- ③ AN EASEMENT FOR RIGHT OF WAY AND WATER PIPELINE PURPOSES IN FAVOR OF ROBERT AND MAURIE SAITER RECORDED IN BK.407 PG.300, O.A., PARCEL 283 DO NOT EFFECT

EASEMENTS DESCRIBED IN BOOK 180/182 OR, DO NOT APPLY TO THE SUBJECT PARCELS. THESE EASEMENTS LIE NORTHERLY AND EASTERLY OF THE SUBJECT PARCELS WITHIN THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 35.

SEE SHEET E120022-01 FOR REFERENCES  
 SEE SHEET E120022-01 FOR DETAILS

**DATUM NOTES:**

COORDINATES AND BEARINGS ARE ON DCS AND NAD 83, ZONE 6, 1983 EPOCH ADJUSTMENT. DISTANCES AND STATIONING ARE GROUND MEASUREMENTS. THESE DISTANCES SHOWN BY 1000/500 TO OBTAIN GROUND DISTANCES. GRID WAS ESTABLISHED FROM THE COUNTY OF ORANGE GEODETIC CONTROL NETWORK GLOBAL POSITIONING SYSTEM (GPS) POINTS: 3075, 3077, 3085, 3090, 4052 AND 4057. SUPPLEMENTARY INFORMATION MAY BE OBTAINED FROM THE DISTRICT OFFICE, SURVEY BRANCH OR RIGHT OF WAY ENGINEERING BRANCH, DISTRICT 12.

**NOTE:**

THIS MAP IS AN EXHIBIT ONLY, EXCEPT IN THE APPLICATION OF SECTION 83 OF THE STREETS AND HIGHWAYS CODE, THE STATE'S RIGHT-OF-WAY IS CREATED BY RECORD DEED CONVEYANCE AND RECORD MAP IDENTIFICATION OF SUBJECT RIGHT-OF-WAY MAP. THIS MAP IS ATTENDANT AND SUBORDINATE TO THE RECORD DOCUMENT OR MAP REFERENCES SHOWN HEREON. ALL RECORD DOCUMENTS OR MAPS CONTROLLING THE LOCATION OF BOUNDARY LINES SHOWN ON THIS MAP MAY NOT BE REFERENCED HEREON. A CURRENT TITLE SEARCH IS NECESSARY TO DISCLOSE THE EXISTING RECORD FOR ANY PARCEL ADJOINING THE RIGHT-OF-WAY SHOWN HEREON TO ESTABLISH, REESTABLISH, MONUMENT OR RE-MONUMENT ANY RIGHT-OF-WAY LINES OR POINTS, OR OTHER RECORD LINES OR POINTS SHOWN HEREON. REFER TO THE RECORD DOCUMENT OR MAP WHICH CREATED THOSE LINES OR POINTS. IN THE ABSENCE OF EVIDENCE TO THE CONTRARY, WHEN A MATERIAL DISCREPANCY EXISTS BETWEEN INFORMATION SHOWN ON THIS MAP AND A RECORD DOCUMENT OR MAP, THE RECORD DOCUMENT OR MAP IS SUPERIOR AND CONTROLLING.

**CURVE DATA**

NO.	DELTA	RADIUS	LENGTH
C1	103.25°	1500.00m	25.467m

SEE SHEET 05

SEE SHEET 09

PARCEL NO.	GRANTOR	AREAS			EXCESS SQ. METERS	RECORDATION			REMARKS
		REQUIRED SQ. METERS	REMAINDER SQ. METERS	TOTAL SQ. METERS		INSTR	DATE	D.R.	
102261-1	O.C. FLOOD CONTROL DISTRICT	18036	00	18036		FEE			
102271-1	SOUTHERN CALIFORNIA EDISON	3201	4465.2	4785.4		FEE			
102271-2	SOUTHERN CALIFORNIA EDISON	498	4355.5	4785.4		TCE			
102279-1	SOUTHERN CALIFORNIA EDISON	2801	8822.4	9103.1		FEE			
102279-2	SOUTHERN CALIFORNIA EDISON	2720	8031	9103.1		TCE			

**LEGEND:**

- EXISTING RIGHT OF WAY [Symbol]
- PROPOSED RIGHT OF WAY [Symbol]
- ACCESS PROHIBITED [Symbol]
- TCE = TEMPORARY CONSTRUCTION EASEMENT

STATE OF CALIFORNIA  
 BUSINESS AND TRANSPORTATION AGENCY  
 DEPARTMENT OF TRANSPORTATION

**APPRAISAL MAP NO.**  
 E120022-09

0 25 METER 50 75

1:500

ACCESS PROHIBITED [Symbol]

R/W EWS: \_\_\_\_\_ P.L.S. SR: \_\_\_\_\_ P.L.S. E.A. \_\_\_\_\_

DIST.	COUNTY	ROUTE	KILOMETER POST	SHEET	TOTAL
02	ORA	02	NP 72 - 04	05	1

GLENN E. CULVER P.L.S. 5420  
 LICENSE EXPRESS 6/30/04



**MISCELLANEOUS NOTES:**

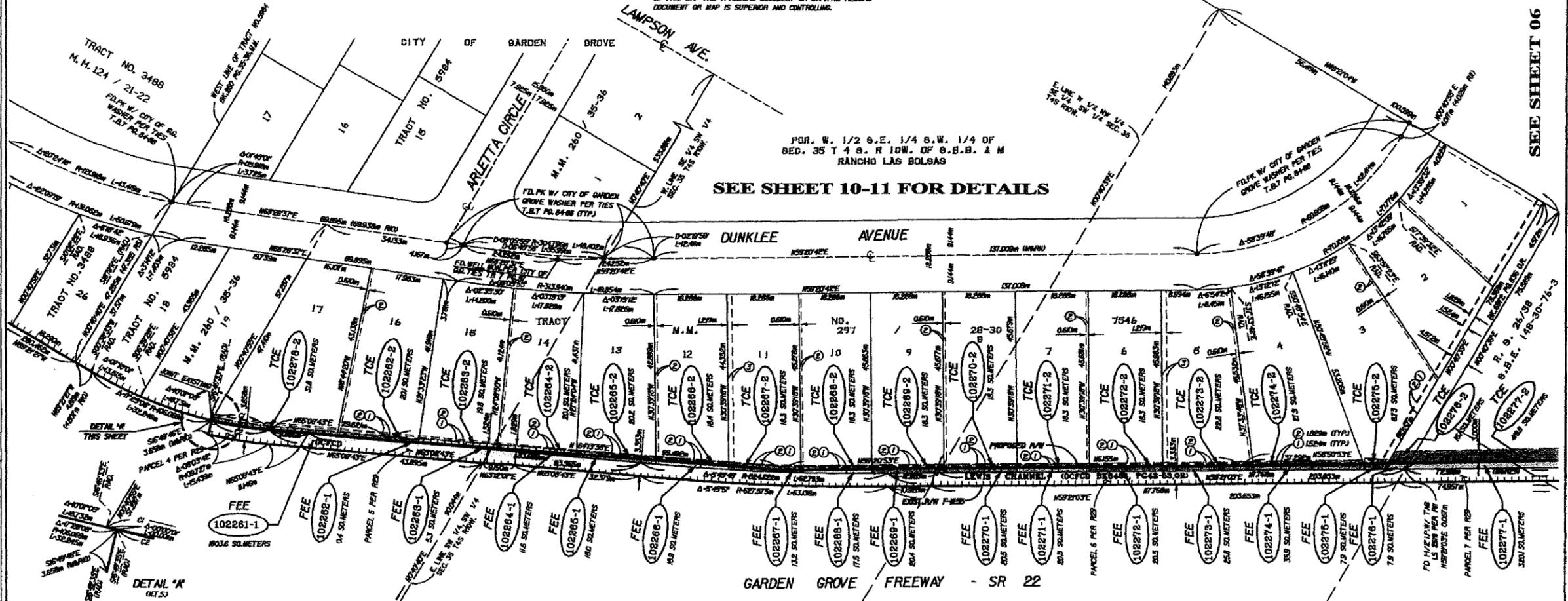
- AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES, IN FAVOR OF PACIFIC TELEPHONE & TELEGRAPH CO., RECORDED IN BOOK 1075, PAGE 208, OFFICIAL RECORDS (1/28th WIDE)
  - AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES, IN FAVOR OF SOUTHERN CALIFORNIA EDISON RECORDED IN BOOK 1033, PAGE 192 OF OFFICIAL RECORDS
  - AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES, IN FAVOR OF SOUTHERN CALIFORNIA EDISON RECORDED IN BOOK 1038, PAGE 898 OF OFFICIAL RECORDS (1/28th WIDE)
- SEE SHEET E120022-01 FOR REFERENCES  
 SEE SHEET E120022-08 FOR DETAILS

**DATUM NOTES:**

COORDINATES AND BEARINGS ARE ON DCS NAD 83, ZONE 6, 1983.5 EPOCH ADJUSTMENT. DISTANCES AND STATIONING ARE ON HORIZONTAL GRID DISTANCES SHOWN BY 10000500 TO OBTAIN GROUND DISTANCES. GRID WAS ESTABLISHED FROM THE COUNTY OF ORANGE GEODETIC CONTROL NETWORK GLOBAL POSITIONING SYSTEM 1995 POINTS 3075, 3077, 3085, 3083, 425 AND 467. SUPPLEMENTARY INFORMATION MAY BE OBTAINED FROM THE DISTRICT OFFICE, SURVEY BRANCH OR RIGHT OF WAY ENGINEERING BRANCH, DISTRICT 12.

**NOTE:**

THIS MAP IS AN EXHIBIT ONLY, EXCEPT IN THE APPLICATION OF SECTION 43 OF THE STREETS AND HIGHWAYS CODE, THE STATE'S RIGHT-OF-WAY IS CREATED BY RECORD DEED CONVEYANCE AND RECORD MAP DEDICATION, NOT BY SUBJECT RIGHT-OF-WAY MAP. THIS MAP IS ATTENDANT AND SUBORDINATE TO THE RECORD DOCUMENT OR MAP REFERENCES SHOWN HEREIN. ALL RECORD DOCUMENTS OR MAPS CONTROLLING THE LOCATION OF BOUNDARY LINES SHOWN ON THIS MAP MAY NOT BE REFERENCED HEREIN. A CURRENT TITLE SEARCH IS NECESSARY TO DISCLOSE THE EXISTING RECORD FOR ANY PARCEL ADJOINING THE RIGHT-OF-WAY SHOWN HEREIN TO ESTABLISH REESTABLISHMENT OR REMOVAL OF ANY RIGHT-OF-WAY LINES OR POINTS, OR OTHER RECORD LINES OR POINTS SHOWN HEREIN. REFER TO THE RECORD DOCUMENT OR MAP WHICH CREATED THOSE LINES OR POINTS. IN THE ABSENCE OF EVIDENCE TO THE CONTRARY, WHEN A MATERIAL DISCREPANCY EXISTS BETWEEN INFORMATION SHOWN ON THIS MAP AND A RECORD DOCUMENT OR MAP, THE RECORD DOCUMENT OR MAP IS SUPERIOR AND CONTROLLING.



SEE SHEET 10-11 FOR DETAILS

SEE SHEET 08

PARCEL NO.	GRANTOR	AREAS			RECORDATION			REMARKS
		REQUIRED SOL.METERS	REMAINDER SOL.METERS	TOTAL SOL.METERS	EXCESS SOL.METERS	INSTR	DATE	
102261-1	OC-FLOOD CONTROL DISTRICT	10036	0000	10036				
102262-1	BOB PHAN & TRUONG NGUYEN	04	808.4	808.4				
102263-1	TIMOTHY & CAROL MORLEY	5.3	778.6	783.9				
102264-1	ARNOLD E. SANCHEZ	16	770.8	786.8				
102265-1	JOHN & STEPHANIE BULLIS	18.0	788.2	806.2				
102266-1	MIGUEL ROMAS & ROCHTEL ZAVALA	18.9	778.5	797.4				
102267-1	VICTOR LEON & GLADYS LEON	13.2	807.2	820.4				
102268-1	GABRIEL PEREZ & YVETTE PEREZ	17.5	814.8	832.3				
102269-1	JAVIER DUEÑAS & JOEL SERRANO	20.4	814.9	835.3				
102270-1	FRANK & TRINIDAD ABANDUEZ	20.5	814.9	835.4				
102271-1	LEOPOLDO & MARIA EDUARDO	20.5	814.9	835.4				
102272-1	GUADALUPE & VALENTIN LINON	20.5	814.9	835.4				
102273-1	ROBERT V. TRAM	25.0	800.9	825.9				
102274-1	SANG HUA & LANCH HUA	35.9	1040.3	1076.2				
102275-1	GEORGE & MATHILDA GRACHEN	7.9	1047.5	1055.4				
102276-1	CITY OF GARDEN GROVE	7.9	344.0	351.9				
102276-2	CITY OF GARDEN GROVE	16.1	335.8	351.9				
102277-1	SOUTHERN CALIFORNIA EDISON	380.1	4438.9	4819.0				

**CURVE DATA:**

NO.	DELTA	RADIUS	LENGTH
C1	87°43'	106.00m	14.32m
C2	87°42'	106.00m	14.32m

- LEGEND:**
- EXISTING RIGHT OF WAY
  - PROPOSED RIGHT OF WAY
  - ACCESS PROHIBITED
  - TCE = TEMPORARY CONSTRUCTION EASEMENT

STATE OF CALIFORNIA  
 BUSINESS AND TRANSPORTATION AGENCY  
 DEPARTMENT OF TRANSPORTATION

**APPRAISAL MAP NO.**  
 E120022-08

0 25 50 75  
 METER

1:500  
 ACCESS PROHIBITED

R/W ENG: \_\_\_\_\_ P.L.S. SR \_\_\_\_\_ P.L.S.

10-1088-01  
01-17-03  
Revised  
04-26-04

LEGAL DESCRIPTION  
RIGHT-OF-WAY ACQUISITION  
PARCEL 102293-1  
(C05511-301)

Parcel 102293-1 (Fee):

That portion of the Northwest Quarter of the Southeast Quarter of Section 35, Township 4 South, Range 10 West, in the Rancho Las Bolsas, in the City of Orange, County of Orange, State of California, as shown on the map recorded in Book 51, Page 10 of Miscellaneous Maps, in the office of the County Recorder of said County as acquired by the Orange County Flood Control District by document recorded December 5, 1967 in Book 8456, Page 42 of Official Records, in the office of said County Recorder, described as follows:

Beginning at the intersection of a line being parallel with and 6.096 meters Easterly of the West line of said Northwest Quarter with the Westerly continuation of that certain curve cited as having a radius of 3695.00 feet (1126.219 meters) in the general Northerly line of the land described as "Parcel 1" in the Final Order of Condemnation filed in Superior Court, Case No. 98716, a certified copy of which was recorded January 29, 1963 in Book 6412, Page 519 of Official Records, in the office of said County Recorder in said Grant Deed and as shown on Record of Survey 2003-1006 filed in Book 199, Pages 1 through 16, inclusive, of Records of Survey, in the office of said County Recorder; thence along the Northwesterly, Northeasterly, Southeasterly and Westerly lines of Parcel 9 of said document to Orange County Flood Control District, the following courses: Easterly 60.154 meters along the Westerly continuation of said curve through a central angle of 3°03'37", North 70°49'14" East 4.569 meters, North 76°48'24" East 0.975 meters, South 18°01'06" East 3.362 meters, South 71°58'54" West 5.462 meters to a point on a non-tangent curve, concave Southerly, having a radius of 1122.866 meters and being concentric with said first mentioned curve, a radial line of said curve, through said point, bears North 19°17'39" West, Westerly 61.406 meters along said curve, through a central angle of 3°08'00" to said parallel line; thence along said parallel line, North 0°40'44" East 3.644 meters to the point of beginning.

Containing an area of 222.475 square meters, more or less.

LEGAL DESCRIPTION-CONTINUED  
RIGHT-OF-WAY ACQUISITION  
PARCEL 102293-1  
(C05511-301)  
PAGE 2

10-1088-01 (A)  
01-17-03  
Revised  
04-26-04

Unless otherwise noted, all bearings and distances in this legal description are grid, based on the California Coordinate System of 1983, Zone 6, 1991.35 Epoch Adjustment. Multiply distances by 1.00001709 to obtain ground level distances.

  
JAMES L. GARVIN, PLS 6343



W'LY LINE S.E. 1/4,  
SEC. 35, T. 4S., R. 10W.

LOT LINE ADJUSTMENT

LL 82-16

INST. NO. 82-407051, O.R.

PARCEL 1

LEWIS STREET



W'LY PROLONGATION OF THE  
GEN. N'LY LINE PCL. 1,  
6412/519, O.R. & THE  
NW'LY LINE PCL. 9, O.R.  
8456/42

6.096m

P.O.B.

N22°21'17"W  
RAD R=1126.219m  
D=03°23'51"  
D=03°03'37"

222.475 sq. m

L=66.782m

L=60.154m

L=61.406m  
L=68.042m

SE'LY LINE PCL. 9,  
O.R. 8456/42

N70°49'14"E  
4.569m  
N76°48'24"E  
0.975m

N19°17'40"W  
RAD.  
N71°58'54"E  
5.462m  
N18°01'06"W  
3.362m

N22°41'32"W  
RAD  
N00°40'44"E  
23.962m

3.644m

N00°40'44"E  
3.653m

N22°45'58"W  
RAD  
N22°25'39"W  
RAD

102293-1

GARDEN GROVE FREEWAY  
STATE ROUTE 22

R.S. 2003 - 1008

R.S.B. 100 / 1 - 16



REVISED: 4/26/04

HUITT-ZOLIARS

Huitt-Zollars, Inc. Irvine  
430 Exchange, Suite 200, Irvine, CA 92602-1309  
Phone (714) 734-5100 Fax (714) 734-5155

APPROVED BY

*James L. Garvin*

4-26-2004

SKETCH TO ACCOMPANY  
A LEGAL DESCRIPTION

R/W ACQUISITION  
PARCEL 102293-1

SCALE 1:500

DRAWN BY DAO

CHECKED BY JLG

DATE 1-16-2003

JOB NO. 10-1088-01

10-1088-01 (A)  
01-17-03  
Revised  
04-26-04

LEGAL DESCRIPTION  
RIGHT-OF-WAY ACQUISITION  
PARCEL 102295-1  
(C05511-302)

Parcel 102295-1 (Fee):

That portion of the Northwest Quarter of the Southeast Quarter of Section 35, Township 4 South, Range 10 West, in the Rancho Las Bolsas, in the City of Orange, County of Orange, State of California, as shown on the map recorded in Book 51, Page 10 of Miscellaneous Maps, in the office of the County Recorder of said County as acquired by the Orange County Flood Control District by document recorded December 5, 1967 in Book 8456, Page 42 of Official Records, in the office of said County Recorder, described as follows:

Beginning at the Southerly terminus of that certain course cited as South 09°02'16" East 90.27 feet in the general Easterly line of the land described as Parcel 1 in the Final Order of Condemnation filed in Superior Court, Case No. 98716, a certified copy of which was recorded January 22, 1963 in Book 6412, Page 519 of Official Records, in the office of said County Recorder as shown on Record of Survey 2003-1006 filed in Book 199, Pages 1 through 16, inclusive, of Records of Survey, in the office of said County Recorder, said terminus being a point in that certain curve cited in said Parcel 1 as concave Southerly and having a radius of 3695.00 feet (1126.219 meters), a radial line of said curve through said point bears North 16°26'18" West; thence along the general Northerly line of said Parcel 1 as shown on said Record of Survey 2003-1006, the following courses: Easterly 59.624 meters along said curve through a central angle of 3°02'00", North 76°16'10" East 84.663 meters to the beginning of a non-tangent curve concave Southerly and having a radius of 1129.877 meters, a radial line of said curve through said point bears North 9°06'28" West, Easterly 148.509 meters along said curve through a central angle of 7°31'51" to the East line of said Northwest Quarter as shown on said Record of Survey 2003-1006; thence leaving said general Northerly line South 00°38'36" West 3.050 meters along said East line to a point in a non-tangent curve concave Southerly having a radius of 1126.829 meters and which is concentric with said last mentioned curve, said curve being the Southerly line of Parcel 10 of said document to the Orange County Flood Control District as shown on said Record of Survey 2003-1006, a radial line of said concentric curve through said point bears North 01°34'59" West; thence along the Southerly, Southeasterly, Westerly and general Northerly lines of said Parcel 10 as shown on said Record of Survey 2003-1006, the following courses: Westerly 147.868 meters along said concentric curve through a central angle of 7°31'07" to a line that is parallel

LEGAL DESCRIPTION-CONTINUED  
RIGHT-OF-WAY ACQUISITION  
PARCEL 102295-1  
(C05511-302)  
PAGE 2

10-1088-01 (A)  
01-17-03  
Revised  
04-26-04

with and Southeasterly 3.048 meters from that certain course hereinbefore cited as "North 76°16'10" East, 84.663 meters," South 76°16'10" West 84.549 meters along said parallel line to the beginning of a non-tangent curve concave Southerly having a radius of 1123.171 meters, and which is concentric with said hereinbefore mentioned curve having a radius of 3695.00 feet, a radial line of said concentric curve through said intersection bears North 13°24'17" West, Westerly 55.809 meters along said concentric curve through a central angle of 2°50'49", non-tangent South 70°43'49" West 9.119 meters, North 18°01'10" West 3.281 meters, North 61°15'12" East 1.009 meters, and North 73°26'43" East 4.551 meters to the point of beginning.

Containing an area of 909.772 square meters, more or less.

Unless otherwise noted, all bearings and distances in this legal description are grid, based on the California Coordinate System of 1983, Zone 6, 1991.35 Epoch Adjustment. Multiply distances by 1.00001709 to obtain ground level distances.

  
\_\_\_\_\_  
JAMES L. GARVIN, PLS 6343





METROPOLITAN

DRIVE

LOT LINE  
ADJUSTMENT

LL 87-15

INST. NO. 87-583071, O.R.

PARCEL 1

TRACT NO.  
3414

LOT 17

SEE SHT 1

SEE SHT 3

N76°16'10"E  
84.663m

N76°16'10"E  
84.549m

N09°06'06"W  
RAD

N09°06'28"W  
RAD

D=07°31'51"

D=07°31'07"

GEN. N'LY LINE  
PCL. 1, O.R.  
6412/519

R=1129.877m

909.772 sq. m

R=1126.829m

102295-1

SE'LY LINE PCL. 10,  
O.R. 8456/42

3.048m

3.048m

L=148.509m

L=147.868m

GARDEN GROVE FREEWAY  
STATE ROUTE 22

R.S. 2003 - 1006  
R.S.B. 109 / 1 - 16



LOT LINE ADJUSTMENT LL2001-05  
INST. NO. 2001 0270254, O.R.  
PARCEL 3



E'LY LINE N.W. 1/4, SEC. 35, T.4 S., R.10 W.

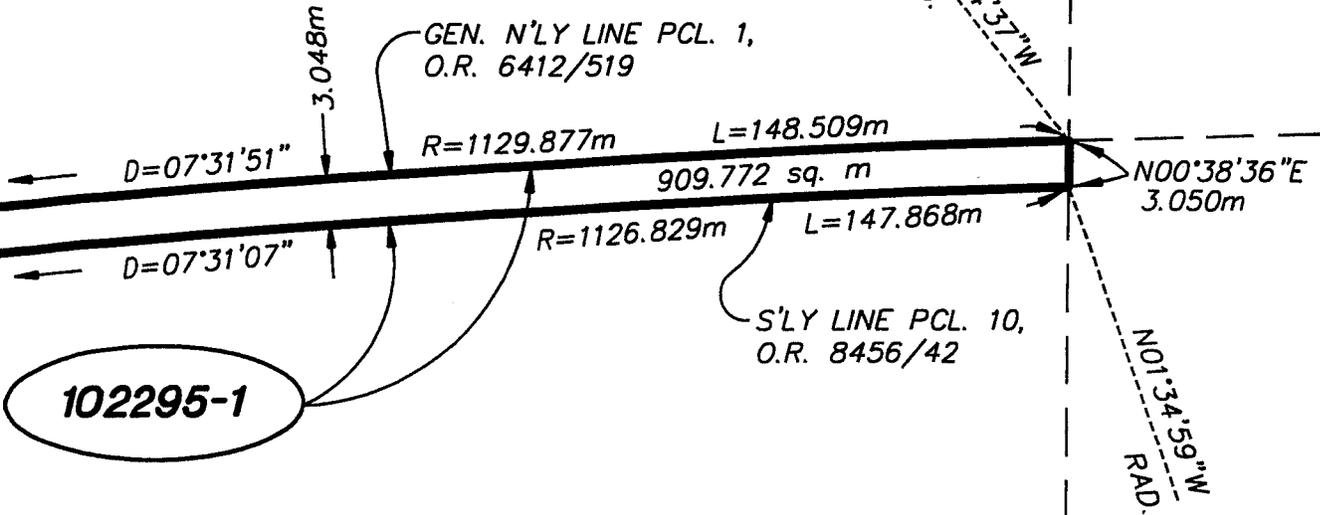
TRACT NO. 3414

**METROPOLITAN DRIVE**

LOT 17

SHT 2

SEE



**GARDEN GROVE FREEWAY**  
**STATE ROUTE 22**

R. S. 2003 - 1006

R. S. B. 199 / 1 - 16

REV	CK	DATE	REVISIONS
1		12/17/03	DATE
2		01/22/04	DATE
3		06/30/04	DATE
4			DATE
5			DATE
6			DATE
7			DATE
8			DATE
9			DATE
10			DATE
11			DATE
12			DATE
13			DATE
14			DATE
15			DATE
16			DATE
17			DATE
18			DATE
19			DATE
20			DATE
21			DATE
22			DATE
23			DATE
24			DATE
25			DATE
26			DATE
27			DATE
28			DATE
29			DATE
30			DATE
31			DATE
32			DATE
33			DATE
34			DATE
35			DATE
36			DATE
37			DATE
38			DATE
39			DATE
40			DATE
41			DATE
42			DATE
43			DATE
44			DATE
45			DATE
46			DATE
47			DATE
48			DATE
49			DATE
50			DATE
51			DATE
52			DATE
53			DATE
54			DATE
55			DATE
56			DATE
57			DATE
58			DATE
59			DATE
60			DATE
61			DATE
62			DATE
63			DATE
64			DATE
65			DATE
66			DATE
67			DATE
68			DATE
69			DATE
70			DATE
71			DATE
72			DATE
73			DATE
74			DATE
75			DATE
76			DATE
77			DATE
78			DATE
79			DATE
80			DATE
81			DATE
82			DATE
83			DATE
84			DATE
85			DATE
86			DATE
87			DATE
88			DATE
89			DATE
90			DATE
91			DATE
92			DATE
93			DATE
94			DATE
95			DATE
96			DATE
97			DATE
98			DATE
99			DATE
100			DATE

PARCEL NO.	GRANTOR	AREAS				RECORDATION			REMARKS	ASSESSOR'S PARCEL #
		REQUIRED SQ. METERS	REMAINDER SQ. METERS	TOTAL SQ. METERS	EXCESS SQ. METERS	INSTR	DATE	O. R.		
102293-1	ORANGE CO. FLOOD CONTROL DISTRICT	222,475				FEE			231-083-04	
102294-1	CITY OFFICE, L.P.	296,338				FEE			231-083-06	
102294-2	CITY OFFICE, L.P.	180,136				TCE			231-083-06	
102295-1	ORANGE CO. FLOOD CONTROL DISTRICT	909,772				FEE			231-082-02	
102296-1	BERGEN BRUNSWIG CORP.	2,118,914				FEE			231-082-07	
102296-2	BERGEN BRUNSWIG CORP.	542,049				TCE			231-082-07	
102296-4	BERGEN BRUNSWIG CORP.	95,846				ESMT		TO CITY OF ORANGE	231-082-07	

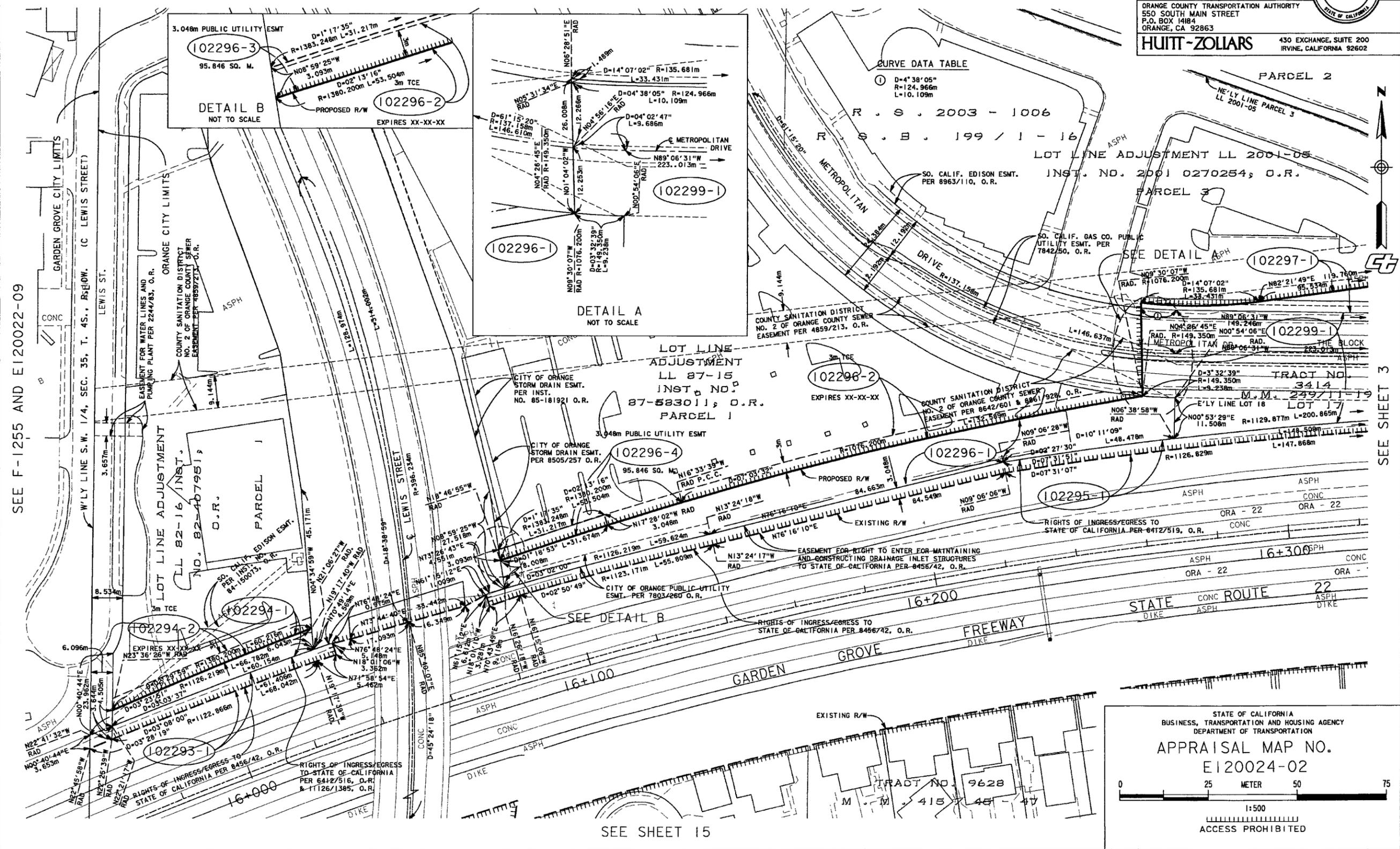


DIST.	COUNTY	ROUTE	KILOMETER POST MILE	SHEET	TOTAL
12	ORA	22	13.68 - 20.76 8.5 - 12.9	02	19

James L. Garvin  
 JAMES L. GARVIN PLS 6343  
 PROFESSIONAL LAND SURVEYOR  
 NO. 6343  
 EXP. 12/31/2006  
 STATE OF CALIFORNIA

ORANGE COUNTY TRANSPORTATION AUTHORITY  
 550 SOUTH MAIN STREET  
 P.O. BOX 1418  
 ORANGE, CA 92863

**HUIT-ZOLIARS**  
 430 EXCHANGE, SUITE 200  
 IRVINE, CALIFORNIA 92602



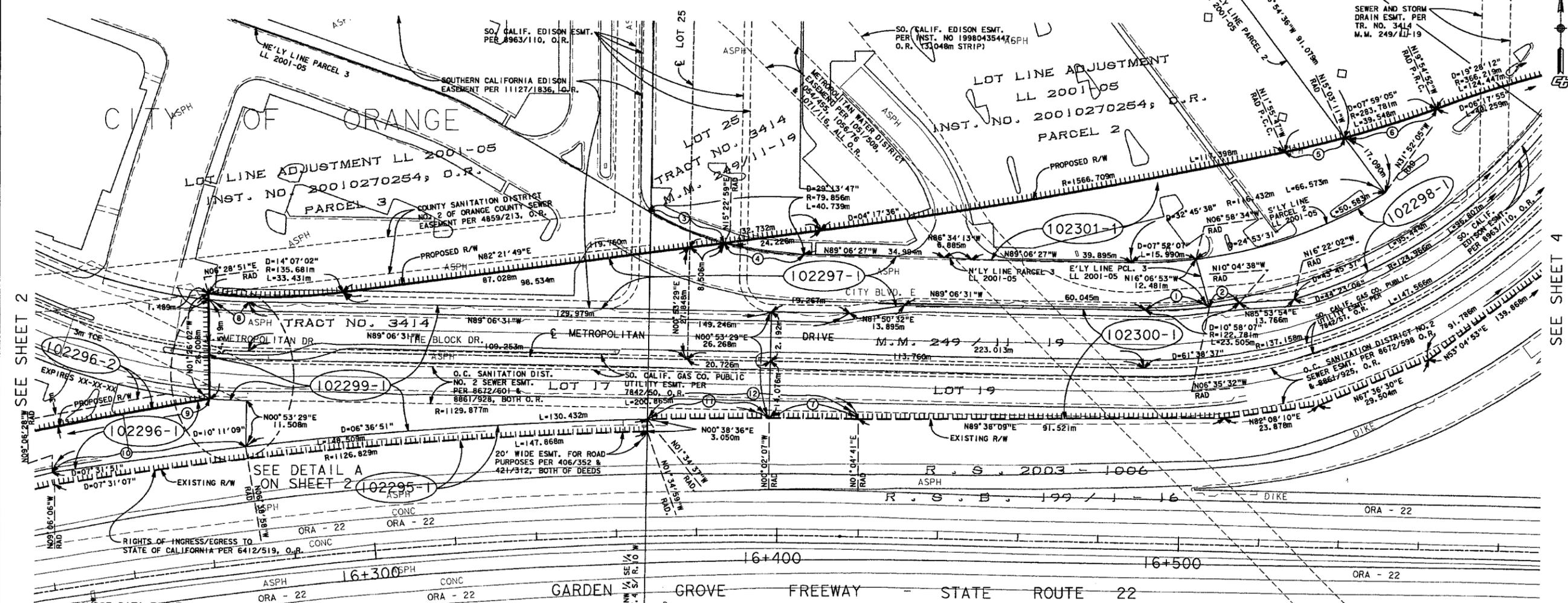
REV CK	DATE	REVISIONS	REVISIONS	REV CK	DATE	REVISIONS	REVISIONS
1	1/17/03	INITIAL SUBMITTAL	REVISED ACQUISITION TYPE FOR PARCELS 102296-1, 102296-2, 102296-3, 102299-1, 102299-2, 102299-3, 102300-1, 102300-2, 102300-3, 102301-1, 102301-2, 102301-3	1	1/17/03	INITIAL SUBMITTAL	REVISED ACQUISITION TYPE FOR PARCELS 102296-1, 102296-2, 102296-3, 102299-1, 102299-2, 102299-3, 102300-1, 102300-2, 102300-3, 102301-1, 102301-2, 102301-3
2	6/23/03	FIRST CHECK REVISION SUBMITTAL	REVISIONS AT THE BLOCK, SANTA ANA RIVER AND MAIN PLACE, PROPOSED EASEMENTS, DELETED PARCELS 102296-1, 102299-1, 102299-2, 102299-3	2	6/23/03	FIRST CHECK REVISION SUBMITTAL	REVISIONS AT THE BLOCK, SANTA ANA RIVER AND MAIN PLACE, PROPOSED EASEMENTS, DELETED PARCELS 102296-1, 102299-1, 102299-2, 102299-3
3	8/20/04	PARCEL REVISIONS AT THE BLOCK, SANTA ANA RIVER AND MAIN PLACE, PROPOSED EASEMENTS, DELETED PARCELS 102296-1, 102299-1, 102299-2, 102299-3		3	8/20/04	PARCEL REVISIONS AT THE BLOCK, SANTA ANA RIVER AND MAIN PLACE, PROPOSED EASEMENTS, DELETED PARCELS 102296-1, 102299-1, 102299-2, 102299-3	
4				4			
5				5			
6				6			
7				7			
8				8			
9				9			
10				10			
11				11			
12				12			
13				13			
14				14			
15				15			
16				16			
17				17			
18				18			
19				19			
20				20			
21				21			
22				22			
23				23			
24				24			
25				25			
26				26			
27				27			
28				28			
29				29			
30				30			
31				31			
32				32			
33				33			
34				34			
35				35			
36				36			
37				37			
38				38			
39				39			
40				40			
41				41			
42				42			
43				43			
44				44			
45				45			
46				46			
47				47			
48				48			
49				49			
50				50			
51				51			
52				52			
53				53			
54				54			
55				55			
56				56			
57				57			
58				58			
59				59			
60				60			
61				61			
62				62			
63				63			
64				64			
65				65			
66				66			
67				67			
68				68			
69				69			
70				70			
71				71			
72				72			
73				73			
74				74			
75				75			
76				76			
77				77			
78				78			
79				79			
80				80			
81				81			
82				82			
83				83			
84				84			
85				85			
86				86			
87				87			
88				88			
89				89			
90				90			
91				91			
92				92			
93				93			
94				94			
95				95			
96				96			
97				97			
98				98			
99				99			
100				100			

PARCEL NO.	GRANTOR	AREAS				RECORDATION			REMARKS	ASSESSOR'S PARCEL #
		REQUIRED SQ. METERS	REMAINDER SQ. METERS	TOTAL SQ. METERS	EXCESS SQ. METERS	INSTR	DATE	O. R.		
102295-1	ORANGE CO. FLOOD CONTROL DISTRICT	909.772				FEE			231-082-02	
102297-1	ORANGE CITY MILLS LTD.	2525.673				FEE			231-131-29	
102297-2	ORANGE CITY MILLS LTD.	871.592				ESMT		SEE SHEET 16 OF 19	231-131-29	
102297-3	ORANGE CITY MILLS LTD.	285.076				ESMT		SEE SHEET 16 OF 19	231-131-29	
102298-1	ORANGE CITY MILLS LTD.	1913.023				FEE			231-071-36	
102298-2	ORANGE CITY MILLS LTD.	425.209				ESMT		SEE SHEET 16 OF 19	231-071-36	
102298-3	ORANGE CITY MILLS LTD.	185.265				ESMT		SEE SHEET 16 OF 19	231-071-36	
102299-1	THE CITY	4112.522				FEE			231-071-36	
102299-2	THE CITY	1314.875				ESMT		SEE SHEET 16 OF 19	METROPOLITAN DRIVE	
102299-3	THE CITY	474.857				ESMT		SEE SHEET 16 OF 19	METROPOLITAN DRIVE	
102300-1	THE CITY	6859.818				FEE			METROPOLITAN DRIVE	
102300-2	THE CITY	384.091				ESMT		SEE SHEET 16 OF 19	METROPOLITAN DRIVE	
102300-3	THE CITY	86.300				ESMT		SEE SHEET 16 OF 19	METROPOLITAN DRIVE	
102301-1	ORANGE CITY MILLS LTD.	2325.926				FEE			231-131-21 & 30	
102301-2	ORANGE CITY MILLS LTD.	725.704				ESMT		SEE SHEET 16 OF 19	231-131-21 & 30	
102301-3	ORANGE CITY MILLS LTD.	87.163				ESMT		SEE SHEET 16 OF 19	231-131-21 & 30	



DIST.	COUNTY	ROUTE	KILOMETER POST MILE	SHEET	TOTAL
12	ORA	22	13.68 - 20.76 8.5 - 12.9	03	19

James L. Garvin  
 JAMES L. GARVIN PLS 6343  
 PROFESSIONAL LAND SURVEYOR  
 NO. 6343  
 EXP. 12/31/2006  
 ORANGE COUNTY TRANSPORTATION AUTHORITY  
 550 SOUTH MAIN STREET  
 P.O. BOX 14184  
 ORANGE, CA 92863  
**HUIT-ZOLLARS**  
 430 EXCHANGE, SUITE 200  
 IRVINE, CALIFORNIA 92602



**COURSE DATA TABLE**

1	D=7°29'01"	R=122.781m	L=16.037m
2	D=3°29'06"	R=122.781m	L=17.468m
3	D=14°44'51"	R=79.856m	L=20.543m
4	D=14°29'26"	R=79.856m	L=20.196m
5	D=3°07'24"	R=283.781m	L=19.470m
6	D=4°54'41"	R=283.781m	L=24.078m
7	D=1°06'48"	R=1129.877m	L=21.955m
8	D=1°38'05"	R=124.966m	L=5.01108m
9	D=7°03'32"	R=1076.200m	L=132.598m
10	D=2°27'30"	R=1129.877m	L=48.478m
11	D=1°32'30"	R=1129.877m	L=30.402m
12	D=2°39'18"	R=1129.877m	L=52.357m

NOTE: SEE SHEETS 16-17 FOR EASEMENT PARCEL DETAILS

STATE OF CALIFORNIA  
 BUSINESS, TRANSPORTATION AND HOUSING AGENCY  
 DEPARTMENT OF TRANSPORTATION

**APPRAISAL MAP NO. E120024-03**

0 25 METER 50 75

1:500

ACCESS PROHIBITED

**EXHIBIT B**

**DRAINAGE IMPROVEMENTS**

**(Provided by AUTHORITY)**



DIST	COUNTY	ROUTE	KILOMETER POST TOTAL PROJECT	SHEET No	TOTAL SHEETS
12	ORA	22	RL48/21.15		

REGISTERED CIVIL ENGINEER

PLANS APPROVAL DATE

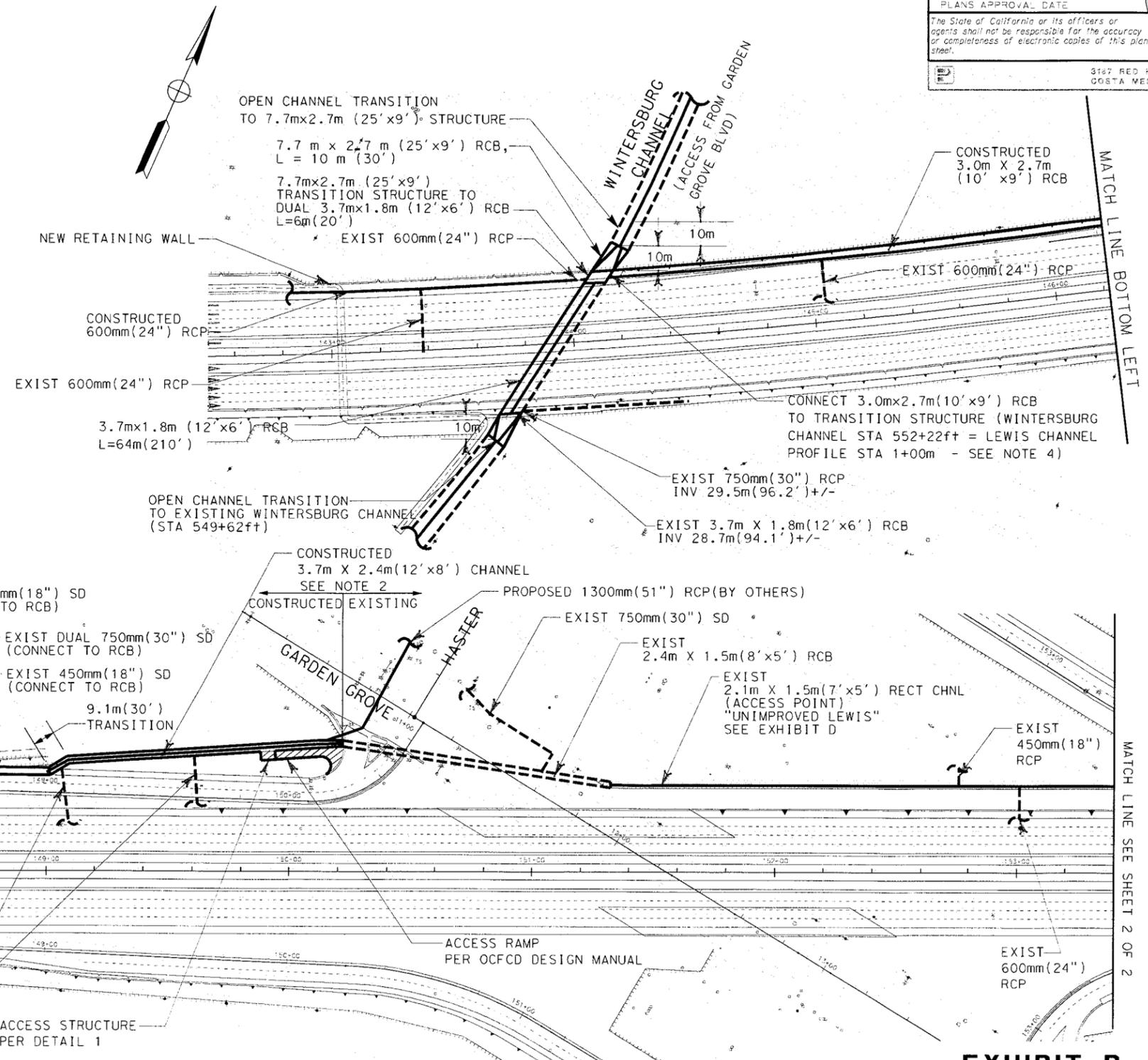
The State of California or its officers or agents shall not be responsible for the accuracy or completeness of electronic copies of this plan sheet.

3117 RED HILL AVENUE SUITE 105  
COSTA MESA, CALIFORNIA 92626

# DRAINAGE IMPROVEMENTS

- NOTES:
- FOR COMPLETE RIGHT OF WAY DATA, SEE RIGHT OF WAY RECORD MAPS AT DISTRICT OFFICE.
  - 100-YR HGL IS BASED ON PRELIMINARY 100-YR STORM FLOW CALCULATIONS. RE-CALCULATE AND DESIGN FOR 100-YR EXPECTED VALUE FLOW PER OCFCD HYDROLOGY MANUAL, ADDENDUM No.1.
  - FIELD VERIFY POSITIONS AND SIZES OF ALL EXISTING STORM DRAIN LATERALS.
  - LEWIS CHANNEL PROFILE STA 1+00m = LEWIS CHANNEL AS-BUILT STA 10+03.34ft.
  - ADD 100+00ft TO AS-BUILT STATIONING FOR HYDRAULIC MODEL STATIONING.

- LEGEND:
- EXISTING STORM DRAIN
  - PROPOSED STORM DRAIN
  - EXISTING CHANNEL
  - PROPOSED CHANNEL
  - EXISTING BOX CULVERT
  - PROPOSED BOX CULVERT
  - ▨ ACCESS ROAD
  - /// PIPE REMOVAL



- NOTES:
- FOR COMPLETE RIGHT OF WAY DATA, SEE RIGHT OF WAY RECORD MAPS AT DISTRICT OFFICE.
  - PROFILE STA 7+05.80m = AS-BUILT STA 29+90.91ft.

## EXHIBIT B DRAINAGE IMPROVEMENTS LEWIS CHANNEL

ALL DIMENSIONS ARE IN METERS UNLESS OTHERWISE SHOWN

SCALE 1:1000 1 OF 2



STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION  
ORANGE COUNTY TRANSPORTATION AUTHORITY

STATE ROUTE 22 DESIGN-BUILD PROJECT

OCTA PROJECT MANAGER  
**JOHN GARCIA**

REVISOR BY DATE REVISOR BY DATE  
CALCULATED/DESIGNED BY CHECKED BY

TIME PLOTTED 3/18/2008 4:35:01 PM  
3/18/2008

NOTES:

- FOR COMPLETE RIGHT OF WAY DATA, SEE RIGHT OF WAY RECORD MAPS AT DISTRICT OFFICE.
- PROFILE STA 10+57.67m = AS BUILT STA 41+45.35ft



# DRAINAGE IMPROVEMENTS

DIST	COUNTY	ROUTE	KILOMETER POST TOTAL PROJECT	SHEET NO	TOTAL SHEETS
12	ORA	22	RI.48/21J9		

REGISTERED CIVIL ENGINEER

PLANS APPROVAL DATE

The State of California or its officers or agents shall not be responsible for the accuracy or completeness of electronic copies of this plan sheet.

8107 RED HILL AVENUE SUITE 105  
COSTA MESA, CALIFORNIA 92626



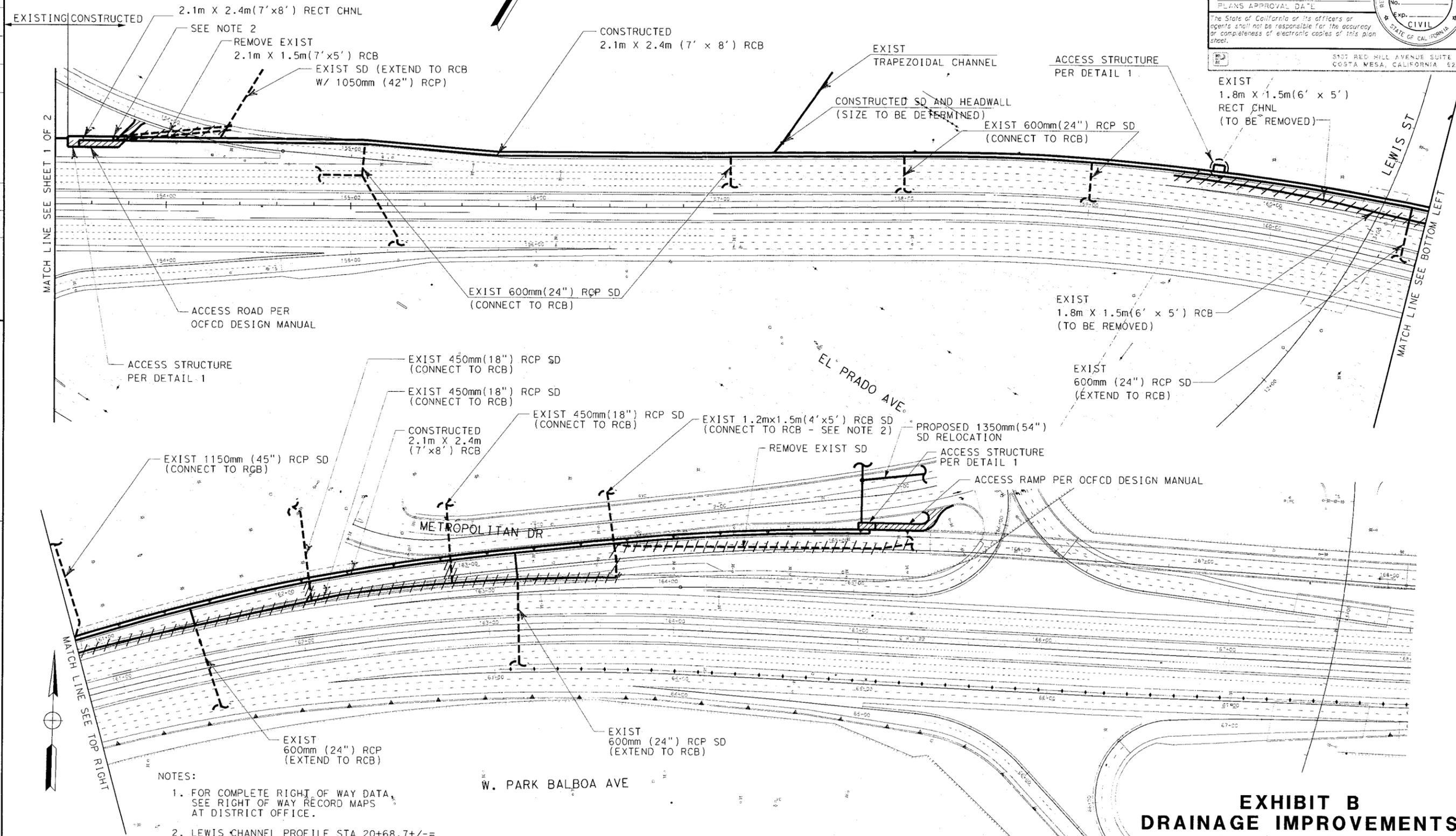
STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION  
ORANGE COUNTY TRANSPORTATION AUTHORITY

OCTA PROJECT MANAGER  
**JOHN GARCIA**

STATE ROUTE 22  
DESIGN-BUILD PROJECT

DATE REVISIONS BY DATE REVISIONS

CALCULATED/DESIGNED BY CHECKED BY

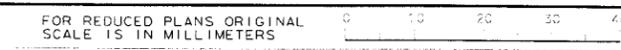


NOTES:

- FOR COMPLETE RIGHT OF WAY DATA, SEE RIGHT OF WAY RECORD MAPS AT DISTRICT OFFICE.
- LEWIS CHANNEL PROFILE STA 20+68.7+/- = AS BUILT STA 74+62.60ft = END OF EXISTING CHANNEL.

ALL DIMENSIONS ARE IN METERS UNLESS OTHERWISE SHOWN

**EXHIBIT B**  
**DRAINAGE IMPROVEMENTS**  
**LEWIS CHANNEL**  
SCALE 1:1000 **2 OF 2**



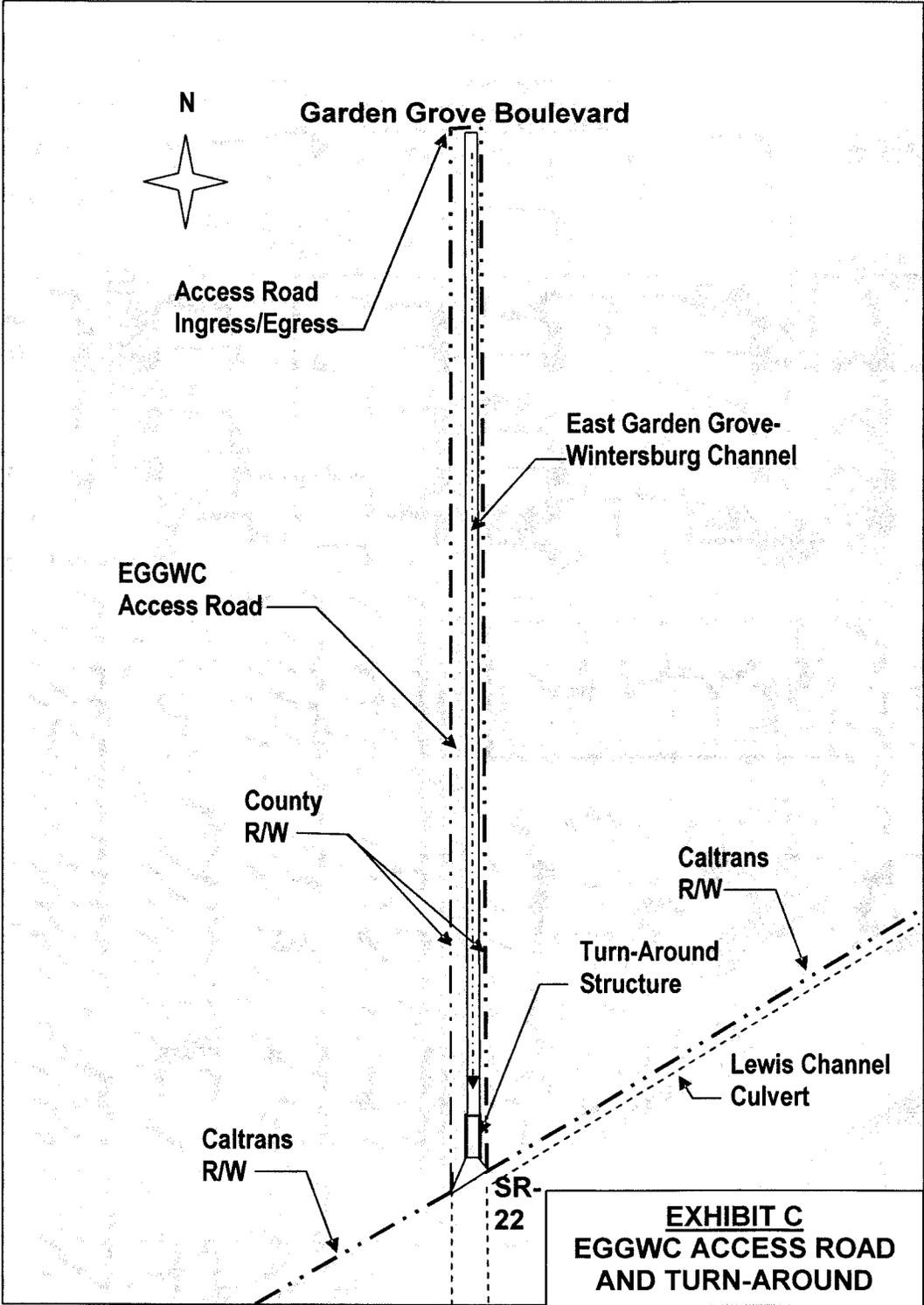
DATE PLOTTED -> \$DATE\$  
TIME PLOTTED -> \$TIME\$  
DATE\$

DISTRICT Agreement No. D03-086  
AUTHORITY Agreement No. C-8-0176  
STATE Agreement No. 12-607

**EXHIBIT C**

**ACCESS RIGHTS**

**(Provided by AUTHORITY)**



**EXHIBIT D**

**UNIMPROVED LEWIS CHANNEL**

**(Provided by AUTHORITY)**



DISTRICT Agreement No. D03-086  
AUTHORITY Agreement No. C-8-0176  
STATE Agreement No. 12-607

**EXHIBIT E**

**INSURANCE**

**(Provided by DISTRICT)**

**Special Endorsement for  
The County of Orange, California**

Name of the Insured:

Effective Date  
of Endorsement: \_\_\_\_\_

All of the following provisions apply to each and every insurance policy cited on the attached certificate.

