



**OCTA
I-405 Improvement Project
Stakeholder Working Group**

**Minutes Notes
Thursday, September 26, 2013 at 8:30 a.m.**

**Orange County Transportation Authority
600 S. Main Street, Orange CA 92868
Conference Room 153/154**

Stakeholder Working Group Participants

Members

Helene Ansel
Ralph Bauer
Mark Bloesser
Victor Cao
Diana Carey
Lea Choum
Colin Edwards
Colin McCarthy
Kathleen McCune
Steven Mendoza
Chad Morgan
Ernesto Munoz
Pamela Newcomb
Lucy Olmos
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Salim Rahemtulla
Kari Rigoni
Raja Sethuraman
Gregg Smith
Schelly Sustarsic
Paul Van Dyk
Jay VanWormer
Tamara Werkmeister

Organization

Office of Senator Allan Lowenthal
City of Huntington Beach Council on Aging &
OCTA Citizens Advisory Committee
Office of Long Beach City Councilman Patrick O'Donnell
Building Industry Association / Orange County
City of Westminster
John Wayne Airport
Office of Assemblymember Travis Allen
Costa Mesa Planning Commission & Costa Mesa Taxpayers
Association
LA Metro
City of Los Alamitos
Office of Assemblymember Allan Mansoor
City of Costa Mesa
Office of Orange County Board of Supervisor John Moorlach
LA Metro
City of Westminster
Naval Weapons Seal Beach
John Wayne Airport
City Of Costa Mesa
Navy
College Park East Homeowners Association
City of Long Beach
Fountain Valley Homeowners Association
HNTB

Agencies and Consultants

<u>Name</u>	<u>Agency</u>
Kirk Avila	OCTA
Niall Barrett	OCTA
Jim Beil	OCTA
Ellen Burton	OCTA
Christina Byrne	OCTA
Rose Casey	OCTA
Andrea West	OCTA
Cindy Azima	Caltrans
Smita Deshpande	Caltrans
Ahmad Hindiye	Caltrans
Adnan Maiah	Caltrans
James Pinheiro	Caltrans
Lisa Ramsey	Caltrans
Gary Slater	Caltrans
Sylvia Vega	Caltrans
Macie Cleary	Parsons
Neal Denno	Parsons
Jason Majzoub	Parsons
Noelle Afualo	Simon Wong Engineering
Evelyn French	Simon Wong Engineering
Jeannie Kim	Consensus, Inc.

I. Welcome, Self-Introductions and Opening Remarks

Christina Byrne opened the meeting, welcomed those in attendance and asked for self-introductions.

Niall Barrett also thanked everyone for their efforts on the I-405 Improvement Project Stakeholder Working Group (SWG). He provided an overview of the agenda including a general update on the I-405 Improvement Project, comments received from the Supplemental Draft Environmental Impact Report / Environmental Impact Statement (EIR/EIS) released on June 28, 2013, the findings of the feasibility studies of both Concepts A and B per the Orange County Transportation Authority (OCTA) Board direction on April 22, 2013, the project schedule and project next steps..

II. Presentation - Build Alternatives, Project History and Supplemental Draft EIR/EIS

Niall Barrett began the presentation by explaining the three Build Alternatives and the difference between the original cost estimates and the revised cost estimates due to proposed design variations. Alternative 1, which would add one general purpose (GP) lane in each direction, was originally projected to cost \$1.3 billion. Alternative 2, which would add two GP lanes in each direction, was originally projected to cost \$1.4 billion. Alternative 3, which would add one GP lane and one high-occupancy toll (HOT) or express lane to be combined with the

existing high-occupancy vehicle (HOV) lane as a two-lane express facility, was projected to cost \$1.7 billion. Mr. Barrett explained that these estimates were based on the scope included in the draft project report. Largely based on the comments received from the Draft EIR/EIS in May 2012, the project team explored design variations, resulting in a revised cost estimate. These variations included eliminating the braided ramps along the southbound I-405 between Magnolia Avenue and Warner Avenue to avoid business impacts in Fountain Valley and truncation of Alternative 3 at Euclid Street to avoid reconstruction of the Fairview Bridge in the City of Costa Mesa. The project team reported the revised cost estimates on April 22, 2013: Alternative 1 is now projected to cost \$1.25 billion, Alternative 2 is now projected to cost \$1.35 billion and Alternative 3 is now projected to cost \$1.47 billion. Mr. Barrett noted that all of these estimates are based on the design-build delivery method of procurement, which assumes construction to begin in 2015, with current estimates based on a 20 percent level of design. As the project moves forward and the design advances, both the project schedule and the cost estimates will be revised accordingly.

