

**Date:** Monday, April 14, 2008

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

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



## **BOARD AGENDA**

Orange County Transportation Authority Board Meeting  
OCTA Headquarters  
First Floor - Room 154, 600 South Main Street  
Orange, California  
*Monday, April 14, 2008, 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 Bates

### **Pledge of Allegiance**

Director Rosen

### **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.





## **BOARD AGENDA**

ACTIONS

### **Special Matters**

- 1. Public Hearing on Proposed Service Changes**  
Scott Holmes/Beth McCormick

#### ***Overview***

The purpose of the April 14, 2008, public hearing is to receive public comment and input regarding service change proposals involving three existing Orange County Transportation Authority bus routes and the implementation of two new routes. Fully executed, the program would require about 3,600 additional annual revenue vehicle hours at a net cost of approximately \$210,000 annually. It is estimated these changes would generate up to 51,000 additional annual boardings.

#### ***Recommendations***

- A. Conduct the public hearing on April 14, 2008, and receive public comment regarding the proposed bus service changes.
- B. Direct staff to return to the Board of Directors on April 28, 2008, with results of the public hearing and final recommendations.

### **Consent Calendar (Items 2 through 29)**

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**

- 2. Approval of Minutes - Special Meeting**

Of the Orange County Transportation Authority and affiliated agencies' special meeting of March 24, 2008.

- 3. Approval of Minutes - Regular Meeting**

Of the Orange County Transportation Authority and affiliated agencies' regular meeting of March 24, 2008.



## **BOARD AGENDA**

*ACTIONS*

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

Approval is requested for Vice Chairman Buffa to travel April 15-20, 2008, and Director Carolyn Cavecche to travel April 15-19, 2008, to Washington, D.C., to attend the Orange County Business Council (OCBC) Mobility 21 Conference.

### **5. Audit, Assessments, and Studies**

Kathleen M. O'Connell

#### ***Overview***

At the request of the Finance and Administration Committee, information regarding audits, assessments, and studies performed on projects, programs, departments, or functions of the Orange County Transportation Authority is being provided. For the four fiscal years ended June 30, 2008, approximately \$8 million has been invested in audits, assessments and studies.

#### ***Recommendation***

Receive and file as an information item.

### **6. Review of Investment Activities July 1 through December 31, 2007**

Kathleen M. O'Connell

#### ***Overview***

The Internal Audit Department has completed a review of investment activities for the period July 1, 2007, through December 31, 2007. Based on the review, it appears that the Orange County Transportation Authority is in compliance with its debt, investment and accounting policies and procedures. However, Internal Audit did make one recommendation regarding the quarterly debt and investment reports.

#### ***Recommendation***

Receive and file the Investment Activities July 1, 2007, through December 31, 2007, Internal Audit Report No. 08-012.



## BOARD AGENDA

ACTIONS

**7. State Legislative Status Report**  
Manny Leon/P. Sue Zuhlke

***Overview***

One bill amending the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century is recommended for a seek amendments position.

***Recommendation***

Adopt the following recommended position on legislation:

Seek amendments to AB 3034 (Galgiani, D-Stockton)

- The current Los Angeles Union Station-Irvine segment should include the City of Anaheim as the Los Angeles Union Station-Anaheim Irvine segment.
- For clarification, the Fresno-Irvine segment be redefined as the Fresno Bakersfield-Palmdale-Los Angeles Union Station segment, since the Los Angeles Union Station-Anaheim-Irvine segment is listed as a separate segment.
- Any excess revenue should be used for the repayment of high-speed rail bonds. Any remaining amounts above bond repayment should be directed to intercity, commuter, and urban rail systems to improve connectivity to the high-speed train system.



## **BOARD AGENDA**

ACTIONS

**8. Federal Legislative Status Report**  
Richard J. Bacigalupo

***Overview***

This Federal Legislative Status Report provides information regarding the fuel excise tax credit available to the Orange County Transportation Authority for the use of certain alternative fuels and seeks support for the continued availability of this tax credit.

***Recommendation***

Support the continuation of the fuel excise tax credit made available for compressed natural gas and liquefied natural gas under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users and authorize letters of support for extension of the tax credit.

**9. Funding Agreements with the Orange County Employees Retirement System to Continue Existing Supplemental Retirement Benefit**  
Rodney Johnson/James S. Kenan

***Overview***

The Orange County Transportation Authority currently provides a supplemental retirement benefit known as the Additional Retiree Benefit Account for eligible retired employees who are members of the Orange County Employees Retirement System. The Memorandum of Understanding between the Orange County Transportation Authority and the Orange County Employees Retirement System governing the funding and administration of the Additional Retiree Benefit Account terminated December 31, 2007. However, the Orange County Employees Retirement System will continue to act as paying agent and investment manager for the Additional Retiree Benefit Account, so long as the Orange County Transportation Authority establishes and funds the benefit through a trust and enters into a new agreement with the Orange County Employees Retirement System pursuant to California Government Code Sections 31694 et seq.



## BOARD AGENDA

ACTIONS

### 9. (Continued)

#### *Recommendations*

- A. Approve and adopt the Additional Retiree Benefit Account Plan, appoint the Executive Director, Finance, Administration and Human Resources of the Orange County Transportation Authority to be administrator of the Additional Retiree Benefit Account Plan, and authorize the Chief Executive Officer and the administrator to execute the Additional Retiree Benefit Account Plan.
- B. Designate all Orange County Transportation Authority employment classifications as an eligible classification pursuant to the terms of the Additional Retiree Benefit Account Plan.
- C. Approve and adopt Resolution No. 2008-17, establishing a trust for the sole purpose of funding benefits provided under one or more post-employment group health, life, welfare, or other supplemental benefit plans in accordance with Article 8.6 of the County Employees Retirement Law of 1937, California Government Code Sections 31694 et seq., appointing the Executive Director, Finance, Administration and Human Resources of the Orange County Transportation Authority as trustee of the trust, and authorizing the Chief Executive Officer and trustee to execute the Declaration of Trust of the Orange County Transportation Authority post-employment benefits trust account.
- D. Approve the Orange County Transportation Authority post-employment benefits trust account third-party administrative services and investment management agreement between the Orange County Transportation Authority and the Orange County Employees Retirement System and authorize the Chief Executive Officer and the Executive Director, Finance, Administration and Human Resources to execute said agreement.
- E. Authorize the Executive Director, Finance, Administration and Human Resources, as trustee of the trust, to enter into a Grantor Trust Agreement with Barclays Global Investors, N.A., in a form approved by General Counsel, to facilitate investment of the trust assets through the Orange County Employees Retirement System.



## BOARD AGENDA

ACTIONS

### 9. (Continued)

- F. Authorize the Executive Director, Finance, Administration and Human Resources to fund the Additional Retiree Benefit Account Plan with reserves previously set aside for self-funded health care claims in the approximate amount of \$6.7 million.

### 10. **Small Business Conference and Vendor Fair**

Virginia Abadessa/James S. Kenan

#### *Overview*

Over the past six years, the Orange County Transportation Authority has hosted an annual small business conference and vendor fair. The event has attracted hundreds of vendors to participate and network with the Orange County Transportation Authority's Board of Directors, executive management, and procurement staff.

#### *Recommendation*

Approve the replacement of the Small Business Conference and Vendor Fair with an open house format to be hosted at the Orange County Transportation Authority's administrative office.

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

### 11. **Agreement with the California State University, Fullerton for Demographic Services for Fiscal Year 2008-09**

Kurt Brotcke/Kia Mortazavi

#### *Overview*

The Center for Demographic Research at California State University, Fullerton develops population, employment, and other demographic projections used by the Orange County Transportation Authority for transportation planning studies. A recommendation to continue this arrangement and fund the effort is provided for the Board of Directors review and approval.



## BOARD AGENDA

ACTIONS

11. (Continued)

*Recommendation*

Authorize the Chief Executive Officer to exercise the second one-year option for services of the Center for Demographic Research during fiscal year 2008-09 and execute Amendment No. 3 to Agreement No. C-6-0191 between the Orange County Transportation Authority and the California State University, Fullerton Auxiliary Services Corporation, in an amount not to exceed \$122,943, contingent upon Board of Directors' approval of the Orange County Transportation Authority's Fiscal Year 2008-09 Budget.

12. **Cooperative Agreement with the City of Buena Park for Shuttle Bus Service from the Buena Park Metrolink Station to the Fullerton Park-and-Ride Facility**

Abbe McClenahan/Kia Mortazavi

*Overview*

The Orange County Transportation Authority proposes to enter into a cooperative agreement with the City of Buena Park to establish roles and responsibilities for implementation of shuttle bus service between the Buena Park Metrolink Station and the Fullerton Park-and-Ride facility during peak commute hours for a one-year demonstration period.

*Recommendation*

Authorize the Chief Executive Officer to enter into Cooperative Agreement No. C-8-0498 between the Orange County Transportation Authority and the City of Buena Park, in an amount not to exceed \$225,000, for funding of shuttle bus service during peak commute hours between the Buena Park Metrolink Station and the Fullerton Park-and-Ride facility.



## BOARD AGENDA

ACTIONS

### Orange County Transit District Consent Calendar Matters

13. **Bus Advertising Program Contract Compliance and Operational Review**  
Kathleen M. O'Connell

**Overview**

The Internal Audit Department has completed a contract compliance and operational review of the Orange County Transportation Authority's bus advertising program. Two recommendations were made to strengthen internal controls over revenue monitoring. Management staff has indicated the recommendations contained in the report will be implemented or otherwise satisfactorily addressed.

**Recommendation**

Direct staff to implement the recommendations in the Bus Advertising Program Contract Compliance and Operational Review, Internal Audit Report No. 07-015.

14. **Operations Training Program Operational Audit**  
Kathleen M. O'Connell

**Overview**

The Internal Audit Department has completed an operational audit of the Orange County Transportation Authority's Operations Training Program. Five recommendations were made to strengthen internal controls over the training program and improve operational efficiency. Management has indicated the recommendations contained in the report will be implemented or otherwise satisfactorily addressed.

**Recommendation**

Direct staff to implement the recommendations in the Operations Training Program Operational Audit, Internal Audit Report No. 07-019.





## **BOARD AGENDA**

### *ACTIONS*

- 15. Cooperative Agreements for Provision of Senior Transportation to Congregate Meal Sites**  
Dana Wiemiller/Beth McCormick

#### ***Overview***

The Orange County Transportation Authority proposes to enter into a new cooperative agreement with the Orange County Office on Aging and amend existing contracts with cities participating in the Special Agency Transportation program. Cooperative agreements are required to confirm roles, responsibilities, and process for the provision of senior transportation to congregate meal sites.

#### ***Recommendations***

- A. Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-8-0224 between the Orange County Transportation Authority and the Orange County Office on Aging for its share of the program expense for the provision of senior transportation to congregate meal sites in an amount not to exceed \$340,000, through June 30, 2009.
- B. Authorize the Chief Executive Officer to execute amendments to agreements with ten participating cities for the cities share of the program expense through June 30, 2009, based on the Orange County Office on Aging allocation, for a total amount not to exceed \$120,000.
- 16. Amendment to Agreement for Special Agency Transportation Service**  
Dana Wiemiller/Beth McCormick

#### ***Overview***

On April 12, 2004, the Board of Directors approved an agreement with American Logistics, Inc., formerly doing business as Cabco Yellow, Inc., in the amount of \$450,335, to provide special agency transportation service. The current agreement will expire on June 30, 2008. Board of Directors' approval is required to exercise the second option term and extend the agreement through June 30, 2009.



## BOARD AGENDA

ACTIONS

16. (Continued)

***Recommendation***

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement No. C-3-1284 between the Orange County Transportation Authority and American Logistics, Inc., in an amount not to exceed \$498,606, for the provision of special agency transportation service through June 30, 2009, bringing the total contract value to \$2,061,142.

17. **Amendment to Agreement with Trapeze Software Group, Inc.**

Patrick Sampson/Beth McCormick

***Overview***

On May 4, 1999, the Board of Directors approved an agreement with Trapeze Software Group, Inc., to provide paratransit scheduling software. The Board of Directors later approved amendments to this agreement to include Trapeze mobile data computers, supervisor mobile data computers, and on-board mapping software as part of the Trapeze PASS scheduling software package licensed to the Orange County Transportation Authority. Approval is requested for the purchase of additional Trapeze software applications and licensing.

***Recommendation***

Authorize the Chief Executive Officer to execute Amendment No. 8 to Agreement No. C-9-0008 between the Orange County Transportation Authority and Trapeze Software Group, Inc., for the purchase of Trapeze Certification and Suspension software licensing, implementation services, and technical support, for a maximum obligation of \$140,000.