**1. Additional Insured Endorsement:**

It is agreed that such insurance as is afforded by this policy shall also apply to the County of Orange, its elected and appointed officials, officers, employees, agents and volunteers and they are to be covered as insureds as respects liability or claims actually or allegedly caused by, or arising out of, or resulting from the operations performed by or on behalf of the named insured (except Workers' Compensation/Employers' Liability).

**2. Primary Insurance:**

It is further agreed that such insurance as is afforded by this policy for the benefit of the County of Orange shall be primary insurance, but only as respects the claims, loss or liability arising out of the operations of the named insured. Any insurance maintained by the additional insured shall be excess and non-contributory.

**3. Waiver of Subrogation:**

It is further agreed that subrogation is waived against the County of Orange, its elected and appointed officials, officers, employees, agents and volunteers when acting within the scope of their employment or appointment.

**4. Separation of Insureds:**

It is further agreed that each insurance policy referred to in the attached certificate shall provide that coverage applies separately to each insured except with respect to the limits of liability.

The four provisions above also apply to the following additional insureds as if their name replaces the County of Orange in each of the provisions:

**5. Cancellation Clause:**

It is further agreed that each insurance policy required by this contract (or reflected in the attached certificate) shall be endorsed to state that coverage shall not be canceled by either party except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the County of Orange at the address upon the attached certificate.

The inclusion of the County of Orange and \_\_\_\_\_ as additional insureds in Provision 4 shall not affect any right that such organizations would have as a claimant if not so included.

**This endorsement is attached to and hereby made a part of the policy No(s):** \_\_\_\_\_ G. L.  
\_\_\_\_\_ Auto  
(With respect to Waiver of Subrogation) \_\_\_\_\_ W. C.  
\_\_\_\_\_ Other  
\_\_\_\_\_ Other

\_\_\_\_\_  
(Agent) \*\*\*\*BLUE INK\*\*\*\* Signature



# Certificate of Insurance - Construction

This certifies to the County of Orange that the following described policies have been issued to: Insured:  Address:  Coverage is provided for the following locations:	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.  <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th colspan="2" style="text-align: center;">COMPANIES AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC #</th> </tr> <tr> <td style="width:50%;">COMPANY A</td> <td colspan="2"></td> </tr> <tr> <td>COMPANY B</td> <td colspan="2"></td> </tr> <tr> <td>COMPANY C</td> <td colspan="2"></td> </tr> <tr> <td>COMPANY D</td> <td colspan="2"></td> </tr> </table>	COMPANIES AFFORDING COVERAGE		NAIC #	COMPANY A			COMPANY B			COMPANY C			COMPANY D		
COMPANIES AFFORDING COVERAGE		NAIC #														
COMPANY A																
COMPANY B																
COMPANY C																
COMPANY D																

Co LTR	Type of Insurance	Policy Number	Effective Date	Expiration Date	Limits of Liability in Thousands (000)	
	<b>General Liability by Occurrence</b>  Deductible / SIR \$ _____  <input checked="" type="checkbox"/> Commercial General Liability including fire perils <input checked="" type="checkbox"/> Broad Form Property Damage <input checked="" type="checkbox"/> Contractual Liability <input checked="" type="checkbox"/> Completed Operations Liability <input checked="" type="checkbox"/> Underground Explosion and Collapse Hazard  <b>GENERAL AGGREGATE LIMIT APPLIES PER</b> <input checked="" type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOCATION				General Aggregate	\$ _____
					Products-Comp/Op Agg.	\$ _____
					Personal & Adv. Injury	\$ _____
					Each Occurrence	\$ _____
					Fire Damage (Any one fire)	\$ _____
					Med. Exp (Any one person)	\$ _____
	<b>Automobile Liability</b>  Deductible / SIR \$ _____  <input checked="" type="checkbox"/> Any Auto <input checked="" type="checkbox"/> Non-Owned Autos <input checked="" type="checkbox"/> All Owned Autos <input checked="" type="checkbox"/> Scheduled Autos <input checked="" type="checkbox"/> Hired Autos <input checked="" type="checkbox"/>				Combined Single Limit	\$ _____
					Bodily Injury (Per Person)	\$ _____
					Bodily Injury (Per Accident)	\$ _____
					Property Damage	\$ _____
	<b>Workers' Compensation and Employers' Liability</b>				Each Accident	\$ _____
					Disease - Policy Limit	\$ _____
					Disease - Each Employee	\$ _____
					<b>Statutory</b>	
	<b>Excess Liability</b> <input checked="" type="checkbox"/> Umbrella Form <input checked="" type="checkbox"/> Other Than Umbrella Form				Each Occurrence	\$ _____
					Aggregate	\$ _____
	<b>Property Insurance</b>  Deductible / SIR \$ _____  <input checked="" type="checkbox"/> Course of Construction Policy Covering Fire & Extended Coverage Perils				Amount of Insurance \$ _____	
	<b>Professional Liability</b> <input checked="" type="checkbox"/> Claims Made <input checked="" type="checkbox"/> Per Occurrence Deductible / SIR \$ _____ <input checked="" type="checkbox"/> Extended Reporting Period				Per Occurrence \$ _____ Claims Made \$ _____	Aggregate Limit \$ _____
	<b>Other:</b> <b>Deductible / SIR</b> \$ _____					

**DESCRIPTION OF OPERATION/LOCATION/VEHICLES/SPECIAL ITEMS**  
 Declarations Pages for Above Policies Attached

Send Certificate of Insurance to: Construction Division		Agency Broker:	
<b>COUNTY OF ORANGE</b>	OC Public Works/Construction Division	Address:	
Address: 1152 East Fruit Street, Building 4, Santa Ana, CA 92701		Phone:	
Attention: Contract Administration	Project Number:	Date Issued:	Authorized Signature:





BOARD COMMITTEE TRANSMITTAL

**March 9, 2009**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Operational Improvement Study for the Ortega Highway  
(State Route 74)

Highways Committee Meeting of March 2, 2009

**Present:** Directors Amante, Dixon, Glaab, Green, Mansoor, Nguyen,  
Norby, and Pringle  
**Absent:** Director Cavecche

**Committee Vote**

No action was taken on this receive and file information item.



**March 2, 2009**

**To:** Highways Committee

**From:** Arthur T. Leahy, Chief Executive Officer

**Subject:** Operational Improvement Study for the Ortega Highway (State Route 74)

### **Overview**

A study of operational improvements for the Ortega Highway (State Route 74) has been completed. This study identifies preliminary operational improvements along the Ortega Highway (State Route 74) corridor between Antonio Parkway in the County of Orange and the Ontario Freeway (Interstate 15) in the City of Lake Elsinore.

### **Recommendation**

Receive and file as an information item.

### **Background**

In December of 2005, the Orange County Transportation Authority (OCTA) and the Riverside County Transportation Commission (RCTC) approved the locally preferred strategy as part of the Riverside County/Orange County Major Investment Study. One of the recommendations of the approved locally preferred strategy was to study operational improvements along the Ortega Highway (State Route 74). The recommended improvements address the operating efficiency and hence, traffic flow on the facility. This study has been completed in cooperation with RCTC, with funding being split evenly between the two agencies.

### **Discussion**

The Operational Improvement Study for the Ortega Highway (State Route 74) includes an overview of the existing conditions along State Route 74 (SR-74) between Antonio Parkway and the Ontario Freeway (Interstate 15), and makes recommendations for projects that will improve intercounty mobility (Attachment A). Because of right-of-way limitations, geologic conditions, and environmentally sensitive surroundings, these recommendations are limited to

non-capacity-enhancing improvements. Moreover, this study provides a planning tool that can be used by OCTA, RCTC, and the California Department of Transportation (Caltrans) when considering future needs on SR-74 such as OCTA's upcoming Long-Range Transportation Plan (LRTP).

The study was developed under the review and guidance of a Technical Advisory Committee (TAC) that was composed of staff from OCTA, RCTC, Caltrans Districts 8 and 12, the County of Orange, the Cleveland National Forest, and the cities of Lake Elsinore and San Juan Capistrano. The TAC also provided input to and approved the recommendations presented in the study.

Since SR-74 was originally constructed during the 1930s, the facility was designed to the standards of the time and was intended for much lower volumes than experienced today. Increasingly, SR-74 is being utilized as a commuter facility, carrying workers between Riverside and Orange counties. For analysis purposes, the study divided SR-74 into segments based on Caltrans traffic data. One particular section of SR-74, a 3.3-mile segment (known as segment 5) from the San Juan Canyon bridge to the Orange/Riverside County border, has recently been retrofitted to provide the maximum level of improvements feasible; therefore, segment 5 was not included in the analysis. For the other segments, traffic operations were analyzed for the current traffic conditions using Highway Capacity Manual methodologies for two-lane undivided highways. This methodology utilizes geometric features such as lane and shoulder widths, type of terrain, and traffic volumes.

Based on this analysis, this study finds that the SR-74 study corridor is currently operating at or very near its maximum capacity during peak hours. Due to these conditions, if any incident occurs that slows traffic it can have severe impacts to the facility's throughput. Compounding factors such as reduced lane and shoulder widths and passing lanes further constrain the operation of the roadway; therefore, this study recommends that the following improvements be considered:

- Add passing lanes at two- to five-mile intervals;
- Upgrade lanes and shoulder widths;
- Upgrade drainage systems;
- Add/upgrade metal beam guard rails;
- Improve intersections that are at or near capacity;
- Remove sight obstructions;
- Improve lighting;
- Add recessed pavement markers;

- Add/improve rock catchments;
- Install/improve warning signs; and
- Provide improved delineation.

Order-of-magnitude costs for each segment range from a low of \$10 million to a high of \$176 million. The study team also developed a priority list for each segment based on benefit-cost analysis. The top four projects (from a benefit-cost perspective) are located in Riverside County and the cost of the improvements range from \$60 million to nearly \$120 million. The table below summarizes overall priorities based on the study team's analysis. A complete listing of proposed improvements by segment can be found in the Executive Summary (Attachment A).

Priority Number	Segment Number	County	Begin Post Mile	End Post Mile	Length (mile)	Order-of-Magnitude Cost Range (Construction plus Support) (\$ Millions)
1	11	Riverside	14.9	15.0	0.8	\$ 10~20
2	12	Riverside	15.0	16.3	1.3	10~20
3	8	Riverside	6.9	8.7	1.8	40~78
4	7	Riverside	4.5	6.9	2.4	40~78
5	1	Orange	2.6	5.2	2.6	23~46
6	4	Orange	9.3	13.3	4.0	30~98
7	2	Orange	5.2	8.1	2.9	23~46
8	10	Riverside	11.8	14.2	2.4	16~33
9	6	Riverside	0.0	4.5	4.5	90~176
10	3	Orange	8.1	9.3	1.1	13~26
11	9	Riverside	8.7	11.8	3.1	60~130
Route Total:						\$ 355~751

As follow-up, the study recommends performing these additional studies to further the project development process:

- Feasibility study for specific passing lane locations;
- Project initiation documents such as project study reports. These preliminary engineering studies will evaluate the specific feasibilities, costs, and scopes for proposed improvements;
- Environmental studies for the proposed improvement projects; and
- Financial analyses to identify funding for implementation of the proposed improvements.

OCTA will continue to work with RCTC and Caltrans on next steps for each segment. At a minimum, OCTA will use the study as input into the next OCTA LRTP update starting by mid-2009. Further, this information will be available to Caltrans when considering future State Highway Operation Protection Plan projects.

***Summary***

A study of SR-74 operational improvements was recently completed in partnership with OCTA, RCTC, Caltrans Districts 8 and 12, as well as other stakeholder agencies. The study performed a high-level operational analysis of SR-74 between Antonio Parkway and Interstate 15 and recommended a prioritized set of improvements that should be considered for more detailed study by the stakeholder agencies.

***Attachment***

- A. Operational Improvement Study for Ortega Highway (State Route 74) in Orange and Riverside Counties – Executive Summary

**Prepared by:**



Charlie Larwood  
Manager, Transportation Planning  
(714) 560-5683

**Approved by:**



Kia Mortazavi  
Executive Director, Development  
(714) 560-5471





BOARD COMMITTEE TRANSMITTAL

**March 9, 2009**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board <sup>WK</sup>  
**Subject:** Second Quarter Fiscal Year 2008-09 Grant Status Report

Finance and Administration Committee meeting of February 25, 2009

**Present:** Directors Amante, Bates, Campbell, Green, and Moorlach  
**Absent:** Directors Brown and Buffa

***Committee Vote***

This item was passed by all Committee Members present.

***Committee Recommendation***

Receive and file as an information item.



**February 25, 2009**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Second Quarter Fiscal Year 2008-09 Grant Status Report

**Overview**

The Quarterly Grant Status Report summarizes grant activities for information purposes for the Orange County Transportation Authority Board of Directors. This report focuses on significant activity for the period of October through December 2008. The Quarterly Grant Status Report summarizes future and pending grant applications, awarded/executed and current grant agreements, as well as closed-out grant agreements.

**Recommendation**

Receive and file as an information item.

**Background**

The Orange County Transportation Authority's (OCTA) long-term, proactive planning approach ensures the effective utilization of limited capital and operating resources. One critical aspect of this proactive planning approach is to strategically seek and obtain federal, state, and local grant funding.

**Discussion**

The ongoing grant activities are categorized by future grant applications, pending grant applications, awarded/executed grant agreements, current grant agreements, Federal Transit Administration (FTA), and other discretionary grants, as well as closed grant agreements.

### Future Grant Applications

OCTA has seven grant proposals currently under development as summarized below and on Attachment A.

### Fiscal Year (FY) 2009 FTA Section 5309 Discretionary Bus Capital Grant Program

- The FY 2009 FTA Bus Capital Grant effort will include the development of transit earmarks appropriated in FY 2008. The appropriations include \$490,000 for intercounty express bus (requested by Representative Loretta Sanchez [D-CA]) and \$588,000 for the Anaheim Regional Transportation Intermodal Center (requested by Senator Diane Feinstein [D-CA], Representative Ed Royce, [R-CA], and Representative Loretta Sanchez [D-CA]). This upcoming grant will also incorporate \$247,507 in federal earmark funds for the City of Costa Mesa compressed natural gas project that have been successfully reprogrammed to support the OCTA bus system. Grant applications are being developed and will be submitted throughout the fiscal year based on project readiness and their inclusion into the Regional Transportation Improvement Program (RTIP). The federal funds require up to a 20 percent local match contribution and are to be applied for and awarded by September 2009.

### FY 2005 Transit Security Grant Program (TSGP) Unexpended Funds: Department of Homeland Security (DHS)

- On November 14, 2008, the Governor's Office of Homeland Security (OHS) awarded OCTA \$347,333 to fund the purchase and programming costs of five handheld mobile radios for use by OCTA Transit Police Service officers. The funds remained unspent statewide from the FY 2005 TSGP grant cycle. The portable radios have been procured, and are expected to be operational in early 2009 to support enhanced patrolling and increase OCTA's emergency preparedness.

### FY 2009 TSGP: DHS

- On January 23, 2009, staff plans to submit draft proposals to the DHS to pursue \$880,000 in grant funds to support a variety of security projects. Funds are being pursued to update the OCTA emergency operations plan (\$200,000), train and exercise OCTA staff in regards to the updated plan (\$200,000), and conduct counter-surveillance training (\$180,000), as well as

implement a public awareness campaign for OCTA (\$300,000). These efforts are intended to help bring up-to-date OCTA's emergency protocols and procedures, ensure well-trained and practiced personnel, while enhancing security awareness among transit riders. The proposals were developed in response to the release of the 2009 TSGP guidelines on November 5, 2008. An award notification date has yet to be announced by the granting agency.

**Federal Emergency Management Agency (FEMA): Governor's Office of Emergency Services (OES)**

- On December 18, 2008, staff submitted a request for public assistance (RPA) to the Governor's OES in an effort to recover costs and losses incurred by OCTA during the November 2008 freeway complex wildfire. The RPA pursues approximately \$44,000 in reimbursable costs for repairs and equipment losses, as well as overtime hours and vehicle expenses associated with assisting with the fires. Staff intends to seek OCTA Board of Directors (Board) authorization in March 2009 to continue work with OES representatives to determine eligible costs and develop final reimbursement documents. Final documents will be due to FEMA in March 2009.

**FY 2009 California Transit Security Grant Program (CTSGP), Proposition 1B Transit System Safety, Security, and Disaster Response Account**

- Work is underway to develop project proposals to secure up to \$3.52 million allocated to OCTA through the FY 2009 CTSGP. The program is funded by Proposition 1B, supported through annual appropriations by the state legislature, and is administered by the Governor's OHS to be eligible for transit systems for safety, security, and disaster response projects. Several projects are being considered, including improvements to the transit communications system. Guidelines for the FY 2009 program were released on October 15, 2008, staff will propose a list of recommended projects to the OCTA Board on February 23, 2009.

**FTA Section 5316 Jobs Access Reverse Commute Program/ FTA Section 5317 New Freedom Initiative**

- Preparations to conduct a competitive call for projects for FTA 5316 and 5317 funds are underway as directed by the OCTA Board on December 8, 2008. Over the next several months, staff will host local

workshops, conduct reviews, and assist local applicants seeking to address the unmet transportation needs of persons of low income, seniors, and persons with disabilities. Staff will present a list of recommended projects to the OCTA Board in June 2009 to allocate over \$4.8 million in federal grant funding. The selection will be based on mobility needs and criteria identified in OCTA's Public Transit-Human Services Transportation Coordination Plan adopted in October 10, 2008.

#### **FY 2010 Federal Transportation Appropriations Requests: FHWA and FTA**

- Staff continues to work collaboratively across all departments to develop project requests for the FY 2010 federal appropriations cycle. Project recommendations will be based on several factors, including the viable status of the project, funding need, and the benefits to Orange County. Staff proposed a list of appropriations projects to the OCTA Board for adoption in January 2009 and will submit final requests to the Orange County Congressional Delegation in February 2009 for inclusion in the FY 2010 Transportation Appropriations Act.

#### **Pending Grant Applications**

The OCTA has three pending grant proposals awaiting award or approval, which are summarized on Attachment B.

#### **FY 2008 FTA Section 5310 Transportation for Elderly Persons and Persons with Disabilities**

- As directed by the OCTA Board on August 25, 2008, staff submitted a recommended list of five applications for statewide competition in FTA's Section 5310 Program. The program presents an opportunity for local agencies to acquire Americans with Disabilities Act accessible vehicles and related equipment to help meet the transportation needs of elderly persons and persons with disabilities. The applications pursue over \$1.85 million for nine paratransit vans, 21 accessible buses, and related equipment. An award of grant funds will help ensure quality transportation to disabled and senior communities in Orange County while alleviating demand on OCTA's ACCESS services. Awards notifications are expected in January 2009.

---

FY 2009 FTA Congestion Mitigation and Air Quality (CMAQ) Fund Transfer

- On July 17, 2008, staff submitted an FTA grant agreement to transfer \$17.2 million in CMAQ funds from FHWA to FTA for transit use. Of that amount, \$16.5 million will fund commuter rail station improvements, facility modifications, and parking expansions as identified by OCTA commuter rail needs assessment completed June 2008. The remaining \$735,000 in funds are to support rideshare services. The grant agreement with FTA has been prepared and is expected to be executed May 2009 once the project is incorporated in an approved RTIP.

FY 2008 TSGP: DHS

- On September 15, 2008, staff submitted a draft proposal to the DHS to pursue \$409,000 in grant funds to develop and conduct an exercise and training program aimed at reducing safety and security risks associated with OCTA's alternative fuel vehicles and infrastructure. The program will seek feedback from local first responder agencies and equipment manufacturers, update protocols and procedures, and provide training to OCTA transit staff. An award notification date has yet to be announced by the granting agency.

Awarded/Executed Grant Agreements

No grants were awarded or executed in the current quarter.

Current Grant Agreements - FTA

OCTA has ten current capital formula grants and five current capital discretionary grants, which are summarized on Attachments C and D (operating assistance only).

**Capital Formula Grants:** OCTA receives an annual formula capital grant from the FTA. There are ten active formula capital grants, totaling \$838.9 million. A total of \$739.9 million of these grants have been expended or obligated for procurement, leaving a remaining and available balance of \$99 million.

**Capital Discretionary Grants:** There are five active discretionary capital grants, totaling \$20.8 million. A total of \$9 million of these grants has been expended or obligated for procurement, leaving a remaining and available balance of \$11.9 million. The \$11.9 million available balance represents the construction of

the Harbor Boulevard bus rapid transit demonstration project, security camera system for four existing commuter rail stations located in Orange, Santa Ana, Tustin and Laguna Niguel, and mobile fare equipment for OCTA.

**Current Grant Agreements - Other Discretionary Grants**

OCTA has \$201.4 million in current other discretionary grants, which are summarized on Attachment E.

In addition to the specific grants outlined above, OCTA receives a variety of discretionary grants from sources such as Air Quality Management District, Mobile Source Air Pollution Reduction Review Committee, Homeland Security, State Transportation Improvement Program, CMAQ, California Department of Transportations, Proposition 1B, FHWA, and the State Highway Fund. The remaining and available balance on these discretionary grants is \$69.8 million. These funds will be received on a reimbursement of eligible expense basis.

**Closed Grant Agreements**

Staff has not closed any grant agreements during the quarter.

***Summary***

This report provides an update of the grant funded activities for the second quarter of fiscal year 2008-09, October through December 2008. Staff recommends this report be received and filed as an information item.

**Attachments**

- A. Quarterly Grant Status Report, October through December 2008, Future Grant Applications
- B. Quarterly Grant Status Report, October through December 2008, Pending Grant Applications
- C. Quarterly Grant Status Report, October through December 2008, Current Formula and Discretionary Grants
- D. Quarterly Grant Status Report, October through December 2008, Operating Assistance Only
- E. Quarterly Grant Status Report, Current Other Discretionary Grants
- F. Quarterly Grant Status Report, October through December 2008, Federal Transit Administration Capital Grant Index

**Prepared by:**



Chris McCandless  
Financial Analyst  
Financial Planning and Analysis  
(714) 560-5895

**Approved by:**



James S. Kenan  
Executive Director  
Finance and Administration  
(714) 560-5678

Quarterly Grant Status Report  
 October thru December 2008  
 Future Grant Applications

**Federal Transit Administration Section 5309 (c) - Bus and Bus Related Facilities Program**  
 Discretionary grants are funded by Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users/Transportation Equity Act for the 21st Century.  
 Grants provide capital funds for projects that improve efficiency and coordination of transportation systems.

GRANT	FEDERAL GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	ESTIMATED SUBMITTAL DATE	ESTIMATED APPROVAL DATE	STATUS
Fiscal Year 2008 Earmark: Intercounty Express Bus (Sanchez)	\$ 490,000	\$ 122,500	\$ 612,500	July 2009	September 2009	Scope of work finalized; application anticipated to be submitted in July 2009
Fiscal Year 2008 Earmark: Anaheim Regional Transportation Intermodal Center (Feinstein, Royce and Sanchez)	588,000	147,000	735,000	July 2009	September 2009	Pending scope of work; application anticipated to be submitted in July 2009
Fiscal Year 2002 City of Costa Mesa	247,507	61,877	309,384	July 2009	September 2009	Scope of work finalized; application anticipated to be submitted in July 2009
<b>Sub-Total</b>	<b>\$ 1,325,507</b>	<b>\$ 331,377</b>	<b>\$ 1,656,884</b>			

**Transit Security Grant Program: Department of Homeland Security**

GRANT	FEDERAL GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	SUBMITTAL DATE	ESTIMATED APPROVAL DATE	STATUS
Fiscal Year 2005 Transit Security Grant Program Unexpended Funds: Department of Homeland Security	\$ 347,333	\$ 86,833	\$ 434,166	November 2008	January 2009	The portable radios have been procured, and are expected to be operational in January 2009 to support enhanced patrolling and increase the Orange County Transportation Authority's emergency preparedness.
Fiscal Year 2009 Transit Security Grant Program: Department of Homeland Security	880,000	220,000	1,100,000	January 2009	To Be Determined	An award notification date has yet to be announced by the granting agency.
<b>Sub-Total</b>	<b>\$ 1,227,333</b>	<b>\$ 306,833</b>	<b>\$ 1,534,166</b>			

**Federal Emergency Management Agency: Governor's Office of Emergency Service**

GRANT	FEDERAL GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	SUBMITTAL DATE	ESTIMATED APPROVAL DATE	STATUS
Federal Emergency Management Agency: Governor's Office of Emergency Service	\$ 44,000	\$ 11,000	\$ 55,000	December 2008	March 2009	Final documents will be due to Federal Emergency Management Agency in March 2009.
<b>Sub-Total</b>	<b>\$ 44,000</b>	<b>\$ 11,000</b>	<b>\$ 55,000</b>			

**Fiscal Year 2009 California Transit Security Grant Program, Proposition 1B Transit System Safety, Security, and Disaster Response Account**

GRANT	FEDERAL GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	ESTIMATED SUBMITTAL DATE	ESTIMATED APPROVAL DATE	STATUS
Proposition 1B Transit System Safety, Security, and Disaster Response Account	\$ 3,520,000	\$ 880,000	\$ 4,400,000	February 2009	To Be Determined	With the guidelines for the fiscal year 2009 program were released on October 15, 2008, staff anticipates proposing a list of recommended projects to the Orange County Transportation Authority Board in January 2009.
<b>Sub-Total</b>	<b>\$ 3,520,000</b>	<b>\$ 880,000</b>	<b>\$ 4,400,000</b>			

Quarterly Grant Status Report

October thru December 2008

Future Grant Applications

Federal Transit Administration Section 5316 Jobs Access Reverse Commute Program/ Federal Transit Administration Section 5317 New Freedom Initiative						
GRANT	FEDERAL GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	ESTIMATED SUBMITTAL DATE	ESTIMATED APPROVAL DATE	STATUS
Federal Transit Administration Section 5316 - Jobs Access Reverse Commute and Section 5317 - New Freedom Initiative	\$ 4,800,000	\$ 1,200,000	\$ 6,000,000	June 2009	August 2009	Staff intends to present a list of recommended projects to the Orange County Transportation Authority Board in June 2009 to allocate over \$4.8 million in federal grant funding.
<b>Sub-Total</b>	<b>\$ 4,800,000</b>	<b>\$ 1,200,000</b>	<b>\$ 6,000,000</b>			

Fiscal Year 2010 Federal Transportation Appropriations Requests: Federal Highway Administration and Federal Transit Administration						
GRANT	FEDERAL GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	ESTIMATED SUBMITTAL DATE	ESTIMATED APPROVAL DATE	STATUS
Fiscal Year 2010 Earmark: Federal Highway Administration and Federal Transit Administration	\$ 48,000,000	\$ 12,000,000	\$ 60,000,000	February 2009	To Be Determined	In progress.
<b>Sub-Total</b>	<b>\$ 48,000,000</b>	<b>\$ 12,000,000</b>	<b>\$ 60,000,000</b>			

<b>Total</b>	<b>\$ 58,916,840</b>	<b>\$ 14,729,210</b>	<b>\$ 73,646,050</b>			
--------------	----------------------	----------------------	----------------------	--	--	--

**Quarterly Grant Status Report  
October thru December 2008  
Pending Grant Applications**

<b>Fiscal Year 2008 Federal Transit Administration Section 5310 Transportation for Elderly Persons and Persons with Disabilities</b>						
GRANT	FEDERAL GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	SUBMITTAL DATE	APPROVAL DATE	STATUS
Fiscal Year 2008 Earmark: Transportation for Elderly Persons	\$ 1,850,000	\$ 462,500	\$ 2,312,500	August 2008	January 2009	Awards notifications are expected in January 2009.

<b>Mobile Source Air Pollution Reduction Review Committee</b>						
GRANT	GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	SUBMITTAL DATE	ESTIMATED APPROVAL DATE	STATUS
Fiscal Year 2008 Congestion Mitigation and Air Quality	17,235,000	3,791,700	21,026,700	July 2008	May 2009	The grant agreement with Federal Transit Administration has been prepared and is expected to be executed May 2009 once the project is incorporated in an approved Regional Transportation Improvement Plan.

<b>Fiscal Year 2008 Transit Security Grant Program: Department of Homeland Security</b>						
GRANT	FEDERAL GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	SUBMITTAL DATE	ESTIMATED APPROVAL DATE	STATUS
Fiscal Year 2008 Earmark: Department of Homeland Security	\$ 409,000	\$ 102,250	\$ 511,250	September 2008	June 2009	An award notification date has yet to be announced by the granting agency.

<b>Total</b>	<b>\$ 19,494,000</b>	<b>\$ 4,356,450</b>	<b>\$ 23,850,450</b>			
--------------	----------------------	---------------------	----------------------	--	--	--

**Quarterly Grant Status Report  
October thru December 2008  
Current Formula and Discretionary Grants**

**Federal Transit Authority SECTION 5307, 5309 AND 5313 GRANT FUNDS**

<b>Federal Transit Authority Section 5307 - Urbanized Area Formula Capital Grant Program</b>						
Formula grants funded by the Transportation Equity Act for the 21st Century.						
Funds are generally used to purchase revenue vehicles, vehicle and facility modifications and bus related equipment.						
<b>CURRENT GRANT</b>	<b>FEDERAL GRANT AMOUNT</b>	<b>LOCAL SHARE AMOUNT</b>	<b>TOTAL GRANT AMOUNT</b>	<b>EXPENDED TO DATE</b>	<b>UNLIQUIDATED OBLIGATIONS</b>	<b>REMAINING BALANCE</b>
Fiscal Year 2009 Congestion Mitigation and Air Quality	\$ 5,200,000	\$ 1,300,000	\$ 6,500,000	\$ -	\$ -	\$ 6,500,000
Fiscal Year 2008	52,551,072	6,150,018	58,701,090	28,086,274	12,482	30,602,334
Fiscal Year 2007 Congestion Mitigation and Air Quality	5,616,267	651,984	6,268,251	1,161,449	584,683	4,522,119
Fiscal Year 2007	48,631,827	5,679,580	54,311,407	25,784,886	-	28,526,521
Fiscal Year 2006	47,043,235	5,563,083	52,606,318	33,958,754	769,028	17,878,536
Fiscal Year 2005	88,923,097	10,575,042	99,498,139	75,988,676	15,400,248	8,109,215
Fiscal Year 2004 **	52,130,309	7,058,512	59,188,821	58,118,691	1,055,566	14,564
Fiscal Year 2002-03 *	138,042,215	18,030,709	156,072,924	155,374,561	639,164	59,199
Fiscal Year 2001	35,613,774	4,620,113	40,233,887	36,800,822	637,406	2,795,659
Fiscal Year 2000	88,838,958	15,103,475	103,942,433	103,942,433	-	-
<b>Formula Grants Total</b>	<b>\$ 562,590,754</b>	<b>\$ 74,732,516</b>	<b>\$ 637,323,270</b>	<b>\$ 519,216,546</b>	<b>\$ 19,098,577</b>	<b>\$ 99,008,147</b>

Note: The remaining balance reflects funds in an approved grant waiting for the procurement contract.  
 \* The Fiscal Year 2002-03 Section 5307 Grant is a consolidated Fiscal Year 2001-02 and Fiscal Year 2002-03 mega grant. **\$ 838,870,970**  
 \*\* The Fiscal Year 2003-04 Section 5307 Grant is "ONLY" 9/12 of the amount available because the extension of Transportation Equity Act for the 21st Century expired June 30, 2004.

<b>Federal Transit Authority Section 5309 - Discretionary Capital Grant Program</b>						
Discretionary grants funded by the Transportation Equity Act for the 21st Century.						
Grants provide capital funds for projects that improve efficiency and coordination of transportation systems.						
<b>CURRENT GRANT</b>	<b>FEDERAL GRANT AMOUNT</b>	<b>LOCAL SHARE AMOUNT</b>	<b>TOTAL GRANT AMOUNT</b>	<b>EXPENDED TO DATE</b>	<b>UNLIQUIDATED OBLIGATIONS</b>	<b>REMAINING BALANCE</b>
Fiscal Year 2008 Bus Program	\$ 7,021,300	\$ 1,727,839	\$ 8,749,139	\$ 670,358	\$ 62,602	\$ 8,016,179
Fiscal Year 2006 Bus Application	970,874	242,719	1,213,593	38,666	200,990	973,937
Fiscal Year 2005 Bus Application	4,344,932	1,037,983	5,382,915	2,500,443	10,273	2,872,199
Fiscal Year 2001-02 Cities of Anaheim and Brea and Santa Ana Bus Base	1,930,671	469,249	2,399,920	2,329,602	70,318	-
Fiscal Year 2001 Irvine Transportation Center Transitway	2,481,380	620,345	3,101,725	3,101,725	-	-
<b>Discretionary Grants Sub-Total</b>	<b>\$ 16,749,157</b>	<b>\$ 4,098,135</b>	<b>\$ 20,847,292</b>	<b>\$ 8,640,794</b>	<b>\$ 344,183</b>	<b>\$ 11,862,315</b>

Note: The above grant amounts include Federal Transit Authority amount and Orange County Transportation Authority local match but excludes operating assistance. The federal funds allocated for operating assistance can be found in Attachment D.

<b>Formula and Discretionary Grant Total</b>	<b>\$ 579,339,911</b>	<b>\$ 78,830,651</b>	<b>\$ 658,170,562</b>
--	-----------------------	----------------------	-----------------------

Quarterly Grant Status Report  
 October thru December 2008  
 Operating Assistance Only

<b>FEDERAL TRANSIT ADMINISTRATION SECTION 5307 GRANT FUNDS</b>				
<b>Federal Transit Administration Section 5307 - Urbanized Area Formula Capital Grant Program</b>				
<b>Note: Operating Assistance Only</b>				
<b>CURRENT GRANT</b>	<b>FEDERAL GRANT AMOUNT</b>	<b>LOCAL SHARE AMOUNT</b>	<b>TOTAL GRANT AMOUNT</b>	<b>Federal Transit Administration DATE PAID</b>
Fiscal Year 2008 *	\$ 5,255,107	\$ 18,759,832	\$ 24,014,939	June 6, 2008
Fiscal Year 2007 *	4,863,183	19,151,756	24,014,939	December 12, 2007
Fiscal Year 2006 *	4,659,324	19,355,615	24,014,939	October 3, 2006
Fiscal Year 2005 *	5,341,510	24,844,621	30,186,131	October 4, 2005
Fiscal Year 2004 *	3,010,031	15,503,544	18,513,575	August 30, 2004
Fiscal Year 2002-03 *	6,966,007	37,562,925	44,528,932	August 21, 2003
Fiscal Year 2001 *	3,155,000	16,411,495	19,566,495	March 8, 2002
Fiscal Year 2000 *	2,889,244	13,818,506	16,707,750	September 29, 2000
<b>Formula Grants Total</b>	<b>\$ 36,139,406</b>	<b>\$ 165,408,294</b>	<b>\$ 201,547,700</b>	

Note: \* Includes Americans with Disabilities Act Paratransit Operating Assistance "ONLY"

**Quarterly Grant Status Report  
Current Other Discretionary Grants**

**DISCRETIONARY ALLOCATIONS**

<b>Air Quality Management District Grant Program and Mobile Source Air Pollution Reduction Review Committee</b>					
<b>Provides grants for the purchase of clean fuel revenue vehicles and other activities to reduce mobile source emissions.</b>					
<b>CURRENT GRANT</b>	<b>STATE GRANT AMOUNT</b>	<b>LOCAL SHARE AMOUNT</b>	<b>TOTAL GRANT AMOUNT</b>	<b>REMAINING BALANCE</b>	<b>PROJECT STATUS</b>
Fiscal Year 2002-03 Mobile Source Air Pollution Reduction Committee Contract #MS03041 Revenue Contract #C60123	\$ 1,360,000	\$ -	\$ 1,360,000	\$ 136,000	Grant funds 68 liquefied natural gas buses at \$20,000 each. On June 1, 2004, Orange County Transportation Authority executed a contract with Mobile Source Air Pollution Reduction Committee with an expiration date of 2008. The funds have been reprogrammed to the current compressed natural gas bus procurement. A reimbursement request for \$1,224,000 was sent in March with payment received April 16th. On September 15, 2008 the final reimbursement invoice for \$136,000 was sent to Mobile Source Air Pollution Reduction Review Committee with the performance report.
Fiscal Year 2002-03 Air Quality Management District Contract #07320 Revenue Contract #C71248	1,000,000	-	1,000,000	1,000,000	Funds were awarded in October 2002 for liquified natural gas (LNG) fueling infrastructure at the Garden Grove and Anaheim facilities. On December 3, 2004, Air Quality Management District (AQMD) approved OCTA's request to direct funds towards LNG fuel tank upgrades for the bus fleet and an LNG fueling station at the Santa Ana Base. Due to delays with the LNG tank improvement project and new commitment towards compressed natural gas (CNG) fuel technologies, staff began discussions with AQMD to realign the total grant award to support CNG fueling at the Santa Ana facility. Negotiations with the CNG fueling vendor were completed in May 2006, a detailed project scope was forwarded to the AQMD staff to develop emissions benefit calculations needed to redirect awarded funds. On February 2, 2007, the AQMD governing Board approved the use of grant funds to the Authority. Reports are being produced by the project manager that will be submitted along with the first reimbursement. First reimbursement for \$990,000 was submitted on November 17, 2008.
Fiscal Year 2004-05 Mobile Source Air Pollution Reduction Committee Contract #MSO5040 Revenue Contract #C60060	200,000	-	200,000	20,000	Executed in March 2006, this grant funds 25 natural gas buses at \$8,000 per bus. A reimbursement request of \$180,000 for 25 buses less retentions, was sent in December 2007 with the funds being received in January 2008. The six month performance report and retentions invoice for \$20,000 was submitted in June 2008.
Fiscal Year 2004-05 Mobile Source Air Pollution Reduction Committee Contract #PT05063 Revenue Contract #C52915	425,000	-	425,000	76,500	Grant awarded for \$150,000 in February 2005 to purchase and install 71 catalyzed diesel particulate filter systems to retrofit certain diesel-fueled buses. In June 2005, the Mobile Source Air Pollution Reduction Committee Board increased award amount to \$603,500. The contract was executed in March 2006 and budgeted in fiscal year 2007. Requisition 41263 was approved in January 2007. In June 2007, the Board approved a reduction of the number of filters to 50, resulting in a new award amount of \$425,000. Reimbursement invoice AR123404 for \$348,500 was sent September 12, 2008 and received October 20, 2008.

**Quarterly Grant Status Report  
Current Other Discretionary Grants**

**DISCRETIONARY ALLOCATIONS**

<b>Air Quality Management District Grant Program and Mobile Source Air Pollution Reduction Review Committee</b>					
<b>Provides grants for the purchase of clean fuel revenue vehicles and other activities to reduce mobile source emissions.</b>					
<b>CURRENT GRANT</b>	<b>STATE GRANT AMOUNT</b>	<b>LOCAL SHARE AMOUNT</b>	<b>TOTAL GRANT AMOUNT</b>	<b>REMAINING BALANCE</b>	<b>PROJECT STATUS</b>
Fiscal Year 2006 Mobile Source Air Pollution Reduction Committee Contract #MS06002 Revenue Contract #C71246	928,000	-	928,000	518,580	Executed November 2007, this grant provides funding for the purchase and implementation of automated vehicle locator and mobile data terminal equipment to increase the efficiency of the Freeway Service Patrols. The award requires a minimum 25 percent match funded through the Orange County Service Authority for Freeway Emergencies. To date reimbursements from the Mobile Source Air Pollution Reduction Review Committee total \$409,420.
Fiscal Year 2006 Mobile Source Air Pollution Reduction Committee Contract #MS06045 Revenue Contract #C71175	200,000	-	200,000	20,000	Grant executed August 2007. Provides funds to offset capital costs of the compressed natural gas fueling station at the Santa Ana Base. Reimbursement invoice for \$180,000 paid on November 19, 2008.
Fiscal Year 2006 Mobile Source Air Pollution Reduction Committee Contract #MS07009 Revenue Contract #C80815	800,000	-	800,000	800,000	Awarded on April 6, 2007, this grant helps support the purchase of 40 new buses equipped with advanced low emission natural gas engines. During the first quarter (July thru September) 28 Low Emission buses were conditionally accepted. A pause in payments to the vendor delayed reimbursement during the second quarter (October thru December). A reimbursement invoice will be submitted in the third quarter (January thru March).
Fiscal Year 2007 Air Quality Management District Contract #08130 Revenue Contract #C81043	4,700,000	-	4,700,000	4,700,000	On December 7, 2007, the Air Quality Management District awarded Orange County Transportation Authority \$4.7 million in grant funds through the Fiscal Year 2007 Carl Moyer Grant Program. The award supports the repowering of 188 Orange County Transportation Authority transit buses with new advanced low emission engines with a grant amount of \$25,000 each. The new advanced replacement engines will reduce tail pipe emissions between 600 and 700 pounds per year per vehicle. The first reimbursement for \$1,575,000 was submitted December 4, 2008.
Fiscal Year 2008 Mobile Source Air Pollution Reduction Committee Contract # To Be Determined Revenue Contract #Cxxxxxx	1,500,000	-	1,500,000	1,500,000	Awarded by the Mobile Source Air Pollution Reduction Review Committee on November 15, 2007, to implement a "Big Rig" pilot program intended to ease congestion by removing disabled trucks along the highly congested Riverside Freeway. This pilot service would operate similar to the Freeway Service Patrol to help mitigate the impacts of goods movement. Project is due to begin late Fiscal Year 2009.
Fiscal Year 2008 - Alternative Fuels Infrastructure Program Contract # MSO8057 Revenue Contract #	400,000	-	400,000	400,000	On July 11, 2008, the Mobile Source Air Pollution Reduction Review Committee awarded Orange County Transportation Authority \$400,000 in competitive grant funds from its Alternative Fuels Infrastructure Program. The award will offset the capital costs of implementing a new compressed natural gas fueling station at the Garden Grove base facility, while allowing local funds to be used towards other Orange County Transportation Authority projects and programs. The contract is in the execution process.

**Quarterly Grant Status Report  
Current Other Discretionary Grants**

**DISCRETIONARY ALLOCATIONS**

**State Office of Homeland Security**

These grants are to be used for the protection of the Orange County's transportation system.

CURRENT GRANT	STATE GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	REMAINING BALANCE	PROJECT STATUS
Fiscal Year 2006 Transit Security Grant Program	\$ 950,000	\$ -	\$ 950,000	\$ 950,000	Funds on-board bus cameras, surveillance system at the Buena Park Rail Station and development of a Comprehensive Emergency Operations Plan. Due to processing a state approved modification to remove the Comprehensive Emergency Operations Plan from this grant, the reimbursement invoice to the State Department of Homeland Security will be completed in early third quarter of Fiscal Year 2009.
Fiscal Year 2007 Transit Security Grant Program	1,550,000	-	1,550,000	1,550,000	Funds on-board bus surveillance system and exercise and training program. We are waiting to complete the Fiscal Year 2006 reimbursement before submitting for Fiscal Year 2007.

**State Transportation Improvement Program**

CURRENT GRANT	CALTRANS QA/QC AMOUNT	OCTA TOTAL GRANT AMOUNT	STATE GRANT AMOUNT	REMAINING BALANCE	PROJECT STATUS
2006 State Transportation Improvement Program Capital Bus Rapid Transit (Plans Specifications and Estimates)	\$ -	\$ 8,310,000	\$ 8,310,000	\$ 7,418,141	West Orange County Bus Rapid Transit Guideway, Design Phase. Reimbursement to date is \$891,859.
2007 State Transportation Improvement Program Capital Placentia Rail Station (Plans, Specifications and Estimates)	-	2,500,000	2,500,000	2,456,880	Placentia Rail Station Design Phase (Plans, Specifications and Estimates). Contract C71294 executed 10/2/08 with Willdan for Plans, Specifications and Estimates. Received reimbursement for \$24,198 in December 2008. Reimbursement to date is \$43,120.
2008 State Transportation Improvement Program Capital Tustin Rail Station (Plans, Specifications and Estimates)	-	1,100,000	1,100,000	1,100,000	Tustin Rail Station Design phase (Plans, Specifications and Estimates). Plan, Specifications and Estimates Contract will go to the Board for award on 1-26-09.
2008 State Transportation Improvement Program El Camino Real Soundwall (Plans, Specifications and Estimates)	-	646,000	620,000	238,463	Funding for the Interstate 5 El Camino Real Soundwall, Design Phase (Plans, Specifications and Estimates). Received the first reimbursement for \$407,536.52 in December 2008.
2008 State Transportation Improvement Program Capital Avenida Vaquero Soundwall (Plans, Specifications and Estimates)	-	620,000	620,000	282,751	Funding for the Interstate 5 Avenida Vaquero Soundwall, Design Phase (Plans, Specifications Estimates). Received the first reimbursement for \$337,248.82 in December 2008.

**California Integrated Waste Management Board**

CURRENT GRANT	STATE GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	REMAINING BALANCE	PROJECT STATUS
Targeted Rubberized Asphalt Concrete Incentive Grant Program	\$ 150,000	\$ -	\$ 150,000	\$ 150,000	Funding to help offset the costs of rubberized asphalt on the Garden Grove Freeway Improvement Project. Received Final Report on 10/28/08. Reimbursement invoice submitted on November 3, 2008.

**Quarterly Grant Status Report  
Current Other Discretionary Grants**

**DISCRETIONARY ALLOCATIONS**

<b>State Transportation Improvement Program</b>					
<b>Programming, Planning, Monitoring</b>					
<b>CURRENT GRANT</b>	<b>STATE GRANT AMOUNT</b>	<b>LOCAL SHARE AMOUNT</b>	<b>TOTAL GRANT AMOUNT</b>	<b>REMAINING BALANCE</b>	<b>PROJECT STATUS</b>
Fiscal Year 2004 Program	\$ 3,500,000	\$ -	\$ 3,500,000	\$ 3,500,000	Annual State Transportation Improvement Program allocation for the programming, planning, monitoring. Submitted Final reimbursement for \$3.5 million to Caltrans District 12 on February 5, 2008. Staff fulfilled a Caltrans District 12 request on two occasions for additional information for further clarification to complete project review. Project close-out is continuing at Caltrans District 12. Staff continues to monitor the status of this reimbursement.
Fiscal Year 2005 Program	1,287,000	-	1,287,000	801,761	Annual State Transportation Improvement Program allocation for the programming, planning, monitoring. Final reimbursement for \$749K on October 10, 2007 is pending at Caltrans District 12. Staff continues to monitor the status of this reimbursement.
Fiscal Year 2006 Program	1,777,000	-	1,777,000	166,108	Annual State Transportation Improvement Program allocation for the programming, planning, monitoring. Final reimbursement for \$166,108 on June 23, 2008 is pending at Caltrans District 12. Staff continues to monitor the status of this reimbursement.
Fiscal Year 2007 Program	1,531,000	-	1,531,000	743,609	Annual State Transportation Improvement Program allocation for the programming, planning, monitoring. Received payment of \$787,391.19 on July 17, 2008. Working with Caltrans District 12 to review workplan amendment and closeout procedures.
Fiscal Year 2008 Program	1,531,000	-	1,531,000	1,531,000	Annual State Transportation Improvement Program allocation for the programming, planning, monitoring. Working with Caltrans District 12 to review workplan amendment and closeout procedures.

<b>State Proposition 1B</b>					
<b>State Funding for the Public Transportation Modernization, Improvement, and Service Enhancement Account</b>					
<b>CURRENT GRANT</b>	<b>STATE GRANT AMOUNT</b>	<b>LOCAL SHARE AMOUNT</b>	<b>TOTAL GRANT AMOUNT</b>	<b>REMAINING BALANCE</b>	<b>PROJECT STATUS</b>
Fiscal Year 2008 Cycle 1	\$ 17,138,093	\$ -	\$ 17,138,093	\$ 8,465,738	Currently, 103 of the 195 paratransit vehicles are on the property waiting inspection and acceptance. A total of \$8,672,355 has been transferred from Prop 1B to fund 30 as reimbursement.
Fiscal Year 2008 Cycle 1	2,684,610	-	2,684,610	958,667	Currently making quarterly capital lease payments for Anaheim compressed natural gas fueling facility.
Fiscal Year 2008 Cycle 1	2,723,218	-	2,723,218	1,561,866	Currently making quarterly capital lease payments for the Garden Grove compressed natural gas fueling facility.
Fiscal Year 2008 Cycle 1	2,684,605	-	2,684,605	2,684,605	In January 2009, the operating lease payments will begin for the Irvine/Sand Canyon compressed natural gas Fueling facility.
Fiscal Year 2008 Cycle 1	7,737,225	-	7,737,225	7,737,225	The ACCESS/fixd route radio system project will be delayed until next fiscal year (2009-10)

**Quarterly Grant Status Report  
Current Other Discretionary Grants**

**DISCRETIONARY ALLOCATIONS**

**State Proposition 1B Transit Security Grant Program**

**Transit System Safety, Security, and Disaster Response Account**

<b>CURRENT GRANT</b>	<b>STATE GRANT AMOUNT</b>	<b>LOCAL SHARE AMOUNT</b>	<b>TOTAL GRANT AMOUNT</b>	<b>REMAINING BALANCE</b>	<b>PROJECT STATUS</b>
Fiscal Year 2008 Proposition 1B Transit System Safety, Security, and Disaster Response Account	\$ 818,450	\$ -	\$ 818,450	\$ 818,450	No activity to date for the Commuter Rail Right-of-Way Fencing Project.
Fiscal Year 2008 Proposition 1B Transit System Safety, Security, and Disaster Response Account	802,124	-	802,124	802,124	Money was transferred from acct. code 2166-9022-D3107-K6M (\$200K) for the Video Surveillance Systems for Base Facilities Project. A scope of work was developed and sent out for proposals which were originally scheduled to be received on January 20. On January 5, legal counsel sent an opinion that these types of projects can be done as a design build procurement. We cancelled the Request for Proposals and are revising the Scope of Work for a design/build procurement to be issued shortly. There is a requisition (# 6193) in place in Contracts Administration and Materials Management.
Fiscal Year 2008 Proposition 1B Transit System Safety, Security, and Disaster Response Account	754,000	-	754,000	754,000	Money was transferred from acct. code 2166-9022-D3107-EY1(\$500K) for the Key Card Access Systems for Base Facilities Project. A scope of work was developed and sent out for proposals which were originally scheduled to be received on January 20. On January 5, legal counsel sent an opinion that these types of projects can be done as a design build procurement. We cancelled the Request for Proposals and are revising the Scope of Work for a design/build procurement to be issued shortly. There is a requisition (# 6194) in place in Contracts Administration and Materials Management.
Fiscal Year 2008 Proposition 1B Transit System Safety, Security, and Disaster Response Account	732,900	-	732,900	732,900	No activity to date for the On-Board Bus Video Surveillance Cameras Project.
FY 2008 Proposition 1B Transit System Safety, Security, and Disaster Response Account	273,000	-	273,000	273,000	No activity to date for the Commuter Rail Crossing Monitors Project.
Fiscal Year 2008 Proposition 1B Transit System Safety, Security, and Disaster Response Account	140,000	-	140,000	140,000	The video surveillance system for the Irvine Station - The original public bid opening for this project was 9/9/08 but there were no bids submitted. The specs for the project were revised to allow for more companies to be able to bid the project and there was a second public bid opening on 10/17/08. A notice to award the contract was given to consultant on 11/10/08 and the project is scheduled to be complete in late March 2009. The city will hold the contract with the consultant. We have cooperative agreement C-3-0628 amendment #5 with the city that gives them the funds for the video surveillance system.

**Quarterly Grant Status Report  
Current Other Discretionary Grants**

**DISCRETIONARY ALLOCATIONS**

**Federal Highway Administration Grant Program Congestion Mitigation Air Quality  
Federal funding for the Garden Grove Project Construction**

CURRENT GRANT	FEDERAL GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	REMAINING BALANCE	PROJECT STATUS
Fiscal Year 2004	\$ 101,276,120	\$ -	\$ 101,276,120	\$ 63,109	Funding for the construction of carpool lanes on the Garden Grove Freeway. Amount received to date is \$101,213,011. Staff will seek final reimbursement of \$63,109.
Fiscal Year 2007	26,000,000	-	26,000,000	14,169,636	Funding for the design of the High Occupancy Vehicle direct connectors from State Route 22 to the Interstate 405 and the Interstate 605. Reimbursements to date of \$11,391,573.20.

**Federal Highway Administration Grant Program  
Value Pricing Pilot Program for research and potential deployment of the Orange County Transportation Authority's Performance Monitoring and Pricing Project.**

CURRENT GRANT	FEDERAL GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	REMAINING BALANCE	PROJECT STATUS
Fiscal Year 2006 Value Pricing Pilot Program	\$ 588,000	\$ 147,000	\$ 735,000	\$ 578,220	Funds the performance monitoring and pricing pilot project on 91 Express Lanes to review speed and travel time sensor technology options, approaches to dynamic pricing and policy impacts. Funding requires a 20 percent match. During the quarter ending 12/31/07, the Orange County Transportation Authority entered into a new agreement with a new project management firm to assist in oversight of this project. Reimbursements to date of \$9,780.

<b>Total</b>	<b>\$ 188,141,345</b>	<b>\$ 13,323,000</b>	<b>\$ 201,438,345</b>	<b>\$ 69,799,334</b>	
--------------	-----------------------	----------------------	-----------------------	----------------------	--

**Quarterly Grant Status Report  
October thru December 2008  
Federal Transit Administration Capital Grant Index**

GRANT NO.	DESCRIPTION	EXECUTED DATE	GRANT BUDGET	UNLIQUIDATED OBLIGATIONS	TOTAL OUTLAYS	TOTAL COMMITTED/COSTS	UNCOMMITTED BALANCE	PERCENT COMPLETE	ANTICIPATED CLOSE-OUT
CA-03-0585	Irvine Transportation Center	9/26/2001	\$ 3,101,725	\$ -	\$ 3,101,725	3,101,725	-	100.00%	December '08
CA-03-0626	Cities of Anaheim and Brea	8/25/2002	2,399,920	70,318	2,329,602	2,399,920	-	97.07%	December '08
CA-03-0709	2005 Section 5309 Bus Application	3/3/2005	5,382,915	10,273	2,500,443	2,510,716	2,872,199	46.45%	December '08
CA-03-0754	2006 Section 5309 Bus Application	8/22/2006	1,213,593	200,990	38,666	239,656	973,937	3.19%	December '09
CA-04-0078	Fiscal Year 2008 Section 5309 Bus Application	9/8/2008	8,749,139	62,602	670,358	732,960	8,016,179	7.66%	
CA-90-X962	Program of Projects	9/25/2000	103,942,433	-	103,942,433	103,942,433	-	100.00%	December '08
CA-90-Y048	Program of Projects	3/4/2001	40,233,887	637,406	36,800,822	37,438,228	2,795,659	91.47%	March '09
CA-90-Y163	Program of Projects	8/14/2003	156,072,924	639,164	155,374,561	156,013,725	59,199	99.55%	December '08
CA-90-Y237	Program of Projects	8/19/2004	59,188,821	1,055,566	58,118,691	59,174,257	14,564	98.19%	December '08
CA-90-Y349	Program of Projects	9/22/2005	99,498,139	15,400,248	75,988,676	91,388,924	8,109,215	76.37%	December '08
CA-90-Y428	Program of Projects	9/28/2006	52,606,318	769,028	33,958,754	34,727,782	17,878,536	64.55%	March '09
CA-90-Y540	Program of Projects	12/10/2007	54,311,407	-	25,784,886	25,784,886	28,526,521	47.48%	March '10
CA-90-Y644	Program of Projects	6/11/2008	58,701,090	12,482	28,086,274	28,098,756	30,602,334	47.85%	March '11
CA-95-X005	Fiscal Year 2007 Congestion Mitigation and Air Quality Fund Transfer	8/28/2007	6,268,251	584,683	1,161,449	1,746,132	4,522,119	18.53%	March '10
CA-95-X043	Fiscal Year 2009 Congestion Mitigation and Air Quality Fund Transfer-Irvine Guideway	9/22/2008	6,500,000	-	-	-	6,500,000	0.00%	
<b>TOTALS</b>			<b>\$ 651,670,562</b>	<b>\$ 19,442,760</b>	<b>\$ 527,857,340</b>	<b>\$ 547,300,100</b>	<b>\$ 104,370,462</b>	<b>81.00%</b>	

ATTACHMENT F





BOARD COMMITTEE TRANSMITTAL

**March 9, 2009**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Fiscal Year 2008-09 Second Quarter Budget Status Report

Finance and Administration Committee meeting of February 25, 2009

**Present:** Directors Amante, Bates, Campbell, Green, and Moorlach  
**Absent:** Directors Brown and Buffa

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Receive and file as an information item.



**February 25, 2009**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Fiscal Year 2008-09 Second Quarter Budget Status Report

**Overview**

The Orange County Transportation Authority's staff has implemented the fiscal year 2008-09 budget. This report summarizes the material variances between the budget plan and actual revenues and expenses.

**Recommendation**

Receive and file as an information item.

**Background**

The Board of Directors (Board) approved the Orange County Transportation Authority (OCTA) Fiscal Year (FY) 2008-09 Budget on June 9, 2008. The approved budget itemized the anticipated revenues and expenses necessary to meet OCTA's transportation programs and service commitments. The OCTA budget is a compilation of individual budgets for each of OCTA's funds, including the General Fund; three enterprise funds; eight special revenue funds; two capital project funds; one debt service fund; four trust funds; and two internal service funds.

The approved revenue budget is \$1.06 billion comprised of \$768 million in current year revenues and \$290 million in use of reserves. The approved expenditure budget is \$1.06 billion with \$1.03 billion of current year expenditures and \$26 million of designations.

