

**Date:** Monday, January 22, 2007

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

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



## AGENDA

Orange County Transportation Authority Board Meeting  
OCTA Headquarters  
First Floor - Room 154, 600 South Main Street  
Orange, California  
***Monday, January 22, 2007, 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.

### **Invocation**

Director Buffa

### **Pledge of Allegiance**

Chairman Cavecche

### **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.



## AGENDA

### ACTIONS

### Special Matters

1. **Administration of Oaths of Office to OCTA Board Members**
2. **Message from the Chairman of the Board**
3. **Special Recognition of Board Member With Ten Years of Service**

Presentation of pin to Director Pulido for ten years of service on the OCTA Board of Directors.

4. **Presentation of Resolutions of Appreciation for Employees of the Month for January 2007**

Present Orange County Transportation Authority Resolutions of Appreciation Nos. 2007-01, 2007-02, 2007-03 to Walter Kowalchuk, Coach Operator; Gilberto Anaya, Maintenance; and Jane Swanson, Administration, as Employees of the Month for January 2007.

5. **Sacramento Advocate Presentation**  
Moiria Topp

### Consent Calendar (Items 6 through 20)

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

6. **Board Committee Assignments for 2007**  
Chairman Carolyn Cavecche

#### **Overview**

A roster of Board of Directors' Committee assignments for 2007 is presented for Board consideration.



## AGENDA

### ACTIONS

#### 6. (Continued)

##### *Recommendation*

Approve the proposed 2007 roster of Board of Directors' Committee assignments.

#### 7. Approval of Travel Authorization for Director Peter Buffa

Request for Director Peter Buffa to travel March 11-14, 2007, to Washington, D.C., to attend the 2007 American Public Transportation Association (APTA) Legislative Conference.

#### 8. Approval of Minutes

Of the Orange County Transportation Authority and affiliated agencies' regular meeting of January 8, 2007.

#### 9. Approval of Resolutions of Appreciation for Employees of the Month for January 2007

Adopt Orange County Transportation Authority Resolutions of Appreciation Nos. 2007-01, 2007-02, and 2007-03 to Walter Kowalchuk, Coach Operator, Gilberto Anaya, Maintenance, and Jane Swanson, Administration, as Employees of the Month for January 2007.

#### 10. National Environmental Policy Act Delegation Pilot Program

Jennifer Bergener/Paul C. Taylor

##### *Overview*

The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users created a pilot program for the delegation of the National Environmental Policy Act environmental document approval. This pilot program will enable the California Department of Transportation to oversee the Federal Highway Administration's responsibilities as stipulated in the National Environmental Policy Act.





## AGENDA

### ACTIONS

#### 10. (Continued)

##### ***Recommendations***

- A. Authorize the Chief Executive Officer to sign a letter of agreement with the California Department of Transportation to participate in the National Environmental Policy Act delegation pilot program.
- B. Approve the use of \$170,591 of Regional Surface Transportation Program funds for the above action.

#### 11. **Update on Proposition 1B Corridor Mobility Improvement Account Project Submissions**

Darrell E. Johnson/Paul C. Taylor

##### ***Overview***

On November 7, 2006, California voters passed Proposition 1B, which provides \$19.9 billion for investment in transportation infrastructure. Proposition 1B establishes the Corridor Mobility Improvement Account, which specifies \$4.5 billion of the \$19.9 billion for investment in the state highway system. Project nominations are due to the California Transportation Commission by January 16, 2007. On December 11, 2006, the Orange County Transportation Authority Board of Directors authorized the Chief Executive Officer to submit project nominations to the California Transportation Commission. This report provides an update on the status of the project submissions.

##### ***Recommendation***

Receive and file as an information item.



## AGENDA

### ACTIONS

**12. Amendment to Cooperative Agreement with the City of Laguna Hills for Construction of the Southbound San Diego Freeway (Interstate 5)/Aliso Creek Soundwall**

Dipak Roy/Paul C. Taylor

#### **Overview**

On January 9, 2006, the Board of Directors approved a cooperative agreement with the City of Laguna Hills, in the amount of \$1,376,000, for the design, construction, and construction management of a soundwall adjacent to the Aliso Creek community on southbound San Diego Freeway (Interstate 5) between Los Alisos Boulevard and Alicia Parkway. This proposed community soundwall will be constructed on private right-of-way and will be maintained by all affected property owners as a permanent burden on their property. An amendment is requested to increase the funding for construction and construction management of the proposed soundwall.

#### **Recommendations**

- A. Authorize the Chief Executive Officer to execute Amendment No. 1 to Cooperative Agreement C-5-2951 between the Orange County Transportation Authority and the City of Laguna Hills, in an amount not to exceed \$961,000, to provide additional funding for construction and construction management of the San Diego Freeway (Interstate 5)/Aliso Creek community soundwall.
- B. Amend by increasing the Measure M portion of the 1996 Freeway Strategic Plan budget by \$961,000, for the Aliso Creek soundwall project feasibility study, design, construction, and construction management.

**13. Funding Agreement with the Los Angeles County Metropolitan Transportation Authority for a Joint Transportation Study**

Wendy L. Garcia/Paul C. Taylor

#### **Overview**

The Orange County Transportation Authority, in cooperation with the Los Angeles County Metropolitan Transportation Authority, is proposing to conduct a study focusing on transportation issues and opportunities between Orange and Los Angeles counties.

## **AGENDA**

### *ACTIONS*

#### **13. (Continued)**

##### ***Recommendation***

Authorize the Chief Executive Officer to negotiate and execute a funding agreement with the Los Angeles County Metropolitan Transportation Authority for an amount not to exceed \$250,000.

#### **14. Amendment to the Master Plan of Arterial Highways**

Wendy L. Garcia/Paul C. Taylor

##### ***Overview***

The Orange County Transportation Authority administers the Master Plan of Arterial Highways, including the review and approval of amendments requested by local agencies. The County of Orange has requested amendment of the Master Plan of Arterial Highways to add Cow Camp Road between Antonio Parkway and a connection with the future extension of the Foothill Transportation Corridor South (State Route 241) as a major arterial and as a primary arterial easterly to Ortega Highway (State Route 74).

##### ***Recommendation***

Approve amendment of the Master Plan of Arterial Highways to add Cow Camp Road between Antonio Parkway and the future extension of the Foothill Transportation Corridor South (State Route 241) as a major (six-lane divided) arterial and as a primary (four-lane divided) arterial easterly to Ortega Highway (State Route 74) in the County of Orange.

#### **15. Riverside County Highway Plan to Extend 91 Express Lanes**

Kia Mortazavi/Paul C. Taylor

##### ***Overview***

The Riverside County Transportation Commission has adopted a 10-year highway expansion plan that needs to be integrated with planning, financial, and legislative commitments made by Orange County Transportation Authority to relieve congestion along the Riverside Freeway (State Route 91) corridor.



## AGENDA

### ACTIONS

#### 15. (Continued)

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

- A. Provide guidance to staff and members of the State Route 91 Advisory Committee in preparation for their meeting of February 2, 2007.
- B. Authorize the Chief Executive Officer to enter into a cost-sharing arrangement with the Riverside County Transportation Commission to advance an interim Riverside Freeway (State Route 91) improvement project, in an amount not to exceed \$250,000, from 91 Express Lanes funds.
- C. Approve "Revised Attachment B", which incorporates the Regional Planning and Highways Committee's comments.

#### 16. **Combined Transportation Funding Program Semi-Annual Review** Kanwal J. Singh/Paul C. Taylor

##### ***Overview***

Twice each year Orange County Transportation Authority staff meets with local agencies to ascertain the status of projects funded as part of the Combined Transportation Funding Programs. Overall status of the Combined Transportation Funding Programs and project change requests are provided. This report summarizes staff recommendations, in consultation with the Technical Advisory Committee, regarding adjustment to the project allocations for the Regional Planning and Highways Committee's review and approval.

##### ***Recommendations***

- A. Approve adjustments to the Combined Transportation Funding Programs project allocations.
- B. Authorize the Chief Executive Officer to execute amendments to local agency master funding cooperative agreements as necessary with each of the 34 cities and the County of Orange.



## AGENDA

### ACTIONS

**17. Orange County Employees Retirement System Early Payment for Fiscal Year 2008**

Rodney Johnson/James S. Kenan

***Overview***

The Orange County Employees Retirement System has offered an early payment discount to member agencies of 7.75 percent if they elect to prepay their contributions for fiscal year 2008. Advance payments must be received before January 31, 2007. The Orange County Transportation Authority has estimated the savings over the next year and a half under this payment option to total approximately \$591,000.

***Recommendation***

Authorize the early payment of approximately \$14.7 million by January 31, 2007, to the Orange County Employees Retirement System for member contributions for fiscal year 2008.

**18. Fourth Quarter 2006 Debt and Investment Report**

Kirk Avila/James S. Kenan

***Overview***

The California Government Code authorizes the Orange County Transportation Authority Treasurer to submit a quarterly investment report detailing the Orange County Transportation Authority's investment activity for the period. This investment report covers the fourth quarter of 2006, October through December, and includes a discussion on the Orange County Transportation Authority's debt portfolio.

***Recommendation***

Receive and file the Quarterly Debt and Investment Report prepared by the Treasurer as an information item.



## AGENDA

### Orange County Local Transportation Authority Consent Calendar Matters

ACTIONS

**19. Amendment to Agreement for Highways and Facilities Project Management Consultant Services**

Norbert Lippert/Paul C. Taylor

***Overview***

On November 24, 2003, the Board of Directors approved an agreement with Hatch Mott MacDonald, in the amount of \$3,600,000, to provide project management consultant services to manage the design and construction of transportation improvement projects. Hatch Mott MacDonald was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

***Recommendation***

Authorize the Chief Executive Officer to execute Amendment No. 6 to Agreement C-3-0994 between the Orange County Transportation Authority and Hatch Mott MacDonald, in an amount not to exceed \$568,000, for continued project management services and to extend the contract period to August 31, 2007.



## AGENDA

### ACTIONS

### Regular Calendar

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

20. **Garden Grove Freeway (State Route 22) Design-Build Project Update and Construction Contract Change Order No. 10**  
T. Rick Grebner/Paul C. Taylor

##### *Overview*

The Garden Grove Freeway (State Route 22) widening project did not originally include a full replacement of the Magnolia Street bridge to permit a widening of the local street. The City of Garden Grove requested incorporation of complete reconstruction of the Magnolia Street bridge into the current Garden Grove Freeway (State Route 22) widening project as a result of receiving federal funding through reauthorization of the highway bill in July 2005.

Staff seeks approval of a revised change order to incorporate the Magnolia Street bridge reconstruction into the project. Also, an overall project schedule change to reflect this work is requested. The current forecast by the contractor is to open all mainline traffic lanes in April 2007.

##### *Recommendations*

- A. Authorize the Chief Executive Officer to execute revised Contract Change Order No. 10 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$5,307,424, for full replacement of the Magnolia Street bridge and to establish March 12, 2007, as the contractual substantial completion date for work west of Magnolia Street subject to change for weather and utility, impacts occurring after November 30, 2006.
- B. Authorize the Chief Executive Officer to execute Contract Amendment No. 1 to Agreement C-3-0663 to update the contract language to reflect the addition of Substantial Completion No. 2.
- C. Amend the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, Revenue Account 0010-6062-F7100 by \$5,307,424.



## AGENDA

### ACTIONS

### Other Matters

**21. ACCESS Service Update**

Erin Rogers/John D. Byrd

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

**23. Directors' Reports**

**24. 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.

**25. Closed Session**

A Closed Session is not scheduled.

**26. Adjournment**

The next regularly scheduled meeting of the OCTA/OCTD/OCLTA/OCSAFE/OCSSAAV Board will be held at **9:00 a.m. on February 12, 2007**, at OCTA Headquarters at 600 South Main Street, First Floor - Room 154, Orange, California.







**Orange County Transportation Authority**

**Board of Directors' Meeting**

**Agenda**

**January 22, 2007**

1. Governor Schwarzenegger's State of the State Address
2. Governor Schwarzenegger's Proposed 2007-2008 State Budget
3. Update on Proposition 1B – Transportation Infrastructure Bond
4. Sponsor Legislation
5. Late Breaking Developments
6. Questions/Comments

1. The first part of the document is a list of the names of the members of the committee who have been appointed to the various sub-committees. The names are listed in alphabetical order of the last name.



**January 22, 2007**

**To:** Members of the Board of Directors  
**From:** Chairman Carolyn Cavecche  
**Subject:** Board Committee Assignments for 2007

### **Overview**

A roster of Board of Directors' Committee assignments for 2007 is presented for Board consideration.

### **Recommendation**

Approve the proposed 2007 roster of Board of Directors' Committee assignments.

### **Background**

The Orange County Transportation Authority (OCTA) is governed by an 18-member Board of Directors comprised of:

- √ Ten city members elected by certain members of the Orange County City Selection Committee;
- √ All five Orange County Supervisors;
- √ Two Public Members selected by the other Board Members; and
- √ The Governor's Ex-Officio Member is a non-voting member and serves a four-year term. (Appointed by the Governor of California.)

To better organize its efforts, the Board of Directors established committees to focus on specific areas within the OCTA's structure.

### **Discussion**

Each year, the OCTA Chairman has the prerogative of assigning Members to committees, and those appointments are then confirmed by the full Board. A request was made of each member to determine their interest and availability to serve on the various committees. To the extent practicable, Directors' requests for appointments have been honored.

Provided below are the recommended Committee assignments, including a number of interagency organizations to which individual Board Members have been assigned.

**Executive Committee**

Carolyn Cavecche, Chairman  
Chris Norby, Vice Chairman  
Patricia Bates, Chair of the Legislative and Gov't Affairs Committee  
Bill Campbell, Chair of the Finance and Administration Committee  
Curt Pringle, Chair of the Transportation 2020 Committee  
Mark Rosen, Chair of the Regional Planning and Highways Committee  
Greg Winterbottom, Chair of the Transit Planning & OP's Committee

**Regional Planning and Highways Committee**

Mark Rosen, Chair  
Curt Pringle, Vice Chair  
Jerry Amante  
Carolyn Cavecche  
Richard Dixon  
Paul Glaab  
Cathy Green  
Allan Mansoor  
Chris Norby

**Transit Planning and Operations Committee**

Greg Winterbottom, Chair  
Richard Dixon, Vice Chair  
Art Brown  
Cathy Green  
John Moorlach  
Chris Norby  
Miguel Pulido

**Transportation 2020 Committee**

Curt Pringle, Chair  
Bill Campbell, Vice Chair  
Jerry Amante  
Art Brown  
Peter Buffa  
Carolyn Cavecche  
Richard Dixon

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Finance and Administration

Bill Campbell, Chair  
Jerry Amante, Vice Chair  
Patricia Bates  
Art Brown  
Peter Buffa  
Carolyn Cavecche  
John Moorlach

Legislative Government Affairs and Public Communications Committee

Patricia Bates, Chair  
Paul Glaab, Vice Chair  
Peter Buffa  
Bill Campbell  
Allan Mansoor  
Mark Rosen  
New Board Member (Orange County Supervisor – to be elected in Feb.)

State Route 91 Advisory Committee\*

Jerry Amante  
Art Brown  
Bill Campbell  
Carolyn Cavecche  
Curt Pringle

Riverside Orange Corridor Authority\*

Bill Campbell  
Carolyn Cavecche  
Richard Dixon

Security Working Group

Carolyn Cavecche, Chairman  
Chris Norby, Vice Chairman  
Art Brown  
Bill Campbell  
Richard Dixon  
Greg Winterbottom  
New Board Member (Orange County Supervisor – to be elected in Feb.)

\*This Committee is comprised of representatives from both Orange and Riverside counties. The Chair and Vice Chair are selected by the Committee.

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Orange County Council of Governments (OCCOG)

TBD, Member  
TBD, Alternate

California Assn. of Councils of Government (CALCOG)

Art Brown, Member  
Richard Dixon, Alternate

Southern California Regional Rail Authority (Metrolink)

Art Brown, Member  
Richard Dixon, Member  
Patricia Bates, Alternate

LOSSAN Corridor Agency

Art Brown, Member  
Richard Dixon, Alternate

SCAG Regional

TBD, Member

SCAG - Transportation and Communications Committee

TBD, Member  
TBD, Alternate

SCAG - Regional Transportation Agencies Coalition

TBD, Member  
TBD, Alternate

South Coast AQMD Mobile Source Review Committee

Greg Winterbottom, Member  
Miguel Pulido, Alternate

Task Force on Measure M Subsidy for Senior Citizens and Disabled

Greg Winterbottom, Member  
Art Brown, Alternate

***Summary***

A roster of committee assignments for 2007 is presented for Board approval.

***Attachment***

None

**Prepared by:**

  
Wendy Knowles  
Clerk of the Board  
714/560-5676







# OUT-OF-STATE TRAVEL

Board Member Only - Travel Authorization/Request For Payment

Attach copy of the Travel Worksheet, Registration Forms, and other pertinent documentation for this claim.  
Travel will not be processed until all information is received.

## CONFERENCE/SEMINAR INFORMATION

**Name:** Director Peter Buffa **Job Title:** Board Member  
**Department:** Executive Division **Destination:** Washington, D.C.  
**Program Name:** 2007 American Public Transportation Association (APTA) Legislative Conference

**Description/Justification:** The 2007 APTA Legislative Conference provides an opportunity for attendees to participate in advocacy efforts and attend workshops on important legislative issues. The Authority Board Members will have the opportunity to meet with the Orange County Congressional Delegation to advocate for the Authority's policies and projects.

## COMMENTS

Other- Airport parking and ground transportation  
Meal Rate- \$64 - \$3 = \$61 per day

<b>Conference/Seminar Date:</b> 3/11/07	<b>Departure Date:</b> 3/11/07	<input type="checkbox"/> Mail <input type="checkbox"/> Hand Carry
<b>Payment Due Date:</b>	<b>Return Date:</b> 3/14/07	<b>Course Hours:</b>

## ESTIMATED EXPENDITURES

Transportation	\$322.30
Meals	\$244.00
Lodging	\$714.00
Registration	\$575.00
Other	\$50.00
Total	\$1,775.90

## APPROVALS

Please Initial:

AB  
Finance\*

1/11/06  
Date

\* Funds are available for this travel request.

Please Sign:

\_\_\_\_\_  
Clerk of the Board

\_\_\_\_\_  
Date

## ACCOUNTING CODES

<b>Org. Key:</b> 1120	<b>Object:</b> 7655	<b>Job Key:</b> A0001	<b>JL:</b> CQ9
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<b>Ref #:</b> January 2007	<b>Board Date:</b> January 22, 2007	<b>T/A #:</b> FY 06/07- 143
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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  
January 8, 2007

## **Call to Order**

The January 8, 2007, regular meeting of the Orange County Transportation Authority and affiliated agencies was called to order by Chairman Brown at 9:00 a.m. at the Orange County Transportation Authority Headquarters, Orange, California.

## **Roll Call**

Directors Present: Arthur C. Brown, Chairman  
Carolyn Cavecche, Vice Chair  
Jerry Amante  
Peter Buffa  
Bill Campbell  
Richard Dixon  
Paul Glaab  
Cathy Green  
John Moorlach  
Chris Norby  
Curt Pringle  
Miguel Pulido  
Mark Rosen  
Thomas W. Wilson  
Gregory T. Winterbottom  
Cindy Quon, Governor's Ex-Officio Member

Also Present: Arthur T. Leahy, Chief Executive Officer  
Richard J. Bacigalupo, 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: None

## **Invocation**

Director Pringle gave the invocation.

## **Pledge of Allegiance**

Director Campbell led the Board and audience in the Pledge of Allegiance to the Flag of the United States of America.

## **Public Comments on Agenda Items**

Chairman Brown 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. Administration of Oaths of Office to OCTA Board Members**

Oaths of office were administered by General Counsel, Kennard R. Smart, Jr., to re-elected Board Members Brown, Dixon, Green, and Pulido.

### **2. Election of Orange County Transportation Authority Board Chair**

Chairman Brown opened nominations for OCTA Board Chair. A motion was made by Director Winterbottom and seconded by Director Pulido to elect current Vice Chair Carolyn Cavecche to the office of Chairman by acclamation. Motion passed unanimously.

Director Wilson was not present for this vote.

### **3. Election of Orange County Transportation Authority Board Vice Chair**

Newly-elected Chairman Cavecche opened nominations for OCTA Vice Chair. A motion was made by Director Pulido, seconded by Director Glaab, and declared passed unanimously by those present, to elect Director Norby to the office of Vice Chair.

Director Wilson was not present for this vote.

### **4. Salute to Chairman Arthur C. Brown**

A salute to former OCTA Board Chairman, Art Brown, was presented through a brief PowerPoint and comments by Chairman Cavecche. Chairman Cavecche also presented former Chairman Brown with a resolution honoring his service as Board Chair during 2006.

Former Chairman Brown offered comments of appreciation for the opportunity to Chair the Board over the past year.

**5. Proposed Board of Directors' Meeting Calendar for the Year 2007 and Request to Cancel the December 24, 2007, Board Meeting**

A motion was made by Director Campbell, seconded by Director Buffa, and declared passed by those present, to:

- A. Adopt the Orange County Transportation Authority and affiliated agencies Board of Directors' meeting calendar for the year 2007, with one exception: the second meeting in May shall be held on May 29, rather than May 25, 2007.
- B. Authorize staff to cancel the meeting of December 24, 2007. Board meetings shall resume on Monday, January 14, 2008.

Director Wilson was not present for this vote.

**6. Historical Overview of the Development of the Orange County Freeway System and the Pacific Electric Right-of-Way**

Orange County Clerk/Recorder, Tom Daly, provided opening comments and introduced Orange County Archivist, Phil Brigandi, who presented a historical overview of the development of the freeway system in Orange County, as well as the Pacific Electric Right-of-Way.

**7. Riverside County Highway Plan to Extend 91 Express Lanes**

Chief Executive Officer (CEO), Arthur T. Leahy, provided opening comments and a brief summary of business discussed with Riverside County on this project; he then introduced Kia Mortazavi, Director of Strategic Planning, who gave a verbal and PowerPoint presentation to the Board.

Director Campbell inquired if Riverside County Transportation Commission (RCTC) assumes that their Measure A would pay for a portion or all of the cost of the improvements, and Mr. Mortazavi responded that the additional revenues from Measure A would pay for the additional cost of implementing the improvements. He further stated that one item to note is that RCTC has also added some projects to their Measure A program, specifically improvements to the State Route 91/Interstate 15 interchange, a collector/distributor system, and the cost of the State Route 91/State Route 71 interchange has increased. Those projects will be funded with Riverside's Measure A, and their toll proposal will fund the State Route 91 Express lanes and potentially provide additional revenues in the future for other improvements in the corridor.

Director Brown asked if Riverside has any plans to upgrade the State Route 71 with connecting ramps in the future, and Mr. Mortazavi responded that the Measure A project also includes additional lanes on that State Route as well as improvements to the State Route 91/State Route 71 interchange. Director Brown asked that staff look into if that will be an expressway or full freeway.

**7. (Continued)**

General Counsel Kennard R. Smart, Jr., stated that OCTA toll revenues may not be used on other toll roads, pursuant to AB 1010. Therefore, if this is a toll road operated by RCTC, we presently could not use OCTA revenues.

CEO, Arthur T. Leahy, indicated that Riverside County may be looking at what the term of their toll will be and possible legislation in regard to the project.

Director Pringle requested that a presentation be provided to the Regional Planning and Highways Committee on the California Highway Patrol turn-around issue, potential striping, potential cashflow problems, and that staff contemplate if OCTA can loan or contribute funds to the project.

Chairman Cavecche asked staff to make arrangements for Caltrans to attend that meeting.

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

- A. Receive and file as an information item.
- B. Direct staff to present the plan at the next scheduled Regional Planning and Highways Committee, and return to the Board of Directors with policy recommendations on January 22, 2007.

**8. Public Hearing for Proposed Fare Increase on Express Bus Routes 757 and 758**

Chairman Cavecche asked Wendy Knowles, Clerk of the Board, to read into the record the process used to meet the legal requirements for noticing this public hearing.

Scott Holmes, Manager of Service Planning, provided a verbal presentation to the Board, readdressing issues that arose at the December 11, 2006, Board meeting.

Director Moorlach requested information be provided on how the three-day pass price was calculated and data regarding how many are being purchased each month.

Chairman Cavecche opened the Public Hearing and invited any members of the public to offer comments. Hearing none, a motion was made by Director Brown, seconded by Director Pulido, and declared passed by those present, to close the Public Hearing.

**8. (Continued)**

Director Campbell commented that he has been contacted by riders who question fares which have been established for riders getting on inside and from outside Orange County. Director Brown requested that staff return to the Transit Planning and Operations Committee with a policy regarding zone fares.

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to:

- A. Approve an express bus fare of \$2.50 and a charge of \$86 for the express 30-day pass and apply to routes 757 and 758.
- B. Establish January 22, 2007, as the effective date for the change in fare for routes 757 and 758.

## **Consent Calendar**

**9. Approval of Minutes**

A motion was made by Director Wilson, seconded by Director Winterbottom, and declared passed by those present, to approve the minutes of the Orange County Transportation Authority and affiliated agencies' regular meeting of December 11, 2006.

## **Regular Calendar**

There were no Regular Calendar matters.

## **Other Matters**

**10. ACCESS Service Update**

Erin Rogers, Manager, Contract Transportation Services, provided the Board with a verbal and PowerPoint update on the ACCESS service and Veolia's performance meeting contract standards and addressing ongoing difficulties.

Ms. Rogers stated that on-time performance continues to be a serious area of concern, and one additional and very significant challenge has been issues with the Trapeze software not working properly. In addition to other areas that are impacted, the software issues have precluded staff from being able to validate all essential data.

Sharon Crenchaw, Veolia's Local Project Director, was present and explained more fully the system reliability challenges Veolia is facing with the Trapeze software and the fact that drivers have recently bid new assignments, which has additionally caused difficulties in meeting on-time performance standards.



**10. (Continued)**

Director Amante requested staff provide information on the amount of money that is received from the Federal government for this service.

Chairman Cavecche requested that staff provide a detailed briefing on ACCESS service to each new Board Member to familiarize them with OCTA's paratransit service.

Frank Austin, representing the Multiple Sclerosis Society, and himself an ACCESS user, offered public comment and stated that he believes the job can be done by Veolia.

Director Brown requested that staff offer all new Board Members a trip on an ACCESS bus in the near future.

**11. Next 100 Days Look-Ahead**

CEO, Arthur T. Leahy, provided opening comments and a PowerPoint presentation regarding projects, Proposition 1B funds, issues on the State Route 91 corridor, Measure M priorities, goods movement issues, and changes in procurement processes which will be part of the next few months' efforts at the OCTA.

Monte Ward, Special Projects Manager, provided comments and information on priorities for Measure M funds, and informed the Board there would be a Measure M Workshop following the Board meeting on February 26. (Additionally, there will be a Goods Movement Workshop on January 22, 2007, following that day's Board meeting.)

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

CEO, Arthur T. Leahy, informed the Board that:

- √ labor contract negotiations began;
- √ the first Regional Planning and Highways Committee meeting will take place on January 15 at 10:00 a.m.;
- √ A trip on the Gold Line is planned for January 9;
- √ There will be free Metrolink rides from the San Juan Capistrano station on January 21.

**13. Directors' Reports**

Director Pringle requested that a better understanding be provided regarding the State Route 22 delays and the Magnolia Bridge issues. He also requested information relative to the phasing schedule as it occurred.

**13. (Continued)**

Chairman Cavecche indicated that Committee assignments would be forthcoming in the next couple of days, and that they would be effective immediately, although are not final until Board approval takes place on January 22.

Director Moorlach asked if an analysis of personal rapid transit (PRT) has been analyzed, and Chairman Cavecche stated that will likely take place over the next year.

Director Rosen stated that he has received calls from constituents that part of the State Route 22 freeway east of Magnolia are still bottlenecking and would like staff to look into why the yellow barrels and blockades are still present.

Director Brown stated that the OCTA lost a good employee last week when Penny Wise, from the Clerk of the Board's office, retired, and expressed his appreciation for her work over the past many, many years.

Director Buffa stated that an item appeared in the American Public Transportation Association newsletter highlighting OCTA's Ted Nguyen, who received recognition as the Public Relations Professional of the Year.

**14. Public Comments**

At this time, Chairman Cavecche offered members of the public to address the Board of Directors regarding any items within the subject matter jurisdiction of the Board of Directors, but advised that no action may be taken on off-agenda items unless authorized by law. He further stated that comments would be limited to three (3) minutes per speaker, unless different time limits were set by the Chairman subject to the approval of the Board of Directors.

Gus Ayer, Mayor of Fountain Valley, addressed the Board and introduced Mr. Hunhammer, who also addressed the Board, claiming the benefits of personal rapid transit systems.

Magnus Hunhammer, a representative from Swedish Rail, Stockholm, Sweden, and invited the Board to a conference on this matter in September.

**15. Closed Session**

A Closed Session was held pursuant to Government Code Section 54956.9(b).

Directors Norby, Pringle, Pulido, and Wilson were not in attendance for the Closed Session.

**16. Adjournment**

The meeting adjourned at 12:05 p.m. Chairman Cavecche announced that the next regularly scheduled meeting of the OCTA/OCTD/OCLTA/ OCSAFE/OCSAAV Board will be held at **9:00 a.m. on January 22, 2007**, at OCTA Headquarters at 600 South Main Street, First Floor - Room 154, Orange, California.

ATTEST

---

Wendy Knowles  
Clerk of the Board

---

Carolyn Cavecche  
OCTA Chairman





ORANGE COUNTY  
TRANSPORTATION AUTHORITY

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RESOLUTION

---

**WALTER A. KOWALCHUK**

**WHEREAS**, the Orange County Transportation Authority recognizes and commends Walter Kowalchuk; and

**WHEREAS**, be it known that Walter Kowalchuk has been a principal player at the OCTA and has performed his responsibilities as a Coach Operator in a professional, safe, courteous, and reliable manner; and

**WHEREAS**, Walter has demonstrated his integrity by maintaining an excellent attendance record, and his dedication exemplifies the high standards set forth for Orange County Transportation Authority employees; and

**WHEREAS**, Walter has demonstrated that safety is paramount by achieving 30 years of safe driving; and

**WHEREAS**, Walter was recognized by Customer Relations for going above and beyond normal job responsibilities, by assisting a customer find an easier transfer point and then checking to make sure the suggestion helped the customer with his commute.

**NOW, THEREFORE, BE IT RESOLVED** that the Authority does hereby declare Walter Kowalchuk as the Orange County Transportation Authority Administrative Employee of the Month for January 2007; and

**BE IT FURTHER RESOLVED** that the Orange County Transportation Authority Board of Directors recognizes Walter Kowalchuk's valued service to the Authority.