Niall Barrett explained that planning for the I-405 Improvement Project has been ongoing for the past decade. The Major Investment Study (MIS) included thirteen alternatives that had significant right-of-way (ROW) impacts, including one alternative that required 300 full residential acquisitions along the corridor. Since then, the project team has worked to minimize ROW impacts and currently, none of the three Build Alternatives require any full residential acquisitions. In 2005, the OCTA Board of Directors approved the MIS strategy to add one general purpose lane in each direction between Brookhurst and the I-605, which was the basis of Measure M2 Project K. In 2008, the Project Study Report (PSR) recommended two build alternatives to be carried forward into the environmental phase. This included Alternative 1, which would add one GP lane in each direction, and Alternative 2, which would add two GP lanes in each direction. In 2009, the environmental phase began and a third Build Alternative was added in January 2009 by the Board. Mr. Barrett explained that the introduction of the third Build Alternative was due to two factors: the economic climate affecting Measure M2 and to provide an additional alternative to increase mobility within the corridor. The Traffic and Revenue studies were completed in 2010 and 2011 for Alternative 3. In the summer of 2012, the Draft EIR/EIS was released, followed by four public hearings throughout the corridor. On October 22, 2012, the OCTA Board recommended Alternative 1 to be recommended to Caltrans.

In April 2013, OCTA staff studied Concepts A and B as requested by the OCTA Board of Directors. Caltrans prepared a Supplemental Draft EIR/EIS in order to further examine the existing and future traffic flow in the City of Long Beach. The project team examined traffic impacts within the City of Long Beach including local streets and intersections, as well as the SR-22, I-405 and I-605 freeways.

The project team received 247 public comment letters and e-mails during the circulation of the Supplemental Draft EIR/EIS. Comments received included inquiries regarding the fair share calculation, support for and opposition against a signal at the College Park Drive and Studebaker Road intersection and concerns regarding traffic impacts at the county line. Niall Barrett also noted that there were topics not directly related to the Supplemental Draft EIR/EIS; these comments were regarding tolling, sound wall potential relocation along Almond Avenue

in College Park East, as well as comments on the northbound Magnolia/Warner braided ramps in Fountain Valley, mass transit and light rail transportation solutions, and a letter requesting a direct connection from the I-405 to the SR-73 from the Transportation Corridor Agencies (TCA).

III. Presentation - Concept A - Feasibility

Niall Barrett provided an overview of Concept A. Concept A, like all of the alternatives and concepts studied to date, adds one GP lane in each direction as promised as a part of Measure M2. However, Concept A also includes a second GP lane in each direction and converts the existing HOV lane into a HOT lane.

Kirk Avila outlined OCTA and Stantec's Traffic and Revenue study regarding Concept A, explaining that a similar process was implemented when studying Alternative 3. Stantec provided an analysis of Concept A in comparison to Alternative 3. In the schematics provided by Stantec, the parameters of the project area are similar to that of Alternative 3. Concept A has a dual express lane on the I-405 between the SR-22 and the I-605. However, the difference between Concept A and Alternative 3 is that Concept A provides a single HOT or express lane between the SR-22 to the southern terminus. In addition, the southern terminus was moved from the SR-73 to Harbor Boulevard.

Kirk Avila explained the speed curve for Concept A which compares traffic volumes in the general purpose lane and the travel speeds in the general purpose lane. He explained that travel speeds range from 65-75 miles per hour on the freeway during low volume, but as the volume of traffic in the general purpose (GP) lanes increase, the speed of the vehicles in the GP lanes drop. Consequently, throughput drops significantly when the general purpose lanes reach maximum capacity. Kirk Avila mentioned the concept of managed lanes can be useful in order to maintain throughput. The OCTA Toll Policy assumptions are largely based on existing toll policy from the SR-91, a policy that has been in existence for over ten years. It establishes trigger points to avoid congestion in toll lanes and rates can be adjusted up or down depending on traffic volumes. Peak tolls are either increased by \$0.75 or \$1.00; however, what makes the policy unique is that there is also a mechanism to decrease tolls by \$0.50. Based upon traffic volumes, there is an annual cost of living adjustment of 3% for non-peak hours and HOV 3+ can utilize the tolls for free. Forecasting for Single Express Lanes for Concept A mean that there are lower volume thresholds for a single lane facility, due to operational issues. Dual lanes allow drivers to bypass slower traffic or traffic incidents.

Kirk Avila compared Concept A's peak toll rates and average toll rates for 2020 on an average weekday. Drivers traveling from the SR-73 to the I-605 during peak hours going northbound can expect to pay \$11.58 and \$6.96 going southbound. The average toll rate would be \$6.31 going northbound and \$4.99 traveling southbound. Estimated toll rates for 2035 show that the full length trip going northbound during peak hours would cost \$15.07 and \$9.38 going southbound during peak hours. Average toll rates going northbound and southbound would cost about \$9.82 and \$5.80 respectively.