This report will analyze material variances between the year-to-date budget and actuals for both revenues and expenditures.

Through the second quarter, there have been six Board-approved budget amendments. A summary of each amendment follows:

**Fiscal Year 2008-09 Amended Budget**

Description	Amount (in thousands)
6/08/2008 Approved Budget	\$ 1,057,845
7/28/2008 Integrated Financial Accounting System Upgrade	488
9/11/2008 Laguna Hills Transportation Center Roof Access System	51
9/11/2008 Santa Ana Bus Base Natural Gas Line Installation	1,662
10/10/2008 Eastbound State Route 91 Riverside Freeway Right-of-Way Support Services	308
11/24/2008 Mid-Year Budget Amendment	(57,875)
11/24/2008 91 Express Lanes Debt Rating Fees	510
12/31/2008 Total Amended Budget	<u>\$ 1,002,988</u>

**Discussion**

Staff monitors and analyzes current year revenues and expenditures versus the amended budget. This report will provide budget-to-actual explanations for any material variances.

**Staffing**

A staffing plan of 1,983 full-time equivalent (FTE) positions was approved in the FY 2008-09 budget. At the end of December 2008, 1,906 of these positions were filled. Overall the vacancy rate for OCTA was 3.9 percent, with union and administrative groups experiencing a 3.9 and a 4 percent vacancy rate, respectively. A breakdown of the vacancy rate by job category is provided below.

**Amended Full-Time Equivalent Vacancy Rate**

Staffing Description	Budget	Filled	Vacant	Vacancy Rate
Coach Operators	1,164.0	1,134.5	29.5	2.5%
Maintenance Union	264.0	238.0	26.0	9.8%
Transportation Communications International Union	49.0	47.0	2.0	4.1%
<i>Union Subtotal</i>	<u>1,477.0</u>	<u>1,419.5</u>	<u>57.5</u>	<u>3.9%</u>
Direct Transit Operations Support	200.0	193.0	7.0	3.5%
Other Administrative	306.0	293.0	13.0	4.2%
<i>Administrative Subtotal</i>	<u>506.0</u>	<u>486.0</u>	<u>20.0</u>	<u>4.0%</u>
<b>Total Authority</b>	<u><u>1,983.0</u></u>	<u><u>1,905.5</u></u>	<u><u>77.5</u></u>	<u><u>3.9%</u></u>

Revenue Summary

Board-approved budget amendments have decreased the approved revenue budget by \$54.9 million. As the table below indicates, the total amended revenue budget for FY 2008-09 is \$1 billion. This section of the report focuses on major variances between budgeted and actual revenues through the second quarter.

**Fiscal Year 2008-09 Amended Revenue Budget**

Revenues (in thousands)	Current Year	Reserves	Total
Approved Budget	\$ 767,962	\$ 289,883	\$ 1,057,845
Amendments	(60,922)	6,065	(54,857)
Total Amended Budget	<u>\$ 707,040</u>	<u>\$ 295,948</u>	<u>\$ 1,002,988</u>

Revenues of \$312.8 million through the second quarter are 4.7 percent under the amended budget of \$328.3 million. Sub-categories with a material variance are presented on the following page at the object summary level:

Fiscal Year 2008-09 Revenue Summary  
(in thousands)

Description	Year to Date Budget	Year to Date Actual	Variance	%
State Grants	\$ 25,489	\$ 9,545	\$ (15,944)	-62.6%
Sales Tax Revenue	193,580	182,371	(11,209)	-5.8%
Advertising Revenue	4,620	2,042	(2,579)	-55.8%
Farebox Revenue	26,710	25,749	(961)	-3.6%
Toll Road Revenue	21,818	20,947	(870)	-4.0%
Miscellaneous	1,707	1,191	(517)	-30.3%
Gas Tax Exchange	11,500	11,176	(324)	-2.8%
Department of Motor Vehicles Fees Revenue	1,752	1,726	(26)	-1.5%
Fees and Fines	77	63	(14)	-18.5%
Rental Income	686	728	42	6.2%
Federal Operating Grants	475	533	57	12.1%
Other Financial Assistance	229	946	717	312.8%
Property Tax Revenue	4,766	5,628	862	18.1%
Federal Capital Assistance Grants	18,983	24,821	5,838	30.8%
Interest Income	15,939	25,317	9,378	58.8%
<i>Total Revenue</i>	<i>\$ 328,333</i>	<i>\$ 312,783</i>	<i>\$ (15,549)</i>	<i>-4.7%</i>

\*(under) / over

State Grants: Actuals of \$9.5 million are \$15.9 million below the budget of \$25.4 million. As a result of the downturn in the economy, all projects were evaluated and Proposition 1B funds initially allocated for bus rapid transit (BRT) capital improvements were reallocated to the Metrolink Service Expansion Plan (MSEP). The MSEP, at this point, has not required the use of these reallocated Proposition 1B funds. Expenses will be re-evaluated based on availability of funding.

Sales Tax Revenue: Actuals of \$182.4 million are 5.8 percent below the budget of \$193.6 million. In developing the Measure M (M1) and Local Transportation Fund (LTF) sales tax revenue budgets, staff used the first six months of actuals in FY 2007-08 and annualized the remaining half of the year. The result was then escalated based on a blended sales tax growth rate of 3.39 percent developed from forecasts provided by three universities (University of California, Los Angeles; California State University, Fullerton; and Chapman University). The underrun is caused by two factors: OCTA began the year with a lower base sales tax figure because sales tax revenues in the second half of

---

FY 2007-08 were approximately 9.5 percent less than anticipated. As a result, a budget amendment to reduce the budget was approved by the Board on November 24, 2008.

However, actuals through the second quarter of FY 2008-09 continue to decline. A comparison of actuals through the second quarter compared to the same period last year show a 5.8 percent reduction in sales tax revenue. Thus, the M1 sales tax is underrunning by \$5.7 million and the LTF sales tax is underrunning by \$3.1 million through the second quarter.

Furthermore, the State Transit Assistance Fund (STAF) was expected to receive \$8.4 million year-to-date. However, due to the State of California's budget crisis only \$4.2 million has actually been received. In fact, these are the only STAF funds expected to be received this fiscal year. In total, \$21.6 million less than what was budgeted (\$25.8 million) will be received by year end.

Advertising Revenue: Actuals of \$2 million are \$2.6 million below the budget of \$4.6 million. This is due to a timing issue related to the budgeted cashflow. During the development of the budget it was expected that OCTA would receive a large portion of this revenue in the month of September 2008. However, after further review of the current advertising contract, this amount is invoiced on a monthly basis and runs one month in arrears. Therefore, through the second quarter the amount OCTA should have expected to receive is \$2 million compared to the actuals of \$2 million received. The variance under this category is expected to carry forward throughout the year but is anticipated to be on-track by year-end.

Federal Capital Assistance Grants: Actuals of \$24.8 million are running over the budget of \$19 million by \$5.8 million or 30.8 percent primarily due to federal fund reimbursements (\$20.8 million) related to prior year bus purchases. It is not uncommon to receive reimbursements in subsequent years related to prior year activity, especially due to the long lead-time associated with the manufacturing of revenue vehicles. However, this overrun is offset by underruns related to the west county connectors (WCC) right-of-way (ROW) phase (\$11.2 million), San Diego Freeway (Interstate 405) from San Gabriel Freeway (Interstate 605) to the Costa Mesa Freeway (State Route 55) project acceptance and environmental design phase (PA/ED) (\$2.8 million) and the Irvine Transportation Center (ITC) parking structure project (\$1 million).

The underrun in Congestions Mitigation and Air Quality (CMAQ) funds, under the Federal Capital Assistance Grants sub-category, is related to the WCC ROW phase and the Interstate 405 (I-405) from Interstate 605 (I-605) to the State Route 55 (SR-55) PA/ED is due to longer than anticipated contract

negotiations. These contract negotiations are in the final phase. Actual reimbursement of these CMAQ funds are expected to be sought in the fourth quarter.

Interest Income: Actuals of \$25.3 million are approximately \$9.4 million above the budgeted amount of \$15.9 million. The budget was developed based on the assumption of a 4 percent return for the fiscal year. The OCTA's investment performance was higher than forecasted levels during the first half of the fiscal year due to the increase in market value of high quality securities. The Federal Open Market Committee lowered interest rates and investors sought safety in treasury, agency, and high-quality corporate securities which comprised approximately 75 percent of the OCTA's portfolio.

Expense Summary

The expenditure budget has been decreased by \$54.9 million as a result of three Board-approved amendments that were summarized previously. As the table below indicates, the amended expenditure budget for FY 2008-09 is \$1 billion.

**Fiscal Year 2008-09 Amended Expenditure Budget**

In Thousands	Current Year	Designations	Total
Approved Budget	\$ 1,031,541	\$ 26,303	\$ 1,057,845
Amendments	(54,857)	-	(54,857)
Total Amended Budget	\$ 976,684	\$ 26,303	\$ 1,002,988

This section focuses on major variances between budgeted and actual expenditures for the second quarter. These variances are explained at an object summary level based on the expense summary table on the next page. Actual expenditures of \$225.5 million represent a 32.8 percent underrun in comparison to the amended budget of \$335.5 million.

## Fiscal Year 2008-09 Expense Summary

(In Thousands)

Description	Budget	Actual	Variance	%
<u>Salaries</u>				
Compensated Absences	\$ 6,241	\$ 5,948	\$ 294	4.7%
Salaries	51,165	49,438	1,727	3.4%
<i>Total Salaries</i>	<i>\$ 57,406</i>	<i>\$ 55,386</i>	<i>\$ 2,020</i>	<i>3.5%</i>
<u>Benefits</u>				
Other Benefits	\$ 2,547	\$ 3,073	\$ (526)	-20.6%
Pensions	12,644	12,878	(235)	-1.9%
Insurances	1,235	1,015	220	17.8%
Health Care	10,208	9,945	263	2.6%
<i>Total Benefits</i>	<i>\$ 26,633</i>	<i>\$ 26,911</i>	<i>\$ (278)</i>	<i>-1.0%</i>
<i>Total Salaries and Benefits</i>	<i>\$ 84,040</i>	<i>\$ 82,297</i>	<i>\$ 1,743</i>	<i>2.1%</i>
<u>Services and Supplies</u>				
Other Materials and Supplies	\$ 817	\$ 2,095	\$ (1,278)	-156.4%
Debt Service	13,861	14,189	(328)	-2.4%
Maintenance Expense	3,381	3,585	(204)	-6.0%
Taxes	8	166	(159)	-2114.0%
Miscellaneous Expense	656	777	(121)	-18.4%
Utilities	1,212	1,067	145	11.9%
Leases	3,193	3,014	178	5.6%
Advertising Fees	370	86	284	76.7%
Travel, Training, Mileage	660	332	328	49.6%
Contract Transportation	22,004	21,437	568	2.6%
Tires and Tubes	1,224	626	598	48.8%
Office Expense	1,418	799	620	43.7%
Fuels and Lubricants	10,171	9,042	1,129	11.1%
Insurance Claims Expense	6,014	3,078	2,936	48.8%
Outside Services	16,317	12,563	3,754	23.0%
Professional Services	37,701	8,567	29,134	77.3%
Contributions to Other Agencies	93,148	49,066	44,082	47.3%
<i>Total Services and Supplies</i>	<i>\$ 212,154</i>	<i>\$ 130,490</i>	<i>\$ 81,664</i>	<i>38.5%</i>
<u>Capital and Fixed Assets</u>				
Work In Process	\$ 1,202	\$ 208	\$ 994	82.7%
Capital Expense-Local Funding	12,905	950	11,955	92.6%
Construction in Progress	25,206	11,568	13,638	54.1%
<i>Total Capital and Fixed Assets</i>	<i>\$ 39,313</i>	<i>\$ 12,726</i>	<i>\$ 26,587</i>	<i>67.6%</i>
<i>Total All Expenses</i>	<i>\$ 335,507</i>	<i>\$ 225,514</i>	<i>\$ 109,994</i>	<i>32.8%</i>

\*under / (over)

Salary and Benefits: Actuals of \$82.3 million are 2.1 percent below the budget of \$84 million. Actuals for salaries (\$49.4 million) are 3.4 percent or \$1.7 million below the budget of \$51.2. The underrun is attributed to the implementation of a hiring limit earlier this year. This variance is expected to continue throughout the fiscal year.

Services and Supplies: Actuals of \$130.5 million are 38.5 percent below the budget of \$212.2 million. Sub-categories with a material variance are presented below at the object summary level.

Other Materials and Supplies: Actuals of \$2.1 million are over the budget of \$0.8 million by \$1.3 million. The variance is attributed to scrap and obsolescence inventory maintenance parts. In the past, these costs were grouped together with maintenance parts costs. However, since the transition to Ellipse, OCTA's integrated maintenance, inventory, and purchasing software application, scrap and obsolescence inventory maintenance part expenses were segregated from maintenance part costs. Funds to cover these expenses will be identified throughout the third and fourth quarter and transferred to ensure the actuals are on-track with the budget.

Fuels and Lubricants: Actuals of \$9 million are \$1.1 million under the budget of \$10.1 million. The underrun can be attributed to lower than anticipated costs per gallon for liquefied natural gas (LNG) and compressed natural gas (CNG). These fuels were originally budgeted at \$0.78 cents and \$1.02 per gallon, respectively. However, the current average cost per gallon for LNG is \$0.53 cents and \$0.54 cents for CNG.

Insurance Claims Expense: Insurance claims represent expenses associated with personal liability/property damage (PL/PD) and workers' compensation (WC) losses. The actuals of \$3.1 million are 48.8 percent below the budget of \$6 million. The primary reason for the underrun is associated with PL/PD claims expense (\$1.8 million), excess liability (\$0.3 million), and WC excess liability insurance (\$0.6 million), and claims expense (\$0.2 million).

The PL/PD claims expense and excess liability are contributing \$2.1 million to the variance. This is due to an actuarial based projection of claims payout, derived from a report conducted in 2007, used to develop the budget. However, the frequency and severity of claims have been less than anticipated during this current fiscal year.

The underrun in WC excess liability and claims expense (\$0.8 million) also stems from the budget being derived from an actuarial based projection and actuals continuing to track below the forecast. This positive underrun continues to be a collaborative effort from OCTA staff holding safety classes at the bases to reduce accidents/claims, WC savings being shared with coach

operators as an incentive to reduce claims, and risk management focusing on closing claims as quickly as possible.

Outside Services: Actuals are under the budget of \$16.3 million by \$3.8 million or 23 percent. The variance is primarily spread across the following funds: the Orange County Transit District (OCTD) Fund for \$1.3 million, Service Authority for Freeway Emergencies (SAFE) Fund for \$1.2 million, 91 Express Lanes Fund for \$0.6 million, and the General Fund for \$0.5 million. These four funds contribute \$3.6 million or 94.7 percent of the \$3.8 million variance and their explanations are provided below.

First, within the OCTD Fund, \$0.3 million of the variance can be attributed to the CNG equipment operations and maintenance contract. The invoices for the contract are running two months in arrears, but actuals are expected to be on-track with the budget by the end of the fiscal year.

Also contributing \$0.3 million of the variance is the driver's pull-down sun visors project. This project is ongoing and expenses have been recognized under the maintenance parts budget. The funds available in the budget for this project will be transferred to maintenance parts to cover the added expenses being recorded.

On-call architectural, engineering, and testing and inspection services are contributing \$0.3 million to the variance within the OCTD Fund. These services are all budgeted to be expensed on a monthly basis. However, their actual usage is often difficult to forecast and have not been required as anticipated.

Security services are contributing \$0.2 million to the variance within the OCTD Fund. This variance is attributed to invoices running one month in arrears. Actual expenses for these services are expected to be on-track against the budget by year end.

Also, contributing \$0.2 million to the variance are revenue vehicle major maintenance expense (\$0.1 million) and mobility training services (\$0.1 million) under the ACCESS service. Expenses for these items are incurred on an as needed basis and year-to-date have not been required as projected.

The SAFE fund is contributing \$1.2 million to the underrun due to towing services (\$0.6 million) and the big rig pilot program. During the development of the budget, it was estimated that hourly cost for towing services would range between \$65 to \$70 per hour. However, after successful contract negotiations, the actual cost per hour expensed range between \$56 to \$65. The FSP Big Rig Pilot Program is being re-evaluated as a result of the downturn in the economy and is being postponed to a later fiscal year.

The 91 Express Lanes Fund is contributing \$0.6 million to the variance. This variance is primarily comprised of both toll road equipment repair maintenance (\$0.5 million) and maintenance supply repairs (\$0.1 million). These items are used on an as needed basis. They include costs associated with the relocation of equipment and utilities during the repavement or improvements on the Riverside Freeway (State Route 91) corridor. It also includes expenses incurred due to maintenance required to the systems used by the 91 Express Lanes.

The General Fund is contributing, \$0.5 million to the overall variance due to hardware and software annual maintenance costs. This variance is primarily due to invoices running one month in arrears. Invoices through December 2008 were received and processed in January 2009. Actual expenses for these services are expected to be on-track against the budget by the end of the fiscal year.

Professional Services: Actuals of \$8.6 million are \$29.1 million under the budget of \$37.7 million. The variance can be primarily attributed to underruns in the Renewed Measure M (M2) Fund (\$13.3 million), M1 Fund (\$10.8 million), and General Fund (\$2.9 million). These three funds contribute \$3.6 million or 92.8 percent of the \$3.8 million variance and their explanations are provided below.

Within the M2 Fund, the primary reason for the \$13.3 million variance is related to the I-405, SR-55 to the I-605 PAVED, Project K. This project is currently in the final phase of contract negotiations. Staff is waiting for approval to commence in order to be eligible to seek reimbursement of federal funds.

The M1 Fund is contributing \$10.8 million to the overall variance. This is primarily due to the Santa Ana Freeway (Interstate 5) Gateway project (\$6.6 million) and the WCC project (\$3.1 million),

Invoices from California Department of Transportation (Caltrans) related to the Interstate 5 (I-5) Gateway project are in arrears but are expected to be received and expensed in the third quarter. Contract negotiations for the WCC project took longer than anticipated, but are in the final phase. Expense invoices are expected to be received shortly after an agreement has been reached.

Several line items are contributing to the \$2.9 million underrun in the General Fund. The line items include: BRT project management services (\$1 million), Orange and Los Angeles County Intercounty Corridor Study (\$0.6 million), state advocacy services (\$0.4 million), preparation for emergency response and disaster recovery (\$0.3 million), general auditing services (\$0.1 million),

and records management control (\$0.1 million). These items account for \$2.5 million or 86.2 percent of the \$2.9 million variance under the general fund.

BRT project management services are contributing approximately \$1 million to the overall variance within the General Fund. This underrun is attributed to two factors: One, invoices are three months in arrears and, two, the invoices that have been posted are lower than anticipated by approximately \$50,000 each.

The Orange and Los Angeles County Intercounty Corridor Study is contributing \$0.6 million to the underrun due to additional technical studies. These additional technical studies are expected to be complete June 2009. As a result, these funds are being re-budgeted in next fiscal year's budget.

State Advocacy Services are contributing \$0.4 million to the variance. This is due to invoices running in arrears. The project manager is working with the state advocate and expenses are expected to be on-track with the budget by the end of the fiscal year.

The preparation for emergency response and disaster recovery project is contributing \$0.3 million to the variance. This project has been evaluated by executive management and a decision has been made to postpone this project.

General auditing services are contributing \$0.1 million due to invoices being reviewed. Expenses are expected to be on-track with the budget by the end of the third quarter.

The records management control project is contributing \$0.1 million to the variance due to staff reviewing the scope of work and assessing the desired outcome of this project. After further review, the decision was made to postpone this project.

Contributions to Other Agencies: Actuals of \$49 million are \$44.1 million below the budget of \$93.1 million. The variance can be primarily attributed to the Metrolink locomotives and rail cars (\$17.5 million), MSEP infrastructure improvements (\$13.5 million), Bristol Street Widening Project (\$4.4 million), Bicycle, Pedestrian and Facilities Program (\$2.3 million), Metrolink rehabilitation and renovation project (\$1.2 million), and the Keller Street Yard Storage Facility (\$1 million). These variances contribute \$39.9 million or 90.4 percent of the \$44.1 million variance.

The Metrolink locomotives and rail cars project is on schedule but contributing \$17.5 million to the variance. The Southern California Regional Rail Authority (SCRRA) is the lead agency on the project and has elected to utilize other sources of funds available for the project before beginning to invoice the

OCTA. Once these other sources of funds are fully utilized, OCTA expects to begin receiving invoices.

The MSEP infrastructure improvements (\$13.5 million) are also being led by SCRRA. These funds were initially anticipated to be expensed on a quarterly basis. However, after further review of the project and its requirements, expenses are expected to be incurred in the fourth quarter.

The Bristol Street Widening Project is contributing \$4.4 million to the variance. This variance is primarily due to a delay caused by reviewing street widening specifications and plans. It is anticipated that construction will begin in the third quarter and invoices will be received shortly thereafter.

The Bicycle, Pedestrian and Facilities Program is contributing \$2.3 million to the variance. This is due to invoices running two quarters in arrears. However, the program is expected to be on-track by the end of the fiscal year.

The funds for the Metrolink rehabilitation and renovation (\$1.2 million) project is anticipated to be expensed by year end. The variance is a result of the project schedule being revised after the budget was approved.

The Keller Street Storage Facility is underrunning by \$1 million due to a change in the project schedule after the budget was approved. The design stage is complete and the funds budgeted for this project are expected to be on-track with the budget by the end of the fiscal year.

#### Capital and Fixed Assets Summary

Capital and fixed assets actuals of \$12.4 million are 67.6 percent below the budget of \$39.3 million. The primary variances are associated with the Capital Expense – Local Funding, Work in Process, and the Construction in Progress categories.

Work in Process: Actuals are running \$1 million below the budget of \$1.2 million. The variance is due to the additional land acquisitions for the Garden Grove Freeway (State Route 22), \$0.6 million, and the ROW land acquisition for the State Route 22 (SR-22) project (\$0.4 million).

The additional land acquisition for the SR-22 project is contributing \$0.6 million to the underrun. First, this phase of the project was negotiated for \$0.1 million less than anticipated. Secondly, the acquisition was fully expensed in October 2008 for \$0.5 million. However, after further review, it was determined that expenditures for this phase of the project would be funded with capital expense local funds (\$0.4 million) and capital expense buildings improvement

funds (\$0.1 million), to properly account for the land and the improvement portion of the costs.

The SR-22 ROW land acquisition is contributing \$0.4 million to the underrun. This variance is due to longer than anticipated negotiations between Caltrans and the County of Orange regarding the maintenance of land being acquired. Once these negotiations are complete, actual expenditures will be on-track with the budget.

Capital Expense-Local Funding: Actuals of \$1 million are running \$12 million under the budget. The underrun is due to the purchase of 47 gasoline cutaway buses (\$4.6 million), electronic toll system technology upgrade (\$1.9 million), grade separations ROW acquisition (\$1.3 million), BRT bus painting project (\$1.1 million), integrated financial and administrative information system (IFAS) upgrade (\$0.5 million), the overhead safety system for all bases (\$0.4 million), variable message (\$0.4 million) and phase II of the Anaheim leasehold improvements (\$0.3 million) for the 91 Express Lanes, contract change orders (CCO) for the CNG fueling stations at the Anaheim, Garden Grove, and Irvine Sand Canyon bases (\$0.6 million), on-board video surveillance system (OBVSS) infrastructure and police car package (\$0.3 million), transponders for the 91 Express Lanes (\$0.2 million), CCO for building modifications at the Irvine Construction Circle Base (\$0.1 million), CCO for the CNG building modifications at the Irvine Sand Canyon Base (\$0.1 million), and CCO for the Anaheim Base structural modification and waterproofing of the parking structure (\$0.1 million).

The purchase of 47 gasoline cutaway buses is contributing \$4.6 million to the underrun. This is due to changes in the procurement timeline and the quantity of buses anticipated to be received this fiscal year. Delivery is anticipated in the fourth quarter, as are expenses. However, only expenses for 33 buses will be posted (\$3.1 million) and the remaining will be part of two one-year options under the contract in which, if exercised, 11 additional buses can be purchased each year for a combined total of 55 gasoline cutaway buses.

The electronic toll system technology upgrade for the 91 Express Lanes is underrunning by \$1.9 million. The request for proposals (RFP) for this project was originally scheduled to be released in the first or second quarter. However, after further review by the project manager and updates to the scope of work, the RFP is now scheduled to be released in the third quarter.

The ROW acquisition for the grade separations project is contributing \$1.3 million to the underrun. An environmental report recommended soil, asbestos, and lead paint testing. The testing has been ordered and is expected to be complete in the third quarter. As a result, invoices are expected to be received and posted in the fourth quarter.

The painting of 92 BRT buses has an underrun of \$1.1 million. After thoroughly reviewing the paint facilities currently operated by the OCTA and after conducting a cost-benefit analysis, staff has determined the project will be completed in-house. The only expenses for this line item will be for materials and hardware required to complete the project. Expenses for material and hardware are anticipated to be expensed in the third quarter.

The IFAS upgrade project is contributing \$0.5 million to the underrun. This project was initially anticipated to take place in the first half of the fiscal year. However, due to the time required to negotiate the contract, this project is expected to be finalized and signed in the third quarter.

The overhead safety system project is underrunning by \$0.4 million. This project was placed on-hold during the second quarter as projects were being evaluated for budget reductions. After further evaluation, this project was deemed necessary and is expected to be on-track with the budget by the end of the fiscal year.

Variable message signs and phase II of the Anaheim facility leasehold improvements for the 91 Express Lanes are contributing \$0.4 million and \$0.3 million, respectively, to the underrun. These project are currently being evaluated by staff and are anticipated to be released in the fourth quarter.

The CCOs for the CNG fueling stations at the Anaheim, Garden Grove, and Sand Canyon bases are contributing \$0.6 million to the overall variance. Electrical service upgrades to the bases have been completed. Invoices are expected to be received in the third quarter.

The OBVSS infrastructure at various bases and the OBVSS police car package has an underrun of \$0.3 million. These items are currently being evaluated, but expenses are expected to be on-track with the budget by the end of the fiscal year.

Transponders for the 91 Express Lanes are contributing \$0.2 million to the variance. This is due to inventory levels through the second quarter being higher than anticipated. As a result, shipments are being postponed. Staff will continue to monitor inventory levels and order transponders on as needed basis.

CCOs for building modifications at the Irvine Construction Circle and the Irvine Sand Canyon bases are currently contributing \$0.1 million to the variance. These CCOs are under negotiations with the contractor. An agreement is expected to be reached in the third quarter and expenses are expected to be posted shortly thereafter.

CCOs for the Anaheim Base structural modifications and waterproofing of the parking structure are underrunning by \$0.1 million. The CCOs are complete and invoices are expected to be received and posted in the third quarter.

Construction in Progress: Actuals of \$11.6 million are 54.1 percent or \$13.6 million under the budget of \$25.2 million. The variance is primarily attributed to the I-5 Gateway capital construction project (\$12.9 million). Expenses for this project have been incurred. However, invoices from Caltrans are running in arrears, but are expected to be received and posted in the third quarter.

A fund level analysis as well as fund level financial schedules for the General Fund, LTF, OCTD Fund, 91 Express Lanes Fund, and Internal Service Funds are included as Attachments A and B.

### ***Summary***

In summary, Orange County Transportation Authority's revenues are running under the budget primarily due to lower than anticipated sales tax and State Transit Assistance Fund revenues. Sales tax revenues continue to be lower than anticipated primarily due to a decrease in the base sales tax figure used to forecast the current year's budget and the economic downturn that resulted in actual reductions in sales tax receipts compared to the projected 3.39 growth rate.

In addition, the STAF was expected to receive \$8.4 million year-to-date, but has only received \$4.2 million. Furthermore, due to the State of California's budget crisis, STAF revenues will be under by \$21.6 million by the end of the fiscal year in comparison to the approved budget.

The underrun in revenues is partially offset with an overrun in interest income. The net result in revenues represents an underrun through the second quarter of \$15.5 million or 4.7 percent.

Total expenditures are underrunning the budget by \$110 million with professional services, contributions to other agencies, and construction in progress accounting for \$86.8 million or 78.9 percent of the overall variance.

The services and supplies budget, accounts for \$81.7 million or 74.2 percent of the underrun primarily due to various professional service and contributions to other agencies line items. Items contributing to the overall variance include the Metrolink locomotives and rail cars (\$17.5 million), the MSEP infrastructure improvements (\$13.5 million), I-405, SR-55 to the I-605 project acceptance and environmental design (\$13.3 million), I-5 Gateway project (\$6.6 million),

Bristol Street widening project (\$4.4 million), WCC project (\$3.1 million), and Bicycle, Pedestrian and Facilities Program (2.3 million).

Capital and fixed assets are contributing \$26.6 million or 24.2 percent to the overall variance in expenses. The driver of this variance is related to the I-5 gateway capital construction project. Expenses are being incurred but invoices from Caltrans are running in arrears.

**Attachments**

- A. Fund Level Analysis
- B. Fund Level Financial Schedules

**Prepared by:**



Victor Velasquez  
Section Manager  
Financial Planning and Analysis  
(714) 560-5592

**Approved by:**



James S. Kenan  
Executive Director,  
Finance and Administration  
(714) 560-5678

**Fund Level Analysis**

**General Fund – Revenue Summary**

Revenues are running \$6.2 million under the budget, while expenditures are under by \$11.6 million compared to a budget of \$39.4 million.

**Variance Analysis – Revenues**

Note: It is not uncommon for revenues in these categories to be received in future years rather than the year in which they were originally budgeted.

State Assistance: Actuals are running under the budget by \$5.1 million. The variance is primarily due to station improvements in the City of Placentia (\$2.5 million) and the parking expansion in the City of Tustin (\$1.1 million). The station improvement project in the City of Placentia was negotiated for \$1.8 million versus the \$2.5 million budgeted. The contract was finalized at the beginning of the second quarter and is currently underway. Reimbursement of State Transportation Improvement Program (STIP) funds will be sought as expenses are incurred. The underrun in STIP funds related to the parking expansion in the City of Tustin, is a timing issue. The expense was budgeted to be incurred in third quarter of the fiscal year. Reimbursement of funds are usually received one to two months after expenses have been posted.

**Variance Analysis – Expenses**

Professional Services: Actuals are running under the budget by \$2.9 million. Several line items are contributing to the \$2.9 million underrun in the General Fund. The line items include: bus rapid transit (BRT) project management services (\$1 million), Orange and Los Angeles County Inter-county Corridor Study (\$0.6 million), State Advocacy Services (\$0.4 million), preparation for emergency response and disaster recovery (\$0.3 million), general auditing services (\$0.1 million), and records management control (\$0.1 million). These items account for \$2.5 million or 86.2 percent of the \$2.9 million variance under the general fund.

BRT project management services are contributing approximately \$1 million to the overall variance within the General Fund. This underrun is attributed to two factors. One, invoices are three months in arrears and two, the invoices that have been posted are lower than anticipated by approximately \$50,000 each.

The Orange and Los Angeles County inter-county corridor study is contributing \$0.6 million to the underrun due to additional technical studies. These additional technical studies are expected to be complete June 2009. As a result, these funds are being re-budgeted in next fiscal year's budget.

State Advocacy Services are contributing \$0.4 million to the variance. This is due to invoices running in arrears. The project manager is working with the state advocate and expense are expected to be on-track with the budget by the end of the fiscal year.

The preparation for emergency response and disaster recovery project is contributing \$0.3 million to the variance. This project has been evaluated by executive management and a decision has been made to postpone this project.

General auditing services are contributing \$0.1 million due to invoices being reviewed. Expenses are expected to be on-track with the budget by the end of the third quarter.

The records management control project is contributing \$0.1 million to the variance due to staff reviewing the scope of work and assessing the desired outcome of this project. After further review, the decision was made to postpone this project.

Contributions to Other Agencies: Actuals are under the budget by \$5.7 million. The underrun is primarily due to the Bristol Street Widening Project. Staff has recognized the slowdown in repayment requests due to street improvement plans being finalized. This involves coordination with the Southern California Edison (SCE) Company, Orange County Sanitation District (OCSD), and Metropolitan Water District (MWD). Construction of this project will commence in the third quarter.

### **Local Transportation Authority (LTA) Fund (Measure M) – Revenue and Expense Summary**

Revenues of \$136.5 million are \$29.2 million or 17.6 percent under the budget of \$165.7 million. Expenditures of \$39.4 million are also under the budget by 60.1 percent or \$59.3 million.

#### **Variance Analysis – Revenues**

Other Financial Assistance: Actuals of \$0.4 million are underrunning the budget of \$17 million by 97.5 percent. This is due to Proposition 1B funds being reallocated to the Metrolink Service Expansion Plan (MSEP). As a result of the downturn in the economy, all projects were evaluated and Proposition 1B funds initially allocated for (BRT) capital improvements were re-allocated to the MSEP. The MSEP, at this point, has not required the use of these re-allocated Proposition 1B funds. As these expenses tied to these funds are incurred, staff will seek reimbursement.

Federal Capital Assistance Grants: Actuals are running \$11.2 million or 78.4 percent under the budget of \$14.3 million. The underrun in Congestion Mitigation and Air Quality (CMAQ) funds, under the Federal Capital Assistance Grants sub-category, is related to the west county connectors (WCC) right-of-way (ROW) phase and the San Diego Freeway (Interstate 405) from San Gabriel Freeway (Interstate 605) to the Costa Mesa Freeway (State Route 55) project acceptance and environmental design (PA/ED) is due to longer than anticipated contract negotiations. These contract negotiations are in the final phase. Actual reimbursement of these CMAQ funds are expected to begin being sought in the fourth quarter.

Taxes and Fees: Actuals are running 4.7 percent below the budget of \$125.3 million. In developing the Measure M (M1) sales tax revenue budget, staff used the first six months of actuals in FY 2007-08 and annualized the remaining half of the year. The result was then escalated based on a blended sales tax growth rate of 3.39 percent developed from forecasts provided by three universities (University of California, Los Angeles, California State University Fullerton, and Chapman University). The underrun is caused by two factors: OCTA began the year with a lower base sales tax figure because sales tax revenues in the second half of FY 2007-08 were approximately 9.5 percent less than anticipated. As a result, a budget amendment to reduce the budget was approved by the Board on November 24, 2008.

However, actuals through the second quarter of FY 2008-09, continue to decline. A comparison of actuals through the second quarter compared to the same period last year, show a 5.8 percent reduction in sales tax revenue. Thus, the M1 sales tax is underrunning by \$5.7 million through the second quarter.

Interest Income: Actuals of \$12.3 million are approximately \$5 million above the budgeted amount of \$7.3 million. The budget was developed based on the assumption of a four percent return for the fiscal year. The OCTA's investment performance was higher than forecasted levels during the first half of the fiscal year due to the increase in market value of high quality securities. The Federal Open Market Committee lowered interest rates and investors sought safety in treasury, agency, and high-quality corporate securities which comprised approximately 75 percent of the OCTA's portfolio.

#### **Variance Analysis – Expenses**

Professional Services: Actuals are \$10.8 million below the budget. This is primarily due to the Santa Ana Freeway (Interstate 5) Gateway project (\$6.6 million) and the WCC project (\$3.1 million),

Invoices from California Department of Transportation (Caltrans) related to the Santa Ana Freeway (Interstate 5) Gateway project are in arrears but are

expected to be received and expensed in the third quarter. Contract negotiations for the WCC project took longer than anticipated, but are in the final phase. Expense invoices are expected to be received shortly after an agreement has been reached.

Contributions to Other Agencies: Actuals of \$30.4 million are \$33.7 million or 52.6 percent below the budget of \$64.1 million. The Metrolink locomotives and rail cars project is on schedule but contributing \$17.5 million to the variance. The Southern California Regional Rail Authority (SCRRA) is the lead agency on the project and has elected to utilize other sources of funds available for the project before beginning to invoice the OCTA. Once these other sources of funds are fully utilized, OCTA expects to begin receiving invoices.

The MSEP infrastructure improvements (\$13.5 million) are also being led by SCRRA. These funds were initially anticipated to be expensed on a quarterly basis. However, after further review of the project and its requirements, expenses are expected to be incurred in the fourth quarter.

Construction in Progress: Actuals of \$10.9 million are 56.2 percent or \$13.9 million under the budget of \$24.8 million. The variance is primarily attributed to the Interstate 5 Gateway capital construction project (\$12.9 million). Expenses for this project have been incurred. However, invoices from Caltrans are running in arrears, but are expected to be received and posted in the third quarter.

#### **LTA Fund (Renewed Measure M [M2]) – Revenue and Expense Summary**

Revenues of \$0.2 million are \$2.6 million or 94.5 percent under the budget of \$2.8 million. Expenditures are also under the budget of \$18.2 million by \$15.4 million.

#### **Variance Analysis – Revenues**

Federal Capital Assistance Grants: Actuals are running under the budget by \$1.4 million. The variance is due to the Interstate 405 (I-405) from Interstate 605 (I-605) to the State Route 55 (SR-55) PA/ED.

These contract negotiations are in the final phase. Actual reimbursement of these funds are expected to be sought in the fourth quarter.

#### **Variance Analysis – Expenses**

Professional Services: Actuals of \$1.9 million are underrunning the budget by \$13.3 million. This is due to the Interstate 405, State Route 55 to the Interstate 605 PA/ED, Project K. This project is currently in the final phase of contract

negotiations. Staff is waiting for approval to commence in order to be eligible to seek reimbursement of federal funds.

Construction in Progress: Actuals are \$1.3 million below the budget. This is due to ROW acquisition for the grade separation project. An environmental report recommended soil, asbestos and lead paint testing. The testing has been ordered and is expected to be complete in the third quarter. As a result, invoices are expected to be received and posted in the fourth quarter.

### **Orange County Transit District Fund – Revenue and Expense Summary**

Revenues of \$79.8 million are under the budget by \$26.3 million. Expenditures of \$106.7 million are 9.1 percent under the budget of \$117.4 million.

#### **Variance Analysis – Revenues**

Other Financial Assistance: Actuals of \$11.8 million are running 20.9 percent below the budget of \$14.9 million. The variance is due to a delay in the purchase of 47 gasoline cutaway buses. The delay is due to changes in the procurement timeline and the quantity of buses anticipated to be received this fiscal year. Delivery is anticipated in the fourth quarter, as are expenses. However, only expenses for 33 buses will be posted (\$3.1 million) and the remaining will be part of two one-year options under the contract in which, if exercised, 11 additional buses can be purchased each year for a combined total of 55 gasoline cutaway buses. Once expenses are posted, reimbursement of Proposition 1B funds will be sought.

Advertising Revenue: Actuals of \$2 million are \$2.6 million below the budget of \$4.7 million. This is due to a timing issue related to the budgeted cashflow. During the development of the budget it was expected that OCTA would receive a large portion of this revenue in the month of September 2008. However, after further review of the current advertising contract, this amount is invoiced on a monthly basis and runs one month in arrears. Therefore, through the second quarter the amount OCTA should have expected to receive is \$2 million compared to the actuals of \$2 million received. The variance under this category is expected to carry forward throughout the year but is anticipated to be on-track by year-end.

Interest Income: Actuals of \$4.1 million are approximately \$2.5 million above the budgeted amount of \$1.6 million. The budget was developed based on the assumption of a four percent return for the fiscal year. The OCTA's investment performance was higher than forecasted levels during the first half of the fiscal year due to the increase in market value of high quality securities. The Federal Open Market Committee lowered interest rates and investors sought safety in

treasury, agency, and high-quality corporate securities which comprised approximately 75 percent of the OCTA's portfolio.

State Assistance: Actuals of \$9.5 million are overrunning the budgeted. This is due to Proposition 1B revenue received for compressed natural gas (CNG) fueling stations and prior year Paratransit bus purchases. It is not uncommon to receive reimbursements in subsequent years related to prior year activity, especially due to the long lead-time associated with the manufacturing of revenue vehicles.

Federal Capital Grants: The actuals of \$21 million are \$20.6 million over the budget. This variance is directly attributed federal fund reimbursements related to prior year bus purchases. It is not uncommon to receive reimbursements in subsequent years related to prior year activity, especially due to the long lead-time associated with the manufacturing of revenue vehicles.

#### **Variance Analysis – Expenses**

Maintenance Expense: Actuals of \$5 million are over the budget of \$3.4 million by \$1.6 million. The variance is primarily attributed to scrap and obsolescence inventory maintenance parts. In the past, the costs were grouped together with maintenance parts costs. However, since the transition to Ellipse, our integrated maintenance, inventory and purchasing software application, scrap and obsolescence inventory maintenance part expenses were segregated from maintenance part costs. Funds to cover these expenses will be identified throughout the third and fourth quarter and transferred to ensure the actuals are on-track with the budget.

Fuels and Lubricants: Actuals of \$9 million are \$1.1 million under the budget of \$10.1 million. The underrun can be attributed to lower than anticipated costs per gallon for liquefied natural gas (LNG) and compressed natural gas (CNG). These fuels were originally budgeted at \$0.78 cents and \$1.02 per gallon, respectively. However, the current average cost per gallon for LNG is \$0.53 cents and \$0.54 cents for CNG.

Outside Services: Actuals of \$5.2 million are under the budget of \$6.5 million by \$1.3 million. The variance can primarily be attributed to the following:

First, within the OCTD Fund, \$0.3 million of the variance can be attributed to the CNG equipment operations and maintenance contract. The invoices for this contract are running two months in arrears, but actuals are expected to be on-track with the budget by the end of the fiscal year.

Also contributing \$0.3 million of the variance is the driver's pull down sun visors project. This project is on-going and expenses are recognized under the

maintenance parts budget. The funds available in the budget for this project will be transferred to maintenance parts to cover the added expenses being recorded.

On-call architectural, engineering, and testing and inspection services are contributing \$0.3 million to the variance within the Orange County Transit District (OCTD) Fund. These services are all budgeted to be expensed on a monthly basis. However, their actual usage is often difficult to forecast and have not been required as anticipated.

Security services are contributing \$0.2 million to the variance within the OCTD Fund. This variance is attributed to invoices running one month in arrears. Actual expenses for these services are expected to be on-track against the budget by year end.

Also, contributing \$0.2 million to the variance are revenue vehicle major maintenance expense (\$0.1 million) and mobility training services (\$0.1 million) under the ACCESS service. Expenses for these items are incurred on an as needed basis and year-to-date have not been required as projected.

Capital Expense-Locally Funded: Actuals are running 99.9 percent below the budget of \$6.3 million. The variance is primarily due to the purchase of 47 gasoline cutaway. This is due to changes in the procurement timeline and the quantity of buses anticipated to be received this fiscal year. Delivery is anticipated in the fourth quarter, as are expenses. However, only expenses for 33 buses will be posted (\$3.1 million) and the remaining will be part of two one-year options under the contract in which, if exercised, 11 additional bus can be purchased each year for a combined total of 55 gasoline cutaway buses.

### **91 Express Lanes Fund – Revenue and Expense Summary**

Revenues of \$22.9 million are 0.4 percent below the budget of \$23 million. Expenditures of \$13 million are 22.6 percent under the budget of \$16.8 million.

#### **Variance Analysis – Revenue**

Toll Road Revenue: The actuals of \$16.8 million are under the budget of \$18.5 million by \$1.7 million or 9.3 percent. This is primarily due to a decrease in commuters that are utilizing the 91 Express Lanes. As the economy has softened, OCTA has seen a decrease in overall trips in the second quarter compared to the same period last year.

### **Variance Analysis – Expenses**

**Debt Service:** The actuals of \$7.5 million are over the budget of \$6.1 million by 24.3 percent. The variance is attributed to two factors. First, one of the OCTA's swap counterparties, Lehman Brothers, filed for bankruptcy in September 2008. As a result, the monthly swap counterparty payments, which offset the interest expenses, were ceased commencing October 1, 2008. Second, the interest rate on OCTA's variable rate bonds increased due to financial concerns with Dexia Bank. Dexia Bank was one of the firms providing liquidity support for the variable rate bonds.

**Capital Expense-Locally Funded:** The actuals of \$0.3 million are under the budget of \$3.3 million by 92.1 percent. The primary drivers of this variance are the electronic toll system technology upgrade (\$1.9 million), variable message signs (\$0.4 million), and phase II of the Anaheim facility leasehold improvements (\$0.3 million).

The electronic toll system technology upgrade for the 91 Express Lanes is underrunning by \$1.9 million. The request for proposals (RFP) for this project was originally scheduled to be released in the first or second quarter. However, after further review by the project manager and updates to the scope of work, the RFP is now scheduled to be released in the third quarter.

Variable message signs and phase II of the Anaheim facility leasehold improvements for the 91 Express Lanes are contributing \$0.4 million and \$0.3 million, respectively, to the underrun. These project are currently being evaluated by staff and are anticipated to be released in the fourth quarter.

### **Internal Service Funds – Revenue and Expense Summary**

Revenues of \$1.6 million are running over the budget by \$0.5 million, while expenditures of \$3.3 million are 47.2 percent under the budget of \$6.3 million.

### **Variance Analysis – Expenses**

**Insurance Claims Expense:** The actuals of \$2.9 million are 47.1 percent below the budget of \$5.5 million. The primary reasons for the underrun is attributed to the personal liability/property damage claim expenses. The budget was developed utilizing an actuarial based projection of claims payout derived from a report conducted in 2007. However, the frequency and severity of claims has been less than anticipated during this current fiscal year, which has resulted in lower costs to OCTA.

**Fund Level Financial Schedules**

**General Fund  
Revenues and Expenses**

*(In Thousands)*

Description	Budget	Actual	Variance	%
State Assistance	\$ 4,378	\$ (720)	\$ (5,098)	-116.4%
Federal Capital Grants	1,006	439	(567)	-56.4%
Federal Operating Grants	475	101	(374)	-78.7%
Interest Income	235	135	(100)	-42.5%
Miscellaneous	171	54	(117)	-68.4%
Other Financial Assistance	81	106	25	30.6%
<b>Total Revenues</b>	<b>\$ 6,345</b>	<b>\$ 115</b>	<b>\$ (6,230)</b>	<b>-98.2%</b>
<b>Other Benefits</b>	<b>\$ 581</b>	<b>\$ 932</b>	<b>\$ (352)</b>	<b>-60.6%</b>
Pensions	3,369	3,308	61	1.8%
Insurances	413	293	121	29.2%
Extra Help Employees	446	347	99	22.2%
Compensated Absences	1,448	1,322	126	8.7%
Health Care	1,716	1,525	191	11.1%
Salaries-Regular Employees	10,820	10,552	268	2.5%
<b>Total Salaries and Benefits</b>	<b>\$ 18,794</b>	<b>\$ 18,280</b>	<b>\$ 514</b>	<b>2.7%</b>
Leases	\$ 2,096	\$ 2,566	\$ (470)	-22.4%
Maintenance Expense	3	-	3	100.0%
Other Materials and Supplies	38	27	11	29.3%
Miscellaneous Expense	274	239	35	12.8%
Advertising Fees	149	65	84	56.3%
Travel, Training, and Mileage	263	147	115	43.9%
Office Expense	719	482	236	32.9%
Utilities	389	142	247	63.6%
Outside Services	1,700	1,199	501	29.5%
Professional Services	7,539	4,666	2,873	38.1%
Contributions to other Agencies	5,592	(133)	5,725	102.4%
<b>Total Services and Supplies</b>	<b>\$ 18,761</b>	<b>\$ 9,400</b>	<b>\$ 9,361</b>	<b>49.9%</b>
<b>Capital Expense-Locally Funded</b>	<b>\$ 1,859</b>	<b>\$ 141</b>	<b>\$ 1,718</b>	<b>92.4%</b>
<b>Total Expenses</b>	<b>\$ 39,413</b>	<b>\$ 27,821</b>	<b>\$ 11,592</b>	<b>29.4%</b>

\*Revenues - (under) / over

\*Expenses - under / (over)

## Fund Level Financial Schedules

### Local Transportation Authority Fund (Measure M) Revenues and Expenses

(In Thousands)

Description	Budget	Actual	Variance	%
Other Financial Assistance	\$ 17,480	\$ 437	\$ (17,043)	-97.5%
Federal Capital Assistance Grants	14,250	3,074	(11,176)	-78.4%
Taxes/Fees	125,267	119,409	(5,857)	-4.7%
State Assistance	123	-	(123)	-100.0%
Rental Income	196	163	(34)	-17.2%
Sale Capital Assets	1,073	1,073	-	0.0%
Miscellaneous	-	47	47	100.0%
Interest Income	7,334	12,286	4,952	67.5%
<b>Total Revenues</b>	<b>\$ 165,724</b>	<b>\$ 136,489</b>	<b>\$ (29,235)</b>	<b>-17.6%</b>
Utilities	\$ -	\$ 8	\$ (8)	100.0%
Miscellaneous Expense	3	10	(7)	-213.2%
Travel, Training, and Mileage	6	5	2	26.3%
Other Materials & Supplies	5	-	5	100.0%
Advertising Fees	17	2	15	85.7%
Office Expense	30	3	26	88.7%
Outside Services	103	6	96	94.1%
Debt Service	314	74	239	76.3%
Professional Services	8,102	(2,732)	10,834	133.7%
Contributions to Other Agencies	64,121	30,392	33,729	52.6%
<b>Total Services and Supplies</b>	<b>\$ 72,701</b>	<b>\$ 27,770</b>	<b>\$ 44,932</b>	<b>61.8%</b>
Capital Expense-Locally Funded	\$ -	\$ 537	\$ (537)	100.0%
Work in Process	1,202	208	994	82.7%
Construction in Progress	24,810	10,868	13,942	56.2%
<b>Total Capital</b>	<b>\$ 26,012</b>	<b>\$ 11,613</b>	<b>\$ 14,400</b>	<b>55.4%</b>
<b>Total Expenses</b>	<b>\$ 98,713</b>	<b>\$ 39,382</b>	<b>\$ 59,331</b>	<b>60.1%</b>

\*Revenues - (under) / over

\*Expenses - under / (over)

**Local Transportation Authority Fund (Measure M2)**  
**Revenues and Expenses**

*(In Thousands)*

Description	Budget	Actual	Variance	%
Federal Capital Assistance Grants	\$ 2,779	\$ -	\$ (2,779)	-100.0%
Interest Income	-	153	153	100.0%
<b>Total Revenues</b>	<b>\$ 2,779</b>	<b>\$ 153</b>	<b>\$ (2,626)</b>	<b>-94.5%</b>
Leases	\$ -	\$ 41	\$ (41)	100.0%
Contributions to Other Agencies	800	830	(30)	-3.8%
Office Expense	15	12	3	18.8%
Travel, Training, and Mileage	6	0	6	97.7%
Miscellaneous Expense	7	0	6	94.0%
Advertising Fees	12	-	12	100.0%
Outside Services	54	4	50	92.4%
Debt Service	875	63	812	92.8%
Professional Services	15,201	1,874	13,327	87.7%
<b>Total Services and Supplies</b>	<b>\$ 16,970</b>	<b>\$ 2,826</b>	<b>\$ 14,144</b>	<b>83.3%</b>
Construction in Progress	\$ 1,250	\$ -	\$ 1,250	100.0%
<b>Total Capital</b>	<b>\$ 1,250</b>	<b>\$ -</b>	<b>\$ 1,250</b>	<b>100.0%</b>
<b>Total Expenses</b>	<b>\$ 18,220</b>	<b>\$ 2,826</b>	<b>\$ 15,394</b>	<b>84.5%</b>

\*Revenues - (under) / over

\*Expenses - under / (over)

## Fund Level Financial Schedules

### Orange County Transit District Fund Revenues and Expenses

(In Thousands)

Description	Budget	Actual	Variance	%
Other Financial Assistance	\$ 14,937	\$ 11,814	\$ (3,122)	-20.9%
Advertising Revenue	4,738	2,140	(2,598)	-54.8%
Insurance Recoveries	228	(854)	(1,082)	-475.5%
Farebox Revenue	26,592	25,812	(780)	-2.9%
Miscellaneous	36	-	(36)	-100.0%
Rental Income	242	271	29	12.0%
Federal Operating Grants	-	431	431	100.0%
Taxes/Fees	4,766	5,628	862	18.1%
Interest Income	1,573	4,078	2,505	159.2%
State Assistance	-	9,521	9,521	100.0%
Federal Capital Grants	423	20,996	20,573	4862.0%
<b>Total Revenues</b>	<b>\$ 53,535</b>	<b>\$ 79,838</b>	<b>\$ (26,302)</b>	<b>-49.1%</b>
Pensions	\$ 9,254	\$ 9,549	\$ (295)	-3.2%
Other Benefits	1,963	2,135	(172)	\$ (0)
Health Care	8,475	8,406	69	0.8%
Insurances	851	721	130	15.2%
Compensated Absences	4,784	4,619	165	3.5%
Extra Help Employees	603	(58)	660	109.6%
Salaries-Regular Employees	39,229	38,526	703	1.8%
<b>Total Salaries and Benefits</b>	<b>\$ 65,159</b>	<b>\$ 63,899</b>	<b>\$ 1,260</b>	<b>1.9%</b>
Maintenance Expense	\$ 3,378	\$ 4,993	\$ (1,615)	-47.8%
Utilities	785	917	(132)	-16.8%
Taxes	-	79	(79)	100.0%
Contributions to Other Agencies	115	137	(22)	-19.2%
Insurance Claim Expense	-	2	(2)	100.0%
Miscellaneous Expense	203	180	23	11.1%
Advertising Fees	42	19	23	55.9%
Debt Service	-	(94)	94	0.0%
Other Materials and Supplies	765	660	105	13.7%
Contract Transportation	18,845	18,706	139	0.7%
Office Expense	405	259	146	36.0%
Travel, Training, and Mileage	369	176	193	52.3%
Professional Services	2,172	1,695	477	22.0%
Tires and Tubes	1,224	626	598	48.8%
Leases	844	213	631	74.8%
Fuels and Lubricants	10,171	9,038	1,133	11.1%
Outside Services	6,566	5,223	1,344	20.5%
<b>Total Services and Supplies</b>	<b>\$ 45,884</b>	<b>\$ 42,829</b>	<b>\$ 3,055</b>	<b>6.7%</b>
Capital Expense-Locally Funded	\$ 6,315	\$ 8	\$ 6,307	99.9%
<b>Total Capital</b>	<b>\$ 6,315</b>	<b>\$ 8</b>	<b>\$ 6,307</b>	<b>99.9%</b>
<b>Total Expenses</b>	<b>\$ 117,358</b>	<b>\$ 106,735</b>	<b>\$ 10,623</b>	<b>9.1%</b>

\*Revenues - (under) / over

\*Expenses - under / (over)

## Fund Level Financial Schedules

### 91 Express Lanes Fund Revenues and Expenses

(In Thousands)

Description	Budget	Actual	Variance	%
Toll Road Revenue	\$ 18,516	\$ 16,800	\$ (1,716)	-9.3%
Insurance Recovery	25	2	(23)	-92.8%
Interest Income	1,195	2,006	810	67.8%
Miscellaneous Toll Road Revenue	3,302	4,148	846	25.6%
<b>Total Revenues</b>	<b>\$ 23,038</b>	<b>\$ 22,955</b>	<b>\$ (84)</b>	<b>-0.4%</b>
Debt Service	\$ 6,071	\$ 7,544	\$ (1,473)	-24.3%
Contributions to Other Agencies	-	233	(233)	100.0%
Miscellaneous Expense	84	100	(16)	-19.3%
Equipment/Structure	5	-	5	100.0%
Travel, Training, and Mileage	12	3	9	78.1%
Utilities	13	(24)	37	281.9%
Leases	253	195	58	23.1%
Advertising Fees	150	-	150	100.0%
Office Expense	221	33	188	85.1%
Insurance Claims Expense	525	188	337	64.2%
Contract Transportation	3,159	2,730	428	13.6%
Professional Services	1,940	1,324	615	31.7%
Outside Services	1,059	423	636	60.1%
<b>Total Services and Supplies</b>	<b>\$ 13,491</b>	<b>\$ 12,750</b>	<b>\$ 741</b>	<b>5.5%</b>
Work in Process	-	-	-	0.0%
Capital Expense-Locally Funded	\$ 3,328	\$ 264	\$ 3,063	92.1%
<b>Total Capital</b>	<b>\$ 3,328</b>	<b>\$ 264</b>	<b>\$ 3,063</b>	<b>92.1%</b>
<b>Total Expenses</b>	<b>\$ 16,818</b>	<b>\$ 13,014</b>	<b>\$ 3,804</b>	<b>22.6%</b>

\*Revenues - (under) / over

\*Expenses - under / (over)

## Fund Level Financial Schedules

### Internal Service Funds Revenues and Expenses

(In Thousands)

Description	Budget	Actual	Variance	%
Interest Income	\$ 1,062	\$ 1,179	\$ 118	11.1%
Insurance Recoveries	30	417	386	1266.7%
Total Revenues	\$ 1,092	\$ 1,596	\$ 504	46.1%
Miscellaneous Expense	\$ 0	\$ 148	\$ (148)	100.0%
Taxes	-	49	(49)	100.0%
Outside Services	144	77	67	46.5%
Professional Services	741	187	555	74.8%
Insurance Claims Expense	5,457	2,887	2,570	47.1%
Total Services and Supplies Expenses	\$ 6,342	\$ 3,348	\$ 2,995	47.2%
Total Expenses	\$ 6,342	\$ 3,348	\$ 2,995	47.2%

\*Revenues - (under) / over

\*Expenses - under / (over)





BOARD COMMITTEE TRANSMITTAL

**March 9, 2009**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Services for the Traveling Public in Orange County

Transit Committee meeting of February 26, 2009

**Present:** Directors Brown, Dalton, Dixon, Green, Pulido, and Winterbottom  
**Absent:** Director Nguyen

***Committee Vote***

This item was passed by all Committee Members present.

Director Pulido was not present to vote on this item.

***Committee Recommendation***

Authorize the Chief Executive Officer to seek appropriate approval for a specified plan to reduce the number of call boxes in service in fiscal year 2009 - 2010.