**Dated:** January 22, 2007

---

Carolyn Cavecche, Chairman  
Orange County Transportation Authority

---

Arthur T. Leahy, Chief Executive Officer  
Orange County Transportation Authority

OCTA Resolution No. 2007-01





ORANGE COUNTY  
TRANSPORTATION AUTHORITY

RESOLUTION

GILBERTO ANAYA

WHEREAS, the Orange County Transportation Authority recognizes and commends Gilberto Anaya; and

WHEREAS, be it known that Gilberto Anaya is a valued member of the Maintenance Department. His diligence, industriousness and conscientiousness in performing all tasks are recognized. Gilberto consistently demonstrates a high level of achievement in assisting the Garden Grove Base meet mission goals; and

WHEREAS, Gilberto's repair and maintenance skills of the buses are exceptional. His skills and superb attitude in performing all facets of his job earned him the respect of all that work with him; and

WHEREAS, his dedication to his duties and desire to excel are duly noted, and he is recognized as an outstanding Authority employee.

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Gilberto Anaya as the Orange County Transportation Authority Administrative Employee of the Month for January 2007; and

BE IT FURTHER RESOLVED that the Orange County Transportation Authority Board of Directors recognizes Gilberto Anaya's valued service to the Authority.

Dated: January 22, 2007

Carolyn Cavecche, Chairman  
Orange County Transportation Authority

Arthur T. Leahy, Chief Executive Officer  
Orange County Transportation Authority

OCTA Resolution No. 2007-02





ORANGE COUNTY  
TRANSPORTATION AUTHORITY

RESOLUTION

JANE SWANSON

WHEREAS, the Orange County Transportation Authority recognizes and commends Jane Swanson; and

WHEREAS, be it known that Jane has performed her duties as Administrative Specialist for the Authority's Accounts Payable Section, demonstrating the highest level of integrity and professionalism in all dealings with Authority staff and vendors; and

WHEREAS, Jane's natural leadership skills and respect of her colleagues have allowed her to lead the accounts payable operations while the section supervisor is on a long-term assignment outside the department; and

WHEREAS, Jane's knowledge and understanding of Authority processes and the accounts payable function have made her the "go to" person for all matters relating to vendor payments; and

WHEREAS, Jane's superb communication skills, teamwork, professional ethics, can-do attitude and customer focus best exemplifies the values of the Orange County Transportation Authority.

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Jane Swanson as the Orange County Transportation Authority Administrative Employee of the Month for January 2007; and

BE IT FURTHER RESOLVED that the Orange County Transportation Authority Board of Directors recognizes Jane Swanson's valued service to the Authority.

Dated: January 22, 2007

Carolyn Cavecche, Chairman  
Orange County Transportation Authority

Arthur T. Leahy, Chief Executive Officer  
Orange County Transportation Authority

OCTA Resolution No. 2007-03









BOARD COMMITTEE TRANSMITTAL

**January 22, 2007**

**To:** Members of the Board of Directors  
**From:** <sup>WL</sup>Wendy Knowles, Clerk of the Board  
**Subject:** National Environmental Policy Act Delegation Pilot Program

Regional Planning and Highways Committee

January 15, 2007

**Present:** Directors Amante, Cavecche, Dixon, Glaab, Green, Mansoor, Norby, Pringle, and Rosen  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendations**

- A. Authorize the Chief Executive Officer to sign a letter of agreement with the California Department of Transportation to participate in the National Environmental Policy Act delegation pilot program.
- B. Approve the use of \$170,591 of Regional Surface Transportation Program funds for the above action.





***January 15, 2007***

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** National Environmental Policy Act Delegation Pilot Program

***Overview***

The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users created a pilot program for the delegation of the National Environmental Policy Act environmental document approval. This pilot program will enable the California Department of Transportation to oversee the Federal Highway Administration's responsibilities as stipulated in the National Environmental Policy Act.

***Recommendations***

- A. Authorize the Chief Executive Officer to sign a letter of agreement with the California Department of Transportation to participate in the National Environmental Policy Act delegation pilot program.
- B. Approve the use of \$170,591 of Regional Surface Transportation Program funds for the above action.

***Background***

The National Environmental Policy Act (NEPA) is federal legislation that provides guidelines relative to environmental approvals for any projects that receive federal funding. This legislation governs any federally funded projects that may have an impact on the environment.

The current protocol for environmental approvals requires a multiple step process of submitting environmental statements and assessments through the California Department of Transportation (Caltrans) to the Federal Highway Administration (FHWA). The process requires an initial review of documents by Caltrans and a subsequent complete review by FHWA. Coupled with this

review process are requirements for public notifications and hearings. These allow the public to comment on the environmental document findings and determinations. Generally hearings/comment periods last approximately 30 days. From start to finish an environmental review process could take well over a year or more.

### ***Discussion***

Safe, Accountable, Flexible, Efficient, Transportation Equity Act a Legacy for Users (SAFETE-LU) created a pilot program that will allow for the NEPA review process and approval to be delegated to Caltrans. This pilot program is authorized for three years. The delegation of the NEPA review process for all local federally funded projects from FHWA to Caltrans will benefit the Orange County Transportation Authority (OCTA) by streamlining the environmental review process. The current process requires OCTA to send environmental documentation to Caltrans for initial compliance review. Caltrans then forwards the documents to the FHWA which has complete NEPA oversight on the entire environmental process for every project in the nation. The FHWA review process can require multiple submissions and reviews. The review time is further lengthened by FHWA's multiple levels of review (local, regional, and national). In the past, OCTA has experienced significant project delays due to the review time required by FHWA.

NEPA delegation would streamline this process by allowing Caltrans to do all the environmental review. Caltrans is currently hiring six new staff members for the sole purpose of working on the NEPA review process. The dedicated Caltrans staff would have more knowledge and expertise of the local projects than FHWA and therefore, could process these projects in a more timely manner. This in turn would help OCTA to deliver projects on time and potentially bring with it cost savings. In particular, OCTA expects the San Diego Freeway (Interstate 405) project to enter the environmental phase soon, thereby this expedited review process can provide a direct benefit to OCTA by moving the project forward to the next phase.

All recipients of federal funds statewide have been asked to share a portion of the cost to implement the pilot program. The anticipated cost to OCTA will be \$34,119 for fiscal year (FY) 2006-07 and \$68,238 per year for FYs 2007-08 and 2008-09. This would come directly from OCTA's annual federal apportionment of Regional Surface Transportation (RSTP) funds. This amount represents less than 1 percent of OCTA's annual apportionment. The time saved by having only Caltrans provide oversight and having a more

knowledgeable, dedicated staff will more than offset the cost of implementing this pilot program.

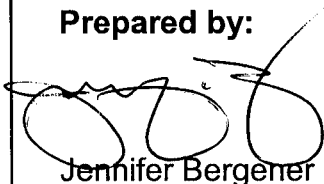
***Summary***

Staff requests Board of Directors (Board) approval to allow the Chief Executive Officer to sign a letter of agreement to participate in the NEPA delegation pilot program. Staff also requests Board approval for the expenditure of RSTP funds. Staff will return to the Board with an analysis once the pilot program is complete in FY 2008-09.

***Attachment***


- A. Letter of Agreement with the California Department of Transportation (dated November 14, 2006)

**Prepared by:**



Jennifer Bergener  
Manager, Capital Programs  
(714) 560-5462

**Approved by:**



Paul C. Taylor, P.E.  
Executive Director, Development  
(714) 560-5431



**DEPARTMENT OF TRANSPORTATION**

DIVISION OF LOCAL ASSISTANCE – M.S. 1

1120 N STREET

P. O. BOX 942874

SACRAMENTO, CA 94274-0001

PHONE (916) 653-1776

FAX (916) 654-2409

TTY (916) 653-4086

*Flex your power!  
Be energy efficient!***LETTER OF AGREEMENT**

November 14, 2006

Orange County Transportation Authority  
Mr. Arthur T. Leahy  
P.O. Box 14184  
550 S. Main Street  
Orange, CA 92863-1584

The California Department of Transportation (Department) is taking every action possible to prepare for the Federal Highway Administration (FHWA) delegation of National Environmental Policy Act (NEPA) roles and responsibilities to this Department. To date, we have:

- met with resource and regulatory agencies;
- conferred with the other four pilot states on the development of performance measures;
- assembled information needed for the Application and the MOU;
- established Departmental teams to brainstorm transitional issues;
- reviewed past practices to establish a baseline for measuring efficiencies under Delegation;
- outlined State and local agency training needs under Delegation;
- began updating current tracking and reporting systems and drafting changes to Departmental policy, guidance and procedures; and
- obtained a Waiver of Sovereign Immunity.

The Department expects the following actions to be completed and to be fully delegated by Spring 2007:

- FHWA's publication of the final rule on application requirements.
- Completion of the thirty-day public review period for the application.
- FHWA's final review and acceptance of the application.
- Final negotiation of the Memorandum of Understanding (MOU).

The positions needed to assist with local agency project delivery under this delegation have been approved in the Department's budget as reimbursed work. These positions will be immediately utilized, commencing now, to assist with the initial implementation of NEPA Delegation in each district, including record keeping, database management, and regional workshops and training. Once the NEPA Delegation MOU is executed, these positions will thereafter carry out the duties currently performed by FHWA and will facilitate with FHWA audits and reporting.

During the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) consensus team meetings it was understood that the Regions would be required to contribute to the increased cost to the Department for NEPA delegation, since local projects were to be included. The attached sheet shows the prorated cost to each Region per year for the next three (3) years.

Please concur by signing and returning this Letter of Agreement to Mr. Terry L. Abbott, Department of Transportation, Division of Local Assistance, MS1, P.O. Box 942874, Sacramento, CA 94274-0001, by December 15, 2006. Upon your concurrence, the Department's Division of Programming will reduce your apportionment and obligation authority by the amount shown. Please insure your Federal Transportation Improvement Program (FTIP) reflects this reduction from your Regional Surface Transportation Program (RSTP) for each of the next three (3) years.

We greatly appreciate your assistance and look forward to an effective implementation of the NEPA Delegation Pilot Program.

For the Department

A handwritten signature in black ink, appearing to read "Terry L. Abbott", written over a horizontal line.

TERRY L. ABBOTT

Chief

Division of Local Assistance

Attachment



Concurrence:

The Orange County Transportation Authority agrees to reduce the programming capacity of its Regional Surface Transportation Program (RSTP) by \$34,119 for FY06/07, and \$68,238 per year for FY 07/08 and FY 08/09. The Department is authorized to appropriately program this amount to cover the additional cost to its Local Assistance Program for NEPA delegation.

---

Orange County Transportation Authority  
Representative

---

Effective Date



Proposed Contribution for  
NEPA Delegation Program

Attachment

Region	Projected Base FFY 2006 Formula OA	Contribution for NEPA FY 06/07	Contribution for NEPA FY 07/08	Contribution for NEPA FY 08/09
Fresno	15,180,961	9,188	18,376	18,376
Kern	12,611,687	7,633	15,266	15,266
Los Angeles	188,145,121	113,872	227,743	227,743
Orange	56,373,386	34,119	68,238	68,238
Riverside	32,285,867	19,540	39,081	39,081
Sacramento (SACOG)	34,125,529	20,654	41,308	41,308
San Bernardino	34,570,888	20,923	41,847	41,847
San Diego	48,546,070	29,382	58,763	58,763
S.F. Bay Area (MTC)	115,490,729	69,899	139,797	139,797
San Joaquin	10,980,988	6,646	13,292	13,292
Stanislaus	8,645,645	5,233	10,465	10,465
Ventura	12,370,181	7,487	14,974	14,974
Imperial	1,588,405	961	1,923	1,923
HBP	178,194,183	107,849	215,698	215,698
Safety	77,019,081	46,614	93,229	93,229
GRAND TOTAL	\$ 826,128,721	\$ 500,000	\$ 1,000,000	\$ 1,000,000

Note : \$1 million dollars for FY 07/08 and FY08/09 represents .12% of Total Projected Formula OA for FFY 2006.  
Regional contributions for FY06/07 represent one half (or 0.06%) of Total Projected Formula OA FFY 2006 for the 6 months remaining in FY06/07.





BOARD COMMITTEE TRANSMITTAL

**January 22, 2007**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Update on Proposition 1B Corridor Mobility Improvement Account Project Submissions

Regional Planning and Highways Committee

January 15, 2007

**Present:** Directors Amante, Cavecche, Dixon, Glaab, Green, Mansoor, Norby, Pringle, and Rosen  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Receive and file as an information item.





*January 15, 2007*

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Update on Proposition 1B Corridor Mobility Improvement Account Project Submissions

***Overview***

On November 7, 2006, California voters passed Proposition 1B, which provides \$19.9 billion for investment in transportation infrastructure. Proposition 1B establishes the Corridor Mobility Improvement Account, which specifies \$4.5 billion of the \$19.9 billion for investment in the state highway system. Project nominations are due to the California Transportation Commission by January 16, 2007. On December 11, 2006, the Orange County Transportation Authority Board of Directors authorized the Chief Executive Officer to submit project nominations to the California Transportation Commission. This report provides an update on the status of the project submissions.

***Recommendation***

Receive and file as an information item.

***Background***

Proposition 1B was passed by California voters on November 7, 2006. Within Proposition 1B are 12 individual program categories. Four categories, totaling \$9 billion, will be distributed via formula or direct earmark. Of this \$9 billion, the Orange County Transportation Authority (OCTA) expects to receive approximately \$307 million (comprised of \$210 million for transit and \$97 million for highway or transit projects), while Orange County cities and the County would receive approximately \$156 million for local streets and roads.

The remaining eight program categories, totaling \$10.9 billion, will be distributed on a competitive basis.

The four largest competitive programs are:

• Corridor Mobility Improvement Account (CMIA)	\$4.5 billion
• Port Infrastructure, Security, and Air Quality	\$3.3 billion
• Transit System Safety, Security, Disaster Response	\$1.0 billion
• State-Local Partnership Account	\$1.0 billion

At \$4.5 billion, the CMIA account is the single largest competitive account, focusing specifically on relieving congestion on the state highway system.

In addition, the statute requires the California Transportation Commission (CTC) to develop guidelines by December 1, 2006, receive project nominations by January 16, 2007, and adopt an initial program by March 1, 2007. Finally, the projects must commence construction no later than December 31, 2012.

On December 11, 2006, the OCTA Board of Directors (Board) authorized the Chief Executive Officer to submit project nominations to the CTC. This report provides an update on the status of the project submissions.

### ***Discussion***

As reported to the Board on October 2, November 6, and December 11, 2006, OCTA staff has identified projects on four freeway corridors that are likely to be competitive based upon the CMIA program guidelines. These corridors are:

- Riverside Freeway (State Route 91)
- San Diego Freeway (Interstate 405)/Garden Grove Freeway (State Route 22)
- Orange Freeway (State Route 57)
- Santa Ana and San Diego Freeways (Interstate 5)

Based upon Board direction, staff worked closely with the California Department of Transportation (Caltrans) District 12 to prepare project nomination packages for these four corridors. These projects are identified in Attachment A. On December 8, 2006, Caltrans Director Will Kempton released the program of projects that Caltrans is proposing to carry forward to the CTC for funding consideration under the CMIA program. The Caltrans proposed program of projects includes \$405.3 million for five projects in Orange County. These projects consist of the Interstate 405/San Gabriel River Freeway (Interstate 605)/State Route 22 project and four individual projects on State Route 91 (SR-91). Total cost for all nominated projects is estimated at \$743.5 million, with \$405.3 million proposed to be funded with CMIA funds.



Based upon the release of Director Kempton's proposed program of projects, staff has eliminated one project on SR-91 from CMIA funding consideration. The eliminated project is a westbound lane from the Corona Expressway (State Route 71) to the Eastern Transportation Corridor (State Route 241). This project is part of a much larger project in Riverside County that stretches from the Ontario Freeway (Interstate 15) to State Route 241 in both directions. The environmental phase of this project has not yet started, which makes it doubtful that construction could begin by December 31, 2012, as required by statute for the CMIA program. Given the importance of SR-91 projects to Orange and Riverside counties, a joint letter of support by OCTA and Riverside County Transportation Commission is being developed. The letter highlights two projects on the SR-91 that are at the county border and were also included as a joint priority in the 2006 SR-91 Implementation Plan.

Finally, as noted in the December 11, 2006, staff report to the Board, Caltrans must concur with all project cost estimates. Staff has worked closely with Caltrans to update and revise all project cost estimates prior to final submittal. The updated cost estimates are reflected in Attachment A.

#### **Next Steps**

The CTC plans to adopt a full program of CMIA projects at its February 28, 2007, meeting. Between now and then, OCTA staff will continue to work with CTC staff and Caltrans staff to answer any questions and provide clarification on any aspects of our project submissions. It is anticipated that CTC staff will release staff recommendations on the CMIA program at least two weeks prior to the commission meeting.

In addition, OCTA staff is providing briefings to members of the Orange County business community and members of the Orange County legislative delegation on our CMIA project submissions.

#### **Summary**

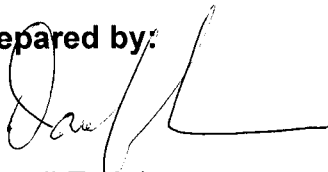
On November 7, 2006, California voters passed Proposition 1B, which provides \$19.9 billion for investment in transportation infrastructure. Proposition 1B establishes the Corridor Mobility Improvement Account, which specifies \$4.5 billion for investment in the state highway system. Project nominations are due to the CTC by January 16, 2007. On December 11, 2006, the OCTA Board authorized the Chief Executive Officer to submit project nominations to

the CTC. Staff is providing a report on the status of the submission and changes since that date.

***Attachment***

- A. Revised Proposed Corridor Mobility Improvement Account (CMIA)  
Project Nominations (12/19/06)

**Prepared by:**



Darrell E. Johnson  
Department Manager, Programming,  
Development & Commuter Rail  
(714) 560-5343

**Approved by:**



Paul C. Taylor, P.E.  
Executive Director, Development  
(714) 560-5431

## Revised Proposed Corridor Mobility Improvement Account (CMIA) Project Nominations (12/19/06)

Freeway Corridor	Description	Estimated Project Cost (in millions)	Proposed CMIA Share	Proposed Local Share
I-405 / I-605 / SR-22*	HOV Connectors 405/22 & 405/605, 2nd HOV lane on 405 from 22 to 605	\$ 400.0	\$ 200.0	\$ 200.0
<b>I-405 / SR-22 Corridor Total</b>		<b>\$ 400.0</b>	<b>\$ 200.0</b>	<b>\$ 200.0</b>
SR-91	Eastbound lane from SR-241 to SR-71	\$ 80.5	\$ 73.8	\$ 6.7
SR-91	Add 1 lane in each direction SR-55 to Gypsum	\$ 96.0	\$ 48.0	\$ 48.0
SR-91	Westbound lane from SR-55 to Tustin Ave	\$ 95.0	\$ 47.5	\$ 47.5
SR-91	Westbound lanes from SR-57 to I-5	\$ 72.0	\$ 36.0	\$ 36.0
<b>SR-91 Corridor Total</b>		<b>\$ 343.5</b>	<b>\$ 205.3</b>	<b>\$ 138.5</b>
SR-57	Northbound lane from Lambert to Tonner Canyon	\$ 157.0	\$ 112.0	\$ 45.0
SR-57	Northbound lanes from Orangethorpe to Lambert	\$ 140.0	\$ 70.0	\$ 70.0
SR-57	Northbound lanes from Katella to SR-91 Connector	\$ 41.0	\$ 20.0	\$ 21.0
<b>SR-57 Corridor Total</b>		<b>\$ 338.0</b>	<b>\$ 202.0</b>	<b>\$ 136.0</b>
I-5	Improve I-5/SR-74 Interchange	\$ 75.0	\$ 38.0	\$ 37.0
I-5	Gene Autry HOV Connection to the west	\$ 35.0	\$ 17.5	\$ 17.5
<b>I-5 Corridor Total</b>		<b>\$ 110.0</b>	<b>\$ 55.5</b>	<b>\$ 54.5</b>
<b>Total</b>		<b>\$ 1,191.5</b>	<b>\$ 662.8</b>	<b>\$ 529.0</b>

\* Design / Build could reduce project costs by \$100 million





BOARD COMMITTEE TRANSMITTAL

January 22, 2007

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Amendment to Cooperative Agreement with the City of Laguna Hills for Construction of the Southbound San Diego Freeway (Interstate 5)/Aliso Creek Soundwall

Regional Planning and Highways Committee

January 15, 2007

**Present:** Directors Amante, Cavecche, Dixon, Glaab, Green, Mansoor, Norby, Pringle, and Rosen  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendations**

- A. Authorize the Chief Executive Officer to execute Amendment No. 1 to Cooperative Agreement C-5-2951 between the Orange County Transportation Authority and the City of Laguna Hills, in an amount not to exceed \$961,000, to provide additional funding for construction and construction management of the San Diego Freeway (Interstate 5)/Aliso Creek community soundwall.
- B. Amend by increasing the Measure M portion of the 1996 Freeway Strategic Plan budget by \$961,000, for the Aliso Creek soundwall project feasibility study, design, construction, and construction management.





**January 15, 2007**

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Amendment to Cooperative Agreement with the City of Laguna Hills for Construction of the Southbound San Diego Freeway (Interstate 5)/Aliso Creek Soundwall

### **Overview**

On January 9, 2006, the Board of Directors approved a cooperative agreement with the City of Laguna Hills, in the amount of \$1,376,000, for the design, construction, and construction management of a soundwall adjacent to the Aliso Creek community on southbound San Diego Freeway (Interstate 5) between Los Alisos Boulevard and Alicia Parkway. This proposed community soundwall will be constructed on private right-of-way and will be maintained by all affected property owners as a permanent burden on their property. An amendment is requested to increase the funding for construction and construction management of the proposed soundwall.

### **Recommendations**

- A. Authorize the Chief Executive Officer to execute Amendment No. 1 to Cooperative Agreement C-5-2951 between the Orange County Transportation Authority and the City of Laguna Hills, in an amount not to exceed \$961,000, to provide additional funding for construction and construction management of the San Diego Freeway (Interstate 5)/Aliso Creek community soundwall.
- B. Amend by increasing the Measure M portion of the 1996 Freeway Strategic Plan budget by \$961,000, for the Aliso Creek soundwall project feasibility study, design, construction, and construction management.

### **Background**

The Orange County Transportation Authority (Authority) provided funding through the Measure M Program for construction of high-occupancy vehicle lanes and related improvements on the San Diego Freeway (Interstate 5)

between the Interstate 5 (I-5)/San Diego Freeway (Interstate 405) confluence and Pacific Coast Highway. The project included several soundwalls for noise mitigation. One area that did not receive a soundwall was a community bordering southbound I-5 between Los Aliso Boulevard and Alicia Parkway in the City of Laguna Hills (City). The environmental documentation indicated noise levels would exceed the California Department of Transportation/Federal Highway Administration criteria for noise abatement. Nonetheless, construction of a soundwall at this location was not considered feasible due to the hillside topography of the community. The community sits on top of the hill, while the state right-of-way (ROW) ends at the bottom of the slope. Construction of a soundwall within the state ROW would have exceeded the maximum allowable height. Further, policies in place at that time did not allow for soundwall construction outside of the state ROW. Subsequent policy changes now allow soundwalls to be constructed on private property provided all affected owners agree to this and to record the construction and maintenance of the soundwall as a permanent burden on their property.

This soundwall is part of the overall project to reconstruct the I-5 and is funded through that project. There are many other soundwalls throughout the County being considered under the Authority's retrofit soundwall program for soundwalls not part of the freeway reconstruction. Separate funding is being pursued for the retrofit soundwalls.

In September 2003, the Authority's Board of Directors (Board) approved Cooperative Agreement C-3-0312 with the City to perform a feasibility study to investigate constructing a soundwall along the rear property lines of the affected homes near the freeway. The City, acting as the lead agency, hired a consultant to prepare the feasibility study. The study concluded that a series of soundwalls could be constructed to mitigate the highway noise affecting the residences. Thirteen homeowners residing south of Aliso Creek unanimously expressed a desire for a soundwall. Based upon the feasibility study, this soundwall will provide noise abatement for 29 homes in the affected area.

Early in the project, the City's cost estimate for the construction of the I-5/Aliso Creek soundwall was developed based on a prefabricated, opaque, composite-panel soundwall, and the cooperative agreement between the Authority and the City allowed construction of a clear-panel soundwall. Later in the design, the City and the residents requested that the soundwall be constructed of clear panels, supported by concrete masonry pilasters and masonry walls, similar to the Aegean Hills soundwall in the City of Mission Viejo, to preserve the view to the creek. This design change, an increase in other materials cost, and updated cost



estimates have resulted in overall project cost increases. The cost increase is \$696,468, from \$1,100,000 to \$1,796,468.

***Discussion***

Cooperative Agreement, C-5-2951, in the amount of \$1,376,000, was approved by the Board on January 9, 2006, for the design, construction, and construction management (Attachment A). The value of Cooperative Agreement C-5-2951 after the approval of Amendment No. 1 will be \$2,337,000.

Amendment No. 1 is needed to increase the total funding for the southbound I-5/Aliso Creek soundwall. The City recently opened bids for the construction of the proposed community soundwall. Seven bids were received. The low bid is within 5 percent of the engineer's estimate and the bids are tightly grouped together reflecting the current cost of construction. The updated project funding is as follows:

	January 2006 Budget	Amended Budget
Noise Study	\$ 10,600	\$ 10,600
Feasibility Study	\$ 98,400	\$ 98,400
Subtotal	\$ 109,000	\$ 109,000
Detail Design	\$ 160,000	\$ 160,000
Construction	\$ 918,000	\$1,893,000
Construction Contingency	\$ 182,000	\$ 94,700
Construction Management	\$ 116,000	\$ 189,300
Subtotal	\$1,376,000	\$2,337,000
Total Cost	\$1,485,000	\$2,446,000

Authority staff reviewed the bids and the information provided by the City and determined that the construction bids were reasonable. Based on the bids received, there is a \$961,000 shortfall, which includes a 5 percent contingency in the project budget. The Authority agrees that based upon the construction bid received, the amount of reimbursement to the City should be adjusted to cover the construction costs. Staff recommends approval of Amendment No. 1 to fully fund the project.

**Amendment to Cooperative Agreement with the City of  
Laguna Hills for Construction of the Southbound San Diego  
Freeway (Interstate 5)/Aliso Creek Soundwall**

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**Page 4**

**Fiscal Impact**

The additional work described in Amendment No. 1 to Cooperative Agreement C-5-2951 was approved in the Authority's Fiscal Year 2006-07 Budget, Development, accounts 0010-9084-F2212-AJT and 0010-9085-F2212-AJT, and is funded through Local Transportation Authority funds.

**Summary**

The soundwall for the Aliso Creek community in the City of Laguna Hills was not constructed as part of the I-5 improvements because of physical constraints. Subsequent California Department of Transportation policy changes now permit the wall to be constructed on private property with the property owners' approval. Staff recommends approval of Amendment No. 1 to Cooperative Agreement C-5-2951 with the City of Laguna Hills, in the amount of \$961,000, for construction and construction management of the southbound I-5/Aliso Creek soundwall.

**Attachment**

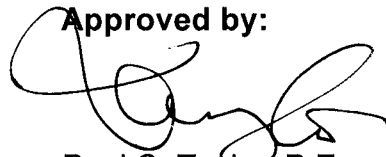
- A. Cooperative Agreement with the City of Laguna Hills for Southbound San Diego Freeway (Interstate 5)/Aliso Creek Soundwall Design, Construction, and Construction Management Staff Report, dated January 9, 2006
- B. City of Laguna Hills Cooperative Agreement C-5-2951 Fact Sheet

**Prepared by:**



Dipak Roy, P.E.  
Senior Project Manager  
(714) 560-5863

**Approved by:**



Paul C. Taylor, P.E.  
Executive Director, Development  
(714) 560-5431



**BOARD COMMITTEE TRANSMITTAL**

**January 9, 2006**

**To:** Members of the Board of Directors

**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board

**Subject** Cooperative Agreement with the City of Laguna Hills for Southbound San Diego Freeway (Interstate 5)/Aliso Creek Soundwall Design, Construction, and Construction Management

**Regional Planning and Highways Committee**

December 19, 2005

**Present:** Directors Norby, Cavecche, Rosen, Dixon, Brown, Green, Monahan, Pringle, and Ritschel

**Absent:** None

***Committee Vote***

This item was passed by all Committee Members present.

Committee Member Dixon was not present to vote.

***Committee Recommendations***

- A. Approve design and construction of the Aliso Creek soundwall.
- B. Authorize the Chief Executive Officer to execute Agreement C-5-2951 between the Orange County Transportation Authority and the City of Laguna Hills, in an amount not to exceed \$1,376,000, for the preparation of the Plans, Specifications, and Estimates, construction, and construction management for the San Diego Freeway (Interstate 5)/Aliso Creek community soundwall.
- C. Increase the Measure M portion of the 1996 Freeway Strategic Plan budget by \$1,485,000, to include the Aliso Creek soundwall project feasibility study, design, construction, and construction management.





**December 19, 2005**

**To:** Regional Planning and Highways Committee

**From:** Arthur T. Leahy, <sup>N</sup>Chief Executive Officer

**Subject:** Cooperative Agreement with the City of Laguna Hills for Southbound San Diego Freeway (Interstate 5)/Aliso Creek Soundwall Design, Construction, and Construction Management

### **Overview**

The City of Laguna Hills has prepared a feasibility study for construction of a soundwall adjacent to the Aliso Creek community on southbound San Diego Freeway (Interstate 5) between Los Alisos Boulevard and Alicia Parkway. The Orange County Transportation Authority proposes to enter into a cooperative agreement with the City of Laguna Hills for design and construction of the proposed soundwall.

### **Recommendations**

- A. Approve design and construction of the Aliso Creek soundwall.
- B. Authorize the Chief Executive Officer to execute Agreement C-5-2951 between the Orange County Transportation Authority and the City of Laguna Hills, in an amount not to exceed \$1,376,000, for the preparation of the Plans, Specifications, and Estimates, construction, and construction management for the San Diego Freeway (Interstate 5)/Aliso Creek community soundwall:
- C. Increase the Measure M portion of the 1996 Freeway Strategic Plan budget by \$1,485,000, to include the Aliso Creek soundwall project feasibility study, design, construction, and construction management.

### **Background**

The Orange County Transportation Authority (Authority) provided funding through the Measure M Program for construction of High Occupancy Vehicle (HOV) lanes and related improvements on the San Diego Freeway (Interstate 5) between the Interstate 5 (I-5)/San Diego

Freeway (Interstate 405) confluence and Pacific Coast Highway. The project included several soundwalls for noise mitigation. One area that did not receive a soundwall was a community bordering southbound I-5 between Los Aliso Boulevard and Alicia Parkway in the City of Laguna Hills (City). The environmental documentation indicated noise levels would exceed the California Department of Transportation/Federal Highway Administration criteria for noise abatement. Nonetheless, construction of a soundwall at this location was not considered to be feasible due to the hillside topography of the community. The community sits on top of the hill, while the state right-of-way (ROW) ends at the bottom of the slope. Construction of a soundwall within the state ROW would have exceeded the maximum allowable height. Further, policies in place at that time did not allow for soundwall construction outside of state ROW. Subsequent policy changes now allow soundwalls to be constructed on private property provided all affected owners agree to this and to record the construction and maintenance of the soundwall as a permanent burden on their property.