18. **Amendment to Agreement for Mobility Planning Services**

Gracie Davis/Beth McCormick

***Overview***

On June 12, 2006, the Board of Directors approved an agreement with Transit Access, in the amount of \$235,335, to provide mobility planning services. The mobility planning service is training that teaches senior citizens and persons with disabilities to use the fixed route bus system. An amendment is necessary to exercise the first option term of the agreement.



## BOARD AGENDA

ACTIONS

18. (Continued)

***Recommendation***

Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement No. C-5-3038 between the Orange County Transportation Authority and Transit Access, in an amount not to exceed \$247,645, for mobility planning services through June 30, 2010, for a total contract value of \$482,980.

19. **Amendment to Agreement for Provision of Same-Day Taxi Service**  
Sharon Long/Beth McCormick

***Overview***

On May 26, 2005, the Board of Directors approved an agreement with Yellow Cab of Greater Orange County, to provide same-day taxi service for ACCESS eligible customers. Board of Directors' approval is required to exercise the third option year of this agreement.

***Recommendation***

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement No. C-5-2376 between the Orange County Transportation Authority and Yellow Cab of Greater Orange County, in an amount not to exceed \$169,725, for the provision of same-day taxi service for a total contract value of \$592,860.

20. **Amendment to Agreement for Underground Storage Tank Testing and Repair Services**  
Ryan Erickson/Beth McCormick

***Overview***

On June 12, 2006, the Board of Directors approved an agreement with Inland Petroleum Equipment and Repair, Inc., for a maximum obligation of \$100,000, to provide underground storage tank testing and repair service for a one-year period with two option years. It is time to consider exercising the second option year.



## BOARD AGENDA

ACTIONS

20. (Continued)

***Recommendation***

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement No. C-6-0178 between the Orange County Transportation Authority and Inland Petroleum Equipment and Repair, Inc., to exercise the second option term at a cost of \$200,000, for underground storage tank testing and repair service, for a total contract value of \$468,000.

21. **Agreement for the Replacement of the Overhead Doors in the Maintenance Building at the Garden Grove Base**

Ryan Erickson/Beth McCormick

***Overview***

Due to normal wear and damage over 30 years, the 22 overhead doors in the maintenance building at the Garden Grove Base require frequent maintenance. Parts are now obsolete and downtime has become excessive. The replacement of these doors will improve the aesthetics of the building and safety of the employees, and reduce recurring maintenance costs associated with repairs.

***Recommendations***

- A. Recommendation to find the low bidder non-responsive.
- B. Authorize the Chief Executive Officer to execute Agreement No. C-7-1440 between the Orange County Transportation Authority and Laguna Overhead Ltd; doing business as Precision Door Service, for a maximum obligation of \$107,000, for replacement of 22 overhead doors.



## BOARD AGENDA

ACTIONS

22. **Agreement to Purchase Non-Revenue Hybrid Electric Vehicles**  
Connie Raya/Beth McCormick

### *Overview*

The Orange County Transportation Authority currently operates 90 automobiles used to relieve coach operators in the field. In addition, nine support vehicles are required to provide transportation for staff at the operations bases and the administration building. The lease of these 99 vehicles will end on August 31, 2008. A new contract is needed in order to provide uninterrupted service.

### *Recommendation*

Authorize the Chief Executive Officer to execute Agreement No. C-7-1389 between the Orange County Transportation Authority and Longo Toyota, in an amount not to exceed \$2,381,559, to purchase 93 company equipment assigned vehicles and provide maintenance for a period of up to five years or 100,000 miles.

23. **Amendment to Agreement for Test and Operation Gases for Natural Gas Buses and Facilities**  
Connie Raya/Beth McCormick

### *Overview*

On June 11, 2007, the Board of Directors approved an agreement with Cameron Welding Supply, in the amount of \$60,000, for a one-year term with four one-year options, to provide test and operation gases used by the Maintenance Department for natural gas leak detection in buses and Orange County Transportation Authority-owned natural gas facilities.

### *Recommendation*

Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement No. C-7-0746 between the Orange County Transportation Authority and Cameron Welding Supply, to exercise the four option terms in an amount not to exceed \$440,000, for test and operation gases for natural gas buses and facilities, for a new maximum obligation of \$500,000.



## BOARD AGENDA

ACTIONS

24. **Amendment to Agreement for Towing Services**  
Connie Raya/Beth McCormick

**Overview**

On May 22, 2006, the Board of Directors approved an agreement with Hadley Tow, in the amount of \$140,000, to provide towing services for the revenue and non-revenue fleet for a one-year period with two option years. It is time to consider exercising the final option year.

**Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement No. C-6-0016 between the Orange County Transportation Authority and Hadley Tow, to exercise the final option year in an amount not to exceed \$130,000, for a total contract value of \$400,000.

25. **Amendment to Agreement for Automotive Shop Supplies**  
Connie Raya/Beth McCormick

**Overview**

On May 29, 2007, the Board of Directors approved an agreement with Shamrock Supply Company, Inc., in the amount of \$80,000, to provide automotive shop supplies used in the maintenance and repair of fixed route buses and support vehicles. It is time to consider exercising both option years.

**Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement No. C-7-0516 between the Orange County Transportation Authority and Shamrock Supply Company, Inc., to exercise both option years in an amount not to exceed \$167,272, for automotive shop supplies, for a maximum obligation of \$247,272.



## BOARD AGENDA

ACTIONS

**26. Agreement for Construction of Pavement Striping and Joint Sealant at the Santa Ana Base**

James J. Kramer/Kia Mortazavi

***Overview***

The Orange County Transportation Authority needs to restripe a portion of the Santa Ana Base to provide additional bus parking spaces. In addition, repairs to joint sealant are needed. Bids to do this work were received in accordance with the Orange County Transportation Authority's public works procurement procedures. The project is ready for construction and Board of Directors' authorization is requested.

***Recommendation***

Authorize the Chief Executive Officer to execute Agreement No. C-7-1488 between the Orange County Transportation Authority and Thomco Construction, Inc., the lowest responsive, responsible bidder, in an amount not to exceed \$109,000, for the construction of pavement striping and joint sealant at the Santa Ana Base.

**27. Agreement for Construction of Compressed Natural Gas Building Modifications at the Irvine Sand Canyon Base**

James J. Kramer/Kia Mortazavi

***Overview***

On January 28, 2008, the Orange County Transportation Authority Board of Directors approved the release of Invitation for Bids 8-0055 for construction of compressed natural gas building modifications at the Irvine Sand Canyon Base. Bids were received in accordance with the Orange County Transportation Authority's public works procurement procedures. The project is ready for construction and Board of Directors' authorization is requested.

***Recommendations***

- A. Amend the Orange County Transportation Authority's Fiscal Year 2007-08 Budget by \$1,690,960 for construction of compressed natural gas building modifications at the Irvine Sand Canyon Base.



## BOARD AGENDA

ACTIONS

**27. (Continued)**

- B. Authorize the Chief Executive Officer to execute Agreement No. C-8-0055 between the Orange County Transportation Authority and Amtek Construction, the lowest responsive, responsible bidder, in an amount not to exceed \$1,690,960, for compressed natural gas building modifications at the Irvine Sand Canyon Base.

**28. Marketing Update on Bus Rapid Transit Bus Decals and Orange County Fair Outreach**

Stella Lin/Ellen S. Burton

***Overview***

Two marketing program updates are being presented. The first is a recommendation to modify vehicle graphics for the Bravo! bus rapid transit service to increase the useful life of decals. The second is an update on the Orange County Fair marketing program.

***Recommendations***

- A. Approve a modification to the placement of the Bravo! decals on buses.
- B. Receive and file an update on the Orange County Fair marketing program.

**29. Local Transportation Fund Claims for Fiscal Year 2008-09**

William Dineen, Jr./James S. Kenan

***Overview***

The Orange County Transit District is eligible to receive funding from the Local Transportation Fund for providing public transportation services throughout Orange County. In order to receive these funds, the Orange County Transit District, as the public transit and community transit services operator, must file claims with the Orange County Transportation Authority, the transportation planning agency for Orange County.





## **BOARD AGENDA**

ACTIONS

### **29. (Continued)**

#### ***Recommendation***

Adopt Orange County Transit District Resolution No. 2008-08 authorizing the filing of Local Transportation Fund claims, in the amounts of \$98,226,084, to support public transportation, and \$5,227,300, for community transit services, including operation of the Senior Mobility Program.

## **Regular Calendar**

### **Orange County Transit District Regular Calendar Matters**

#### **30. Agreement for an Electronic Time and Attendance Tracking System**

Connie Raya/Beth McCormick

#### ***Overview***

As part of the Orange County Transportation Authority's Fiscal Year 2007-08 Budget, the Board of Directors approved the purchase of an electronic time and attendance tracking system for the Maintenance Department. Proposals were received in accordance with the Orange County Transportation Authority's fixed assets procurement procedures.

#### ***Recommendation***

Authorize the Chief Executive Officer to execute Agreement No. C-7-1118 between the Orange County Transportation Authority and Kronos, in an amount not to exceed \$457,287, for a comprehensive electronic time and attendance tracking system.

#### **31. Cooperative Agreement with Community SeniorServ**

Dana Wiemiller/Beth McCormick

#### ***Overview***

The Orange County Transportation Authority proposes to enter into a cooperative agreement with Community SeniorServ. A cooperative agreement is required to establish roles, responsibilities, and process for a cost sharing arrangement to provide alternative transportation services for ACCESS riders attending Community SeniorServ facilities.



## BOARD AGENDA

ACTIONS

31. (Continued)

***Recommendation***

Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-8-0690 between the Orange County Transportation Authority and Community SeniorServ, in an amount not to exceed \$2,646,400, to share in the cost of providing transportation services through June 30, 2010.

32. **Cooperative Agreement with Alzheimer's Family Services**

Dana Wiemiller/Beth McCormick

***Overview***

The Orange County Transportation Authority proposes to enter into a cooperative agreement with Alzheimer's Family Services. A cooperative agreement is required to establish roles, responsibilities, and process for a cost sharing arrangement to provide alternative transportation services for ACCESS riders attending Alzheimer's Family Services.

***Recommendation***

Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-8-0688 between the Orange County Transportation Authority and Alzheimer's Family Services, in an amount not to exceed \$283,968, to share in the cost of providing transportation services through June 30, 2010.

33. **Cooperative Agreement with Acacia Adult Day Services**

Dana Wiemiller/Beth McCormick

***Overview***

The Orange County Transportation Authority proposes to enter into a cooperative agreement with Acacia Adult Day Services. A cooperative agreement is required to establish roles, responsibilities, and process to continue providing alternative transportation services to ACCESS riders attending the Acacia Adult Day Services program. This program supports the objectives of the Paratransit Growth Management Plan, which was adopted by the Board of Directors in October 2004.



## **BOARD AGENDA**

*ACTIONS*

**33. (Continued)**

***Recommendation***

Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-8-0517 between the Orange County Transportation Authority and Acacia Adult Day Services, in an amount not to exceed \$1,411,200, to share in the cost of providing transportation services through June 30, 2010.

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

**34. Cooperative Agreement with the California Department of Transportation and Release of Request for Proposals for Project Report and Environmental Services for the San Diego Freeway (Interstate 405) Widening Project**

Rose Casey/Kia Mortazavi

***Overview***

The San Diego Freeway (Interstate 405) widening project will add new lanes from the Costa Mesa Freeway (State Route 55) to the San Gabriel River Freeway (Interstate 605). A draft cooperative agreement has been prepared that outlines the roles and responsibilities of the Orange County Transportation Authority and the California Department of Transportation for the project approval and environmental document phase of the project. Staff has also developed a draft request for proposals to initiate a competitive procurement process to retain a consultant team to prepare the project report and environmental document for the project.

***Recommendations***

- A. Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-7-1483 between the Orange County Transportation Authority and the California Department of Transportation for the San Diego Freeway (Interstate 405) widening project.
- B. Approve the proposed evaluation criteria and weightings for consultant selection.
- C. Approve the release of Request for Proposals 8-0693 for consultant services to prepare the project report and environmental document.



## **BOARD AGENDA**

*ACTIONS*

### **Discussion Items**

- 35. Pacific Electric Right-of-Way Virtual Tour**  
Kurt Brotcke/Kia Mortazavi

- 36. Cities of Santa Ana and Garden Grove Transit Vision and Go Local Project Concepts**

Presentation by Jim Ross, City of Santa Ana, and Kia Mortazavi

- 37. 91 Express Lanes Protected Plates**

- 38. 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.

- 39. Chief Executive Officer's Report**

- 40. Directors' Reports**

- 41. Closed Session**

A Closed Session is not scheduled.

- 42. Adjournment**

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on April 28, 2008**, at the OCTA Headquarters.