**February 26, 2009**

**To:** Transit Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Services for the Traveling Public in Orange County

**Overview**

The Orange County Transportation Authority's Motorist Services Program includes the following elements: Freeway Call Box System, Freeway Service Patrol, and the 511 Motorist Aid Travelers' Information System. Collectively, the scope of these programs includes assisting motorists, mitigating traffic congestion, and allowing the traveling public to access information on highway conditions, transit services, and other important travelers' information. This report provides an overview of the programs and recommends a strategy for maintaining services for the traveling public.

**Recommendation**

Authorize the Chief Executive Officer to seek appropriate approval for a specified plan to reduce the number of call boxes in service in fiscal year 2009 - 2010.

**Background**

In 1988, as a result of legislation that is now part of the Streets and Highways Code, the Orange County Transportation Commission was designated as the Orange County Service Authority for Freeway Emergencies (OCSAFE). The OCSAFE was created to install and operate call boxes. In 1991, the OCSAFE, along with several other entities, became part of the Orange County Transportation Authority (OCTA). In 1992, the OCSAFE was expanded to include the Freeway Service Patrol (FSP). In 2006, the OCTA Board of Directors expanded the Motorist Services program to include the 511 Motorist Aid Travelers' Information System (MATIS).

***Discussion***

Freeway Call Box Program: There are approximately 585 call boxes spaced approximately one-half mile apart on Orange County freeways and one mile apart on Transportation Corridor Agencies (TCA) toll roads and some non-freeway state highways. The number of boxes in operation varies with construction activity, which frequently requires temporary box removal. The call boxes provide a direct line to a private call-answering center. Upon receiving the call, the call center's dispatcher determines an appropriate response. Options include sending an emergency responder, calling an automobile club, dispatching tow service trucks, or calling friends or family of the caller. An average of 17 motorists a day use OCSAFE's call box system. Details on call box usage are in Attachment A.

The Orange County FSP Program: This is a partnership between the California Department of Transportation (Caltrans), the California Highway Patrol (CHP), OCTA, and the FSP tow truck contractors. The program's statutory purpose is to mitigate congestion, which it does through the use of roving tow and service trucks that respond quickly to situations including accidents, mechanical problems, vehicles out-of-gas, flat tires, over-heating, and debris in the roadway. The FSP drivers provide assistance in these kinds of situations and remove vehicles from the freeway if the vehicle cannot be made operable. In addition to its primary purpose of congestion mitigation, FSP provides valuable assistance to motorists who experience difficulties with their vehicles while driving on Orange County freeways. FSP operates seven days a week and provides aid to approximately 250 motorists a day. The number of assists varies with construction activity and other factors. Attachment B provides more information on FSP.

MATIS: In 1999, the United States Department of Transportation petitioned the Federal Communications Commission (FCC) to designate a nationwide three-digit telephone number for traveler information. At the time, there were over 300 different telephone numbers providing some sort of highway or public transportation-related information to the public. In 2000, the FCC designated 511 as the national travel information number. The FCC ruling leaves nearly all of the implementation issues to the states and local agencies. The ruling did not have a federal mandate regarding how the national system was to be paid for. That would also be left to the states and local agencies. In 2006, the Los Angeles Metropolitan County Transportation Authority (Metro) agreed to take the lead on developing the MATIS program for southern California. Implementation of MATIS is described in Attachment C

For fiscal year 2009-10, the OCSAFE programs' costs total approximately \$6.2 million. The OCSAFE is funded through the following sources:

- A \$1 per-vehicle registration fee that may be used for either call boxes or the FSP. The fee raises approximately \$2.5 million a year.
- State Highway Account funds of approximately \$3 million a year. These funds are designated for FSP use only.
- Miscellaneous revenues and interest on reserves that generate approximately \$1 million a year.

A major issue related to the OCSAFE is the reduced number of call box calls over the past several years. Attachment A provides data showing calls for assistance have declined steadily, some 18 percent since 2007 alone.

In developing long-term OCSAFE strategies, staff has considered several factors, including the following:

- Staff deems FSP to be a vital congestion-relief tool that should be retained at the highest affordable level of service. Call boxes, while beneficial, are declining in usage and importance.
- Call box spacing requirements are established in the state "Call Box and Motorist Aid Guidelines" (Guidelines) issued by the CHP and Caltrans. The guidelines require half-mile spacing on freeways with average daily traffic (ADT) of 100,000 or more, but allow one-mile or greater spacing on freeways with lower ADTs. Orange County meets these requirements by spacing call boxes at one-half-mile intervals on all Orange County freeways and at one mile spacing on the TCA toll roads. Staff discussions with Caltrans and CHP suggest that the guidelines are flexible and that a properly planned and documented approach to increasing the spacing beyond the specific figures in the guidelines may be approved.
- The imminent implementation of the 511 MATIS will provide another alternative to the call box service; the 511 system will function as a mobile call box
- The statute providing for the \$1 per-vehicle SAFE fee only allows a SAFE to use revenues for FSP and other motorist services once the SAFE's call box system is built out.
- Staff believes it appropriate to reduce the number of call boxes and that there is the possibility that before long, the call box system may not be needed at all. Current law is not specific about whether or not OCSAFE could continue to charge \$1 per vehicle for use in the FSP and 511 systems if call boxes were eliminated or reduced to only a few boxes

Staff presents for consideration three alternative long-term strategies:

- Maintain current call box spacing for the foreseeable future
- Eliminate call boxes altogether

If call boxes are eliminated entirely, legislative changes will likely be needed to ensure that the \$1 per-vehicle license fee may be used for FSP and 511 services.

- Reduce the number of call boxes in service in fiscal year 2009-10.

This would require staff submit to a plan to Caltrans and CHP requesting approval to reduce the number of call boxes. Staff proposes that OCTA follow a strategy that would increase spacing from one-half mile to one mile on the Santa Ana Freeway (Interstate 5), the Garden Grove Freeway (State Route 22), the Costa Mesa Freeway (State Route 55), the Orange Freeway (State Route 57), the Riverside Freeway (State Route 91), the San Diego Freeway (Interstate 405 and Interstate 5), and the San Gabriel River Freeway (Interstate 605) in Orange County.

The plan could also reduce the number of call boxes on other routes, including the TCA toll roads, Laguna Canyon Road (State Route 133), Corona Del Mar Freeway (State Route 73), and Ortega Highway (State Route 74) from one mile to one and one-half mile. The TCA would be notified in advance of the specific increases in spacing on the toll roads. The TCA would have the option of retaining current call box spacing by paying the annual cost of any boxes that exceeded the minimum allowed under the reduction plan.

**Summary**

It is recommended that the OCTA Board of Directors authorize the Chief Executive Officer to begin reducing the number of call boxes in service.

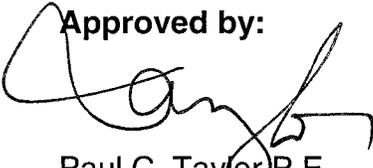
**Attachments**

- A. Service Authority for Freeway Emergencies, Call Box Program
- B. Service Authority for Freeway Emergencies, Freeway Service Patrol program
- C. Motorist Aid Travelers' Information System

**Prepared by:**

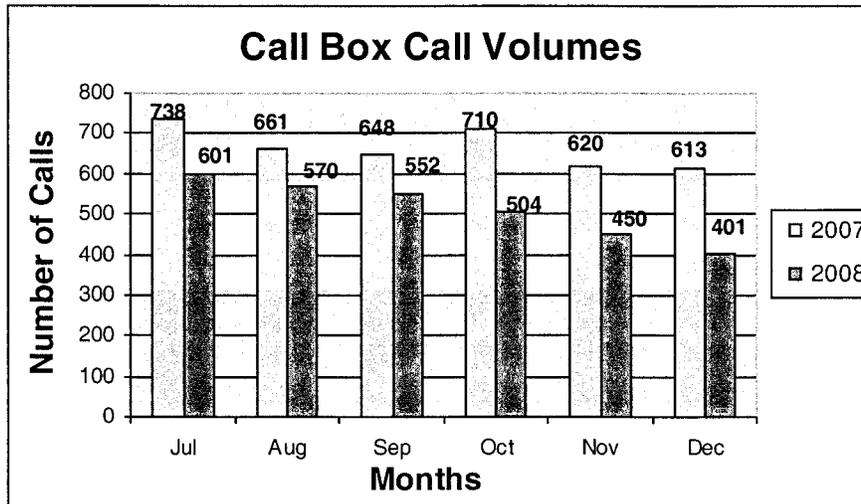
  
Iain C. Fairweather  
Manager Motorist Services  
(714) 560-5858

**Approved by:**

  
Paul C. Taylor P.E.  
Deputy Chief Executive Officer  
(714) 560-5431

**Service Authority for Freeway Emergencies, Call Box Program**

Use of freeway call boxes has decreased substantially over the past 15-plus years as more people have acquired their own mobile phones. Prior to 1990, there were more than 7,000 call-box calls per month. Current usage is approximately 500 per month. The chart below shows monthly call volume for 2007 and 2008.



Current monthly usage figures correspond to an average of approximately 17 calls per day. Similar decreases in call box usage are being experienced throughout the state as shown in the table below:

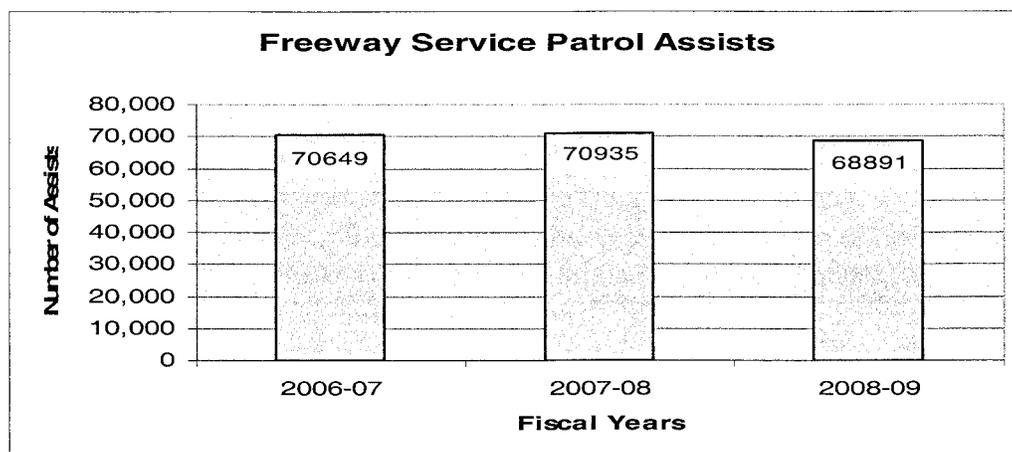
SAFE	Decrease In calls Fiscal Year 2008-09 projected
Bay Area	12%
Los Angeles	51%
San Diego	20%
Orange County	18%
Inland Empire	17%

In 2005 the Board approved a first reduction in the number of call boxes from approximately 1,200 to the current 585 due to decreased use. The effects of further reduction at this time would be partially offset by the upcoming availability of the 511 system for reporting non-emergency situations.

## **Service Authority for Freeway Emergencies, Freeway Service Patrol Program**

The Freeway Service Patrol (FSP) program has a different purpose and service profile from automobile clubs. Those organizations' primary purpose is to provide service to their members by towing their vehicles or rendering them other assistance. FSP's primary purpose, on the other hand, is to relieve congestion by eliminating obstructions and distractions that contribute to traffic slow-downs. In short, automobile clubs are focused on their members while FSP is focused on traffic flow. Automobile clubs also operate differently from FSP. While automobile association tow trucks are dispatched in response to a member's call and typically take 45 minutes or longer to arrive on scene, each FSP tow truck patrols its own segment of freeway during service hours and is therefore able to be on the scene of an incident in an average of about ten minutes.

FSP's primary purpose is to mitigate traffic congestion. The current FSP service profile is to provide morning and afternoon peak-period service (35 trucks from 6:00 a.m. to 10:00 a.m. and 3:00 p.m. to 7:00 p.m.), limited midday service (five trucks from 10:00 a.m. to 2:00 p.m.) on selected interchanges and a weekend program (two trucks from 8:00 a.m. to 5:00 p.m. Saturday and Sunday) in South County only. FSP also provides roadside assistance to motorists, providing aid to approximately 250 motorists each weekday, or about 60,000-70,000 per year, as shown in the chart below. The number of assists varies with construction activity and other factors.



FSP costs approximately \$5.5 million a year. Caltrans calculates a benefit-to-cost ratio of 9:1 for Orange County's FSP, the third highest ratio in the state. The benefits come from savings due to reduced freeway congestion.

OCTA contracts with four private towing companies to provide approximately 69,000 hours of FSP service a year. The CHP provides dispatching and field supervision of the tow trucks.

## **Motorist Aid Travelers' Information System**

Working through Metro, the 511 Motorist Aid Travelers' Information System (MATIS) regional partners, including OCTA, developed a scope of work and engaged firms to develop, deploy, operate, and maintain the MATIS. MATIS will operate through an interactive voice response (IVR) telephone system and a web portal capable of providing a variety of traveler information and service to the public. MATIS will provide:

- Traffic speed, congestion, and incident information
- Roadwork advisories
- Alternative routing
- Non-emergency roadside assistance (mobile call box)
- Bus trip planner and information
- Rail trip planner and information
- Carpool and ride matching information
- Park-and-ride information
- Airport information

The first four elements listed above will expand Motorist Services' capabilities, offering drivers information to help them avoid congestion and travel more efficiently. The traffic speed, congestion, incident, roadwork, and alternative routing elements will be primarily based on detection data provided by Caltrans and other information provided by the CHP.

The non-emergency number for roadside assistance will provide a link to providers of non-emergency services without the use of the 911 emergency number. As more drivers have personal cellular phones, the number of calls to 911 has increased, putting a large burden on that system. Non-emergency calls to 911 include drivers reporting disabled vehicles, seeking information, reporting non-critical roadway situations, and other matters. The MATIS system will offer callers a specific non-emergency phone-in capability for reporting such things.

The timeline for the MATIS project, administered through Metro, is as follows:

- July 2009 - Start-up baseline MATIS begins
- July 2010 - Near-term enhancements
- July 2011 – Long-term enhancements

As the July 2009 start-up date approaches, staff will report to the Transit Committee and the Board, OCTA's share of the cost for operating the proposed 511 service and a proposed interagency agreement for the service. Should OCTA decide not to participate, then it is likely that some traveler information for Orange County would not be included the MATIS system.





**March 9, 2009**

**To:** Members of the Board of Directors

**From:** Arthur T. Leahy, Chief Executive Officer

**Subject:** Approval to Release Request for Proposals (RFP) and Evaluation Criteria Weighting for Call Box System Operations and Maintenance Services

### **Overview**

On June 30, 2009, the contract for the call box system operations and maintenance services will expire. Staff has prepared a request for proposals for companies to provide these services for a five-year term. The Board of Directors' approval is requested to release this proposal for the call box system operations and maintenance services. The total cost for a five-year contract is anticipated to be \$1.6 million.

### **Recommendations**

- A. Approve the release of the Request for Proposals No. 9-0176 for the call box system operations and maintenance services.
- B. Approve proposed evaluation criteria weighting allocation.

### **Background**

In 1988, as a result of legislation that is now part of the Streets and Highways Code, the Orange County Transportation Commission was designated as Orange County's Service Authority for Freeway Emergencies (SAFE). The SAFE was created to install and operate call boxes along all major highways and public toll roads in Orange County. Along with the creation of SAFE, the operations and maintenance portion of the call boxes was contracted to a private company. These services include preventive maintenance, system operations, performance monitoring, and removals and reinstallations due to damage or freeway construction. In 1991, the SAFE, along with several other entities, became part of the Orange County Transportation Authority (OCTA). SAFE is a partnership between the California Department of Transportation (Caltrans), the California Highway Patrol (CHP), and Orange County

Transportation Authority (OCTA) and provides the motoring public a communication line for assistance when their vehicles are disabled along the freeways or toll roads.

***Discussion***

There are approximately 585 call boxes spaced approximately one-half mile apart on Orange County freeways and one mile apart on Transportation Corridor Agencies (TCA) toll roads and some non-freeway state highways. The number of boxes in operations varies with construction activity, which frequently requires temporary box removal. The call boxes provide a direct line to a private call-answering center. Upon receiving the call, the call center's dispatcher determines an appropriate response. Options include sending an emergency responder, calling an automobile club, dispatching tow service trucks, or calling friends or family of the caller.

The use of freeway call boxes has decreased substantially over the past 15-plus years as more people have acquired their own mobile phones. Prior to 1990, there were more than 7,000 call box calls per month. Current usage is approximately 500 calls per month, an average of 17 motorists a day use OCSAFE's call box system. With the planned reduction of call boxes in the near future it is important that this scope is sealed to the number of call boxes in service.

On June 30, 2009, the contract for the call box system operations and maintenance services will expire. Staff has prepared a request for proposals (RFP) for companies to provide these services for a five-year term.

On February 9, 2009 the Authority's Board of Directors (Board) approved revised procurement procedures and polices requiring the Board to approve and authorize release of all RFPs over \$1 million, as well as approve the evaluation criteria and weights. Staff is hereby submitting for Board approval the evaluation criteria and weights of the RFP which will be used to evaluate proposals received in response to the RFP. The following evaluation criteria and weights will be used to evaluate proposals received.

- Qualifications of the Firm: 30 percent
- Staffing and Organization: 25 percent
- Work Plan: 25 percent
- Cost and Price: 20 percent

**Approval to Release Request for Proposals (RFP) and Evaluation Criteria Weighting for Call Box System Operations and Maintenance Services** **Page 3**

---

The call box system includes solar-powered cellular telephones and are equipped with Teletypewriter (TTY) capabilities for the hearing impaired. As the service to be provided is so unique, the weight for qualifications of the firm is higher. Staffing and project organization and work plan remained at 25%.

**Fiscal Impact**

Funds for the operations of the call box program will be included in OCTA's Fiscal Year 2009-10 pending Budget - Service Authority for Freeway Emergencies, Fund 0013. The call box program is funded by a \$1 per-vehicle registration fee.

**Summary**

It is requested that the Board of Directors approve the attached evaluation criteria and weighting and the release of the Requests for Proposals No. 9-0176 for Call Box System Operations and Maintenance.

**Attachment**

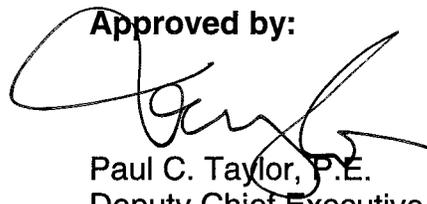
- A. Draft Request for Proposals No. 9-0176 – Call Box System Operations and Maintenance Services

**Prepared by:**



Iain C. Fairweather  
Manager, Motorist Services  
(714) 560-5858

**Approved by:**



Paul C. Taylor, P.E.  
Deputy Chief Executive Officer  
(714) 560-5431

# DRAFT

REQUEST FOR PROPOSALS (RFP) 9-0176

## CALL BOX SYSTEM OPERATIONS AND MAINTENANCE SERVICES



ORANGE COUNTY TRANSPORTATION AUTHORITY  
550 South Main Street  
P.O. Box 14184  
Orange, CA 92863-1584  
(714) 560-6282

### Key RFP Dates

Issue Date:	March 10, 2009
Pre-Proposal Conference Date:	March 18, 2009
Question Submittal Date:	March 25, 2009
Proposal Submittal Date:	April 6, 2009
Interview Date:	April 20, 2009



## TABLE OF CONTENTS

	<u>PAGE</u>
NOTICE FOR REQUEST FOR PROPOSALS	i
SECTION I INSTRUCTIONS TO OFFERORS	1
SECTION II PROPOSAL CONTENT	6
SECTION III EVALUATION AND AWARD	11
A. EVALUATION CRITERIA	11
B. EVALUATION PROCEDURE	11
C. AWARD	12
D. NOTIFICATION OF AWARD AND DEBRIEFING	13
EXHIBIT A SCOPE OF WORK	
EXHIBIT B COST AND PRICE FORMS	
EXHIBIT C PROPOSED AGREEMENT	
EXHIBIT D FORMS	



March 10, 2009

BOARD OF DIRECTORS

*Peter Buffa*  
Chairman

*Jerry Amante*  
Vice Chairman

*Patricia Bates*  
Director

*Art Brown*  
Director

*Bill Campbell*  
Director

*Carolyn V. Cavecche*  
Director

*William J. Dalton*  
Director

*Richard Dixon*  
Director

*Paul G. Glaab*  
Director

*Cathy Green*  
Director

*Allan Mansoor*  
Director

*John Moorlach*  
Director

*Janet Nguyen*  
Director

*Chris Norby*  
Director

*Curt Pringle*  
Director

*Miguel Pulido*  
Director

*Gregory T. Winterbottom*  
Director

*Cindy Quon*  
Governor's  
Ex-Officio Member

CHIEF EXECUTIVE OFFICE

*Arthur T. Leahy*  
Chief Executive Officer

**SUBJECT: NOTICE OF REQUEST FOR PROPOSALS  
RFP 9-0176: CALL BOX SYSTEM OPERATIONS AND  
MAINTENANCE SERVICES**

Gentlemen/Ladies:

The Orange County Transportation Authority invites proposals from qualified contractors to provide call box operations and maintenance services.

**Proposals must be received in the Orange County Transportation Authority's office at or before 2:00 p.m. on April 6, 2009.**

Proposals delivered in person or by a means other than the U.S. Postal Service shall be submitted to the following:

**Orange County Transportation Authority  
Contracts Administration and Materials Management  
600 South Main Street, 4th Floor  
Orange, California 92868  
Attention: Edna Ruperto, Contract Administrator**

Or proposals delivered using the U.S. Postal Service shall be addressed as follows:

**Orange County Transportation Authority  
Contracts Administration and Materials Management  
P.O. Box 14184  
Orange, California 92863-1584  
Attention: Edna Ruperto, Contract Administrator**

Proposals and amendments to proposals received after the date and time specified above will be returned to the Offerors unopened.

Firms interested in obtaining a copy of this Request For Proposals (RFP) 9-0176 may do so by faxing their request to (714) 560-5792, or e-mail your request to [rfp\\_ifb\\_Requests@octa.net](mailto:rfp_ifb_Requests@octa.net) or calling (714) 560-5922. Please include the following information:

- Name of Firm
- Address
- Contact Person
- Telephone and Facsimile Number
- Request For Proposal (RFP) 9-0176

All firms interested in doing business with the Authority are required to register their business on-line at CAMMNet, the Authority's interactive website. The website can be found at *www.octa.net*. From the site menu, click on CAMMNet to register.

To receive all further information regarding this RFP 9-0176, firms must be registered on CAMMNet with at least one of the following commodity codes for this solicitation selected as part of the vendor's on-line registration profile:

Commodities for this solicitation are:

<u>Category(s):</u>	<u>Commodity(s):</u>
Communication Equipment, Communication Systems	Communication Systems  Telecommunications – Sales & Services  Telephone Equipment  TTY - Teletypewriter Equipment
Communication Services	Telephone Services, Includes Installation, Moves, Changes, Adds, Programming

A pre-proposal conference will be held on March 18, 2009, at 9:00 a.m. at the Authority's Administrative Office, 600 South Main Street, Orange, California, in Conference Room 103. All prospective Offerors are encouraged to attend the pre-proposal conference.

The Authority has established April 20, 2009 as the date to conduct interviews. All prospective Offeror's will be asked to keep this date available.

Offerors are encouraged to subcontract with small businesses to the maximum extent possible.

The Offeror will be required to comply with all applicable equal opportunity laws and regulations.

The award of this contract is subject to receipt of federal, state and/or local funds adequate to carry out the provisions of the proposed agreement including the identified Scope of Work.

Sincerely,

Edna Ruperto  
Contract Administrator  
Contracts Administration and Materials Management

**SECTION I**  
**INSTRUCTIONS TO OFFERORS**

**SECTION I. INSTRUCTIONS TO OFFERORS**

**A. PRE-PROPOSAL CONFERENCE**

A pre-proposal conference will be held on March 18, 2009, at 9:00 a.m. the Authority's Administrative Office, 600 South Main Street, Orange, California, in Conference Room 103. All prospective Offerors are encouraged to attend the pre-proposal conference.

**B. EXAMINATION OF PROPOSAL DOCUMENTS**

By submitting a proposal, Offeror represents that it has thoroughly examined and become familiar with the work required under this RFP and that it is capable of performing quality work to achieve the Authority's objectives.

**C. ADDENDA**

Any Authority changes to the requirements will be made by written addendum to this RFP. Any written addenda issued pertaining to this RFP shall be incorporated into the terms and conditions of any resulting Agreement. The Authority will not be bound to any modifications to or deviations from the requirements set forth in this RFP as the result of oral instructions. Offerors shall acknowledge receipt of addenda in their proposals.

**D. AUTHORITY CONTACT**

All questions and/or contacts with Authority staff regarding this RFP are to be directed to the following Contract Administrator:

Edna Ruperto  
Contracts Administration and Materials Management Department  
550 South Main Street  
P.O. Box 14184  
Orange, CA 92863-1584  
Phone: 714.560.5652, Fax: 714.560.5792

**E. CLARIFICATIONS**

**1. Examination of Documents**

Should an Offeror require clarifications of this RFP, the Offeror shall notify the Authority in writing in accordance with Section E.2. below. Should it be found that the point in question is not clearly and fully set forth, the Authority will issue a written addendum clarifying the matter which will be sent to all firms registered on CAMMNet under the commodity codes specified in this RFP.

**2. Submitting Requests**

- a. All questions, including questions that could not be specifically answered at the pre-proposal conference must be put in writing and must be received by the Authority no later than 5:00 p.m., on March 25, 2009.
- b. Requests for clarifications, questions and comments must be clearly labeled, "Written Questions". The Authority is not responsible for failure to respond to a request that has not been labeled as such.
- c. Any of the following methods of delivering written questions are acceptable as long as the questions are received no later than the date and time specified above:
  - (1) U.S. Mail: Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584.
  - (2) Personal Courier: Contracts Administration and Materials Management Department, 600 South Main Street, 4<sup>th</sup> Floor, Orange, California 92868.
  - (3) Facsimile: The Authority's fax number is (714) 560-5792.
  - (4) E-Mail: Edna Ruperto, Contract Administrator e-mail address is *eruperto@octa.net*.

**3. Authority Responses**

Responses from the Authority will be posted on CAMMNet, the Authority's interactive website, no later than March 30, 2009. Offerors may download responses from CAMMNet at *www.octa.net/cammnet*, or request responses be sent via U.S. Mail by e-mailing or faxing the request to Edna Ruperto, Contract Administrator.

To receive e-mail notification of Authority responses when they are posted on CAMMNet, firms must be registered on CAMMNet with at least one of the following commodity codes for this solicitation selected as part of the vendor's on-line registration profile:

Commodities for this solicitation are:

**Category(s):**

Communication Equipment,  
Communication Systems

Communication Services

**Commodity(s):**

Communication Systems

Telecommunications – Sales  
& Services

Telephone Equipment

TTY - Teletypewriter Equipment

Telephone Services, Includes  
Installation, moves, Changes,  
Adds, Programming

Inquiries received after March 25, 2009, will not be responded to.

**F. SUBMISSION OF PROPOSALS**

**1. Date and Time**

**Proposals must be received in the Orange County Transportation Authority's office at or before 2:00 p.m. on April 6, 2009.**

Proposals received after the above-specified date and time will be returned to Offerors unopened.

**2. Address**

Proposals delivered in person or by a means other than the U.S. Postal Service shall be submitted to the following:

**Orange County Transportation Authority  
Contracts Administration and Materials Management (CAMM)  
600 South Main Street, 4th Floor  
Orange, California 92868  
Attention: Edna Ruperto, Contract Administrator**

Or proposals delivered using the U.S. Postal Services shall be addressed as follows:

**Orange County Transportation Authority  
Contracts Administration and Materials Management (CAMM)  
P.O. Box 14184  
Orange, California 92863-1584  
Attention: Edna Ruperto, Contract Administrator**

Firms must obtain a visitor badge from the receptionist in the lobby of the 600 Building prior to delivering any information to CAMM.

**3. Identification of Proposals**

Offeror shall submit an **original and five (5) copies** of its proposal in a sealed package, addressed as shown above, bearing the Offeror's name and address and clearly marked as follows:

**"RFP 9-0176: CALL BOX SYSTEM OPERATIONS AND MAINTENANCE SERVICES"**

**4. Acceptance of Proposals**

- a. The Authority reserves the right to accept or reject any and all proposals, or any item or part thereof, or to waive any informalities or irregularities in proposals.
- b. The Authority reserves the right to withdraw or cancel this RFP at any time without prior notice and the Authority makes no representations that any contract will be awarded to any Offeror responding to this RFP.
- c. The Authority reserves the right to postpone proposal openings for its own convenience.
- d. Proposals received by Authority are public information and must be made available to any person upon request.
- e. Submitted proposals are not to be copyrighted.

**G. PRE-CONTRACTUAL EXPENSES**

The Authority shall not, in any event, be liable for any pre-contractual expenses incurred by Offeror in the preparation of its proposal. Offeror shall not include any such expenses as part of its proposal.

Pre-contractual expenses are defined as expenses incurred by Offeror in:

1. Preparing its proposal in response to this RFP;
2. Submitting that proposal to the Authority;
3. Negotiating with the Authority any matter related to this proposal; or
4. Any other expenses incurred by Offeror prior to date of award, if any, of the Agreement.

**H. JOINT OFFERS**

Where two or more firms desire to submit a single proposal in response to this RFP, they should do so on a prime-subcontractor basis rather than as a joint venture. The Authority intends to contract with a single firm and not with multiple firms doing business as a joint venture.

**I. TAXES**

Offerors' proposals are subject to State and Local sales taxes. However, the Authority is exempt from the payment of Federal Excise and Transportation Taxes.

**J. PROTEST PROCEDURES**

The Authority has on file a set of written protest procedures applicable to this solicitation that may be obtained by contacting the Contract Administrator responsible for this procurement. Any protests filed by an Offeror in connection with this RFP must be submitted in accordance with the Authority's written procedures.

**K. CONTRACT TYPE**

It is anticipated that the Agreement resulting from this solicitation, if awarded, will be a time and expense contract specifying firm fixed prices for services as specified in Exhibit A, Scope of Work.

**SECTION II**  
**PROPOSAL CONTENT**

## SECTION II. PROPOSAL CONTENT

### A. PROPOSAL FORMAT AND CONTENT

#### 1. Format

Proposals should be typed with a standard 12 point font, double-spaced and submitted on 8 1/2" x 11" size paper, using a single method of fastening. Charts and schedules may be included in 11"x17" format. Offers should not include any unnecessarily elaborate or promotional material. Lengthy narrative is discouraged and presentations should be brief and concise. Proposals should not exceed fifty (50) pages in length, excluding any appendices.

#### 2. Letter of Transmittal

The Letter of Transmittal shall be addressed to Edna Ruperto, Contract Administrator and must, at a minimum, contain the following:

- a. Identification of Offeror that will have contractual responsibility with the Authority. Identification shall include legal name of company, corporate address, telephone and fax number. Include name, title, address, and telephone number of the contract person identified during period of proposal evaluation.
- b. Identification of all proposed subcontractors including legal name of company, contact persons name and address, phone number and fax number. Relationship between Offeror and subcontractors, if applicable.
- c. Acknowledgement of receipt of all RFP addenda, if any.
- d. A statement to the effect that the proposal shall remain valid for a period of not less than 120 days from the date of submittal.
- e. Signature of a person authorized to bind Offeror to the terms of the proposal.
- f. Signed statement attesting that all information submitted with the proposal is true and correct.

### 3. Technical Proposal

#### a. Qualifications, Related Experience and References of Offeror

This section of the proposal should establish the ability of Offeror to satisfactorily perform the required work by reasons of: experience in performing work of a similar nature; demonstrated competence in the services to be provided; strength and stability of the firm; staffing capability; work load; record of meeting schedules on similar projects; and supportive client references.

Offeror to:

- (1) Provide a brief profile of the firm, including the types of services offered; the year founded; form of the organization (corporation, partnership, sole proprietorship); number, size and location of offices; and number of employees.
- (2) Provide a general description of the firm's financial condition and identify any conditions (e.g., bankruptcy, pending litigation, planned office closures, impending merger) that may impede Offeror's ability to complete the project.
- (3) Describe the firm's experience in performing work of a similar nature to that solicited in this RFP, and highlight the participation in such work by the key personnel proposed for assignment to this project. Describe experience in working with the various government agencies identified in this RFP.
- (4) Identify subcontractors by company name, address, contact person, telephone number and project function. Describe Offeror's experience working with each subcontractor.
- (5) Provide as a minimum three (3) references for the projects cited as related experience, and furnish the name, title, address and telephone number of the person(s) at the client organization who is most knowledgeable about the work performed. Offeror may also supply references from other work not cited in this section as related experience.

#### b. Proposed Staffing and Project Organization

This section of the proposal should establish the method, which will be used by the Offeror to manage the project as well as identify key personnel assigned.

Offeror to:

- (1) Provide education, experience, and applicable professional credentials of project staff.
- (2) Furnish brief resumes (not more than two [2] pages each) for the proposed Project Manager and other key personnel.
- (3) Indicate adequacy of labor resources utilizing a table projecting the labor-hour allocation to the project by individual task.
- (4) Identify key personnel proposed to perform the work in the specified tasks and include major areas of subcontract work. Include the person's name, current location, proposed position for this project, current assignment, level of commitment to that assignment, availability for this assignment and how long each person has been with the firm.
- (5) Include a project organization chart, which clearly delineates communication/reporting relationships among the project staff.
- (6) Include a statement that key personnel will be available to the extent proposed for the duration of the project acknowledging that no person designated as "key" to the project shall be removed or replaced without the prior written concurrence of the Authority.

**c. Work Plan**

Offeror should provide a narrative, which addresses the Scope of Work, and shows Offeror's understanding of Authority's needs and requirements.

Offeror to:

- (1) Describe the approach to completing the services specified in the Scope of Work.
- (2) Outline sequentially the activities that would be undertaken in completing the tasks and specify who would perform them.
- (3) Furnish a schedule for completing the services in terms of elapsed weeks from the project commencement date.
- (4) Identify methods that Offeror will use to ensure quality control as well as budget and schedule control for the project.

- (5) Identify any special issues or problems that are likely to be encountered in this project and how the Offeror would propose to address them.
- (6) Offeror is encouraged to propose enhancements or procedural or technical innovations to the Scope of Work that do not materially deviate from the objectives or required content of the project.

**d. Exceptions/Deviations**

State any exceptions to or deviations from the requirements of this RFP, segregating "technical" exceptions from "contractual" exceptions. Where Offeror wishes to propose alternative approaches to meeting the Authority's technical or contractual requirements, these should be thoroughly explained. If no contractual exceptions are noted, Offeror will be deemed to have accepted the contract requirements as set forth in Exhibit C.

**4. Cost and Price Proposal**

As part of the cost and price proposal, the Offeror shall submit proposed pricing to provide the services described in Exhibit A, Scope of Work.

The Offeror shall complete the "Price Summary Sheet" form included with this RFP (Exhibit B), and furnish any narrative required to explain the prices quoted in the schedules. As noted earlier in these instructions, time-and-expense (T&E), is the preferred method of pricing.

**5. Appendices**

Information considered by Offeror to be pertinent to this project and which has not been specifically solicited in any of the aforementioned sections may be placed in a separate appendix section. Offerors are cautioned, however, that this does not constitute an invitation to submit large amounts of extraneous materials. Appendices should be relevant and brief.

**B. FORMS**

**Party and Participant Disclosure Forms**

In conformance with the statutory requirements of the State of California Government Code Section 84308, part of the Political Reform Act and Title 2, California Code of Regulations 18438 through 18438.8, regarding campaign contributions to members of appointed Boards of Directors, Offeror is required to complete and sign the Party and Participant Disclosure Forms provided in Exhibit D of this RFP and submit as part of the proposal. Offeror is required to

submit only **one** copy of the completed form(s) as part of its proposal and it should be included in only the **original** proposal. The prime contractor and subcontractors must complete the form entitled "Party Disclosure Form". Lobbyists or agents representing the prime contractor in this procurement must complete the form entitled "Participant Disclosure Form". Reporting of campaign contributions is a requirement from the proposed submittal date up and until the Authority's Board of Directors take action, which is anticipated to be June 8, 2009.

#### **Status of Past and Present Contracts Form**

Offeror is required to complete and sign the form entitled "Status of Past and Present Contracts" provided in this RFP and submit as part of the proposal. Offeror shall list the status of past and present contracts where the firm has either provided services as a prime contractor or a subcontractor during the past five (5) years and the contract has ended or will end in a termination, settlement, or litigation. A separate form must be completed for each contract. Offeror shall provide an accurate name and telephone number for each contract and indicate the term of the contract and the original contract value. If the contract was terminated, Offeror must list the reason for termination. Offeror must identify and state the status of any litigation, claims or settlement agreements related to any of the contracts. Each form must be signed by the Offeror confirming the information that the information provided is true and accurate. Offeror is required to submit **one** copy of the completed form(s) as part of its proposals and it should be included in only the **original** proposal.

**SECTION III**  
**EVALUATION AND AWARD**

### SECTION III. EVALUATION AND AWARD

#### A. EVALUATION CRITERIA

The Authority will evaluate the offers received based on the following criteria:

1. **Qualifications of the Firm** **30%**  
 Technical experience in performing work of a closely similar nature; experience working with public agencies; strength and stability of the firm; strength, stability, experience and technical competence of subcontractors; assessment by client references.
  
2. **Staffing and Project Organization** **25%**  
 Qualifications of project staff, particularly key personnel and especially the Project Manager; key personnel's level of involvement in performing related work cited in "Qualifications of the Firm" section; logic of project organization; adequacy of labor commitment; concurrence in the restrictions on changes in key personnel.
  
3. **Work Plan** **25%**  
 Depth of Offeror's understanding of Authority's requirements and overall quality of work plan; logic, clarity and specificity of work plan; appropriateness of labor distribution among the tasks; ability to meet the project deadline; reasonableness of proposed schedule; utility of suggested technical or procedural innovations.
  
4. **Cost and Price** **20%**  
 Reasonableness of the total price and competitiveness of this amount with other offers received; adequacy of data in support of figures quoted; reasonableness of individual service budgets; basis on which prices are quoted (FFP, CPFF, T & E).

#### B. EVALUATION PROCEDURE

The committee is comprised of Authority staff and may include outside personnel. The committee members will evaluate the written proposals using criteria identified in Section III A. A list of top ranked proposals, firms within a competitive range, will be developed based upon the totals of each committee members' score for each proposal.

During the evaluation period, the Authority will interview some or all of the proposing firms. The Authority has established April 20, 2009 as the date to conduct interviews. All prospective Offerors will be asked to keep this date available. No other interview dates will be provided, therefore, if an Offeror is unable to attend the interview on this date, its proposal may be eliminated from further discussion. The interview may consist of a short presentation by the Offeror after which the evaluation committee will ask questions related to the firm's proposal and qualifications.

At the conclusion of the proposal evaluations, Offerors remaining within the competitive range may be asked to submit a Best and Final Offer (BAFO). In the BAFO request, the firms may be asked to provide additional information, confirm or clarify issues and submit a final cost/price offer. A deadline for submission will be stipulated.

At the conclusion of the evaluation process, the evaluation committee may recommend to the appropriate Board Committee, an Offeror with the highest final ranking or a short list of top ranked firms within the competitive range whose proposal(s) is most advantageous to the Authority. The Board Committee will review the evaluation committee's recommendation and forward its decision to the full Board of Directors for final action.

### **C. AWARD**

The Authority will evaluate the proposals received and will submit, with approval of the Transit Committee, the proposal considered to be the most competitive to the Authority's Board of Directors, for consideration and selection. The Authority may also negotiate contract terms with the selected Offeror prior to award, and expressly reserves the right to negotiate with several Offerors simultaneously and, thereafter, to award a contract to the Offeror offering the most favorable terms to the Authority.

The Authority reserves the right to award its total requirements to one Offeror or to apportion those requirements among several Offerors as the Authority may deem to be in its best interest. In addition, negotiations may or may not be conducted with Offerors; therefore, the proposal submitted should contain Offeror's most favorable terms and conditions, since the selection and award may be made without discussion with any Offeror.

**D. NOTIFICATION OF AWARD AND DEBRIEFING**

Offerors who submit a proposal in response to this RFP shall be notified by electronic mail regarding the firm who was awarded the contract. Such notification shall be made within three (3) days of the date the contract is awarded.

Offerors who were not awarded the contract may obtain a prompt explanation concerning the strengths and weaknesses of their proposal. Unsuccessful Offerors, who wish to be debriefed, must request the debriefing in writing or electronic mail and the Authority must receive it within three (3) days of notification of the contract award.

EXHIBIT A  
SCOPE OF WORK

## CALL BOX MAINTENANCE SCOPE OF WORK

### Background

Orange County Service Authority for Freeway Emergencies (OC SAFE) requires the services of a firm to maintain its freeway call box system. SAFE was formed in 1988 pursuant to Streets and Highway Code Sections 2550 *et seq.* The legislation provided for a \$1 per-year fee on motor vehicle registrations to fund this service. Statewide, the legislation has resulted in the creation of 21 SAFEs and approximately 15,000 call boxes.

OCTA administers the SAFE, which funds and operates the call box system. The system includes solar-powered cellular telephones that motorists can use to contact an operator at the California Highway Patrol. OC SAFE has approximately 1,500 call box sites spaced at one-quarter mile intervals along all Orange County freeways and at half-mile intervals along the San Joaquin Hills and Eastern/Foothill toll roads that are owned and operated by the Transportation Corridor Agency.

The number of call boxes in place is approximately 600. The actual number of call boxes may vary due to (1) freeway construction projects, which often require temporary removal of boxes, and (2) call box maintenance activities, which result in temporary removals for repairs, replacement and retrofitting. In the near future, the Authority is looking to reduce the actual number of call boxes within the system by one-third to one-half.

The call center operators who answer motorist calls are currently located in Riverside. The call center operators, depending on the nature of the aid requested can transfer the call to the CHP who may notify a CHP field unit or other emergency response provider, or it may forward the call to an Automobile Association, the motorist's family, or another appropriate party.

All OC SAFE call boxes are equipped with Teletypewriter (TTY) capabilities that allow users to type and read rather than speak and hear in their communications with the CHP. Under OC SAFE policy, as set by its Board in September 2000, all call box sites are to be accessible to individuals in wheelchairs, and as new call boxes are installed and as existing call boxes are reinstalled after temporary removal, their sites are configured for accessibility.

## Overview of Services

The services required of the Contractor consist of:

- Corrective maintenance
- Preventative maintenance
- Knockdown, vandalism and other repairs
- Removals and reinstallations
- Coordination of removals, storage and re-installation
- Retrofits
- Additional call boxes
- Call box system database maintenance and updates
- Maintenance of plans and specifications
- Rights of entry and encroachment permits
- Reports to OCTA

All anticipated service elements within the scope of work are more specifically described below. While many activities within the scope are routine, others are special-project oriented (which will be on a time-and-materials basis):

- Refurbishing call boxes (painting, replacing worn parts and similar activities). This may either be accomplished at the time of the digital-conversion project or separately

While OCTA anticipates at least some of the above special work items may take place, the Authority offers no guarantee that the contractor will be asked to perform any of them.

Some of the work will be priced on per-call box basis per month with allowance for annual cost-of-living adjustments. Other work will be accomplished on a time-and-materials basis, also with allowance for cost-of-living adjustments. Matters related to costs of services provided are presented following the descriptions of the service elements.

### **Maintaining Existing Appearance and Functionality**

OCTA wishes to maintain a uniform appearance and functionality in its call box system. To this end, in repairing or replacing call boxes, Contractor shall:

- Restore or replace the box assembly and other structural components so that they retain the size, shape and appearance of the boxes currently in use and meet National Cooperative Highway Research Program (NCHRP) Report 350 requirements. NCHRP establishes the standard for safety features and appurtenances used on highways. Offerors must be prepared to provide documentation that the parts they propose to use meet these requirements and have been approved by Caltrans.
- Repair or replace all other component parts of the call boxes with components that function in the same manner as current components unless a difference is approved by OCTA. This applies to all TTY keyboards, displays, handsets, electronic parts, transceivers, power-supply parts (batteries and solar panels) and any other parts or appurtenances whatsoever.
- Ensure that the interface protocols between the cellular phones and the cellular carrier's system and between the cellular phones through the carrier's system and the call center remain as they are with the current call box system.

### **Description of Service Elements**

Corrective Maintenance: Contractor shall perform corrective maintenance as needed on the call boxes. Corrective maintenance requires that the Contractor be accessible to the Call Answer Center (CAC) and the California Highway Patrol to report out-of-service call boxes to Contractor. Corrective maintenance includes all repairs to the call box associated with the mounting pole or other mounting device, housing, antenna, sign, TTY keyboard, handset, electronics, transceivers, power supply (battery and solar panel), interface with the cellular system and any other component or appurtenance whatsoever.

Upon notification from the CAC and or CHP that a call box is out of service by the call answering center, Authority, or the maintenance computer, Contractor shall determine the cause, and if due to any component of the call box, Contractor shall take the necessary action to restore it to a good operating condition, including the repair or replacement of parts, components and mountings as needed. Activities falling within the definition of "corrective maintenance" shall be performed by 4 p.m. on the same day for events reported by 8 a.m. on a workday. For events reported after 8 a.m., the call boxes shall be operable by 4 p.m. the following workday. For events reported on a holiday or weekend, the call box shall be repaired by 4 p.m. on the first workday following the notification of the event. Contractor shall provide management and field

staff resources that are sufficient to perform repairs on call boxes within this established period.

If Contractor is unable to put a call box back in service during the first visit to the box after notification of its failure to perform, Contractor shall cover and attach a bag with the words "Out of Service" to the box and/or mounting pole. Contractor shall remove the bag once the box is back in service.

Preventative Maintenance: Contractor shall perform preventive-maintenance field visits to each box at least twice a year at approximately six-month intervals to keep call boxes clean and operational. Since preventative maintenance may require the assistance of call answering center staff, Contractor shall notify the call answering center supervisor at the commencement of each major preventative maintenance cycle. The preventive maintenance activities shall include the following tasks:

- Cleaning of call box housings as necessary;
- Replacement or addition of outdated, damaged, or missing instruction placards and vandalism stickers;
- Inspection and anti-corrosion treatment of external electrical connections;
- Operational check of call box controls and system operational sequence including:
  - a. Open inner door (as necessary);
  - b. Perform test calls;
  - c. Check outer door, handset and illumination for proper operation;
  - d. Check push button; and
  - e. Check cellular antennae and cable
  - f. Check TTY.
- Minor cleaning of the surrounding area of the call box (includes minor pruning, pulling of weeds and debris removal);
- Cleaning and bolt tightening for the call box sign;
- Visual inspection of the solar panel orientation and cleaning of the solar-panel collecting surface;

- Testing of the sonalert device by placing a call to the designated answering point and having them initiate and terminate the 100+ decibel alarm;
- Maintenance of the call box mounting pedestals or other devices used for mounting the call boxes on sound walls and bridge railings.

Knockdown, Vandalism, and Other Repairs: Contractor may become aware of damage to call boxes in various ways, including receiving notification from the Authority, the CAC, or the California Highway Patrol, by observing the damage, or by receiving a signal from the call box's built-in sensor that it is no longer perpendicular to the ground. Once informed of damage, Contractor shall perform maintenance repairs and/or replacements required as a result of damage by vandalism or other willful acts, collisions and other accidents, and other causes (e.g., ant intrusion). If no foundation work is required, Contractor shall have the call box placed back in service by 4 p.m. on the same day for events reported by 9 a.m. on a workday. For events reported after 9 a.m., the call boxes shall be operable by 4 p.m. the following workday. If foundation work is required, Contractor shall have the call box placed back in service by 4 p.m. on the second workday following notification. For events reported on a holiday or weekend, the call box shall be repaired by 4 p.m. on the first workday if no foundation work is required or by 4 p.m. on the second workday following the notification of the event if foundation work is required.

Within one working day of becoming aware of damage to any call box by vandalism or other willful acts, collisions or other accidents, Contractor shall notify Authority and the CHP area office in whose service area the call box is located of the damage, specifying the box number, location and date the damage was discovered. Notification to Authority shall be by email. Notification to the CHP office shall be by U.S. Mail. Authority will provide contractor with a map of the CHP area office service areas and the name and address of the CHP official to whom the notice will be sent.

Within one working day of completing repairing damage to any call box by vandalism or other willful acts, collisions or other accidents, Contractor shall notify Authority of the cost of such repairs. The cost, including all individual parts and labor hours used, will be sent to the Authority via both email and U.S. Mail.

The average number of knockdowns is approximately 65 per year.

Removals and Reinstallations: Contractor shall remove and store call boxes from existing locations on an as-needed basis to accommodate freeway construction and other projects at the request of Authority. Authority retains ownership of call boxes authorized for removal, and Contractor shall make all removed call boxes available for reinstallation. Relocation of a call box will include, but is not limited to, removing the call box and mounting from its existing location and installing it at a new location as directed by Authority.

Coordination of Removals, Storage and Re-installation: Contractor shall coordinate the removal, de-activation, and storage of call boxes as requested by Caltrans or the Authority's Project Manager. Contractor shall also maintain proper inventory documentation and coordinate siting, re-installation and deferred installation tasks including permitting, site approval, installation, and activation. Contractor shall coordinate activities to expedite the re-installation of call box sites after Caltrans construction projects are completed. Contractor is not responsible for design work should any be necessary for the reinstallation of call boxes at new locations.

Retrofits: Contractor shall perform any upgrades or conversions of call boxes requested by Authority. This may include but is not limited to converting the call boxes from analog to digital cellular telephone service. If so requested, Contractor shall provide all materials, parts and labor required to complete the conversion.

Additional Call Boxes and Call Box Sites: Contractor shall install additional call boxes and call box sites along freeways, highways, toll roads, and other locations at Authority's written request.

Reduction of Call Boxes: Contractor shall remove call boxes from freeways, highways, toll roads and other locations at the Authority's written request.

Call Box System Database Maintenance and Updates: Contractor shall maintain an accurate, up-to-date database containing the system specifications detailed in Attachment A, System-installed Report Specifications. Contractor shall also maintain an accurate, up-to-date database containing information on the entire call box system as detailed in Attachment B, System Database Specifications. Contractor shall provide Authority with 24-hour-per-day, 7-day-per week remote access to the Call Box System Database and the maintenance management system in a Microsoft Access database file or similar compatible database file format. No more than three (3) different Authority users shall be authorized to access the Call Box System Database, which users shall be identified in writing to Contractor by position or name from time to time.

The Call Box System Database shall include maintenance information on the call box system. This information shall include:

- Description of all corrective maintenance visits including the call box sign number, date and time of work-order issue date, date, time of visit, and other date and time when work is completed (if different from the first visit) and description of work performed;
- Description of preventive maintenance visits including the call box sign number, date and time of visit, and description of work performed if it deviates from the standard preventive maintenance requirements;

- Description of other site work including, but not limited to the following: knockdowns; vandalism; sign repair; other call box repairs; site repairs; CHP-reported damages or failures; removals; reinstallations; and pad replacements. These entries should also include the work-order issue date and time (alarm date where applicable), site visit date and time, sign number, and date and time of completion; and
- Monthly summary report with the number of call box calls that were blocked by the cellular system or that encountered a "system busy" response from the cellular network.

On each site visit, Contractor shall complete and retain a System Operation and Site Condition Form as shown in Attachment C. The completed form shall be maintained in the Contractor's files during the term of the agreement and for one year thereafter.

The Call Box System Database shall include all information relating to system components. This information includes, but is not limited to, controller card type, electronic serial number, transceiver model and type.

The Call Box System Database shall include electronic call box pictures and updated and complete latitude-and-longitude data. Contractor shall furnish all equipment and materials necessary to provide this data.

Plans and Specifications: Contractor shall keep at its field office a copy of all plans and specifications referred to herein, to which Authority shall have access at all times.

Rights of Entry and Permits: Contractor shall be responsible for preparing and obtaining all rights of entry, encroachment permits and other licenses or permits required; to perform the work hereunder.

Reports to OCTA: Contractor shall deliver the following reports to Authority:

- An electronic file of the entire System Installed Report Specifications (as defined in Attachment A) in a Microsoft format to the Call Answer Center on the first Wednesday of each month or when updates are request.
- An electronic file of the entire Call Box System Database (as defined in Attachment B) to Authority. Monthly update of call box system database to Authority shall occur on the first Wednesday of each month starting in April 2000.
- A report in Microsoft Office format (either Access or Excel), by the 15<sup>th</sup> of each month, specifying the following call box information for the preceding month:

- a. Total number of calls for each box, divided between citizen calls and maintenance calls
  - b. Total number of calls for each box utilizing the TTY device; this is to be reported as a subset of the total number of calls per box and is to be divided between citizen TTY calls and maintenance TTY calls
  - c. Average number of call boxes in service during the month.
- A report, by Tuesday 8 a.m. of each week, listing each call box that is out of service, the reason it is out of service, and the expected in-service date.

### **Additional Requirements**

Materials, Equipment, etc.: Contractor shall perform all work necessary to maintain the Authority motorist aid call box system in a satisfactory manner. Unless otherwise provided, Contractor shall furnish all materials, equipment, tools, labor and incidentals necessary to complete the services included for the specified flat fee.

Materials Condition and Workmanship: All materials, parts and equipment furnished by Contractor shall be high grade and free from defects. Quality of work shall be in accordance with generally accepted standards. Materials and work quality shall be subject to the Authority Project Manager's or a designated representative's approval. Contractor shall be responsible for storing and maintaining materials in a manner that preserves their quality and fitness for use on the Project.

Labor: Only competent workers shall be employed for tasks under this Agreement. Any person found by Authority to be incompetent, disorderly, working under the influence of alcohol or controlled substances, unsafe or otherwise objectionable shall be removed by Contractor and not re-employed for services under this Agreement.

Inspection: All performance (including services, materials, supplies, and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and approval by the Authority Project Manager or a designated representative. Any Authority authorized representative shall have access to the field office. Approval by the Authority Project Manager that services meet required performance measures shall precede issuance of quarterly performance adjustments.

Warranty: Contractor shall warrant all materials and parts for one year from date of installation.

Condition of Site: Throughout the term of the Agreement, Contractor shall keep call box sites clean and free of rubbish and debris (including removed pad material). Materials and equipment shall be removed from the site as soon as they are no longer needed.

Reuse of Parts: Contractor may reuse parts that have been damaged or replaced assuming Contractor is able to repair the parts so that the functionality is not degraded.

Reserve Inventory: Contractor is required to maintain that quantity of call box equipment, parts, and materials in stock in an Orange County field office as may be reasonably necessary to fulfill its duties under this Agreement.

Storage of Materials: Contractor shall store call box housings, electronics, poles, and other appurtenances within the contractor's warehouse. The Contractor shall be responsible for securing a facility for storage, but Contractor's field supervisor shall have responsibility for day-to-day coordination and reporting any problems to the Authority Project Manager.

Communication: Contractor shall ensure that its field supervisor has the necessary communication devices for interacting efficiently with the Authority Project Manager or other designated representatives. The devices to be provided include but are not limited to a pager, cell phone, office phone, and email services with the capability to send and receive Access or equivalent database files.

#### **Basis for Compensation – Flat Fee per Month plus Time and Materials**

The contractor shall be compensated on a flat firm fixed fee per call box per month for selected service elements and on a time-and-materials basis for other elements as follows:

1. Flat Fee: Offerors should submit two alternative annual flat fees per call box. The flat fee will include all the following service elements:
  - Corrective maintenance
  - Preventative maintenance
  - Knockdown, vandalism and other repairs
  - Removals and replacements not exceeding three percent of the average number of boxes in service during each year
  - Coordination of removals, storage and re-installation
  - Call Box System Database Maintenance and Updates
  - Maintenance of plans and specifications

- Rights of Entry and Permits.
- Reports to OCTA.
  - a. Offerors are to submit two flat fees, for knockdown, vandalism and other repairs, the first annual flat fee will include all repair incidents that are equal to or less than ten percent of the average number of call boxes in service during the twelve months of the preceding year of the contract. (All other such repairs to be done on a time-and-materials basis). This will include all notices and reporting as described for all instances of knockdown, vandalism and other repairs, including incidents that exceed ten percent of the average number of call boxes in service during the preceding twelve months.
  - b. In the case of the second annual flat fee all knockdown, vandalism and other repairs and notification will be covered on a time-and-materials basis. This second flat fee will include all notices and reporting as described for all instances of knockdown, vandalism and other repairs, but not the repairs themselves.

In summary, OCTA may elect for the entire term of the contract to:

- a. compensate the contractor for the first ten percent of all knockdown, maintenance and other repairs within the first flat fee, and compensate the contractor on a time and materials basis for anything exceeding 10%;
- or
- b. compensate the contractor for all knockdown, vandalism and other repairs on a time-and-materials basis. In either case, however, compensation for notices and reports related to knockdowns, vandalism and other repairs shall be made via a flat fee per year for all such repairs.

The Authority reserves the right to reduce the number of call boxes at anytime during the term of this agreement.