In September 2003, the Authority's Board of Directors approved Cooperative Agreement C-3-0312 with the City to perform a feasibility study to investigate constructing a soundwall along the rear property lines of 17 affected homes near the freeway. The City, acting as the lead agency, hired a consultant to prepare the feasibility study. The study concluded that a series of soundwalls can be constructed to mitigate the highway noise affecting the residences. Thirteen homeowners residing south of Aliso Creek unanimously expressed a desire for a soundwall. Based upon the feasibility study, this soundwall will provide noise abatement for 29 homes in the affected area. The four homeowners north of Aliso Creek did not agree to soundwall construction on their property. Instead they have requested additional studies be conducted. This issue will be handled by the City without any further obligations to the Authority.

### ***Discussion***

The City has requested a cost proposal for preparation of Plans, Specifications, and Estimates (PS&E) for the soundwall. In accordance with the cooperative agreement, the City will act as the lead agency in the preparation of PS&E, and in addressing other issues including encroachment permits, ROW, and recording the homeowners' agreements with the County Recorder's Office. The design is scheduled to be completed in April 2006, with construction beginning in August 2006.

**Cooperative Agreement with the City of Laguna Hills for  
Southbound San Diego Freeway (Interstate 5)/Aliso Creek  
Soundwall Design, Construction, and Construction  
Management**

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**Page 3**

**Fiscal Impact**

The design phase was approved in the Authority's Fiscal Year 2005-06 Budget, Construction & Engineering, Account 0010-7519-F2212-AJT, and is funded through the Local Transportation Authority.

**Funding**

This project is not included in the 1996 Freeway Strategic Plan (Plan) budget. In order to use Measure M funds, the Plan's budget must be amended to include the Aliso Creek soundwall and the associated project funding as shown below:

Noise Study	\$ 10,600
Feasibility Study	<u>\$ 98,400</u>
	\$ 109,000
Detail Design	\$ 160,000
Construction	\$1,100,000
Construction Management	<u>\$ 116,000</u>
	\$1,376,000
Total Aliso Creek Soundwall Cost	\$ 1,485,000

The noise study and feasibility study are completed. The proposed design, construction, and construction management will be funded through the proposed Cooperative Agreement C-5-2951, in an amount not-to-exceed \$1,376,000. The construction and construction management costs will be included in the fiscal year 2006-07 budget.

**Summary**

The soundwall for the southbound I-5 Aliso Creek community in the City was not constructed as part of the I-5 improvements because of physical constraints. Subsequent policy changes now permits the wall to be constructed on private property with the property owners' approval. A feasibility study by the City indicates that a soundwall can be constructed on private property behind the homes affected by the I-5 improvements. Staff requests approval of a cooperative agreement with the City to prepare the PS&E and construction of the soundwall.

**Cooperative Agreement with the City of Laguna Hills for  
Southbound San Diego Freeway (Interstate 5)/Aliso Creek  
Soundwall Design, Construction, and Construction  
Management**

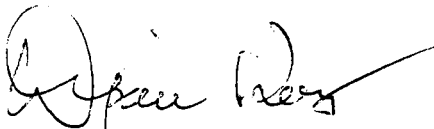
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***Attachment***

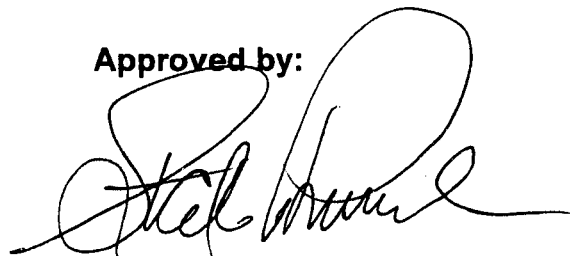
None.

**Prepared by:**



Dipak Roy, P.E.  
Senior Project Manager  
(714) 560-5863

**Approved by:**



Stanley G. Phernambucq  
Executive Director,  
Construction & Engineering  
(714) 560-5440



**City of Laguna Hills  
Cooperative Agreement C-5-2951 Fact Sheet**

1. January 9, 2006, Cooperative Agreement C-5-2951, \$1,376,000, approved by the Board of Directors.
  - Preparation of the plans, specifications, and estimates, construction, and construction management for the San Diego Freeway (Interstate 5)/Aliso Creek community soundwall.
2. January 22, 2006, Amendment No. 1 to Cooperative Agreement C-5-2951, \$961,000, pending approval by Board of Directors.
  - This amendment will cover the increase of construction and construction management costs for the construction of the Aliso Creek community soundwall.

Total committed to the City of Laguna Hills after approval of Amendment No. 1 to Cooperative Agreement C-5-2951: \$2,337,000.





BOARD COMMITTEE TRANSMITTAL

**January 22, 2007**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup>Wendy Knowles, Clerk of the Board  
**Subject:** Funding Agreement with the Los Angeles County Metropolitan Transportation Authority for a Joint Transportation Study

Regional Planning and Highways Committee

January 15, 2007

**Present:** Directors Amante, Cavecche, Dixon, Glaab, Green, Mansoor, Norby, Pringle, and Rosen  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Authorize the Chief Executive Officer to negotiate and execute a funding agreement with the Los Angeles County Metropolitan Transportation Authority for an amount not to exceed \$250,000.





*January 15, 2007*

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Funding Agreement with the Los Angeles County Metropolitan Transportation Authority for a Joint Transportation Study

### **Overview**

The Orange County Transportation Authority, in cooperation with the Los Angeles County Metropolitan Transportation Authority, is proposing to conduct a study focusing on transportation issues and opportunities between Orange and Los Angeles counties.

### **Recommendation**

Authorize the Chief Executive Officer to negotiate and execute a funding agreement with the Los Angeles County Metropolitan Transportation Authority for an amount not to exceed \$250,000.

### **Background**

The Orange County Transportation Authority (OCTA) and the Los Angeles County Metropolitan Transportation Authority (METRO) have been in ongoing discussions regarding projects of mutual interest including planned freeway widenings, Metrolink expansion, and the overall need to investigate opportunities to improve travel between Orange and Los Angeles counties. Each day, over one million vehicles cross the border between the two counties, underscoring the need to jointly develop a plan for potential transportation improvements.

In summer 2006, the OCTA Board of Directors (Board) approved the 2006 Long-Range Transportation Plan and a supporting action plan. The action plan included direction to conduct a joint transportation study with METRO. The proposed Orange County/Los Angeles County (OC/LA) Border Transportation Study will identify a broad range of conceptual strategies for improving inter-county travel, emphasizing relevant issues of interest to western and northern Orange County cities. The conceptual strategies will be reduced in

number through a technical screening process. A separate, future engineering and environmental analysis will evaluate the concepts in detail and result in a preferred strategy. The study is expected to start by summer 2007 and be completed by spring 2008.

### ***Discussion***

Staff from both agencies have been working on a scope of work and funding agreement for the study. The METRO Board of Directors has approved a \$125,000 contribution for this effort. Under the proposed funding agreement, OCTA will act as the contract administrator for the \$250,000 study, and these funds are included in the fiscal year (FY) 2006-07 budget.

The following are the proposed funding agreement terms:

- OCTA will administer and manage the \$250,000 project. OCTA's contribution is \$125,000.
- Any cost increases for the project will be mutually agreed upon by both agencies.
- OCTA will develop and distribute the Request for Proposals (RFP) and procure the services of a consultant to complete the project as defined in the scope of work.
- A contribution of \$125,000 will be made by METRO.

With Board approval of the recommendations, staff will negotiate and execute the agreement and issue a RFP for the consultant study within the next 45 days.

### **Fiscal Impact**

The FY 2006-07 budget includes \$250,000 for the completion of the OC/LA Border Transportation Study. Expenditures for the study will be coded to Account 1536-7519-A4450-C1X in the Development Division/Planning and Analysis Department budget.

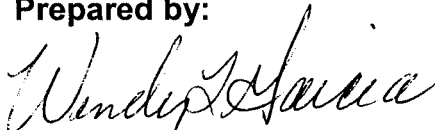
***Summary***

OCTA and METRO will jointly conduct a study of alternatives for improving travel between the two counties, emphasizing issues and opportunities for Orange County border cities. Staff recommends the Board authorize the Chief Executive Officer to negotiate and execute the funding agreement with METRO for the requested funding amount.

***Attachment***

None.

**Prepared by:**



Wendy L. Garcia  
Transportation Analyst  
(714) 560-5738

**Approved by:**



Paul C. Taylor, P.E.  
Executive Director, Development  
(714) 560-5431







BOARD COMMITTEE TRANSMITTAL

*January 22, 2007*

**To:** Members of the Board of Directors  
**From:** <sup>WV</sup>Wendy Knowles, Clerk of the Board  
**Subject:** Amendment to the Master Plan of Arterial Highways

Regional Planning and Highways Committee

January 15, 2007

**Present:** Directors Amante, Cavecche, Dixon, Glaab, Green, Pringle, Mansoor  
Norby, and Rosen  
**Absent:** None

***Committee Vote***

This item was passed by all Committee Members present.

***Committee Recommendation***

Approve amendment of the Master Plan of Arterial Highways to add Cow Camp Road between Antonio Parkway and the future extension of the Foothill Transportation Corridor South (State Route 241) as a major (six-lane divided) arterial and as a primary (four-lane divided) arterial easterly to Ortega Highway (State Route 74) in the County of Orange.





***January 15, 2007***

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, <sup>pw</sup>Chief Executive Officer  
**Subject:** Amendment to the Master Plan of Arterial Highways

***Overview***

The Orange County Transportation Authority administers the Master Plan of Arterial Highways, including the review and approval of amendments requested by local agencies. The County of Orange has requested amendment of the Master Plan of Arterial Highways to add Cow Camp Road between Antonio Parkway and a connection with the future extension of the Foothill Transportation Corridor South (State Route 241) as a major arterial and as a primary arterial easterly to Ortega Highway (State Route 74).

***Recommendation***

Approve amendment of the Master Plan of Arterial Highways to add Cow Camp Road between Antonio Parkway and the future extension of the Foothill Transportation Corridor South (State Route 241) as a major (six-lane divided) arterial and as a primary (four-lane divided) arterial easterly to Ortega Highway (State Route 74) in the County of Orange.

***Background***

Guidelines adopted by the Orange County Transportation Authority (OCTA) Board of Directors (Board) on November 27, 1995, include procedures to be followed by local agencies requesting amendments to the Master Plan of Arterial Highways (MPAH). These are summarized below:

- The local agency submits its request in writing to OCTA, including a detailed description of the proposed amendment and documentation to support the basis for the request.
- Upon receiving an MPAH amendment request, OCTA convenes a staff conference with the requesting agency and representatives of adjacent

jurisdictions, if necessary. The conference will determine if there is mutual agreement on the proposed amendment.

- If there is mutual agreement, OCTA provides a written response to that effect and submits the request to the OCTA Board for approval. Upon OCTA Board approval, the local agency proceeds with the process of amending its General Plan to reflect the change to its Circulation Element. If there is no mutual agreement, a cooperative study is required.

Proposed amendments are submitted to the OCTA Board on a quarterly basis for approval. Exceptions to this schedule may be made where a compelling need can be demonstrated by the local agency for approval, prior to the next scheduled quarterly approval.

### ***Discussion***

During the last quarter, OCTA and County of Orange staff reviewed and discussed the County's request to add Cow Camp Road (formerly known as New Ortega Highway) to the MPAH. The addition of Cow Camp Road will be the first arterial addition to serve the Ranch Mission Viejo (RMV) development.

The County proposes to add Cow Camp Road as an east-west major arterial highway on the north side of San Juan Creek, extending easterly from Antonio Parkway to the planned Foothill Transportation Corridor South (State Route 241) and as a primary arterial easterly of State Route 241 (SR-241) to the existing Ortega Highway (State Route 74). The alignment between the SR-241 and State Route 74 is conceptual and will be updated as more detailed plans are developed by the County. The initial phase of the Cow Camp Road project, west of the future SR-241 extension, is currently in the project report (preliminary design) phase and will provide access to the first phases of the RMV development.

The MPAH cooperative study process was completed in 2004 as well as the Environmental Impact Report for the RMV development. These efforts serve as the technical basis for adding Cow Camp Road to the MPAH, as well as OCTA staff's participation in the MPAH cooperative study.

### ***Summary***

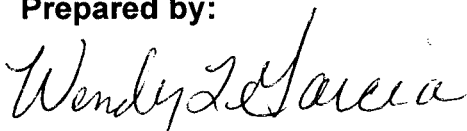
The County of Orange has requested amendment of the MPAH to add Cow Camp Road between Antonio Parkway and the future extension of SR-241 as a major arterial and as a primary arterial between SR-241 and

State Route 74. This action aligns the MPAH with approved County plans in the area. Board approval of this amendment is requested.

***Attachments***

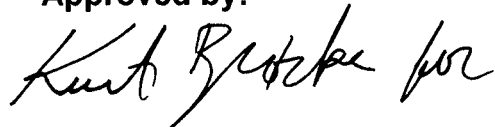
- A. County of Orange Letter dated December 14, 2006. Re: Request to add Cow Camp Road
- B. Cow Camp Road (Proposed Alignment map, dated December 13, 2006)

**Prepared by:**



Wendy L. Garcia  
Transportation Analyst  
(714) 560-5738

**Approved by:**



Paul C. Taylor, P.E.  
Executive Director, Development  
(714) 560-5431





# COUNTY OF ORANGE

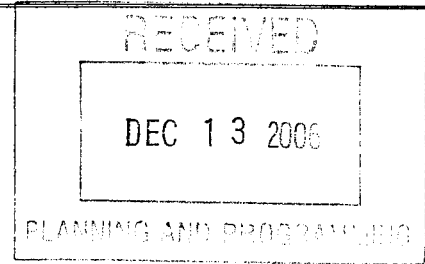
RESOURCES & DEVELOPMENT MANAGEMENT DEPARTMENT

## ATTACHMENT A

P.O. Box 4048  
Santa Ana, CA 92702-4048  
Telephone: (714) 834-2300  
Fax: (714) 834-5188

December 14, 2006

Glen Campbell, Principal Transportation Analyst  
Orange County Transportation Authority  
550 South Main Street  
Orange, California 92863-1584



RE: REQUEST TO ADD "COW CAMP ROAD" TO THE MASTER PLAN OF ARTERIAL HIGHWAYS (MPAH)

Dear Mr. Campbell:

The Orange County Board of Supervisors approved the Rancho Mission Viejo Ranch Planned Community on November 8, 2004. As part of that approval the Board also approved several new roadways within the Planned Community, and directed staff to request of OCTA the addition of some of these facilities to the MPAH.

This request is to add Cow Camp Road between Antonio Parkway and the Foothill Transportation Corridor (FTC) to the MPAH, as a major arterial highway, and between FTC and Ortega Highway as a primary arterial highway.

As the Ranch land use planning progresses and other roadway alignments are better defined, the County will likely request that additional roadways, within the Ranch development be added to the MPAH. This request supercedes the County request of September 13, 2006.

Should you have any questions please do not hesitate to call me at (714) 834-5282.

Sincerely,

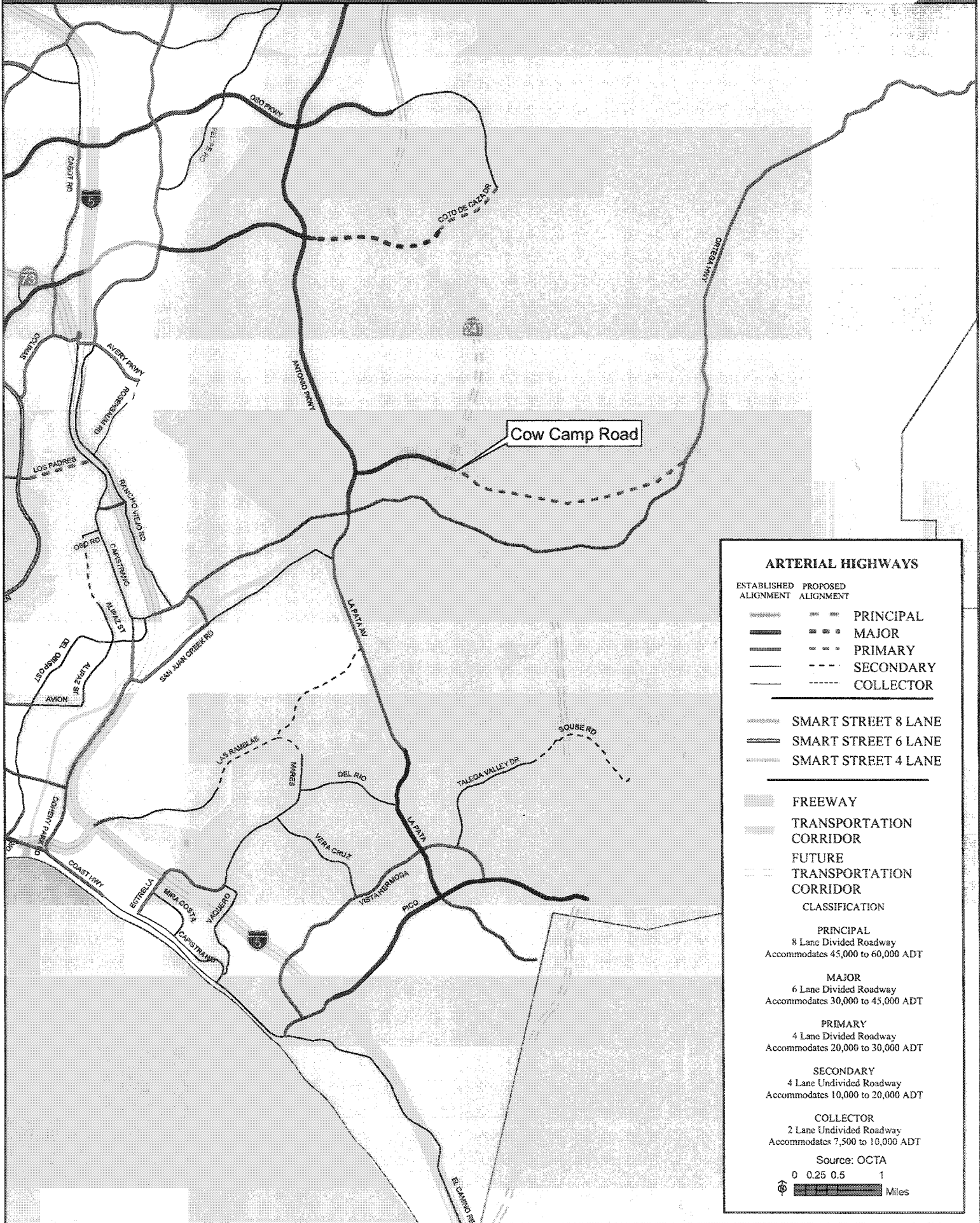
Harry Persaud, Manager  
Subdivision and Infrastructure Services

HP/mmc

cc: Wendy Garcia

Attachment  
Board of Supervisors adopted Resolution on Subject

Exhibit



### ARTERIAL HIGHWAYS

ESTABLISHED ALIGNMENT PROPOSED ALIGNMENT

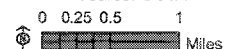
		PRINCIPAL
		MAJOR
		PRIMARY
		SECONDARY
		COLLECTOR

	SMART STREET 8 LANE
	SMART STREET 6 LANE
	SMART STREET 4 LANE

	FREEWAY
	TRANSPORTATION CORRIDOR
	FUTURE TRANSPORTATION CORRIDOR

CLASSIFICATION	
PRINCIPAL	8 Lane Divided Roadway Accommodates 45,000 to 60,000 ADT
MAJOR	6 Lane Divided Roadway Accommodates 30,000 to 45,000 ADT
PRIMARY	4 Lane Divided Roadway Accommodates 20,000 to 30,000 ADT
SECONDARY	4 Lane Undivided Roadway Accommodates 10,000 to 20,000 ADT
COLLECTOR	2 Lane Undivided Roadway Accommodates 7,500 to 10,000 ADT

Source: OCTA









BOARD COMMITTEE TRANSMITTAL

**January 22, 2007**

**To:** Members of the Board of Directors  
**From:** <sup>WV</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Riverside County Highway Plan to Extend 91 Express Lanes

Regional Planning and Highways Committee

January 15, 2007

**Present:** Directors Amante, Cavecche, Dixon, Glaab, Green, Mansoor, Norby, Pringle, and Rosen  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendations (Reflects change from staff recommendation)**

- A. Provide guidance to staff and members of the State Route 91 Advisory Committee in preparation for their meeting of February 2, 2007.
- B. Authorize the Chief Executive Officer to enter into a cost-sharing arrangement with the Riverside County Transportation Commission to advance an interim Riverside Freeway (State Route 91) improvement project, in an amount not to exceed \$250,000, from 91 Express Lanes funds.
- C. Approve "Revised Attachment B", which incorporates the Regional Planning and Highways Committee's comments.





***Committee Comments***

The Committee provided the following comments with respect to work with Riverside County Transportation Commission on their 10-Year Delivery Plan:

- Agencies should explore use of reversible lane operations, similar to lanes in use on Interstate 15 in San Diego county, as part of the next steps on 10-Year Delivery Plan.
- Efforts to secure the required legislative approval for extension of 91 Express Lanes should also provide flexibility on uses of toll revenues to provide for efficient connection between the two counties.

The "Revised Attachment B", reflects in bold the Committee's suggestions.



**Orange County Goals to Support Riverside County 10-Year Delivery Plan**

1. Work with the Riverside County Transportation Commission (RCTC) to ensure connection of their proposed general purpose lanes with Orange County facilities. Consider additional lanes between the county line and the Foothill Transportation Corridor (State Route 241), and coordinate with the planned eastbound auxiliary lane project between State Route 241 (SR-241) and the Corona Expressway (State Route 71).
2. **Efforts to secure legislative approval to implement the RCTC plan for the proposed extension of 91 Express Lanes should provide flexibility on uses of toll revenues to provide for an efficient connection between the two counties.**
3. Consider additional lanes on the 91 Express Lanes in Orange County. Expedite work on direct connectors between SR-241 and the 91 Express Lanes to accommodate the demand due to proposed extension of the lanes. Coordinate with the Foothill/Eastern Transportation Corridor Agency on a capital improvement plan with funding from all agencies' toll revenues.
4. Assess the operational issues and demand implications of intermediate access at the County line where the current lanes end. The proposed "two-toll" system presents operational and demand opportunities to improve the overall throughput of the corridor. Financial implications must also be quantified and considered.
5. Study opportunities for reversible 91 Express Lanes in Orange and Riverside counties, **similar to lanes in use on Interstate 15 in San Diego County**. This may reduce costs and impacts with the proposed 91 Express Lanes extension.
6. Integrate the concepts above with the Renewed Measure M program that calls for up to four additional lanes between SR-241 and the County line.
7. Evaluate the feasibility of a combination of Riverside Freeway (State Route 91) and other Corridor A alignment options that reduce impacts to the developed portions of Corona and other cities.
8. Evaluate reversible lane configurations of Corridor A to further minimize impacts.
9. Expand the scope of the upcoming traffic and revenue forecast report (by Vollmer Associates) to include an analysis of the RCTC program of projects and the respective implementation timetable.
10. Inform the rating agencies as well as the company that insures the 2003 91 Express Lanes bonds (Ambac Assurance Corporation), and the 91 Express Lanes bondholders on the recent proposals, planned analysis and financial impacts of the proposals, and commit to a full briefing on Vollmer Associates traffic and revenue results.
11. Conduct a legal review and analysis on the ability to assign the rights of the franchise agreement and the resulting implications to the Master Indenture of Trust for the 91 Express Lanes Toll Road Revenue Refunding Bonds.





**January 15, 2007**

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, <sup>PLW</sup> Chief Executive Officer  
**Subject:** Riverside County Highway Plan to Extend 91 Express Lanes

**Overview**

The Riverside County Transportation Commission has adopted a 10-year highway expansion plan that needs to be integrated with planning, financial, and legislative commitments made by Orange County Transportation Authority to relieve congestion along the Riverside Freeway (State Route 91) corridor.

**Recommendations**

- A. Provide guidance to staff and members of the State Route 91 Advisory Committee in preparation for their meeting of February 2, 2007.
- B. Authorize the Chief Executive Officer to enter into a cost-sharing arrangement with the Riverside County Transportation Commission to advance an interim Riverside Freeway (State Route 91) improvement project, in an amount not to exceed \$250,000, from 91 Express Lanes funds.

**Background**

Assembly Bill 1010 (Chapter 688, Statute of 2002) enabled Orange County Transportation Authority (Authority) to acquire and operate the 91 Express Lanes. Since its acquisition in 2003, the Authority has implemented policies and projects to reduce overall congestion along the Riverside Freeway (State Route 91). In addition, the Authority in conjunction with the Riverside County Transportation Commission (RCTC) and the Foothill/Eastern Transportation Corridor Agency (F/E TCA) has developed a comprehensive plan for long-term transportation solutions to ease the commute of residents between the counties.

More recently, RCTC has adopted a 10-year (2009-2019) delivery plan focused on implementing improvements along State Route 91 (SR-91) including an



extension of the 91 Express Lanes to the Ontario Freeway (Interstate 15). A more extensive discussion of the above was presented to the Board of Directors on January 8, 2007 (Attachment A).

***Discussion***

Staff has reviewed the RCTC 10-year delivery plan and identified the following discussion issues with respect to planning, financial, and institutional coordination.

- The RCTC plan offers significant mobility improvements for the SR-91 corridor. The plan calls for new general purpose lanes, interchange improvements, and an extension of the current 91 Express Lanes to Interstate 15 (I-15). These projects need to be integrated with Orange County plans. In addition, the plan evaluated but does not recommend an elevated, tolled viaduct, similar to the SR-91 Major Investment Study Corridor A concept, in the median of SR-91 from the Foothill Transportation Corridor (State Route 241) to the I-15.
- With respect to financial considerations, the Authority has \$183,510,000 outstanding in 91 Express Lanes bonds that are secured solely by the toll road's net revenues. The bonds were sold based upon a traffic and revenue report prepared by Vollmer Associates in 2003. Vollmer Associates is currently updating their report, which is due early 2007. An analysis of the RCTC delivery plan will be thoroughly evaluated by Vollmer Associates to determine the financial impacts to the 91 Express Lanes.
- Lastly, franchise rights purchased by the Authority include an exclusive, irrevocable right to develop and operate toll lanes in an area bounded by two imaginary lines running a distance of 1.5 miles on either side of SR-91 from I-15 in Riverside County westward to the Orange County boundary with Los Angeles County.

Staff has prepared suggested Authority goals for discussion with RCTC to advance the proposed 10-year delivery plan (Attachment B). Following review and action by the Regional Planning and Highways Committee, these goals will be presented to the Authority Board of Directors on January 22, 2007, prior to the next SR-91 Advisory Committee meeting scheduled for February 2, 2007.

### **Other Matters**

The RCTC and the California Department of Transportation (Caltrans) are advancing near-term interim solutions along SR-91. An immediate project to relieve a bottleneck on SR-91 in the City of Corona is relocating the median barriers and re-striping lanes. This project has been funded by Caltrans at \$1 million and is ready to proceed. During the development of the project scope it was determined that drainage improvements were needed to prevent flooding in the median. Given the costs for the drainage improvements and the rising cost of construction materials, the engineer's estimate has increased from \$1 million to \$1.5 million. As a result, Caltrans is on the verge of delaying the project.

This project status was discussed at the last SR-91 Advisory Committee meeting with a request for assistance. Accordingly, Authority and RCTC staff are proposing to jointly fund the cost increase and keep the project on schedule. The Authority share could be funded from 91 Express Lanes proceeds. It is understood that upon opening of the construction bids, Caltrans funds will be applied first, and RCTC and the Authority will equally fund any overage up to a maximum of \$250,000 each.

### ***Summary***

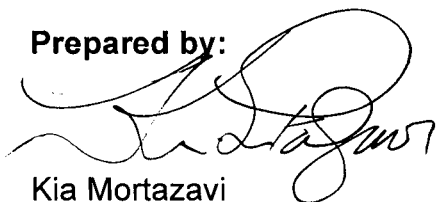
The Riverside County 10-year delivery plan will be presented at the next SR-91 Advisory Committee meeting. The Riverside County proposal adds needed capacity to this corridor, and the proposed improvements will be integrated with Orange County plans and priorities. At the same time, the Authority must analyze the financial and operational issues and discuss specific operations agreements with RCTC in conjunction with discussion regarding assignment of the Authority's franchise agreement.

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***Attachments***

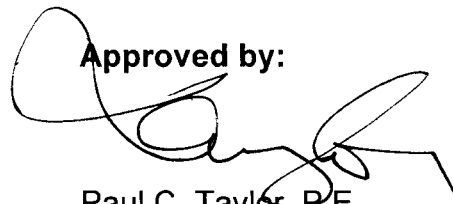
- A. Riverside County Highway Plan to Extend 91 Express Lanes Staff Report, dated January 8, 2007
- B. Orange County Goals to Support Riverside County 10-Year Delivery Plan

**Prepared by:**



Kia Mortazavi  
Director , Strategic Planning  
(714) 560-5741

**Approved by:**



Paul C. Taylor, P.E.  
Executive Director, Development  
(714) 560-5431



***January 8, 2007***

**To:** Members of the Board of Directors  
**From:** Arthur T. Leahy, <sup>ATL</sup>Chief Executive Officer  
**Subject:** Riverside County Highway Plan to Extend 91 Express Lanes

***Overview***

The Riverside County Transportation Commission has adopted a 10-year highway expansion plan that affects planning, financial, and legislative commitments made by Orange County Transportation Authority as part of a bi-county effort to make the 91 Express Lanes a public facility. A status report on the plan is provided for Board of Directors information.

***Recommendations***

- A. Receive and file as an information item.
- B. Direct staff to present the plan at the next scheduled Regional Planning and Highways Committee, and return to the Board of Directors with policy recommendations on January 22, 2007.

***Background***

The Orange County Transportation Authority (Authority) owns the franchise rights to operate the 91 Express Lanes and has used this authority to reduce congestion along the Riverside Freeway (State Route 91) by reducing average tolls, setting tolls to maximize throughput, and enabling development of general purpose capacity projects.

Assembly Bill 1010 (Chapter 688, Statutes of 2002), enacted in September 2002, authorized the California Department of Transportation (Caltrans) to approve the assignment of the 91 Express Lanes toll road franchise agreement to the Authority. This legislation was introduced by Orange County to permit development and implementation of projects and relieve existing and future congestion along the State Route 91 (SR-91) corridor. Previously, Orange County was barred from such activities due to exclusivity rights granted by the state to the private sector in exchange for

private sector investments in the highway. The bill also authorized the Authority to purchase the franchise from the then owner, California Private Transportation Company (CPTC), as well as impose and collect tolls until such time as bonded indebtedness is paid or by December 31, 2030, whichever occurs sooner.