**April 14, 2008**

**To:** Members of the Board of Directors  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Public Hearing on Proposed Service Changes

**Overview**

The purpose of the April 14, 2008, public hearing is to receive public comment and input regarding service change proposals involving three existing Orange County Transportation Authority bus routes and the implementation of two new routes. Fully executed, the program would require about 3,600 additional annual revenue vehicle hours at a net cost of approximately \$210,000 annually. It is estimated these changes would generate up to 51,000 additional annual boardings.

**Recommendations**

- A. Conduct the public hearing on April 14, 2008, and receive public comment regarding the proposed bus service changes.
- B. Direct staff to return to the Board of Directors on April 28, 2008, with results of the public hearing and final recommendations.

**Background**

The proposed service changes focus on major modifications to two existing bus routes, the implementation of two new bus routes, and the discontinuation of one bus route due to very low ridership. The changes are proposed as part of the Orange County Transportation Authority's (Authority) ongoing efforts to improve local and regional connections, increase ridership, and improve resource utilization. Resources for the proposed changes will be included in the fiscal year 2008-09 budget submittal that will be considered by the Board of Directors in June 2008.

**Discussion**

The proposals are based on publicly generated input through outreach efforts, transit studies included in the City of Irvine's Irvine Business Complex (IBC) transportation plans, customer and coach operator comments, and analysis by staff.

The proposals have been reviewed by the Citizens' Advisory Committee, Special Needs in Transit Committee, System Improvement Team, and Service Review Committee. The final staff recommendations will include consideration of additional public input received through April 14, 2008, the public hearing date.

A public hearing is required as the changes are considered significant per the public hearing process for service changes adopted by the Authority's Board of Directors (Attachment A). The individual route proposals are described below:

<b>ROUTE</b>	<b>SERVICE TO/FROM</b>	<b>SUMMARY OF PRELIMINARY RECOMMENDATIONS</b>
470	Tustin Metrolink Station to John Wayne Airport	Concurrent with the implementation of IBC Shuttles A and B to be operated by the City of Irvine, realign service via Harvard Avenue to a new terminal at University of California, Irvine (UCI); renumber as Route 473. Regular local and Metrolink fare structures would continue to apply.
471	Tustin Metrolink Station to Irvine	Concurrent with the implementation of IBC Shuttles A and B to be operated by the City of Irvine, realign service via Red Hill Avenue and MacArthur Boulevard to the existing terminal at Fairchild Road; renumber as Route 472. Regular local and Metrolink fare structures would continue to apply.
671	Anaheim/Orange to Orange County Fair	For four weekends in July and August 2008, implement a new route from the Anaheim Canyon Metrolink Station, the Tustin/Lincoln Park and Ride in Orange to the Orange County Fair. Regular fares would apply.
686	Irvine Transportation Center to Irvine Spectrum	Discontinue service which operates weekends only due to low ridership.
792	Riverside/Corona to Anaheim Express	Weekdays only, implement a new intercounty express route and alternate route linking Riverside and Corona with Anaheim Canyon Metrolink Station, Downtown Anaheim, and the Anaheim Resort area. The regular intercounty express fare of \$3.75 would apply.

Attachment B is a map showing the existing routes 470 and 471 and the City of Irvine's IBC shuttle routes A and B. Attachment C is a map showing proposed Authority routes 472 and 473 and IBC shuttle routes A and B. Attachment D is

a map showing proposed new Route 671 linking the cities of Anaheim and Orange with the Orange County Fairgrounds and the four other existing Fair routes. Attachment E is a map showing Route 686 which is proposed to be discontinued. Attachment F is a map showing proposed new OC Express Route 792 linking Riverside County origins with destinations in Anaheim. In the future, Route 792 will be modified to serve the Anaheim Regional Transportation Intermodal Center in the future.

A summary of estimated resource and ridership impacts for the proposed changes is presented in Attachment G.

Implementation dates for the actions described above vary. Following review of the public comment and with the approval of the Board of Directors, the changes to routes 470, 471, and 686 would be implemented June 8, 2008. The implementation of Route 671 would be scheduled to coincide with the weekend dates for the Orange County Fair, starting in July and ending in August 2008, for four consecutive weekends. The implementation date for Route 792 is pending due to the arrival of buses on order and the negotiation of a shared cost agreement with the Riverside Transit Agency.

A Notice of Public Hearing (Attachment H) was advertised in Orange County newspapers on March 15, 2008. Notices regarding the public hearing were conveyed to public officials, colleges, and universities in March as well. Information regarding the public hearing was distributed on board Authority buses and posted on the Authority website.

#### **Next Steps**

After review of the input received through the public hearing date on April 14, 2008, Authority staff will return on April 28, 2008, with final recommendations for consideration by the Board of Directors.

#### **Summary**

Fully executed, the proposed service changes would require approximately 3,600 annual revenue vehicle hours at an estimated net cost of approximately \$210,000. It is estimated the changes would generate up to 51,000 additional boardings annually. Staff will return with final recommendations for consideration by the Board of Directors on April 28, 2008.



**Attachments**

- A. Public Hearing Process for Service and Fare Changes Policy
- B. Map of Proposed IBC Shuttle Routes and Routes 470 and 471
- C. Map of Proposed IBC Shuttle Routes and Routes 472 and 473
- D. Map of Proposed Route 671 and Orange County Fair Flyer Routes
- E. Map of Route 686
- F. Map of Proposed Route 792 Express Service
- G. Summary of Resource and Ridership Impacts for Proposed Changes
- H. Notice of Public Hearing

**Prepared by:**



Scott Holmes  
Manager, Service Planning and  
Customer Advocacy  
(714) 560-5710

**Approved by:**



Beth McCormick  
General Manager, Transit  
(714) 560-5964



POLICY  
&  
PROCEDURE  
MANUAL

# PUBLIC HEARING PROCESS FOR SERVICE AND FARE CHANGES POLICY

POLICY #: 520.02
ORIGINATION DATE: 07/20/07
REVISION DATE: 01/02/08
PAGE 1 OF 2

## I. Purpose

Public hearings to consider proposed fare and major service changes are key elements of the decision making process used by the Board of Directors to assess the potential impact proposals may have on the Orange County Transportation Authority's (Authority) riders and the residents of Orange County.

## II. Public Hearings

Public Hearings will be scheduled by the Authority's Board of Directors for fare and major service change proposals as described below.

## III. Fares

Changes in fares and fare media pricing are subject to public hearing requirements with the exception of the following:

- One day reduced fare
- Free fare promotions

## IV. Major Service Changes

A major service change is any change or series of changes that directly affect:

- 25% or more of the number of transit route miles of a route
- 25% or more of the transit revenue vehicle miles of a route computed on a daily basis for the day of the week for which the change is made
- 25% or more of the route miles and/or revenue vehicle miles of a transit route accumulated over a series of changes made within a single fiscal year
- the implementation of a new transit route

### APPROVAL

*Arthur J. Leahy*  
Chief Executive Officer

*1-03-08*  
Date

Service changes that are exempt from public hearings include:

- Standard seasonal variations
- Changes instituted in response to an emergency situation in effect for 90-days or less
- Experimental service changes instituted for 180 days or less

The foregoing does not preclude the Board of Directors from setting a public hearing on any other matter associated with fares and service that it chooses.

#### **V. Hearing Setting Requirements**

Prior to the institution of a fare change or a major service change, a notice of intent to hold the public hearing will be published in a newspaper of general circulation in the urbanized area. The notice will also be published in newspapers oriented to specific groups or neighborhoods that may be affected.

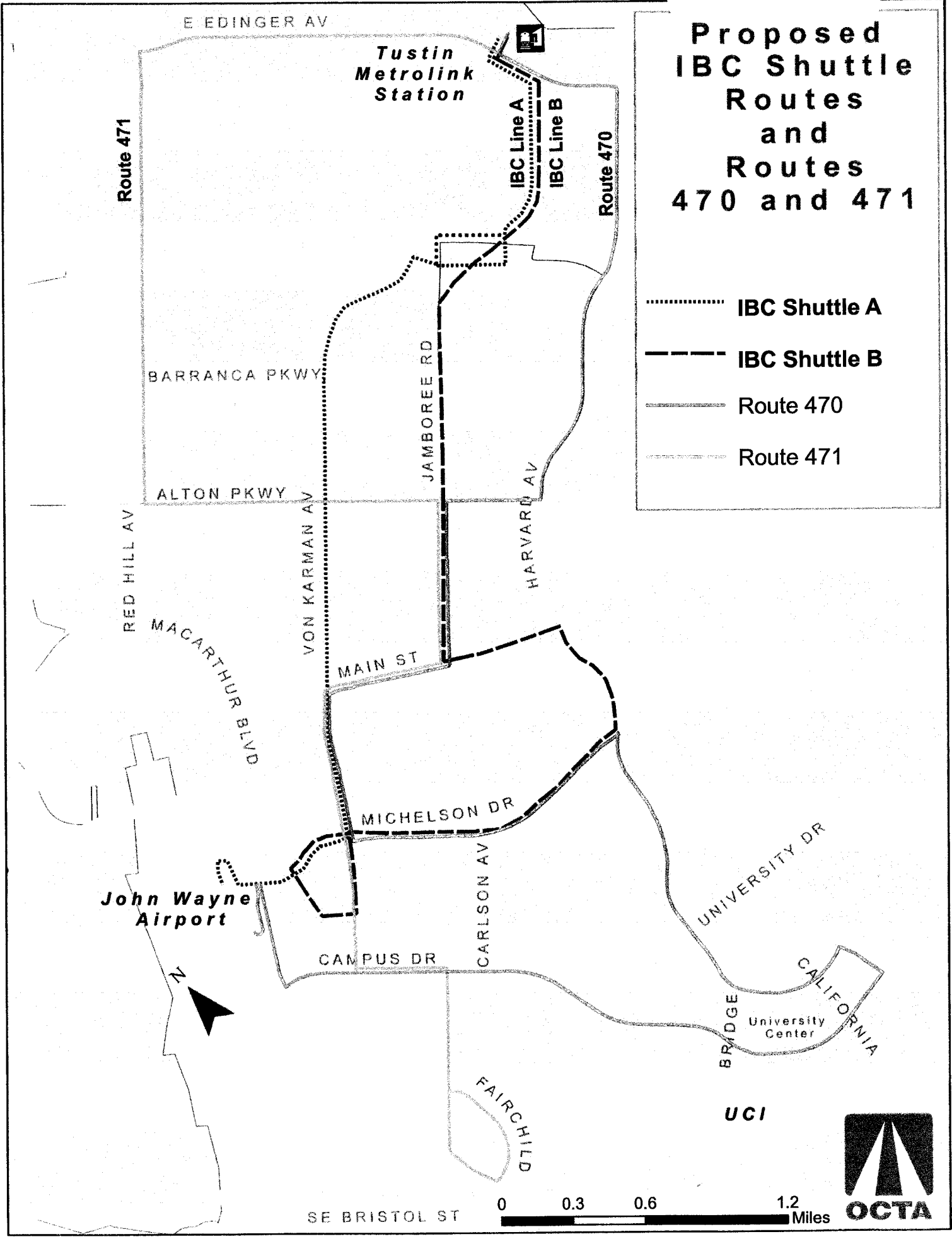
The notice will be published at least 30-days prior to the hearing.

The notice will contain descriptions of the changes and the time and place of the hearing.