2. Time and Materials. Authority will pay Contractor on a time-and-materials basis for the following service elements:

- Retrofits
- Additional call boxes

**System-installed Report Specifications**

1. Call Box / Sign Number
2. Automatic Number Identification (ANI)
3. Mile Post Mark
4. Direction Installed on Highway
5. Site Type
6. Text Description of Location
7. Text Description of Best Access
8. Mobile Identification Number (MIN) (Call Box Phone Number)
9. Latitude / Longitude and Differential Correction Method using Global Positioning System (GPS)
10. Digital Photograph

**System Database Specifications**

	Update When Site Changed	Update When Site Installed	Update w/ PM, CM, or AC Visit
Call Box Sign Number	✓	✓	
Automatic Number Identification (ANI)	✓	✓	
Electronic Serial Number (ESN)	✓	✓	
Mile Post Mark	✓	✓	
Pedestrian Pad Type	✓	✓	
Pedestrian Pad Size	✓	✓	
Site Type	✓	✓	
Retaining Wall Height (provide range)	✓	✓	
Handrail at Site?	✓	✓	
Direction Installed on Highway	✓	✓	
Text Description of Location	✓	✓	
Text Description of Best Access	✓	✓	
Dispatch Center Assigned to Answer Calls	✓	✓	
Latitude / Longitude and Differential Correction Method using Global Positioning System (GPS)	✓	✓	
Site Installation Date	✓	✓	
In Service or Out of Service	✓		
Removal Date	✓		
Reinstall Date	✓		
Mobile Identification Number (MIN) (Call Box Phone Number)	✓	✓	
User Telephone Number (Dispatch Center Number)	✓	✓	
Alarm Telephone Number	✓	✓	
Maintenance Telephone Number	✓	✓	
Install Notes – Unusual-installation notes	✓	✓	
Smart Call Box Devices Installed? Type?	✓	✓	
Controller Card Type (e.g., "150", "SRC") and Version Number with Date of Installation	✓	✓	
Transceiver Type / Model with Date of Installation	✓	✓	
Dates of all Preventative Maintenance Visits to Site	✓		✓
Dates and Descriptions of all Corrective Maintenance (CM) or Above Agreement Activities at Site	✓		✓
Work Order Numbers for all CM and AC activities at Site	✓		✓
Digital Site Photographs	✓	✓	

**System Operation and Site Condition Form**

Sign Number	CHP Location Data
Installation Location Data	Date of Inspection
ANI	Time of Inspection
Telephone Number	Notes
Site Type	

Operational Tests	Yes/No	Visual Inspection	Yes/No
Handset sits in cradle properly		Call box orientation correct	
Ringing is heard		Outer door functions properly	
Fully duplex communications is established		Housing parts secure	
Audio quality good		User instructions attached	
ANI requested by CHP and sent by call box		Handset retaining mechanism functions	
ANI verified by CHP		Handset cable armored	
Location data verified by CHP		Anti-theft label attached	
Sign Number verified with CHP		Weep hole clear	
Phone number verified with CHP		Handset is hearing aid compatible	
Feedback audible during process		Tamper-proof hardware used on solar panel	
Terminate command received by call box		Solar panel hardware secure	
Call box connection terminated		Solar panel correctly oriented and clear	
TTY keyboard functions and messages are received by call answering center.			

Site Inspection	Yes/No	Virtual Hold Testing	Yes/No
Handrail installed properly		Virtual hold functions properly	
Handrail constructed properly		Full duplex dropped	
Site not obstructed		Feedback heard in handset	
Site grading and preparation IAW plans		Beep heard in handset (CHP call back)	
Site retaining/foundation wall construction IAW plans		Full duplex reestablished	
Shoulder is 8 ft minimum		ANI Requested by CHP and sent by call box	
Breakaway base orientation correct		<b>SONALERT TESTING</b>	
Operations height limit set @ 54"		Sonalert audible	
Pad height @ 1/2" above grade		Sonalert functions IAW specs	
Pad alignment and interface IAW plans		Sonalert terminates properly	
Opposite box pairing within limits		Add-On Components	Yes/No
Holes in pad filled (large pads only)		Feature operational	

EXHIBIT B  
COST AND PRICE FORMS

**EXHIBIT B**  
**PRICE SUMMARY SHEET**  
**REQUEST FOR PROPOSALS (RFP) 9-0176**

---

Enter the proposed price for the work described in the Scope of Work, Exhibit A. Prices shall include direct costs, indirect costs, and profits. The Authority's intention is to award time and expense contract for a five (5) year term effective July 1, 2009 through June 30, 2014.

A dollar amount for each line item on the attached page must be provided.

---

1. I acknowledge receipt of RFP 9-0176 and Addenda No.(s) \_\_\_\_\_
2. This offer shall remain firm for \_\_\_\_\_ days from the date of proposal  
(Minimum 120)

COMPANY NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

TELEPHONE \_\_\_\_\_

SIGNATURE OF PERSON  
AUTHORIZED TO BIND OFFEROR \_\_\_\_\_

SIGNATURE'S NAME AND TITLE \_\_\_\_\_

DATE SIGNED \_\_\_\_\_

I. FLAT FEES

A. Flat fee to provide service, including Items 1 through 9 below, as per Exhibit A, Scope of Work:

1. Corrective maintenance
2. Preventative maintenance
3. Knockdown, vandalism and other repairs necessitated by factors other than component failure for all such incidents that are equal to or less than ten percent (10%) of the average number of boxes in service during the 12 months of the preceding contract year. This will include all notices and reporting for all instances of knockdown, vandalism and other repairs necessitated by factors other than component failure, without limit.
4. Removals and replacements not exceeding five percent (5%) of the average number of boxes in service during the 12 months of the preceding contract year
5. Coordination of removals, storage and re-installation
6. Call Box System Data Base Maintenance and updates
7. Maintenance of plans and specifications
8. Rights of entry and permits
9. Reports to OCTA

\$ \_\_\_\_\_ per call box / per month

B. Flat fee to provide service, including Items 1 through 9 below as per Exhibit A, Scope of Work:

1. Corrective maintenance
2. Preventative maintenance
3. All notices and reporting for all instances of knockdown, vandalism and other repairs necessitated by factors other than component failure, without limit.

4. Removals and replacements not exceeding three percent of the average number of boxes in service during the 12 months of the preceding contract year
5. Coordination of removals, storage and re-installation
6. Call Box System Data Base Maintenance and updates
7. Maintenance of plans and specifications
8. Rights of entry and permits
9. Reports to OCTA

\$\_\_\_\_\_ per call box / per month

C. Flat fee to construct new call box sites:

Site types listed below are those listed in the "CHP/Caltrans Call Box and Motorist Aid Guidelines, December 2003." Prices include Engineering Grade Signs, Standard 60" X "60 pads where applicable.

- |                  |             |
|------------------|-------------|
| 1. Site Type A   | \$_____ EA  |
| 2. Site Type D   | \$_____ EA. |
| 3. Site Type E   | \$_____ EA. |
| 4. Site Type F   | \$_____ EA. |
| 5. Site Type G   | \$_____ EA. |
| 6. Site Type H/K | \$_____ EA. |
| 7. Site Type L   | \$_____ EA. |
| 8. Site Type M   | \$_____ EA. |

II. TIME AND MATERIALS

Unless otherwise specified, all materials must match materials currently in use in OCTA call boxes. (Part numbers listed below are from the current contractor's price list and are listed here for information purposes only).

A. **Materials for Call Box Sites (Materials Only, Labor Excluded):**

1.	60" X 60" composite pad	5870-0045	\$_____EA
2.	2" X 12" pressure treated wood	7000-0059	\$_____LN FT
3.	2" X 6" pressure treated wood	7000-0058	\$_____LN FT
4.	4" X 4" pressure treated wood	7000-0060	\$_____LN FT
5.	Plastic wood 2" X 6"	7000-0058-01	\$_____LN FT
6.	Plastic wood 4" X 4"	7000-0060-01	\$_____LN FT
7.	Rapidset concrete	7000-0066-1	\$_____AG
8.	General purpose cement	7000-0066	\$_____BAG
9.	Rebar 1" X 1/2"		\$_____LN FT
10.	Handrail	5870-0023	\$_____EA
11.	Tapco Handrail (V-Loc)	5870-0046	\$_____EA
12.	Conduit and fittings (wall mount)	6040-4051	\$_____EA

**B. Materials for Call Boxes:**

- |     |   |                           |            |
|-----|---|---------------------------|------------|
| 1.  | Lexan Call Box Assembly or approved equal         |                           | \$_____EA. |
| 2.  | Digital Lexan Call Box Assembly or approved equal |                           | \$_____EA. |
| 3.  | 6.5 W Solar/Antenna Assembly                      |                           | \$_____EA. |
| 4.  | 20 W Solar/Antenna Assembly                       |                           | \$_____EA. |
| 5.  | Pole  | 5870-0009 or<br>5870-0010 | \$_____EA  |
| 6.  | Pole - Modified F2 type                           | 5870-0051                 | \$_____EA  |
| 7.  | Wall mount pole<br>(D-mount)                      | 5870-0017                 | \$_____EA  |
| 8.  | K-mount barrier saddle                            | 5870-0013<br>mount        | \$_____EA  |
| 9.  | Barrier mount pole<br>(K-mount)                   | 5870-0014 or<br>5870-0029 | \$_____EA  |
| 10. | Hilti anchor bolts<br>(set of 4 bolts)            | 6040-4061                 | \$_____EA  |
| 11. | Main housing (assembly)                           | 6040-4011 or<br>4011-09   | \$_____EA  |
| 12. | Front door (assembly)                             | 6040-4010                 | \$_____EA  |
| 13. | Back door (assembly)                              | 6040-4026                 | \$_____EA  |
| 14. | Transceiver mounting<br>plate                     | 5004-0051                 | \$_____EA  |
| 15. | Regulator board                                   | 6020-0149                 | \$_____EA  |
| 16. | Callbox controller board                          | 6020-0048 or<br>0048-03   | \$_____EA  |

**RFP 9-0176  
EXHIBIT B**

17.	Callbox controller board (New Aurora Bd)	N.A.	\$ _____ EA
18.	RF/Electrical interconnect harness (antenna-solar)	6060-0118 or 6060-0130	\$ _____ EA
19.	Transceiver - OKI 800	5201-0015	\$ _____ EA
20.	Transceiver - OKI 1200	5201-0007	\$ _____ EA
21.	Transceiver - Motorola	5201-0023	\$ _____ EA
22.	Digital Transceiver (Motorola, Erricson)	N.A.	\$ _____ EA
23.	OKI to Motorola Radio & Controller Upgrade Kit	6000-0365	\$ _____ EA
24.	Handset and armored cord	6040-4014	\$ _____ EA
25.	Cel 1(3dB gain) antenna	4210-0014	\$ _____ EA
26.	Cel 3(6dB gain) antenna	4210-0016	\$ _____ EA
27.	Max Rad (3dB gain) antenna	4210-0035	\$ _____ EA
28.	Unity antenna	4210-0007	\$ _____ EA
29.	Yagi antenna	4210-0010	\$ _____ EA
30.	Corner reflector	4210-0015	\$ _____ EA
31.	Mount for corner reflector or Yagi	5014-0022	\$ _____ EA
32.	Deflector-3dB Marine	5014-0021	\$ _____ EA
33.	17AH rechargeable battery	4240-0001	\$ _____ EA
34.	6.5AH rechargeable battery	4240-0006	\$ _____ EA

**RFP 9-0176  
EXHIBIT B**

35.	Battery bracket - 6.5A	5004-0047	\$ _____ EA
36.	Battery bracket - 17A	5004-0048	\$ _____ EA
37.	10W solar panel with bracket	6040-4058	\$ _____ EA
38.	20W solar panel with bracket	6040-4057	\$ _____ EA
39.	RF Cable to antenna	6060-0118	\$ _____ EA
40.	Solar Cable to solar panel	6060-0130	\$ _____ EA
41.	Misc other smaller cables and harnesses	6060-xxxx various	\$ _____ EA
42.	Sign, generic fiberglass (FRP) w/ reg numbers	3090-xxxx various	\$ _____ EA
43.	Sign Diamond FRP or Alum w/ HR numbers	3090-xxxx various	\$ _____ EA
44.	Sign Diamond & Anti-Graffiti w/ HR numbers	3090-xxxx various	\$ _____ EA
45.	Sign bracket wall mount	5004-0049	\$ _____ EA
46.	Solar bracket post wall mount	5870-0017	\$ _____ EA
47.	Installation kit	6040-4035	\$ _____ EA
48.	Mounting Hardware	3090-0058 or 3090-0059	\$ _____ EA
49.	Sign Hardware	6040-4037	\$ _____ EA
50.	Wind Brackets	3090-0086	\$ _____ EA
51.	Auger foundation	5870-0015	\$ _____ EA
52.	Non-auger foundation	5870-0004	\$ _____ EA

**RFP 9-0176  
EXHIBIT B**

53.	36" X 48" composite pad	5870-0028	\$_____EA
54.	48" X 48" composite pad	5870-0030	\$_____EA
55.	Call Box TTY Tray Assembly	6040-0014	\$_____EA
56.	Call Box Display Interface Assembly	6040-0012	\$_____EA
57.	Call Box TTY PCA Board	6020-0122	\$_____EA
58.	Keypad Plate Assembly	6050-0024	\$_____EA
59.	Display Front Lens	5830-0010	\$_____EA

**C. Labor**

1.	SHOP LABOR RATE	\$_____HR
2.	FIELD LABOR RATE	\$_____HR

EXHIBIT C  
PROPOSED AGREEMENT



B. AUTHORITY's failure to insist in any one or more instances upon CONTRACTOR's performance of any terms or conditions of this Agreement shall not be construed as a waiver or relinquishment of AUTHORITY's right to such performance or to future performance of such terms or conditions and CONTRACTOR's obligation in respect thereto shall continue in full force and effect. Changes to any portion of this Agreement shall not be binding upon AUTHORITY except when specifically confirmed in writing by an authorized representative of AUTHORITY by way of a written amendment to this Agreement and issued in accordance with the provisions of this Agreement.

**ARTICLE 2. AUTHORITY DESIGNEE**

The Chief Executive Officer of AUTHORITY, or designee, shall have the authority to act for and exercise any of the rights of AUTHORITY as set forth in this Agreement.

**ARTICLE 3. SCOPE OF WORK**

A. CONTRACTOR shall perform the work necessary to complete in a manner satisfactory to AUTHORITY the services set forth in Exhibit A, entitled "Scope of Work," attached to and, by this reference, incorporated in and made a part of this Agreement. All services shall be provided at the times and places designated by AUTHORITY.

B. CONTRACTOR shall provide the personnel listed below to perform the above-specified services, which persons are hereby designated as key personnel under this Agreement.

<u>Names</u>	<u>Functions</u>
_____	_____
_____	_____
_____	_____
_____	_____

C. No person named in paragraph B of this Article, or his/her successor approved by AUTHORITY, shall be removed or replaced by CONTRACTOR, nor shall his/her agreed-upon function or level of commitment hereunder be changed, without the prior written consent of AUTHORITY. Should the services of any key person become no longer available to CONTRACTOR, the resume and

1 qualifications of the proposed replacement shall be submitted to AUTHORITY for approval as soon as  
 2 possible, but in no event later than seven (7) calendar days prior to the departure of the incumbent key  
 3 person, unless CONTRACTOR is not provided with such notice by the departing employee.  
 4 AUTHORITY shall respond to CONTRACTOR within seven (7) calendar days following receipt of these  
 5 qualifications concerning acceptance of the candidate for replacement.

6 **ARTICLE 4. TERM OF AGREEMENT**

7 This Agreement shall commence upon execution by both parties, and shall continue in full force  
 8 and effect through June 30, 2014 unless earlier terminated or extended as provided in this Agreement.

9 **ARTICLE 5. PAYMENT**

10 A. For CONTRACTOR's full and complete performance of its obligations under this  
 11 Agreement and subject to the maximum cumulative payment obligation provisions set forth in Article 6.,  
 12 AUTHORITY shall pay CONTRACTOR on a time and expense basis in accordance with the following  
 13 provisions.

14 B. For each service satisfactorily performed by CONTRACTOR's personnel under this  
 15 Agreement, AUTHORITY shall pay CONTRACTOR at the rates specified in Exhibit B, entitled "Price  
 16 Summary", attached to, and by this reference, incorporated in and made a part of this Agreement.  
 17 These rates shall remain fixed for the term of this Agreement and are acknowledged to include  
 18 CONTRACTOR's direct labor costs, indirect costs and profit. Furthermore, AUTHORITY shall  
 19 reimburse CONTRACTOR for the exact amount of the expenses shown in Exhibit B, which are directly  
 20 incurred by its personnel in the performance of work under this Agreement.

21 C. CONTRACTOR shall invoice AUTHORITY on a monthly basis for payments  
 22 corresponding to the work actually completed by CONTRACTOR. Percentage of work completed shall  
 23 be documented in a monthly progress report prepared by CONTRACTOR, which shall accompany  
 24 each invoice submitted by CONTRACTOR. CONTRACTOR shall also furnish such other information  
 25 as may be requested by AUTHORITY to substantiate the validity of an invoice. At its sole discretion,  
 26 AUTHORITY may decline to make full payment for any service listed in paragraph B of this Article until

1 such time as CONTRACTOR has documented to AUTHORITY's satisfaction, that CONTRACTOR has  
2 fully completed all work required under the task. AUTHORITY's payment in full for any service  
3 completed shall not constitute AUTHORITY's final acceptance of CONTRACTOR's work..

4 D. Invoices shall be submitted by CONTRACTOR on a monthly basis and shall be  
5 submitted in duplicate to AUTHORITY's Accounts Payable office. Each invoice shall be accompanied  
6 by the monthly progress report specified in paragraph C of this Article. AUTHORITY shall remit  
7 payment within thirty (30) calendar days of the receipt and approval of each invoice. Each invoice shall  
8 include the following information:

- 9 1. Agreement No. C-9-0176;
- 10 2. Specify the service for which payment is being requested;
- 11 3. The time period covered by the invoice;
- 12 4. Total monthly invoice (including project-to-date cumulative invoice amount);
- 13 5. Monthly Progress Report;
- 14 6. Certification signed by the CONTRACTOR or his/her designated alternate that

15 a) The invoice is a true, complete and correct statement of reimbursable costs and progress; b) The  
16 invoice is a true, complete and correct statement of reimbursable costs; c) The backup information  
17 included with the invoice is true, complete and correct in all material respects; d) All payments due and  
18 owing to subcontractors and suppliers have been made; e) Timely payments will be made to  
19 subcontractors and suppliers from the proceeds of the payments covered by the certification and; f) The  
20 invoice does not include any amount which CONTRACTOR intends to withhold or retain from a  
21 subcontractor or supplier unless so identified on the invoice.

22 7. Any other information as agreed or requested by AUTHORITY to substantiate  
23 the validity of an invoice.

24 /

25 /

26 /

**ARTICLE 6. MAXIMUM OBLIGATION**

Notwithstanding any provisions of this Agreement to the contrary, AUTHORITY and CONTRACTOR mutually agree that AUTHORITY's maximum cumulative payment obligation (including obligation for CONTRACTOR's profit) shall be \_\_\_\_\_ Dollars (\$\_\_\_\_.00) which shall include all amounts payable to CONTRACTOR for its subcontracts, leases, materials and costs arising from, or due to termination of, this Agreement.

**ARTICLE 7. NOTICES**

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, returned receipt requested, postage prepaid and addressed as follows:

To CONTRACTOR:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ATTENTION: \_\_\_\_\_

( \_\_\_ / \_\_\_\_\_ )

To AUTHORITY:

Orange County Transportation Authority  
550 South Main Street  
P. O. Box 14184  
Orange, CA 92863-1584

ATTENTION: Edna Ruperto

Contract Administrator

(714/560-5652)

**ARTICLE 8. INDEPENDENT CONTRACTOR**

CONTRACTOR's relationship to AUTHORITY in the performance of this Agreement is that of an independent contractor. CONTRACTOR's personnel performing services under this Agreement shall at all times be under CONTRACTOR's exclusive direction and control and shall be employees of CONTRACTOR and not employees of AUTHORITY. CONTRACTOR shall pay all wages, salaries and other amounts due its employees in connection with this Agreement and shall be responsible for all

/

1 reports and obligations respecting them, such as social security, income tax withholding, unemployment  
2 compensation, workers' compensation and similar matters.

3 **ARTICLE 9. INSURANCE**

4 A. CONTRACTOR shall procure and maintain insurance coverage during the entire term of  
5 this Agreement. Coverage shall be full coverage and not subject to self-insurance provisions.  
6 CONTRACTOR shall provide the following insurance coverage:

7 1. Commercial General Liability, to include Products/Completed Operations,  
8 Independent Contractors', Contractual Liability, and Personal Injury Liability with a minimum limit of  
9 \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate.

10 2. Automobile Liability Insurance to include owned, hired and non-owned autos  
11 with a combined single limit of \$1,000,000.00 each accident;

12 3. Workers' Compensation with limits as required by the State of California  
13 including a waiver of subrogation in favor of AUTHORITY, its officers, directors, employees or agents;

14 4. Employers' Liability with minimum limits of \$1,000,000.00; and

15 5. Professional Liability with minimum limits of \$1,000,000.00 per claim.

16 B. Proof of such coverage, in the form of an insurance company issued policy  
17 endorsement and a broker-issued insurance certificate, must be received by AUTHORITY prior to  
18 commencement of any work. Proof of insurance coverage must be received by AUTHORITY within ten  
19 (10) calendar days from the effective date of this Agreement with the AUTHORITY, its officers,  
20 directors, employees and agents designated as additional insured on the general and automobile  
21 liability. Such insurance shall be primary and non-contributive to any insurance or self-insurance  
22 maintained by the AUTHORITY.

23 C. CONTRACTOR shall include on the face of the Certificate of Insurance the Agreement  
24 Number C-9-0176; and, the Contract Administrator's Name, Edna Ruperto.

25 /

26 /

1 D. CONTRACTOR shall also include in each subcontract the stipulation that  
2 subcontractors shall maintain insurance coverage in the amounts required from CONTRACTOR as  
3 provided in this Agreement.

4 **ARTICLE 10. ORDER OF PRECEDENCE**

5 Conflicting provisions hereof, if any, shall prevail in the following descending order of  
6 precedence: (1) the provisions of this Agreement, including all exhibits; (2) the provisions of  
7 RFP 9-0176; (3) CONTRACTOR's proposal dated \_\_\_\_\_; (4) all other documents, if any, cited  
8 herein or incorporated by reference.

9 **ARTICLE 11. CHANGES**

10 By written notice or order, AUTHORITY may, from time to time, order work suspension and/or  
11 make changes in the general scope of this Agreement, including, but not limited to, the services  
12 furnished to AUTHORITY by CONTRACTOR as described in the Scope of Work. If any such work  
13 suspension or change causes an increase or decrease in the price of this Agreement, or in the time  
14 required for its performance, CONTRACTOR shall promptly notify AUTHORITY thereof and assert its  
15 claim for adjustment within ten (10) calendar days after the change or work suspension is ordered, and  
16 an equitable adjustment shall be negotiated. However, nothing in this clause shall excuse  
17 CONTRACTOR from proceeding immediately with the agreement as changed.

18 **ARTICLE 12. DISPUTES**

19 A. Except as otherwise provided in this Agreement, any dispute concerning a question of  
20 fact arising under this Agreement which is not disposed of by supplemental agreement shall be decided  
21 by AUTHORITY's Director, Contracts Administration and Materials Management (CAMM), who shall  
22 reduce the decision to writing and mail or otherwise furnish a copy thereof to CONTRACTOR. The  
23 decision of the Director, CAMM, shall be final and conclusive.

24 B. The provisions of this Article shall not be pleaded in any suit involving a question of fact  
25 arising under this Agreement as limiting judicial review of any such decision to cases where fraud by  
26 such official or his representative or board is alleged, provided, however, that any such decision shall

1 be final and conclusive unless the same is fraudulent or capricious or arbitrary or so grossly erroneous  
2 as necessarily to imply bad faith or is not supported by substantial evidence. In connection with any  
3 appeal proceeding under this Article, CONTRACTOR shall be afforded an opportunity to be heard and  
4 to offer evidence in support of its appeal.

5 C. Pending final decision of a dispute hereunder, CONTRACTOR shall proceed diligently  
6 with the performance of this Agreement and in accordance with the decision of AUTHORITY's Director,  
7 CAMM. This Disputes clause does not preclude consideration of questions of law in connection with  
8 decisions provided for above. Nothing in this Agreement, however, shall be construed as making final  
9 the decision of any AUTHORITY official or representative on a question of law, which questions shall be  
10 settled in accordance with the laws of the state of California.

11 **ARTICLE 13. TERMINATION**

12 A. AUTHORITY may terminate this Agreement for its convenience at any time, in whole or  
13 part, by giving CONTRACTOR written notice thereof. Upon said notice, AUTHORITY shall pay  
14 CONTRACTOR its allowable costs incurred to date of termination and those allowable costs  
15 determined by AUTHORITY to be reasonably necessary to effect such termination. Thereafter,  
16 CONTRACTOR shall have no further claims against AUTHORITY under this Agreement.

17 B. AUTHORITY may terminate this Agreement for CONTRACTOR's default if a federal or  
18 state proceeding for the relief of debtors is undertaken by or against CONTRACTOR, or if  
19 CONTRACTOR makes an assignment for the benefit of creditors, or if CONTRACTOR breaches any  
20 term(s) or violates any provision(s) of this Agreement and does not cure such breach or violation within  
21 ten (10) calendar days after written notice thereof by AUTHORITY. CONTRACTOR shall be liable for  
22 all reasonable costs incurred by AUTHORITY as a result of such default including, but not limited to,  
23 procurement costs of the same or similar services defaulted by CONTRACTOR under this  
24 Agreement.

25 /

26 /

**ARTICLE 14. INDEMNIFICATION**

CONTRACTOR shall indemnify, defend and hold harmless AUTHORITY, its officers, directors, employees and agents from and against any and all claims (including attorneys' fees and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage to or loss of use of property caused by the negligent acts, omissions or willful misconduct by CONTRACTOR, its officers, directors, employees, agents, subcontractors or suppliers in connection with or arising out of the performance of this Agreement.

**ARTICLE 15. ASSIGNMENTS AND SUBCONTRACTS**

A. Neither this Agreement nor any interest herein nor claim hereunder may be assigned by CONTRACTOR either voluntarily or by operation of law, nor may all or any part of this Agreement be subcontracted by CONTRACTOR, without the prior written consent of AUTHORITY. Consent by AUTHORITY shall not be deemed to relieve CONTRACTOR of its obligations to comply fully with all terms and conditions of this Agreement.

B. AUTHORITY hereby consents to CONTRACTOR's subcontracting portions of the Scope of Work to the parties identified below for the functions described in CONTRACTOR's proposal. CONTRACTOR shall include in the subcontract agreement the stipulation that CONTRACTOR, not AUTHORITY, is solely responsible for payment to the subcontractor for the amounts owing and that the subcontractor shall have no claim, and shall take no action, against AUTHORITY, its officers, directors, employees or sureties for nonpayment by CONTRACTOR.

**Subcontractor Name/Addresses**

**Subcontractor Amounts**

\_\_\_\_\_

\$ \_\_\_\_\_

\_\_\_\_\_

\$ \_\_\_\_\_

**ARTICLE 16. AUDIT AND INSPECTION OF RECORDS**

CONTRACTOR shall provide AUTHORITY, or other agents of AUTHORITY, such access to CONTRACTOR's accounting books, records, payroll documents and facilities, as AUTHORITY deems necessary. CONTRACTOR shall maintain such books, records, data and documents in accordance

1 with generally accepted accounting principles and shall clearly identify and make such items readily  
2 accessible to such parties during CONTRACTOR's performance hereunder and for a period of four (4)  
3 years from the date of final payment by AUTHORITY. AUTHORITY's right to audit books and records  
4 directly related to this Agreement shall also extend to all first-tier subcontractors identified in Article 15  
5 of this Agreement. CONTRACTOR shall permit any of the foregoing parties to reproduce documents  
6 by any means whatsoever or to copy excerpts and transcriptions as reasonably necessary.

7 **ARTICLE 17. FEDERAL, STATE AND LOCAL LAWS**

8 CONTRACTOR warrants that in the performance of this Agreement, it shall comply with all  
9 applicable federal, state and local laws, statutes and ordinances and all lawful orders, rules and  
10 regulations promulgated thereunder.

11 **ARTICLE 18. EQUAL EMPLOYMENT OPPORTUNITY**

12 In connection with its performance under this Agreement, CONTRACTOR shall not discriminate  
13 against any employee or applicant for employment because of race, religion, color, sex, age or national  
14 origin. CONTRACTOR shall take affirmative action to ensure that applicants are employed, and that  
15 employees are treated during their employment, without regard to their race, religion, color, sex, age or  
16 national origin. Such actions shall include, but not be limited to, the following: employment, upgrading,  
17 demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other  
18 forms of compensation; and selection for training, including apprenticeship.

19 **ARTICLE 19. PROHIBITED INTERESTS**

20 CONTRACTOR covenants that, for the term of this Agreement, no director, member, officer or  
21 employee of AUTHORITY during his/her tenure in office or for one (1) year thereafter shall have any  
22 interest, direct or indirect, in this Agreement or the proceeds thereof.

23 **ARTICLE 20. OWNERSHIP OF REPORTS AND DOCUMENTS**

24 A. The originals of all letters, documents, reports and other products and data produced  
25 under this Agreement shall be delivered to, and become the property of AUTHORITY. Copies may be  
26 made for CONTRACTOR's records but shall not be furnished to others without written authorization

1 from AUTHORITY. Such deliverables shall be deemed works made for hire and all rights in copyright  
 2 therein shall be retained by AUTHORITY.

3 B. All ideas, memoranda, specifications, plans, manufacturing, procedures, drawings,  
 4 descriptions, and all other written information submitted to CONTRACTOR in connection with the  
 5 performance of this Agreement shall not, without prior written approval of AUTHORITY, be used for any  
 6 purposes other than the performance under this Agreement, nor be disclosed to an entity not connected  
 7 with the performance of the project. CONTRACTOR shall comply with AUTHORITY's policies  
 8 regarding such material. Nothing furnished to CONTRACTOR, which is otherwise known to  
 9 CONTRACTOR or is or becomes generally known to the related industry shall be deemed confidential.  
 10 CONTRACTOR shall not use AUTHORITY's name, photographs of the project, or any other publicity  
 11 pertaining to the project in any professional publication, magazine, trade paper, newspaper, seminar or  
 12 other medium without the express written consent of AUTHORITY.

13 C. No copies, sketches, computer graphics or graphs, including graphic artwork, are to be  
 14 released by CONTRACTOR to any other person or agency except after prior written approval by  
 15 AUTHORITY, except as necessary for the performance of services under this Agreement. All press  
 16 releases, including graphic display information to be published in newspapers, magazines, etc., are to  
 17 be handled only by AUTHORITY unless otherwise agreed to by CONTRACTOR and AUTHORITY.

18 **ARTICLE 21. PATENT AND COPYRIGHT INFRINGEMENT**

19 A. In lieu of any other warranty by AUTHORITY or CONTRACTOR against patent or  
 20 copyright infringement, statutory or otherwise, it is agreed that CONTRACTOR shall defend at its  
 21 expense any claim or suit against AUTHORITY on account of any allegation that any item furnished  
 22 under this Agreement or the normal use or sale thereof arising out of the performance of this  
 23 Agreement, infringes upon any presently existing U. S. letters patent or copyright and CONTRACTOR  
 24 shall pay all costs and damages finally awarded in any such suit or claim, provided that CONTRACTOR  
 25 is promptly notified in writing of the suit or claim and given authority, information and assistance at  
 26 CONTRACTOR's expense for the defense of same. However, CONTRACTOR will not indemnify

1 AUTHORITY if the suit or claim results from: (1) AUTHORITY's alteration of a deliverable, such that  
 2 said deliverable in its altered form infringes upon any presently existing U.S. letters patent or copyright;  
 3 or (2) the use of a deliverable in combination with other material not provided by CONTRACTOR when  
 4 such use in combination infringes upon an existing U.S. letters patent or copyright.

5 B. CONTRACTOR shall have sole control of the defense of any such claim or suit and all  
 6 negotiations for settlement thereof. CONTRACTOR shall not be obligated to indemnify AUTHORITY  
 7 under any settlement made without CONTRACTOR's consent or in the event AUTHORITY fails to  
 8 cooperate fully in the defense of any suit or claim, provided, however, that said defense shall be at  
 9 CONTRACTOR's expense. If the use or sale of said item is enjoined as a result of such suit or claim,  
 10 CONTRACTOR, at no expense to AUTHORITY, shall obtain for AUTHORITY the right to use and sell  
 11 said item, or shall substitute an equivalent item acceptable to AUTHORITY and extend this patent and  
 12 copyright indemnity thereto.

13 **ARTICLE 22. FINISHED AND PRELIMINARY DATA**

14 A. All of CONTRACTOR's finished technical data, including but not limited to illustrations,  
 15 photographs, tapes, software, software design documents, including without limitation source code,  
 16 binary code, all media, technical documentation and user documentation, photoprints and other graphic  
 17 information required to be furnished under this Agreement, shall be AUTHORITY's property upon  
 18 payment and shall be furnished with unlimited rights and, as such, shall be free from proprietary  
 19 restriction except as elsewhere authorized in this Agreement. CONTRACTOR further agrees that it  
 20 shall have no interest or claim to such finished, AUTHORITY-owned, technical data; furthermore, said  
 21 data is subject to the provisions of the Freedom of Information Act, 5 USC 552.

22 B. It is expressly understood that any title to preliminary technical data is not passed to  
 23 AUTHORITY but is retained by CONTRACTOR. Preliminary data includes roughs, visualizations,  
 24 software design documents, layouts and comprehensives prepared by CONTRACTOR solely for the  
 25 purpose of demonstrating an idea or message for AUTHORITY's acceptance before approval is given  
 26 for preparation of finished artwork. Preliminary data title and right thereto shall be made available to

1 AUTHORITY if CONTRACTOR causes AUTHORITY to exercise Article 11, and a price shall be  
2 negotiated for all preliminary data.

3 **ARTICLE 23. ALCOHOL AND DRUG POLICY**

4 AUTHORITY and CONTRACTOR shall provide under this Agreement, a safe and healthy work  
5 environment free from the influence of alcohol and drugs. Failure to comply with this Article may result  
6 in nonpayment or termination of this Agreement.

7 **ARTICLE 24. FORCE MAJEURE**

8 Either party shall be excused from performing its obligations under this Agreement during the  
9 time and to the extent that it is prevented from performing by an unforeseeable cause beyond its  
10 control, including but not limited to: any incidence of fire, flood; acts of God; commandeering of material;  
11 products, plants or facilities by the federal, state or local government; national fuel shortage; or a  
12 material act or omission by the other party; when satisfactory evidence of such cause is presented to  
13 the other party, and provided further that such nonperformance is unforeseeable, beyond the control  
14 and is not due to the fault or negligence of the party not performing.

15 /

16 /

17 /

18 /

19 /

20 /

21 /

22 /

23 /

24 /

25 /

26 /

This Agreement shall be made effective upon execution by both parties.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement No. C-9-0176 to be executed on the date first above written.

**CONTRACTOR**

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

By \_\_\_\_\_

By \_\_\_\_\_

Arthur T. Leahy  
Chief Executive Officer

APPROVED AS TO FORM:

By \_\_\_\_\_

Kennard R. Smart, Jr.  
General Counsel

APPROVED

By \_\_\_\_\_

Paul C. Taylor, P.E.  
Deputy Chief Executive Officer

Date: \_\_\_\_\_

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

EXHIBIT D  
FORMS

**PARTY DISCLOSURE FORM**

**Information Sheet**

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AND AFFILIATED AGENCIES**

The attached Party Disclosure Form must be completed by applicants for, or persons who are the subject of, any proceeding involving a license, permit, or other entitlement for use pending before the Board of Directors of the Orange County Transportation Authority or any of its affiliated agencies. (Please see next page for definitions of these terms.)

**IMPORTANT NOTICE**

**Basic Provisions of Government Code Section 84308**

- A. If you are an applicant for, or the subject of, any proceeding involving a license, permit, or other entitlement for use, you are prohibited from making a campaign contribution of more than \$250 to any board member or his or her alternate. This prohibition begins on the date your application is filed or the proceeding is otherwise initiated, and the prohibition ends three months after a final decision is rendered by the Board of Directors. In addition, no board member or alternate may solicit or accept a campaign contribution of more than \$250 from you during this period.
- B. These prohibitions also apply to your agents, and, if you are a closely held corporation, to your majority shareholder as well. These prohibitions also apply to your subcontractor(s), joint venturer(s), and partner(s) in this proceeding. Also included are parent companies and subsidiary companies directed and controlled by you, and political action committees directed and controlled by you.
- C. You must file the attached disclosure form and disclose whether you or your agent(s) have in the aggregate contributed more than \$250 to any board member or his or her alternate during the 12-month period preceding the filing of the application or the initiation of the proceeding.
- D. If you or your agent have in the aggregate contributed more than \$250 to any individual board member or his/or her alternate during the 12 months preceding the decision on the application or proceeding, that board member or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the board member or alternate returns the campaign contribution within 30 days from the time the director knows, or should have known, about both the contribution and the fact that you are a party in the proceeding. The Party Disclosure Form should be completed and filed with your proposal, or with the first written document you file or submit after the proceeding commences.

1. A proceeding involving "a license, permit, or other entitlement for use" includes all business, professional, trade and land use licenses and permits, and all other entitlements for use, including all entitlements for land use, all contracts (other than competitively bid, labor or personal employment contracts), and all franchises.
2. Your "agent" is someone who represents you in connection with a proceeding involving a license, permit or other entitlement for use. If an individual acting as an agent is also acting in his or her capacity as an employee or member of a law, architectural, engineering, consulting firm, or similar business entity, both the business entity and the individual are "agents."
3. To determine whether a campaign contribution of more than \$250 has been made by you, campaign contributions made by you within the preceding 12 months must be aggregated with those made by your agent within the preceding 12 months or the period of the agency, whichever is shorter. Contributions made by your majority shareholder (if a closely held corporation), your subcontractor(s), your joint venturer(s), and your partner(s) in this proceeding must also be included as part of the aggregation. Campaign contributions made to different directors or their alternates are not aggregated.
4. A list of the members and alternates of the Board of Directors is attached.

This notice summarizes the major requirements of Government Code Section 84308 of the Political Reform Act and 2 Cal. Adm. Code Sections 18438-18438.8.

**ORANGE COUNTY TRANSPORTATION AUTHORITY**  
**AND ITS AFFILIATED AGENCIES**

To be completed only if campaign contributions have been made in the preceding 12 months.

Party's Name: \_\_\_\_\_

Party's Address: \_\_\_\_\_

Street

City

State

Zip

Phone

Application or Proceeding  
Title and Number: \_\_\_\_\_

Board Member(s) or Alternate(s) to whom you and/or your agent made campaign contributions and dates of contribution(s) in the preceding 12 months:

Name of Member: \_\_\_\_\_

Name of Contributor (if other than Party): \_\_\_\_\_

Date(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

Name of Member: \_\_\_\_\_

Name of Contributor (if other than Party): \_\_\_\_\_

Date(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

Name of Member: \_\_\_\_\_

Name of Contributor (if other than Party): \_\_\_\_\_

Date(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Party and/or Agent

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AND AFFILIATED AGENCIES**

**Board of Directors**

**Peter Buffa, Chairman**

**Jerry Amante, Vice Chairman**

**Patricia Bates, Director**

**Art Brown, Director**

**Bill Campbell, Director**

**Carolyn V. Cavecche, Director**

**William J. Dalton, Director**

**Richard Dixon, Director**

**Paul G. Glaab, Director**

**Cathy Green, Director**

**Allan Mansoor, Director**

**John Moorlach, Director**

**Janet Nguyen, Director**

**Chris Norby, Director**

**Curt Pringle, Director**

**Miguel Pulido, Director**

**Gregory T. Winterbottom, Director**

**PARTICIPANT DISCLOSURE FORM**

**Information Sheet**

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AND AFFILIATED AGENCIES**

The attached Participant Disclosure Form must be completed by participants in a proceeding involving a license, permit, or other entitlement for use. (Please see next page for definitions of these terms.)

**IMPORTANT NOTICE**

Basic Provisions of Government Code Section 84308

- A. If you are a participant in a proceeding involving a license, permit, or other entitlement for use, you are prohibited from making a campaign contribution of more than \$250 to any board member or his or her alternate. This prohibition begins on the date you begin to actively support or oppose an application for license, permit, or other entitlement for use pending before the Orange County Transportation Authority or any of its affiliated agencies, and continues until three months after a final decision is rendered on the application or proceeding by the Board of Directors.

No board member or alternate may solicit or accept a campaign contribution of more than \$250 from you and/or your agency during this period if the board member or alternate knows or has reason to know that you are a participant.

- B. The attached disclosure form must be filed if you or your agent have contributed more than \$250 to any board member or alternate for the Orange County Transportation Authority or any of its affiliated agencies during the 12-month period preceding the beginning of your active support or opposition. (The disclosure form will assist the board members in complying with the law.)
- C. If you or your agent have made a contribution of more than \$250 to any board member or alternate during the 12 months preceding the decision in the proceeding, that board member or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the member or alternate returns the campaign contribution within 30 days from the time the director knows, or should have known, about both the contribution and the fact that you are a participant in the proceeding.

The Participant Disclosure Form should be completed and filed with the proposal submitted by a party, or should be completed and filed the first time that you lobby in person, testify in person before, or otherwise directly act to influence the vote of the board members of the Orange County Transportation Authority or any of its affiliated agencies.

1. An individual or entity is a "participant" in a proceeding involving an application for a license, permit or other entitlement for use if:
  - a. The individual or entity is not an actual party to the proceeding, but does have a significant financial interest in the Orange County Transportation Authority's or one of its affiliated agencies' decision in the proceeding.

AND

- b. The individual or entity, directly or through an agent, does any of the following:
    - (1) Communicates directly, either in person or in writing, with a board member or alternate of the Orange County Transportation Authority or any of its affiliated agencies for the purpose of influencing the member's vote on the proposal;
    - (2) Communicates with an employee of the Orange County Transportation Authority or any of its affiliated agencies for the purpose of influencing a member's vote on the proposal; or
    - (3) Testifies or makes an oral statement before the Board of Directors of the Orange County Transportation Authority or any of its affiliated agencies.
2. A proceeding involving "a license, permit, or other entitlement for use" includes all business, professional, trade and land use licenses and permits, and all other entitlements for use, including all entitlements for land use; all contracts (other than competitively bid, labor, or personal employment contracts) and all franchises.
3. Your "agent" is someone who represents you in connection with a proceeding involving a license, permit, or other entitlement for use. If an agent acting as an employee or member of a law, architectural, engineering, or consulting firm, or a similar business entity or corporation, both the business entity or corporation and the individual are agents.

4. To determine whether a campaign contribution of more than \$250 has been made by a participant or his or her agent, contributions made by the participant within the preceding 12 months shall be aggregated with those made by the agent within the preceding 12 months or the period of the agency, whichever is shorter. Campaign contributions made to different members or alternates are not aggregated.
5. A list of the members and alternates of the Board of Directors is attached.

This notice summarizes the major requirements of Government Code Section 84308 and 2 Cal. Adm. Code Sections 18438-18438.8.

**ORANGE COUNTY TRANSPORTATION AUTHORITY**  
**AND ITS AFFILIATED AGENCIES**

To be completed only if campaign contributions have been made in the preceding 12 months.

Party's Name: \_\_\_\_\_

Party's Address: \_\_\_\_\_

Street

City

State

Zip

Phone

Application or Proceeding  
Title and Number: \_\_\_\_\_

Board Member(s) or Alternate(s) to whom you and/or your agent made campaign contributions and dates of contribution(s) in the preceding 12 months:

Name of Member: \_\_\_\_\_

Name of Contributor (if other than Party): \_\_\_\_\_

Date(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

Name of Member: \_\_\_\_\_

Name of Contributor (if other than Party): \_\_\_\_\_

Date(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

Name of Member: \_\_\_\_\_

Name of Contributor (if other than Party): \_\_\_\_\_

Date(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Party and/or Agent

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AND AFFILIATED AGENCIES**

**Board of Directors**

**Peter Buffa, Chairman**

**Jerry Amante, Vice Chairman**

**Patricia Bates, Director**

**Art Brown, Director**

**Bill Campbell, Director**

**Carolyn V. Cavecche, Director**

**William J. Dalton, Director**

**Richard Dixon, Director**

**Paul G. Glaab, Director**

**Cathy Green, Director**

**Allan Mansoor, Director**

**John Moorlach, Director**

**Janet Nguyen, Director**

**Chris Norby, Director**

**Curt Pringle, Director**

**Miguel Pulido, Director**

**Gregory T. Winterbottom, Director**

**Status of Past and Present Contracts Form**

On the form provided below, Offeror shall list the status of past and present contracts where the firm has either provided services as a prime contractor or a subcontractor during the past five (5) years in which the contract has ended or will end in a termination, settlement or in legal action. A separate form must be completed for each contract. Offeror shall provide an accurate contact name and telephone number for each contract and indicate the term of the contract and the original contract value.

If the contract was terminated, list the reason for termination. Offeror must also identify and state the status of any litigation, claims or settlement agreements related to any of the identified contracts. Each form must be signed by an officer of the Offeror confirming that the information provided is true and accurate.

<b>Project city/agency/other:</b>	
<b>Contact name:</b>	<b>Phone:</b>
<b>Project award date:</b>	<b>Original Contract Value:</b>
<b>Term of Contract:</b>	
<b>1) Status of contract:</b>	
<b>2) Identify claims/litigation or settlements associated with the contract:</b>	

By signing this Form entitled "Status of Past and Present Contracts," I am affirming that all of the information provided is true and accurate.

Name \_\_\_\_\_  
Title \_\_\_\_\_

\_\_\_\_\_ Date







BOARD COMMITTEE TRANSMITTAL

**March 9, 2009**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, <sup>WK</sup> Clerk of the Board  
**Subject:** Amendment to Agreement for Heating, Ventilation, Air Conditioning Repairs and Maintenance Services

Transit Committee meeting of February 26, 2009

**Present:** Directors Brown, Dalton, Dixon, Green, Pulido, and Winterbottom  
**Absent:** Director Nguyen

**Committee Vote**

This item was passed by all Committee Members present.

Directors Green and Pulido were not present to vote on this item.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 5 to Agreement No. C-5-3001 between the Orange County Transportation Authority and ACM Systems, Inc., to exercise the third and fourth option terms in an amount not to exceed \$400,000 for heating, ventilation, air conditioning repairs and maintenance services for a total contract value of \$972,500.



**February 26, 2009**

**To:** Transit Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Amendment to Agreement for Heating, Ventilation, Air Conditioning Repairs and Maintenance Services

**Overview**

On April 24, 2006, the Board of Directors approved an agreement with ACM Systems, Inc., in the amount of \$150,000, to provide heating, ventilation, air conditioning repairs and maintenance services for facility maintenance for a one-year period with four option years. An amendment is required to exercise an option and extend the agreement.

**Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 5 to Agreement No. C-5-3001 between the Orange County Transportation Authority and ACM Systems, Inc., to exercise the third and fourth option terms in an amount not to exceed \$400,000 for heating, ventilation, air conditioning repairs and maintenance services for a total contract value of \$972,500.

**Background**

The Orange County Transportation Authority (Authority) requires the services of a licensed heating, ventilation, and air conditioning (HVAC) contractor to perform comprehensive full service maintenance for the Authority's HVAC systems. The repair of HVAC equipment is highly specialized and normally accomplished by journeyman-level technicians. Under the full service maintenance agreement, the contractor provides most parts, labor, material, and equipment to perform scheduled and emergency maintenance services.

Agreement No. C-5-3001 was established to provide HVAC repair and maintenance services for the Authority's bases and transit terminals which includes preventive maintenance repairs and on-call emergency service. The current agreement expires on April 30, 2009. ACM Systems, Inc., has provided

HVAC repairs and maintenance services to the Authority for three years with good results.

***Discussion***

This procurement was originally handled in accordance with the Authority's procedures for professional and technical services. The original agreement was approved by the Board of Directors on April 24, 2006, and was procured on a competitive basis. It has become necessary to amend the agreement to exercise the third and fourth option terms to continue to provide heating, ventilation, air conditioning and repair service maintenance.

The agreement was for a one-year initial term at \$150,000, plus four one-year options. The first and second option terms were exercised for \$200,000 each. The Irvine Construction Circle Base was added to the scope of work for this agreement which increased the cost for the option years. Additionally, there is a 3 percent cost increase per year for the fixed price services.

Board approval is requested to exercise the third and fourth option terms from May 1, 2009 to April 30, 2011, in the amount of \$400,000. This includes preventive maintenance, repairs, and on-call emergency services used at all bases.

**Fiscal Impact**

The work described in Amendment No. 5 to Agreement No. C-5-3001 was approved in the Authority's Fiscal Year 2008-09 Budget, Transit Division, Maintenance Department, Account 2166-7612-D3107-2W5, and is funded through the Local Transportation Fund.

***Summary***

Staff recommends approval of Amendment No. 5, in the amount of \$400,000, to Agreement No. C-5-3001 with ACM Systems, Inc., to exercise the third and fourth option terms.

***Attachment***

A. ACM Systems, Inc., Agreement No. C-5-3001 Fact Sheet

**Prepared by:**



Ryan Erickson  
Section Manager,  
Facilities Maintenance  
714-560-5897

**Approved by:**



Beth McCormick  
General Manager, Transit  
714-560-5964

## ATTACHMENT A

### **ACM Systems, Inc. Agreement No. C-5-3001 Fact Sheet**

1. April 24, 2006, Agreement No. C-5-3001, \$150,000, approved by Board of Directors.
  - Heating, ventilation, air conditioning repairs, and maintenance services.
2. January 11, 2007, Amendment No. 1 to Agreement No. C-5-3001, \$22,500, approved by Contracts Administration and Materials Management Department, bringing the total commitment to \$172,500.
  - Add additional money for repairs and updating the equipment list at Irvine Sand Canyon Base.
3. February 26, 2007, Amendment No. 2 to Agreement No. C-5-3001, \$200,000, approved by Board of Directors, bringing the total commitment to \$372,500.
  - Add Irvine Construction Circle location to the scope of work and updating the equipment list.
  - Exercised the first option term of \$200,000 from May 1, 2007 to April 30, 2008.
4. March 10, 2008, Amendment No. 3 to Agreement No. C-5-3001, \$200,000, approved by Board of Directors, bringing the total commitment to \$572,500.
  - Exercise the second option term of the contract, May 1, 2008 to April 30, 2009.
5. January 13, 2009, Amendment No. 4 to Agreement No. C-5-3001, approved by Contract Administration and Materials Management, No change in value.
  - Scope of work revision to discontinue service at Santa Ana Transit Terminal.
6. March 9, 2009, Amendment No. 5 to Agreement No. C-5-3001, \$400,000 pending approval by the Board of Directors.
  - Exercise the third and fourth option terms at \$400,000, May 1, 2009 to April 30, 2011.

Total committed to ACM Systems, Inc., Agreement No. C-5-3001: \$972,500





BOARD COMMITTEE TRANSMITTAL

**March 9, 2009**

**To:** Members of the Board of Directors

**From:** Wendy Knowles, Clerk of the Board

**Subject:** Customer Relations Report for Second Quarter  
Fiscal Year 2008-09

Transit Committee meeting of February 26, 2009

**Present:** Directors Brown, Dalton, Dixon, Green, Pulido, and  
Winterbottom

**Absent:** Director Nguyen

***Committee Vote***

This item was passed by all Committee Members present.

Directors Green and Pulido were not present to vote on this item.

***Committee Recommendation***

Receive and file as an information item.



**February 26, 2009**

**To:** Transit Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Customer Relations Report for Second Quarter Fiscal Year 2008-09

### **Overview**

The Customer Relations report is submitted to the Orange County Transportation Authority Board of Directors on a quarterly basis. The report provides an overview of customer communications received during the prior period of October through December 2008, as well as a review of the performance of Alta Resources, the contracted provider of the Customer Information Center.

### **Recommendation**

Receive and file as an information item.

### **Background**

The Customer Relations Department is responsible for identifying and resolving service issues through the use of proactive and responsive methods. Customer Relations disseminates information about the Orange County Transportation Authority (OCTA) services and policies and serves as a channel through which customers' opinions about those services and policies are transmitted to OCTA.

### **Discussion**

Responsibilities within the Customer Relations Department are varied. As its primary function, Customer Relations takes written, verbal, and e-mailed comments and complaints and facilitates OCTA responses. Staff interacts closely with numerous departments to obtain resolution to customers' concerns. Customer Relations participates in monthly meetings with members of OCTA's Transit Division, as well as with the contractor responsible for providing ACCESS service and contracted fixed route service, to ensure customer concerns are heard and problems are resolved. Staff also interacts closely with the bus Service Planning and Customer Advocacy staff to ensure there is a forum to listen to the needs of riders.

The department also oversees the Customer Information Center (CIC) which provides trip routing information to bus riders; the issuance of Reduced Fare Identification (RFID) cards to seniors and persons with disabilities; and the sale of bus passes and ACCESS coupons to the public via mail, phone, and online. Customer Relations is also responsible for coordinating responses to customer service calls about the 91 Express Lanes Toll Road (91 Express Lanes); administration of the OCTA Store; production of Riders' Alerts to notify customers of changes to bus routes and schedules; and oversight of the Special Needs in Transit Advisory Committee. Below are highlights of Customer Relations activities during the period of October 1 through December 31, 2008.

Customer Communications

Customer Relations receives and processes communications from customers on a variety of topics including local bus service, intracounty and intercounty express routes, rail feeder routes, and ACCESS service. Listed below is a breakdown of the communications that Customer Relations received during the quarter.

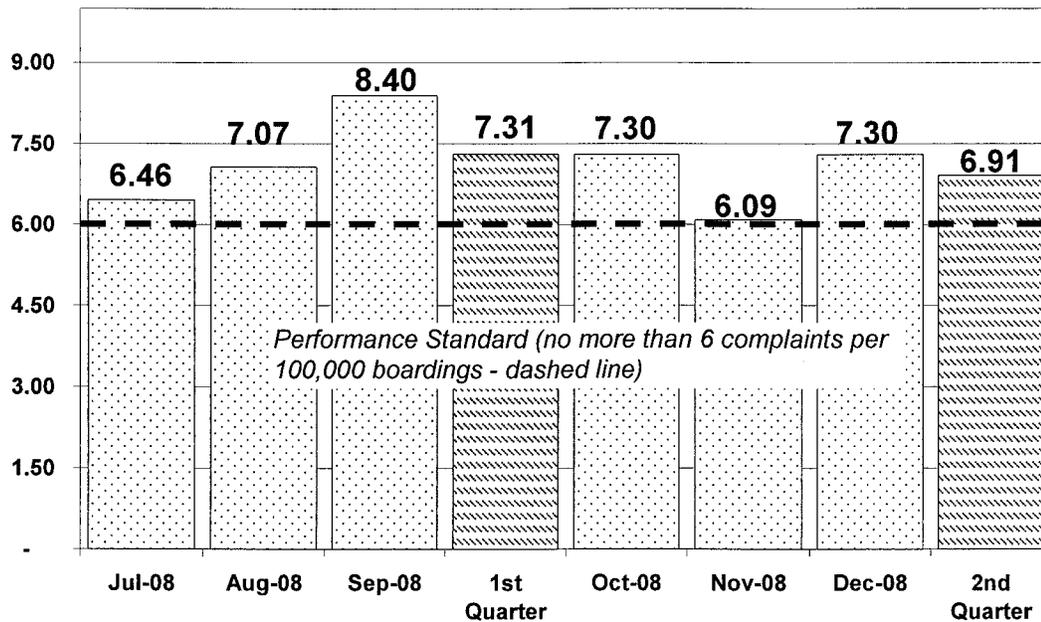
Total Communications

Fiscal Year 2008-09	Phone Calls	E-mails	Letters	Totals
1 <sup>st</sup> Quarter (July – September)	12,525	982	81	13,588
2 <sup>nd</sup> Quarter (October - December)	10,813	806	68	11,687

Fixed Route Bus Operations

During this quarter, there were 16,497,476 fixed route boardings. This represents a 9.7 percent decrease compared to the 18,270,537 boardings in the previous quarter. Based on the customer communications received, there were a total of 1,140 complaints received, equaling 6.91 complaints per 100,000 boardings, which exceeds the Transit Division's goal of no more than six complaints per 100,000 boardings. Attachment A delineates the total number of fixed route complaints received this quarter compared to previous fiscal years. The following chart provides a monthly breakdown of the complaints per 100,000 boardings.

Directly Operated Fixed Route Complaints per 100,000 Boardings



The concern most often expressed by customers of OCTA's fixed route service during the second quarter was being passed by while waiting for a bus, with an average of 95 monthly pass-by complaints received during the quarter. Also, there were 319 compliments for the quarter compared to 334 for the previous quarter, representing a 4 percent decrease in coach operator compliments.

Of the aforementioned 1,140 complaints received, the following complaints are the three most frequently reported during this quarter:

1. Pass-bys

A total of 286 complaints were received from passengers who reported being passed by OCTA buses compared to 347 complaints received last quarter, representing an 18 percent decrease for the quarter.

2. Driver Judgment (any questionable decision, action, or omission on the part of a coach operator)

There were 213 complaints received about the judgment displayed by OCTA coach operators versus 243 complaints received last quarter, a 12 percent decrease.

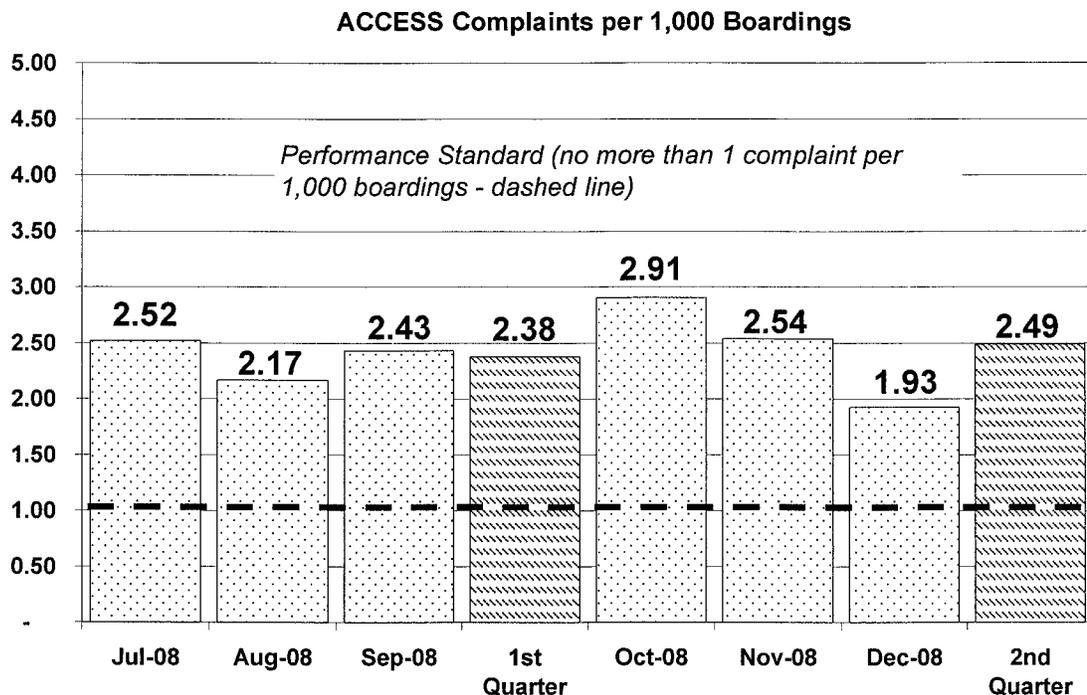
**3. Buses Running Behind Schedule**

There were 169 complaints from riders about buses not arriving on time compared to the 193 complaints reported in the previous quarter. This is a 12 percent decrease in the number of complaints about buses running behind schedule.