Stantec generated the toll transactions compared to last year's toll transactions regarding Alternative 3 in order to examine financing options for Concept A. Kirk Avila explained that Stantec found a 30-35% difference in toll transaction between Alternative 3 and Concept A. Revenue change between Alternative 3 and Concept A still show a 30-35% change initially, but due to growing traffic, the differentials are about 15%. Stantec made its own assumption on the toll road operating expenses to determine how much revenue would be generated in fiscal year 2016 and 2017. Kirk Avila reminded the SWG that revenues would not be generated until 2021 under this concept as there will be a four year construction period. During this time, the project will be financed to pay for the interest during the four year period. Once revenue is generated, then the project can begin paying the principal on the debt. The results of this analysis showed that using the HOV 3+ scenario generates \$163.3 to \$186.6 million in toll road bond proceeds, but leaves a funding gap of \$67.2 to \$90.5 million which requires non-toll road revenue funds. An HOV 2+ scenario for Concept A will not generate enough funding to cover even the beginning part of the project, as it will generate \$3.3 to \$7.4 million in toll road bond proceeds and will require the full amount of money for the project ranging from \$246.4 to \$250.5 million.

IV. Presentation - Concept B Feasibility

Niall Barrett explained Concept B, as does all of the existing Build Alternatives, includes the Measure M2 project to add one GP lane in each direction. However, it also adds an additional GP lane in each direction. He explained that the difference between Concept B and Alternative 2 is that the second GP lane in the northbound direction would be truncated at the Valley View Street exit. Concept B was introduced primarily to avoid impacts to the Almond Avenue existing sound wall in the College Park East neighborhood and to possibly address congestion at the Los Angeles and Orange County line. The project team evaluated traffic speeds in Concept B and Alternative 2; the main finding of Concept B's screening analysis is that south of Bolsa Avenue, the impacts of the lane drop at Valley View are minimal with a reduced speed of 1 mile per hour (mph). However, as traffic moves north to Goldenwest Street and Westminster Avenue, during the PM peak the impacts of the Valley View drop are considerable and the result is a reduced speed of 21 mph. Between Westminster and Valley View, the speed is reduced by 34 mph, moving from 59 mph to 25 mph. Between SR-22 and Seal Beach Boulevard, speed impact reduces to 5 mph because the Valley View Street exit acts as the bottleneck. Once drivers pass the Valley View Street exit, they would return to the traffic speed offered in Alternative 2. Niall Barrett stated that these analyses were based on data from the general purpose lanes, not from the HOV lanes.

Mr. Barrett stated Concept B results in a significant bottleneck at Valley View Street, which will likely disperse traffic to local arterials within the cities of Seal Beach, Garden Grove and Westminster. The traffic delays are significant in comparison to Alternative 2. Concept B would result in traffic delays approximately 47% higher than Alternative 2 in 2040. Concept B will result in 2.4 million in annual delay hours compared to 1.7 million for Alternative 2. Annual cost of delay for Concept B is \$27 million, compared to \$18 million for Alternative 2. Caltrans has indicated that they will not be supportive of Concept B. Niall Barrett also provided a comparison of Concept B and Alternative 1 and concluded that southbound Concept B performs better than Alternative 1 due to the additional general purpose lane. Concept B also

performs better going northbound to Bolsa Avenue due to the extra general purpose lane, but from Bolsa Avenue to the I-605, Alternative 1 performs better than Concept B because the impacts of the lane drop at Valley View creates significant impact on all of the general purpose lanes.

Kirk Avila explained the cost and revenues available in the toll financing amount for Concept B. Alternatives 1 and 2, Concept B and various toll alternatives were compared to analyze each option's cost assumption, available Measure M2 funding, toll financing proceeds, total financing available and the funding gap for each Alternative or Concept. With Measure M funding available for Alternative 1, there is no funding gap to add one GP lane in each direction. For Alternative 2, there is a \$100 million funding gap, for Concept B; there is a \$130 million funding gap. From the toll alternatives, there is no funding gap for Alternative 3 with HOV 3+. But Concept A or HOV 2+ scenarios, there are some funding gaps which would require OCTA to provide additional revenues to finance those projects.

V. Presentation- Key Findings, Staff and Committee Recommendation, Project Schedule and Next Steps

Mr. Barrett concluded that Concept A is feasible but the performance lags Alternative 3 and requires additional funding, requiring a change in the current OCTA Board policy. Concept B is not recommended for further study because it creates significant bottleneck at Valley View Street in the northbound direction and Caltrans is not supportive of this concept. Mr. Barrett also noted that new performance requirements on HOV lanes may affect the overall strategy for the I-405 corridor in terms of addressing HOV degradation.