**END OF POLICY**


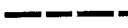

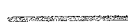
# Proposed IBC Shuttle Routes and Routes 470 and 471

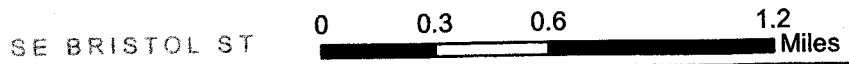
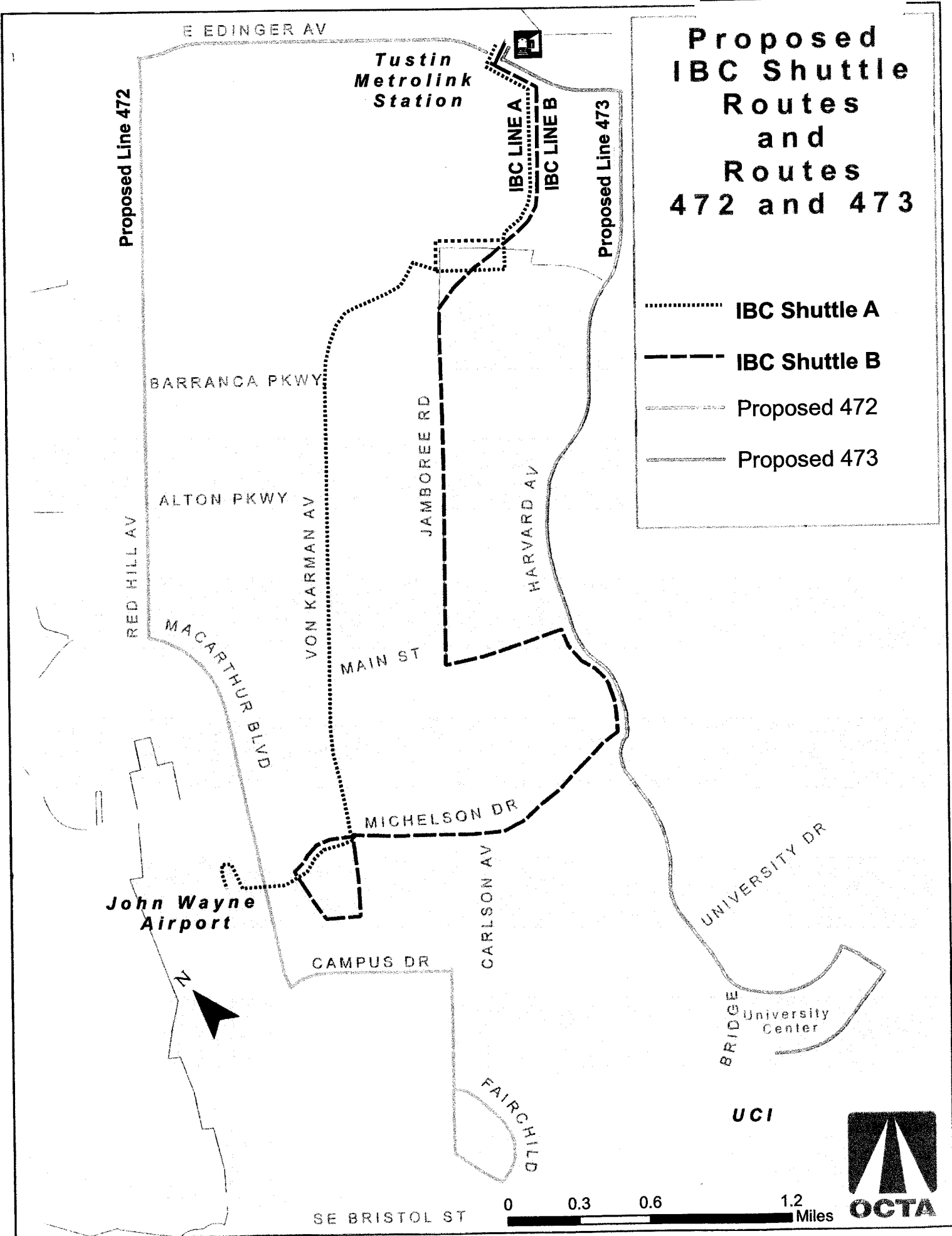
- ..... IBC Shuttle A
- IBC Shuttle B
- \_\_\_\_\_ Route 470
- \_\_\_\_\_ Route 471





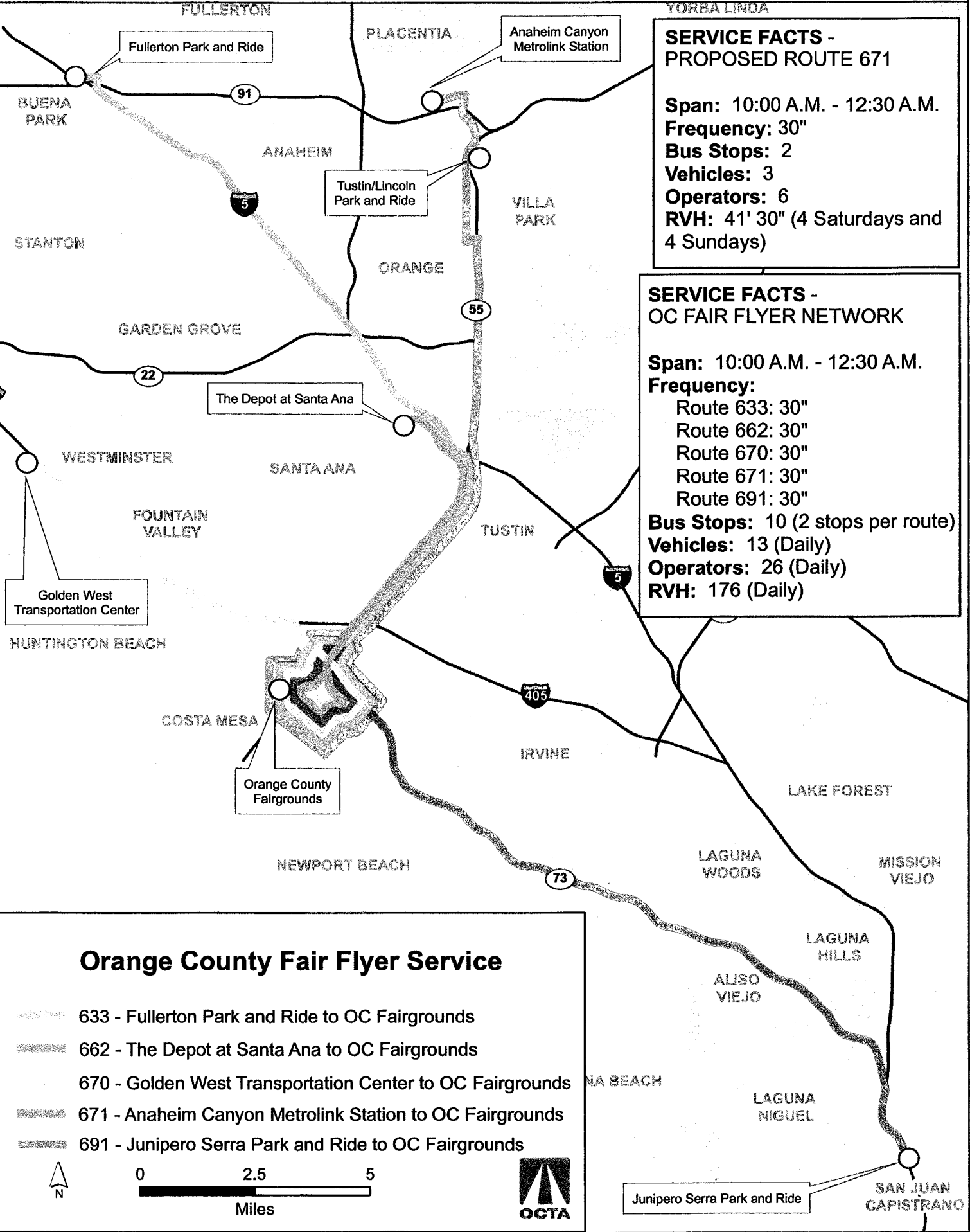
# Proposed IBC Shuttle Routes and Routes 472 and 473

-  IBC Shuttle A
-  IBC Shuttle B
-  Proposed 472
-  Proposed 473





Proposed Route 671 and Orange County Fair Flyer Routes



**SERVICE FACTS - PROPOSED ROUTE 671**

**Span:** 10:00 A.M. - 12:30 A.M.  
**Frequency:** 30"  
**Bus Stops:** 2  
**Vehicles:** 3  
**Operators:** 6  
**RVH:** 41' 30" (4 Saturdays and 4 Sundays)

**SERVICE FACTS - OC FAIR FLYER NETWORK**

**Span:** 10:00 A.M. - 12:30 A.M.  
**Frequency:**  
 Route 633: 30"  
 Route 662: 30"  
 Route 670: 30"  
 Route 671: 30"  
 Route 691: 30"  
**Bus Stops:** 10 (2 stops per route)  
**Vehicles:** 13 (Daily)  
**Operators:** 26 (Daily)  
**RVH:** 176 (Daily)

**Orange County Fair Flyer Service**

- 633 - Fullerton Park and Ride to OC Fairgrounds
- 662 - The Depot at Santa Ana to OC Fairgrounds
- 670 - Golden West Transportation Center to OC Fairgrounds
- 671 - Anaheim Canyon Metrolink Station to OC Fairgrounds
- 691 - Junipero Serra Park and Ride to OC Fairgrounds