On January 3, 2003, the Authority acquired the franchise from CPTC for \$207.5 million including the assumption of \$135 million in taxable bonds and a cash payment of \$72.5 million which was borrowed from internal funds. At the time of purchase, the Authority planned to refund the \$135 million taxable debt with less expensive tax-exempt securities. In November 2003, the Authority completed the refunding and sold tax-exempt securities that were backed solely by toll revenues.

To assist with the financial analysis, the Authority hired Vollmer Associates, LLP (Vollmer), one of several nationally recognized traffic and revenue forecast consultants, to update the seller's previous traffic and revenue forecast reports. The consultant, Vollmer, completed its traffic and revenue forecast in October 23, 2003. The 2003 report included a conservative forecast of improvements in the SR-91 corridor and included the Authority's innovative toll-setting policy. To date, the 91 Express Lanes traffic and revenues have exceeded Vollmer's 2003 forecast and Authority staff is currently working with Vollmer to update their report due early 2007.

In December of 2005, the Authority, the Riverside County Transportation Commission (RCTC), and the Foothill/Eastern Transportation Corridor Agency (F/E TCA) completed an 18-month Major Investment Study (MIS) of transportation solutions to ease the commute of residents and workers on both sides of the County line. The MIS was guided by the Riverside County-Orange County MIS Policy Committee comprised of the Authority, RCTC, and F/E TCA Board members. The MIS recommendations (Attachment A) called for maximizing the capacity of the SR-91 corridor while continuing to study two additional routes known as corridors A and B. Corridor A increases the capacity of SR-91 further through the use of elevated or reversible lanes between the Foothill Transportation Corridor (State Route 241) and Ontario Freeway (Interstate 15), and Corridor B would establish a new corridor between the two counties through the Santa Ana mountains.

In 2006, RCTC began development of a 10-year (2009-2019) delivery plan focused on implementing major freeway projects considering the impacts of major increases in freeway construction costs over the past few years. That plan sets RCTC's priorities for Riverside County freeway improvements through 2019. The SR-91 is a major component of this plan.

On December 13, 2006, RCTC adopted the 10-year delivery plan (Attachment B). The RCTC 10-year plan is discussed below with suggested follow-up actions.

### ***Discussion***

Staff has reviewed the RCTC plan and identified the following discussion issues with respect to planning, financial, and institutional coordination. The RCTC plan offers significant mobility improvements for the SR-91 corridor. The plan calls for an extension of the current 91 Express Lanes to Interstate 15 (I-15), funded by new incremental tolls from the current terminus of the 91 Express Lanes to I-15. In addition, the plan evaluated, but does not recommend an elevated, tolled viaduct, similar to the MIS Corridor A concept, in the median of SR-91 from State Route 241 (SR-241) to the I-15.

For the 91 Express Lanes extension, Authority staff suggests that both agencies jointly:

- Continue to expeditiously develop and implement joint projects to relieve the traffic congestion in the corridor.
- Further evaluate the operational issues and toll implications of intermediate access at the County line where the current lanes end. The proposed "two-toll" system presents operational and demand issues that should be further examined.
- Evaluate opportunities for reversible 91 Express Lanes in Orange and Riverside counties. This may reduce costs and impacts with the proposed 91 Express Lanes extension.
- Conduct an engineering analysis related to the concept of directly connecting the SR-241 toll way to the 91 Express Lanes, adding lanes to the 91 Express Lanes to accommodate the additional demand to and from SR-241, and extending the 91 Express Lanes to I-15. Coordinate these efforts with the F/E TCA.
- Integrate the concepts above with the Renewed Measure M program that calls for up to four additional lanes between SR-241 and the County line.
- Continue to evaluate the feasibility of a combination of SR-91 and other Corridor A alignment options that reduce impacts to the developed portions of Corona and other cities.
- Evaluate reversible lane configurations of Corridor A to further minimize impacts.

With respect to financial considerations, the Authority has \$183,510,000 outstanding 91 Express Lanes bonds that are secured solely by the toll road's net revenues. The traffic and revenue analysis update due early 2007, however, does not include the recent proposals by RCTC.

Staff suggests that the Authority:

- Expand the scope of the upcoming Vollmer traffic and revenue forecast report to include an analysis of the RCTC program of project and the respective implementation timetable.
- Inform the rating agencies as well as Ambac, the company that insures the 2003 91 Express Lanes bonds, and the 91 Express Lanes bondholders on the recent proposals, planned analysis of the proposals, and commit to a full briefing on Vollmer traffic and revenue results.

The franchise rights purchased by the Authority include an exclusive, irrevocable right to develop and operate toll lanes in an area bounded by two imaginary lines running a distance of 1.5 miles on either side of SR-91 from I-15 in Riverside County westward to the Orange County boundary with Los Angeles County. Staff also suggests that the Authority:

- Conduct a legal review and analysis on the ability to assign the rights of the franchise agreement and the resulting implications to the Master Indenture of Trust for the 91 Express Lanes Toll Road Revenue Refunding Bonds.

Staff recommends that the issues discussed above be further reviewed at the next Regional Planning and Highways (RPH) Committee. Policy direction from that committee would return to the Board of Directors on January 22, 2007, as input into the next bi-county committee scheduled for February 2, 2007.

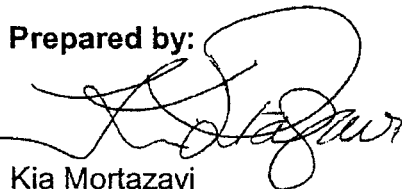
### **Summary**

The Riverside County 10-Year Delivery Plan will be presented to the next RPH Committee for review and follow-up. Overall, the Riverside County proposal adds needed capacity to this corridor, and the proposed improvements need to be integrated with Orange County plans and priorities. At the same time, the Authority must carefully analyze the financial and operation issues and discuss specific operations agreements with RCTC in conjunction with discussion regarding assignment of the Authority's franchise agreement.

**Attachments**

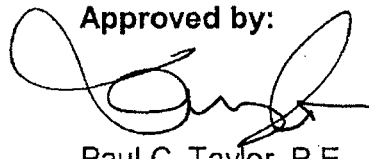
- A. Riverside County–Orange County Major Investment Study Recommendations Staff Report, December 5, 2005
- B. Riverside County Transportation Commission Agenda Item, December 13, 2006

Prepared by:



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Director , Strategic Planning  
(714) 560-5741

Approved by:



Paul C. Taylor, P.E.  
Executive Director, Development  
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BOARD COMMITTEE TRANSMITTAL

December 12, 2005

**To:** Members of the Board of Directors  
**From:** <sup>WIK</sup>Wendy Knowles, Clerk of the Board  
**Subject** Riverside County-Orange County Major Investment Study  
Recommendations

Regional Planning and Highways Committee

December 5, 2005

**Present:** Directors Cavecche, Rosen, Dixon, Brown, Green, Monahan, Pringle,  
and Ritschel  
**Absent:** Director Norby

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendations (Reflects change from staff recommendation)**

- A. Establish Riverside Freeway (State Route 91) from the Costa Mesa Freeway (State Route 55) to Corona Freeway (Interstate 15) as a priority for improving transportation between Riverside and Orange counties. Emphasize Riverside Freeway (State Route 91) improvements between the Foothill/Eastern Transportation Corridor (State Route 241) and the Corona Freeway (Interstate 15) first, followed by improvements between the Costa Mesa Freeway (State Route 55) and the Foothill/Eastern Transportation Corridor (State Route 241).
- B. Continue to work with the Foothill/Eastern Transportation Corridor Agency to develop a mutually acceptable plan to improve the connection between the Foothill/Eastern Transportation Corridor (State Route 241) and Riverside Freeway (State Route 91) corridors and accelerate capacity improvements on Eastern Toll Road (State Route 133), Foothill/Eastern Transportation Corridor (State Route 241), and Eastern Toll Road (State Route 261) to optimize utilization of the toll roads to improve transportation between Riverside and Orange counties.



***Committee Recommendations (continued)***

- C. Continue to evaluate costs and impacts with Corridor A in the Riverside Freeway (State Route 91) right of way through a future preliminary engineering process in cooperation with other agencies. (This is a revised recommendation based on policy committee direction.)
- D. Continue to study the technical feasibility of the Corridor B concept including costs, risks, joint-use opportunities, benefits, and potential funding options in cooperation with the Riverside County Transportation Commission, Transportation Corridor Agencies, Metropolitan Water District, and other interested agencies.
- E. Continue work with the Cal-Nevada Super Speed Train Commission on Anaheim to Ontario Maglev alignments in the Santa Ana Canyon or alternate corridors as appropriate.
- F. Eliminate Strategic Alternative 1B (Corridor A with the Costa Mesa Freeway [State Route 55] widening) from further analysis due to high number of residential right-of-way impacts adjacent to the Costa Mesa Freeway (State Route 55).
- G. Eliminate from further analysis the Ortega Highway (State Route 74) widening and realignment concept due to high cost and environmental impacts, and direct staff to focus on Ortega Highway (State Route 74) operational improvements.
- H. Direct staff to initiate a Master Plan of Arterial Highways amendment process with the California Department of Transportation and other agencies to reclassify Ortega Highway (State Route 74) from a four-lane highway to a two-lane highway east of the future Foothill/Eastern Transportation Corridor (State Route 241). (This is a follow-up recommendation to address Recommendation "G" above).
- I. Authorize the Chief Executive Officer to negotiate and execute one or more interagency cooperative agreements or joint powers agreements for the technical studies to be conducted jointly with cooperating agencies. (This is a recommendation further described in the staff report.)



***Committee Recommendations (continued)***

- J. Direct staff to return with an updated State Route 91 Implementation Plan by June 30, 2006. (This is a new recommendation further described in the staff report.)

***Committee Discussion***

The Committee suggested an amendment to Recommendation I to include a Joint Powers Authority.





**December 5, 2005**

**To:** Regional Planning and Highways Committee  
**From:** *AL/KB* Arthur T. Leahy, Chief Executive Officer  
**Subject:** Riverside County – Orange County Major Investment Study Recommendations

**Overview**

Revised recommendations emerging from the November 18, 2005, Riverside County – Orange County Major Investment Study Policy Committee meeting and related efforts are presented for review and discussion.

**Recommendations**

- A. Establish Riverside Freeway (State Route 91) from the Costa Mesa Freeway (State Route 55) to Corona Freeway (Interstate 15) as a priority for improving transportation between Riverside and Orange counties. Emphasize Riverside Freeway (State Route 91) improvements between the Foothill/Eastern Transportation Corridor (State Route 241) and the Corona Freeway (Interstate 15) first, followed by improvements between the Costa Mesa Freeway (State Route 55) and the Foothill/Eastern Transportation Corridor (State Route 241).
- B. Continue to work with the Foothill/Eastern Transportation Corridor Agency to develop a mutually acceptable plan to improve the connection between the Foothill/Eastern Transportation Corridor (State Route 241) and Riverside Freeway (State Route 91) corridors and accelerate capacity improvements on Eastern Toll Road (State Route 133), Foothill/Eastern Transportation Corridor (State Route 241), and Eastern Toll Road (State Route 261) to optimize utilization of the toll roads to improve transportation between Riverside and Orange counties.
- C. Continue to evaluate costs and impacts with Corridor A in the Riverside Freeway (State Route 91) right-of-way through a future preliminary engineering process in cooperation with other agencies. (This is a revised recommendation based on policy committee direction.)

- D. Continue to study the technical feasibility of the Corridor B concept including costs, risks, joint-use opportunities, benefits, and potential funding options in cooperation with the Riverside County Transportation Commission, Transportation Corridor Agencies, Metropolitan Water District, and other interested agencies.
- E. Continue work with the Cal-Nevada Super Speed Train Commission on Anaheim to Ontario Maglev alignments in the Santa Ana Canyon or alternate corridors as appropriate.
- F. Eliminate Strategic Alternative 1B (Corridor A with the Costa Mesa Freeway [State Route 55] widening) from further analysis due to high number of residential right-of-way impacts adjacent to the Costa Mesa Freeway (State Route 55).
- G. Eliminate from further analysis the Ortega Highway (State Route 74) widening and realignment concept due to high cost and environmental impacts, and direct staff to focus on Ortega Highway (State Route 74) operational improvements.
- H. Direct staff to initiate a Master Plan of Arterial Highways amendment process with the California Department of Transportation and other agencies to reclassify Ortega Highway (State Route 74) from a four-lane highway to a two-lane highway east of the future Foothill/Eastern Transportation Corridor (State Route 241). (This is a follow-up recommendation to address Recommendation "G" above).
- I. Authorize the Chief Executive Officer to negotiate and execute one or more interagency cooperative agreements for the technical studies to be conducted jointly with cooperating agencies. (This is a new recommendation further described in the staff report.)
- J. Direct staff to return with an updated State Route 91 Implementation Plan by June 30, 2006. (This is a new recommendation further described in the staff report.)

### ***Background***

Each day, more than one-quarter of a million vehicles travel between Riverside and Orange counties. Commuting between the counties has become increasingly difficult with only two choices of roadways, the Riverside Freeway (State Route 91) in the north and the narrow, two-lane Ortega Highway (State Route 74) in the south. The number of vehicular trips forecasted over

the next 20 years is expected to increase by at least 50 percent. Given today's congestion problems and future growth, the Orange County Transportation Authority (OCTA), the Riverside County Transportation Commission (RCTC), and the Foothill/Eastern Transportation Corridor Agency (F/E TCA) joined together in 2003 to find transportation solutions that will ease the commute for residents and workers on both sides of the county line. A major investment study (MIS) was initiated, guided by a bi-county policy committee comprised of OCTA, RCTC, and F/E TCA Board members, Riverside County - Orange County Major Investment Study Policy Committee (Committee).

### ***Discussion***

After nearly 18 months of study, draft recommendations for the MIS were presented to the Committee on November 18, 2005 (Attachment A). The draft recommendations were approved by the Committee with the proviso that the proposed roadway (Corridor A) parallel to State Route 91 (SR-91) stay within the SR-91 right-of-way to minimize potential business and other impacts in the City of Corona and other locations. Consequently, Recommendation "C" above adds language to address this issue.

Recommendations "H", "I", and "J" above are new recommendations (not presented to the Committee) intended to address follow-up issues emerging from the MIS process. Recommendation "H" directs staff to initiate a Master Plan of Arterial Highways (MPAH) amendment process with the California Department of Transportation (Caltrans) and other agencies related to widening State Route 74 (SR-74) east of the future State Route 241 (Foothill South) to the Orange/Riverside County border. Currently, this section of SR-74 is two lanes, and the MPAH recommends widening this section to four lanes in the future. The MIS evaluated this widening proposal and found it very costly relative to the traffic benefit. Consequently, staff recommends initiating the MPAH amendment process with Caltrans and other agencies to be consistent with the MIS recommendations for a two-lane SR-74 east of the future Foothill South.

Recommendation "I" above authorizes the Chief Executive Officer to negotiate and execute one or more interagency cooperative agreements for a new corridor (Corridor B) technical studies to be conducted jointly with cooperating agencies. Earlier this year, federal transportation program reauthorizing legislation earmarked a total of \$15.8 million (to be appropriated over several years) to "study and construct highway alternatives between Orange and Riverside counties, directed by the Riverside Orange Corridor Authority working with local government agencies, local transportation authorities, and guided by the current MIS." Coincident with that federal action, the



Metropolitan Water District of Southern California (MWD) proposed a joint powers agency to be named "Riverside Orange Corridor Authority." Led by the Chairman of the Board of Directors, OCTA has participated in a series of meetings to discuss the proposal; also attending the meetings were policy makers and staff of the F/E TCA, RCTC, and MWD. At the last such meeting at MWD in late July 2005, the group's consensus was to not create a joint powers agency at this time but to draw up an interagency cooperative agreement for conduct of geotechnical studies necessary to determine the technical feasibility of a tunnel on the alignment of Corridor B. The MWD agreed to draft such an agreement.

To date, OCTA has not received a draft cooperative agreement. Rather, staff has received a joint powers agreement creating a "Riverside Orange Corridor Authority" with a Board and executive director to direct geotechnical studies. The Board of the joint powers agency would consist of nine voting members: three from Orange County (OCTA and/or F/E TCA), three members from RCTC and one each from MWD, Municipal Water District of Orange County, and Western Municipal Water District. Although no funding sources are identified, the agreement provides for hiring staff and for Board Members (and alternates) to be reimbursed for expenses. The agreement goes into effect and the joint powers agency is created when at least two named entities execute the agreement. To date, the three water districts have executed the agreement.

OCTA staff believes it is premature to form a joint powers agency. Until technical feasibility of a joint-use tunnel in Corridor B is established, interagency cooperative agreements should suffice for joint oversight of consultants performing technical studies.

Finally, Recommendation "J" above directs staff to update the legislatively-mandated SR-91 Implementation Plan (AB 1010, 2002). OCTA must issue a plan and a proposed completion schedule annually for SR-91 improvements from the Corona Freeway (Interstate 15) to the Costa Mesa Freeway (State Route 55). This plan establishes a program of projects eligible for funding by potential excess toll revenue and other funds. A plan update building on the MIS recommendations will clarify timing and phasing of proposed SR-91 and related projects.

### ***Summary***

Recommendations emerging the MIS process are presented for review and discussion. With direction and approval, staff will initiate follow-up efforts related to the recommendations.

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**Attachment**

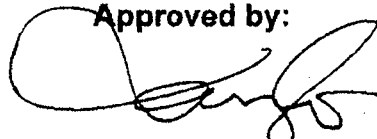
- A. November 18, 2005, Riverside County – Orange County Major Investment Study Policy Committee Memorandum

**Prepared by:**



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**Approved by:**



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(714) 560-5431





## ATTACHMENT A

### Committee Memorandum

**November 18, 2005**

**To:** Riverside County - Orange County Major Investment Study Policy Committee

**From:** Eric Haley, Executive Director  
Arthur T. Leahy, Chief Executive Officer, OCTA

**Subject:** Selection of Locally Preferred Strategy

#### **Overview**

After nearly 18 months of study, recommendations for the locally preferred strategy for the Riverside County - Orange County Major Investment Study are presented for Committee review and approval.

#### **Recommendations**

- A. Establish the Riverside Freeway (State Route 91) from the Costa Mesa Freeway (State Route 55) to the Corona Freeway (Interstate 15) as a priority for improving transportation between Riverside and Orange counties. Emphasize State Route 91 (SR-91) improvements between Eastern Toll Road (State Route 241) and Interstate 15 (I-15) first followed by improvements between State Route 55 (SR-55) and State Route 241 (SR-241).
- B. Continue to work with the Foothill/Eastern Transportation Corridor Agency to develop a mutually acceptable plan to improve the connection between the SR-241 and SR-91 corridors and accelerate capacity improvements on Laguna Canyon Road (State Route 133), SR-241, and Eastern Toll Road (State Route 261) to optimize utilization of the toll roads to improve transportation between Riverside and Orange counties.
- C. Continue to evaluate costs and impacts of a Corridor A roadway through a future preliminary engineering process in cooperation with other agencies.
- D. Continue to study the technical feasibility of the Corridor B concept including costs, risks, joint use opportunities, benefits, and potential funding options in cooperation with the transportation agencies, Metropolitan Water District, and other interested agencies.

- E. Continue work with the Cal-Nevada Super Speed Train Commission on Anaheim to Ontario Maglev alignments in the Santa Ana Canyon or alternate corridors as appropriate.
- F. Eliminate Strategic Alternative 1B (Corridor A with SR-55 widening) from further analysis due to high residential right-of-way impacts adjacent to SR-55.
- G. Eliminate from further analysis the Ortega Highway (State Route 74) widening and realignment concept due to high cost and environmental impacts, and direct staff to focus on State Route 74 (SR-74) operational improvements.

**Background**

The Orange County Transportation Authority (OCTA) and the Riverside County Transportation Commission (RCTC) have embarked on a study in partnership with the Foothill/Eastern Transportation Corridor Agency (F/E TCA) to evaluate proposed long-term projects for improving traffic congestion along the SR-91 corridor. The Riverside County-Orange County Major Investment Study (MIS) is an 18-month study looking at various types of multimodal alternatives between the two counties.

In July 2005, the Riverside County – Orange County Major Investment Study Committee (Committee) directed the technical team to evaluate three strategic, build alternatives further described in Attachment A. Projects included in one or more of these three alternatives are:

1. Widening SR-91 to add one or two lanes in each direction (primarily within existing right-of-way) between the SR-55 and I-15.
2. Building a new four to six-lane facility parallel to SR-91 from the SR-241 to the I-15. Lowering tolls on SR-241 to help move traffic or widening SR-55 and not lowering SR-241 tolls are two options included in this proposal.
3. Building a new four- to six-lane facility, major portions in tunnels, from the intersection of the SR-241 toll road with the State Route 133 (SR-133) toll road to I-15 in the vicinity of Cajalco Road in Corona.
4. Upgrading SR-74 to a four-lane road by widening and realignment.

Technical results describing cost and performance for the projects above and the strategic alternatives are presented in Attachment B. General recommendations and potential actions are discussed below.

**Discussion**

In working with the Committee, cities, stakeholders, and elected officials through the MIS process, it is clear the highest priority should be given to SR-91 improvement projects. The freeway segment from SR-241 to I-15 is the major SR-91 bottleneck, and this segment should have the highest priority for improvements in the near term. Improvements between SR-55 and SR-241 are important as well, but the need for widening in this segment could be deferred if SR-241 can accommodate increased north/south traffic.

The SR-241 is a toll facility operated by the F/E TCA. Tolls are set to offer a congestion-free commute and provide revenue to F/E TCA to pay operating costs and retire construction bonds. One potential solution to move traffic off SR-91 (especially between SR-55 and SR-241) is to lower tolls and to add more lanes to SR-241 and related facilities. Traffic projections prepared by the technical team indicate SR-241 would carry substantially more traffic than is does today if tolls were lowered.

Carrying more traffic on SR-241 is a key strategy if a new four to six lane facility is constructed parallel to SR-91 between SR-241 and I-15. This has been called Corridor A. This parallel facility could move a significant amount of traffic off SR-91 and south to SR-241. Widening the toll portions of SR-241, SR-261, and SR-133 would need to be done in conjunction with the new parallel facility. Not lowering SR-241 tolls in concert with this project concept is problematic given the traffic impacts to SR-55. For this reason, lowering SR-241 tolls and adding more capacity is preferred and recommended if this project moves forward in the project development process.

While a parallel facility to SR-91 offers many traffic benefits, this Corridor A roadway also has risks and issues that need to be further evaluated through future preliminary engineering efforts. Especially important is developing a future alignment that minimizes impacts to the City of Corona's business district.

Benefits and risks also exist with a new corridor between Riverside and Orange counties. This link has been called Corridor B. Benefits include new capacity, SR-91 congestion relief, and a secondary route offered by a new facility. However, tunnels present a series of construction opportunities and uncertainties that should be further evaluated by continued technical studies focused on environmental impacts, geologic evaluation, seismic design, and discussion of co-location opportunities with water and other agencies. For these reasons, continued study of the technical feasibility of the new corridor concept should be pursued in cooperation with the transportation agencies, Metropolitan Water District, and other interested agencies and parties.

Moving vehicles through a new corridor and/or parallel SR-91 facility will greatly improve mobility between the two counties, but moving people with new transportation systems is important as well. A separate but related project proposed by the Cal-Nevada Super Speed Train Commission (Commission) would construct a new high-speed rail line between Anaheim and Ontario Airport and offers the ability to extend the reach of Ontario's air market and lower vehicular demand on SR-91. Continuing to work with the Commission on alignments within the Santa Ana Canyon or other corridors should be considered in future plans.

Congestion relief and moving people and vehicles have been important goals throughout the MIS. Unfortunately, not all the project concepts have met the overall goal to improve mobility between the counties. The proposal to widen and realign SR-74 between the future SR-241 extension and Lake Elsinore proved costly for each dollar invested. As a result, the technical work suggests a focus on operational improvements to SR-74 to continue to move traffic as effectively as possible but not wholesale widening and realignment as originally considered.

The discussion above suggests the following general roadmap for the future:

- Make the SR-91 the immediate priority. Focus improvements between SR-241 and I-15 as a starting point followed by improvements between SR-55 and SR-241.
- Evaluate Corridor A concepts through a future preliminary engineering process.
- Continue to study the technical feasibility of Corridor B in cooperation with other interested agencies.
- Work with the Foothill/Eastern Transportation Corridor Agency to develop a plan to improve the connection between the SR-241 and SR-91 corridors and add new toll lanes.
- Continue to work with the Cal-Nevada Super Speed Train Commission on potential high-speed rail alignments in the Santa Ana Canyon or other corridors as appropriate.
- Drop Strategic 1B (Corridor A with SR-55 widening) from further analysis.
- Drop the SR-74 widening and realignment concept and focus on operational improvements

Specific follow-up studies and actions are presented in Attachment C. Funding these efforts will be the subject of future discussion among the transportation agencies as well as Metropolitan Water District and others.

***Summary***

General recommendations for the MIS are suggested for Committee review and potential action. Next steps would focus on continuing the project development and evaluation process on multiple corridors and projects.

***Attachment***

**A.1 Strategic Alternatives Overview**

ATL: kb

EH: cb







## NO BUILD STRATEGIC ALTERNATIVE

The improvements listed as part of the No Build Alternative are anticipated to take place regardless of the results of the MIS study. The No Build Alternative provides additional capacity between Riverside and Orange Counties by including improvement projects that are currently planned and expected to be constructed in the near-term. The No Build Alternative includes the following improvements:

### Transit Improvements

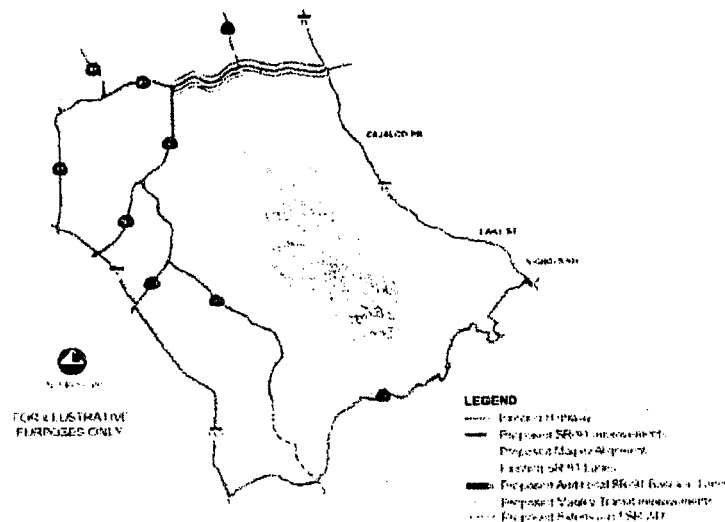
- Improvements to the Anaheim Regional Transportation Intermodal Center (ARTIC) and associated transit improvement projects
- MAGLEV (Cal-Nev)

### Highway Improvements

- Addition of an eastbound SR-91 auxiliary lane from SR-241 to SR-71
- One additional lane in each direction from SR-241 to I-15
- The extension of SR-241 from Oso Parkway to I-5

### Arterial Improvements to Increase Accessibility

- A new interchange at Fairmont Boulevard and SR-91
- The extension of Jeffrey Road to SR-241



## STRATEGIC ALTERNATIVE I

Strategic Alternatives I-A and I-B increases capacity between Riverside and Orange Counties by incorporating a suite of transit, highway, and TDM/TSM improvements to SR-91, Corridor A (Santa Ana Canyon), and Corridor D (Lake Elsinore/I-15 to SR-74). Corridor D construction could include a partially new alignment – either with or without tunnels – that would deviate from existing SR-74 to connect with I-15 at Lake Street or Nichols Road.

### Transit Improvements

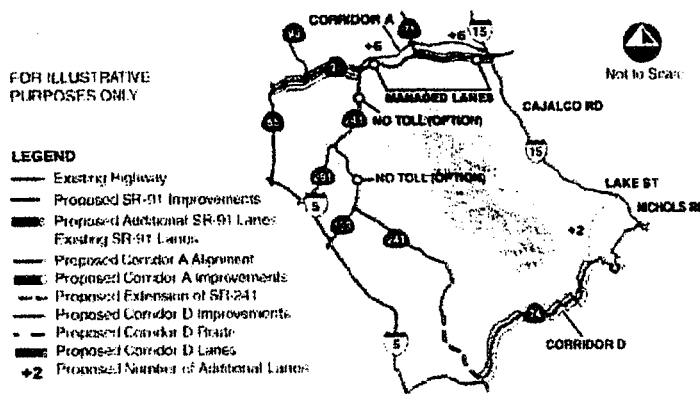
- HOV/HOT lane(s) commuter bus service on SR-91
- Expanded Metrolink commuter rail service, which would double operations to 30-minute service with an additional third track (Corridor A)
- Mixed-traffic commuter bus service (Corridor D)

### Highway Improvements

- One additional general purpose lane on SR-91 westbound from SR-55 to SR-241, and one additional general purpose lane eastbound on SR-91 from SR-55 to Lakeview Avenue
- One additional general purpose lane in each direction of SR-91 from SR-71 to I-15
- Two additional general purpose lanes on eastbound SR-91 from Lakeview Avenue to SR-241
- An elevated reversible six-lane grade-separated facility which directly links SR-241 to I-15 and SR-91, with the only interchange being located at SR-71 (Corridor A)
- A four-lane arterial with or without tunnel sections (Corridor D)

### Further Options to be Studied

- Convert SR-241 into a toll-free highway from SR-91 to SR-133. This would require additional capacity on SR-241.
- If Option A is not feasible, SR-55 would need to be expanded.





## STRATEGIC ALTERNATIVE II

Strategic Alternative II increases capacity between Riverside and Orange Counties by incorporating a suite of transit, highway, and TDM/TSM improvements to SR-91 and Corridor B (Cajalco Road/I-15 to SR-241/SR-133 vicinity). Corridor B construction could include a new alignment with or without near full-length tunnels and would be reversible.