On September 16, 2013 at the Regional Planning and Highway Committee, staff report presented three recommendations. The committee approved two Recommendations (A & C): to direct staff to continue the development of the I-405 Improvement Project, Measure M2 Project K, which adds a single general purpose lane in each direction between Euclid Street and I-605, as approved by OCTA Board of Directors on October 22, 2012 and to direct staff to examine options for addressing high-occupancy vehicle degradation, including those that could be implemented in coordination with the I-405 Improvement Project. Recommendation B to preclude further study of Concept B was forwarded by the committee to the Board, but without a recommendation.

On September 23, 2013 the Board carried forward from the Regional Highway and Planning committee two new Recommendations (D&E): to direct staff under recommendation C to analyze tolling policies and the use of potential excess toll revenue for use in improving public transportation in and near the project boundaries, and to direct staff to explore and coordinate with the TCA on solutions to resolve HOV degradation and opportunities to increase HOV capacity and connectivity between the I-405 and SR-73, including opportunities for financial participation in transportation projects in the region. The Board approved Recommendation B on September 23, to preclude further study on Concept B. The Board also directed staff to analyze toll policy and revenue within the I-405 corridor and to work with Caltrans on a cooperative agreement for the entire project.

Niall Barrett reviewed the project schedule and the next steps for the project. He noted the schedule is based on the assumption that the project is to move forward with the Measure M2 project Alternative 1 or another Alternative already studied in the Draft EIR/EIS. If the project were to move forward with Concept A, then the schedule would slip by approximately one year.

Mr. Barrett reminded the SWG that after the Board makes its recommendation, the Project Development Team (PDT) which includes Caltrans, would select the preferred alternative to build. He acknowledged that the Board selected Alternative 1 as its recommendation in October 2012, but since the Board has asked the team to come back within 60 days with the additional study, the plan now is that the project will be presented to the Board once again, and then the PDT will select its preferred alternative in late 2013.

After the preferred alternative is selected, the project team will distribute soundwall surveys and hold meetings for occupants along the corridor. The objective of the soundwall meetings will be to explain the surveys and to collaborate with the community to determine the location and height of the soundwalls. Assuming that AB 401 is approved, effective January 2014, then the Final EIR/EIS will be complete in July 2014, which will include comments and responses from all public comments received from the Draft EIR/EIS and the Supplemental Draft EIR/EIS released in June 28, 2013. Niall Barrett noted that AB 401 passed from California legislature on September 12, 2013 by a 60 to 4 vote. If the project has design-build authority, the procurement will begin Spring of 2014, with the Request for Qualifications (RFQ) being issued in March 2014, the Draft Request for Proposal (DRFP) will be issued August 2014, and the Request for Proposal (RFP) will be issued January 2015. Construction is projected to begin August 2015 to late 2015. Alternative 1 is expected to take four years to complete whereas Alternative 3 would take up to four and a half years, with construction ending around 2019 or 2020.

VI. Stakeholder Feedback and Comments

Ralph Bauer: I've watched the freeway system develop it's never quite enough. We always say "Gee, we should have done more than that" and when we do "more than that" the acquisition makes it expensive and impossible. . Secondly, you did not mention it but I understand there are air quality issues. I believe there are AQMD and federal requirements and rules that require certain kinds of performance and regulation on air pollution. Who makes the final decision on the project alternative?

Niall Barrett: The Project Development Team, comprised of Caltrans and other stakeholders, will make the final alternative selection.

Ralph Bauer: Well, I've testified for Alternative 3, and I've lost that one. The SR-91 has been very useful and successful. To summarize, we always underestimate, and the shortfall can be dealt with using the SR-91 concept and apply it to the I-405. We have a lot of NIMBYism here, as we often find especially in Orange County. We're an urbanized community. People still imagine Orange Groves and we're not. I still stick by Alternative 3 perhaps even more now. It's interesting to see the OCTA Board reject Alternative 3 and now they're looking back to think

“Gee maybe we’ll have to take another look at it,” some rationality came to it instead of just emotional. My hats off to your report, and I still think Alternative 3 seems like the best option.

Niall Barrett: Thank you.