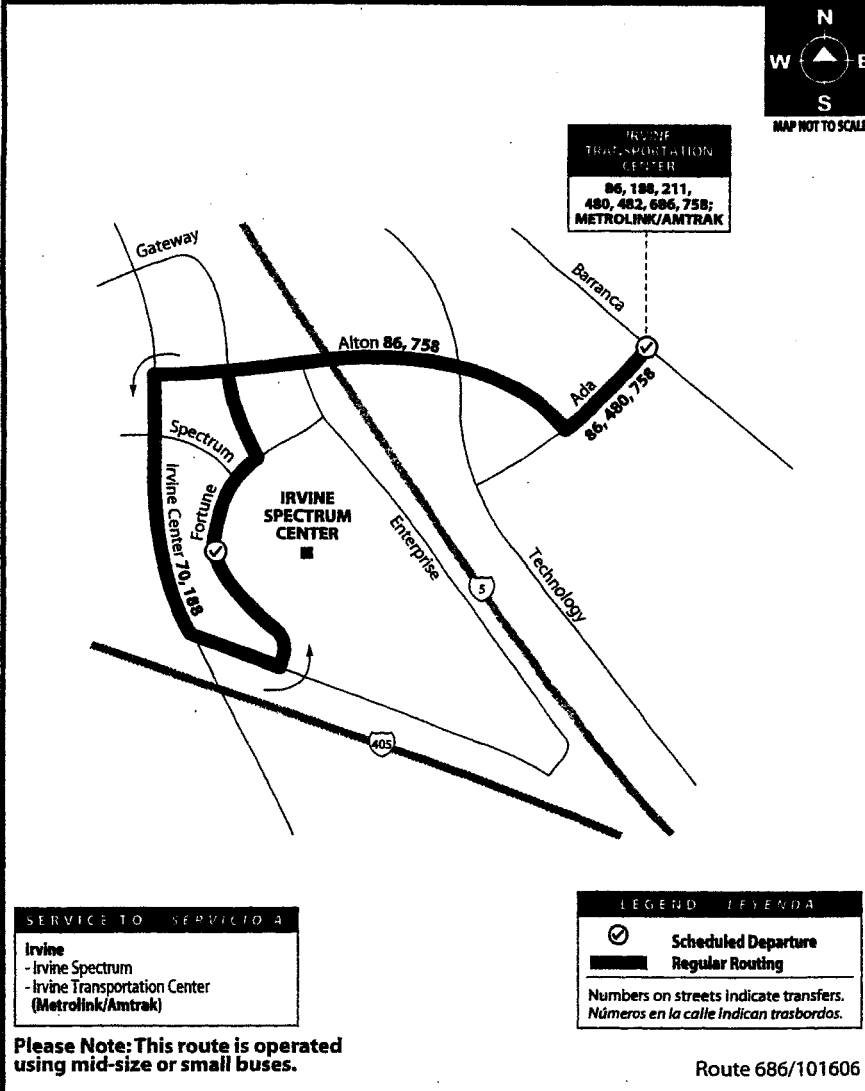
Junipero Serra Park and Ride





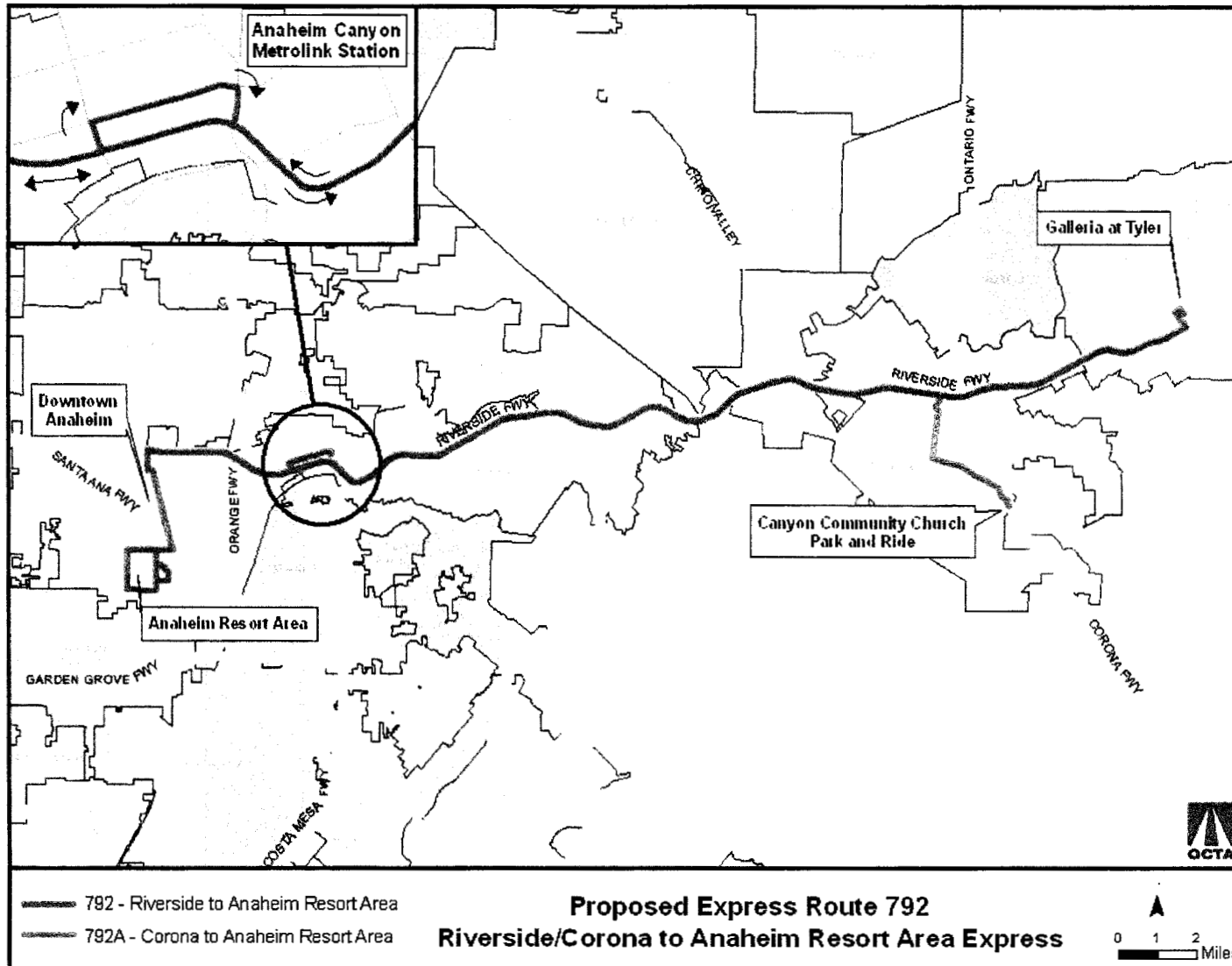
# Route 686

Irvine Transportation Center to Irvine Spectrum  
via Ada / Alton / Irvine Center / Fortune





# Proposed Route 792 Express Service





**SUMMARY OF RESOURCE AND RIDERSHIP IMPACTS FOR PROPOSED CHANGES  
APRIL 14, 2008 PUBLIC HEARING**

LINE NO.	NAME	ESTIMATED ANNUAL		ESTIMATED RIDERSHIP			COMMENTS
		RVHRS	COST	DAILY	SAT	SUN	
470	Tustin Metrolink - JWA	no impact	no impact	205	no svc	no svc	No impact on resources. Nine riders may have to use connecting service, or walk less than a 1/4 mile. Majority will have improved travel times between Tustin Station and destination via replacement routes 472,473, or IBC Shuttles A or B.
471	Tustin Metrolink - Irvine	no impact	no impact	231	no svc	no svc	No impact on resources. 25 riders may have to walk less than 1/4 mile to/from current boarding/alighting locations; most riders will enjoy faster travel times between Tustin Station and destinations via replacement routes 472,473, or IBC Shuttles A or B.
671	Anaheim - Orange - OC Fair	330	\$29,400	no svc	300	300	Requires 3 buses each on Sat-Sun. To operate four weekends during OC Fair; estimate 600 riders will travel via new route over season.
686	Irvine Trans. Ctr. - Spectrum	-1,045	(\$62,500)	no svc	8	6	Will save one bus each on Sat-Sun. Saturday riders can use Route 86; no replacement service on Sunday.
792	Riverside/Corona - Anaheim Resort Area Express RTA cost contribution	4,260	\$379,700 (\$136,600)	200	no svc	no svc	Requires six buses weekdays only; cost to be shared with Riverside Transit Agency. Estimated cost to RTA. Estimate average 200 riders weekday.

Estimated annual cost:	3,545	\$210,000
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Estimated annual ridership:	51,000	300	300	Weekday growth attributed to 792, weekend to 671.
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## Notice of Public Hearing

**Re: Orange County Transportation Authority  
Proposed Bus Service Improvements and Service Changes  
April 14, 2008**

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**NOTICE IS HEREBY GIVEN** that the Orange County Transportation Authority (OCTA) Board of Directors will hold a public hearing at 9:00 a.m. on Monday, April 14, 2008 at the Orange County Transportation Authority, 550 South Main St., Orange, California. The public hearing shall be for the purpose of considering: major route modifications to routes 470 and 471; implementation of new Route 671 OCFlyer service; cancellation of Route 686; and implementation of new Route 792 OCExpress service.

**Description of Service Changes:** Routes 470 and 471 are proposed to be realigned in the City of Irvine, and renumbered to routes 473 and 472 respectively, concurrent with the introduction of Irvine Business Complex Shuttle Lines A and B to be operated by the City of Irvine effective June 9, 2008; new Orange County Fair Flyer Route 671 between the cities of Anaheim and Orange and the Orange County Fairgrounds is proposed to be operated during the weekends the 2008 Orange County Fair is in operation; Route 686 operating in the City of Irvine between the Irvine Transportation Center and the Irvine Spectrum on weekends only is proposed to be cancelled effective June 8, 2008; and new OCTA OC Express Route 792 service between the cities of Riverside, Corona, the Anaheim Canyon Metrolink Station, downtown Anaheim and the Anaheim Resort area is proposed to be implemented September 15, 2008 or later subject to inter-county funding coordination. These recommendations fall under Section 5(i)(3) of the Urban Mass Transportation Act of 1964 (Federal Transit Act, as amended) and thus require a public hearing.

**Description of Service Area:** The service areas affected by the proposed service changes include Orange and Riverside counties.

**Relocation:** No persons, families or businesses will be displaced by the proposed service changes.



**Environment:** In accordance with the California Environmental Quality Act (CEQA) of 1970, OCTA has determined that the project will have no significant effect on the environment and meets the criteria of an exemption under CEQA Reg. 15061(b)(3). OCTA will file a Notice of Exemption for the proposed bus service changes.

**Comprehensive Planning:** The proposed service changes conforms with comprehensive land use and transportation planning in the area. The necessity for the proposed service changes is the result of an evaluation of the transit needs of Orange County conducted by the OCTA.

**Elderly and Persons with Disabilities:** The proposed service changes will not significantly affect public transit availability for the elderly and persons with disabilities.

**Public Participation:** Interested persons may submit, orally or in writing, recommendations and evidence with respect to the proposed service changes. A description of the proposals will be available for public inspection between March 15, 2008 and April 14, 2008. Please contact the Clerk of the Board, Wendy Knowles, at the OCTA Administrative Offices, 550 South Main Street, P.O. Box 14184, Orange, California, 92613-1584. Telephone (714) 560-5676.

**At the Public Hearing,** the OCTA Board of Directors will afford interested persons or agencies an opportunity to submit, either orally or in writing, evidence and recommendations with respect to the effects of the proposed service changes.

**ALL INTERESTED PARTIES** are invited to submit, orally or in writing, evidence and recommendations with respect to the proposed service changes. Written comments may be addressed to the Clerk of the Board:

Wendy Knowles  
Clerk of the Board  
Orange County Transportation Authority  
550 South Main Street  
P.O. Box 14184  
Orange, CA 92863-1584  
Telephone (714) 560-5676



Minutes of the Special 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  
March 24, 2008

## **Call to Order**

The March 24, 2008, special meeting of the Orange County Transportation Authority and affiliated agencies was called to order by Chairman Norby at 8:15 a.m. at the Orange County Transportation Authority Headquarters, Orange, California.

## **Roll Call**

Directors Present: Chris Norby, Chairman  
Peter Buffa, Vice Chair  
Jerry Amante  
Patricia Bates  
Arthur C. Brown  
Bill Campbell  
Carolyn Cavecche  
Paul Glaab  
Cathy Green  
Allan Mansoor  
John Moorlach  
Janet Nguyen  
Curt Pringle  
Gregory T. Winterbottom

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

Directors Absent: Richard Dixon  
Miguel Pulido  
Mark Rosen

## Public Comments on Agenda Items

Chairman Norby 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.

There were no comments offered by the public.

### 1. Closed Session

A Closed Session was held:

- A. Pursuant to Government Code Section 54956.8 to meet with OCTA negotiator James Staudinger to discuss the purchase of real property interests identified as follows:

	<u>Assessor Parcel Number (APN)</u>	<u>Street Address</u>	<u>City</u>
1.	033-030-19	None	Fullerton
2.	033-030-20	None	Fullerton
3.	033-092-02	None	Fullerton
4.	033-143-29	None	Fullerton
5.	033-143-30	None	Fullerton
6.	033-143-31	None	Fullerton
7.	033-143-38	None	Fullerton
8.	033-200-49	None	Fullerton
9.	033-200-50	None	Fullerton
10.	073-100-06	None	Fullerton/Anaheim

The negotiator for each property interest is the owner of the property.

- B. Pursuant to Government code Section 54956.9(b)(1).

**2. Adjournment**

The meeting adjourned at 9:08 a.m. Chairman Norby announced that the next regularly scheduled meeting of this Board would follow this meeting at the OCTA Headquarters.

ATTEST

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Wendy Knowles  
Clerk of the Board

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Chris Norby  
OCTA Chairman



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  
March 24, 2008

## Call to Order

The March 24, 2008, regular meeting of the Orange County Transportation Authority and affiliated agencies was called to order by Chairman Norby at 9:10 a.m. at the Orange County Transportation Authority Headquarters, Orange, California.

## Roll Call

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

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

Directors Absent: Richard Dixon  
Miguel Pulido  
Mark Rosen

## **Invocation**

Director Amante gave the invocation.

## **Pledge of Allegiance**

Director Winterbottom led the Board and audience in the Pledge of Allegiance.

## **Public Comments on Agenda Items**

Chairman Norby 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. Presentation of Resolutions of Appreciation for Employees of the Month for March 2008**

Chairman Norby presented Orange County Transportation Authority Resolutions of Appreciation Nos. 2008-20, 2008-19, 2008-21 to Ricardo Serna, Coach Operator; Marc Brekenfeld, Maintenance; and Sarah Swensson, Administration, as Employees of the Month for March 2008.

### **2. Presentation of Resolution of Appreciation to Freeway Service Patrol Driver**

Chairman Norby presented Orange County Transportation Authority Resolution of Appreciation No. 2008-18 to Service Authority for Freeway Emergencies Employee, Dave Ferrer.

Public comments were heard from Assistant Chief Steve Beeuwsaert, California Highway Patrol, Border Division, who thanked the OCTA and Board of Directors for the excellent working relationship and for honoring Officer Ferrer.

### **3. Presentation of Resolution of Appreciation to Orange County Sheriff's Department Employee of the Quarter**

Chairman Norby presented Orange County Transportation Authority Resolution of Appreciation No. 2008-22 to Orange County Sheriff's Deputy Mike Gavin.



## **Consent Calendar (Items 4 through 19)**

Chairman Norby stated that all matters on the Consent Calendar would be approved in one motion unless a Board Member or a member of the public requested separate action on a specific item.

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

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

A motion was made by Vice Chair Buffa, seconded by Director Campbell, and declared passed by those present, to approve the minutes of the Orange County Transportation Authority and affiliated agencies' regular meeting of March 10, 2008.

#### **5. Approval of Resolutions of Appreciation for Employees of the Month for March 2008**

A motion was made by Vice Chair Buffa, seconded by Director Campbell, and declared passed by those present, to adopt Orange County Transportation Authority Resolutions of Appreciation Nos. 2008-20, 2008-19, and 2008-21 to Ricardo Serna, Coach Operator, Marc Brekenfeld, Maintenance, and Sarah Swensson, Administration, as Employees of the Month for March 2008.

#### **6. Approval of Resolution of Appreciation to Freeway Service Patrol Driver**

A motion was made by Vice Chair Buffa, seconded by Director Campbell, and declared passed by those present, to adopt Orange County Transportation Authority Resolution of Appreciation No. 2008-18 to Service Authority for Freeway Emergencies Employee, Dave Ferrer.

#### **7. Approval of Resolution of Appreciation to Orange County Sheriff's Department Employee of the Quarter**

A motion was made by Vice Chair Buffa, seconded by Director Campbell, and declared passed by those present, to adopt Orange County Transportation Authority Resolution of Appreciation No. 2008-22 for Orange County Sheriff's Deputy Mike Gavin.

#### **8. State Legislative Status Report**

A motion was made by Vice Chair Buffa, seconded by Director Campbell, and declared passed by those present, to receive and file as an information item.

**9. Federal Legislative Status Report**

This item was pulled by staff. Richard Bacigalupo, Federal Relations Manager, advised the Board that Director Bates, as Legislative and Communications Chair, had requested that the word "regional" be added before "projects" in the Appropriation Request Principles on Attachment B of this item.