### Transit Improvements

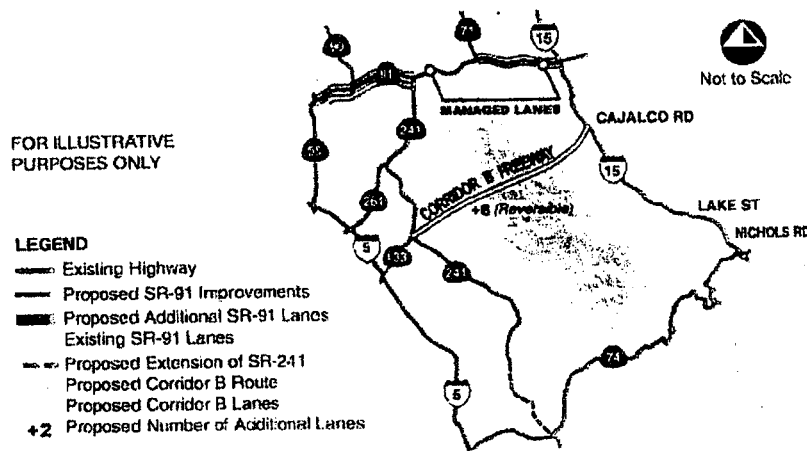
- HOV/HOT lane(s) commuter bus service on SR-91
- Expanded Metrolink commuter rail service, which would double operations to 30-minute service with an additional third track (Corridor A)
- Mixed-traffic commuter bus service (Corridor B)

### Highway Improvements

- One additional general purpose lane on SR-91 westbound from SR-55 to SR-241, and one additional general purpose lane on SR-91 eastbound from SR-55 to Lakeview Avenue
- One additional general purpose lane on SR-91 in each direction from SR-71 to I-15
- Two additional general purpose lanes on SR-91 eastbound from Lakeview Avenue to SR-241
- A reversible six-lane toll-free freeway with or without a full-length tunnel (Corridor B)

### Further Options to be Studied

- Improvements to SR-91 for two HOV lanes and five mixed flow lanes in each direction from SR-71 to I-15
- Possible reconstruction of SR-91 express and HOV lanes to incorporate a reversible lane(s)
- Proposed Corridor B tunnel (center) to include reversible lanes



## STRATEGIC ALTERNATIVE III

Strategic Alternatives III-A and III-B increase capacity between Riverside and Orange Counties by incorporating a suite of transit, highway, and TDM/TSM improvements to SR-91, Corridor A (Santa Ana Canyon), Corridor B (Cajalco Road/I-15 to SR-241/SR-133 vicinity), and Corridor D (Lake Elsinore/I-15 to SR-74).

### Transit Improvements

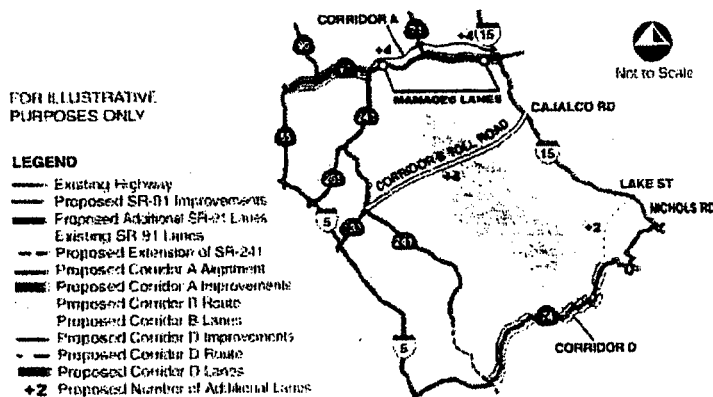
- HOV/HOT lane(s) commuter bus service on SR-91
- Expanded Metrolink commuter rail service, which would double operations to 30-minute service with an additional third track (Corridor A)
- Mixed-traffic commuter bus service within Corridor B and Corridor D

### Highway Improvements

- One additional general purpose lane on SR-91 westbound from SR-55 to SR-241, and one additional general purpose lane on SR-91 eastbound from SR-55 to Lakeview Avenue
- One additional general purpose lane on SR-91 in each direction from SR-71 to I-15
- Two additional general purpose lanes on SR-91 eastbound from Lakeview Avenue to SR-241
- An elevated four-lane grade-separated (managed lanes for Strategic Alternative III-B) facility directly linking SR-241 to I-15 (with lessened access to SR-91) with the only interchange being located at SR-71 (an additional interchange will be located in Corona for Strategic Alternative III-B) (Corridor A)
- A four-lane toll freeway with or without full-length tunnels (Corridor B)
- A four-lane arterial with or without tunnel sections (Corridor D)

### Further Options to be Studied

- The elevated four-lane grade separated facility will be considered for construction within SR-91 right-of-way
- Proposed elevated structures and SR-91 could include reversible lane(s) between SR-241 and I-15





## GLOSSARY

**ADT** - Average Daily Traffic (number of cars that travel daily through an area, typically representing the average over a year)

**Alignment** - Route

**Arterial** - Is differentiated from a freeway by lower speeds, lower carrying capacity, intersections at-grade signalized or not, driveways, etc.

**Auxiliary Lane** - Lane of typically short length added to help traffic merging onto the mainline highway or exiting from the mainline highway

**Bore** - tunnel

**Direct Connector Lane** - A facility that directly connects two different highways, commonly found linking two freeways

**Grade Separated Facility** - Highways in which different movements or directions of travel take place on different levels, above or below

**HOV/HOT** - High Occupancy Vehicle (HOV) and High Occupancy Toll (HOT) - With HOT lanes, single-occupant vehicles are allowed to pay to use the lane

**Lane Balancing** - New lanes added to balance the number of lanes in opposing directions of travel

**Mixed Flow Lane** - General purpose highway lane available to all users

**3-Lane Connector Distributor Road** - Connector Distributor Roads provide a separate roadway for traffic to merge and diverge off of the mainline highway

**Toll Congestion Pricing Options** - Different options for how a toll is set for a highway depending on time of day, with tolls usually higher at peak periods

**Transit** - May include urban light or heavy rail, commuter rail, bus, express bus, bus rapid transit, "paratransit" like small buses available on advance call-in basis for mobility-challenged individuals, etc.

**Transit Transfer Center** - Transit Center where different modes of transit meet at the same location providing easy transfers between modes

**TSM/TDM** - Transportation Systems Management (TSM) and Transportation Demand Management (TDM) - Example TSM treatment might be providing special lanes for buses and carpooling vehicles; example TDM measure might be charging higher tolls during peak travel periods

**Variable Message Signing** - Electronic Message Boards that are changeable and provide information to the motorist on the spot



<b><i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i></b>	
<b>DATE:</b>	December 13, 2006
<b>TO:</b>	Riverside County Transportation Commission
<b>FROM:</b>	Public/Private Financing and Delivery Plan Ad Hoc Committee Eric Haley, Executive Director
<b>SUBJECT:</b>	10-Year Measure A Western Riverside County Highway Program Project Recommendations

**PUBLIC/PRIVATE FINANCING AND DELIVERY PLAN AD HOC COMMITTEE AND  
STAFF RECOMMENDATION:**

This item is for the Commission to:

- 1) Approve CMIA list and prepare submittal to the California Transportation Commission (CTC);
- 2) Direct staff to prepare requests for proposals (RFP) to pursue environmental clearance work leading to the eventual widening and improvement of I-215, I-15, SR-91 and I-10;
- 3) Adopt as a priority, improvements that would widen I-215 by at least one lane in each direction between Box Springs Road and I-15;
- 4) Adopt as a priority, the construction of an eastbound truck climbing lane on I-10 between the San Bernardino County line and I-10;
- 5) Adopt as a priority, the construction of two lanes in each direction on SR-91 between the Orange County line and I-15 that would include the extension of the 91 Express Lanes to I-15 and the addition of a general purpose lane in each direction along with collector distributor road systems, improved freeway to freeway connections with I-15 and SR-71, and an eastbound auxiliary lane between SR-241 and Serfas Club Drive;
- 6) Adopt as a priority, the construction of two high occupancy toll (HOT) lanes in each direction on I-15 between SR-74 and the San Bernardino County line and the addition of an high occupancy vehicle (HOV) lane in each direction from the confluence of I-15/I-215 and SR-74 along with support for the rapid implementation of the French Valley Parkway interchange;
- 7) Seek legislative approval for toll facilities on SR-91 and I-15; and
- 8) Return to the Commission with a detailed report and construction staging plan for the widening of SR-91 and I-15 with a special emphasis on HOT and HOV lane policy considerations and begin discussions with the Orange County Transportation Authority (OCTA) regarding operational issues between the 91 Express Lanes and proposed HOT lane facilities in Riverside County.



### **BACKGROUND INFORMATION:**

With the completion of a comprehensive work effort to update projected Measure A revenues, assess innovative financing possibilities such as public/private partnerships and HOT lanes and in the updating scope, cost and traffic data for Western Riverside County highway projects, Commission staff concluded that a focus be placed on the county's most highly impacted highway corridors. Specifically, I-215, I-10, I-15 and SR-91 freeways are in need of immediate improvement.

The timing of the recent work effort to update data for a delivery plan has come at an opportune time. The approval of Propositions 1A and 1B will have the effect of generating significant state revenue after years of shortfalls. The added investment, especially in the area of highway corridors will be especially competitive and a premium will be placed on timely project delivery.

### **2009 Measure A Plan and State Highways in Western Riverside County**

The state's tight deadlines for the CMIA program with a focus on rapid project delivery are an important impetus for an aggressive implementation strategy for the 2009 Measure A Western Riverside County state highway program. Riverside County continues to be one of the fastest growing areas in the nation. Congestion continues to be a burgeoning problem and the maturation of the area's economy depends on rapid infrastructure development.

Toward that end, Riverside County is currently home to a number of ambitious projects that are already under construction. The most obvious example is the reconstruction of the 60/91/215 interchange in Downtown Riverside that the Commission played an important role in guaranteeing funding. Only a few miles west of that location, crews are widening SR-60 between Valley Way and I-15 with the addition of a general purpose lane and an HOV lane in each direction. SR-60 was also improved earlier by the Commission with an addition of an HOV lane through Moreno Valley. Yet another project is underway to build the Cantu-Galleano interchange on I-15 and next year construction will begin to rebuild the Green River Road interchange on SR-91. The bottom line is that construction is already taking place at a rapid rate in Western Riverside County, but even more is needed and the sooner the better.

In order to accomplish this vision, staff is recommending a comprehensive delivery plan that will seek to invest approximately \$2 billion on four freeway corridors over the next ten years. Implementing the delivery plan will require aggressive timetables for environmental clearance, engineering and design, right-of-way acquisition and construction. Moreover, it will require a comprehensive fiscal plan utilizing funding from the CMIA, Measure A, bonding against future Measure A revenues, State Transportation Improvement Program (STIP) funding, federal funds,

and toll revenues from HOT lanes. This will need to be done in an environment in California where many other counties will also be aggressively seeking to leverage their own sales tax measure dollars and state bond revenue.

Specifically regarding the financial situation, the 2009 Measure A program is expected to provide \$486.2 million over its first 10 years. Given the plan's goal of investing \$2 billion in freeway investments during the first 10 years, this leaves a gap of more than \$1.5 billion. The Commission will likely compete well for CMIA funding and will receive its proportionate share of STIP dollars that will begin to close a significant percentage of the financial gap, but additional funding will still be needed. One option that will be discussed in this staff report is use of HOT lanes that could be financed through user tolls while adding more capacity.

### **Corridor Focus for Recommendations**

Staff recommends a focus on I-215, I-10, I-15 and SR-91 while continuing long-term development work on large-scale projects such as the development of the Mid County Parkway (MCP), realignment of SR-79, the bi-county widening of I-215 to San Bernardino County and Major Investment Study (MIS) recommendations that include a new facility parallel to SR-91 and the Corona – Irvine Expressway which could include a tunnel through the Cleveland National Forest. All of these projects are likely to cost as much as a billion dollars each and are unlikely to be ready for construction in the near-term. Most importantly, the four existing corridors of emphasis are heavily-congested and need to be improved before projects such as MCP can be built and connected to them.

The following are the detailed project improvements suggested by corridor:

#### ***Interstate 215***

The 2009 Measure A Expenditure Plan (Expenditure Plan) includes a lane in each direction on the I-215 from Eucalyptus Avenue to the I-15/I-215 split. For planning purposes, staff has divided the I-215 into three segments:

- I-15/I-215 to Scott Road – Add one lane in each direction
- Scott Road to Nuevo Road – Add one lane in each direction
- Nuevo Road to Box Springs Road – Add one lane in each direction

The southernmost two segments are a priority because the I-215 narrows to only two lanes in each direction south of D Street in Perris to the I-15. The proposed build scenario for these segments would add a mixed flow lane in each direction from the I-15/I-215 split to Nuevo Road. This proposed improvement would not only provide needed capacity but would establish three lanes in each direction on I-215.

Additionally, Measure A identifies the northern limit of the I-215 improvement as being Eucalyptus Avenue. The build scenario proposes to extend the northern limit from Eucalyptus Avenue to Box Springs Road. The reason for this extension is that the 2009 Measure A project would leave a gap between the SR-60/I-215 east junction (East Junction) and Eucalyptus Avenue. The northernmost segment of the I-215 corridor, Nuevo Road to Box Springs Road, adds an HOV lane that would link to the east junction project.

Due to existing right-of-way located in the center median from a cost/benefit perspective, the improvement of I-215 rates strongly in providing significant congestion relief benefits at a relatively lower cost. In terms of project development, this corridor is less complicated than some projects because most of the needed land to do the widening project is already located in the existing freeway right-of-way. Most importantly, the state of California Department of Transportation (Caltrans) is about to complete its project study report (PSR) for these improvements, which means that one important task will be done by the end of the year. The lower right-of-way hurdle along with the completion of the PSR could allow that all three segments can be under construction by 2012.

The overall cost of the proposed I-215 improvements is estimated at \$293 million. Measure A initially set aside \$210 million for the project. If the Commission were to proportionally increase the Measure A funding level for the I-215 by the 128.4 percent projected increase in future revenues, funding from the Measure alone would be sufficient. However if the project successfully obtains CMIA funding, or by using available STIP funds, this would free up Measure A funds to be allocated to additional Measure A projects.

Paying for these improvements will require a combination of dollars beginning either with CMIA or STIP along with Measure A. No matter the outcome regarding the CMIA, staff recommends keeping to the state's goal of having projects under construction by 2012. This requires the Commission to enter into contracts for environmental clearance early next year, and staff recommends receiving the authorization to immediately issue a RFP to support this work.

### ***Interstate 10***

Much like the proposed I-215 project, additions to I-10 provide significant benefits at a relatively lower cost. San Bernardino Associated Governments (SANBAG) and Caltrans recently completed a truck climbing lane east of Redlands to Live Oak Canyon. The Commission's project will not connect with the San Bernardino climbing lane, but it will create additional capacity on this eastbound/uphill segment of I-10.

With the exception of improving the interchange at SR-60, the eastbound truck climbing lane is the only project for I-10 that was included in the Expenditure Plan. Given the increase in truck traffic through the Banning Pass area, the project is needed and can be implemented quickly.

The newly estimated cost of construction of the eastbound truck climbing lane is \$47 million, which is actually less than the original \$75 million estimate in the Expenditure Plan. The first plan of action for this project is to work with Caltrans District 8 or a private contractor to complete a PSR and then issue a RFP for environmental clearance. The PSR and subsequent environmental work could begin early next year. Staff is seeking authorization to either work with Caltrans or to issue a RFP for the PSR and to issue a RFP upon its completion for the environmental work.

### ***State Route 91***

In 1988, the widening of the Riverside Freeway (SR-91) was the cornerstone project in the campaign to approve the 1989 Measure A program. Upon its passage, the Commission moved quickly to widen SR-91 through Corona and much of Riverside. With the passage of another decade, Riverside County has seen record housing and population growth and job centers in Orange County have expanded resulting in thousands of additional Riverside County residents using the SR-91 to get to and from work.

At the end of 2005, the Commission along with the OCTA and Transportation Corridor Agencies conducted a MIS to consider cross-county transportation improvements. The effort was a natural outgrowth of OCTA's purchase of the 91 Express Lanes and the creation of a state-mandated advisory committee for the corridor that consists of board members from both counties.

The MIS produced a comprehensive recommendation that included short, medium and long-term courses of action. The short-term actions have commenced with the opening of an auxiliary lane on the westbound side, the addition of express bus service and the enhancement of Metrolink service including weekend trains. OCTA is also pursuing environmental clearance for an eastbound auxiliary lane between the SR-241 toll road and Serfas Club Drive.

The remainder of the MIS recommendation suggested widening of SR-91 as a course of action to be followed by the development of alternative corridors such as a parallel facility adjacent to the freeway and the construction of a new highway between Corona and Irvine. The new Corona Expressway could travel through the Cleveland National Forest and would require significant tunneling structures.

With the passage of Measure M in Orange County, the possibility of receiving state funding for the SR-91 HOV lane project in Downtown Riverside and the completion of the Commission's analysis of public/private partnerships, it is the perfect time for the Commission to consider a major transformation of the SR-91 through Corona and Riverside.

In looking at the Expenditure Plan, the specified improvements for SR-91 fall short of the expansion that is needed along the corridor. Merely adding another lane to SR-91 will have limited benefit. Additionally there are problem hot spots such as near I-15 and Main Street, where drivers are forced to make numerous transition moves in a confined area. A collector distributor road system is an excellent way of addressing this kind of problem by adding lanes alongside the freeway to allow for ingress, egress, lane changes and weaving off the freeway mainline thus improving traffic flow and provide safety benefits. A potential issue is this type of system improvement is not specifically identified in the Measure A program.

Another Expenditure Plan issue is in the area of freeway to freeway connections. For example the connector between the eastbound SR-91 and northbound SR-71 was allocated only \$26 million for a simple enhancement of the existing loop ramp that is already in place at that location. Given the congestion in the area, what is really needed is a much larger fly-over structure that would allow for more cars to transition between the two freeways and is expected to cost \$78 million.

In improving SR-91, the Commission must also consider the potential traffic disruption caused by construction. Adding one lane at a time in perpetuity would add capacity but would result in recurrent construction impacts to residents, businesses and commuters for only an incremental improvement.

To address this situation, staff suggests the implementation of a major capacity increase on SR-91 to be built at one time in order to bring improvements as quickly as possible while minimizing disruption and also allowing for the possibility of building an overhead viaduct structure in the future as called for in the MIS.

The only problem with this approach is its cost. The Measure A program allocates \$161 million for a new lane in each direction between Orange County and Pierce Street, \$243 million for an HOV to HOV connector with I-15 and \$26 million to upgrade the existing loop connector with SR-71, a total of \$430 million. These figures fall short of the recently updated costs.

Instead, \$815 million will be needed for the following projects that would provide projects specified in Measure A and additional improvements to what is called for in the Expenditure Plan:

- Add a mixed flow lane from Orange County line to Pierce Street
- Construct eastbound auxiliary lane from Orange County line to Serfas Club Drive
- Build connector improvements and collector/distributor system at SR-71
- Build connector improvements and collector/distributor system at I-15
- Build two HOT lanes from Orange County line to I-15.

The result will be the addition of two new lanes of capacity on SR-91 in both directions between Orange County and I-15. In the eastbound direction, the net lane improvement will be three lanes to Serfas Club Drive with the construction of the eastbound auxiliary lane. East of I-15, the net gain will be a mixed flow lane in each direction.

The key to achieving this is the use of High Occupancy Toll Lanes (HOT) Lanes. Essentially, it would involve extending the existing 91 Express Lanes to Interstate 15. The Riverside County portion of the facility would be publicly-owned by RCTC, but it would obviously require full cooperation with OCTA so that commuters see the facility as a seamless transportation system. The two HOT Lanes would replace the existing HOV lane which currently exists in the same area. Along with the HOT lanes will be the addition of the general purpose lane from the Orange County Line to Pierce Street in Riverside.

### ***HOT Lane Policy Issues***

The idea to replace an existing HOV lane with a HOT lane is consistent with new federal policy that was established by the passage for SAFETEA LU. HOT lanes are recognized as a transportation control measure (TCM) for air quality purposes. In the case of neighboring San Diego County, HOV lanes on I-15 in northern San Diego County were converted to HOT lanes and are often referred to as "managed lanes." The conversion was done in San Diego County because the lanes were underutilized.

Carpools are relevant in this discussion because HOT lanes are designed to allow carpools to travel for either a reduced cost or free of charge while single occupant vehicles pay the full fare. This encourages carpooling just as HOV lanes do while allowing everyone to enjoy the time advantage of the lanes if they are willing to pay the toll.

The policy issue to consider is that the 91 Express Lanes define a carpool as three or more passengers rather than just two. In most cases, three-plus carpools travel for free in the 91 Express Lanes except in the afternoon eastbound rush hour where they are charged half-price. The issue of two-plus versus three-plus will soon hit Southern California as HOV lanes continue to fill with carpools, alternative-fuel vehicles and hybrids. The HOV lane on the SR-91 is already congested during rush hours, which could eventually compel Caltrans to raise the requirement to three or more occupants.

Most importantly, the Commission's modeling and research work on public/private partnerships and toll roads has found that allowing carpools of two or more, rather than three or more, would overwhelm the capacity of the HOT lanes rendering them unattractive for toll users. The experience of OCTA with the 91 Express Lanes has shown that the three-plus definition is not onerous, has encouraged carpool formation and has actually led to an increase in the number of people who travel in the toll lane. The Commission must recognize that constructing HOT lanes on SR-91 and I-15 provides added capacity, allows for projects to be delivered sooner with a separate funding stream and affords the possibility of future revenue generation. While a strategy that includes HOT lanes may be controversial, the added capacity benefit is too significant to ignore.

The attractiveness of using HOT lanes in Riverside County is the ability to offer capacity on SR-91 that exceeds what is provided in Measure A and to be able to provide the added capacity through a separate financing stream that would be supported through user tolls. This type of financing would not apply against Measure A's \$500 million bonding cap because Measure A funds would not be used to guarantee the repayment of the financing. As a result, the Commission would use Measure A and state funds to construct the free general purpose lane and bond against future HOT lane tolls to build the HOT lanes. Future excess revenue could then be used for additional improvements in the same SR-91 corridor.

Moving forward with such a large project raises a number of complexities that do not exist with the recommendations on I-215 and I-10. The size and scope of the project will require a more robust environmental clearance effort than on the other corridors and will also involve the acquisition of right-of-way. The idea of introducing HOT lanes and tolls will also require a significant public outreach and education program. The introduction of HOT lanes would also require added coordination with OCTA and staff believes that the first steps of that work should begin immediately along with the need to seek legislative approval for HOT lanes in Riverside County. Such legislative approval should also provide for the use of innovative contracting and bidding methods such as design-build. Staff recommends moving forward on the overall package of the HOT lanes and accompanying general purpose and auxiliary lanes. This would require an RFP for environmental clearance and subsequently a contract for construction staging to work in concert with improvements on I-15. Staff also seeks authorization to begin communication with OCTA on toll coordination policies and to seek legislative approval for HOT lane authorization. As it is currently envisioned, the pricing structure for tolls would be similar to the structure used by OCTA although additional work on projections will need final refinement.

Staff will return to the Commission early next year with a full report on toll policies such as the use of transponders, pricing, public outreach and legislative issues.

This is necessary because the current staff recommendation does not irreversibly bind the Commission to HOT lanes. At any point in time, the Commission could reject tolls as a financing strategy but will have to do so with the realization that Measure A and state funding will not be sufficient to fund such a comprehensive \$810 million improvement on this corridor.

### ***Interstate 15***

Widening I-15, especially in sections adjacent to SR-91 and SR-60 are absolutely necessary to improve mobility in Western Riverside County. Much like I-215, most of the needed land for widening is located within the existing right-of-way of the freeway. The Expenditure Plan sets aside \$359 million for the addition of one lane in each direction of I-15 from SR-60 to the San Diego County line. The description does not specify whether the lane would be a general purpose lane or an HOV lane, although it has been assumed that air quality rules would require an HOV lane.

Widening the I-15 as called for in the Expenditure Plan is now estimated to cost as much as \$900 million. Given the proposed Measure A commitments on SR-91, I-215 and I-10, Measure A funds will need either a significant infusion of state and federal dollars or funding from HOT lane tolls. Yet another source could be from an envisioned "freeway fee" on new development, however that study is about to begin Phase II and will not be completed until next year. Moreover, the amount of time needed to generate funding from such a fee, as well as the policy considerations that it would entail, make it difficult to predict when or if such a fee would be enacted.

Much like the case on SR-91, the addition of one lane in each direction on I-15 will have only a limited, beneficial effect on congestion. Two lanes are necessary and staff recommends the development of two HOT lanes from SR-74 to the San Bernardino County line. This would bring added capacity to a congested area, allow for rapid development with financing from future tolls and allow for a comprehensive HOT system with a direct connector to the proposed HOT lanes on SR-91.

Considering HOT lanes on I-15 involves many of the same policy issues that exist with the HOT lane proposal for SR-91. Once again, allowing carpools of two or more would overwhelm the capacity of the lane, and legislative authorization is still necessary and federal approval will be needed since I-15 is an interstate highway.

The major difference between I-15 and SR-91 is that there is not an existing HOV lane on I-15. This proposal does not convert an existing facility, but instead provides two lanes of added capacity in each direction while still offering an attractive incentive to form carpools. Also, the pricing for HOT lanes on I-15 are projected through modeling at a much lower rate than on SR-91.



The first phase in the 10-year program should focus on the portion of I-15 between SR-74 and San Bernardino County, although additional extensions toward San Diego County could come shortly thereafter. Along with the HOT lanes, the Commission will seek to construct an HOV lane in each direction between SR-74 and the I-215 interchange. In addition to these improvements, the construction of French Valley Parkway will add significant capacity to the freeway south of the interchange. For that reason, staff has added the French Valley Parkway project for consideration as part of the Commission's CMIA submittal. The completion of the French Valley Parkway is of great regional benefit and Commission will work closely with the city of Temecula to assure expeditious implementation.

To summarize staff's recommendation for I-15, it is quite similar to the steps proposed for SR-91. Once again, Caltrans is ready to wrap up its PSR for this facility. Immediate work should take place for environmental clearance and a construction staging plan to ensure that improvements on I-15 are made in concert with SR-91. Legislative authorization is also necessary and staff should be directed to begin talks with OCTA and perhaps SANDAG regarding toll policies, billing and other procedural matters. Once again, the approval of these recommendations does not irreversibly bind the Commission to HOT lanes for I-15 but it will begin the process necessary to move forward as quickly as possible with additional improvements.

#### **Future Policy Issues**

The comprehensive project recommendations for the first 10 years of the Measure A Western Riverside County Highway program will require a number of future Commission decisions and staff work to ensure its full implementation. Contracts will be required for environmental clearance, right-of-way acquisition, design, construction staging, bond financing, public outreach, construction management and eventual construction. Each of these contracts will require formal Commission action.

In addition to the ongoing implementation items, there are larger policy issues that will need to be addressed. The first will be the limit in Measure A on bonding against future revenue. Measure A contains an artificial limit of \$500 million. With projections showing strong growth in future Measure A revenue, the Commission should consider going to the voters in a future election to raise this limit. The Commission's credit rating is unsurpassed among public transportation agencies and the financial industry has repeatedly assured the Commission that a raise in the limit is in order and would not impact its credit rating.

Another issue regards the proportionality of revenues as they grow above the original estimates that are contained in Measure A. Overall, Measure A originally projected \$1.02 billion for Western County highways. The UCLA work effort now

projects an increase of 122 percent in projected tax receipts; does that mean a proportional increase for each listed project and program? A full report and analysis of the issue is necessary and the Commission will have to consider the issue in future years.

Finally, the establishment of ten years of Western Riverside County highway priorities, while important is only a portion of the overall Measure A effort. There are a wealth of additional issue areas such as regional arterials, rail transit, CETAP corridors, commuter services, transit services for seniors and persons with disabilities and additional highway projects in Measure A that are not proposed to be addressed in the first ten years. These items must also remain a priority in Western Riverside County. A similar emphasis and priority is also necessary to advance projects in the Coachella Valley, which enjoys its own separate funding stream from Measure A.

### **NEXT STEPS**

#### **CMIA Submittal**

Staff has presented an ambitious plan of investment that will require a number of Commission actions and decisions. These actions will take place on an ongoing basis; however, immediate action is needed to seek state bond funding.

The first \$4.5 billion of Proposition 1B will be devoted to highway projects that will be ready for construction by 2012. Projects submittals for the CMIA are due in mid-January. Of the \$4.5 billion, the funds will be allocated on a 60/40 split with the 60 percent share allocated in Southern California and the 40 percent share allocated for Northern California.

Project funding decisions will be made by the CTC with the input of Caltrans. Through the issuance of program guidelines, the CTC has made it clear that it will use quantitative, empirical data to evaluate projects. In most cases, this is the same kind of data that Commission staff and the Bechtel team have been preparing over the last few months to develop a Western Riverside County Highway Delivery Plan.

During the last few weeks, Commission staff has worked closely with Caltrans District 8 to develop a project list for the CMIA program that will bring needed traffic relief while being able to compete well against other projects throughout the state. These same projects will also be in line for STIP funding, which will be allocated in June.

The proposed list that staff has developed for the Commission's submittal includes the following in priority order:

Priority Order	Project Description	Cost (000's)	Request (000's)
1	SR-91 HOV Lanes, Adams to 60/91/215 IC	\$ 238,000	\$ 161,000
2	SR-91 E/B Auxiliary Lane, SR-241 to SR-71	\$ 81,000	\$ 74,000
3	I-215 Add 1 MF Lane, I-15/I-215 IC to Scott Road	\$ 56,000	\$ 56,000
4	I-215 Add 1 MF Lane, Scott Road to Nuevo Road	\$ 117,000	\$ 117,000
5	I-215 Add 1 MF Lane, Nuevo Road to Box Springs Road	\$ 121,000	\$ 121,000
6*	I-215 TMS Field Elements, I-15/I-215 IC to Box Springs Road	\$ 68,000	\$ 68,000
7	SR-71/SR-91 IC, Connector & Collector-Distributor System	\$ 99,000	\$ 99,000
8	I-15 Add 1 MF & 1HOV Lane, SR 91/I-15 to Indian Truck Trail	\$ 229,000	\$ 229,000
9	CETAP - French Valley Pkwy/I-15 OC & IC Improvements	\$ 135,000	\$ 26,000
<b>TOTALS</b>		<b>\$1,144,000</b>	<b>\$ 951,000</b>

\* The cost of TMS Field Elements will be divided in to the three segments on I-215.  
All costs are rounded

Staff recommends formal adoption of this list for submittal to the CTC for consideration. The deadline for the submittal is January 16, 2007, and the final CTC decisions are expected in March 2007. With the exception of the SR-91 HOV lanes, which are a 1989 Measure A project, the remainder of the list is compatible with staff's 10-Year Delivery Plan recommendations for the 2009 Measure A program.

The Commission and Caltrans District 8 will both submit projects for CMIA consideration. Caltrans' recommendations will be financially constrained, making it unlikely for the District to co-nominate every project that the Commission submits. Regardless of Caltrans' financial constraints in nominating projects, it pledges to assist the Commission throughout the process.

### The First Step in a Long Process

The presentation of the two staff reports are seen by staff as the framework for action in developing the first ten years of the Western Riverside County Measure A highway program. The adoption of these priorities as part of an overall plan is the first of many steps that will take place over the next few months. The most immediate item is the approval of the CMIA proposal that is due next month. The outcome of the CMIA will then affect the availability of funds for the rest of the effort. Figures will be adjusted further with the allocation of STIP funds in June.

As has always been the case, the Commission will seek to combine funds from various sources to ensure that the priorities set by the Commission will then be implemented as quickly as possible. The subsequent work will then be pursued as quickly as possible and regular updates, reports, policy decisions and action will come before the Commission. This will be especially critical if the Commission chooses to move forward with HOT lanes and the introduction of tolls to Riverside County's highway system. The effort will require active participation from the Commission on policy issues as well as in educating and informing the public.