Colin McCarthy: This is the first time I’ve ever met someone who supports Alternative 3. Five years of dealing with this I’ve never met anybody who ever thought toll lanes was a good idea for this corridor. My concern is really a comment that we’re so far removed from where we were when the LPA happened back in October 2012. The Board members changed in January 2013. The degradation study has given ammunition for the new Board to come back and say we want to look at the toll lanes. My concern after listening to the Board meeting on Monday, from the audio, is there is a significant division among the corridor cities and the rest of the Board. I would suggest that given that Caltrans selects their preferred alternative in late 2013 - you should go back to the six corridor cities and talk to the public about this. The public in my city think that the LPA decision is over. The tolling issue is over. The LPA was selected back in October. Of course it’s Caltrans’ ultimate decision, but they are not going to go against the grain and stick it to the corridor cities like this. I would really suggest if we’re going down that route, and if you want to go this way with the toll lanes, that you guys go back and explain to the six corridor cities and explain to the public cities that this is the direction that we’re going. Or else, my fear, and I saw this in the way that Ms. Carey was treated when she made her comments at the meeting the other day, and of course audio may be different than actual reality, but we go with this route without increased community outreach, we are going to create a significant division between Caltrans and OCTA. I’ve never seen a project that has united six cities together to lock arms to say “we do not support the tolling”, yet now we are moving forward with it. What I’m saying is that we need to get some more community buy-in and public buy-in about the direction we’re going because we are shifting gears this strongly and significantly so late in the process. People I talk to in our City think that toll lanes are dead, OCTA already decided in October 2012. Now that we’re changing gears, I think it is important for us, for you guys, to get out to each of these communities. Explain the degradation study, explain the revenues, and why it’s going to work well in Orange County. There are a lot of people who don’t think it’s going to. With this timeline, if we don’t do that, we will be creating some long standing wounds between some significant cities, with OCTA and Caltrans. That’s sort of my two cents.

Niall Barrett: Thanks Colin.

Diana Carey: We’ve been over this for years and now the degradation report has come along and changed the discussion.. I’ve read the action plan for every district in the State. For those of you who are new and don’t know, there’s twelve. And almost without exception, the only place where they suggest HOT lanes is Orange County. It cannot escape anyone that we couldn’t have HOT lane concepts unless we have M2. We’re building HOT lanes on the backside of our M2 funding. One of the other issues is they keep talking about a HOT lane from the I-405 up to LAX, yet in the degradation study, it’s not mentioned at all. Caltrans is going around strong arming – and I call it strong arming— the Directors and the Supervisors to say “If you don’t do this OCTA, we’re going to do this, and we’re going to keep the money.” There is a lot of incongruence here that is very frustrating, especially from the corridor cities,

we've been on this issue for years and years. And the ball keeps changing as far as what we're going to do. Lastly, there is a complete dismissal of the fact that if you add the general purpose lane, and for those of you who are new, I'll explain: the corridor cities were not in favor of Alternative 1. We're in favor of Alternative 2. However, because adding a GP lane does not address degradation we're going back and considering tolling again. If you want to do that, then you're certainly welcome to do that. People in our corridor do not want them. They see that we will not be the beneficiaries of this. It's expensive. It would be basically \$20.00 a day, and if you use it every day, that's \$100.00 a week, \$5,300.00 a year. It's expensive. We do not see the benefit at all, and we also see a huge downside for our business district, whether it's our auto dealers on Beach Blvd. or not being able to get to our malls; whether it is South Coast Plaza or the Westminster Mall. We see that as a big downside for us. While we talk about throughput, there is really diminished emphasis on the fact that we do have the general purpose lanes. I drive the SR-91 regularly and the I-110, just to see how it's doing. And I can tell you on the I-110, the GP lane is going much slower. It slows things down. So our people, don't see it and we also have huge issues about the county line in the north part of the county. We're very concerned about creating a northbound I-405 like we created on the I-5. We have to live with it, and it's not something we've wanted. And the other thing for the corridor cities is that we are a self-help county. We passed Measure M over 73%. People love their freeways and want to tax themselves and feel that this is a double taxation thing. And another point: government doesn't do anything in 180 days. What this degradation report is saying is that every district whether it's District 1 or 12, in 180 days is supposed to come up with a tangible relief to this issue. And if you look in the degradation report, there are a whole bunch of different things that can be done. But here in Orange County, because we're so ahead of the curve, we get to explore toll lanes. So, it's very disturbing. The bottom line is, Caltrans and the Feds, and OCTA are allowing it – they are usurping our M2. And all those years of planning is out the window because we are going to get this. That's what led to our exchange on Monday when I said do not ever call this the locally preferred option. We've worked together. We do not want this.

Jim Beil: I would like to share with you a couple facts on the project in the environmental document with regards to the traffic study. Alternative 1, which is our current board direction, as a LPA, ends up at level of service F. Alternative 2, which adds two GP lanes ends up at level of service F. Level of service F is completely disruptive flow, congestion and very low speeds. Alternative 3, the GP lanes, level of service F, just like the other alternatives. The HOT lanes, those maintain a minimum speed of 45 mph, a much higher level of service. I just wanted to make sure you realize those facts are out there. That's how the environmental document lays out the performance of the alternatives in comparison with each other. I think Caltrans really needs to talk about what's going on regionally regarding degradation.