A motion was made by Director Bates, seconded by Director Green, and declared passed by those present, to adopt the recommended Appropriation Request Principles (with the suggested change in verbiage) and inform the Orange County congressional delegation that the appropriation requests for fiscal year 2009 submitted by the Orange County Transportation Authority comply with these principles.

Directors Brown and Nguyen reported they had attended the American Public Transportation Association's Legislative Conference in Washington, D.C., last week.

**10. Garden Grove Freeway (State Route 22) Design-Build Project Unilateral Contract Change Orders**

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

- A. Authorize the Chief Executive Officer to execute unilateral Contract Change Order No. 25 to Agreement No. C-3-0663 with Granite-Myers-Rados, in the amount of \$178,191, for the price escalation of steel materials for the Garden Grove Freeway (State Route 22) Design-Build Project.
- B. Authorize the Chief Executive Officer to execute unilateral Contract Change Order No. 26 to Agreement No. C-3-0663 with Granite-Myers--Rados, in the amount of \$759,156, for the price escalation of asphalt materials for the Garden Grove Freeway (State Route 22) Design-Build Project.

**11. Metrolink Fiscal Year 2006-07 Budget Reconciliation**

A motion was made by Vice Chair Buffa, seconded by Director Campbell, and declared passed by those present, to authorize staff to direct Metrolink to apply the Orange County Transportation Authority's operating budget surplus of \$3,107,300 toward the fiscal year 2008-09 Metrolink operating subsidy.

**12. Agreement for Purchase, Installation, and Maintenance of Networked Telecommunications Equipment and Software for Construction Circle Base**

A motion was made by Vice Chair Buffa, seconded by Director Campbell, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement No. C-7-1343 between the Orange County Transportation Authority and Integrated Technology, whose offer best meets the Orange County Transportation Authority's requirements, in an amount not to exceed \$128,138, for networked telecommunications equipment and software for the Construction Circle base.

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

**13. Moulton Parkway Smart Street Project Update**

Director Bates pulled this item and thanked Chief Executive Officer (CEO), Arthur T. Leahy, for his support and involvement in a recent meeting with Laguna Niguel regarding issues on this project.

A motion was made by Director Bates, seconded by Director Glaab, and declared passed by those present, to:

- A. Approve the City of Laguna Niguel's request for an additional \$3,820,352 for the construction phase of the Moulton Parkway (Street of the Golden Lantern) Smart Street.
- B. Authorize staff to increase the Measure M Smart Street Program allocations by \$3,820,352 for the Moulton Parkway Smart Street between Aloma Avenue and Serenity Lane.

**14. Request for Additional Funds for the Final Design of the Orange Transportation Center Pedestrian Undercrossing Improvement Project**

A motion was made by Vice Chair Buffa, seconded by Director Campbell, and declared passed by those present, to authorize the use of \$108,000 of Commuter Urban Rail Endowment funds to cover the costs associated with the final design of the Orange Transportation Center Pedestrian Undercrossing Improvement Project.

**15. Agreement for Renewed Measure M Website Consultant**

A motion was made by Vice Chair Buffa, seconded by Director Campbell, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement No. C-7-1370 between the Orange County Transportation Authority and Civic Resource Group, in an amount not to exceed \$150,000 per year for three years, for developing and maintaining the Renewed Measure M website. The total maximum cumulative obligation is \$450,000.

## **Orange County Transit District Consent Calendar Matters**

### **16. Agreement for Asphalt Pavement Reconstruction at the Garden Grove Base**

A motion was made by Vice Chair Buffa, seconded by Director Campbell, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement No. C-7-1409 between the Orange County Transportation Authority and Premier Paving, Inc., the lowest responsive, responsible bidder, in an amount not to exceed \$318,900, for asphalt pavement reconstruction at the Garden Grove Base.

### **17. Cooperative Agreement with Regional Center of Orange County**

A motion was made by Vice Chair Buffa, seconded by Director Campbell, and declared passed by those present, to authorize the Chief Executive Officer to execute Cooperative Agreement No. C-8-0426 between the Orange County Transportation Authority and the Regional Center of Orange County, to share in the cost of ACCESS transportation provided to the Regional Center of Orange County consumers.

### **18. ACCESS Performance Measurements Update**

This item was pulled by Director Campbell, who asked how performance has been since the data was summarized for this report in January.

Curt Burlingame, Section Manager, Community Transportation Services, responded that service improvement has increased and performance is holding steady at the numbers shown.

A motion was made by Director Campbell, seconded by Vice Chair Buffa, and declared passed by those present, to receive and file as an information item.

Directors Glaab and Nguyen were not present for the vote on this item.

### **19. Agreement for Vehicle Oil Analysis**

A motion was made by Vice Chair Buffa, seconded by Director Campbell, and declared passed by those present, to authorize the Chief Executive Officer to modify the pending Agreement No. C-7-1137 with ANA Laboratories, Inc., to reflect an increase in the approved contract amount from \$48,000 to an amount not to exceed \$144,000, for the initial three-year term.

# Regular Calendar

## Orange County Transportation Authority Regular Calendar Matters

### 20. Orange and Los Angeles Intercounty Transportation Study Update

CEO, Arthur T. Leahy, provided opening comments stating that the reason this item is returning to the Board is that the Orangeline Authority believes the Board has not clearly indicated that the right-of-way will not be available for the Orangeline project. He further stated that Orangeline Authority continues to represent to the Southern California Association of Governments (SCAG) that perhaps OCTA did not mean to deny use of the right-of-way areas, and added that this issue has continued to get through the SCAG process because of the uncertainty which has been represented by the Orangeline Authority staff

Charlie Larwood, Section Manager, Corridor Studies, addressed the Board with an update on the progress of the Orange and Los Angeles Intercounty Transportation Study. Mr. Larwood provided background on this study, as well as an overview of what has taken place.

Mr. Larwood introduced Bill Delo, Project Manager, IBI Group, who reported to the Board regarding the Study Purpose and Needs Statement, public outreach, surveys conducted, workshops, and the initial conceptual alternative strategies which have been developed to date.

A brief discussion followed regarding potential high-occupancy toll lanes, the possibility of widening Interstate 5, and encouragement from the Board to work toward greater connectivity wherever possible.

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

- A. Approve Corridor Mobility Problem and Purpose and Need Report.
- B. Direct staff to conduct an elected officials' workshop and public open houses to receive feedback regarding the proposed Orange and Los Angeles Intercounty Transportation Study Conceptual Alternative Strategies.
- C. Oppose the Orangeline Development Authority's proposal to use the Pacific Electric Railroad Right-of-Way in Orange County.

**20. (Continued)**

- D. Remove from further consideration any toll facilities on the Santa Ana Freeway (Interstate 5) south of the Orange County/Los Angeles County line.
- E. Include consideration of toll facilities on State Route 91 west of the existing toll facility.

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

**21. Proposition 1B Traffic Light Synchronization Program Proposed Program of Projects**

Kurt Brotcke, Director of Strategic Planning, presented this item to the Board and provided details of various aspects of the projects underway.

A short discussion between Members followed, and Director Amante stated that he would like to know what staff feels is ahead, who is potentially submitting an application, and if the City of Los Angeles is taken out of the mix and populations are re-weighted, what Orange County's fair share would be.

Director Pringle asked that staff come back

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

- A. Authorize the Chief Executive Officer to submit project nominations to the California Transportation Commission for the Traffic Light Synchronization Program and commit local match funds as proposed.
- B. Authorize the Chief Executive Officer to execute cooperative agreements with the local agencies in which the proposed projects are located to administer the proposed projects.
- C. Authorize staff to make all necessary amendments to the Regional Transportation Improvement Program and State Transportation Improvement Program and execute any necessary agreements to facilitate the actions above.
- D. Request staff to bring back any modifications of additional projects that may be considered as additions to this list.

Director Cavecche was not present to vote on this item.

## Discussion Items

### 22. Public Comments

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

Public comments were heard from Frank Austin, resident of Tustin, who stated that he would like to see a (Los Angeles) Metrolink provided for OCTA customers and would like more interconnectivity for ACCESS users on the buses. He asked that the Board look at regional paratransit service and commented how difficult it is to go from Orange County to Los Angeles using ACCESS service.

### 23. Chief Executive Officer's Report

CEO, Arthur T. Leahy, reported:

- An Interstate 5 Gateway Project event took place last week; this event was attended by Chairman Norby and Director Brown;
- Last week, Chairman Norby spoke at the SCAG Regional Transit Summit;
- Director Brown and the CEO will meet on Tuesday, March 25, with some individuals from the Los Angeles/San Diego Rail Corridor to discuss service integration;
- A South County MIS meeting will be held on March 28 in Mission Viejo;
- A State Route 55 open access study open house will be held on March 31 in Costa Mesa.

General Counsel, Kennard R. Smart, Jr., reported that in Closed Session on March 10, there was a motion by Director Winterbottom, seconded by Director Campbell, to approve a new collective bargaining agreement with the Transportation Communications International Union, representing the parts and storeroom clerks, facility maintenance employees, and revenue clerks. The agreement is for three years, from April 2008 through March 2011. Motion was approved unanimously.

Present to vote on this item were: Vice Chair Buffa and Directors Amante, Campbell, Dixon, Glaab, Green, Mansoor, Rosen, and Winterbottom.

## 24. Directors' Reports

Director Nguyen thanked Contracts and Administration Management staff for speaking at the First District's procurement expo last week.

Director Brown commented on the recent Interstate 5 VIP tour, and informed Members that Commissioner Marian Bergeson attended, as well.

Director Moorlach inquired regarding the State Route 55 access study, he was advised by a constituent that there is an agreement in place dating back to February 2, 1987, with all the arterial highways, including Caltrans, Costa Mesa, and others, and if that is being used in the discussions. Both Directors Mansoor and Moorlach requested copies of this study if it does exist.

Vice Chair Buffa stated that the agreement being referenced was an agreement to exclude some of the options being considered at the time for the SR-55 access. He stated this agreement is probably with the City at this time.

Director Moorlach stated that the Metropolitan Water District finished the study for a potential tunnel through the Santa Ana mountains and requested the findings be provided to Members when available.

Director Moorlach also requested an assessment be made if the acreage at El Toro could be a viable option for a Maglev station.

Director Green reported that she attended the special Transportation and Communications Committee meeting at SCAG last Wednesday, which she stated was quite acrimonious relative to the Orangeline project. She indicated that the Orangeline project staff indicated that OCTA was opposed to using the right-of-way areas "at this time" for the project, and she attempted to clarify for them that it was not available for that project at all.

Director Pringle commented that the Governor's office contacted the City of Anaheim and wished to meet with select Orange County business leaders, and a meeting was hosted at Anaheim City Hall. He stated that Chairman Norby attended and asked the Governor relating to the Transportation Corridor Agencies, and the Governor responded with his clear support for the 241 tollroad extension. Direction was given by the Governor to the appropriate representatives to "do what is necessary".

Director Pringle expressed his appreciation to Director Quon for her work on behalf of OCTA and her responsiveness on various issues.

Director Amante reported that he had a report from Councilman Bone on what had occurred with respect to the Orangeline Authority. He emphasized that there is no political motivation on the part of this Board, and that this issue has nothing to do with anything other than transportation and OCTA being able to do its own planning for the County.



**24. (Continued)**

Director Campbell reported there was a Riverside Orange Corridor Authority meeting last week, and the issue of what would be in the strategic plan versus what would be part of the baseline air quality plan for the basin and none of the Riverside participants argued with the approach.

Director Glaab thanked Michael Litschi for the talking points provided for the recent SCAG meeting regarding the Orangeline issue. The next meeting will be April 3.

Director Quon expressed that she feels it is a pleasure to serve on this Board as the representative for Caltrans District 12.

Director Green requested that consideration be given to sending a support letter for Allan Wapner's nomination as Second Chair of the SCAG Board.

**25. Closed Session**

A Closed Session was not held at this meeting.

**26. Adjournment**

The meeting adjourned at 10:22 a.m. Chairman Norby announced that the next regularly scheduled meeting of this Board will be held at **9:00 a.m. on April 14, 2008**, at the OCTA Headquarters.

ATTEST

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Wendy Knowles  
Clerk of the Board

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Chris Norby  
OCTA Chairman





# 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: Peter Buffa Job Title: Board Member

Department: Executive Division Destination: Washington, D.C.

Program Name: The Orange County Business Council (OCBC) Mobility 21 Conferencee

**Description/Justification:** Vice Chairman Buffa along with the OCBC will meet with lawmakers, key administration officials, and other decision makers on various issues including finance, infrastructure, and transportation.