**ACCESS Service**

Veolia Transportation, Inc. (Veolia) operates ACCESS service. During this quarter, there were 337,603 ACCESS boardings compared to 351,849 in the previous quarter.

The complaint standard for ACCESS service is no more than one complaint for every 1,000 boardings. There were 841 complaints received about ACCESS representing 2.49 complaints per 1,000 boardings in the second quarter of fiscal year 2009. During the previous quarter, a total of 837 complaints were received equaling 2.38 complaints per 1,000 boardings.



Attachment B and the above chart depict the ACCESS complaints received this quarter. Identified in the following section are the most frequently occurring ACCESS complaints for the second quarter:

1. Vehicles Not Arriving

From October 1, 2008 to December 31, 2008, there were 184 complaints about ACCESS vehicles not arriving to pick up passengers versus 174 in the previous quarter. This is a 5.7 percent increase in complaints about ACCESS vehicles not arriving.

2. Vehicles Running Behind Schedule

Customer Relations received 184 complaints from riders about ACCESS drivers running behind schedule compared to the 135 complaints reported in the previous quarter, representing a 36 percent increase.

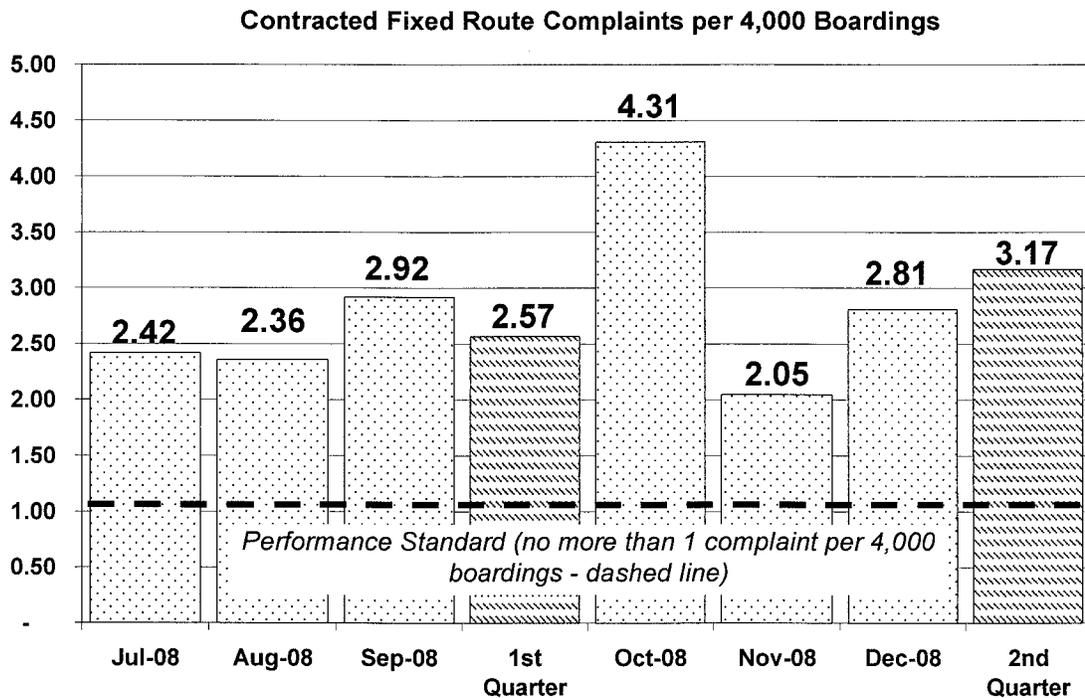
3. Driver Judgment (any questionable decision, action, or omission on the part of the ACCESS driver)

Examples of judgment complaints include, but are not limited to, loading/unloading customers under unsafe conditions, conducting personal business while in service, failure to call medical or security assistance when warranted by circumstances, etc. A total of 143 complaints were received from riders about the judgment displayed by contracted ACCESS drivers compared to 116 received last quarter. This represents a 23 percent increase in complaints about driver judgment.

Contracted Fixed Route Service

In addition to ACCESS service, Veolia operates contracted fixed route service, which includes OCTA's community fixed routes, approximately half of the StationLink routes, and the OC Express routes 757, 758, and 794. During this quarter, there were 262,766 boardings compared to 299,148 boardings in the previous quarter, a 1.2 percent decrease.

The contractual complaint standard for contracted fixed route is no more than one complaint per 4,000 boardings. Veolia finished the quarter at 3.17 complaints per 4,000 boardings. There were 2.57 complaints per 4,000 boardings in the previous quarter. Attachment C and the chart below lay out the contracted fixed route complaints by month for this quarter.



The most frequently occurring contracted fixed route complaints for this quarter are listed below:

1. Vehicles Not Arriving

Customer Relations received 42 complaints from riders about contracted vehicles not arriving to pick them up compared to the 22 complaints reported in the previous quarter, representing a 91 percent increase.

2. Driver Judgment (any questionable decision, action, or omission on the part of the contracted service driver)

A total of 19 complaints were received from riders about the judgment displayed by contracted drivers compared to 16 received last quarter. This is a 19 percent increase in complaints about driver judgment.

3. Vehicles Running Behind Schedule

There were 17 complaints about contracted drivers running late versus 31 complaints in the previous quarter, a 45 percent decrease.

Customer Information Center

The CIC is operated by Alta Resources. Alta Resources handled 178,096 calls during the quarter, compared to 208,171 in the previous quarter, representing a 14.4 percent decrease in call volume. The average monthly call volume for this quarter was 59,365 versus 69,390 in the previous quarter.

During the second quarter of the fiscal year, a total of eight complaints and 24 compliments were received about Alta Resources compared to 11 complaints and 26 compliments during the first quarter.

Fiscal Year 2008-09

	Phone Calls	Compliments	Complaints
July	73,285	13	7
August	69,780	5	1
September	65,106	8	3
October	63,876	6	9
November	58,088	9	2
December	56,132	9	1

Customer Relations Activities

- Coach Operator Training

Customer Relations conducted four student coach operator training (SCOT) sessions and three customer relations training (CRT) sessions. The purpose of these classes is to improve and enhance the customer service that is provided to passengers by coach operators. In addition, 13 annual required training (ART) classes were conducted during the quarter. All of the training sessions include a presentation on the customer comment process, interactive discussions, and a question and answer session with coach operators.

- 91 Express Lanes

The OCTA Store established 90 new accounts for the 91 Express Lanes compared to 81 in the previous quarter.

- OCTA Store Sales and Pass Sales

The OCTA Store had total sales of \$285,227 during the quarter compared to \$311,230 in the previous quarter and \$268,522 in the second quarter of the previous fiscal year. These sales figures include the sale of passes, merchandise, and Employee Recreation Association (ERA) tickets.

In addition to the OCTA Store sales, there was a total of \$454,587 in passes sold within the Pass Sales Section compared to \$484,761 in the previous quarter and \$425,885 in the second quarter of the previous fiscal year. The sales within this section are processed by Alta Resources, the contracted provider of the CIC.

The combined sales between the OCTA Store and the Pass Sales Section totaled \$739,814 for the second quarter compared to \$795,991 in the previous quarter and \$694,407 in the second quarter of the previous fiscal year.

- **Special Needs in Transit Advisory Committee**

During this quarter, the annual recruitment for this committee was completed. In December, 2008, the OCTA Board of Directors approved the appointment of five new members, the reappointment of seven current members, and five mid-term appointments, as well as resolutions of appreciation for outgoing members.

**Summary**

Throughout the quarter, Customer Relations continued to address customer service issues. Customer comments for OCTA-operated fixed route bus service, as well as ACCESS and contracted fixed route service, operated by Veolia, did not meet established performance standards during the second quarter. Alta Resources, the contractor responsible for the CIC, continued to operate within the performance standards established in their contract.

**Attachments**

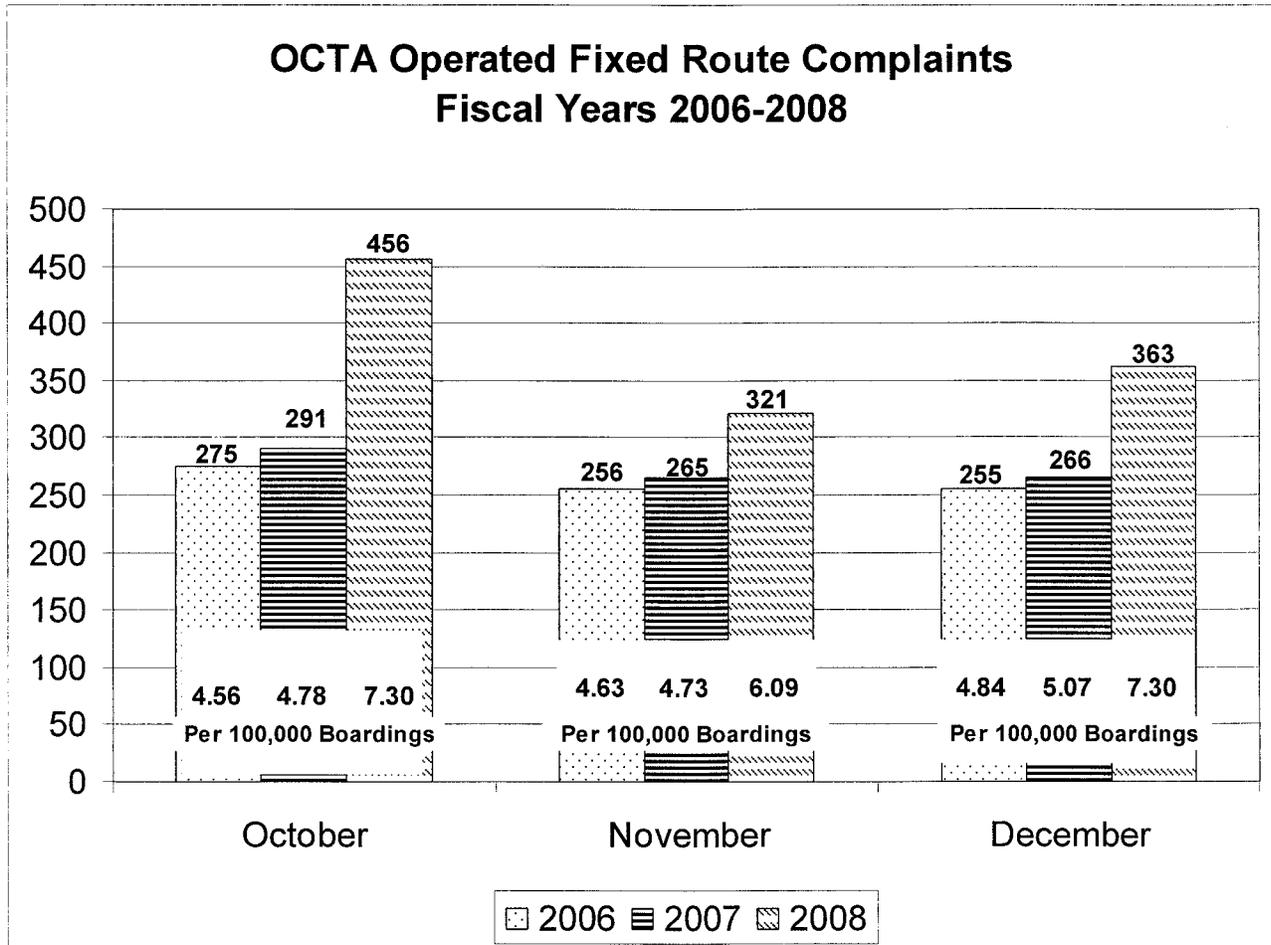
- A. OCTA Operated Fixed Route Complaints Fiscal Years 2006-2008
- B. ACCESS Complaints Fiscal Years 2006-2008
- C. Contracted Fixed Route Complaints Fiscal Years 2006-2008

**Prepared by**

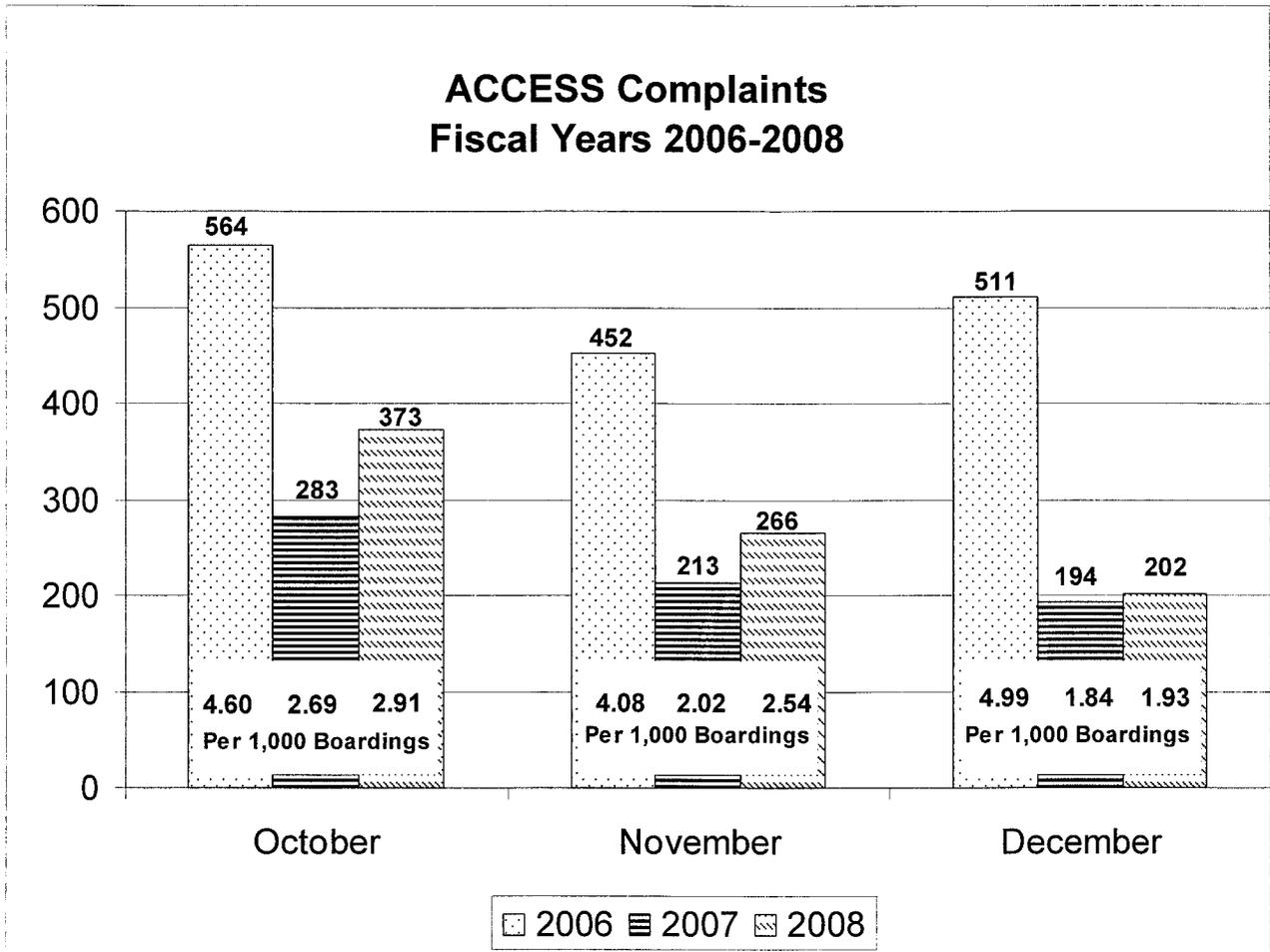
  
Adam D. Raley  
Senior Customer Relations  
Specialist  
(714) 560-5510

**Approved by:**

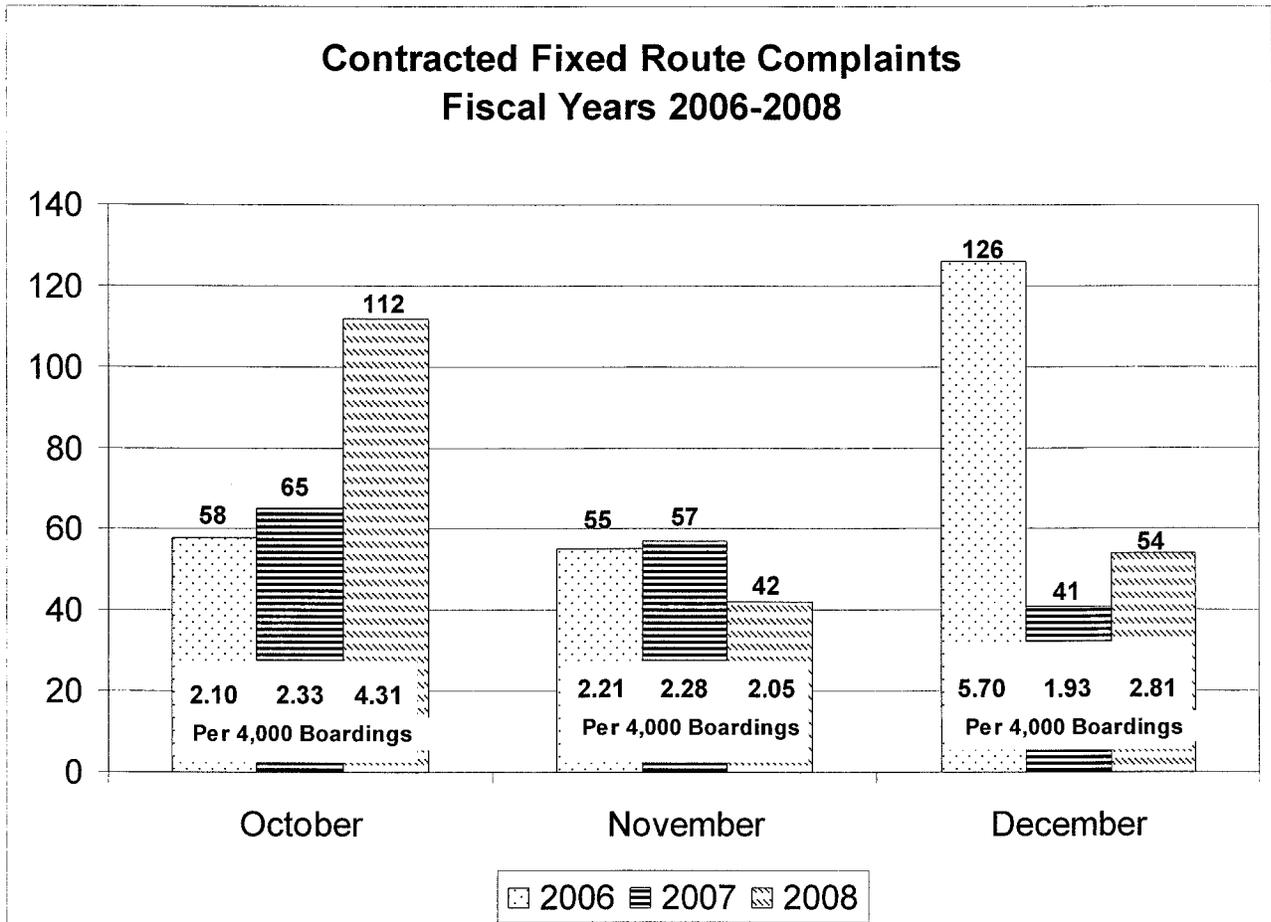
  
Ellen S. Burton  
Executive Director, External Affairs  
(714) 560-5923



\* The complaint standard for fixed route service is no more than six complaints for every 100,000 boardings.



\* The contractual complaint standard for ACCESS service is no more than one complaint for every 1,000 boardings.



\* The complaint standard for contracted fixed route service is no more than one complaint for every 4,000 boardings.





*BOARD COMMITTEE TRANSMITTAL*

*March 9, 2009*

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board  
**Subject:** **Programming of Economic Stimulus Funds**

Executive Committee meeting of March 2, 2009

**Present:** Chairman Buffa, Vice Chairman Amante, Directors Campbell, Cavecche, Glaab, Nguyen, Norby, and Pringle  
**Absent:** None

***Committee Vote***

This item was passed by all Committee Members present.

***Committee Recommendations***

- A. Authorize staff to use economic stimulus revenues to fund projects consistent with Board of Directors-approved guiding principles for implementation.
- B. Authorize staff to process all necessary amendments to the Regional Transportation Improvement Program and execute any necessary agreements to facilitate programming of economic stimulus funds.
- C. Authorize the Chief Executive Officer to file and execute grant-related agreements with the Federal Transit Administration for the purpose of obtaining economic stimulus funds.

**Note:** A revised Attachment B, which was provided to the Committee, is provided herein.

## Potential Economic Recovery Transportation Funds to Orange County

(As of February 27, 2009)

Federal Transportation Programs	American Recovery and Reinvestment Act of 2009			Pending California Legislative Changes (Additive to Orange County Funding)**
	Total	California	Orange County	Orange County
Highway Infrastructure	26,810,000,000	2,570,000,000	64,764,000	66,108,000
Transportation Enhancement Revenues	N/A*	77,000,000	4,870,000	-870,000
Transit Capital Assistance	6,730,000,000	1,002,000,000	76,042,442	N/A
Rail Modernization	750,000,000	66,000,000	1,234,450	N/A
Competitive Surface Transportation Program	1,500,000,000	TBD	TBD	N/A
High Speed Rail Corridors	8,000,000,000	TBD	TBD	N/A
Intercity Rail (Amtrak)	1,300,000,000	TBD	TBD	N/A
<b>Total:</b>	<b>\$ 45,090,000,000</b>	<b>\$ 3,715,000,000</b>	<b>\$ 146,910,892</b>	<b>\$ 65,238,000</b>

\* TE included in highway infrastructure, suballocated within California

\*\* Proposed legislation providing additional direct distribution to Orange County

## Orange County Economic Recovery Program of Projects

Project Description	ARRA 2009 Estimate* (\$ x 1,000)	Including California Legislative Proposal Estimate (\$ x 1,000)	Projects Contingent on Additional Funding
<b>Highway Infrastructure</b>	\$ 64,764	\$ 130,872	
SR-91 Eastbound New Lane from SR-241 to SR-71	\$ 64,764	\$ 71,440	
SR-22/I-605/I-405 Carpool Connectors**		\$ 26,432	\$ 229,788
Local Agency Projects**		\$ 33,000	\$ 704,000
<b>Sub-total</b>	<b>\$ 64,764</b>	<b>\$ 130,872</b>	<b>\$ 933,788</b>
<b>Transit Capital Assistance</b>	<b>\$ 76,042</b>	<b>\$ 76,042</b>	
Bus Preventative Maintenance/Cost of Contracting	\$ 75,292	\$ 75,292	\$ 4,097
Fall Protection Bus Base Capital Improvements	\$ 500	\$ 500	
Joint Sealant - Irvine Base	\$ 250	\$ 250	
Elevator Upgrades - Bus Base Capital Improvements			\$ 350
Vehicle Lifts Bus Base Capital Improvements			\$ 850
Metrolink Track Spur for Maintenance of Way Car Set Out			\$ 3,425
Bus Radio System Replacement			\$ 20,400
Farebox Upgrade			\$ 8,000
Goldenwest Transportation Center Parking Structure			\$ 7,000
Irvine Bus Base Parking			\$ 6,000
Metrolink Rail Tie, Crossing Replacement and Rehabilitation			\$ 72,000
<b>Sub-total</b>	<b>\$ 76,042</b>	<b>\$ 76,042</b>	<b>\$ 122,122</b>
<b>Rail Modernization Revenues (Metrolink)</b>	<b>\$ 1,234</b>	<b>\$ 1,234</b>	
Metrolink Positive Train Control (OCTA share)	\$ 1,234	\$ 1,234	\$ 4,566
Keller Street Yard Option (OCTA share)			\$ 1,130
Fiber Optics			\$ 6,000
Eastern Area Rail Maintenance Facility			\$ 6,760
<b>Sub-total</b>	<b>\$ 1,234</b>	<b>\$ 1,234</b>	<b>\$ 18,456</b>
<b>Transportation Enhancement Revenues</b>	<b>\$ 4,870</b>	<b>\$ 4,000</b>	
Costa Mesa - Fairview/I-405 Landscape Enhancement Project	\$ 500	\$ 500	
Cypress - Moody Street Beautification Project	\$ 500	\$ 500	
Huntington Beach - Edinger Avenue Parkway Improvements, Phase 2	\$ 156	\$ 156	
Irvine - Jeffrey/I-405 Bike Bridge Landscaping	\$ 344	\$ 344	
Laguna Niguel - Landscape and Street Improvements for Camino Capistrano	\$ 500	\$ 500	
Orange - Tustin Branch Rail Trail	\$ 2,720	\$ 1,850	
Villa Park - Taft Avenue Landscape	\$ 150	\$ 150	
<b>Sub-total</b>	<b>\$ 4,870</b>	<b>\$ 4,000</b>	
<b>Additional OCTA Projects</b>			
Solar Panels at Goldenwest Center & Fullerton Park & Ride			\$ 4,000
Laguna Niguel - San Juan Capistrano Track Improvements			\$ 48,000
Metrolink Bridge Replacement			\$ 2,250
Metrolink Track Turnout Replacement			\$ 6,025
Placentia Commuter Rail Station			\$ 23,000
Placentia Avenue - Rail/Road Improvements			\$ 57,000
San Clemente Pedestrian Crossings			\$ 2,000
<b>Sub-total</b>			<b>\$ 142,275</b>
<b>TOTAL</b>	<b>\$ 146,910</b>	<b>\$ 212,148</b>	<b>\$ 1,216,641</b>

\*Programming of economic recovery funds based on estimated amounts

\*\* Subject to California Legislation

ARRA - American Recovery and Reinvestment Act

RTIP - Regional Transportation Improvement Program

SR-241 - Foothill Transportation Corridor

SR-71 - Corona Expressway

I-405 - San Diego Freeway

SR-22 - Garden Grove Freeway

I-605 - San Gabriel River Freeway

## Potential Economic Recovery Funds for SHOPP

*(Distributed at 2/19/09 CTC meeting)*

<b>Total (Bonds, SHA, et al):</b>	<b>\$ 1,542,042,000</b>
<b>Orange County Projects (see below):</b>	<b>\$ 15,208,000</b>
<b>Percent of Total:</b>	<b>1.0%</b>

### Proposed Projects

SR-55, MacArthur Blvd. southbound off-ramp improvements	\$746,000
SR-91, replace metal beam guard rail with concrete barrier from truck scales to Coal Canyon	\$1,850,000
Various locations, replace metal beam guard rail with concrete barriers	\$5,791,000
Carbon Canyon, drainage improvements	\$291,000
SR-73 northbound, resurface northbound offramp to northbound SR-55	\$475,000
I-5 southbound, resurface Penn Way on-ramp	\$185,000
Near San Juan Capistrano, install grooved pavement	\$1,970,000
Various locations, slurry seal	\$2,000,000
Various locations, overlays	\$1,900,000



**March 2, 2009**

**To:** Executive Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Programming of Economic Stimulus Funds

**Overview**

Federal legislation for economic recovery has been completed and staff is positioning projects to ensure funding eligibility. The bill does not allow for streamlining of state or federal requirements and funding recipients must act quickly and follow all required federal and state procedures.

**Recommendations**

- A. Authorize staff to use economic stimulus revenues to fund projects consistent with Board of Directors-approved guiding principles for implementation.
- B. Authorize staff to process all necessary amendments to the Regional Transportation Improvement Program and execute any necessary agreements to facilitate programming of economic stimulus funds.
- C. Authorize the Chief Executive Officer to file and execute grant-related agreements with the Federal Transit Administration for the purpose of obtaining economic stimulus funds.

**Background**

On January 26, 2009, the Board of Directors (Board) adopted the Guiding Principles for Project Eligibility and Distribution of Transportation Funding Within an Economic Recovery Package (Attachment A) along with a draft list of candidate projects.

President Barack Obama has signed the American Recovery and Reinvestment Act of 2009. The act includes funding for highway improvements, public transportation, multimodal competitive grants, and rail transportation including Amtrak and high-speed rail. The final bill includes more reasonable

delivery requirements compared to earlier versions given that the act also maintains that projects shall conform to all federal funding requirements and regulations. A summary of the major categories is provided below. The exact dollar amounts, however, are pending release of official estimates from the Federal Department of Transportation and California Department of Transportation.

The highway investment equates to approximately \$2.57 billion for California. The bill calls for 70 percent of these funds to flow through the state and 30 percent to be allocated through the Surface Transportation Program (STP) of which the Orange County Transportation Authority (OCTA) is an eligible recipient.

As of this writing, the state had not published a process or estimated funding levels regarding the 70 percent portion of the funds that is to flow through the state. It should be noted that the federal bill includes a requirement that the state is required to obligate at least 50 percent of this portion of the highway funds within 120 days of apportionment and the remainder within one year. The 30 percent apportionment through the STP process results in approximately \$65 million of flexible highway funds being available to Orange County. Based on initial analysis of the federal bill, the STP funds do not carry use-it-or-loose-it requirements. The bill includes an additional 3 percent set aside apportionment for Transportation Enhancement Program (TE) projects.

OCTA is also expected to receive \$77.5 million of transit funding through the traditional transit capital formula funding program. These funds can be used for bus base capital improvements, preventative maintenance, and rail capital. In addition, OCTA typically grants the Southern California Regional Rail Authority the rail modernization funds estimated to be approximately \$10 million. If less than 50 percent of transit funds are obligated within 180 days of apportionment, the remainder are distributed to other states. The exact dollar amounts are pending apportionment by the federal government, which must take place within 21 days of enactment and release from the California Department of Transportation.

### ***Discussion***

OCTA staff has developed an overall programming strategy to deliver the projects given the estimated funding levels and position Orange County to receive additional funding should other areas not meet their delivery targets. The programming strategy also provides flexibility to fine-tune the list based on final estimates and such that no money will be returned to the state for expenditures elsewhere. Attachment B shows the recommended program of projects. This program follows the Board-approved guiding principles, federal requirements, estimated funding levels, and delivery requirements.

The program of projects includes approximately \$110 million of highway projects to cover both STP and funds that are likely to be available through the state apportionment process as well as TE funds. The Riverside Freeway (State Route 91) eastbound lane project is the first priority consistent with the policy guidelines to fund Renewed Measure M Early Action Plan projects. The State Route 91 (SR-91) project is ready to be advertised for construction at this time. Depending on the final state apportionment process, OCTA staff recommends programming economic recovery revenues for local agency street rehabilitation projects as well as the SR-91 project. Distribution of funds to local agency projects can be on a formula basis; however, the local agencies will be required to meet federal regulatory and delivery requirements. Staff has also prepared a list of TE projects as required by federal law. This listing is based on next-in-line, ready-to-go unfunded transportation enhancement projects that have been identified through prior call-for-projects processes.

With respect to transit funding, the proposed program maximizes funding for bus maintenance. Staff is also recommending a project to advance positive train control for use of rail modernization funds.

The next step in the process is to amend the federal Regional Transportation Improvement Program (RTIP) to reflect the proposed projects. This is one of the critical federal requirements for receipt of funds. The RTIP amendment must be processed according to existing regional and federal procedures. The procedures allow limited administrative changes which can be implemented quickly. New projects or significant funding changes require a formal amendment and review process which are expected to be completed by May 2009.

The Federal Transit Administration (FTA) "Program of Projects" public posting requirement will be fulfilled through the public hearing held by the Southern California Association of Governments for the RTIP amendment. In addition, the OCTA Chief Executive Officer will need to file and execute related agreements with the FTA. Currently, obligation of transit funds is met when OCTA executes a federal grant agreement.

#### Next Steps

The federal bill includes capital assistance for high-speed rail and discretionary funds for highway, transit, freight and passenger rail.

OCTA will work with the California High-Speed Rail Authority and regional agencies to identify eligible high-speed passenger rail projects and funding for

California. The United States Department of Transportation Secretary has 120 days after enactment of the bill to issue guidance on grant competition for \$8 billion of capital assistance for high-speed rail corridors as well as 90 days to publish criteria for the \$1.5 billion multimodal competitive grant fund.

All projects in Attachment B will be monitored closely given the uncertain amount of economic recovery revenues available to OCTA, lengthy process to program projects in the RTIP, and other regulatory processes. Staff continues to work diligently to deliver projects within the federal and state requirements. Additional RTIP amendments may be processed upon receipt of economic recovery funds over and above the estimates.

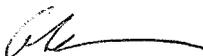
**Summary**

OCTA requires authorization to use economic recovery funds and process both administrative and formal amendments to the RTIP, as well as execute all necessary agreements including grant-related agreements with the FTA for the purpose of obtaining economic recovery funds.

**Attachments**

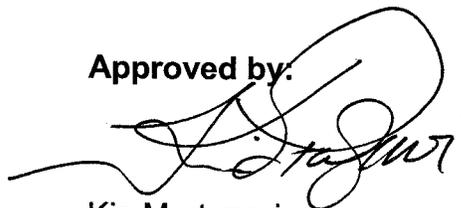
- A. Orange County Transportation Authority Guiding Principles for Project Eligibility and Distribution of Transportation Funding within an Economic Recovery Package, January 26, 2009
- B. Orange County Economic Recovery Program of Projects

**Prepared by:**



Abbe McClenahan  
Capital Programs Manager  
(714) 714-5673

**Approved by:**



Kia Mortazavi  
Executive Director, Development  
(714) 560-5741

**Orange County Transportation Authority  
Guiding Principles for Project Eligibility and Distribution of Transportation  
Funding within an Economic Recovery Package  
January 26, 2009**

**Federal**

- Highway transportation funds should be allocated through the Surface Transportation Program (STP) by formula to the states and require sub-allocations of funds to the regions.
- Transit funding should be allocated through the Federal Transit Administration Urbanized Area Formula Program, Section 5307, and include funding for operations to preserve service and jobs.
- Federal economic recovery funds should not be used to supplant existing resources and recipients should be required to provide a certification of maintenance of effort.
- Stimulus funds should be permitted to accelerate planned projects provided reallocated state transportation funding commitments are retained for new projects within a reasonable time frame.

**State**

- If the federal economic recovery package does not sub-allocate funding to regions, funds allocated to the state should be distributed two-thirds to regional transportation planning agencies (RTPAs), with the Boards of the RTPAs further allocating funds to cities and counties.
- Stimulus funds should be permitted to accelerate planned projects provided reallocated transportation funding commitments to local agencies are retained for new projects within a reasonable time frame.
- Recipients should be required to provide a certification of maintenance of effort.
- If federal economic recovery funds are used on Proposition 1B projects, the previous Proposition 1B commitments for that project should remain with that county for reallocation to another eligible project.
- Projects should not require approval from the California Transportation Commission.
- Projects should be consistent with those currently eligible under the federal STP program, including:
  - Construction, reconstruction, rehabilitation, resurfacing, restoration, and operational improvements for highways and bridges (exclusive of local and rural roads classified as minor collectors)
  - Capital costs for transit projects, including vehicles and facilities
  - Carpool projects, fringe and corridor parking facilities and programs, bicycle transportation, pedestrian walkways, and accessibility projects
  - Highway and transit safety infrastructure improvements and programs and railway-highway grade crossings
  - Highway and transit research and development
  - Capital and operating costs for traffic monitoring, management, and control facilities and programs

- Surface transportation planning programs
- Transportation enhancement activities
- Transportation control measures
- Environmental mitigation
- Projects relating to intersections that have disproportionately high-accident rates, have high levels of congestion, and are located on a federal-aid highway
- Capital costs of intelligent transportation systems

### **Orange County Transportation Authority**

- First priority to Renewed Measure M Early Action Plan projects.
- Second priority to projects supporting Renewed Measure M
- Third priority to local agencies projects based on project readiness and need.

## Orange County Economic Recovery Program of Projects

Project Description	RTIP Amendment (120 day obligation) (\$ x 1,000)*	RTIP Amendment (180 day obligation) (\$ x 1,000)*	Projects Contingent on Additional Funding
<b>Surface Transportation Program</b>			
SR-91 Eastbound New Lane from SR-241 to SR-71	\$ 71,440		
Local Agency Projects	\$ 33,000		\$ 704,000
<b>Sub-total</b>	<b>\$ 104,440</b>		<b>\$ 704,000</b>
<b>Transit Revenues</b>			
Bus Preventative Maintenance/Cost of Contracting		\$ 76,425	\$ 2,964
Fall Protection Bus Base Capital Improvements		\$ 500	
Elevator Upgrades - Bus Base Capital Improvements		\$ 325	
Joint Sealant - Irvine Base		\$ 250	
Vehicle Lifts Bus Base Capital Improvements			\$ 850
Metrolink Track Spur for Maintenance of Way Car Set Out			\$ 3,425
Bus Radio System Replacement			\$ 20,400
Farebox Upgrade			\$ 8,000
Goldenwest Transportation Center Parking Structure			\$ 7,000
Irvine Bus Base Parking			\$ 6,000
Metrolink Rail Tie, Crossing Replacement and Rehabilitation			\$ 72,000
<b>Sub-total</b>		<b>\$ 77,500</b>	<b>\$ 120,639</b>
<b>Rail Modernization Revenues (Metrolink)</b>			
Metrolink Positive Train Control (OCTA share)		\$ 5,800	
Keller Street Yard Option (OCTA share)		\$ 1,130	
Fiber Optics		\$ 3,000	\$ 3,000
Eastern Area Rail Maintenance Facility			\$ 6,760
<b>Sub-total</b>		<b>\$ 9,930</b>	<b>\$ 9,760</b>
<b>Transportation Enhancement Revenues</b>			
Costa Mesa - Fairview/I-405 Landscape Enhancement Project	\$ 500		
Cypress - Moody Street Beautification Project	\$ 500		
Huntington Beach - Edinger Avenue Parkway Improvements, Phase 2	\$ 156		
Irvine - Jeffrey/I-405 Bike Bridge Landscaping	\$ 344		
Laguna Niguel - Landscape and Street Improvements for Camino Capistrano	\$ 500		
Orange - Tustin Branch Rail Trail	\$ 4,000		
Villa Park - Taft Avenue Landscape	\$ 150		
To Be Determined		\$ 2,000	
<b>Sub-total</b>	<b>\$ 6,150</b>	<b>\$ 2,000</b>	
<b>Additional OCTA Projects</b>			
SR-22/I-605 Carpool Connector			\$ 152,300
SR-22/I-405 Carpool Connector			\$ 107,700
Solar Panels at Goldenwest Center & Fullerton Park & Ride			\$ 4,000
Laguna Niguel - San Juan Capistrano Track Improvements			\$ 48,000
Metrolink Bridge Replacement			\$ 2,250
Metrolink Track Turnout Replacement			\$ 6,025
Placentia Commuter Rail Station			\$ 23,000
Placentia Avenue - Rail/Road Improvements			\$ 57,000
San Clemente Pedestrian Crossings			\$ 2,000
<b>Sub-total</b>			<b>\$ 402,275</b>
<b>TOTAL</b>	<b>\$ 110,590</b>	<b>\$ 89,430</b>	<b>\$ 1,236,674</b>

\*Programming of economic recovery funds based on estimated amounts

RTIP - Regional Transportation Improvement Program  
SR-241 - Foothill Transportation Corridor  
SR-71 - Corona Expressway  
I-405 - San Diego Freeway  
SR-22 - Garden Grove Freeway  
I-605 - San Gabriel River Freeway





**March 9, 2009**

**To:** Members of the Board of Directors

**From:** Arthur T. Leahy, Chief Executive Officer *ATL*

**Subject:** June 2009 Bus Service Reduction Program

### **Overview**

As the revenue forecast for the Orange County Transportation Authority continues to worsen, staff is working on a number of programs to address the shortfall in the current fiscal year budget, as well as that forecasted for coming fiscal year 2009-10. Included in these efforts is a bus service reduction program that will be implemented as part of the June 2009 service change removing approximately 55,000 annual revenue vehicle hours of service.

### **Recommendation**

Receive and file as an information item.

### **Background**

In response to the worsening economy, Orange County Transportation Authority (Authority) staff has developed and implemented a number of strategies designed to address forecasted reductions in revenue for the current fiscal year and coming fiscal year 2009-10. With the loss of operating dollars associated with the elimination and/or reduction of state and local transportation funding programs, staff must take action to refocus the bus service delivery plan to ensure a balanced operating budget moving toward a sustainable level of service.

### **Discussion**

As fiscal problems continue to impact sources of bus operating funds, staff has taken steps to change the fiscal year 2008-09 bus service delivery plan; this began with a modest service reduction program implemented in December 2008. A larger service reduction was implemented in March 2009. Between these two efforts, service has been reduced by approximately 78,000 annual revenue vehicle hours.

In addition to reducing operating costs, the Authority acted to increase revenue through a fare increase instituted in January 2009.

While these programs have been helpful, financial forecasts continue to deteriorate, requiring the Authority to extend a cost reduction program. Consequently, Authority staff has developed plans to further reduce bus service, effective with the June 2009 service change program. As shown on the attached map (Attachment A), the operating schedules for 26 Authority bus lines will be revised to operate fewer service hours.

The techniques applied to effect this reduction in service include increasing the time interval between trips (headway widening); individual trip eliminations; reducing the span of service; and the creation of new intermediate terminals (short-line terminals) to enable a reduction in the number of trips operated over select segments of a bus line's full routing. In addition, Route 60 will be shortened to end all trips at 7<sup>th</sup> Street and Channel Drive in the City of Long Beach. The specific strategies to be applied for each route are summarized in Attachment B.

Finally, the reductions to Authority fixed route services will also impact some ACCESS customers since paratransit services mirror the regular bus route network during the times the buses are in service. As span of service is reduced, ACCESS service availability in the area may be reduced. The reduction of Route 60 in the City of Long Beach, for example, will cause the Authority's ACCESS service to end at 7<sup>th</sup> Street and Channel Drive instead of the downtown area in the vicinity of 1<sup>st</sup> Street and Elm Avenue.

***Summary***

Revenue projected for the current fiscal year and fiscal year 2009-10 continues to decline. Authority staff has taken action to address projected shortfalls through programs designed to boost revenue and reduce operating costs. As part of a service economies program initiated in December 2008 and continued in March 2009, bus service will continue to be reduced in June 2009 by approximately 55,000 annual revenue vehicle hours.

---

**Attachments**

- A. Service Reductions by Route for June 2009
- B. June 2009 Service Change Summary

**Prepared by:**



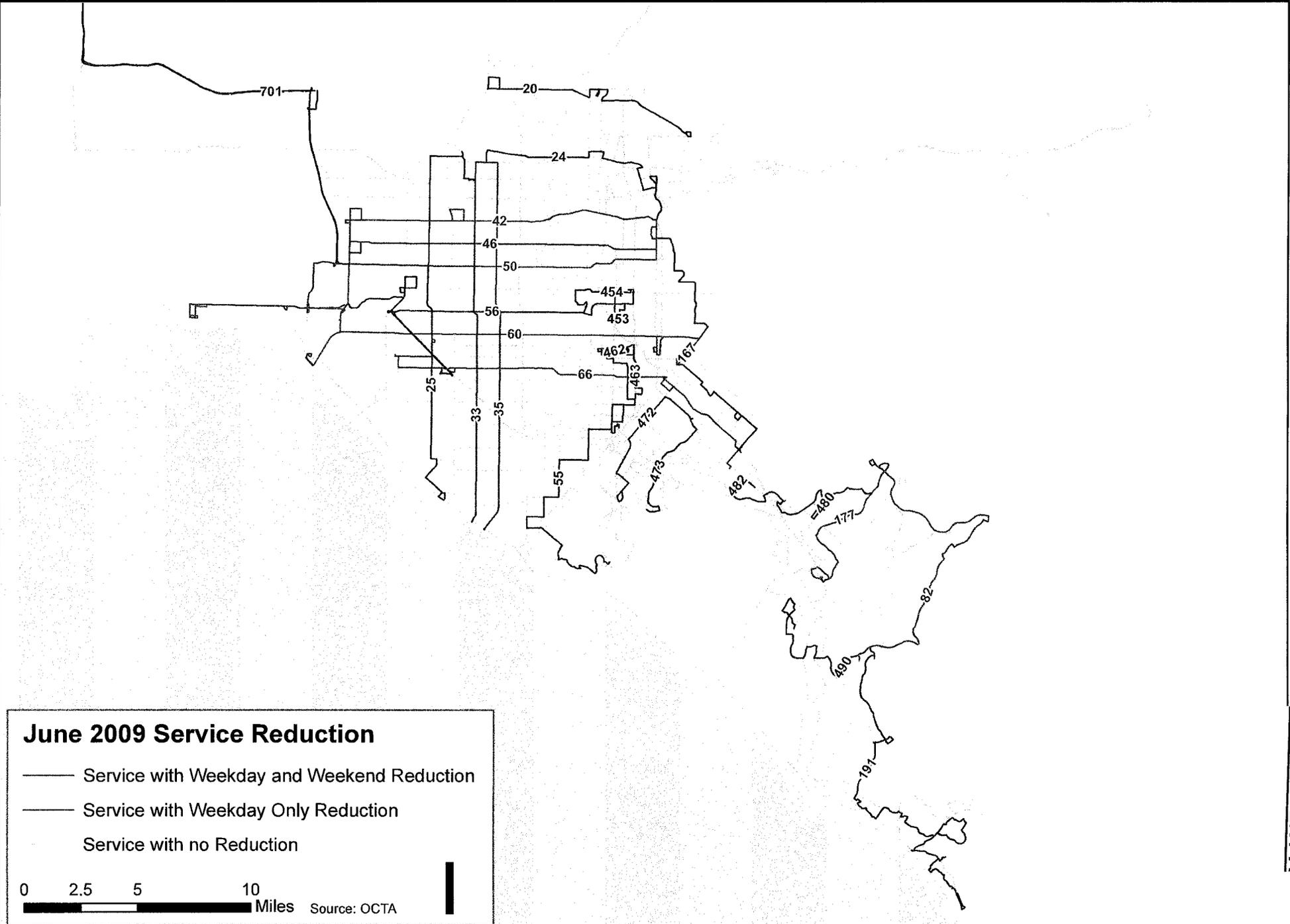
Scott Holmes  
Manager, Service Planning and  
Customer Advocacy  
(714) 560-5710

**Approved by:**



Beth McCormick  
General Manager, Transit  
(714) 560-5964

# Service Reduction by Route for June 2009



**JUNE 2009 SERVICE CHANGE SUMMARY**

Line	Name	Day	Techniques
20	Imperial Highway	Weekday	Span reduction
24	Chapman Avenue (Fullerton)	Weekday	Trip eliminations Span reduction
25	Knott Avenue/Golden West Street	Weekday	Headway widening
33	Magnolia Street	Weekday	Headway widening
35	Brookhurst Street	Weekday	Headway widening
42	Lincoln Avenue	Weekday	Short line terminals
		Saturday	Short line terminals
		Sunday	Short line terminals Span reduction
46	Ball Road	Weekday	Short line terminals
50	Katella Avenue	Weekday	Short line terminals
		Saturday	Short line terminals
		Sunday	Short line terminals
55	Standard Avenue/Bristol Street/17th Street (Costa Mesa)	Weekday	Headway widening
56	Garden Grove Boulevard	Weekday	Short line terminals Span reduction
60	Westminster Avenue/17th Street	Weekday	Short line terminals
		Saturday	Short line terminals
		Sunday	Short line terminals
66	McFadden Avenue	Weekday	Short line terminals
		Saturday	Short line terminals
		Sunday	Short line terminals
82	Santa Margarita Parkway	Weekday	Headway widening Span reduction
		Saturday	Trip eliminations
		Sunday	Trip eliminations
167	Tustin Avenue/Hewes Street/Bryan Avenue	Weekday	Short line terminals Span reduction
177	Laguna Hills—Foothill Ranch	Weekday	Span reduction
		Saturday	Headway widening
		Sunday	Headway widening
191	Mission Viejo—San Clemente	Weekday	Trip eliminations Span reduction
453	Orange Transportation Center—St. Joseph's Hospital	Weekday	Trip eliminations Span reduction
454	Orange Transportation Center—The Block	Weekday	Span reduction
462	The Depot At Santa Ana—Civic Center	Weekday	Trip eliminations Span reduction
463	The Depot At Santa Ana—Hutton Centre	Weekday	Span reduction
472	Tustin Station—Newport Beach	Weekday	Span reduction
473	Tustin Station—University of California Irvine	Weekday	Trip eliminations Span reduction
480	Irvine Station—Lake Forest	Weekday	Trip eliminations Span reduction
482	Irvine Station—Irvine Center & Discovery	Weekday	Trip eliminations Span reduction
490	Laguna Niguel/Mission Viejo Station—Aliso Viejo	Weekday	Trip eliminations Span reduction
701	Huntington Beach—Los Angeles	Weekday	Trip eliminations

Span Reduction = Deleting the first and/or last trips of the day and/or evening thereby reducing the total time service is operated;

Trip eliminations = individual trips deleted within the schedule not affecting the span of service;

Headway widening = increasing the time interval between trips (headway) on a recurring basis so that fewer trips are operated in the target time period;

Short line terminals = intermediate locations where buses can turnaround and travel back in the opposite direction instead of traveling to the regular or far terminal.





BOARD COMMITTEE TRANSMITTAL

**March 9, 2009**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Radio Communication Systems Upgrade

Transit Committee meeting of February 26, 2009

**Present:** Directors Brown, Dalton, Dixon, Green, Pulido, and Winterbottom  
**Absent:** Director Nguyen

***Committee Vote***

This item was passed by all Committee Members present.

Director Pulido was not present to vote on this item.

***Committee Recommendations***

- A. Approve consultant recommendation to proceed with an upgrade to the existing radio communication systems.
- B. Authorize the Chief Executive Officer to negotiate a sole source agreement between the Orange County Transportation Authority and Affiliated Computer Services and Tyco for the upgrade of the radio communication systems, in an amount not to exceed \$20 million, contingent upon the Internal Audit Department's review of cost and price.



**February 26, 2009**

**To:** Transit Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Radio Communication Systems Upgrade

### **Overview**

The Orange County Transportation Authority engaged a consultant to conduct an assessment of the existing radio communication systems. The study is complete and recommendations for upgrades to the systems are presented for Board of Directors' approval.

### **Recommendations**

- A. Approve consultant recommendation to proceed with an upgrade to the existing radio communication systems.
- B. Authorize the Chief Executive Officer to negotiate a sole source agreement between the Orange County Transportation Authority and Affiliated Computer Services and Tyco for the upgrade of the radio communication systems, in an amount not to exceed \$20 million, contingent upon the Internal Audit Department's review of cost and price.

### **Background**

The Orange County Transportation Authority (Authority) operates three primary communications systems to provide voice and data transmission to and from the fleet of revenue vehicles. The systems include a 500-megahertz (MHz) conventional voice radio system for the ACCESS and contracted fixed route (CFR) fleet, a cellular-based data system for sending real-time schedule updates to the ACCESS fleet, and the Integrated Transportation Communication System (ITCS), an 800-MHz digital system providing voice and data to the larger fixed-route fleet. These systems are a vital link within the Authority's transit system, ensuring service, safety, and security for the Authority's employees and customers.

The ITCS became operational in 2000, providing a digital communication system for both voice and data. The system was originally designed to provide coverage throughout the County with capacity for the entire revenue fleet. Many components of the existing ITCS system have become obsolete.

The ACCESS/CFR system is about 30 years old, has become obsolete, and must be replaced prior to 2013 to accommodate planned bandwidth reductions by the Federal Communications Commission (FCC). Due to the age of the equipment, it cannot be reprogrammed. To address this issue and to evaluate the disposition of the ITCS, the Authority engaged EIGER Tech Systems (EIGER) to conduct an evaluation of the existing radio systems and develop alternatives to ensure a communication system is available to support the Authority's transit operations. EIGER completed the study in January 2008. The EIGER study is available on the Authority website (OCTA.net).

### ***Discussion***

The EIGER study provided four alternatives for the Authority to consider to upgrade or replace the radio communications systems (Attachment A).

- Alternative 1 – Integrate with the County of Orange voice system and build a data system for both fleets using a 500-MHz system
- Alternative 2 – Upgrade ITCS and consolidate all communication systems
- Alternative 3 – Upgrade ITCS for the directly-operated fixed route fleet and build a new system for the ACCESS and CFR fleet
- Alternative 4 – Build a new system for both fleets

Each of these alternatives was evaluated using weighted criteria, considering issues such as coverage, reliability, cost, risk, and implementation time (Attachment B). Alternatives 1, 3, and 4 require significant implementation time, have higher cost, and carry an inherent risk to the Authority due to potential schedule delays, cost overruns, and deployment problems.

The EIGER study scored Alternative 2 the highest, as being most cost effective, with the shortest implementation time, and the lowest risk. Upgrading the existing ITCS radio communication system would enable the Authority to consolidate radio communications into one system for all services. The recommended alternative also uses a proven technology which reduces the risk for the Authority and provides the opportunity for regional integration as other neighboring transit agencies are using the same system.

This alternative includes upgrades to antennae towers and replacement of mobile radios, workstations, servers, and radio dispatcher consoles. It also creates system redundancy and back-up capabilities through a single and common radio communication system for all Authority services including directly-operated fixed route, CFR, and ACCESS service.

The Authority's fleet is currently equipped with the M/A-COM M801 mobile radio. This radio is no longer being manufactured and availability is limited. As part of the proposed upgrade, all mobile radios would be replaced. The radio platform currently used by the Authority is called OpenSky 1. The upgraded system will use a newer radio platform called OpenSky 2. In addition, the computer-based dispatch system currently used will be upgraded to the newest version of Affiliated Computer Services (ACS) computer-aided dispatch and automatic vehicle location (CAD/AVL) called OrbCAD XP. SmartTrack, the version currently being used, has become obsolete; OCTA is one of only six agencies still using it.

The upgrade to the radio communication systems will provide infrastructure designed for a regional intelligent transportation system that will provide the Authority with the 21<sup>st</sup> century tools to most efficiently and effectively manage the fleet of revenue and support vehicles. OrbCAD XP will enable the integration of systems on board the bus, including voice and data radio, global positioning system (GPS) based CAD/AVL, automatic passenger counters (APC), automatic voice annunciation system, destination signs, and fareboxes.

In addition, this project will allow a broader integration effort connecting other computer systems used to support transit service such as the Lawson System for human resource management and the Ellipse System for inventory and vehicle maintenance management. It will also provide the platform for future system integration including real-time passenger information (RTPI) at bus stops, enhanced vehicle security systems, integrated regional fare systems, and regional integration with transit, traffic, incident, and traveler information systems.

The Authority went through a rigorous competitive procurement process when the ITCS contract was awarded to ACS, formerly Raytheon TMS and Orbital TMS, on September 11, 1997. Implementing the recommendation of the EIGER study requires the Authority to enter into a sole source negotiation instead of conducting a competitive procurement. This is advantageous to the Authority for a number of reasons. The other alternatives identified in the EIGER study are significantly more expensive than the recommended alternative, ranging from \$7 million to \$13 million more in cost. A competitive procurement will also have a significantly longer implementation schedule.

Procurements of this type of project can take at least a year to complete from the issuance of the request for proposals (RFP) to the notice to proceed (NTP).

In addition, conducting a competitive procurement could result in contracting with a different vendor, which would require changes in infrastructure that were installed in the ITCS contract and continue to be useful in the upgrade project. This could result in purchase of equipment that is unnecessary and redundant to equipment already in place and not beyond its useful life.

OrbCAD XP and OpenSky 2 are proprietary products owned by ACS and Tyco (formerly known as Orbital). Both products contain proprietary algorithms; only the developers are licensed and certified to modify, change, implement, and support these algorithms. ACS and Tyco are uniquely qualified to understand, support, and maintain the coding and structure imbedded into the systems. The implementation time will be approximately two to three years compared to the other alternatives taking three to five years. This will save the Authority valuable time and money in the implementation of this project. This project has been identified as eligible for federal economic stimulus funding or transit formula grants. As such, the timing of the project is being coordinated and managed to ensure the Authority can respond in the shortest possible period.

The Authority has had good working relationships with both ACS and Tyco. ACS and Tyco have provided operational support and maintenance to the existing systems and have also provided required training to in-house staff. This has increased the Authority's flexibility in responding to system issues when they occur. These relationships and knowledge of the existing systems position the Authority to proceed with a seamless transition in upgrading the radio communication systems.

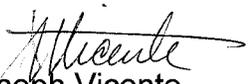
### **Summary**

A consultant study of the Authority's radio communication systems has been conducted. The consultant study recommends an upgrade to the existing radio system. Staff concurs with this recommendation and Board of Directors' approval is requested to proceed with a sole source negotiation with ACS and Tyco for this project.