Sylvia Vega: My name is Sylvia Vega, Environmental Deputy for District 12. I've been working in transportation for almost 30 years: transportation planning and environmental. I actually wrote one of the original EIRs in Santa Ana. In my 20 years in Orange County, I've seen the I-5 built and rebuilt as well as the HOV lanes and GP lanes. We have an issue with air quality and EPA at this moment is in favor of managed lanes. And they have statements that we can't build ourselves out of traffic. So, keep that in mind. That's all I'm asking.

James Pinheiro: From an operational perspective looking at this corridor, what Jim said about a level of service F, we believe is true. The reason for this is something called latent demand. The demand all around the corridor and the other lanes, will fill-up the new capacity in those GP lanes in a very short amount of time. The challenge we have is that we've got to figure out a way by the year 2040 – plus or minus – to move over 400,000 vehicles day, up and down the corridor. We want the best solution for everyone that uses the corridor and we understand that the cities have their concerns about local access and how it will impact their communities. We share those concerns, but we also have to look at everyone who is going to use this corridor coming outside of the county, through the corridor. We have to find the best mobility solution for everyone because if people say there is congestion or degradation on the HOV lanes, everyone is going to suffer. The inherently low emission vehicles make up about 1.5-2% of the traffic in the HOV lanes as Ms. Carey has said in the past, but you've got a bigger problem than that. You've got 98% of demand in those lanes that exceed the capacity of those lanes. We have to improve the capacity. A two lane HOT system that is priced to flow is the best solution that's available to do that. I'm talking strictly from an operational perspective. If you look at other regions around the state, you can see that they're all moving in that direction because that solution works. They can't go and acquire significant land, you can't go out and buy a bunch of houses and businesses; communities don't want that. That is an unacceptable solution, so what we're doing in urban environments across the state and across the country is that we're looking at managed lanes. If you look at other transportation programs, they've built managed lanes into those programs and those programs are moving forward. LA is moving very aggressively towards managed lanes. They've already got lanes in operation, on the I-10 and the I-110. They've studied the I-405, the I-605 and the I-105.. It's very important that we make the right decision on this project to make for connectivity to have the best operating system that we can. We're trying to find a solution that will also minimize impacts and relieve congestion in your local streets. If you look at the other alternatives and the bottleneck impacts they make, I think you'll find there are impacts to your street that you don't want. We want the best solution that will minimize impacts along the streets in the corridor.

Jay VanWormer: Jay VanWormer, I represent homeowners in the City of Fountain Valley. I wanted to comment on Mr. McCarthy's thought on reaching out to the public in the six corridor cities. I am the public. I don't represent the government; I don't represent anybody except my community. We were taken by surprise when we thought that the HOT lanes were gone but now are back. I'm an engineer by trade, so I'm a numbers guy, so it seems like if you have so many cars driving down the lanes, and you take one or two of those lanes and turn them into HOT lanes, then that puts the balance back in the general purpose lanes. I know it's possible to digest numbers and make any outcome you want. That's statistics. In reality, it's not possible to have fewer cars in one or two lanes and not expect to have more cars in the other lanes. Having HOT lanes must decrease the speed of the cars in the GP lanes. To me, that's simple math. Everyone was happy that the Board selected a GP lane last October. We felt like we were out of the loop. We thought it was going a certain direction, and now it's "surprise", different direction again. We are really against these HOT lanes. Either way, as a taxpayer, I'm paying for this, whether it's through my taxes or I'm buying to use those lanes. We're paying for it, so it's not about the money. It's about the use of these lanes. It's going to cause more burden on us, we think.

Niall Barrett: If I may, just to counter that, the idea with the express lanes or managed lanes is that by providing free flow, so you price it to ensure, as Jim was saying, a higher level of service, you can get more cars or traffic through that the corridor. So if you're moving more traffic through those express lanes, you're actually taking traffic out of the GP lanes because they're already congested with level of service F. So overall you're moving more people through. The only people who are using the HOT lanes are those who choose to use them. It's a user fee, so as a taxpayer you are not paying to construct them. Our analysis has shown with Alternative 3 that we can finance them with future toll revenue bonds. And you're not paying unless you want to use them. You're not paying to use them or build them. I would just say that free flow equals more throughput so actually as people buy into them, they're getting out of the GP lanes, and also the only people who are paying for them are the ones who want to use them.

Jay VanWormer: I think you misunderstood my "paying" part. The reason why you get more throughput is because of fewer cars.

Niall Barrett: Actually no, it's more cars because it's more free flow. It's a supply and demand thing.