Agenda Item 10

**Orange County Goals to Support Riverside County 10-Year Delivery Plan**

1. Work with the Riverside County Transportation Commission (RCTC) to ensure connection of their proposed general purpose lanes with Orange County facilities. Consider additional lanes between the county line and the Foothill Transportation Corridor (State Route 241), and coordinate with the planned eastbound auxiliary lane project between State Route 241 (SR-241) and the Corona Expressway (State Route 71).
2. Consider additional lanes on the 91 Express Lanes in Orange County. Expedite work on direct connectors between SR-241 and the 91 Express Lanes to accommodate the demand due to proposed extension of the lanes. Coordinate with the Foothill/Eastern Transportation Corridor Agency on a capital improvement plan with funding from all agencies' toll revenues.
3. Assess the operational issues and demand implications of intermediate access at the County line where the current lanes end. The proposed "two-toll" system presents operational and demand opportunities to improve the overall throughput of the corridor. Financial implications must also be quantified and considered.
4. Study opportunities for reversible 91 Express Lanes in Orange and Riverside counties. This may reduce costs and impacts with the proposed 91 Express Lanes extension.
5. Integrate the concepts above with the Renewed Measure M program that calls for up to four additional lanes between SR-241 and the County line.
6. Evaluate the feasibility of a combination of Riverside Freeway (State Route 91) and other Corridor A alignment options that reduce impacts to the developed portions of Corona and other cities.
7. Evaluate reversible lane configurations of Corridor A to further minimize impacts.
8. Expand the scope of the upcoming traffic and revenue forecast report (by Vollmer Associates) to include an analysis of the RCTC program of projects and the respective implementation timetable.
9. Inform the rating agencies as well as the company that insures the 2003 91 Express Lanes bonds (Ambac Assurance Corporation), and the 91 Express Lanes bondholders on the recent proposals, planned analysis and financial impacts of the proposals, and commit to a full briefing on Vollmer Associates traffic and revenue results.
10. Conduct a legal review and analysis on the ability to assign the rights of the franchise agreement and the resulting implications to the Master Indenture of Trust for the 91 Express Lanes Toll Road Revenue Refunding Bonds.





*BOARD COMMITTEE TRANSMITTAL*

**January 22, 2007**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board <sup>WK</sup>  
**Subject:** Combined Transportation Funding Program Semi-Annual Review

Regional Planning and Highways Committee

January 15, 2007

**Present:** Directors Amante, Cavecche, Dixon, Glaab, Green, Mansoor, Norby, Pringle, and Rosen  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendations**

- A. Approve adjustments to the Combined Transportation Funding Programs project allocations.
- B. Authorize the Chief Executive Officer to execute amendments to local agency master funding cooperative agreements as necessary with each of the 34 cities and the County of Orange.





***January 15, 2007***

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Combined Transportation Funding Program Semi-Annual Review

***Overview***

Twice each year Orange County Transportation Authority staff meets with local agencies to ascertain the status of projects funded as part of the Combined Transportation Funding Programs. Overall status of the Combined Transportation Funding Programs and project change requests are provided. This report summarizes staff recommendations, in consultation with the Technical Advisory Committee, regarding adjustment to the project allocations for the Regional Planning and Highways Committee's review and approval.

***Recommendations***

- A. Approve adjustments to the Combined Transportation Funding Programs project allocations.
- B. Authorize the Chief Executive Officer to execute amendments to local agency master funding cooperative agreements as necessary with each of the 34 cities and the County of Orange.

***Background***

The Combined Transportation Funding Program (CTFP) contains a variety of funding programs and sources including Measure M Local and Regional Streets and Roads revenues, as well as Regional Surface Transportation Program (RSTP) federal funds. Since 1991, the Orange County Transportation Authority (OCTA) has awarded more than \$700 million in Measure M project allocations programmed for fiscal years 1992-93 through 2009-10 and about \$400 million of RSTP federal funds to agencies through the CTFP on a competitive basis for transportation improvements throughout the County. OCTA also provides local agencies with a user-friendly comprehensive set of guidelines for transportation funding and administration of these CTFP projects.



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***Discussion***

The CTFP guidelines allow for adjustments or significant changes to approved projects on a semi-annual basis. The goals of the semi-annual review process are to review project status, up date project cost estimates, determine the continued viability of projects, and address local agency issues. During the September 2006 semi-annual review, 22 agencies requested 58 various adjustments to Measure M and federal aid projects. A summary of Measure M project allocations and completions by agencies is shown in Attachment A and detailed information of requested changes for these projects is shown in Attachment B.

In summary, adjustments to Measure M-funded projects include:

- Six project allocations are proposed for early implementation, advancing approximately \$1.5 million.
- Twenty-eight project allocation adjustments, totaling \$13 million, will require additional time for implementation on various phases. The following provides a breakdown of these requests by delay causes as reported by the agencies:
  - Ten project allocation delay requests are for additional time needed to either redesign projects to trim costs or to secure additional funds.
  - Eight delay requests are to align funding with other allocations.
  - Two project allocation delay requests are to resolve environmental/final design issues.
  - Four delay requests are to coordinate with other projects in the same area.
  - Two delay requests are for additional time needed to coordinate the project approval process with the California Department of Transportation (Caltrans) and/or utility companies.
  - Two delay requests are for additional time to study and select new technology and hardware.

These adjustment requests are first time delay requests under the current time extension policy (Attachment C). The dollar amount of delayed projects is about 4 percent of the remaining current Measure M projects, planned and in-progress.

- Six cancellations for Growth Management Area (GMA) project allocations, totaling \$1.3 million are requested. These cancelled GMA

allocations are expected to be reallocated by GMA elected officials per OCTA Board of Directors-approved CTFP policies.

- Twelve miscellaneous project allocation adjustments – among them, transfer of funds between project phases.

In addition, there are three administrative adjustments to match allocated funds among various phases as per original approved applications or to accommodate change in lead agency status.

Many of the adjustment requests were for projects funded through the GMA districts. All requested changes to GMA-funded projects must be approved by the GMA elected officials' bodies. These project adjustments submitted without elected officials' approval are also considered by OCTA, pending approval by the GMA elected officials' bodies.

Overall, OCTA has awarded more than \$700 million in Measure M project allocations since 1991 on a competitive basis. Project allocations totaling about \$336 million have been fully completed including approval of final reports by OCTA. Since the last semi-annual review in March 2006, project allocations totaling about \$17 million have been completed and are included in the total completions noted above. More detailed information of completed Measure M project allocations by jurisdiction is shown in Attachment A.

Project allocations totaling about \$41 million are in pending status, meaning project work has been completed and only a final report is pending. Some of these pending allocations were implemented in conjunction with larger freeway projects and agencies are waiting for additional project paperwork from Caltrans before they can submit final reports. Another \$141 million worth of project allocations have started and are at various stages of completion. An additional \$196 million in project allocations is in the planning phase and allocations are programmed for fiscal year (FY) 2006-07 through FY 2009-10.

For federal aid projects, adjustments are requested for projects approved for funding through the Arterial Highway Rehabilitation Program (AHRP). Local agencies received RSTP federal funding for these projects and must adhere to state and federal timely use requirements.

Adjustments to federally funded projects include:

- Two AHRP project (2004 allocation) adjustments totaling \$1.3 million will require additional time for implementation. OCTA has limited flexibility in accommodating delay requests for these federal aid projects. These

AHRP projects were programmed for FY 2005-06. During the previous semi-annual review (March 2006) the Board approved the advancement of seven projects from FY 2006-07. This action allowed OCTA the opportunity to accommodate these requests for additional time.

- One RSTP project cancellation totaling \$578,800 is due to lack of support among City of Fountain Valley and County officials for dedicating existing adjacent parkland needed for the proposed street improvements.
- Miscellaneous adjustments to AHRP 2004 allocation projects, such as redistribution of grant funds among the approved projects and/or reduction in project limits are being implemented administratively as authorized by the OCTA Board of Directors on February 27, 2006, and are not included in this report.

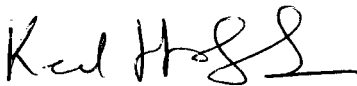
***Summary***

OCTA has recently completed a semi-annual review of projects funded through the CTFP. In total, 22 agencies requested or confirmed 58 project allocation adjustments. Once approved, these adjustments to the CTFP allocations will be reflected in the interagency CTFP agreements. The next semi-annual review is scheduled for March 2007.

***Attachments***

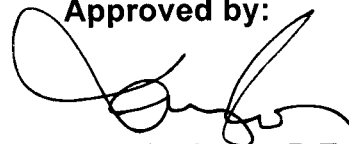
- A. September 2006 Semi-Annual Review, Measure M Project Allocations Completed by Agencies Since 1991
- B. Combined Transportation Funding Program, September 2006 Semi-Annual Review Adjustment Requests
- C. Combined Transportation Funding Program Time Extension Policy (Adopted as of November 2004)

**Prepared by:**



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**Approved by:**



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# September 2006 Semi-Annual Review, Measure M Project Allocations Completed by Agencies Since 1991

Agency	Growth Management Area	Intersection Improvement Program	Master Plan of Arterial Highways	Regional Interchange Program	Signal Improvement Program	Smart Street Program	Transportation Demand Management Program	Total Completed Allocations	Total Project Allocations To Date
	Completed Allocations [\$]	Completed Allocations [\$]	Completed Allocations [\$]	Completed Allocations [\$]	Completed Allocations [\$]	Completed Allocations [\$]	Completed Allocations [\$]	Total Completed Allocations [\$]	Alloc's Amount [\$]
Aliso Viejo		335,139			126,189			461,328	1,313,587
Anaheim	5,622,799	6,719,857.55	990,683	4,161,876	3,913,859	36,499,948	1,723,246	59,632,269	110,751,311
Brea	828,000	2,805,175				544,000	129,219	4,306,394	9,751,266
Buena Park	1,485,000	886,048			341,375	18,857,827		21,570,250	26,718,613
Costa Mesa	918,000	5,409,410		6,253,607	2,346,716		508,002	15,435,735	43,106,171
County of Orange	6,874,924	6,354,748	4,765,643		480,000	2,260,000	230,000	20,965,315	49,299,117
Cypress	980,552	186,321			1,457,553		13,440	2,637,866	5,752,495
Dana Point	733,000							733,000	3,713,581
Fountain Valley	2,318,405	4,984,487	1,190,835	3,783,109	2,725,200		100,000	15,102,036	20,033,739
Fullerton	647,000	245,059		1,288,925	2,166,001			4,346,985	12,114,006
Garden Grove	1,485,000	5,184,649	1,846,447	290,000	1,113,791	7,960,301	15,600	9,915,487	36,565,394
Huntington Beach	1,185,079	800,594	73,894		608,800		117,607	10,746,275	21,142,583
Irvine	3,358,454	3,098,872	6,331,718	5,693,152	3,721,029		669,018	22,872,243	59,728,728
La Habra	551,000	150,000			1,166,726	2,438,333	309,969	4,616,028	27,778,662
La Palma	221,000				146,992			367,992	976,763
Laguna Beach	0						233,968	233,968	667,868
Laguna Hills	641,000	2,233,399			898,194			3,772,593	7,036,311
Laguna Niguel	1,365,998	67,843			93,060		84,160	1,611,061	8,901,249
Laguna Woods	0						100,000	100,000	3,715,045
Lake Forest	100,000	216,000			643,634		122,238	1,081,872	17,686,767
Los Alamitos	537,000	340,469			516,085	5,036,000	896,572	6,429,554	12,248,103
Mission Viejo	3,372,578	1,369,962	1,215,400	814,347	1,112,600			8,781,459	15,377,702
Newport Beach	1,036,085	2,352,560	7,984,112	4,013,858	983,480	39,000		16,409,095	19,337,743
Orange	1,197,500	4,503,043	3,262,448	500,247	493,135		285,000	10,241,373	22,191,953
Placentia	688,000	323,077			335,170			1,346,247	6,755,047
Rancho Santa Margarita	250,000		991,328		134,000			1,375,328	1,687,220
San Clemente	685,000			2,507,000				3,192,000	5,664,578
San Juan Capistrano	975,000	30,000			222,888		62,739	1,290,627	8,363,186
Santa Ana	6,261,390	4,796,431	12,665,664	3,873,031	3,880,698		352,983	31,830,186	67,595,557
Seal Beach	1,746,600	783,544			373,062			2,903,206	5,944,968
Stanton	242,919				212,500			455,419	7,814,240
Tustin	821,500			257,600	119,037	12,442,661	400,000	14,040,798	28,081,934
Villa Park	600,000							600,000	600,000
Westminster	1,347,000	90,640			776,031		129,942	2,343,613	8,624,569
Yorba Linda	2,010,000	658,440	2,930,753		195,424	28,826,352		34,626,969	36,001,094
<b>Total:</b>	<b>51,085,783</b>	<b>54,905,768</b>	<b>44,248,914</b>	<b>33,436,752</b>	<b>31,303,229</b>	<b>114,904,422</b>	<b>6,483,703</b>	<b>336,368,571</b>	<b>713,041,156</b>



# Combined Transportation Funding Program, September 2006 Semi-Annual Review Adjustment Requests

Agency	Project #	Program	Project Title	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason	OCTA Staff Recommendations
<b>Advances</b>												
Costa Mesa	06-CMSA-GMA-2818	GMA	17th Street/Orange Ave. Intersection Improvement	C	07/08	12	06/07	\$120,000	Advance	\$120,000	City requests advancement	Refer to GMA-TAC/E.O.
Costa Mesa	06-CMSA-GMA-2819	GMA	17th Street/Santa Ana Intersection Improvement	C	07/08	12	06/07	\$60,000	Advance	\$60,000	City requests advancement	Refer to GMA-TAC/E.O.
Irvine	05-IRVN-GMA-2475	GMA	Jamboree/I-5 Ramps	E	07/08	12	06/07	\$50,000	Advance	\$50,000	Current allocation \$200,000 in FY 07/08. \$50,000 - being advanced to FY 06/07 and will be utilized for project report & \$150,000 will remain in FY 07/08 for preliminary design	Refer to GMA-TAC/E.O.
Seal Beach	05-SBCH-GMA-2801	GMA	Lampson Ave Interconnect Project Design	E	09/10	24	06/07	\$50,000	Advance	\$50,000	Project underway. City request to advance	Refer to GMA-TAC/E.O.
<b>Sub-Total GMA Program Advances</b>										<b>\$280,000</b>		
Costa Mesa	03-CMSA-IIP-1047	IIP	17th St./Orange Ave Intersection Improvement	C	07/08	12	06/07	\$650,958	Advance	\$650,958	City requests advancement	Approved
Costa Mesa	03-CMSA-IIP-1048	IIP	17th Street / Santa Ana Avenue Intersection Project	C	07/08	12	06/07	\$570,309	Advance	\$570,309	City requests advancement	Approved
<b>Sub-Total IIP Program Advances</b>										<b>\$1,221,267</b>		
<b>Advances - Total All Measure M Programs</b>										<b>\$1,501,267</b>		
<b>Cancellations</b>												
County	03-ORCO-GMA-1067	GMA	Orange Ave @ Rosebay St Traffic Signal	C	06/07	N/A	N/A	\$50,000	Cancel	\$0	County Staff requested this project be cancelled	Approve
County	03-ORCO-GMA-1063	GMA	Crown Valley Parkway Bridge Phase II	C	03/04	N/A	N/A	\$348,000	Cancel	\$0	Reallocate funds to Antonio Parkway project	Approve
County	99-ORCO-GMA-1040	GMA	Crown Valley Parkway Bridge Phase I-II	C	03/04	N/A	N/A	\$450,000	Cancel	\$0	Reallocate funds to Antonio Parkway project	Approve
County	00-ORCO-GMA-3032	GMA	Crown Valley Parkway Phase II (at Arroyo Trabuco)	C	03/04	N/A	N/A	\$400,000	Cancel	\$0	Reallocate funds to Antonio Parkway project	Approve
Cypress	03-CYPR-GMA-1076	GMA	Hardwire Interconnect on Orange and Derrin	C	03/04	N/A	N/A	\$40,000	Cancel	\$0	City requests cancellation - additional SIP funds for this project were not approved	Refer to GMA-TAC/E.O.
Cypress	03-YPR-GMA-1077	GMA	Installation of CCTV - Lincoln Ave	C	06/07	N/A	N/A	\$20,000	Cancel	\$0	City requests cancellation - additional SIP funds for this project were not approved	Refer to GMA-TAC/E.O.
<b>Sub-Total GMA Program Cancel</b>										<b>\$1,308,000</b>		
<b>Cancellations - Total All Measure M Programs</b>										<b>\$1,308,000</b>		
<b>Delays</b>												
Anaheim	00-ANAH-GMA-3002	GMA	East Street/SR-91 Interchange	C	06/07	24	08/09	\$100,000	Delay	\$100,000	Additional time needed to coordinate project with Edison and Caltrans	Refer to GMA-TAC/E.O.
Anaheim	03-ANAH-GMA-1014	GMA	Magnolia Street Signal Improvement	C	06/07	24	08/09	\$60,000	Delay	\$60,000	Additional time needed to redesign project to cut cost to keep project viable and within budget	Refer to GMA-TAC/E.O.
Brea	00-BREA-GMA-3021	GMA	Brea/SR-57 Transit Corridor Study	E	05/06	24	07/08	\$100,000	Delay	\$100,000	To align funding with transit funds for Go-Local Program	Refer to GMA-TAC/E.O.
Brea	05-BREA-GMA-2695	GMA	Birch Street Signal Coordination	C	05/06	24	07/08	\$310,000	Delay	\$310,000	Additional time needed to study/select new technology/hard ware	Refer to GMA-TAC/E.O.

# Combined Transportation Funding Program, September 2006 Semi-Annual Review Adjustment Requests

Agency	Project #	Program	Project Title	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason	OCTA Staff Recommendations
Dana Point	00-DPNT-GMA-3058	GMA	Pacific Coast Highway Improvements	C	06/07	24	08/09	\$125,000	Delay	\$125,000	To co-ordinate project with other ongoing (town center specific plan) activities in the area. Approved by GMA EOTAC on 8/28/2006	Approve
Irvine	00-IRVN-GMA-3095	GMA	San Diego Creek & Culverdale Bicycle Trail Lighting	C	05/06	12	06/07	\$150,000	Delay	\$150,000	City needs to secure additional internal/local funds to cover the expected construction cost increase	Refer to GMA-TAC/E.O.
Laguna Woods	00-LWDS-GMA-3125	GMA	Moulton Parkway @ El Toro Road	C	06/07	24	08/09	\$500,000	Delay	\$500,000	To coordinate with other project (Moulton Pkwy SSP) in the area	Refer to GMA-TAC/E.O.
Laguna Woods	03-LWDS-GMA-1165	GMA	El Toro Road / Moulton Parkway	C	06/07	24	08/09	\$158,000	Delay	\$158,000	To coordinate with other project (Moulton Pkwy SSP) in the area	Refer to GMA-TAC/E.O.
Lake Forest	05-LFOR-GMA-2811	GMA	Trabuco Road Widening	E	05/06	12	06/07	\$160,000	Delay	\$160,000	To align funding with other project allocations	Refer to GMA-TAC/E.O.
Seal Beach	05-SBCH-GMA-2800	GMA	Lampson Avenue Controller Upgrade	C	05/06	48	09/10	\$33,500	Delay	\$33,500	To match with GMA approved allocation FY. Refer to GMA-TAC/E.O. to combine E & C allocation	Refer to GMA-TAC/E.O.
Stanton	00-STAN-GMA-3187	GMA	Beach/Stanford Intersection Improvements	C	05/06	24	07/08	\$60,000	Delay	\$60,000	Current construction bids too high. Additional time needed to rebid project	Refer to GMA-TAC/E.O.
Yorba Linda	05-YLND-GMA-2735	GMA	Esperanza Road Bike Lanes	C	06/07	24	08/09	\$35,000	Delay	\$35,000	to coordinate with other ongoing Berm/wall construction project	Refer to GMA-TAC/E.O.
<b>Sub-Total GMA Program Delays</b>										<b>\$1,791,500</b>		
Garden Grove	03-GGRV-IIP-1104	IIP	Fairview/Trask	C	07/08	24	09/10	\$550,202	Delay	\$550,202	City's budgetary constraints require additional time to start project. Original budgeted local funds are being used as City's contribution to ongoing projects tied with SR-22 improvements	Approve
Garden Grove	03-GGRV-IIP-1104	IIP	Fairview/Trask	R	06/07	24	08/09	\$1,381,887	Delay	\$1,381,887		Approve
Garden Grove	03-GGRV-IIP-1106	IIP	Brookhurst/Garden Grove Blvd	C	07/08	24	09/10	\$537,910	Delay	\$537,910	City's budgetary constraints require additional time to start project. Original budgeted local funds are being used as City's contribution to ongoing projects tied with SR-22 improvements	Approve
Garden Grove	03-GGRV-IIP-1106	IIP	Brookhurst/Garden Grove Blvd	R	06/07	24	08/09	\$960,200	Delay	\$960,200		Approve
Santa Ana	99-SNTA-IIP-1174	IIP	Bristol Street / Wamer Avenue Widening	E	06/07	24	08/09	\$49,100	Delay	\$49,100	To align funding with other project allocations	Approve
Santa Ana	99-SNTA-IIP-1174	IIP	Bristol Street / Wamer Avenue Widening	R	06/07	24	08/09	\$741,660	Delay	\$741,660	To align funding with other project allocations	Approve
Santa Ana	99-SNTA-IIP-1174	IIP	Bristol Street / Wamer Avenue Widening	C	07/08	24	09/10	\$409,240	Delay	\$409,240	To align funding with other project allocations	Approve
Stanton	03-STAN-IIP-1219	IIP	Beach /Stanford Intersection Improvement Project	C	05/06	24	07/08	\$124,080	Delay	\$124,080	Current construction bids too high. Additional time needed to rebid project	Approve
<b>Sub-Total IIP Program Delays</b>										<b>\$4,754,279</b>		

# Combined Transportation Funding Program, September 2006 Semi-Annual Review Adjustment Requests

Agency	Project #	Program	Project Title	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason	OCTA Staff Recommendations
Anaheim	00-ANAH-RIP-3008	RIP	East Street at SR-91 Freeway	C	06/07	24	08/09	\$817,036	Delay	\$817,036	Additional time needed to coordinate project with Edison Co. and Caltrans	Approve
Anaheim	03-ANAH-RIP-1242	RIP	Gene Autry Way (West) / I-5 Fwy Interchange	C	06/07	24	08/09	\$4,270,500.00	Delay	\$4,270,500.00	Additional time needed to secure more internal & external funds for construction	Approve
<b>Sub-Total RIP Program Delays</b>										<b>\$5,087,536</b>		
Anaheim	00-ANAH-SIP-3014	SIP	Lincoln Ave - West City to Brookhurst St	C	05/06	24	07/08	\$200,000	Delay	\$200,000	Additional time needed to redesign project to cut cost to keep project viable and within budget	Approve
Anaheim	03-ANAH-SIP-1024	SIP	Magnolia Av ITS SIP - Katella to Woodland	C	06/07	12	07/08	\$231,950	Delay	\$231,950	Additional time needed to redesign project to cut cost to keep project viable and within budget	Approve
Garden Grove	05-GGRV-SIP-2197	SIP	Lampson Avenue Interconnect	C	05/06	12	06/07	\$248,300	Delay	\$248,300	To align funding with other project to utilize economies of scale	Approve
Garden Grove	00-GGRV-SIP-3078	SIP	Detection Upgrades	C	05/06	12	06/07	\$80,000	Delay	\$80,000	To align funding with other project to utilize economies of scale	Approve
Garden Grove	00-GGRV-SIP-3077	SIP	CCTV Cameras	C	05/06	12	06/07	\$240,980	Delay	\$240,986	To align funding with other project to utilize economies of scale	Approve
Newport Beach	05-NBCH-SIP-2716	SIP	Traffic Signal System Upgrade - Project 1	C	06/07	12	07/08	\$227,303	Delay	\$227,303	Additional time needed to study/select new technology/hardware	Approve
Newport Beach	05-NBCH-SIP-2716	SIP	Traffic Signal System Upgrade - Project 1	E	05/06	12	06/07	\$22,697	Delay	\$22,697	Additional time needed to study/select new technology/hardware	Approve
<b>Sub-Total SIP Program Delays</b>										<b>\$1,251,230</b>		
Aliso Viejo	03-ALSO-TDM-1008	TDM	SR-73 Park-n-ride at Aliso Creek	E	05/06	12	06/07	\$45,000	Delay	\$45,000	To align funding with transit funds for Go-Local Program	Approve
Irvine	00-IRVN-TDM-3108	TDM	San Diego Creek & Culverdale Bicycle Trail Lighting	C	05/06	12	06/07	\$67,003	Delay	\$67,003	City needs to secure additional internal/local funds to cover the expected construction cost increase	Approve
Los Alamitos	05-LSAL-TDM-2445	TDM	Cerritos Ave Bicycle Lanes	C	05/06	24	07/08	\$32,437	Delay	\$32,437	Additional time needed to complete final design	Approve
Los Alamitos	05-LSAL-TDM-2445	TDM	Cerritos Ave Bicycle Lanes	E	05/06	24	07/08	\$8,109	Delay	\$8,109	Additional time needed to complete final design	Approve
Los Alamitos	05-LSAL-TDM-2570	TDM	Farquhar Bicycles Lanes	C	05/06	24	07/08	\$117,975	Delay	\$117,975	Additional time needed to complete final design	Approve
Los Alamitos	05-LSAL-TDM-2570	TDM	Farquhar Bicycles Lanes	E	05/06	24	07/08	\$27,956	Delay	\$27,956	Additional time needed to complete final design	Approve
<b>Sub-Total TDM Program Delays</b>										<b>\$288,480</b>		
<b>Delays - Total All Measure M Programs</b>										<b>\$13,183,025</b>		
										<b>\$13,183,031</b>		



# Combined Transportation Funding Program, September 2006 Semi-Annual Review Adjustment Requests

Agency	Project #	Program	Project Title	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason	OCTA Staff Recommendations
<b>Transfer</b>												
County	05-ORCO-GMA-2089	GMA	Antonio Parkway	C	09/10	N/A	N/A	\$100,000	Transfer	\$148,000	Transfer \$48,000 from 03-ORCO-GMA-1063, 00-ORCO-GMA-1040, 00-ORCO-GMA-3032	Approve
County	05-ORCO-GMA-2086	GMA	Alton Parkway	E	07/08	N/A	N/A	\$500,000	Transfer	\$1,000,000	Transfer \$500,000 from 03-ORCO-GMA-1063, 00-ORCO-GMA-1040, 00-ORCO-GMA-3032	Approve
County	TBD	GMA	Oso Parkway Widening	C	N/A	N/A	06/07	\$0	Transfer	\$300,000	Transfer \$300,000 from 03-ORCO-GMA-1063, 00-ORCO-GMA-1040, 00-ORCO-GMA-3032	Approve
County	TBD	GMA	Oso/Antonio Parkway	C	N/A	N/A	06/07	\$0	Transfer	\$350,000	Transfer \$350,000 from 03-ORCO-GMA-1063, 00-ORCO-GMA-1040, 00-ORCO-GMA-3032	Approve
			<b>Sub-Total GMA Program Transfer</b>					<b>\$600,000</b>		<b>\$1,798,000</b>		
Anaheim	03-ANAH-IIP-1018	IIP	Lincoln Ave/Sunkist St Intersection	R	04/05	N/A	N/A	\$121,349	Transfer	\$33,264	Transfer R/W funds to construction phase to cover expected construction cost increase	Approve
Anaheim	03-ANAH-IIP-1018	IIP	Lincoln Ave/Sunkist St Intersection	C	06/07	N/A	N/A	\$237,180	Transfer	\$325,265	Transfer R/W funds to construction phase to cover expected construction cost increase	Approve
Huntington Beach	99-HBCH-IIP-1087	IIP	Adams at Brookhurst	R	99/00	N/A	N/A	\$274,000	Transfer	\$148,000	Transfer \$126,000 from R to C to cover increased construction cost	Approve
Huntington Beach	99-HBCH-IIP-1087	IIP	Adams at Brookhurst	C	04/05	N/A	N/A	\$0	Transfer	\$63,000	Transfer from R to C to cover increased construction cost	Approve
San Jose	03-SNTA-IIP-1207	IIP	Fairview Street/MacArthur Blvd	R	05/06	N/A	N/A	\$465,000	Transfer	\$189,000	Transfer \$276,000 from R to C to cover increased construction cost	Approve
San Jose	03-SNTA-IIP-1207	IIP	Fairview Street/MacArthur Blvd	C	06/07	N/A	N/A	\$217,339	Transfer	\$493,339	Transfer from R to C to cover increased construction cost	Approve
			<b>Sub-Total IIP Program Transfer</b>					<b>\$1,314,868</b>		<b>\$1,251,868</b>		
San Jose	99-SNTA-MPAH-1177	MPAH	Grand Avenue Gap Closure	E	00/01	N/A	N/A	\$81,118	Transfer	\$105,153	Transfer \$24,035, 10 from C to E, transfer \$118, 895, 16 from C to R	Approve
San Jose	99-SNTA-MPAH-1177	MPAH	Grand Avenue Gap Closure	R	01/02	N/A	N/A	\$109,847	Transfer	\$228,742	Transfer \$24,035, 10 from C to E, transfer \$118, 895, 16 from C to R	Approve
San Jose	99-SNTA-MPAH-1177	MPAH	Grand Avenue Gap Closure	C	05/06	N/A	N/A	\$737,455	Transfer	\$594,525	Transfer \$24,035, 10 from C to E, transfer \$118, 895, 16 from C to R	Approve
			<b>Sub-Total MPAH Program Transfer</b>					<b>\$928,420</b>		<b>\$928,420</b>		
Westminster	05-WEST-SIP-2588	SIP	Westminster Traffic Signal Improvements Phase III	E	06/07	N/A	N/A	\$6,000	Transfer	\$0	City will utilize local funds for design. Transfer design allocation to construction	Approve
Westminster	05-WEST-SIP-2588	SIP	Westminster Traffic Signal Improvements Phase III	C	06/07	N/A	N/A	\$229,994	Transfer	\$235,994	City will utilize local funds for design. Transfer design allocation to construction	Approve
Westminster	05-WEST-SIP-2600	SIP	Westminster Traffic Signal Improvements Phase IV	E	06/07	N/A	N/A	\$6,000	Transfer	\$0	City will utilize local funds for design. Transfer design allocation to construction	Approve
Westminster	05-WEST-SIP-2600	SIP	Westminster Traffic Signal Improvements Phase IV	C	06/07	N/A	N/A	\$229,994	Transfer	\$235,994	City will utilize local funds for design. Transfer design allocation to construction	Approve

# Combined Transportation Funding Program, September 2006 Semi-Annual Review Adjustment Requests

Agency	Project #	Program	Project Title	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason	OCTA Staff Recommendations
Westminster	05-WEST-SIP-2658	SIP	Westminster Traffic Signal Improvements Phase V	E	06/07	N/A	N/A	\$12,000	Transfer	\$0	City will utilize local funds for design. Transfer design allocation to construction	Approve
Westminster	05-WEST-SIP-2658	SIP	Westminster Traffic Signal Improvements Phase V	C	06/07	N/A	N/A	\$224,338	Transfer	\$236,338	City will utilize local funds for design. Transfer design allocation to construction	Approve
<b>Sub-Total SIP Program Transfer</b>										<b>\$708,326</b>		
Santa Ana	05-SNTA-TDM-2796	TDM	Flower St. Bike Trail Gap Closure	C	05/06	N/A	N/A	\$94,200	Transfer	\$55,080	Transfer \$26,200 from C to E Transfer \$12,920 from C to R	Approve
Santa Ana	05-SNTA-TDM-2796	TDM	Flower St. Bike Trail Gap Closure	E	05/06	N/A	N/A	\$63,800	Transfer	\$90,000	Transfer from C to E	Approve
Santa Ana	05-SNTA-TDM-2796	TDM	Flower St. Bike Trail Gap Closure	R	05/06	N/A	N/A	\$42,000	Transfer	\$54,920	Transfer from C to R	Approve
<b>Sub-Total TDM Program Transfer</b>										<b>\$200,000</b>		
<b>Transfer - Total All Measure M Programs</b>										<b>\$3,751,614</b>		
<b>Administrative Adjustments</b>												
County	97-ORCO-SSP-2009	SSP	Katella Avenue (100 e/o Jean to Magnolia)	R	02/03	N/A	N/A	\$2,110,000	Transfer	\$1,294,625	Transfer of remaining RW balance of \$815,374.88 to City of Stanton as RW lead to project allocation 97-STAN-SSP-2020	Approve
Stanton	97-STAN-SSP-2020	SSP	Katella Ave (Magnolia to Beach)	R	02/03	N/A	N/A	\$914,596	Transfer	\$1,729,971	Transfer of remaining RW balance from County of Orange 97-ORCO-SSP-2009 to cover balance of RW costs with City of Stanton as lead agency	Approve
Lake Forest	97-LFOR-SIP-1107	SIP	El Toro Road From I-5 to Trabuco Road	E	00/01	N/A	N/A	\$219,280	Transfer	\$17,680	To match phase allocation to City's original application for the approved project	Approve
Lake Forest	97-LFOR-SIP-1107	SIP	El Toro Road From I-5 to Trabuco Road	C	00/01	N/A	N/A	\$0	Transfer	\$201,600		Approve
<b>Administrative Adjustment - Total Programs</b>										<b>\$914,596</b>		
<b>AHRP PROGRAMS</b>												
Laguna Hills	05-LHLL-AHRP-2119	AHRP	Cabot Road Pavement Rehabilitation (La Paz Rd to S/O Oso Pkwy)	C	05/06	12	06/07	\$725,809	Delay	\$725,809	Additional Time needed	Approve
San Juan Capistrano	05-SJCP-AHRP-2406	AHRP	Del Obispo Street	C	05/06	12	06/07	\$588,063	Delay	\$588,063	Additional time needed to resolve governmental issues and process paperwork with Caltrans	Approve
<b>Delay - Total All AHRP Programs</b>										<b>\$1,313,872</b>		
<b>Cancellations</b>												
Fountain Valley	05-FVLY-MPAH-2498	RSTP	Euclid Street Improvement Project	C	09/10	N/A	N/A	\$597,800	Cancel	\$0	City & County unwilling to provide park land for street improvements	Approve
<b>Cancellations - Total All RSTP Programs</b>										<b>\$597,800</b>		



**Combined Transportation Funding Program  
Time Extension Policy  
(Adopted as of November 2004)**

- Agencies may request a one-time delay of up to 24 months. Jurisdictions will be required to justify this request and seek approval of OCTA staff, Technical Steering Committee (TSC), and the Technical Advisory Committee (TAC) as part of the semi-annual review process.
- A second delay request may only be awarded by obtaining the council approved revised Capital Improvement Program (CIP) that indicates the project's revised program year. The second delay request will still require the OCTA staff review and the TSC and TAC approval.
- Any further delay beyond the second delay request would require a direct request for approval from the OCTA Board of Directors. The OCTA Board of Directors will have the final approval of the Agency's request.