***Attachments***

- A. EIGER Study Upgrade Alternatives
- B. Weighted Criteria

**Prepared by:**

  
Joseph Vicente  
Department Manager,  
Transit Program Management  
(714) 560-5453

**Approved by:**

  
Beth McCormick  
General Manager, Transit  
(714) 560-5964

**EIGER Study Upgrade Alternatives**

<p>Alternative 1</p>	<ul style="list-style-type: none"> <li>• Orange County Transportation Authority (OCTA) becomes subscriber to Orange County Sheriff Department's (OCSD) County Coordinated Communication System for fixed route and paratransit fleets</li> <li>• Provides excellent voice radio coverage</li> <li>• Required to retain the integrated transportation communications system (ITCS) using it only as a data radio; requires upgrade from OpenSky 1 to OpenSky 2 due hardware unavailability; requires some system improvements to improve coverage</li> <li>• Low technical risk, five-year implementation, higher cost, and requires maintaining two systems</li> </ul>
<p>Alternative 2</p>	<ul style="list-style-type: none"> <li>• Upgrade existing ITCS system to include all revenue and support vehicles</li> <li>• Least expensive, scored high on the criteria, shortest implementation (two to three years to implement)</li> </ul>
<p>Alternative 3</p>	<ul style="list-style-type: none"> <li>• Continue utilizing OCTA radio channel resources; continue operating separate radio systems – 500-MHz for ACCESS/CFR and ITCS for the fixed route</li> <li>• Implement new 500-MHz voice and data radio system for ACCESS/CFR users upgrading ITCS to OpenSky 2 to continue fixed route users support. Migrate contracted fixed route users to ITCS to ensure adequate capacity on the 500-MHz system for paratransit service</li> <li>• Longer implementation time and higher cost (three to four years to implement)</li> </ul>
<p>Alternative 4</p>	<ul style="list-style-type: none"> <li>• Implement new voice and data radio systems to be used by ACCESS/CFR and the fixed route users</li> <li>• Two sub-options: 1) Implement voice radio system using the 800-MHz channels and data radio system using the 500-MHz channels, 2) the voice and data radio system would utilize 800-MHz and allocated 700-MHz channels.</li> <li>• Technical risk unknown</li> <li>• Implementation time may be four to five years; higher cost and may be risky due to less mature systems</li> </ul>

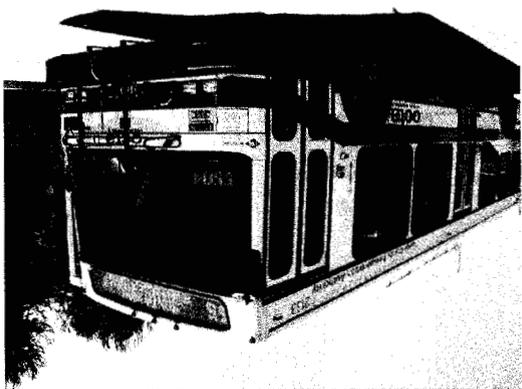
### Weighted Criteria

Category	Weight
Voice coverage in OC	10
Voice coverage outside OC	2.5
Data coverage in OC	10
Data coverage outside OC	2.5
Capacity	20
Reliability	20
Technology risk	5
Cost	15
Implementation time	15
<b>Total Score</b>	<b>100</b>

Orange County = OC

**POWERPOINT  
PRESENTATION**

BOARD OF DIRECTORS MEETING  
March 9, 2009



# Radio Communications System Update



# OCTA Radio Communications Systems

500 Megahertz (MHz)



800 Megahertz (MHz)



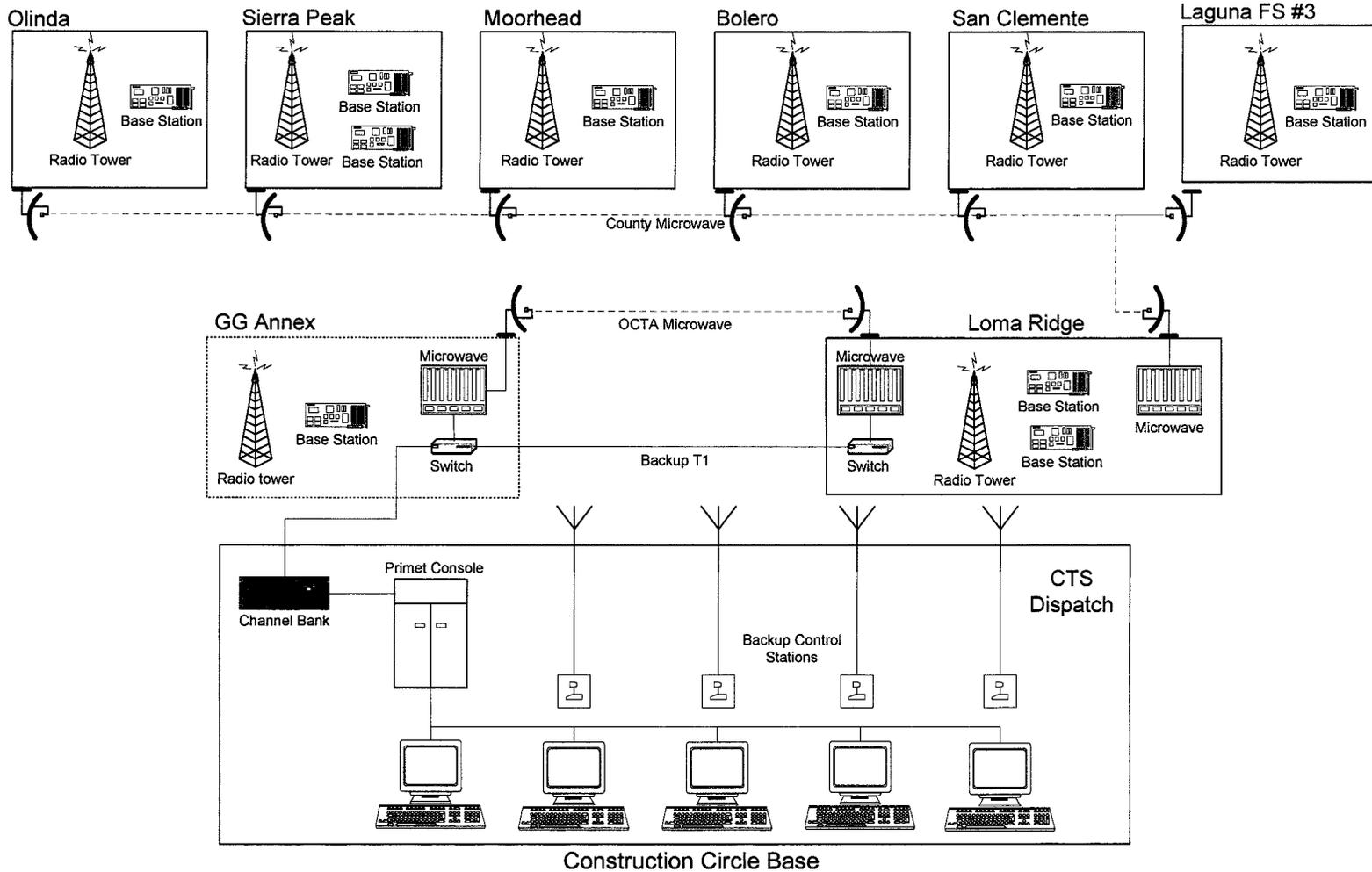
- Community Transportation Service (CTS)
- ACCESS
- Contracted Fixed Route
- Voice System
- Data Provided by Verizon

- Fixed Route
- Supervisors Vehicles
- Transit Police Service
- OCTA Service Vehicles
- Voice and Data System

# Current CTS Radio System – 500 MHz



OCTA ACCESS and Small Bus Fixed Route Fleets



# Current Fixed Route Radio System – 800 MHz (ITCS)



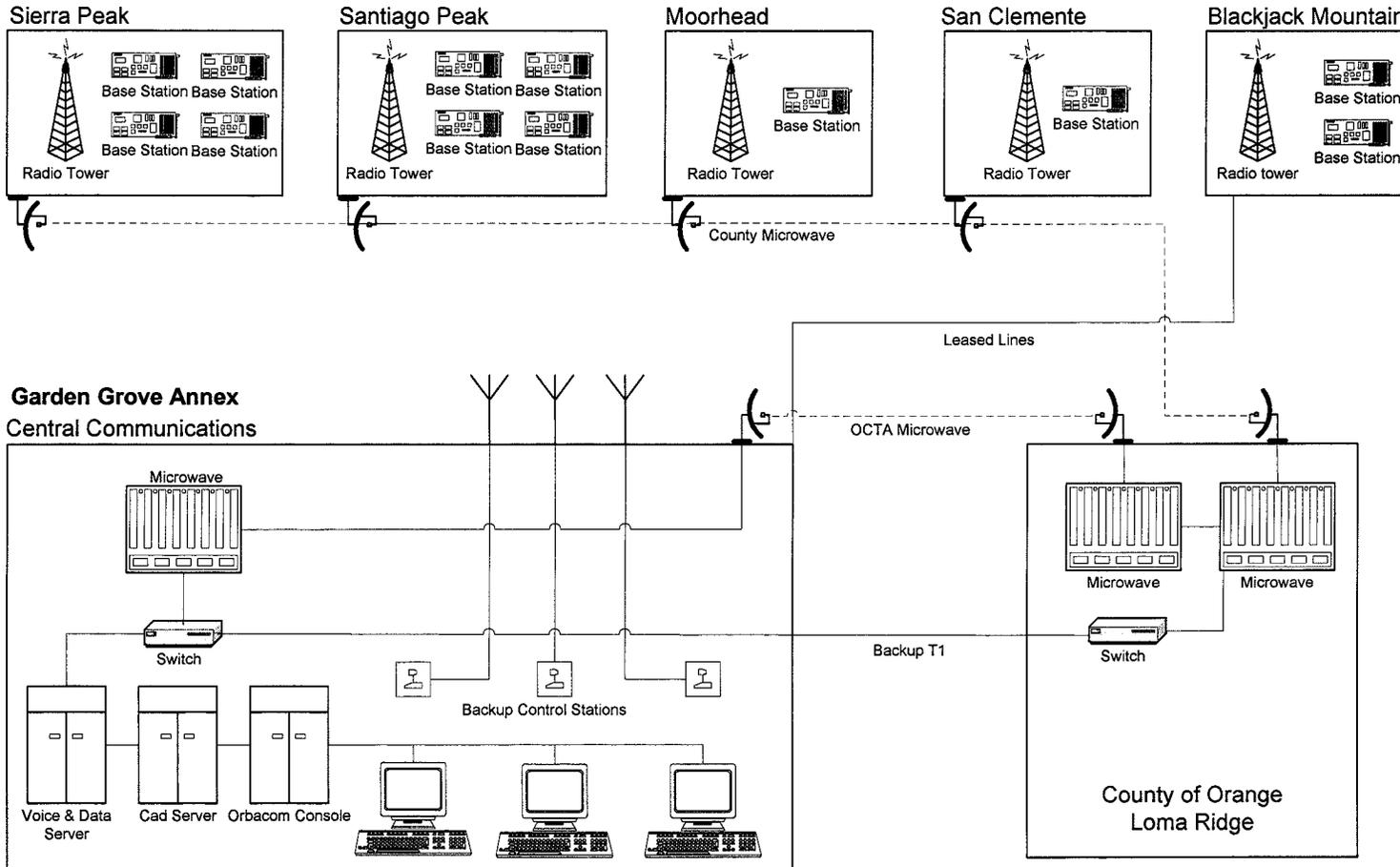
Supervisors and Sheriffs Vehicles



OCTA Fixed Route Fleet



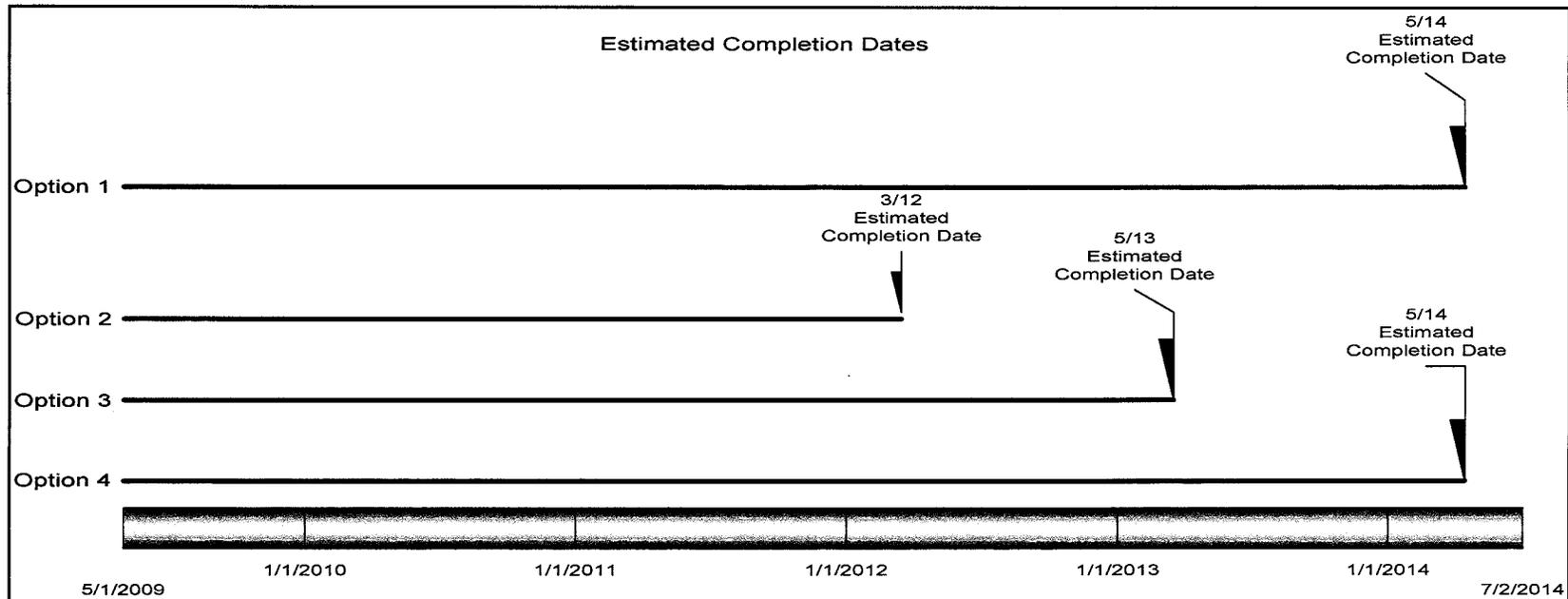
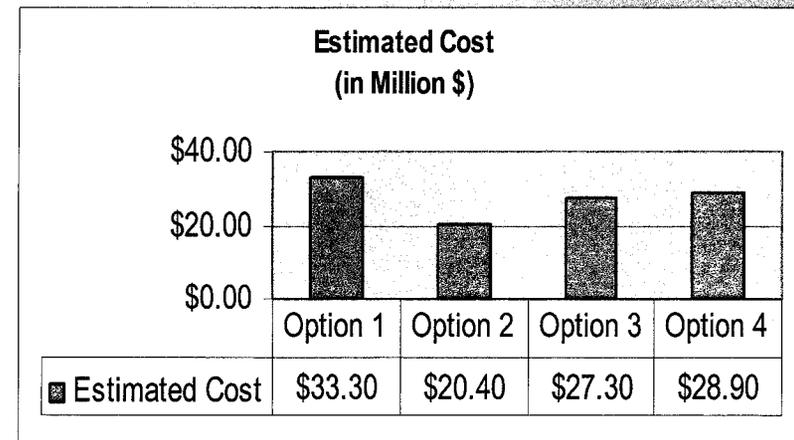
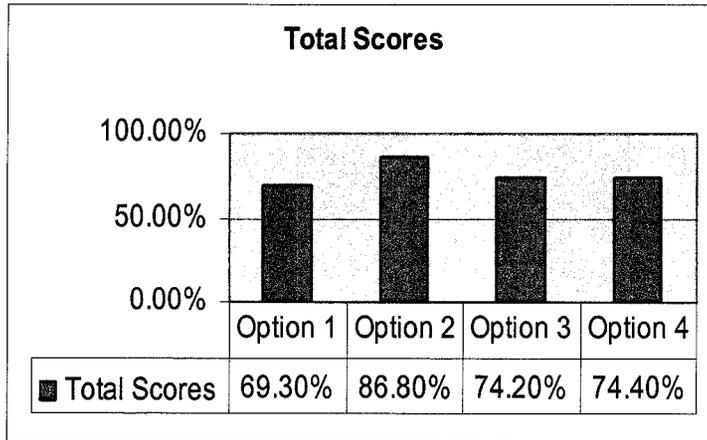
OCTA Service Vehicles



# Results of EIGER TechSystems Study

Option	Description	Rank	Score	Price
1	County of Orange System Voice & Build a Data System for Both Fleets on 500MHz	4	69.3	\$33.3M
2	Upgrade ITCS & Consolidate Fixed Route & CTS Communications	1	86.8	\$20.4M
3	Upgrade ITCS for Fixed Route Fleet & Build a New System for CTS Fleet (P25 Phase 2)	3	74.2	\$27.3M
4	Build a New System for Both Fleets (700/800MHz Data)	2	74.4	\$28.9M

# Results cont'd...



# Recommendation/Next Steps

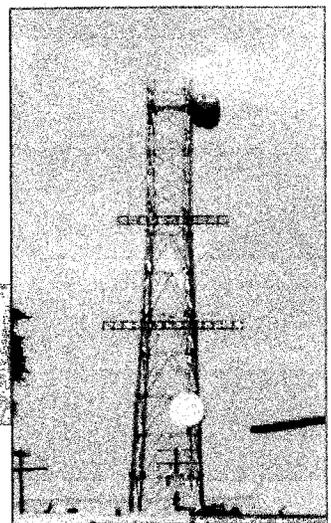
- Proceed with option 2
- Authorize CEO to proceed with sole source negotiation with ACS & Tyco
  - Proprietary product
  - Reuse current infrastructure
  - Shorter procurement time
  - Least expensive
  - Minimize risk
  - Better chance of success

# Questions!

- Thank you!

# Assessment of RF Communication Systems

## Task 6: Recommendations



Prepared by:



January 2008

## TABLE OF CONTENTS

1	Introduction .....	1
1.1	Project Overview .....	1
1.2	OCTA Overview .....	5
2	Approach .....	7
3	Alternatives Ratings .....	11
3.1	Alternative #1: OCSD’s CCCS Voice Radio System.....	11
3.2	Alternative #2: ITCS with OpenSky2 for Fixed Route and Paratransit.....	17
3.3	Alternative #3: 500 MHz Voice and Data for Paratransit, OpenSky2 for Fixed Route.....	20
3.4	Alternative #4: New 800/500 MHz or 800/700 MHz Voice and Data System for Fixed Route & Paratransit .....	23
3.5	Ratings Summary .....	26
3.6	Fifth Alternative: Allow Proposals For Any of the 4 Alternatives .....	27
3.7	Implementation Plan for Alternative #2 .....	27
4	Short Term Recommendations .....	29
4.1	Convert OpenSky and CTS Radio Circuits to Sites to T1 .....	30
4.2	Reduce CTS Channel 1 Dispatcher Receive Noise .....	35
4.3	Reduce 500 MHz Channel 1 Noise For Mobile Units .....	37
4.4	Clean up CTS Installation Issues .....	37
4.5	Dedicate a Control Station at Sand Canyon CTS Dispatch for the South County Sites .....	38
4.6	Improve ITCS Coverage in Chino and Riverside .....	39
4.7	Improve ITCS Coverage on Route 57 to Pomona .....	41
4.8	Cross-Patch 500 MHz Channel 1 to a Talkgroup on ITCS.....	43
4.9	Move Dispatching of Contracted Fixed Route Vehicles to ITCS.....	44
4.10	Select a Site for the EOC and a New Dispatch Center.....	45
4.11	Equip EOC with OpenSky Network Voice Equipment .....	46
4.12	Migrate CTS Units to CCCS Temporarily For Options 2, 3, and 4 .....	47
4.13	Acquire a Quantity of Two Box Orbital Mobile Data Terminals .....	47
4.14	Regularly and Timely Updates of the ITCS RSA database From Hastus.....	48
Appendix A. List of Acronyms.....		A-1

# **1 Introduction**

## **1.1 Project Overview**

The objective of the Assessment of RF Communication Systems project is to conduct an assessment of OCTA's existing RF communications systems currently used for providing a means of wireless communication between OCTA's dispatch sites and its revenue fleets of buses, ACCESS vehicles, and support vehicles. The assessment is focused on the needs of the current users of the 500 MHz radio system. EIGER TechSystems (EIGER) has been commissioned by OCTA to conduct this assessment, provide recommendations for a system upgrade or replacement, and to develop technical specifications for the recommended system.

### **1.1.1 Task 1: General Assessment of Existing Systems**

A general assessment of OCTA's existing RF systems: 500 MHz radio system, 800 MHz Integrated Transportation Communications System, and the 10 GHz microwave link to the County's hub at Loma Ridge was conducted for this task. The task involved information gathering by interviews, site visits, questionnaires, and document reviews. A draft report was submitted to OCTA and a presentation was made to the OCTA project team members.

### **1.1.2 Task 2: Detailed 500 MHz Voice Radio System Assessment**

For this task, the surveys conducted for Task 1 were refined to focus on the 500 MHz radio system used by CTS. The detailed assessment included more interviews, site visits, and reviews of records and documents. This task focused on providing near term

recommendations to improve the system performance, while later tasks for the project focused on the long-term radio recommendations for the 500 MHz radio system users. The assessment sought to determine if CTS is meeting the needs of its users in regards to adequate coverage/voice quality, system reliability and availability, and system capacity. A coverage analysis for possible near term solutions was conducted by performing a coverage simulation using RAPTR. An assessment of the loading of the channels was performed by monitoring usage of the system during peak hours.

### **1.1.3 Task 3: User Needs Assessment**

Following the Task 2 detailed assessment of the 500 MHz system, EIGER continued its interviews with the user group to determine if the 500 MHz system is meeting the needs of its users. EIGER conducted an independent investigation and analysis to determine the user groups' voice communication call loads.

The analysis included a projection of the 500 MHz channels call loads before and after a data radio system is implemented for the CTS users. The study focused on estimating the channel loading during peak use and quantifying the average call length by type of call. The analysis determined the number of channels that would be necessary for the CTS users, with and without a data radio system.

A draft report for Tasks 2 and 3 was submitted to OCTA and a presentation was made to the OCTA project team members.

#### **1.1.4 Task 4: Alternatives for Investigation**

For this task, EIGER developed a list of alternatives for a voice and data communication system that would meet the needs of the ACCESS operations. The list of alternatives developed was based upon the investigations in the previous tasks and EIGER's knowledge of communication systems at other agencies. The list includes most of the alternatives listed in the RFP. The alternatives proposed are viable ones that not only meet the needs of the various user groups at OCTA, but are also financially feasible for OCTA.

EIGER performed this task in conjunction with Task 7, Emergency Communications. Performing the tasks concurrently enabled EIGER to provide a more comprehensive set of recommendations to OCTA.

#### **1.1.5 Task 5: Proposed Alternatives for Implementation**

EIGER rated the alternatives identified in Task 4 and provided an analysis of each alternative, which include the benefits, technical risks, and estimated cost. A comparison of the alternatives was made in terms of radio coverage, reliability, technical risk, operating costs, and implementation schedule.

A draft report was submitted to OCTA and a presentation was made to the OCTA project team members.

### **1.1.6 Task 6: Recommendation**

EIGER is providing its recommendation to OCTA for the radio communication system that will best meet the needs of CTS users and OCTA in general. The recommendations are based on the evaluation of the alternatives performed in Task 5 and the Emergency Communication strategy from Task 7. Integration issues with other IT systems at OCTA were also taken into consideration. The recommendations also include short term recommendations to improve both 500 MHz and 800 MHz radio systems.

### **1.1.7 Task 7: Emergency Communication**

EIGER developed an Emergency Communication strategy for OCTA in the event of a major outage at the CCF in Garden Grove and/or outages of critical elements of the infrastructure. The strategy addressed several different failure scenarios.

The prime elements in emergency situations—equipment redundancy, back-up power and infrastructure availability for support during an incident—were reviewed as to their current status. Recommendations were provided for improvements and upgrades.

A draft report for Tasks 4 and 7 was submitted to OCTA and a presentation was made to the OCTA project team members.

### **1.1.8 Task 8: Technical Specifications**

EIGER will develop a set of Technical Specifications for the implementation of the alternative that is recommended in Task 6. The technical specifications will be a form,

fit, and function (F<sup>3</sup>) specification, which allows the bidders to propose their best solution to meet the agency needs. This approach maximizes competition and promotes lower pricing for OCTA. The specifications will include the following:

- Functional description
- Detailed hardware and firmware functional specifications  
(including conformance to ITS standards).
- Interface requirements
- Appropriate diagrams, drawings, graphics and flow charts
- Required schedule milestones
- Project management requirements
- Documentation and training requirements
- Installation requirements
- Testing requirements
- Maintenance/service and warranty provisions.
- Terms and Conditions.

## **1.2 OCTA Overview**

The Orange County Transportation Authority (OCTA) is a multi-modal transportation agency serving Orange County. OCTA keeps Orange County moving with countywide bus and ACCESS service, Freeway Service Patrol, Metrolink commuter rail service, the 91 Express Lanes toll facility, freeway, street and road improvement projects, motorist aid services, and by regulating taxi operations. OCTA's mission is to enhance the

quality of life in Orange County by delivering safer, faster, and more efficient transportation solutions.

OCTA began in 1972 as the Orange County Transit District (OCTD). In 1991, OCTA was formed by a consolidation of seven separate transportation agencies. By increasing efficiency and eliminating duplicate functions, OCTA saves county taxpayers millions of dollars.

OCTA operates over 600 vehicles on 77 bus lines with more than 6500 bus stops. More than 217,000 riders rely every weekday rely on OCTA's services. OCTA provides paratransit services, ACCESS, to 25,000 certified passengers. OCTA's fleet of nearly 350 Community Transportation Services (CTS) vehicles provided more than 1 million rides in 2005.

## 2 Approach

The evaluation of the alternatives performed for Task 5 was expanded. As discussed in the Task 5 presentation and report, there are sub options for several of the alternatives. Several of the sub options were evaluated and rated for this task.

Each of the alternatives and their sub options were evaluated in the following categories: radio coverage, system capacity, system reliability, technology risk, cost, and implementation time. These categories were deemed the most important criteria for OCTA in the evaluation of the radio system alternatives. Of the categories, radio coverage was considered most important and it was given the highest weighting—25%. Since the coverage for the voice and data systems were different for some of the alternatives and sub options, separate ratings were given. In addition, separate ratings were given for the coverage within Orange County and for the areas outside Orange County that OCTA provides service to. Most of the significant coverage differences between the alternatives occur outside the County. These differences, though significant, carry less weight than the coverage within the County, where the majority of OCTA's service is. System capacity and system reliability were deemed the next most important categories and each received 20% weighting. Cost and implementation time each received 15% weighting. Technology risk, which affects the reliability, cost, and implementation time ratings was given a 5% weighting. Exhibit 2-1 summarizes the rating categories and their weights.

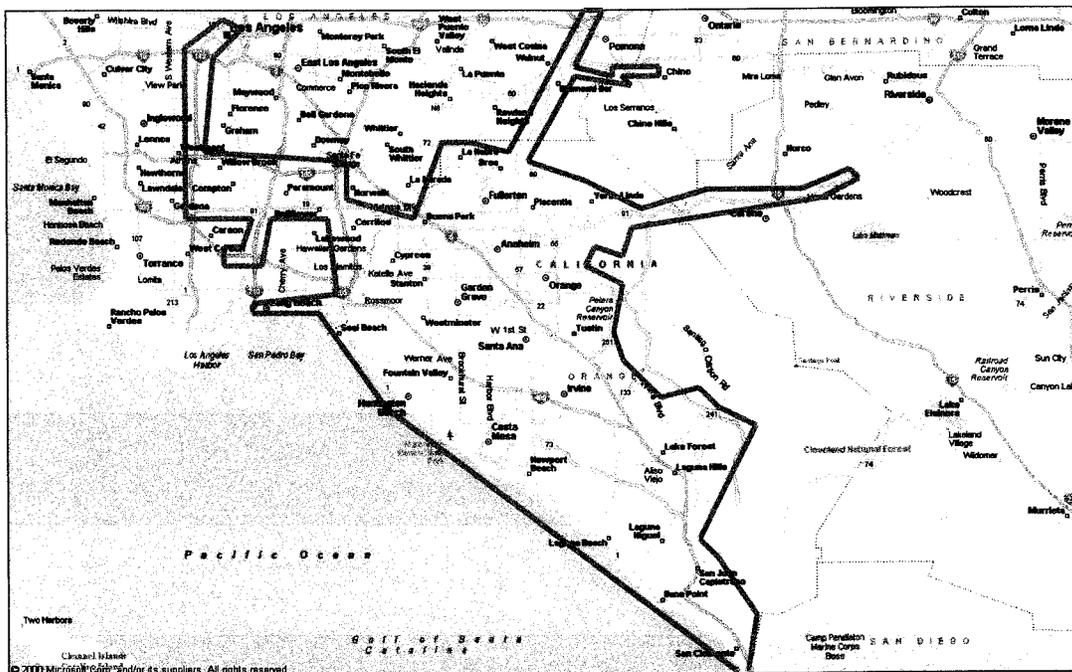
Category	Weight
Voice Coverage in OC	10
VC outside OC	2.5
Data Coverage in OC	10
DC outside OC	2.5
Capacity	20
Reliability	20
Technology Risk	5
Cost (\$M)	15
Implementation Time	15
TOTAL SCORE	100

**Exhibit 2-1 Rating Categories and Weights**

The alternatives and sub options selected for evaluation were chosen as the most viable options for OCTA. It was assumed that the radio system for each alternative and sub option would meet the performance requirements necessary to meet OCTA’s needs. For example, it was assumed the radio systems would provide at least 95% coverage with 95% reliability in the OCTA service area shown in Exhibit 2-2. As a result, it was assumed sites would be added or antennas would be modified to improve radio coverage for certain alternative and sub options. It was also assumed that each system evaluated would support features required to meet OCTA’s needs such as: trunking, communications managed by the dispatcher via Request to Talk (RTT), emergency notifications such as silent alarms, interoperability between intra-agency users and inter-agency personnel as required, and degraded mode communication capability.

Costs have been provided for each alternative and sub option. The costs assume a CAD system is implemented at CTS, regardless of the alternative selected. Included in these costs are the implementation of SmartTrack at CTS, 5 dispatcher workstations at CTS, CAD to radio and the Trapeze interfaces. Also included are cost for new mobile radios,

portable radios, and radio consoles, if necessary. The cost estimates for all alternatives and sub options assume the following quantities: 850 mobiles for fixed route vehicles, 285 mobiles for CTS vehicles and a total of 65 portables. These quantities are based on a 10 year projection for the OCTA fleets.



**Exhibit 2-2 OCTA Radio Coverage Map**

Institutional issues could have a major impact on the selection of the best alternative but were not be evaluated. The institutional issues include:

- Becoming a subscriber on another Agency's voice radio system
- Reliance on OCSO to maintain the fixed end of the voice radio system
- Relinquishing control and ownership of OCTA radio channels

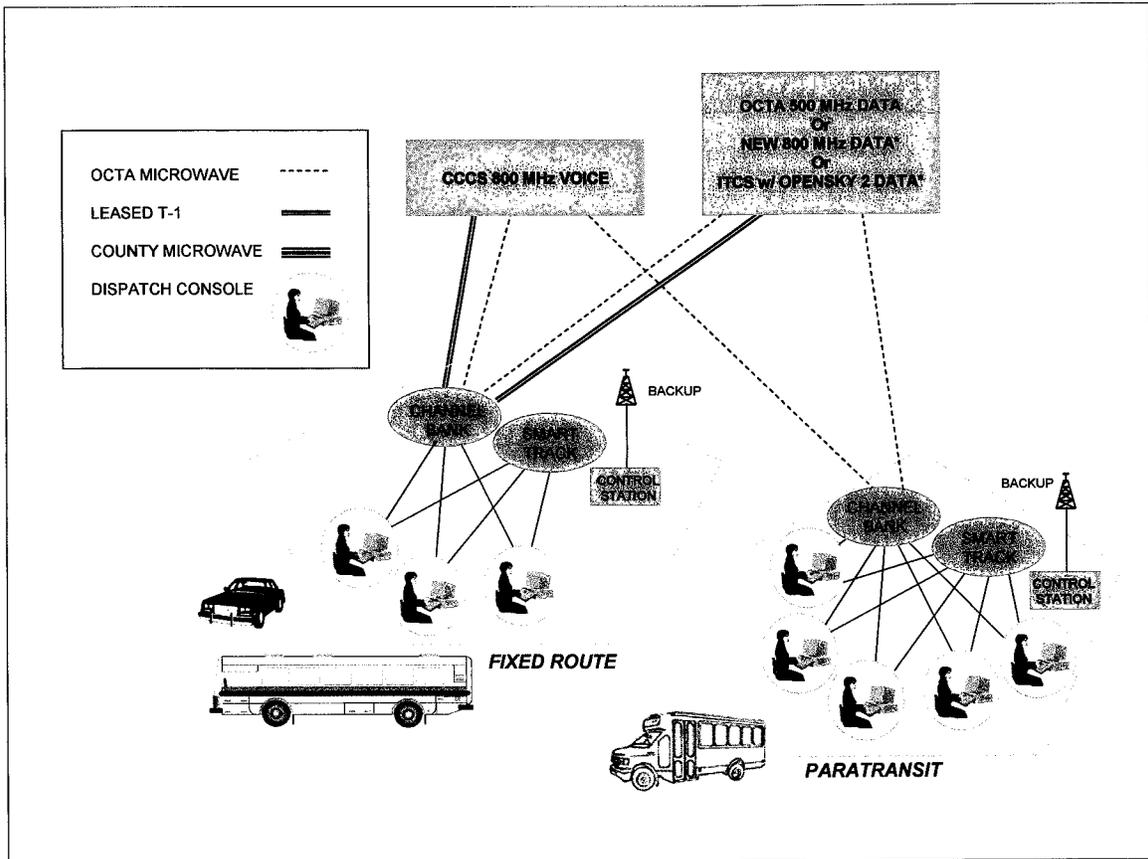
- CTS and fixed route users sharing a single radio system or having separate systems
- Abandoning ITCS and replacing it with a new system
- Replacing ITCS with a new system
- Spending \$14M to \$15M for a sole source procurement to M/A-COM and Orbital
- Spending \$24M to \$32M to implement new voice and data radio systems
- Releasing an RFP that includes multiple alternatives.

Further discussions within OCTA will be necessary, as part of the evaluation of the alternatives and sub options, to assess the impact of the institutional issues on the selection of the recommended radio system.

### 3 Alternatives Ratings

#### 3.1 Alternative #1: OCSD's CCCS Voice Radio System

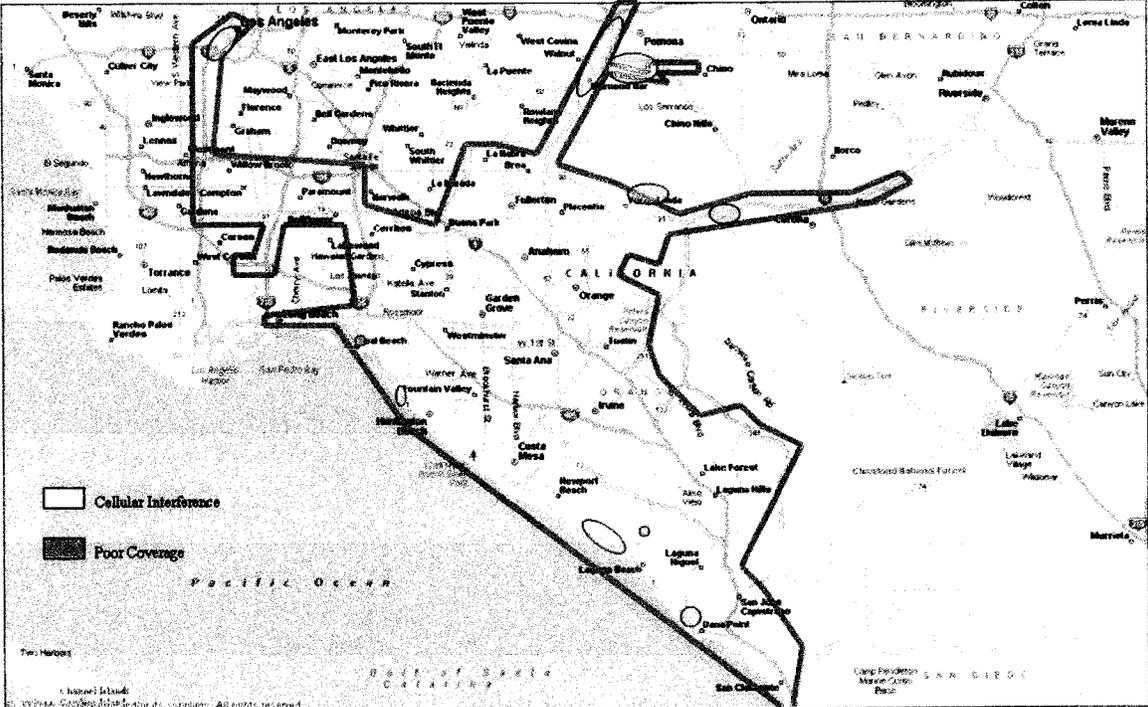
For this alternative, OCTA would become a subscriber of OCSD's Countywide Coordinated Communications System (CCCS) radio system for voice communications for both paratransit and fixed route fleets. Since the CCCS is a voice only radio system, OCTA would need to implement its own data radio system. This alternative was evaluated with three data radio system sub options: constructing a new 500 MHz, a new 800 MHz data radio system, or using ITCS as a data only system.



**Exhibit 3-1 Alternative #1: CCCS Voice with 3 Data Radio Sub Options**

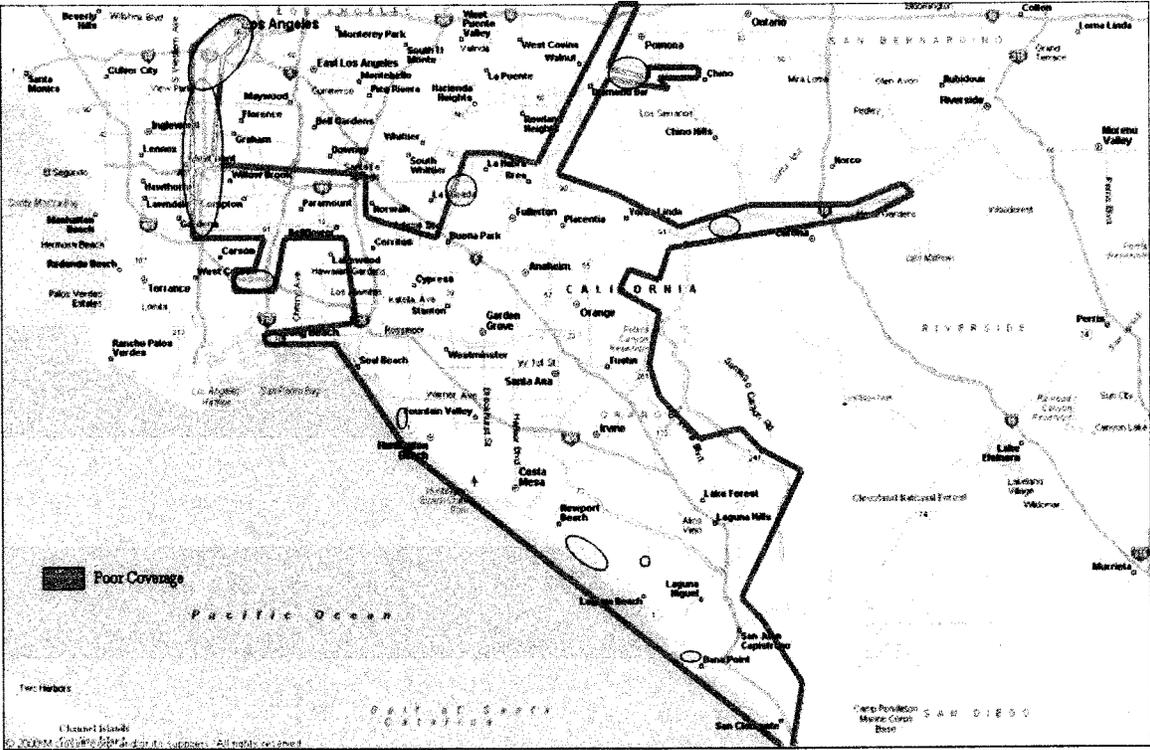
CCCS would provide excellent voice radio coverage for OCTA users since the voice infrastructure was built to Public Safety standards and was designed to provide in-building coverage for portable radios throughout the County. Due to the large number of high level sites used for CCCS, the system also provides good radio coverage for vehicles traveling outside of the County. The predicted coverage for CCCS is shown in Exhibit 3-2. Since there are over 20,000 subscribers to the system, OCTA would need to negotiate with the County to determine its priority for future service related issues.

OCTA’s 500 MHz channels would become available for a data radio system if the CTS fleet is migrated to CCCS for voice communications. A new 500 MHz data radio system should provide excellent coverage within the County and good coverage for routes



**Exhibit 3-2 Predicted CCCS Voice Radio Coverage**

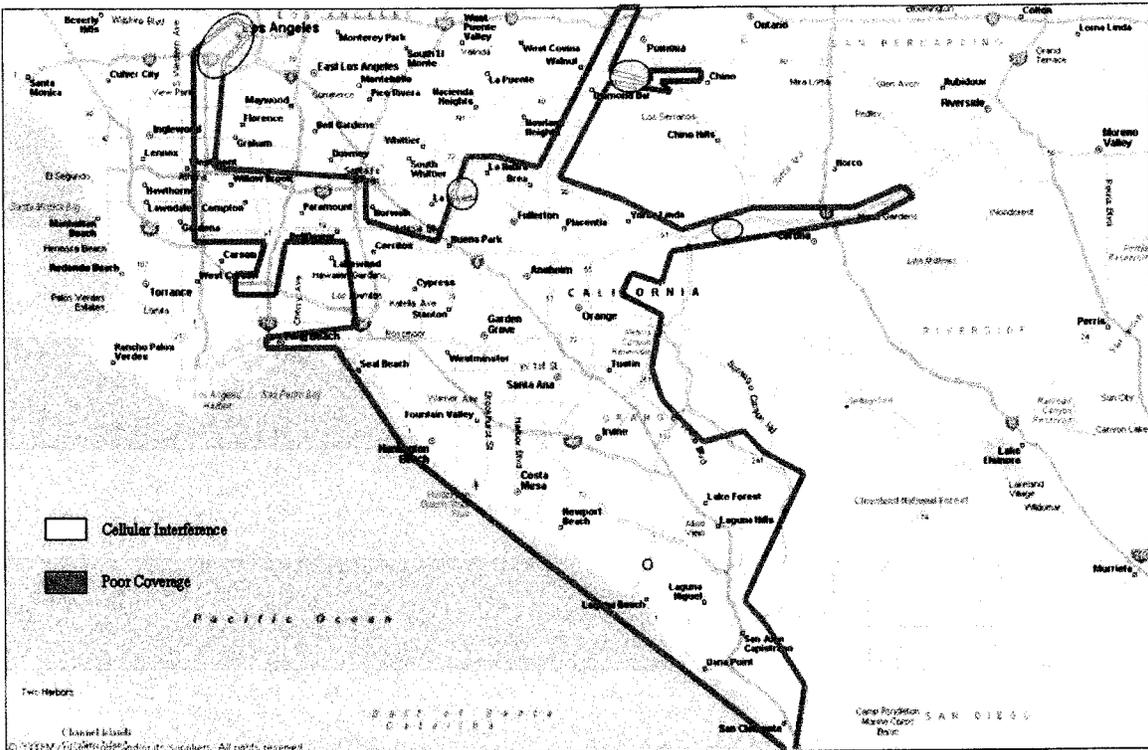
outside the County. The predicted coverage for the 500 MHz system, which is shown in Exhibit 3-3, indicates some coverage issues for the routes to downtown LA. The poor coverage is due to potential co-channel interference from users that have licenses to operate on the same channels in the downtown LA area. To remedy this coverage issue, OCTA would need to either secure an agreement with one of the co-channel users so as to not interfere with one of OCTA's 500 MHz channels in the downtown LA area, or secure a 500 MHz channel that is licensed for the downtown LA area. With 5 channels, there should be excellent capacity for OCTA's data radio needs.



**Exhibit 3-3 Predicted 500 MHz Data Radio Coverage**

If OCTA does not need to contribute its 800 MHz channels as a condition to becoming a subscriber of CCCS, OCTA could construct a new 800 MHz data radio system. A new

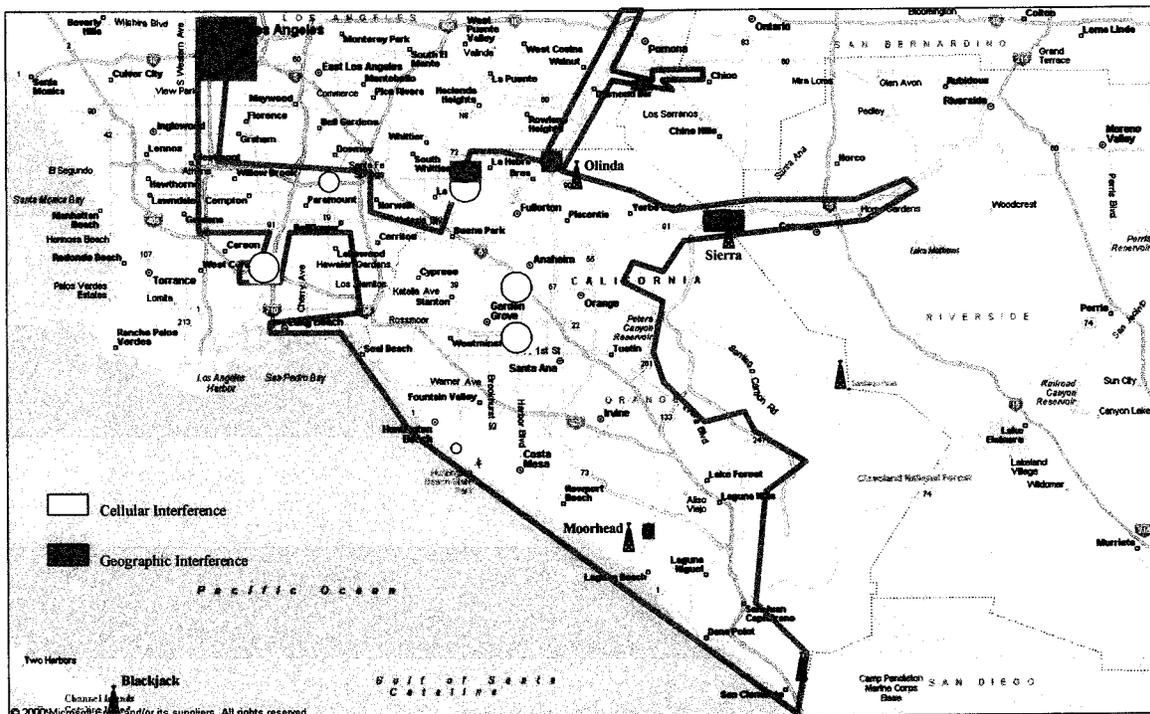
800 MHz data radio system using OCTA's 7 channels should provide excellent coverage within the County, very good coverage outside the County, and have excellent capacity.



**Exhibit 3-4 Predicted 800 MHz Data Radio Coverage**

The third sub option would be to retain ITCS and use it as a data radio system. ITCS would need to be upgraded to OpenSky 2 since there are the limited number of M801 mobile radios available and the manufacturer no longer supports the radio. All of the other mobiles available from M/A-Com would require a system upgrade to OpenSky2. ITCS has proven to be a very good data radio system. While the coverage is very good in the County and good outside the County, certain improvements should be made to the system to improve the coverage north of the County. Coverage along the 57 as well as east to Chino can be improved by adding a site at Olinda, which is currently a site for the

500 MHz system. Coverage out to Tyler Mall can be improved by adding an eastward pointing antenna to the existing ITCS antenna at Sierra Peak. Exhibit 3-5 shows the predicted ITCS coverage after the Olinda Peak and Black Jack Mountain sites have been added and the recommended changes at Sierra Peak have been implemented. The cellular interference shown should improve when the M801s are replaced with new 7300 radios.



**Exhibit 3-5 Predicted ITCS Coverage**

CCCS should be a very reliable system—it is maintained round the clock with technicians that are on-call 24 hours a day, 365 days a year. However, there may be disruptions in service in the future when the NPS PAC channels are rebanded and when the outdated CCCS Rev 3 software is upgraded. The reliability of a new 500 MHz or 800 MHz data radio system should be excellent. Based on the reliability of the current ITCS

system, an upgraded ITCS should also have excellent reliability.

Implementation of all three systems considered for this alternative should have low technical risk because the technologies utilized would be mature. The implementation time for these systems would be approximately 5 years, slightly less for the sub option utilizing the ITCS data radio system.

Exhibit 3-6 lists the estimated capital costs for each sub option. The estimated costs for this alternative—between \$19.2M to \$23.1M—are based on ROM costs provided by the radio vendors and Orbital Sciences. The costs include: buy-in costs for CCCS, a new 500MHz or 800 MHz data or upgraded ITCS radio system, voice and data radios, SmartTrack CAD for CTS, Trapeze interface, 5 paratransit dispatch workstations, new consoles for fixed route and paratransit dispatch centers, 2 box SmartMDTs for CTS vehicles, portable radios, program reviews, interface development, testing, and installation. The capital costs include a \$3M CCCS system entry fee, which compares favorably when compared to the cost of implementing the new radio system infrastructures for Alternatives 3 & 4. The estimated buy-in costs are based on the buy-in costs paid by OCTA for the Transit Police and Supervisors portable radios. The costs may increase for the first sub option by \$300K to \$500K if additional 500 MHz spectrum is acquired to improve coverage in Los Angeles. The ITCS data radio system sub option costs assume M/A-Com 7300 mobile radios are used because of their capability to be used in the 700 MHz band.

	with 500 MHz Data	with 800 MHz Data	with ITCS Data
CCCS Buy-in - Fixed - 850	\$2.1M	\$2.1M	\$2.1M
CCCS Buy-in - CTS - 315	\$.8M	\$.8M	\$.8M
Voice Infrastructure	\$1M	\$1M	\$1M
Data Infrastructure	\$2.5M to \$3M	\$2.8M to \$4M	\$1.1M
Voice Mobiles - Fixed - 850	\$3.1M	\$3.1M	\$3.1M
Voice Mobiles - Paratransit - 285	\$1.03M	\$1.03M	\$1.03M
Portables - 25	\$.121M	\$.121M	\$.121M
Data Mobiles - Fixed - 850	\$1.1M	\$1.1M	\$1.1M
Data Mobiles - Paratransit - 285	\$.36M	\$.36M	\$.36M
CAD Interface Costs	\$8M	\$8M	\$7.5M
Fixed Dispatch Consoles (3)	\$.555M	\$.555M	\$.375M
Paratransit Dispatch (5)	\$.925M	\$.925M	\$.625M
<b>TOTAL</b>	<b>\$21.6M to \$22.1M</b>	<b>\$21.9M to \$23.1M</b>	<b>\$19.2M</b>

### Exhibit 3-6 Alternative #1 Costs

Exhibit 3-7 lists the evaluation ratings for each sub-option. The sub-option with an ITCS data system had the highest score due to its lower costs and a shorter implementation time.

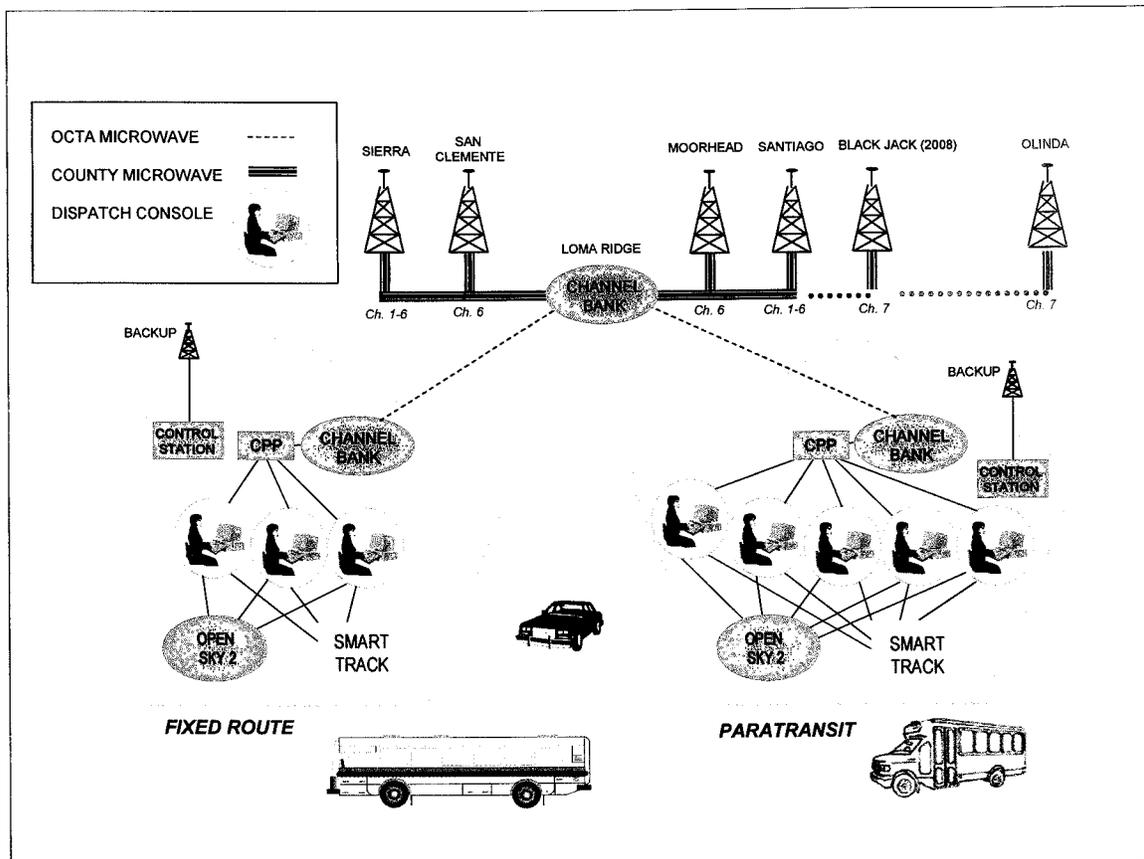
CCCS Voice with		500 MHz Data	800 MHz Data	ITCS Data
Voice Coverage in OC	10	9.9	9.9	9.9
Voice Coverage outside OC	2.5	2.3	2.3	2.3
Data Coverage in OC	10	9.0	9.0	9.0
Data Coverage outside OC	2.5	1.8	2.0	2.0
Capacity	20	19.5	19.5	19.5
Reliability	20	18.5	18.5	18.8
Technology Risk	5	4.7	4.7	4.8
Cost	15	9.4	9.0	10.6
Implementation Time	15	6.0	6.0	7.0
<b>TOTAL SCORE</b>	<b>100</b>	<b>81.1</b>	<b>80.9</b>	<b>83.9</b>

### Exhibit 3-7 Alternative #1 Ratings

## 3.2 Alternative #2: ITCS with OpenSky2 for Fixed Route and Paratransit

For this alternative, OCTA would migrate CTS users onto ITCS, as originally planned for the last phase of the ITCS implementation. The CTS vehicles would be equipped with new 7300 radios since the M/A-COM M801 radios currently in use are no longer in

production by the manufacturer and only limited quantities of additional M801s are available. However, the 7300s and the other M/A-Com radios are only compatible with the OpenSky2 protocol. Therefore, the ITCS radio system would need to be upgraded to OpenSky2.



**Exhibit 3-8 Alternative #2: ITCS for Fixed Route and Paratransit**

As shown in Exhibit 3-5, the predicted ITCS coverage, with the addition of sites at Olinda and Blackjacket Peak and antenna modifications at Sierra, would be very good within the County and good outside the County. ITCS currently has considerable excess capacity and should have adequate capacity to include the communication load from the

CTS vehicles. Additional capacity could be added by expanding ITCS with 700 MHz channels when OCTA's allocated 700 MHz channels become available.

ITCS has been a very reliable system and it should continue to be reliable after the OpenSky2 upgrade. OpenSky2 systems have been in operation for 6 years. Thus, the OpenSky2 technology is very mature and the technology risk is low. The implementation time is estimated to be 2 to 3 years, which is the shortest implementation of all alternatives and sub options.

The estimated capital cost for Alternative #2 is the lowest of the four alternatives. The costs, shown in Exhibit 3-9, are based on ROM costs provided by M/A-COM and Orbital Sciences and include: upgrades to the radio system backbone, T1 upgrade, new 7300 mobile radios for all vehicles, SmartTrack CAD for CTS, Trapeze interface, 5 paratransit CAD dispatch workstations, new consoles for the fixed route and paratransit dispatch centers, 2 box SmartMDTs for CTS vehicles, portable radios, program reviews, testing, and installation, a new cable design for the mobile radio interface to the SmartMDTs, addition of the Olinda antenna site, and modifications to the Sierra site.

Voice Infrastructure	\$ .9M to \$1.1M
Data Infrastructure	\$.09M
Voice Mobiles - Fixed - 850	\$4M
Voice Mobiles - Paratransit - 285	\$1.34M
Portables - 25	\$.121M
Data Mobiles - Fixed - 850	n/a
Data Mobiles - Paratransit - 285	n/a
CAD Interface Costs	\$7M to \$7.5M
Fixed Dispatch Consoles (3)	\$.375M
Paratransit Dispatch (5)	\$.625M
	<u>\$14.4M to \$15.2M</u>

**Exhibit 3-9 Alternative #2 Costs**

The ratings for this alternative are listed in Exhibit 3-10. Due to its low costs and short implementation time span, Alternative #2 received the highest overall score.