Jay VanWormer: I'd like to see the actual numbers then.

Jim Beil: I'd like Caltrans to help people understand what solutions they're looking at for degradation. Not just for the I-405, but for all the freeways.

James Pinheiro: We're encouraging people to get more people in cars and take more cars off the road. Ultimately if you have a two lane system, you can get vanpool or buses into those lanes. There is an incentive for people to carpool, vanpool or bus. If you only have general purpose lanes, there is no incentive for people to create more space.

Jay VanWormer: Have you factored in buses merging multiple lanes to get to the HOT lanes?

James Pinheiro: That's a concern and that's why we're looking at more direct connectors between the corridors and drop ramps. We know that is a problem, and yes it is considered. We don't have the drop ramp at every entry point onto the system now, but we're certainly looking at more direct connectors. It's very important to get more people in fewer vehicles. For instance on the I-10 freeway, called the El Monte Busway, they're moving they're moving 5,800 through that lane in peak hours utilizing buses The GP lanes are moving 900 and 1,400 people during peak hours. That's the difference. It's a huge opportunity you can't create with the other alternatives.

Colin McCarthy: Part of the frustration continues to be Measure M. We taxed ourselves and OCTA from the beginning of this process has said that they agree with the voters in Orange County and will build lanes on the I-405. That's what we agreed to, and that's what we paid for. Now Caltrans is coming and saying it's not good enough, we're not meeting that standard. We want to come in and add HOT lanes. It seems to me that it strikes us as very deceptive to the voters who said we are going to vote to tax ourselves to have these lanes and now we're

completely changing the game. The better option is for OCTA to say “We’re going to go with Option 4, we’re going to go with no build and if Caltrans is so concerned about throughput and air quality, they can build it.”

If HOT lanes and toll lanes were not included in Measure M2, how can we go back with a straight face and to the residents and to the folks in the county and say, “We’re going with something different now?” We’re taking your money, but we’re making something different now because we have concerns over air quality and all this other stuff.” It strikes me as very disingenuous to the voters.

Jim Beil: In all of the three alternatives, the base, Measure M, project scope that was promised to the voters is provided. That’s key.

Ellen Burton: Let’s say that Caltrans decides to wait to fix degradation. Then we do the Measure M lane, one lane in each direction. Then there is another project to fix degradation, now the people in the corridor have to suffer through two rounds of construction? It seems to not make sense. Now we’ve heard from those who support Alternative 2 who say - If you’re in there once, don’t do it twice. One way to think about it is these are two different projects, but concurrently built. It’s a different way of looking at it because you don’t want to disrupt people over and over again with construction.

Chad Morgan: Chad Morgan with Assembly member Mansoor’s office. I’m curious what the actual Measure M2 revenue has been compared to the projected at the time it was put on the ballot.

Ellen Burton: Originally it was \$24 billion, and now we’re down to \$15.5 billion. So we’ve taken a big hair cut because of the recession, in terms of what Measure M is providing has gone up a little bit, but we’ll never recover to what the 2005 projections were. The Measure M program is very tight.

Jim Beil: How does that affect the I-405? Initially for the I-405 we didn’t have enough Measure M2 revenue to fund Alternative 1. So the Board took action to move some dollars from the SR-91, since we had already completed the SR-91 and projects for Project J under Measure M2. We were able to capture state and federal money that was available rather than spending the Measure M2 money. The Board chose to fully fund the scope of the Measure M2 promise on the I-405 which was a single lane at \$1.25 billion.

Ellen Burton: And another part to that delay was inflation costs. A project of this size, every year could cost you \$40 million in inflation costs. We could do nothing, but the whole project could be at risk at some point.

Jim Beil: If we delay this, the core M project, could essentially be delayed post 2020 or beyond.

James Pinheiro: Another way to look at this is the GP lane promised in M2, which the department fully supports, is a great improvement for the I-405. It will be good that we have another lane. But it’s not enough. The HOV system in that corridor is breaking down. We have

to improve it. The degradation requirement in MAP-21 brings that problem to a head, but even if it wasn't there, the problem is still there. We need to do something for the HOV system while we're doing something to the GP lanes to keep the corridor flowing. If we don't and the HOV system continues the breakdown, a lot of people will lose the incentive to carpool, and soon a lot of solo cars will turn into two cars that will end up in the GP lanes, worsening the corridor. It's really important to look at this as a system within a system to keep the corridor flowing.