### COMMENTS

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

Conference/Seminar Date:	Departure Date: 4/15/08	<input type="checkbox"/> Mail <input type="checkbox"/> Hand Carry
Payment Due Date:	Return Date: 4/20/08	Course Hours:

### ESTIMATED EXPENDITURES

Transportation	\$507.50
Meals	\$366.00
Lodging	\$1,995.00
Registration	\$700.00
Other	\$100.00
<b>Total</b>	<b>\$3,668.50</b>

### APPROVALS

Please Initial:

PV                      3/25/08  
 Finance\*                      Date

\* Funds are available for this travel request.

Please Sign:

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

### ACCOUNTING CODES

Org. Key: 1120	Object: 7655	Job Key: A0001	JL: EV9
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Ref #: March 2008	Board Date: April 14, 2008	T/A #: FY 07/08- 354
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# 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: Carolyn Cavecche Job Title: Board Member

Department: Board of Directors Destination: Washington, DC

Program Name: The Orange County Business Council (OCBC) Mobility 21 Conference

**Description/Justification:** Director Cavecche along with the OCBC will meet with lawmakers, key administration officials, and other decision makers on various issues including finance, infrastructure, and transportation.

### COMMENTS

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

Conference/Seminar Date:	Departure Date: 4/15/08	<input type="checkbox"/> Mail <input type="checkbox"/> Hand Carry
Payment Due Date:	Return Date: 4/19/08	Course Hours:

ESTIMATED EXPENDITURES	
Transportation	\$327.50
Meals	\$305.00
Lodging	\$1,197.00
Registration	\$700.00
Other	\$100.00
<b>Total</b>	<b>\$2,629.50</b>

APPROVALS	
Please Initial:	
<u>M</u> Finance*	<u>3/20/08</u> Date
* Funds are available for this travel request.	
Please Sign:	
_____	_____
Clerk of the Board	Date

### ACCOUNTING CODES

Org. Key: 1120	Object: 7655	Job Key: A0001	JL: EV9
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Ref #: March 2008	Board Date: April 14, 2008	T/A #: FY 07/08- 342
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INTEROFFICE MEMO

April 14, 2008


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

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

Thank you.



**April 9, 2008**

**To:** Finance and Administration Committee  
**From:**  Arthur T. Leahy, Chief Executive Officer  
**Subject:** Audits, Assessments, and Studies

### **Overview**

At the request of the Finance and Administration Committee, information regarding audits, assessments, and studies performed on projects, programs, departments, or functions of the Orange County Transportation Authority is being provided. For the four fiscal years ended June 30, 2008, approximately \$8 million has been invested in audits, assessments, and studies.

### **Recommendation**

Receive and file as an information item.

### **Background**

At the November 14, 2007, meeting of the Finance and Administration Committee (Committee), the Committee requested information on audits, assessments, and studies (Studies) performed on projects, programs, departments, or functions of the Orange County Transportation Authority (OCTA).

Attachment A summarizes Studies performed during the four fiscal years ended June 30, 2008, by contractors or the Internal Audit Department (Internal Audit) and related staff time devoted to these Studies, if available. The information does not include Studies initiated and conducted wholly in-house by staff outside of Internal Audit. Attachments B through # provide detail by fiscal year.

The information was derived from the Contracts Administration and Materials Management (CAMM) contracts database, accounting records, and discussions with CAMM staff and represents staff's best efforts to identify all Studies, but may not be complete.

### **Discussion**

Staff has compiled information on Studies performed between fiscal year 2004-05 and fiscal year 2007-08.

The information includes consultant costs and staff time. Staff time spent on Studies represent 29 percent of total costs in fiscal year 2007-08, 39 percent in fiscal year 2006-07, 42 percent in fiscal year 2005-06, and 33 percent in fiscal year 2004-05. The majority of staff time is Internal Audit staff. Time spent by other department staff during the course of audits or in responding to findings is generally not captured.

The Committee also requested clarification on how these Studies interrelate. The mandatory external audits are performed primarily to comply with laws and regulations; however, most of these mandatory audits also include some evaluation of policies, procedures, and processes. All other Studies are performed to improve the efficiency and effectiveness of the OCTA, its management, its processes, or to improve certain technical proficiencies. While there may be some overlap between some of the Studies, the Studies are not centrally directed. To the extent possible, objectives of Studies are developed by management to address particular concerns, evaluate particular departments, projects, or programs or to develop strategic direction for management.

**Summary**

At the request of the Committee, information regarding Studies performed on projects, programs, departments, or functions of the OCTA is being provided.

**Attachments**

- A. Summary of Audits, Assessments, and Studies
- B. Orange County Transportation Authority / Audits / Assessments / Studies Fiscal Year 2007-08 (Estimated as of December 2007)
- C. Orange County Transportation Authority Audits / Assessments / Studies Fiscal Year 2006-07
- D. Orange County Transportation Authority Audits / Assessments / Studies Fiscal Year 2005-06
- E. Orange County Transportation Authority Audits / Assessments / Studies Fiscal Year 2004-05

**Prepared by:**

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



### Summary of Audits, Assessments, and Studies

Type	Description	Fiscal Year				Total
		2007-08 <sup>1</sup>	2006-07	2005-06	2004-05	
Mandatory External Independent Audits	Audits that are mandated by state or federal laws or regulations, including financial audits of OCTA or elements of its projects, programs or debt programs	\$468,032	702,768	462,735	565,084	<b>2,198,619</b>
Organizational Assessments	Evaluations of the structural effectiveness of a department, function, or the organization as a whole	469,570	109,500	85,000	144,410	<b>808,480</b>
Technical Assessments	Analysis of particular assets, devices, systems, or procedures with regard to a defined set of criteria, goals or objectives	291,050	74,466	130,000	270,109	<b>765,625</b>
Program / Project Reviews	Reviews to evaluate the success of programs or projects	354,000	169,805	127,436	107,535	<b>758,776</b>
Internal Audits	Activities of the Internal Audit function	1,005,745	872,300	660,349	912,957	<b>3,451,351</b>
<b>Total</b>		<b>\$2,588,397</b>	<b>1,928,839</b>	<b>1,465,520</b>	<b>2,000,095</b>	<b>7,982,851</b>

<sup>1</sup> Estimated as of December 2007.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AUDITS / ASSESSMENTS / STUDIES  
FISCAL YEAR 2007-08 (ESTIMATED AS OF DECEMBER 2007)**

Audit / Assessment / Study	Description	Contractor	Contract No.	Contracting Department	Frequency	Cost to OCTA			Total
						Internal Audit	OCTA Staff	External Consultants	
<b><u>Mandatory External Independent Audits</u></b>									
Financial Statement Audit	Opinions on the financial statements of 7 entities and audit reports for 8 agreed-upon procedures for fiscal year 2006-07.	Mayer Hoffman McCann	C-6-0667	Internal Audit	Annually	\$ 24,272	\$ 57,135 (1)	\$ 307,490	\$ 388,897
Transportation Development Act Audits	Legally required annual audits of the recipients of Local Transportation Fund for fiscal year 2006-07.	Mayer Hoffman McCann	C-6-0384	Internal Audit	Annually	6,472	-	58,100	64,572
Federal Triennial Review	Implementation of the recommendations made in the 2007 review.	N/A	N/A	N/A	Triennially	4,854	-	(2)	4,854
State Triennial Audit	Implementation of the recommendations made in the fiscal year 2003-04 through 2005-06 audit.	LMS Consulting	C-6-0545	Internal Audit	Triennially	9,709	-	-	9,709
APTA Safety Audit	Review of the effectiveness and implementation of OCTA's System Safety Program Plan.	N/A	N/A	N/A	Periodic	-	-	(3)	-
<b>Subtotal</b>						<b>45,307</b>	<b>57,135</b>	<b>365,590</b>	<b>468,032</b>
<b><u>Organizational Assessments</u></b>									
Field Operations Assessment	Assessment of staff and management development between field operations and Central Communications.	Insight Strategies	C-7-0623	Bus Operations	Discretionary	-	-	40,000	40,000
Organizational Assessment	Organizational readiness and capacity assessment.	PB Consulting	C-7-1136	Deputy CEO	Discretionary	-	-	350,000	350,000
CAMM Review	Implementation of recommendations from FY 2006-07 review.	Darrel Cohoon and Associates	C-6-0734 (on-call)	FP&A	Discretionary	-	-	55,570	55,570
CAMM Turnover Assessment	Turnover assessment study.	Creative Management Solutions	C-7-1313	FAHR	Discretionary	-	-	24,000	24,000
<b>Subtotal</b>						<b>-</b>	<b>-</b>	<b>469,570</b>	<b>469,570</b>

(1) - Includes only the Accounting and Financial Reporting Department.  
(2) - Cost borne by the Federal Transit Administration.  
(3) - Cost borne by American Public Transportation Association.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AUDITS / ASSESSMENTS / STUDIES  
FISCAL YEAR 2007-08 (ESTIMATED AS OF DECEMBER 2007)**

Audit / Assessment / Study	Description	Contractor	Contract No.	Contracting Department	Frequency	Cost to OCTA			Total
						Internal Audit	OCTA Staff	External Consultants	
<b><u>Technical Assessments</u></b>									
Security Policies Gap Assessment	Gap analysis of current state of security, customized security policies, standards, and guidelines.	Strativa	C-6-0684	IS	Discretionary	-	-	241,050	241,050
Security Assessment	Data and data security assessment.	Transit Intelligence	C-7-0783	IS	Discretionary	-	-	50,000	50,000
<b>Subtotal</b>						<b>-</b>	<b>-</b>	<b>291,050</b>	<b>291,050</b>
<b><u>Program/Project Reviews</u></b>									
Bus Safety Program Review	Review and analysis of the bus safety program, projects, practices, and problems.	Jakes Associates	C-7-0767	Transit	Discretionary	-	-	14,000	14,000
Review of Property Management Files	Audit and file review of the property management files.	Epic Land Solutions	C-3-0740	CURE	Discretionary	-	-	300,000	300,000
Family and Medical Leave Act (FMLA) Audit	Audit of FMLA.	Mercer	C-7-0829	HR	Discretionary	-	-	40,000	40,000
<b>Subtotal</b>						<b>-</b>	<b>-</b>	<b>354,000</b>	<b>354,000</b>
<b><u>Internal Audits</u></b>									
Internal Audits (excludes price reviews)	Annual risk-based audit selection of approximately 30 projects, contracts, and programs for compliance, internal control, etc.	Various	Various	Internal Audit	Annual Audit Plan	620,065	-	348,140	968,205
Internal Audit monitoring activities	Monitoring of approximately 10 projects, committees, and programs.	N/A	N/A	Internal Audit	Annual Audit Plan	37,540	-	-	37,540
<b>Subtotal</b>						<b>657,605</b>	<b>-</b>	<b>348,140</b>	<b>1,005,745</b>
<b>Total</b>						<b>\$ 702,913</b>	<b>\$ 57,135</b>	<b>\$ 1,828,350</b>	<b>\$ 2,588,398</b>

29.4%

- (1) - Includes only the Accounting and Financial Reporting Department.  
(2) - Cost borne by the Federal Transit Administration.  
(3) - Cost borne by American Public Transportation Association.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AUDITS / ASSESSMENTS / STUDIES  
FISCAL YEAR 2006-07**

Audit / Assessment / Study	Description	Contractor	Contract No.	Contracting Department	Frequency	Cost to OCTA			Total
						Internal Audit	OCTA Staff	External Consultants	
<b><u>Mandatory External Independent Audits</u></b>									
Financial Statement Audit	Opinions on the financial statements of 7 entities and audit reports for 6 agreed-upon procedures for fiscal year 2005-06.	Macias Gini and O'Connell	C-2-2174	Internal Audit	Annually	\$ 16,123	\$ 74,330	\$ 328,432	\$ 418,885
Transportation Development Act Audits	Coordination of legally required annual audits of the recipients of Local Transportation Funds for fiscal year 2005-06.	Mayer Hoffman McCann	C-6-0384	Internal Audit	Annually	3,844	-	57,000	60,844
Federal Triennial Review	Legally required triennial performance audit conducted by the Federal Transit Administration in 2007.	N/A	N/A	N/A	Triennially	6,197	13,524	-	19,720
State Triennial Audit	Coordination of legally required triennial performance audit of OCTA and all transit operators in the County of Orange for fiscal years 2003-04 through 2005-06, in accordance with the Transportation Development Act.	LMS Consulting	C-6-0545	Internal Audit	Triennially	4,820	-	198,500	203,320
<b>Subtotal</b>						<b>30,983</b>	<b>87,854</b>	<b>583,932</b>	<b>702,768</b>
<b><u>Organizational Assessments</u></b>									
CAMM Review	CAMM organizational assessment.	Darrel Cohoon and Associates	C-6-0734 (on-call)	FP&A	Discretionary	-	-	50,000	50,000
Succession Planning	Succession planning for senior operations management.	Insight Strategies	C-6-0249	Transit	Discretionary	-	-	25,000	25,000
Human Resources Assessment	Implementation of Human Resources organizational assessment recommendations.	Jerome Consulting	C-5-2604	FAHR	Discretionary	-	-	34,500	34,500
<b>Subtotal</b>						<b>-</b>	<b>-</b>	<b>109,500</b>	<b>109,500</b>
<b><u>Technical Assessments</u></b>									
Bus Objects Assessment	Assessment and implementation of bus objects into the technical environment.	Virtual Consulting	C-7-0482	IS	Discretionary	-	-	20,000	20,000