Voice Coverage in OC	10	9.2
Voice Coverage outside OC	2.5	2.1
Data Coverage in OC	10	9.2
Data Coverage outside OC	2.5	2.1
Capacity	20	17.7
Reliability	20	19.0
Technology Risk	5	5.0
Cost	15	12.7
Implementation Time	15	12.0
<b>TOTAL SCORE</b>	<b>100</b>	<b>88.9</b>

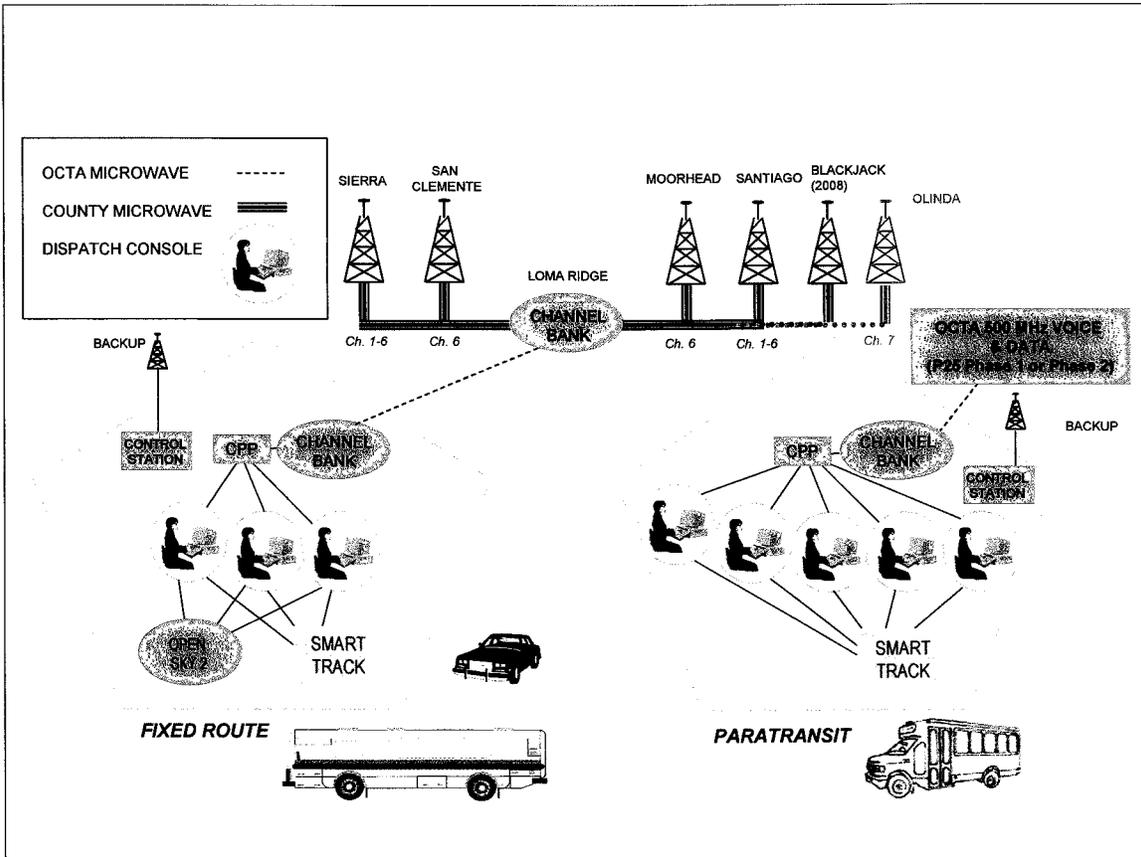
**Exhibit 3-10 Alternative #2 Ratings**

### **3.3 Alternative #3: 500 MHz Voice and Data for Paratransit, OpenSky2 for Fixed Route**

For this alternative, OCTA would continue to fully utilize its radio channel resources by continuing to operate separate radio systems—500 MHz for CTS and ITCS for the fixed route users. A new 500 MHz voice and data radio system would be implemented for the CTS users. ITCS, with an upgrade to OpenSky2, would continue to support the fixed route users. Contracted fixed route users would be migrated to ITCS to ensure there is adequate capacity on the 500 MHz system for the paratransit users.

There are two sub-options for this alternative. For the first sub option, the 500 MHz radio system would be implemented using the P25 Phase 1 standards. To increase the

capacity of the 500 MHz system, a second sub option would be to utilize P25 Phase 2 two-slot TDMA, which effectively doubles the number of channels for the system.



**Exhibit 3-11 Alternative #3: 500 MHz Voice and Data for Paratransit, OpenSky2 for Fixed Route**

The coverage for the 500 MHz system should be excellent in the County and very good for the limited paratransit service outside the County. The coverage would be slightly worse for the P25 Phase 2 sub option. The capacity of the 500 MHz system should be sufficient for CTS as long as the contracted fixed route vehicles are dispatched using ITCS. A system utilizing the P25 Phase 2 two-slot TDMA should have very good capacity. The reliability of a new 500 MHz system would be specified and required to be excellent. A

P25 Phase 1 radio system would have low technical risk since the P25 Phase 1 standards are fully developed. However, there would be a medium technology risk if a P25 Phase 2 voice system is implemented since the Phase 2 standards suite is not yet complete and probably will not be until early 2009. Thus, there is some risk that a system based on provisional P25 Phase 2 standards would require a major software update once the standards are finalized. The implementation time for this alternative is 3 to 4 years. The performance of ITCS, upgraded to OpenSky2, would be the same as discussed for Alternative #2.

The estimated cost for this alternative is between \$24.1M to \$29.1M and is based on ROM costs provided by M/A-COM and Orbital Sciences. The costs include: a new 500 MHz voice and data radio system, SmartTrack CAD for CTS, Trapeze interface, 5 paratransit dispatch workstations, new consoles for fixed route dispatch and paratransit dispatch centers, 2 box SmartMDTs for CTS vehicles, voice and data radios for CTS vehicles, portable radios for CTS users, upgrades of the ITCS infrastructure to OpenSky2, new 7300 mobile radios for the fixed route vehicles, program reviews, testing, SmartTrack interface development, Trapeze interface, installation, and a new cable design for the OpenSky2 mobile radio interface to the SmartMDTs.

	P25 Phase 1	P25 Phase 2
ITCS and 500 MHz Voice Infrastructure	\$6M	\$7.5M
Data Infrastructure	\$2.5M	\$4M
Voice Mobiles - Fixed - 850	\$4M	\$4M
Voice Mobiles - Paratransit - 285	\$1.5M	\$1.65M
Portables - 25	\$.121M	\$.134M
Data Mobiles - Fixed - 850		
Data Mobiles - Paratransit - 285	\$.36M	\$0 to \$.36M
CAD Interface Costs	\$9.5M	\$10.5M
Fixed Dispatch Consoles (3)	\$.375M	\$.375M
Paratransit Dispatch (5)	\$0 to \$.625M	\$0 to \$.625M
	<u>\$24.4 to \$25M</u>	<u>\$28.2 to \$29.1M</u>

**Exhibit 3-12 Costs for Alternative #3**

The ratings for Alternative #3 are listed in Exhibit 3-13. The overall ratings for this alternative are lower than Alternatives 1 and 2 mainly due to its higher costs.

ITCS & 500 MHz		P25 Phase 1	P25 Phase 2
Voice Coverage in OC	10.0	9.3	9.2
Voice Coverage outside OC*	2.5	1.8	1.8
Data Coverage in OC	10.0	9.2	9.0
Data Coverage outside OC*	2.5	1.8	1.8
Capacity	20.0	15.0	17.7
Reliability	20.0	18.7	18.0
Technology Risk	5.0	5.0	3.2
Cost	15.0	7.8	5.8
Implementation Time	15.0	9.3	8.8
TOTAL SCORE	100.0	77.9	75.3

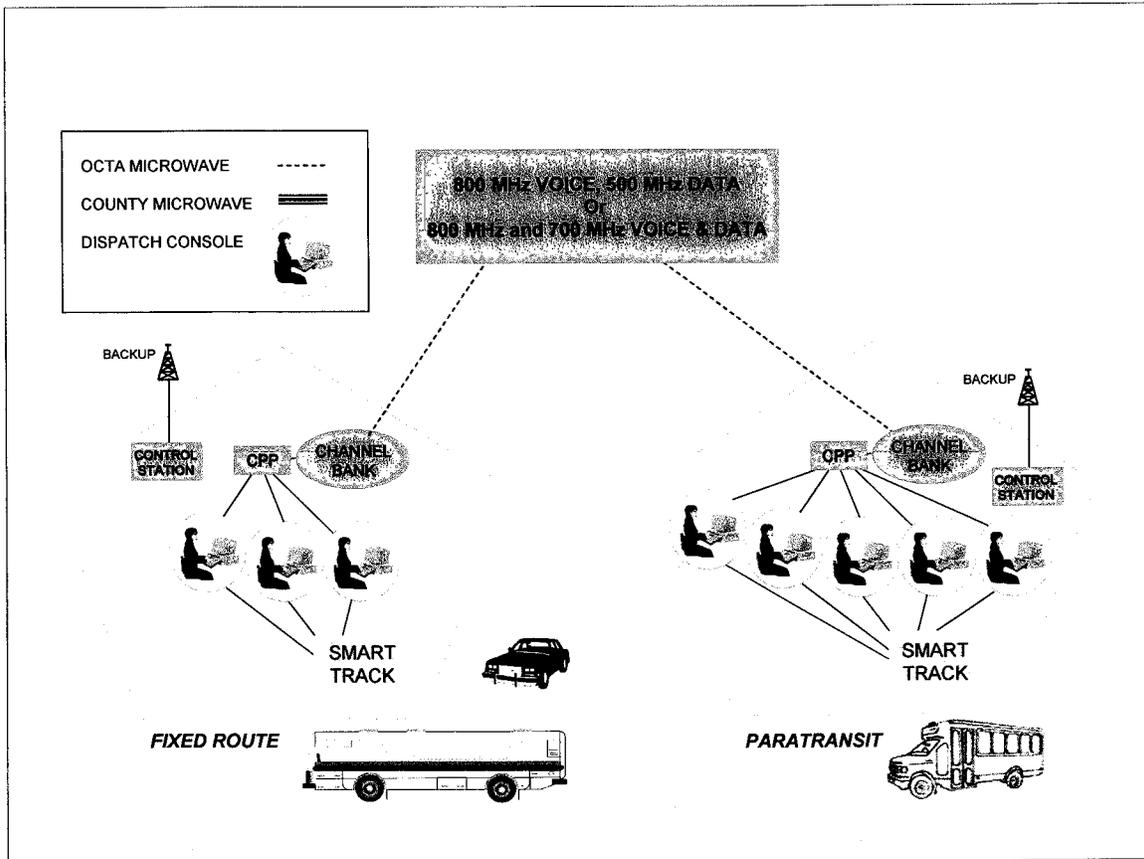
\* Ratings only pertains to ITCS coverage

### Exhibit 3-13 Alternative #3 Ratings

#### 3.4 Alternative #4: New 800/500 MHz or 800/700 MHz Voice and Data System for Fixed Route & Paratransit

For this alternative, OCTA would implement completely new voice and data radio systems to be used by both CTS and the fixed route users. The new systems could be state of the art and would be designed to remedy the deficiencies of the current 500 MHz and ITCS systems.

There are two sub options for this alternative. The first sub option would be to implement a voice radio system using OCTA's 800 MHz channels and a data radio system using the 500 MHz channels. For the second sub option, the voice and data radio system would utilize the agency's 800 MHz and allocated 700 MHz channels. The voice and data systems could be integrated or separate, depending on the protocol selected.



**Exhibit 3-14 Alternative #4: New 800/500 MHz or 800/700 MHz Voice and Data System for Fixed Route & Paratransit**

The coverage for the 800 MHz voice radio system for both sub options would be excellent within the County and very good outside the County. The data radio systems for both sub options would have excellent coverage within the County. The coverage for the 800/700 data radio system would have slightly better coverage than the 500 MHz data radio system outside the County. The capacity of the systems for both sub options would be very good and would have excellent reliability. The technical risk for these radio systems would be dependent on the system design and the technologies utilized. Most likely, the technical risk would be low for the first sub option. The technical risk would probably be slightly

higher for the second sub option since the voice and data radio system would most likely be integrated and utilize less mature technologies. The radio systems for either sub option would take four to five years to implement.

The estimated cost for this alternative is between \$28.3M to \$31.8M and is based on ROM costs provided by Motorola, Tait Radio, M/A-COM, and Orbital Sciences. The costs include: a new 800 MHz voice radio system, 500 MHz or 800/700 MHz data radio system, SmartTrack CAD for CTS, SmartTrack interface modifications, Trapeze interface, 5 paratransit dispatch workstations, new consoles for the fixed route dispatch and paratransit dispatch centers, 2 box SmartMDTs for CTS vehicles, voice and data radios for all vehicles, 65 portables for CTS and fixed route users, program reviews, testing, installation, and a new cable design for the mobile radio interface to the SmartMDTs.

800 MHz Voice	500 MHz Data	800/700 MHz Data
Voice Infrastructure	\$10M	\$10M
Data Infrastructure	\$2.5M to \$3M	\$2.8M to \$4M
Voice Mobiles - Fixed - 850	\$4M	\$4M
Voice Mobiles - Paratransit - 285	\$1.34M	\$1.34M
Portables - 25 to 65	\$.121M to \$.315M	\$.121M to \$.315M
Data Mobiles - Fixed - 850	\$1.1M	
Data Mobiles - Paratransit - 285	\$.36M	
CAD Interface Costs	\$9.5M to \$10.5M	\$9.5M to \$10.5M
Fixed Dispatch Consoles (3)	\$.555M	\$.555M
Paratransit Dispatch (5)	\$0 to \$.625M	\$0 to \$.625M
	\$29.5 to \$31.8M	\$28.3 to \$31.3M

**Exhibit 3-15 Costs for Alternative #4**

The ratings for Alternative #4 are listed in Exhibit 3-16. The overall ratings for this alternative are the lowest mainly due to its higher costs and longer implementation.

	800 MHz Voice	500 MHz Data	800/700 MHz Data
Voice Coverage in OC	10.0	9.2	9.2
Voice Coverage outside OC	2.5	2.0	2.0
Data Coverage in OC	10.0	9.0	9.0
Data Coverage outside OC	2.5	1.8	2.2
Capacity	20.0	18.7	18.7
Reliability	20.0	18.7	18.7
Technology Risk	5.0	4.6	3.8
Cost	15.0	4.6	5.1
Implementation Time	15.0	9.0	8.5
<b>TOTAL SCORE</b>	<b>100.0</b>	<b>77.6</b>	<b>77.1</b>

**Exhibit 3-16 Alternative #4 Ratings**

### 3.5 Ratings Summary

Exhibit 3-17 summarizes the ratings for each alternative. The highest rated alternative is Alternative #2 ITCS with OpenSky2 for Fixed Route and Paratransit, mainly due to its low cost and short implementation time. Alternative #1 with the ITCS data radio system sub option was the second highest rated system.

		1A	1B	1C	2	3A	3B	4A	4B
Voice Coverage in OC	10	9.9	9.9	9.9	9.2	9.3	9.2	9.2	9.2
Voice Coverage outside OC	2.5	2.3	2.3	2.3	2.1	1.8	1.8	2.0	2.0
Data Coverage in OC	10	9.0	9.0	9.0	9.2	9.2	9.0	9.0	9.0
Data Coverage outside OC	2.5	1.8	2.0	2.0	2.1	1.8	1.8	1.8	2.2
Capacity	20	19.5	19.5	19.5	17.7	15.0	17.7	18.7	18.7
Reliability	20	18.5	18.5	18.8	19.0	18.7	18.0	18.7	18.7
Technology Risk	5	4.7	4.7	4.8	5.0	5.0	3.2	4.6	3.8
Cost	15	9.4	9.0	10.6	12.7	7.8	5.8	4.6	5.1
Implementation Time	15	6.0	6.0	7.0	12.0	9.3	8.8	9.0	8.5
<b>TOTAL SCORE</b>	<b>100</b>	<b>81.1</b>	<b>80.9</b>	<b>83.9</b>	<b>88.9</b>	<b>77.9</b>	<b>75.3</b>	<b>77.6</b>	<b>77.1</b>
<b>RANK</b>		<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>5</b>	<b>8</b>	<b>6</b>	<b>7</b>

- 1A OCSD Voice with 500 MHz Data
- 1B OCSD Voice with 800 MHz Data
- 1C OCSD Voice ITCS with OpenSky 2 Data
- 2 ITCS with OpenSky 2 Voice and Data
- 3A 500 MHz P25 Phase 1 Voice and Data for CTS, ITCS with OpenSky2 Voice and Data for Fixed Route
- 3B 500 MHz P25 Phase 2 Voice and Data for CTS, ITCS with OpenSky2 Voice and Data for Fixed Route
- 4A 800 MHz Voice with 500 MHz Data
- 4B 800 MHz/700 MHz Voice and Data

**Exhibit 3-17 Alternative Ratings Summary**

### **3.6 Fifth Alternative: Allow Proposals For Any of the 4 Alternatives**

OCTA could elect to issue an RFP that would allow proposers to submit proposals for any of the alternative configurations and select the best alternative and sub option based on the proposals received. While this would result in a complex evaluation process, this approach would increase competition. The cost for the selected system could be less than the proposed cost would have been had only one alternative been listed in the RFP.

### **3.7 Implementation Plan for Alternative #2**

The following is a recommended implementation plan for Alternative #2. A phased approach is recommended to allow for maximum operability during the cutover procedure. This approach should begin with upgrading the equipment for one channel at each site to OpenSky2. An upgrade of the connections from the Garden Grove Annex to the sites must be completed as part of the migration to OpenSky2. The T1 upgrade consists of: removing the Paradyne modems, all of the DS0 channel cards (four per circuit), and associated channel banks; and replacing them with a T1 connection from the routers to the sites. This would substantially increase the reliability of the circuits between the Annex and each of the sites. The T1 upgrade could be done concurrently with the channel conversion to OpenSky2 or prior to the conversion.

Once the infrastructure has been installed and tested for one channel, a test fleet of contracted fixed route vehicles or fixed route vehicles should be outfitted with 7300 radios to test the OpenSky2 system. Following successful completion of the test, existing

M801 radios in the fixed route fleet should then be replaced with the new OpenSky2 radios. The remaining channels at each site should be switched to OpenSky2 as needed to support the fixed route buses with new mobile radios until the entire ITCS system is upgraded to OpenSky2.

While ITCS is being upgraded, the fixed end of the paratransit version of SmartTrack and consoles should be implemented at CTS. Once the ITCS migration to OpenSky2 has been completed and certified as stable, the CTS SmartTrack dispatch consoles should then be interfaced to ITCS. After the interface has been tested and verified, the OpenSky2 mobile radios and SmartMDTs should be installed in the CTS vehicles.

The addition of the Olinda site and the modifications to the antennas at Sierra Peak should occur in parallel with the rest of the implementation.

## 4 Short Term Recommendations

This section lists fourteen short-term system improvement recommendations for OCTA to consider implementing. Each recommendation would improve the efficiency of the radio communication systems and help improve the overall efficiency of the Agency's transportation systems.

The infrastructure improvements would help with overall system reliability, maintenance, survivability, and emergency operations. Some improvements will ease the transition to one or more of the alternatives rated in the previous section. Others would not be needed if a particular alternative is chosen. None of the short term improvements are intended to completely replace either of the current fixed route or paratransit radio infrastructure.

The fourteen short-term improvements to be considered are:

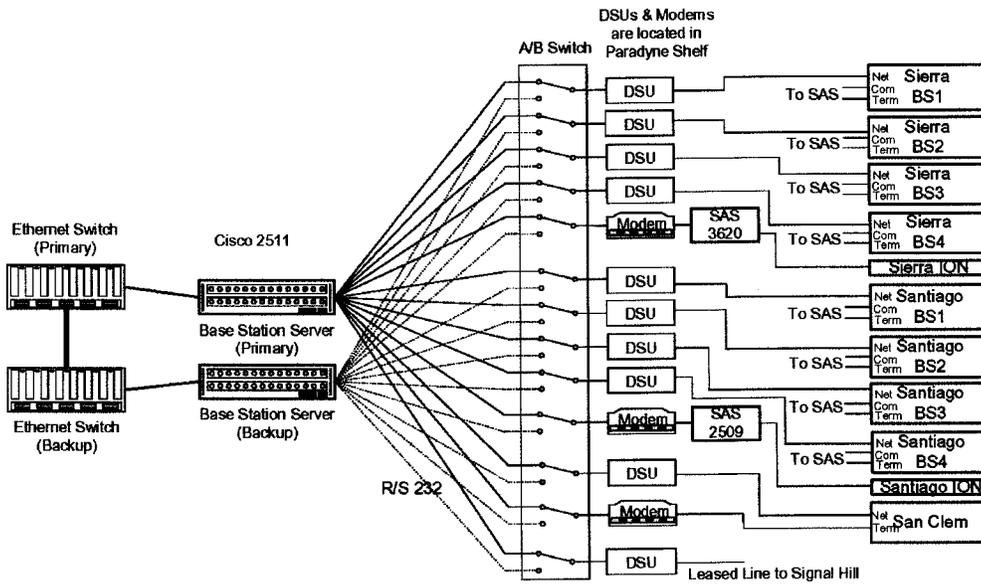
1. Convert OpenSky and CTS radio circuits to sites to T1.
2. Reduce CTS Channel 1 dispatcher receive noise.
3. Reduce 500 MHz Channel 1 noise for mobile units.
4. Clean up CTS installation issues.
5. Dedicate a control station at Sand Canyon CTS dispatch for the south County sites.
6. Improve ITCS coverage in Chino and Riverside.
7. Improve ITCS coverage on Route 57 to Pomona.
8. Cross-patch CTS Channel 1 to a talkgroup on ITCS.

9. Move dispatching of contracted fixed route vehicles to ITCS.
10. Select a site for the EOC and future dispatch center.
11. Equip EOC with OpenSky Network Voice equipment.
12. Migrate CTS paratransit units to CCCS temporarily for Options 2, 3, and 4.
13. Acquire a quantity of two box Orbital mobile data terminals.
14. Regularly and timely updates of the ITCS RSA database with schedules, routes, and detours from Hastus.

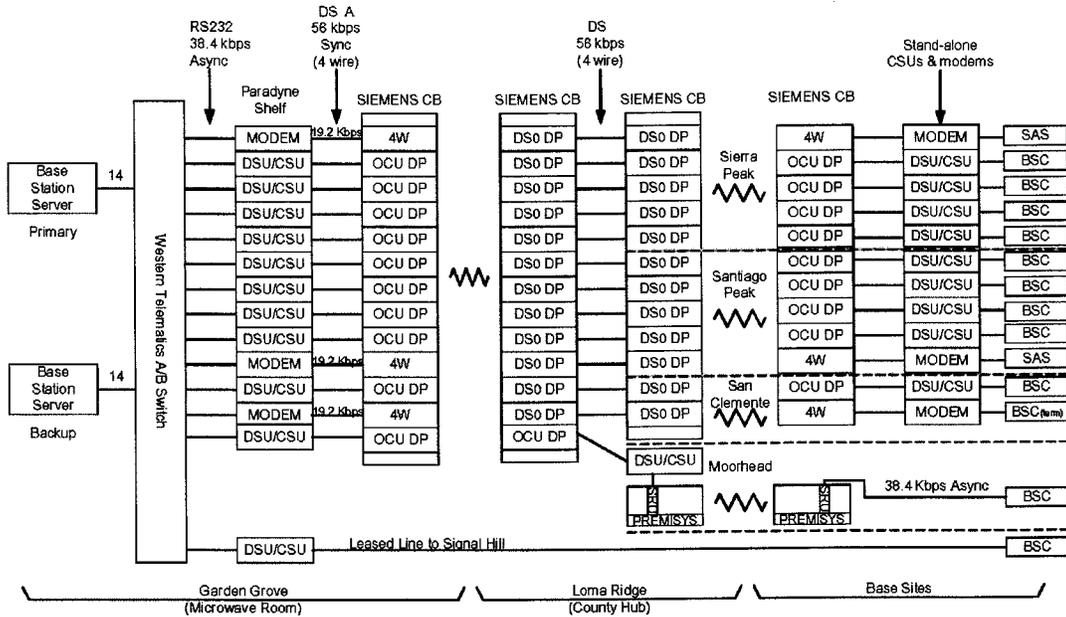
#### **4.1 Convert OpenSky and CTS Radio Circuits to Sites to T1**

Conversion of the OpenSky and CTS radio circuits between the Garden Grove Annex and the radio sites to direct T1s per the M/A-Com plan is a highly recommended infrastructure upgrade. A M/A-Com proposal for the conversion was sent to OCTA in September 2006.

This upgrade would increase the reliability and maintainability of the current system infrastructure by reducing the amount of equipment in the links between the central site and the base station sites. The current connection between the base station controller and the base stations at the sites uses a four wire analog interface for each channel at each site. Exhibits 4-1 through 4-4 show the existing system equipment. The existing base station servers are Cisco 2511, equipped with 16 async serial ports. The RS-232 A/B switch is from Western Telematics and requires manual switchover in the event of a BSS failure. Exhibit 4-4 shows the coupler panel connections between the Base Station Server (BSS), A/B Switch, and Paradyne shelf.

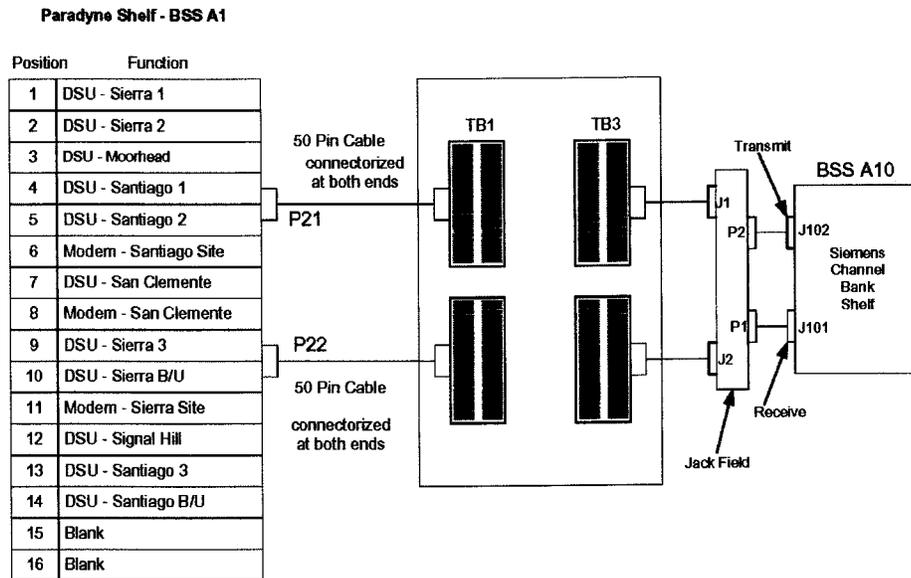


**Exhibit 4-1 Existing Garden Grove Equipment, Base Station Server Block Diagram**



**Exhibit 4-2 Existing Microwave System Equipment, Garden Grove, Loma, and Sites**

The current configuration was necessary at the time the OpenSky infrastructure was installed due to limitations in the County microwave capacity. The County has since replaced the microwave links used by OCTA with higher capacity equipment, making this recommendation now possible.



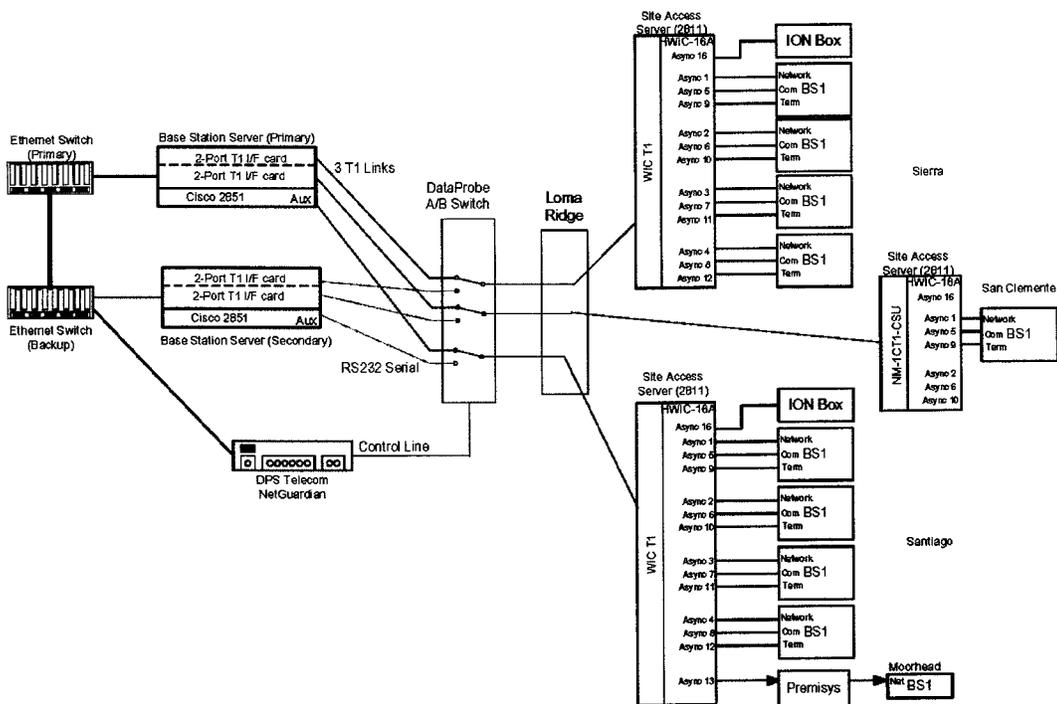
### Exhibit 4-3 Existing Garden Grove Equipment, Paradyne Shelf to Siemens Channel Bank

The wiring from each BSS serial port, through the coupler panel to the A/B switch, and back through the coupler panel to the Paradyne shelf is shown Exhibit 4-3.

As can be seen from a comparison of Exhibits 4-4 and 4-5, The BSS wiring at Garden Grove is substantially simplified. This new configuration eliminates all of the conversion equipment and channel cards which includes the Paradyne modems and Siemens Channel Bank equipment that are used to translate each of the circuits from digital to analog, cross connect each circuit to the County, and then convert back to digital at the sites. Instead



OCTA has indicated that it is difficult to source spare parts for both the Paradyne modems and Siemens Channel Banks. Eliminating this equipment would alleviate a spares procurement problem for OCTA. The new configuration plan assumes that new router equipment would be used at Garden Grove (already in place), Santiago Peak, Sierra Peak, and San Clemente.



**Exhibit 4-6 Revised Equipment Configuration, BSS and SAS Details**

The proposed equipment simplifies the Garden Grove equipment wiring substantially, as follows:

- The ten serial links to Sierra and Santiago are reduced to two T1 links.
- Modernizes the interface to San Clemente and prepares it for migration to OpenSky2.

- The DS0 punch blocks and jack field at Garden Grove and Loma Ridge are removed.
- The feed-through coupler panels at Garden Grove are removed.
- The Paradyne shelf and Siemens Channel Bank are removed, and the T1 feeds from the router go directly to the digital microwave.
- The 3620 router at Sierra is replaced with a 2811 to make it consistent with the Site Access Servers (SAS) routers at the other sites. This commonality would make it easier to support the routers.
- The 2511 routers that are replaced as part of this upgrade can be used as backups for the voice access routers that connect to the Data/Voice Units.

These recommended changes would improve the reliability and maintainability of the base station infrastructure more than any of the other short term recommendation listed. This upgrade brings OCTA's site connectivity mechanisms in line with the OpenSky2 system connectivity designs using T1s. This effort would not be wasted for any of the alternatives. The T1 equipment put in place can be used for any of the alternatives evaluated. In fact, some of the alternatives require that this be done. The cost of this upgrade is less than \$100,000.

#### **4.2 Reduce CTS Channel 1 Dispatcher Receive Noise**

As a result of the current CTS Channel 1 configuration, CTS dispatchers are exposed to out of area co-channel conversations and high level of noise and distorted audio. What the dispatchers listen to now is the output of the simulcast transmitters that includes

transmissions from all co-channel users within range of the Garden Grove Base receiver. Inherent in the analog simulcast system in place today on Channel 1 is an amount of audio distortion, simulcast buzz, and noise caused by the normal heterodyning of the three Channel 1 transmitters. The amount varies over time, depending on the length of the maintenance cycle for simulcast alignment.

These problems can be remedied with a simple low cost reconfiguration of the source of the mobile audio heard by the dispatchers for Channel 1. The receivers at the sites are CTCSS tone protected. Thus, they only receive CTS mobile transmissions, not transmissions from co-channel users that use different CTCSS tones. By routing the audio to the dispatch consoles from the output of the receiver voting comparator at Loma, the dispatchers would hear the audio from the comparator which is a much cleaner source of audio from the mobiles. Since the CTS dispatchers would be listening to the mobile input frequency instead of the repeater output frequency, they will hear less co-channel interference and extraneous conversations.

This short term improvement would have no effect on the implementation of any of the alternatives since the current 500 MHz radio system would be replaced for each of the alternatives. The cost of this improvement should be less than \$2,500 and would consist of OCTA labor hours and miscellaneous material. The cost assumes that a spare channel on the OCTA microwave link to Loma would be used for connecting the comparator audio to CTS dispatch.

This recommendation should also be done prior to recommendation 8. This would protect the fixed route dispatchers from hearing some of the noise currently heard on Channel 1.

#### **4.3 Reduce 500 MHz Channel 1 Noise For Mobile Units**

The mobiles for CTS are currently programmed for CTCSS tone squelch protection on all of the channels, except Channel 1. By adding CTCSS tone squelch protection to the CTS Channel 1 transmitters and programming the mobiles to receive the CTCSS tone squelch protection on Channel 1, the mobile users would not have to listen to non CTS users on the channel and the amount of static, noise and co-channel users would be reduced.

This short term improvement would have no effect on the implementation of any of the alternatives since the current 500 MHz radio system would be replaced for each of the alternatives. The cost of this improvement would be less than \$10,000 and consists of OCTA labor hours, some contractor labor, base station parts, and other miscellaneous material.

#### **4.4 Clean up CTS Installation Issues**

The position of mobile radios in the CTS cutaways that are equipped with MDTs should be changed to improve the viewing of the channel display. The radios were relocated by the MDT contractor when the MDTs were installed. The contractor placed the radios low to the floor with the channel display pointed toward the driver seat. The display is now

difficult to see. As a result, the drivers cannot safely change channels on the voice radio while driving. The radios need to be repositioned to remedy this configuration issue.

In addition, some of the support brackets need to be replaced with heavier gauge material because the radios shake considerable when the bus is in motion. Some cables need to be tied back to avoid tripping the passengers.

There are some interactions between the voice radio and the MDT RF modem antennas on the CTS vehicles. This has contributed to a very high initial failure rate of the RF modems. While most of the MDT RF modems that were experiencing serious problems have been replaced by a contractor who also relocated the antennas, there are additional antennas that need to be relocated.

#### **4.5 Dedicate a Control Station at Sand Canyon CTS Dispatch for the South County Sites**

Adding a 500 MHz control station at the Sand Canyon facility would make communication with the south coast area on Channel 4 more robust. Currently, there would be very limited communications along the south coast if the wireline connection between Sand Canyon and Garden Grove Operations are lost or if the telephone and microwave links from the GG Annex to Loma are lost. The CTS dispatchers currently cannot use the base stations on Moorhead and San Clemente without these critical links working properly. Placing a control station at the Sand Canyon facility and using a directional antenna oriented towards the San Clemente site would give the dispatchers direct access to the site for communications with vehicles in the south coast area on

Channel 4 during a system outage. This would supplement the Channel 1 coverage along the coast, particularly at the south end. Unfortunately, there is no path that can be established to directly access Moorhead from Sand Canyon.

This short term improvement would have no effect on the implementation of any of the alternatives since the current 500 MHz radio system would be replaced for each of the alternatives. The cost of this improvement should be less than \$2,500 and consists of OCTA labor, contractor labor, and miscellaneous materials.

#### **4.6 Improve ITCS Coverage in Chino and Riverside**

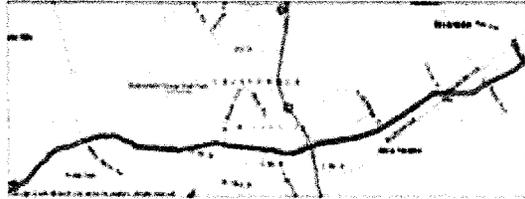
This recommendation is to change the antenna configuration at Sierra Peak to improve the ITCS coverage in the western San Bernardino County and western Riverside County. The improved coverage would be necessary if vehicles for the two express routes—758, and 794—to the Chino Transit Center and Tyler Mall are dispatched using ITCS.

Currently, the antennas at Sierra Peak for ITCS are directional antennas oriented to the west to concentrate all of the RF energy onto northwestern Orange County. Therefore, there is limited radio coverage to the north and east of Orange County. A coverage drive test was performed on March 22, 2006 by Gary Gray and Tim Lee using SkyCAT. The test verified that the ITCS coverage on those routes was deficient.

The following two maps show the results of the drive test coverage on routes 758 and 794 for the present ITCS system. Red signifies no coverage and green indicates good coverage.

**Proposed Route 794 – Santa Ana Base to Tyler Galleria**

**ITCS 900 MHz**



Driving 91 East  
10-1 from Coal Canyon to 71 expressway (Corona)  
10-2 from 71 expressway to Research Drive (Corona)  
10-1 from Research Drive to 6<sup>th</sup> Street (Corona)  
10-2 from 6<sup>th</sup> Street to I-15 (Corona)  
10-1 from I-15 to La Sierra (Riverside)  
10-2 from La Sierra to Tyler off ramp (Riverside)  
10-1 on Tyler off ramp (Riverside)  
10-1 at Tyler Galleria (Riverside)

**ITCS 800MHz**



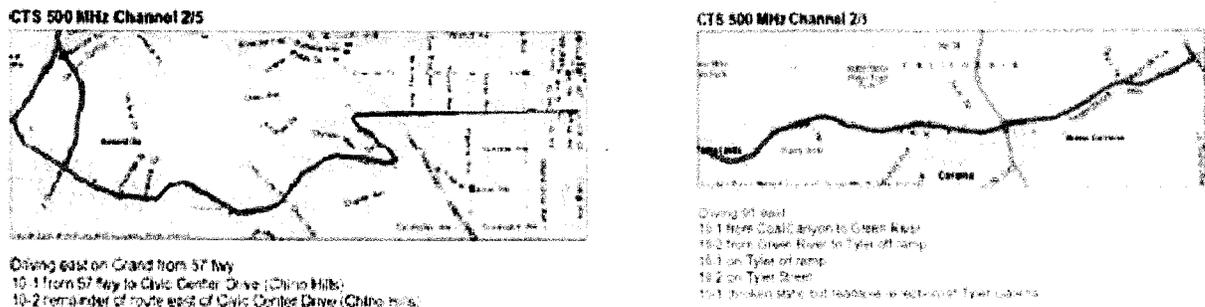
Driving east on Grand from 57 Hwy  
10-1 from 57 Hwy to Longview (Diamond Bar)  
10-2 from Longview to Pleasant Hill Drive (Chino Hills)  
10-1 from Pleasant Hill Drive to Civic Center Drive (Chino Hills)  
10-2 from Civic Center Drive to Payson (Chino Hills)  
10-2 on Payson from Grand Ave to Chino Ave (Chino)  
10-1 on Chino Ave from Emerald Way to Chino Park and Ride (Chino)  
10-1 on Chino Ave from Chino Park and Ride to Chino Transportation Center (Chino)

**Exhibit 4-7 ITCS Drive Test Results for Routes 758 and 794**

By adding a second antenna oriented to the northeast fed through a power divider with a 90%/10 % ratio, with the lower power level used for the northeastern antenna, the coverage pattern from the Sierra site at 800 MHz would provide better coverage in Chino and Riverside, without degrading the coverage in Orange County. The contracted fixed route buses used for the express routes in these areas currently use the 500 MHz radio system but they are also equipped with ITCS radios. With the recommended antenna modification, the coverage for ITCS should be similar to the 500 MHz system in these

areas. The ITCS radios could then be used instead for communications on these express routes.

The following maps in Exhibit 4-8 illustrate the expected improvement in 800 MHz coverage based on the 500 MHz coverage tests for the Chino and Riverside areas.



**Exhibit 4-8 500 MHz Drive Test Results for Routes 758 and 794**

The recommended modifications of the antenna configuration at Sierra Peak to achieve good coverage for this area are necessary for any alternative or sub option that uses ITCS.

The cost for this recommendation should be less than \$12,000.

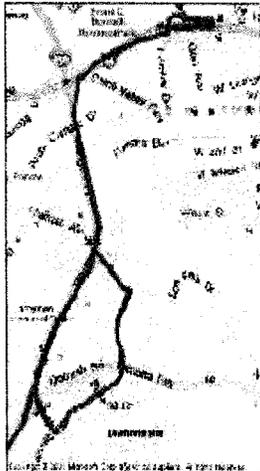
#### **4.7 Improve ITCS Coverage on Route 57 to Pomona**

This recommendation adds the Olinda site to the ITCS system to improve coverage in western San Bernardino County and southeastern Los Angeles County for portions of express routes to the Chino Transit Center and the Fairplex Park-and-Ride in Pomona.

The Olinda site provides coverage north of Orange County along Route 57 and complements the coverage from Sierra Peak in the Chino Hills area.

**Proposed Route 757- Santa Ana Transit Terminal to Fairplex Park and Ride**

**ITCS 600 MHz**



Traveling from Diamond Bar Park and Ride to Fairplex Park and Ride:  
 10-1 on 57 north from Diamond Bar Park and Ride to 10 transition (Diamond Bar)  
 10-2 on 1-60 from transition to Fairplex Park and Ride (Fowler)

Traveling from Fairplex Park and Ride to Diamond Bar Park and Ride:  
 10-2 on 1-60 from Fairplex Park and Ride to 57 (Portugal)  
 10-1 on 57 to Temple off ramp (Diamond Bar)  
 10-1 on Temple from off ramp to Golden Springs (Diamond Bar)  
 10-1 on Golden Springs from Temple to 60 WY (Diamond Bar)  
 10-2 on Golden Springs from 60 WY to Diamond Bar Blvd (Diamond Bar)

**CTS 500 MHz Channel 1**

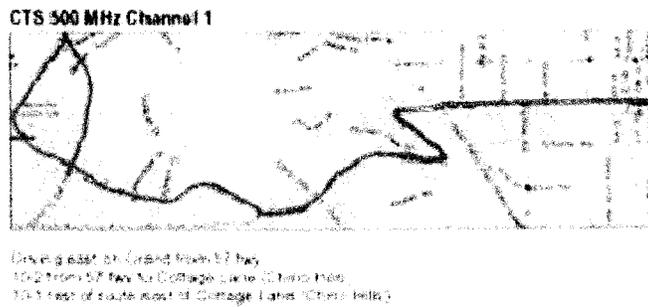


10-2 drive to out

**Exhibit 4-9 ITCS and 500 MHz Drive Test Results for Route 757**

Since the 500 MHz system uses the Olinda site, the drive test results for the 500 MHz system as shown in Exhibits 4-9 and 4-10 indicate the expected improvement in ITCS coverage to the Fairplex and the 57 portion of the route to Chino Hills when Olinda is added to ITCS.

Channel 7, WNWK278, can be used at the Olinda site if an antenna with a northerly pattern and a low ERP is used. This configuration would prevent any interference with



**Exhibit 4-10 500 MHz Drive Test Results for 758**

the usage of Channel 7 on Black Jack Peak. The circuits for Olinda can be added to the OCTA T1 line from Loma to Sierra via Olinda.

The cost for this recommendation is estimated to be less than \$ 30,000. The cost of the OpenSky base station and back up unit for Olinda should be the same as the units recently purchased for Catalina Island. The installation costs at Olinda should, however, be substantially less than at Catalina due to more convenient access.

The improvement in ITCS coverage in the Fairplex and Chino Hills areas will be necessary for all of the alternatives that use ITCS—Alternative #1 with the ITCS data radio sub option, Alternative #2, and Alternative #3.

**4.8 Cross-Patch 500 MHz Channel 1 to a Talkgroup on ITCS**

Cross-patching Channel 1 of the 500 MHz system to a talkgroup on ITCS would allow any CTS or fixed route dispatcher to communicate with any mobile on Channel 1 of the 500 MHz system or on ITCS. This would be accomplished by feeding the Channel 1 receive audio from the output of the receiver voting comparator at Loma Ridge to the

TDM150 at the Garden Grove Annex. A cross-patch has been successfully demonstrated by Tim Lee using another 500 MHz channel. Since Channel 1 has the best coverage throughout the County, a cross-patch between ITCS and Channel 1 is preferred. Additional 500 MHz channels could be patched to the two remaining unused ITCS talkgroups.

The cross-patching would also facilitate the migration of contracted fixed route communications onto ITCS by allowing dispatchers from both dispatch centers to contact operators on contracted fixed routes.

Recommendation #2 should be completed before the cross-patching to protect the fixed route dispatchers from hearing the co-channel interference, noise, and audio distortion that the CTS dispatchers are currently exposed to.

#### **4.9 Move Dispatching of Contracted Fixed Route Vehicles to ITCS**

Currently, contracted fixed route buses are dispatched by the CTS paratransit dispatchers using the 500 MHz radio system. Thus, the fixed route dispatchers have no direct interaction or control over the contracted fixed route buses. It may be more efficient if the fixed route dispatchers manage all fixed route vehicles, including the contracted fixed route vehicles.

The migration of the dispatching for the contracted fixed route vehicles can be initially be accomplished by cross-patching Channel 1 of the 500 MHz system to ITCS as discussed

in Recommendation #8. If cross-patching is not used, M801 radios would need to be installed in the contracted fixed route vehicles. If OCTA desires vehicle tracking and data messaging to the contracted fixed route vehicles, a complete ITCS onboard subsystem could be installed in the vehicles, as was done on the Express Route vehicles.

This recommendation would most likely be necessary if Alternative 3 is implemented. This would ensure there is adequate capacity on the new 500 MHz voice and data radio system for the paratransit fleet and its future growth.

#### **4.10 Select a Site for the EOC and a New Dispatch Center**

A new facility for the fixed route dispatching is recommended since the current dispatch facility is located in a seismically unsafe building. A new dispatch facility and EOC facility should be located in buildings that comply with the Essential Services Standards.

OCTA has several existing facilities that could be used for dispatching as well as for the EOC. The Santa Ana base is the newest facility and the buildings meet the current building standards. Irvine Construction Circle was built about ten to twelve years ago and could be easily upgraded to the current standards. OCTA's headquarters complex could also be considered. Although the structures are older, the low rise building between the towers may be upgradeable to the current standards. The Garden Grove Base Operations building, which is the old fixed route dispatch facility, and the Annex building, where the fixed route dispatch facility currently is, could be considered only if major seismic upgrades were performed.

All of the candidate facilities have a potential line of sight microwave path to Loma Ridge and are also within line of sight to an alternate County microwave site for alternate or loop routing, which is a necessary requirement for an EOC and dispatch facility. In addition, all of the facilities have sufficient space for the central communications equipment, dispatch consoles and support facilities. Battery backup and generator backup power sources are a vital consideration for the selected facility. This means on-site storage of fuel would be necessary. While this should not be a problem for the bases since they already have fuel storage, it may be a problem for the headquarters site. The need for antenna support structures and possibly a tower should also be factored into the selection of the facility.

#### **4.11 Equip EOC with OpenSky Network Voice Equipment**

This recommendation is to procure equipment for the Emergency Operations Center (EOC) or Emergency Communications Vehicle (ECV) so that ITCS can be operated in Network Voice fallback from the EOC or ECV. Currently, dispatchers in the ECV can operate ITCS in Fallback only, which can be difficult and frustrating to use, especially during an emergency. Network Voice fallback is an enhancement that would improve the voice communications with the vehicles while the system is in fallback. The equipment necessary to enable Network Voice operation as listed in the Task 7 report includes:

- M/A-Com EOC Items           \$ 280K
- 8 Dispatch Consoles       \$ 140K
- 8 Laptop Computers       \$ 20K
- Microwave Link           \$ 120K
- 16 Control Stations       \$ 60K
- 8 CCCS Portables         \$ 30K.

#### **4.12 Migrate CTS Units to CCCS Temporarily For Options 2, 3, and 4**

As an interim solution for Alternatives 2, 3 or 4, the CTS users could be moved temporarily onto CCCS if the current 500 MHz system becomes unusable and the radio systems for Alternatives 2, 3, or 4 are not completed yet. An agreement must be in place between OCTA and OCSD to allow CTS units to migrate to CCCS. All mobile radios would need to be replaced with 800 MHz radios that are compatible with CCCS. The control stations on CCCS would need to be connected to the CTS dispatch console system and programmed for talkgroups assigned to CTS on CCCS. CTS dispatchers would be able to communicate with vehicles equipped with the CCCS mobile radio or the existing 500 MHz radio during the transition to CCCS.

The infrastructure costs for this short term recommendation should be less than \$50,000 and includes costs for control stations, console programming, CCCS fixed end buy-in costs, and installation. The CCCS mobiles would cost \$ 4,000 each, including installation, CCCS buy-in costs, programming, and maintenance.

#### **4.13 Acquire a Quantity of Two Box Orbital Mobile Data Terminals**

For this recommendation, OCTA should acquire a few two box MDTs (OrbStar or OrbGuide) from Orbital and test them for compatibility with ITCS. The current single box AMDTs will no longer be available from Orbital so OCTA will need to procure the new MDTs for its new vehicles. Since ITCS is a unique system, with OpenSky1 and

SmartTrack, a compatibility test is recommended before the new MDTs are installed in the new vehicles.

#### **4.14 Regularly and Timely Updates of the ITCS RSA database From Hastus**

For ITCS to realize its full potential, ITCS should be more tightly integrated with the Hastus system to provide more timely updates. This would allow more accurate information to be available for route and schedule adherence, route and resource planning, scheduling and traveler information.

This integration can be accomplished using the recommendations put forth on page 59 of the Richter Report:

“The following files have to be “scrubbed” from the HASTUS program before being loaded into the RSA application that resides on the ITCS. Trip, index, note, work-run, calendar, comments, and transfer point files are all scrubbed for accuracy and then loaded into RSA.

The information database for all these files falls under different people. It is recommended that an RSA program manager responsibility be created. This person would then be responsible for the process flow of RSA data, and can develop a matrix for hot-sheet type requests (ie., immediate updates in route schedules that could be required).

This Manager can become integrated with the working group of Maintenance and Central Communications in order to maintain continuity with the work flow.”

The workload for a “RSA program manager” to manage the updates could be considerable. To minimize the long term labor costs for this task, it is recommended that this position focus on creating an automated process to collect and analyze these databases. An in depth analysis of OCTA’s current practices for “scrubbing” each of the

databases should be performed. Once these practices are understood, an automated process for combining the scrubbed data could then be developed.

## Appendix A. List of Acronyms

ADPD	Adaptive Digital Pre-Distortion
AMDT	Advanced Mobile Data Terminal
APC	Automatic Passenger Counter
AVA	Automatic Voice Annunciation
AVL	Automatic Vehicle Location
BER	Bit Error Rate
BSS	Base Station Server
BUCS	Back Up Control Stations
CAD	Computer Aided Dispatch
CCCS	Countrywide Coordinated Communications System
CCF	Central Communications Facility
CPP	Central Processing Package
CTCSS	Continuous Tone Controlled Squelch System
CTS	Community Transportation Services
DCSS	Digital Coded Squelch System
EOC	Emergency Operations Center
FCC	Federal Communications Commission
FM	Frequency Modulation
GHz	Gigahertz
HA	High Availability
HPD	High Performance Data
IP	Internet Protocol
IT	Information Technology
ITCS	Integrated Transportation Communication System
ITS	Intelligent Transportation System
IV&D	Integrated Voice and Data
KHz	Kilohertz
MIS	Management Information Systems
MDT	Mobile Data Terminal
MHz	Megahertz
NACS	No Acknowledgement
NPSPAC	National Public Safety Planning Advisor Committee
OC	Orange County
OCS	Orange County Sheriff's Department
OCTA	Orange County Transportation Authority
OCTD	Orange County Transit District
PC	Personal Computer
PCS	Personal Communications Service
RAID	Redundant Array of Inexpensive Disks
RAPTR	Radio Analysis and Propagation Tool Repository
RF	Radio Frequency
RFP	Request For Proposal
ROM	Rough Order of Magnitude

RSA	Route and Schedule Adherence
RTT	Request To Talk
SAS	Site Access Servers
SmartMDT	Orbital Two Box Mobile Data Terminal
TCP	Transmission Control Protocol
TDMA	Time Division Multiple Access
UDP	Universal Data Protocol
UHF	Ultra High Frequency
WLAN	Wireless Local Area Network







# 91 Express Lanes Toll Adjustment Review



**Board of Directors Meeting  
March 9, 2009**

# Background

- Toll policy adopted by Board of Directors in July 2003
- Toll adjustments during peak period travel based on traffic volumes
- 18 hours increased based on volumes since policy adoption
- 14 hours decreased on October 1, 2008
- Two additional hours decreased on January 1, 2009

# Toll Adjustments

- 18 Eastbound hours increased based on traffic volumes out of a potential 336 hours
- Westbound lanes have not experienced congestion-based toll adjustments
- Fridays from 3:00 to 4:00 PM have been the most congested time period
- Eastbound hours decreased \$0.50 on October 1, 2008
- Toll rates are frozen until April 1, 2009

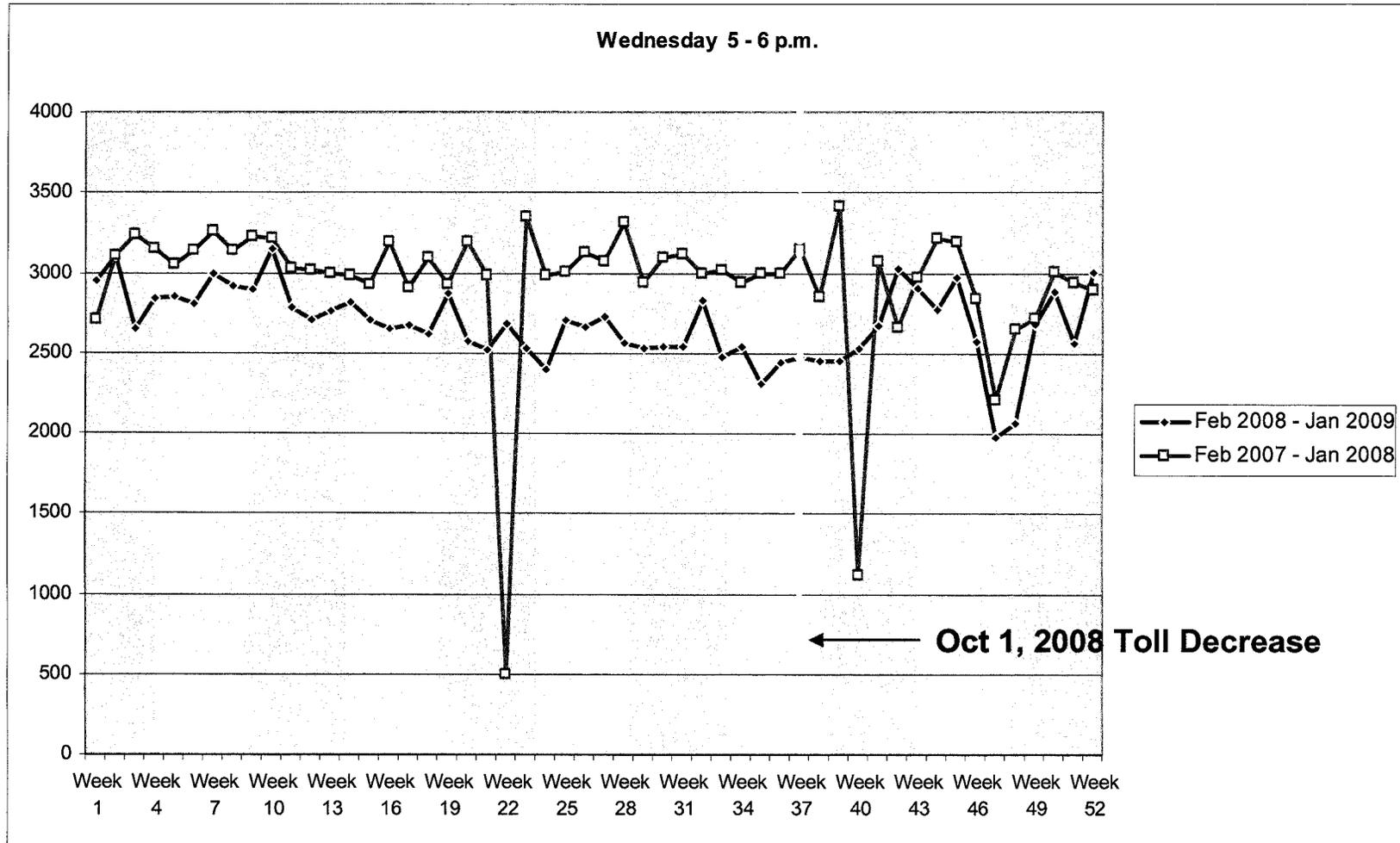
# Volume Comparison

	<u>Jan 08 to Jan 09</u>	<u>Sep 08 to Jan 09</u>
Average Percent Change For Hours Reduced	-0.37%	8.90%
Average Percent Change for Eastbound Direction - All Hours	-8.75%	3.65%
Average Percent Change for General Purpose Lanes Eastbound Direction*	1.03%	2.78%

\* Data obtained from PeMS (Freeway Performance Measurement System)



# Historical Traffic Volumes - Wednesday



# Next Steps

- Evaluate traffic volumes during the week of March 16, 2009
- Notify the Board of Directors, 91 Advisory Committee Members, and customers of any adjustments