Schelly Sustarsic: I'm from a neighborhood association in Seal Beach and a member of the public. I don't think the public has gotten any wind of this. It just appeared in the paper and on the news that OCTA is looking at toll roads again. At the beginning of the summer I think there was something in the OC Register, where I think OCTA visited a Los Alamitos meeting, and there was something where Los Alamitos submitted a letter. I look at the I-110 demonstration, it doesn't cost anything to them, but they haven't had a complete acceptance there. And I would just hate to see half empty HOT lanes while the rest of us are sitting in congested general purpose lanes. Alternative 3 does have a level of service F for the GP lanes going into LA County. We've complained for a year that there will be a bottleneck at the county line. But the response we get is that it is a perceived bottleneck because they think they can go up the I-605. They can do that now, but the busiest place in the county is where you decide to do toll, and I know it's because it has the most potential for revenue, but we don't appreciate being the guinea pigs. Now we are being accused of NIMBYism. It's not just our area but there are significant impacts. We will have the traffic, the exhaust, the air impacts, the tolling and the flow, and I feel we have a right as a community to speak. To be accused and to have our representative from the corridor cities disrespected, I don't think it is acceptable. We have a right to public input. People have a right to know what's going on. This slip and change at the last minute, regardless of why it's being done is not open government. If this is happening too rapidly, then maybe we need to slow down, if this is what the government is going to require us to do.

Jim Beil: Schelly, I just want to talk a little about the county issue. Alternative 1 and Alternative 3 is the same exact footprint going up through Seal Beach Boulevard and the I-605.

Schelly Sustarsic: That's true, if you take a look at the Draft EIR/EIS and look at the volume capacity ratio, you're not going to see the same thing in both Alternative 1 and 3. They are much higher in Alternative 3. Theoretically, you're talking about the same number of lanes, but it's not the same thing. And going southbound, if you look at Alternative 3 in the original document, they're very high when you get to the other end. I'm not an expert in Costa Mesa and I'm not going to pretend like I know what happens there at different parts of the day, but you're going to see impacts. Maybe you're hoping people use the SR-73. Not everyone is going to LAX. Some people are just trying to get to work. I know your model is to ensure flow and consider regional flow.. Just like the SR-91, your customers on the SR-91 are happy, and I've driven there in the GP lanes, and it's not pleasurable at all.

Rose Casey: If you look at the environmental document for traffic and air quality at the northern part of the project limit in Seal Beach, you'll see that Alternative 1 and 3 are similar, but the difference is minor. But if you look at Alternative 2, transitioning down to meet lanes in

the LA County there is an impact. The traffic is affected by Alternative 2, and accordingly, air quality is affected as well.

Schelly Sustaric: Yeah, so I think that's why they were looking at one less lane as a potential. Not because we don't want traffic flow to improve. But if it's not going anywhere or merging, then somebody is sitting there, waiting while they're merging. I am just upset when the primary focus is on the financial benefits. Even Mr. Pinheiro said you don't want all the 2+ cars to leave the lanes. That's not a positive thing. I don't think it's an incentive to carpool. My husband carpooled for 15 years and he believes that the carpool lanes are an incentive to carpool. 3+ is a lot more difficult to coordinate carpool. It's already difficult to coordinate with one other person. Maybe charge them half price? I do know on the I-110, they coordinated 18 vanpools in the last year which is great, but 18 probably is not enough to make a huge difference. And a lot of these people are going up the corridor, not to LAX. I'm just concerned that the focus is on the financial, and not really on the movement. I get disturbed when people tell me "We'll it's for the greater good, you are just the few so just suck it up." As far as I'm concerned and the way I look at it, the GP lane drivers are the many and the toll users are the few. So it looks like it will benefit the few and not the many.

Rose Casey: It is important to note tolls have been decreased on the SR-91 Express Lanes at certain times because the primary goal is not to generate as much money as possible but to maintain free flow through on the lanes. The same premise is being used for the I-405. The toll policy for the I-405 has not been set. That's part of the direction to come back in 60 days to discuss whether it should be 2+ or 3+ during certain hours, and all variations will be presented to the Board if a tolling alternative is selected.

Jim Beil: Since Rose mentioned the 60 days, right now we are trying to target the November 8 Board Meeting and Regional Planning and Highways committee meeting on November 4.

Ellen Burton: One of the options, correct me if I'm wrong, was to look at degradation.

James Pinheiro: Also, I wanted to mention that the department is very concerned about making sure whatever solution we come up with will move the most amount of people through the corridor as we can. Obviously the solution has to be fundable, but our concern is people throughput. Vanpools and buses have the potential in a two lane HOT system to efficiently move more people.

Christina Byrne: Any other questions for comments?

Jim Beil: If anyone wants to stay afterwards, some of us can stay to answer questions.

VII. Closing

Niall Barrett closed the stakeholder working group discussion by thanking everyone for their attendance and feedback on the I-405 Improvement Project. Christina Byrne noted that the meeting agenda and power point presentation are already posted online and the meeting notes will be posted once they are finalized.