***January 22, 2007***

**To:** Members of the Board of Directors

**From:** Arthur T. Leahy, <sup>W</sup>Chief Executive Officer

**Subject:** Orange County Employees Retirement System Early Payment for Fiscal Year 2008

***Overview***

The Orange County Employees Retirement System has offered an early payment discount to member agencies of 7.75 percent if they elect to prepay their contributions for fiscal year 2008. Advance payments must be received before January 31, 2007. The Orange County Transportation Authority has estimated the savings over the next year and a half under this payment option to total approximately \$591,000.

***Recommendation***

Authorize the early payment of approximately \$14.7 million by January 31, 2007, to the Orange County Employees Retirement System for member contributions for fiscal year 2008.

***Background***

The Orange County Employees Retirement System (OCERS) provides retirement benefits to Orange County Transportation Authority (Authority) employees. The vast majority of Authority employees and every retiree are covered by the OCERS plan. OCERS is a defined benefit plan with benefits determined with a formula based on years of service, age at retirement, and highest average salary. OCERS is administered by a nine-member retirement board, with one alternate member. The OCERS Retirement Board serves as fiduciary and administrative authority over investments and benefits. The plan has over \$6.8 billion in net assets. OCERS operates under the state statutory requirements of the County Employees Retirement Act of 1937, a section of the California Government Code.

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Employer contributions to OCERS are calculated each pay period by the Authority and are paid electronically every two weeks. During the 12-month period ending December 2006, the Authority contributed approximately \$12.4 million to OCERS, which was based upon wages of approximately \$95.7 million. The Authority's employer rate during this time period was 13.1 percent.

### ***Discussion***

In October 2006, the OCERS Retirement Board voted to offer an early payment discount on employer contribution payments made before January 31, 2007, for the succeeding fiscal year. OCERS offered to discount the contributions for fiscal year (FY) 2008 by 7.75 percent. If the early payment option is exercised, OCERS will reconcile the projected payroll wages for the fiscal year and collect appropriate additions or provide credits against future payments from the Authority upon the close of FY 2008.

The Authority's Board of Directors approved a similar action last year where the early payment option was exercised. By using available cash now, the Authority may reduce the overall cost of future budgeted expenditures.

For FY 2008, OCERS has increased the Authority's employer rate to 14.96 percent from the FY 2007 rate of 13.1 percent. The Authority's estimated wages for FY 2008 are \$106.2 million. Applying the 14.96 percent employer's rate to the estimated wages for the year translates into an approximate contribution value of \$15.9 million for FY 2008.

Under the early payment option, the Authority has the choice of paying OCERS \$14.7 million (or 92.25 percent of \$15.9 million) by January 31, 2007, or the Authority could make the regular bi-weekly payments of approximately \$611,387, (for a total of \$15.9 million) during FY 2008. With the inverted yield curve and the current market conditions, yields on three-month securities are at 5 percent and securities with approximately one year to maturity are yielding 4.85 percent. Given these assumptions the Authority has calculated the savings to equal approximately \$591,000, under this early payment option.

Based upon this analysis, it is financially advantageous for the Authority to exercise this early payment option. If this option were to be exercised, these funds would be deposited into OCERS on behalf of the Authority and be credited to the Authority's account.

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**Summary**

The Orange County Employees Retirement System has offered an early payment of contributions to member agencies for the upcoming fiscal year. Under this early payment option, a discount of 7.75 percent will be applied to the amounts due for employer contributions. The Orange County Transportation Authority has calculated the savings to equal approximately \$591,000. Staff recommends exercising this early payment option.

**Attachment**

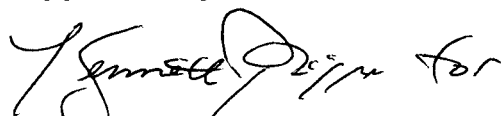
None.

**Prepared by:**



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**Approved by:**



James S. Kenan  
Executive Director, Finance,  
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*January 22, 2007*

**To:** Members of the Board of Directors  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Fourth Quarter 2006 Debt and Investment Report

***Overview***

The California Government Code authorizes the Orange County Transportation Authority Treasurer to submit a quarterly investment report detailing the Orange County Transportation Authority's investment activity for the period. This investment report covers the fourth quarter of 2006, October through December, and includes a discussion on the Orange County Transportation Authority's debt portfolio.

***Recommendation***

Receive and file the Quarterly Debt and Investment Report prepared by the Treasurer as an information item.

***Background***

The Treasurer is currently managing the Orange County Transportation Authority's (Authority) investment portfolio totaling \$1 billion as of December 31, 2006. The portfolio is divided into two managed portfolios: the Liquid Portfolio for immediate cash needs, and the Short-term Portfolio for future budgeted expenditures. In addition to these portfolios, the Authority has funds invested in debt service reserve funds for the various outstanding debt obligations.

The Authority's debt portfolio had an outstanding principal balance of \$589 million as of December 31, 2006. Approximately 63 percent of the outstanding balance is comprised of Measure M fixed rate debt, 5 percent is comprised of Measure M variable rate debt, 31 percent is associated with the 91 Express Lanes, and 1 percent was issued as fixed rate debt for the Orange County Transit District.

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***Discussion***

**Economic Summary:** While there has been little activity from the Federal Open Market Committee (Fed) in the form of interest rate changes, the capital markets have reacted quickly to the slightest implication that the Fed will move one way or the other. As leading economic indicators continued to show signs of slower growth during the last quarter of 2006, market watchers began speculating when the Fed may change directions and actually begin reducing overnight lending rates. The last Fed rate increase was June 29, 2006. The Fed Funds Rate currently is 5.25 percent. At the December 2006 meeting, the Fed stated that core inflation remained high, however, past rate increases will reduce inflation pressures going forward.

The U.S. economy has enjoyed mixed but generally positive results for most of 2006. The housing market suffered the most with housing starts and building permits down 30 percent from previous highs. The first half of 2006 witnessed Gross Domestic Product growth in the first, second and third quarters of 5.6 percent, 2.6 percent and 2 percent respectively with the fourth quarter likely to be at a 2.0 percent annualized rate. The Fed tightening cycle clearly took effect during the last half of the year.

**Debt Portfolio Activity:** There were no regularly scheduled debt service payments during the fourth quarter of 2006. The outstanding balances for each of the Authority's other debt securities are presented in Attachment A.

During the refinancing of the 91 Express Lanes Bonds, the Authority entered into an interest rate swap agreement with two counterparties to synthetically fix the variable portion of the outstanding bonds. The swap agreement outlines the monthly payments the Authority will receive from the counterparties to offset the variable portion of the Authority's debt. Through December 31, 2006, the Authority has received approximately \$123,493, more from the counterparties than the Authority has paid as part of the variable rate bonds. This is referred to as "positive basis." The Authority will accumulate these funds, whenever there is positive basis, in a trust account to offset those periods when there is negative basis.

**Investment Portfolio Compliance:** As of December 31, 2006, the Authority's portfolio is in compliance with its 2006 Investment Policy. The Authority continues its policy of reviewing the contents of the investment portfolio on a daily basis to ensure compliance. Attachment B provides a comparison of the portfolio holdings as of December 31, 2006, to the diversification guidelines of the Investment Policy.

**Investment Portfolio Performance Versus Selected Benchmarks:** The Authority's investment managers provide the Authority and its financial advisor, Sperry Capital, with monthly performance reports. The investment managers' performance reports calculate monthly total rates of return based upon the market value of the portfolios they manage at the beginning of the month versus the market value at the end of the month. The market value of the portfolio at the end of the month includes the actual value of the portfolio based upon prevailing market conditions as well as the interest income accrued during the month.

The Authority has calculated the returns for each of the investment managers for short-term operating monies and compared the returns to specific benchmarks as shown in Attachment C.

The returns for the Authority's short-term operating monies are compared to the Merrill Lynch 1-3 year Treasury Index benchmark. The Merrill Lynch 1-3 year Treasury Index is one of the most commonly used short-term fixed income benchmarks. Each of the four managers invests in a combination of securities that all conform to the Authority's 2006 Annual Investment Policy. For the quarter ending December 31, 2006, the weighted average total return for the Authority's Short-term Portfolio was 1.07 percent, 16 basis points higher than the benchmark return of 0.91 percent. For the 12-month period ending December 2006, the portfolio's return totaled 4.37 percent, 41 basis points above the benchmark return of 3.96 percent for the same period.

Calendar year 2006 marked the first time since 1995 that the returns on the Merrill Lynch 1-3 year Treasury Index benchmark portfolio experienced twelve positive months in a row. This is due in large part to a more stable fixed income market and decreased activity by the Fed. While the yield advantage for non-treasury securities is historically narrow, value has been added by increasing weighted average maturity of the portfolio now that the Fed is in a holding pattern. Continued investment in high-grade corporate, mortgage and asset-backed securities has contributed to the out performance of the benchmark in the form of higher yielding securities.

**Investment Portfolios:** A summary of each investment manager's investment diversification, performance, and maturity schedule is provided in Attachment D. These summaries provide a tool for analyzing the different returns for each manager.

A complete listing of all securities is provided in Attachment E. Each portfolio contains a description of the security, maturity date, book value, market value and current yield provided by the custodial bank.

Cash Availability for the Next Six Months: The Authority has reviewed the cash requirements for the next six months. It has been determined that the Liquid and the Short-term Portfolios can fund all projected expenditures during the next six months.

**Summary**

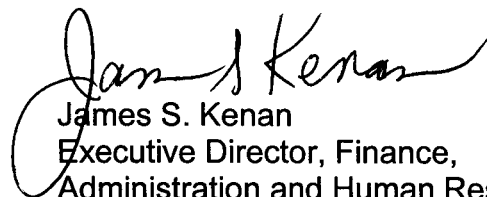
As required under the California Government Code, the Orange County Transportation Authority is submitting its quarterly investment report to the Board of Directors. The investment report summarizes the Orange County Transportation Authority's Treasury activities for the period October 2006 through December 2006.

**Attachments**

- A. Orange County Transportation Authority Outstanding Debt December 31, 2006.
- B. Orange County Transportation Authority Investment Policy Compliance December 31, 2006.
- C. Orange County Transportation Authority Short-term Portfolio Performance Review Quarter Ending December 31, 2006.
- D. Investment Manager Diversification and Maturity Schedules December 31, 2006.
- E. Orange County Transportation Authority Portfolio Listing as of December 31, 2006.

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**Orange County Transportation Authority  
Outstanding Debt  
December 31, 2006**

**Orange County Local Transportation Authority (OCLTA)**

	<u>Issued</u>	<u>Outstanding</u>	<u>Final Maturity</u>
2001 Second Senior Sales Tax Revenue Bonds	\$ 48,430,000	\$ 48,430,000	2011
1998 Second Senior Sales Tax Revenue Bonds	213,985,000	105,050,000	2011
1997 Second Senior Sales Tax Revenue Refunding Bonds	57,730,000	57,400,000	2011
1995 Tax-Exempt Commercial Paper	74,200,000	29,100,000	2011
1994 Second Senior Sales Tax Revenue Bonds	200,000,000	28,490,000	2011
1992 Second Senior Sales Tax Revenue Bonds	190,000,000	12,185,000	2011
1992 First Senior Sales Tax Revenue Bonds	350,000,000	123,615,000	2011
<b>Sub-total</b>	<b>\$ 1,134,345,000</b>	<b>\$ 404,270,000</b>	

**Orange County Transportation District (OCTD)**

	<u>Issued</u>	<u>Outstanding</u>	<u>Final Maturity</u>
1993 Certificates of Participation	21,100,000	1,235,000	2007
<b>Sub-total</b>	<b>\$ 21,100,000</b>	<b>\$ 1,235,000</b>	

**91 Express Lanes**

	<u>Issued</u>	<u>Outstanding</u>	<u>Final Maturity</u>
2003 Toll Road Revenue Refunding Bonds	\$ 195,265,000	\$ 183,510,000	2030

\* Not reflected is the intra-agency borrowing (subordinated debt) for the purchase of the 91 Express Lanes in the amount of \$46,396,537.

<b>TOTAL ISSUED TO DATE</b>	<b>\$ 1,350,710,000</b>
<b>TOTAL OUTSTANDING BALANCE</b>	<b>\$ 589,015,000</b>

**ORANGE COUNTY TRANSPORTATION AUTHORITY**  
**Investment Policy Compliance**  
**December 31, 2006**

<b><u>Investment Instruments</u></b>	<b><u>Dollar Amount Invested</u></b>	<b><u>Percent Of Portfolio</u></b>	<b><u>Investment Policy Maximum Percentages</u></b>
U.S. Treasuries	\$432,963,664	42.9%	100%
Federal Agencies & U.S. Government Sponsored	226,740,224	22.5%	100%
State of California & Local Agencies *	0	0.0%	25%
Money Market Funds & Mutual Funds	57,413,997	5.7%	20%
Bankers Acceptances	0	0.0%	30%
Negotiable Certificates of Deposit	16,771,932	1.7%	30%
Commercial Paper	0	0.0%	25%
Medium Term Maturity Corporate Securities	94,589,003	9.4%	30%
Mortgage and Asset-backed Securities	74,573,111	7.4%	20%
Repurchase Agreements	9,515,971	0.9%	75%
Investment Agreements Pursuant To Indenture	0	0.0%	100%
Local Agency Investment Fund	25,651,283	2.5%	\$ 40 Million
Orange County Investment Pool	6,265,553	0.6%	Legal Mandate
CAMP	0	0.0%	10%
Variable & Floating Rate Securities	0	0.0%	30%
Debt Service Reserve Funds - Investment Agreements	64,913,763	6.4%	Not Applicable
Derivatives (hedging transactions only)	0	0.0%	5%
<b>TOTAL</b>	<b><u>\$1,009,398,501</u></b>	<b>100.0%</b>	

\* Balance does not include intra-agency borrowing for the purchase of the 91 Express Lanes in the amount of \$46,396,537.

**Orange County Transportation Authority  
Short-term Portfolio Performance Review\*  
Quarter Ending December 31, 2006**

Month Ending	Barclays Index Benchmark		Bear Stearns		Vanguard		Western Asset		State Street Global Advisors	
	Monthly Return	Duration	Monthly Return	Duration	Monthly Return	Duration	Monthly Return	Duration	Monthly Return	Duration
10/31/2006	0.38%	1.72 years	0.47%	1.61 years	0.42%	2.07 years	0.49%	1.49 years	0.43%	1.66 years
11/30/2006	0.51%	1.76 years	0.56%	1.55 years	0.57%	1.97 years	0.53%	1.39 years	0.53%	1.56 years
12/31/2006	0.02%	1.73 years	0.12%	1.64 years	0.00%	1.92 years	0.15%	1.69 years	0.01%	1.74 years
Oct 06 - Dec 06 Total Return	0.91%		1.15%		0.99%		1.17%		0.97%	

**HISTORICAL QUARTERLY RETURNS**

Jan 06 - Mar 06 Total Return	0.39%	0.51%	0.45%	0.48%	0.56%
Apr 06 - Jun 06 Total Return	0.65%	0.64%	0.72%	0.79%	0.66%
Jul 06 - Sep 06 Total Return	1.97%	2.11%	2.06%	2.01%	1.91%
Oct 06 - Dec 06 Total Return	0.91%	1.15%	0.99%	1.17%	0.97%
12 Month Total Return	5.86%	6.87%	6.59%	6.79%	6.10%

\* - Month End Rates of Return are Gross of Fees

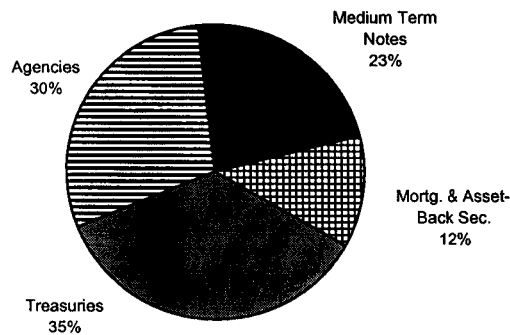




# **Bear Stearns**

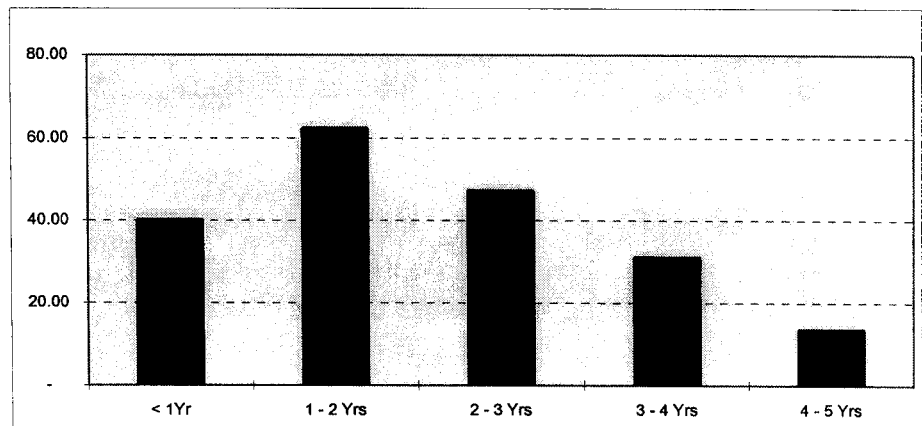
## **December 31, 2006**

### **SHORT-TERM PORTFOLIO ( \$194.5 M)**



	Book Value	Market Value
Treasuries	\$69,026,873	\$68,300,703
Agencies	57,612,827	57,307,087
Medium Term Notes	43,845,150	43,395,007
Mortg. & Asset-Back Sec.	23,769,377	23,682,769
Money Market Funds	243,874	243,874
	<u>\$194,498,101</u>	<u>\$192,929,439</u>

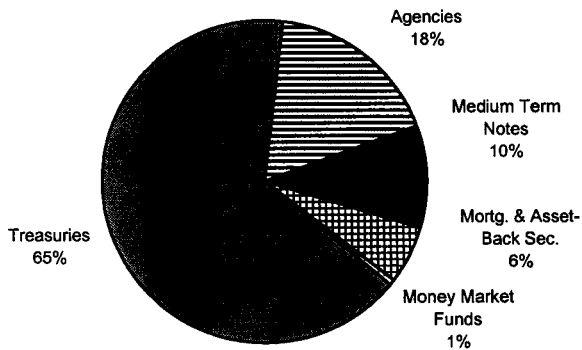
Wtd Avg Maturity	2.08 Yrs
Duration	1.64 Yrs
Quarter-end Yield	5.11%
Benchmark Comparison	4.86%
Quarter Return	1.15%
Benchmark Comparison	0.91%
12 Month Return	4.49%
Benchmark Comparison	3.96%



# Payden & Rygel

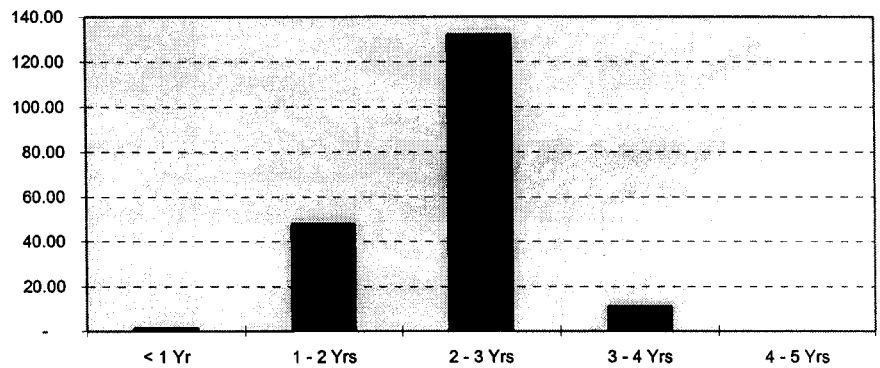
## December 31, 2006

### SHORT-TERM PORTFOLIO (\$192.3 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$126,653,237	\$126,432,923
Agencies	33,854,280	33,764,943
Medium Term Notes	19,450,784	19,549,377
Mortg. & Asset-Back Sec.	11,138,836	11,168,832
Money Market Funds	<u>1,230,821</u>	<u>1,230,821</u>
	<u>\$192,327,958</u>	<u>\$192,146,896</u>

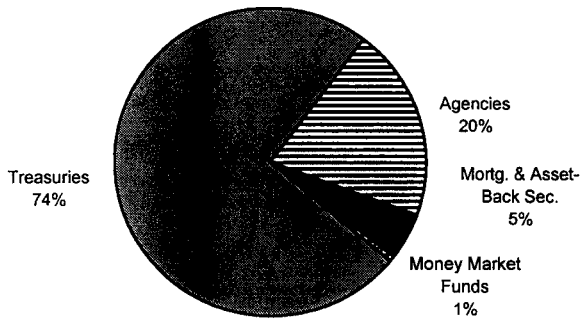
Wtd Avg Maturity	2.38 Yrs
Duration	1.92 Yrs
Quarter-end Yield	4.92%
Benchmark Comparison	4.86%
Quarter Return	0.99%
Benchmark Comparison	0.91%
12 Month Return	4.29%
Benchmark Comparison	3.96%



# State Street

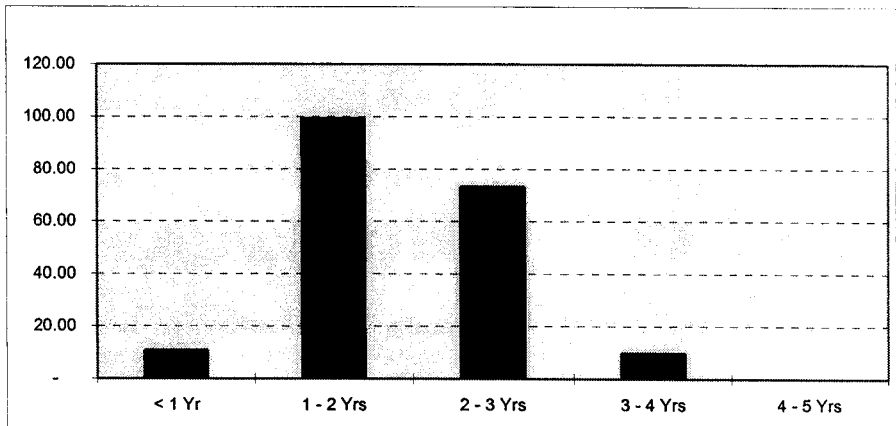
## December 31, 2006

### SHORT-TERM PORTFOLIO (\$193.2 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$143,301,015	\$143,296,910
Agencies	39,177,405	39,068,313
Mortg. & Asset-Back Sec.	9,843,945	9,877,619
Money Market Funds	<u>911,478</u>	<u>911,478</u>
	<u>\$193,233,844</u>	<u>\$193,154,319</u>

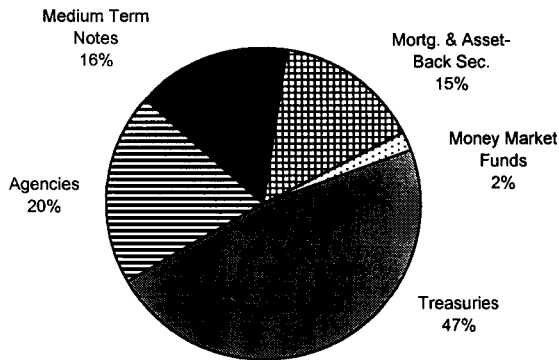
Wtd Avg Maturity	1.94 Yrs
Duration	1.74 Yrs
Quarter-end Yield	4.84%
Benchmark Comparison	4.86%
Quarter Return	0.97%
Benchmark Comparison	0.91%
12 Month Return	4.16%
Benchmark Comparison	3.96%



# Western Asset Management

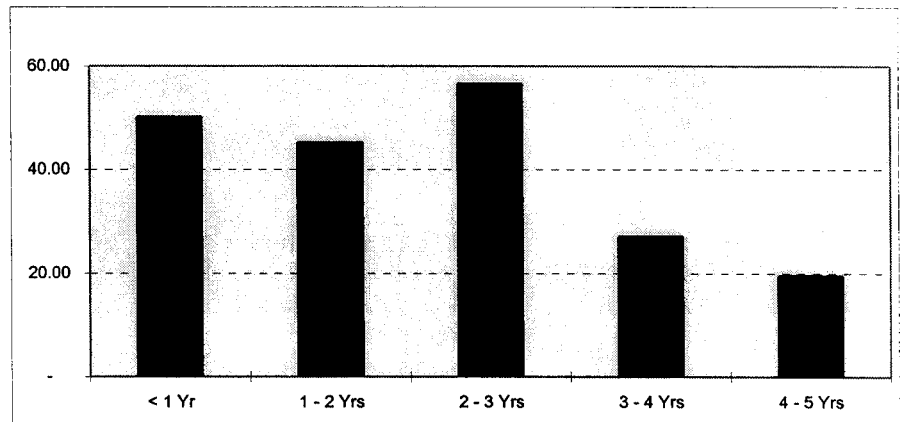
## December 31, 2006

### SHORT-TERM PORTFOLIO ( \$198.7 M )



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$93,982,538	\$93,855,544
Agencies	39,665,225	38,793,931
Medium Term Notes	31,293,069	30,413,325
Mortg. & Asset-Back Sec.	29,820,952	29,626,141
Money Market Funds	<u>3,984,253</u>	<u>3,984,253</u>
	<u>\$198,746,036</u>	<u>\$196,673,194</u>

Wtd Avg Maturity	2.11 Yrs
Duration	1.69 Yrs
Quarter-end Yield	5.08%
Benchmark Comparison	4.86%
Quarter Return	1.17%
Benchmark Comparison	0.91%
12 Month Return	4.53%
Benchmark Comparison	3.96%



**Orange County Transportation Authority  
Portfolio Listing  
As of December 31, 2006**

**LIQUID PORTFOLIO**

<u>Description</u>	<u>Maturity Date</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Yield</u>
<u>Cash Equivalents</u>				
Bank of the West CD	1/5/2007	10,000,000.00	10,010,013.89	5.15%
FHLMC Discount Note	2/14/2007	39,808,100.28	40,328,414.69	5.18%
FHLMC Discount Note	2/15/2007	7,168,343.06	7,203,926.38	5.18%
FNMA Discount Note	2/14/2007	184,792.36	185,714.80	5.16%
FNMA Discount Note	2/15/2007	1,914,211.26	1,939,322.45	5.14%
FNMA Discount Note	2/15/2007	7,355,040.83	7,360,459.59	5.14%
Repurchase Agreement	1/2/2007	9,515,971.40	9,515,971.40	4.75%
Fidelity Funds Treasury II	N/A	15,898,064.11	15,898,064.11	5.12%
First American Treasury Obligations	N/A	120,991.57	120,991.57	5.02%
Milestone Funds Treasury Obligations	N/A	20,001,707.00	20,001,707.00	5.12%
<i>Sub-total</i>		111,967,221.87	112,564,585.88	
<u>Local Agency Investment Fund (LAIF)</u>	N/A	25,651,283.04	25,651,283.04	4.93%
<u>Orange County Investment Pool (OCIP)</u>	N/A	6,265,552.85	6,265,552.85	5.38%
<b>Liquid Portfolio - Total</b>		<b>\$ 143,884,057.76</b>	<b>\$ 144,481,421.77</b>	

**SHORT TERM PORTFOLIO**

<u>Description</u>	<u>Maturity Date</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Yield</u>
<u>Cash Equivalents</u>				
Milestone Funds Treasury Obligations	N/A	6,370,425.69	6,370,425.69	5.12%
<i>Sub-total</i>		6,370,425.69	6,370,425.69	
<u>U.S. Government &amp; Agency Obligations</u>				
FHLB	2/15/2007	10,232,665.74	9,896,906.25	4.87%
FHLB	9/14/2007	2,491,290.00	2,468,750.00	3.41%
FHLB	1/17/2008	4,000,000.00	4,001,250.00	5.74%
FHLB	5/15/2008	3,673,552.50	3,693,750.00	4.06%
FHLB	6/13/2008	4,250,000.00	4,191,562.50	4.15%
FHLB	10/3/2008	5,974,200.00	5,926,875.00	4.42%
FHLB	3/13/2009	9,888,000.00	9,943,750.00	4.77%
FHLB	11/20/2009	5,900,000.00	5,894,468.75	5.38%
FHLB	9/10/2010	5,524,145.00	5,534,375.00	5.09%
FHLMC	4/17/2007	8,066,275.80	8,084,587.26	5.17%
FHLMC	12/27/2007	9,996,000.00	9,978,000.00	5.01%
FHLMC	5/23/2008	5,508,580.00	5,436,970.00	4.29%
FHLMC	8/4/2008	4,492,395.00	4,461,255.00	4.53%
FHLMC	11/20/2009	6,000,000.00	5,987,812.50	5.26%
FHLMC	11/1/2010	4,910,750.00	4,951,700.00	5.04%
FHLMC	2/24/2011	2,987,550.00	2,998,620.00	5.25%
FNMA	1/18/2008	5,000,000.00	4,982,812.50	5.14%
FNMA	5/15/2008	22,833,544.90	22,146,375.00	5.93%
FNMA	7/28/2008	4,998,750.00	4,945,312.50	4.44%
FNMA	2/27/2009	5,992,800.00	5,996,250.00	5.28%
FNMA	4/13/2009	5,494,885.00	5,498,281.25	5.40%
FNMA	8/15/2009	5,055,585.00	5,048,437.50	5.32%

**Orange County Transportation Authority**  
**Portfolio Listing**  
**As of December 31, 2006**

FNMA	12/15/2009	7,479,150.00	7,432,031.25	4.66%
FNMA	8/15/2010	4,909,510.00	4,889,062.50	4.34%
FNMA	11/15/2010	6,503,814.00	6,354,375.00	6.25%
FNMA	2/15/2011	1,970,106.00	1,970,000.00	4.56%
FNMA	2/22/2011	6,176,187.50	6,220,703.13	5.32%
US Treasury Note	1/2/2007	8,377,480.47	8,500,000.00	3.00%
US Treasury Note	5/31/2007	18,975,507.81	18,883,530.00	3.52%
US Treasury Note	8/15/2007	11,858,704.23	11,833,125.00	2.78%
US Treasury Note	11/15/2007	4,903,149.38	4,914,250.00	3.05%
US Treasury Note	1/15/2008	3,809,244.94	3,790,141.84	3.58%
US Treasury Note	2/15/2008	9,802,734.37	9,825,400.00	3.43%
US Treasury Note	4/30/2008	22,065,468.75	22,079,281.25	4.87%
US Treasury Note	5/15/2008	26,097,324.29	26,094,218.75	3.80%
US Treasury Note	5/31/2008	3,588,046.87	3,598,312.50	4.87%
US Treasury Note	7/31/2008	20,117,187.60	20,032,800.00	4.99%
US Treasury Note	8/15/2008	21,306,080.13	21,118,139.00	4.17%
US Treasury Note	9/15/2008	3,913,906.25	3,889,080.00	3.21%
US Treasury Note	11/15/2008	25,132,536.43	25,096,335.00	4.41%
US Treasury Note	12/15/2008	25,736,523.43	25,068,912.50	3.46%
US Treasury Note	2/15/2009	17,117,453.12	17,195,335.00	4.52%
US Treasury Note	5/15/2009	26,874,714.22	27,059,062.50	4.86%
US Treasury Note	8/15/2009	116,152,817.64	115,988,076.40	4.86%
US Treasury Note	9/15/2009	16,725,761.72	16,659,015.00	3.49%
US Treasury Note	10/15/2009	19,742,656.32	19,777,785.00	3.49%
US Treasury Note	11/15/2009	9,758,847.03	9,757,412.50	4.63%
US Treasury Note	4/15/2010	5,867,089.59	5,773,268.00	4.08%
US Treasury Note	8/31/2011	15,040,429.65	14,952,600.00	4.63%
<i>Sub-total</i>		<u>603,273,400.68</u>	<u>600,820,353.13</u>	

Medium Term Notes

3M Company	11/6/2009	1,999,120.00	2,000,200.00	5.12%
Allstate Life Global	7/30/2007	2,240,460.00	2,227,162.50	3.53%
Allstate Life Global	9/10/2008	982,660.00	983,960.00	4.31%
ASIF Global Financial XVIII	11/26/2007	1,960,300.00	1,973,200.00	3.90%
Atlantic Richfield Company	4/15/2009	1,977,562.75	1,852,338.50	5.81%
Bank America Corp	2/1/2007	2,968,917.50	2,749,697.50	5.25%
Bank America Corp	2/17/2009	3,228,780.80	3,275,190.45	3.49%
Bank Boston NA	4/15/2008	2,202,315.00	2,076,158.00	6.29%
Bank New York Inc	1/15/2009	1,957,952.25	1,962,306.00	3.74%
Bank One Corp	3/26/2007	2,220,015.00	2,100,168.00	5.49%
Bank One Corp	6/30/2008	2,009,448.00	2,019,423.00	2.72%
Banque Paribas	3/1/2009	2,134,576.50	2,042,505.50	6.64%
Berkshire Hathaway Financial Corp	10/15/2008	2,225,452.50	2,180,632.50	3.48%
Berkshire Hathaway Financial Corp	1/15/2010	3,067,940.00	3,012,859.00	4.24%
Citigroup Inc	2/1/2008	1,945,840.00	1,964,020.00	3.56%
Citigroup Inc	2/9/2009	2,748,405.50	2,775,429.80	3.73%
Credit Suisse First Boston USA	1/15/2009	1,940,500.00	1,949,640.00	3.97%
General Electric Capital Corp	3/15/2007	2,054,858.50	2,050,246.00	5.37%
General Electric Capital Corp	9/1/2009	3,023,780.00	3,022,500.00	4.23%
Gillette Company	9/15/2009	1,937,000.00	1,935,340.00	3.92%
Goldman Sachs Group	1/15/2008	493,055.00	494,285.00	4.17%
Goldman Sachs Group	1/15/2009	1,462,545.00	1,461,255.00	3.97%
Home Depot Inc	9/15/2009	1,078,378.08	1,077,740.82	3.89%
Household Financial Corp	5/15/2009	1,961,780.00	1,978,360.00	4.80%
International Lease Finance Corp	9/15/2008	2,926,020.00	2,948,940.00	4.42%
JP Morgan Chase & Co	5/1/2008	1,739,502.90	1,729,024.50	3.71%

**Orange County Transportation Authority**  
**Portfolio Listing**  
**As of December 31, 2006**

LASMO USA Inc	12/15/2007	2,096,482.50	2,050,231.50	6.66%
Merrill Lynch & Co Inc	10/27/2008	3,092,002.00	3,080,191.00	4.86%
Metropolitan Life Global	6/19/2008	1,344,602.00	1,339,996.00	2.71%
Morgan Stanley Co	4/1/2008	2,908,020.00	2,939,310.00	3.69%
National City Bank	8/24/2009	1,639,386.02	1,654,849.65	2.80%
Pepsi Bottling	2/17/2009	2,021,940.00	2,017,660.00	5.57%
Principal Life Income Fundings	4/1/2009	2,145,825.00	2,152,417.50	3.34%
Protective Life	11/24/2008	3,790,585.00	3,741,314.50	3.80%
Sunamerica Inc.	10/1/2007	2,209,234.50	2,044,541.25	6.68%
Suntrust Bank Atlanta	5/25/2009	2,123,250.00	2,089,831.25	4.62%
US Bancorp	8/23/2007	2,813,517.50	2,701,129.00	3.98%
US Bank National Association	2/1/2007	2,121,538.75	2,120,665.00	2.87%
Wal Mart Stores	8/10/2009	2,137,505.78	2,010,731.90	6.59%
Wal Mart Stores	7/1/2010	1,940,180.00	1,937,700.00	4.25%
Wells Fargo	4/4/2008	1,729,675.20	1,723,550.40	3.57%
Wells Fargo	8/15/2008	1,953,000.00	1,959,160.00	4.08%
Wells Fargo	8/9/2010	2,064,493.50	2,011,747.00	4.71%
World Savings Bank	12/15/2009	1,970,600.00	1,940,100.00	4.25%
<i>Sub-total</i>		<u>94,589,003.03</u>	<u>93,357,708.02</u>	

**Mortgage And Asset-Back Securities**

American Honda Auto Lease Trust	7/15/2009	2,999,540.10	2,983,921.50	4.63%
Americredit Auto Receivable Trust	10/6/2010	1,999,868.40	1,994,625.60	5.12%
ARG FDG Corporate Trust	4/20/2009	4,999,569.00	4,926,766.50	4.07%
ARMAX Auto Trust	11/15/2010	1,388,039.06	1,406,341.76	3.45%
Bank One Issuance Trust	5/17/2010	4,902,148.44	4,938,687.00	3.63%
Caterpillar Financial Trust	5/25/2010	3,299,694.06	3,319,992.72	5.53%
CIT Equipment Collateral Trust	3/20/2008	243,071.52	228,497.56	2.20%
Citibank Credit Crd Issuance Trust	8/16/2010	5,468,671.91	5,513,109.28	3.59%
CNH Equipment Trust	8/16/2010	4,499,783.55	4,502,561.85	5.19%
FHLB Mortgage Pool	7/25/2008	1,241,379.07	1,242,427.97	3.20%
FHLB Mortgage Pool	11/25/2009	3,667,482.33	3,678,970.84	3.97%
FHLB Mortgage Pool	10/25/2010	2,150,886.33	2,151,506.22	4.78%
FHLMC Mortgage Pool	9/1/2007	379,623.69	367,624.31	5.02%
FHLMC Mortgage Pool	11/15/2008	1,447,405.98	1,431,181.02	6.00%
FHLMC Mortgage Pool	2/1/2009	847,930.69	817,777.70	4.54%
FHLMC Mortgage Pool	3/1/2009	866,306.58	848,573.54	4.54%
FHLMC Mortgage Pool	4/1/2009	3,124,444.79	3,046,443.62	4.06%
FHLMC Mortgage Pool	1/1/2010	2,142,570.53	2,141,207.07	4.12%
FHLMC Mortgage Pool	12/1/2010	1,848,649.73	1,833,692.66	4.57%
FHLMC Mortgage Pool	12/1/2010	1,861,512.66	1,847,474.20	5.02%
FHLMC Mortgage Pool	4/1/2011	2,394,014.60	2,395,508.02	5.48%
FHLMC Mortgage Pool	9/15/2011	4,636,200.86	4,628,791.76	5.39%
FNMA Mortgage Pool	1/1/2009	155,683.06	149,085.51	5.50%
FNMA Mortgage Pool	1/1/2009	63,684.26	60,985.43	5.50%
FNMA Mortgage Pool	6/25/2009	2,382,208.43	2,324,480.03	5.98%
FNMA Mortgage Pool	5/1/2010	2,315,066.95	2,346,912.77	4.57%
Franklin Auto Trust	3/16/2009	548,394.76	552,029.30	3.57%
GS Auto Loan Trust	5/17/2010	5,670,164.06	5,655,722.97	4.48%
MBNA Credit Card Master Trust	9/15/2010	4,941,796.88	4,938,931.50	4.25%
National City Auto Receivables Trust	7/15/2008	67,211.77	66,672.65	2.11%
USAA Auto Owner Trust	4/15/2008	20,134.58	20,108.50	2.06%
World Omni Auto Trust	10/15/2010	1,999,972.00	1,994,749.40	5.02%
<i>Sub-total</i>		<u>74,573,110.63</u>	<u>74,355,360.76</u>	

<b>Short-Term Portfolio - Total</b>	<b>\$</b>	<b><u>778,805,940.03</u></b>	<b>\$</b>	<b><u>774,903,847.60</u></b>
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**Orange County Transportation Authority  
Portfolio Listing  
As of December 31, 2006**

**DEBT SERVICE RESERVE FUNDS**

<u>Description</u>	<u>Maturity Date</u>	<u>Book Value</u>	<u>Required Amount</u>	<u>Yield</u>
<u>1993 Bus COPs -</u>	2007		\$ 2,082,096.00	
Milestone Funds Treasury Obligations	N/A	\$ 2,217,835.10		5.12%
<u>91 Express Lanes 2003 Refunding Bonds</u>	2030		18,634,792.30	
AIG GIC - Supplemental Reserve Fund	8/15/2015	6,000,000.00		4.51%
First American Treasury Obligations	N/A	2,009,934.49		5.02%
MBIA GIC - Debt Service Reserve Fund	12/15/2030	12,634,792.30		5.13%
<u>91 Express Lanes 2003 Refunding Bonds - Operating &amp; Maintenance Reserves</u>			6,771,932.00	
Operating Reserve - Bank of the West CD		2,965,098.00		4.45%
Maintenance Reserve - Bank of the West CD		3,806,834.00		4.45%
<u>Measure M Second Senior Sales Tax Bonds</u>			56,910,357.63	
<u>1992 Sales Tax Bonds -</u>	2011			
AIG GIC	2/15/2011	5,466,511.66		5.75%
FSA GIC	2/15/2011	8,998,875.61		3.88%
Fidelity Funds Treasury II	N/A	3,997.67		5.12%
<u>1994 Sales Tax Bonds -</u>	2011			
CSFP Agmt - Various Treasury Securities		7,237,763.10		5.98%
Fidelity Funds Treasury II	N/A	4,358,653.82		5.12%
<u>1997 Sales Tax Bonds -</u>	2011			
AIG GIC	2/15/2011	759,054.88		5.75%
FSA GIC	2/15/2011	1,249,542.82		3.88%
Fidelity Funds Treasury II	N/A	3,299.48		5.12%
<u>1998 Sales Tax Bonds -</u>	2011			
AIG GIC	2/15/2011	22,567,222.63		5.79%
Fidelity Funds Treasury II		12,534.90		5.12%
<u>2001 Sales Tax Bonds -</u>	2011			
Fidelity Funds Treasury II	2/15/2011	6,416,553.35		5.12%
<b>Debt Service Reserve Funds - Total</b>		<b>\$ 86,708,503.81</b>		

	<u>Book Value</u>	<u>Market Value</u>
<b>TOTAL PORTFOLIO</b>	<b>\$ 1,009,398,501.60</b>	<b>\$ 1,006,093,773.18</b>

FFCB - Federal Farm Credit Banks  
FHLB - Federal Home Loan Banks  
FHLMC - Federal Home Loan Mortgage Corporation  
FNMA - Federal National Mortgage Association  
SLMA - Student Loan Marketing Association





BOARD COMMITTEE TRANSMITTAL

**January 22, 2007**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Amendment to Agreement for Highways and Facilities Project Management Consultant Services

Regional Planning and Highways Committee

January 15, 2007

**Present:** Directors Amante, Cavecche, Dixon, Glaab, Green, Mansoor, Norby, Pringle, and Rosen  
**Absent:** None

***Committee Vote***

This item was passed by all Committee Members present.

***Committee Recommendation***

Authorize the Chief Executive Officer to execute Amendment No. 6 to Agreement C-3-0994 between the Orange County Transportation Authority and Hatch Mott MacDonald, in an amount not to exceed \$568,000, for continued project management services and to extend the contract period to August 31, 2007.





*January 15, 2007*

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Amendment to Agreement for Highways and Facilities Project Management Consultant Services

**Overview**

On November 24, 2003, the Board of Directors approved an agreement with Hatch Mott MacDonald, in the amount of \$3,600,000, to provide project management consultant services to manage the design and construction of transportation improvement projects. Hatch Mott MacDonald was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

**Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 6 to Agreement C-3-0994 between the Orange County Transportation Authority and Hatch Mott MacDonald, in an amount not to exceed \$568,000, for continued project management services and to extend the contract period to August 31, 2007.

**Background**

On November 24, 2003, the Orange County Transportation Authority (Authority) Board of Directors (Board) selected Hatch Mott MacDonald (HMM) to provide highway and facilities project management and technical support services to assist the Authority in overseeing the design and construction of transportation-related projects. Consultant services augment existing staff resources by providing full time personnel and task order based technical assistance to support project requirements.

The original HMM agreement, valued at \$3,600,000, providing four full time staff positions and a task order allowance expires February 28, 2007. Staff from HMM are currently assigned to the Garden Grove Freeway (State Route 22) design-build project, the Authority's Facilities Engineering Department, and

development of the Americans with Disabilities Act (ADA) Bus Stop Accessibility Program. The scope of these services will continue past the current contract expiration date.

As part of their services, HMM is providing two State Route 22 (SR-22) construction managers who have significant project experience and history. The extension of HMM staff is requested primarily to assist Authority staff in closing out final cost issues with the construction contractor, processing project acceptance documents, and turning the project over to the California Department of Transportation.

An additional HMM project manager is assigned to support the Authority's Facilities Engineering Department for developing capital projects at the various bus bases. In mid-2006, the Board accelerated the procurement of 249 compressed natural gas (CNG) buses and authorized the development of CNG fueling stations facilities at the Anaheim and Garden Grove bases. The two new CNG projects are managed by Authority staff with the existing backlog of shorter term projects assigned to the consultant. There have also been procurement delays in issuing the ADA bus stop construction contracts which require the continued services of the HMM consultant overseeing these projects.

### ***Discussion***

This procurement was originally handled in accordance with the Authority's procedures for professional and technical services. The original agreement was awarded on a competitive basis. It has become necessary to amend the agreement with HMM to retain staff services to assist in closing out the SR-22 project, manage additional Facilities Engineering Department projects, and to continue implementing the ADA bus stop construction program.

The original agreement, awarded on November 24, 2003, was in the amount of \$3,600,000. This agreement has been amended previously (Attachment A). The total amount after approval of Amendment No. 6 will be \$4,148,000.

### **Fiscal Impact**

The additional work described in Amendment No. 6 to Agreement C-3-0994 was approved in the Authority's Fiscal Year 2006-07 Budget, Development Division, accounts 0010-7519-F7100, 0051-7519-A4201, and 1722-7519-D3107 and is funded through a combination of Local Transportation Authority, Transit Development Reserve, and Orange County Transit District funds.

***Summary***

Based on the material provided, staff recommends approval of Amendment No. 6 in the amount of \$568,000, to Agreement C-3-0994 with Hatch Mott MacDonald.

***Attachment***

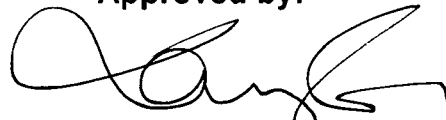
- A. Hatch Mott MacDonald Agreement C-3-0994 Fact Sheet

**Prepared by:**



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Project Controls Manager  
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**Approved by:**



Paul C. Taylor, P.E.  
Executive Director, Development  
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**ATTACHMENT A**

**Hatch Mott MacDonald  
Agreement C-3-0994 Fact Sheet**

1. November 24, 2003, Agreement C-3-0994, \$3,6000,000, approved by Board of Directors.
  - Consultant to provide project management support services and technical expertise to assist in delivering freeway and other transportation related projects.
2. May 24, 2004, Amendment No. 1 to Agreement C-3-0994, \$0, approved by purchasing agent.
  - Add Epic Land Solutions, Southland Geotechnical, and Southern California Soil and Testing as approved sub-consultants.
3. September 29, 2004, Amendment No. 2 to Agreement C-3-0994, \$0, approved by purchasing agent.
  - Add Johnson-Frank and Associates as an approved sub-consultant.
4. March 8, 2005, Amendment No. 3 to Agreement C-3-0994, \$0, approved by purchasing agent.
  - Revise rate schedules to reflect annual salary adjustments.
5. March 15, 2006, Amendment No. 4 to Agreement C-3-0994, \$0, approved by purchasing agent.
  - Revise rate schedules to reflect annual salary adjustments.
6. November 8, 2006, Amendment No. 5 to Agreement C-3-0994, \$0, approved by purchasing agent.
  - Add DR McNatty & Associates as an approved sub-consultant.
7. January 22, 2007, Amendment No. 6 to Agreement C-3-0994, \$568,000, pending approval by Board of Directors.
  - Extend term of agreement by six months to August 31, 2007, and increase maximum obligation to \$4,168,000.

Total committed to Hatch Mott MacDonald, Agreement C-3-0994: \$4,168,000.





BOARD COMMITTEE TRANSMITTAL

*January 22, 2007*

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Garden Grove Freeway (State Route 22) Design-Build Project Update and Construction Contract Change Order No. 10

Regional Planning and Highways Committee

January 15, 2007

**Present:** Directors Amante, Cavecche, Dixon, Glaab, Green, Mansoor, Norby, Pringle, and Rosen  
**Absent:** None

The Committee forwarded this item to the full Board with no recommendation and requested a supplemental report. **(NOTE: this report will be provided to the Board under separate cover prior to the January 22, 2007, Board meeting.)**

***Staff Recommendations***

- A. Authorize the Chief Executive Officer to execute revised Contract Change Order No. 10 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$5,307,424, for full replacement of the Magnolia Street bridge and to establish March 12, 2007, as the contractual substantial completion date for work west of Magnolia Street subject to change for weather and utility, impacts occurring after November 30, 2006.
- B. Authorize the Chief Executive Officer to execute Contract Amendment No. 1 to Agreement C-3-0663 to update the contract language to reflect the addition of Substantial Completion No. 2.
- C. Amend the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, Revenue Account 0010-6062-F7100 by \$5,307,424.





**January 15, 2007**

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Garden Grove Freeway (State Route 22) Design-Build  
Project Update and Construction Contract Change Order No. 10

**Overview**

The Garden Grove Freeway (State Route 22) widening project did not originally include a full replacement of the Magnolia Street bridge to permit a widening of the local street. The City of Garden Grove requested incorporation of complete reconstruction of the Magnolia Street bridge into the current Garden Grove Freeway (State Route 22) widening project as a result of receiving federal funding through reauthorization of the highway bill in July 2005.

Staff seeks approval of a revised change order to incorporate the Magnolia Street bridge reconstruction into the project. Also, an overall project schedule change to reflect this work is requested. The current forecast by the contractor is to open all mainline traffic lanes in April 2007.

**Recommendations**

- A. Authorize the Chief Executive Officer to execute revised Contract Change Order No. 10 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$5,307,424, for full replacement of the Magnolia Street bridge and to establish March 12, 2007, as the contractual substantial completion date for work west of Magnolia Street subject to change for weather and utility, impacts occurring after November 30, 2006.
- B. Authorize the Chief Executive Officer to execute Contract Amendment No. 1 to Agreement C-3-0663 to update the contract language to reflect the addition of Substantial Completion No. 2.
- C. Amend the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, Revenue Account 0010-6062-F7100 by \$5,307,424.

### ***Background***

On October 11, 2001, the Orange County Transportation Authority (Authority) Board of Directors (Board) approved the implementation of Garden Grove Freeway (State Route 22) improvements using the design-build approach. Design-build is an innovative system of contracting under which one entity performs both final engineering design and construction under one contract. In a traditional delivery scenario, these two elements are performed consecutively. In a design-build project, they are performed concurrently resulting in significant time savings.

The State Route 22 (SR-22) high-occupancy vehicle (HOV) project is a partnership between the Authority, the California Department of Transportation (Caltrans), the Federal Highway Administration, the joint venture design builder, Granite-Myers-Rados (GMR), and the cities of Orange, Santa Ana, Garden Grove, Westminster, Seal Beach, and Los Alamitos. The SR-22 project begins just east of the Valley View Street interchange in Garden Grove/Westminster, and continues east to the Costa Mesa Freeway (State Route 55) interchange.

Construction began on September 22, 2004. The original contract called for a number of milestones leading up to final project acceptance, the most significant being the 800-day milestone referred to as substantial completion. Substantial completion is generally defined as the stage in the progress of the project where the project can be used for its intended purpose. In the case of a freeway, that means all lanes open to traffic. In the development sector, this is often referred to as "beneficial occupancy."

### ***Discussion***

On August 19, 2004, the Authority and the City of Garden Grove (City) entered into Cooperative Agreement C-4-0597 defining the terms, conditions, and funding responsibilities for completion of final design and construction of the project and related improvements. One improvement outlined in the agreement was the construction of the Magnolia Street bridge. In accordance with the cooperative agreement, the Authority was to construct the widened portion of the Magnolia Street bridge to accommodate future widening of the underlying Magnolia Street by the City. The existing middle section of the bridge was to remain in place. The Authority agreed to pursue replacing the center section of the bridge in the future when the City widened Magnolia Street. Funding for the center portion was to be the future responsibility of the Authority.

In late July 2005, the City was awarded \$5.2 million plus a 20 percent City match (total available funding equals \$6,240,000) as part of the federal reauthorization of the highway bill. With the appropriation, the City requested the Authority to incorporate full replacement of the Magnolia Bridge into the existing construction project. Incorporation of the work into the existing project has a number of advantages to the traveling public, the Authority, and the City, including:

1. Reduced Construction Cost: Construction cost today is estimated to be approximately a third of a future, stand alone project.
2. Reduced Community Impacts: A future stand alone project would disrupt traffic along the freeway and local community for approximately 18-24 months. Construction as part of the SR-22 project adds an additional four months of impact.
3. City Can Pursue Future Street Widening: Timeliness of construction allows the City to pursue widening the local City street without future reconstruction of a new freeway bridge.

The federal appropriation came 10 months into the construction project. Because of the timing of the federal funding, completing the bridge work before the original 800-day milestone of November 30, 2006, was not possible. Staff began coordinating and working with the City and GMR to quantify the impacts and provide construction options.

Adding the Magnolia Street bridge reconstruction into the project would have resulted in the entire project substantial completion date contractually coinciding with completion of the bridge. An extension of the contract substantial completion date beyond the November 30, 2006, milestone to coincide with a Magnolia Street bridge opening was deemed unacceptable.

Because of the contractual schedule ramifications to the overall project, staff worked with the City and GMR to review the design and construction to reduce to the greatest extent possible the schedule impact. The discussions led to a proposed Contract Change Order (CCO) No. 10 to reconstruct the Magnolia Street bridge. Two viable options emerged: one being a traditional 40-hour, five-day schedule; the other accelerated by working two shifts, six days a week. The completion dates of the two options were June 1, 2007 and March 12, 2007, respectively. On April 10, 2006, the Board approved execution of CCO No. 10, which included the accelerated schedule.

Although the Board authorized the execution of CCO No. 10, the change order could not be executed until the appropriated federal funds were allocated and approved. This occurred on September 20, 2006, and the change order was not executed. Discussions continued with GMR concerning change order language and the re-definition of substantial completion. The proposed revised change order accepts the GMR price proposal of April 3, 2006, and splits the SR-22 widening project into two segments at Magnolia Street for the purposes of defining substantial completion. The major components of the change order are as follows:

1. Accept the GMR cost proposal dated April 3, 2006, for \$5,307,424. The cost includes construction and acceleration.
2. Accept the 102-day schedule impact in the April 3, 2006, GMR proposal to open all mainline traffic lanes west of Magnolia Street by March 12, 2007 allowing additional days to be claimed for utility, weather, and unknown site conditions after November 30, 2006.
3. Maintain the contract date for opening all mainline traffic lanes east of Magnolia Street at November 30, 2006.
4. Allows penalty (liquidated damages) of \$5,000 per day after March, 12, 2007, for work west of Magnolia.
5. The Authority and GMR reserve the right to either submit or reject costs for project overhead and impacts occurring since the April 3, 2006, proposal date.

The proposed revised change order establishes March 12, 2007, as the contract date for completing work under this change order. The actual substantial completion will depend on possible additional days for weather, utilities, and unknown site conditions.

As part of the redefining of the project substantial completion, GMR is presently updating the construction schedule. The current construction forecast by GMR is to open all traffic lanes in April 2007. This schedule is under review by Parsons Transportation Group (the project management consultant) and staff. This schedule will be tabulated and prioritized. Activities that impact local city streets will be reviewed with city staff.



In addition to issuing a change order, a contract amendment is required to revise sections of the contract to define a second substantial completion milestone.

**Fiscal Impact**

The additional work described in CCO No. 10 to Agreement C-3-0663 was approved in the Authority's Fiscal Year 2006-07 Budget, Development Division, Account 0010-9017-F7100-7LJ, and is funded through the Local Transportation Authority (LTA) with subsequent reimbursement by the City.

The reimbursement by the City was not included in the Authority's Fiscal Year 2006-07 Budget and will require a budget amendment to Account 0010-6062-F7100, LTA, Reimbursement from Cities.

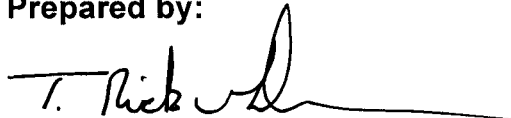
**Summary**

The Authority continues to advance the first project in the State of California to be constructed on an active freeway using the innovative design-build delivery method. Staff recommends approval of the request made by the City of Garden Grove to incorporate the complete reconstruction of the Magnolia Street bridge and approval of Contract Change Order No. 10 to Agreement C-3-0663 with Granite-Myers-Rados.

**Attachment**

- A. Garden Grove Freeway (State Route 22) Major Project Improvement Elements

**Prepared by:**



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**Approved by:**



Paul C. Taylor, P.E.  
Executive Director, Development  
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**Garden Grove Freeway (State Route 22)  
Major Project Improvement Elements**

- High-occupancy vehicle lanes in each direction between Valley View Street and the Costa Mesa Freeway (State Route 55).
- A continuous auxiliary lane in each direction between the San Diego Freeway (Interstate 5) and Beach Boulevard.
- Auxiliary lanes between interchanges at various locations.
- A braid between the southbound Orange Freeway (State Route 57) connector and The City Drive ramps on westbound Garden Grove Freeway (State Route 22) to eliminate the existing weave.
- A collector-distributor road on eastbound State Route 22 (SR-22) between The City Drive and the Santa Ana Freeway (Interstate 5)/SR-22/State Route 57 interchange.
- Various interchange improvements, construction of additional soundwalls, replacement landscaping, and aesthetic enhancements.