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AUDITS / ASSESSMENTS / STUDIES  
FISCAL YEAR 2006-07**

Audit / Assessment / Study	Description	Contractor	Contract No.	Contracting Department	Frequency	Cost to OCTA			Total
						Internal Audit	OCTA Staff	External Consultants	
Compensation Study	Classification and compensation study.	Dembrowsky	C-5-2536	Comp.	Discretionary	-	-	15,346	15,346
Compensation Consulting	Compensation consulting services.	CPS Human Resources Services	C-5-1306	HR	Discretionary	-	-	39,120	39,120
<b>Subtotal</b>						<b>-</b>	<b>-</b>	<b>74,466</b>	<b>74,466</b>
<b><u>Program/Project Reviews</u></b>									
Emergency Operations Plan Review	Review of the emergency operations plan.	TRC	C-6-0347	CEO	Discretionary	-	-	24,805	24,805
Disadvantage Business Enterprise (DBE) Program Review	Review of OCTA's DBE program.	Padilla and Associates	C-5-1359	DBE	Discretionary	-	-	50,000	50,000
M Closeout Monitoring	Measure M compliance review services.	LMS Consulting	C-3-0433 (on-call)	Internal Audit	Discretionary	-	-	70,000	70,000
Customer Relations Overview	Customer Information Center overview.	LMS Consulting	C-6-0736 (on-call)	FP&A	Discretionary	-	-	25,000	25,000
<b>Subtotal</b>						<b>-</b>	<b>-</b>	<b>169,805</b>	<b>169,805</b>
<b><u>Internal Audits</u></b>									
Internal Audits	Annual risk-based audit selection of approximately 30 areas, contracts, and programs.	Various	Various	Internal Audit	Annual Audit Plan	626,482	-	229,523	856,006
Internal Audit monitoring activities	Monitoring of approximately 10 projects, committees, and programs.	N/A	N/A	Internal Audit	Annual Audit Plan	16,295	-	-	16,295
<b>Subtotal</b>						<b>642,777</b>	<b>-</b>	<b>229,523</b>	<b>872,300</b>
<b>Total</b>						<b>\$ 673,760</b>	<b>\$ 87,854</b>	<b>\$ 1,167,226</b>	<b>\$ 1,928,840</b>

39.5%

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AUDITS / ASSESSMENTS / STUDIES  
FISCAL YEAR 2005-06**

Audit / Assessment / Study	Description	Contractor	Contract No.	Contracting Department	Frequency	Cost to OCTA			Total
						Internal Audit	OCTA staff	External Consultants	
<b>Mandatory External Independent Audits</b>									
Financial Statement Audit	Opinions on the financial statements of 7 entities and audit reports for 6 agreed-upon procedures for fiscal year 2004-05.	Macias Gini and O'Connell	C-2-2174	Internal Audit	Annually	\$ 20,775	\$ 65,655	\$ 312,793	\$ 399,223
Transportation Development Act Audits	Coordination of legally required annual audits of the recipients of Local Transportation Funds for fiscal year 2004-05.	Mayer Hoffman McCann	C-6-0384	Internal Audit	Annually	4,264	-	59,000	63,264
State Triennial Audit	Wrap-up of the audit for fiscal years 2000-01 through 2002-03.	Mayer Hoffman McCann	C-4-0248	Internal Audit	Triennially	248	-	-	248
<b>Subtotal</b>						<b>25,287</b>	<b>65,655</b>	<b>371,793</b>	<b>462,735</b>
<b>Organizational Assessments</b>									
Assessment of External Affairs	Operational and organizational assessment of External Affairs.	LMS Consulting	C-5-0137	External Affairs	Discretionary	-	-	75,000	75,000
Balanced Scorecard	Balanced Scorecard audit.	ExecuEdge	C-5-2500	IS	Discretionary	-	-	10,000	10,000
<b>Subtotal</b>						<b>-</b>	<b>-</b>	<b>85,000</b>	<b>85,000</b>
<b>Technical Assessments</b>									
Security Vulnerability Assessment	Security vulnerability assessment of information systems.	Dyntek	C-5-2229	IS	Discretionary	-	-	35,000	35,000
Radio System Assessment	Assessment of the current radio system.	Richter Group	C-5-1206	Motorist Services	Discretionary	-	-	57,500	57,500
Compensation Study	Information from Riverside County Transportation Commission for a compensation study.	Riverside County Transportation Commission	C-5-2527	Compensation	Discretionary	-	-	15,000	15,000
Analyze Staffing Costs	Analyze staffing costs for OCTA programs.	LMS Consulting	C-3-0433 (on-call)	Internal Audit	Discretionary	-	-	22,500	22,500
<b>Subtotal</b>						<b>-</b>	<b>-</b>	<b>130,000</b>	<b>130,000</b>
<b>Program/Project Reviews</b>									
Training Department study	Review of the current operations training program.	Jerome Consulting	C-5-0768	Transit	Discretionary	-	-	19,400	19,400
Peer Review	I-5 project peer review.	OSMS	C-5-2762	Development	Discretionary	-	-	10,000	10,000

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AUDITS / ASSESSMENTS / STUDIES  
FISCAL YEAR 2005-06**

Audit / Assessment / Study	Description	Contractor	Contract No.	Contracting Department	Frequency	Cost to OCTA			Total
						Internal Audit	OCTA staff	External Consultants	
Bus Safety Program Review	Review of the bus safety program.	Linda J. Meadow	C-5-2758	Deputy CEO	Discretionary	-	-	23,275	23,275
Bus Safety Program Review	Bus safety review report.	Linda J. Meadow	C-5-3008	Deputy CEO	Discretionary	-	-	4,000	4,000
M Closeout Monitoring	Measure M compliance review services.	LMS Consulting	C-3-0433 (on-call)	Internal Audit	Discretionary	-	-	70,761	70,761
<b>Subtotal</b>						<b>-</b>	<b>-</b>	<b>127,436</b>	<b>127,436</b>
<b><u>Internal Audits</u></b>									
Internal Audits	Annual risk-based audit selection of approximately 30 areas, contracts, and programs.	Various	Various	Internal Audit	Annual Audit Plan	520,761	-	135,175	655,936
Internal Audit monitoring activities	Monitoring of approximately 10 projects, committees, and programs.	N/A	N/A	N/A	Annual Audit Plan	4,413	-	-	4,413
<b>Subtotal</b>						<b>525,174</b>	<b>-</b>	<b>135,175</b>	<b>660,349</b>
<b>Total</b>						<b>\$ 550,461</b>	<b>\$ 65,655</b>	<b>\$ 849,404</b>	<b>\$ 1,465,519</b>

42.0%

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AUDITS / ASSESSMENTS / STUDIES  
FISCAL YEAR 2004-05**

Audit / Assessment / Study	Description	Contractor	Contract No.	Contracting Department	Frequency	Cost to OCTA			Total
						Internal Audit	OCTA staff	External Consultants	
<b><u>Mandatory External Independent Audits</u></b>									
Financial Statement Audit	Opinions on the financial statements of 7 entities and audit reports for 6 agreed-upon procedures.	Macias Gini and O'Connell	C-2-2174	Internal Audit	Annually	\$ 29,472	\$ 44,672	\$ 297,897	\$ 372,041
Transportation Development Act Audits	Coordination of legally required annual audits of the recipients of Local Transportation Funds for fiscal year 2003-04.	Mayer Hoffman McCann	C-6-0384	Internal Audit	Annually	10,299	-	57,800	68,099
State Triennial Audit	Coordination of legally required triennial performance audit of OCTA nad all transit operators in the County of Orange for fiscal years 2000-01 through 2002-03, in accordance with the Transportation Development Act.	Mayer Hoffman McCann	C-4-0248	Internal Audit	Triennially	3,803	-	121,140	124,943
<b>Subtotal</b>						<b>43,575</b>	<b>44,672</b>	<b>476,837</b>	<b>565,084</b>
<b><u>Organizational Assessments</u></b>									
Organizational Assessment	Assessment of the organizational effectiveness of OCTA.	LMS Consulting	C-4-0178	External Affairs	Discretionary	-	-	41,630	41,630
Organizational Assessment	Assessment of the organizational effectiveness of OCTA.	Jerome Consulting	C-4-0179	CEO	Discretionary	-	-	42,780	42,780
Human Resources Assessment	Human Resources organizational assessment.	Jerome Consulting	C-4-1230	FAHR	Discretionary	-	-	45,000	45,000
Succession Planning	Succession planning for bus operations.	Insight Strategies	C-4-1087	CTS	Discretionary	-	-	15,000	15,000
<b>Subtotal</b>						<b>-</b>	<b>-</b>	<b>144,410</b>	<b>144,410</b>
<b><u>Technical Assessments</u></b>									
Employee Classification Review	Review of the current employee classification structure.	Dembrowsky & Assoc	C-2-1196	Compensation	Discretionary	-	-	91,609	91,609
Review of the Cost Allocation Plan	Review, modification, and changes to the Cost Allocation Plan.	Munifinancial	C-3-0037	Accounting & Financial Reporting	Discretionary	-	-	51,000	51,000
Review of Procurement Policies	Review of OCTA's procurement policies and procedures.	Robuin Stevens Consulting	C-2-1173	CAMM	Discretionary	-	-	100,000	100,000



**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AUDITS / ASSESSMENTS / STUDIES  
FISCAL YEAR 2004-05**

Audit / Assessment / Study	Description	Contractor	Contract No.	Contracting Department	Frequency	Cost to OCTA			Total
						Internal Audit	OCTA staff	External Consultants	
Website Security Audit	Security audit of the 91 Express Lanes website.	CorplInfo Services	C-4-0752	Toll Road	Discretionary	-	-	15,000	15,000
Bus System Review	Review of the bus system's on-time performance.	Patti Post	C-4-0511	Operations Planning & Scheduling	Discretionary	-	-	5,000	5,000
ACCESS Assessment	Assessment of the ACCESS program.	LMS Consulting	C-3-0433 (on-call)	Internal Audit	Discretionary	-	-	7,500	7,500
<b>Subtotal</b>						<b>-</b>	<b>-</b>	<b>270,109</b>	<b>270,109</b>
<b><u>Program/Project Reviews</u></b>									
M Project Delivery Review	Review of Measure M closeout and assessment of compliance.	LMS Consulting	C-3-0433 (on-call)	Internal Audit	Discretionary	-	-	44,400	44,400
Facility Audit	Facility audit.	Jakes Associates	C-4-0407	Facilities Maintenance	Discretionary	-	-	63,135	63,135
<b>Subtotal</b>						<b>-</b>	<b>-</b>	<b>107,535</b>	<b>107,535</b>
<b><u>Internal Audits</u></b>									
Internal Audits	Annual risk-based audit selection of approximately 30 areas, contracts, and programs.	Various	Various	Internal Audit	Annual Audit Plan	557,255	-	345,403	902,658
Internal Audit monitoring activities	Monitoring of approximately 10 projects, committees, and programs.	N/A	N/A	N/A	Annual Audit Plan	10,299	-	-	10,299
<b>Subtotal</b>						<b>567,554</b>	<b>-</b>	<b>345,403</b>	<b>912,957</b>
<b>Total</b>						<b>\$ 611,129</b>	<b>\$ 44,672</b>	<b>\$ 1,344,294</b>	<b>\$ 2,000,095</b>

32.8%





INTEROFFICE MEMO

April 14, 2008

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


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

Thank you.



**April 9, 2008**

**To:** Finance and Administration Committee

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

**Subject:** Review of Investment Activities July 1 through December 31, 2007

**Overview**

The Internal Audit Department has completed a review of investment activities for the period July 1, 2007 through December 31, 2007. Based on the review, it appears that the Orange County Transportation Authority is in compliance with its debt, investment and accounting policies and procedures. However, Internal Audit did make one recommendation regarding the quarterly debt and investment reports.

**Recommendation**

Receive and file Investment Activities July 1, 2007 through December 31, 2007, Internal Audit Report No. 08-012.

**Background**

The Treasury/Public Finance Department is responsible for management of the Orange County Transportation Authority's (Authority) investment portfolio. On December 31, 2007, the investment portfolio's book value was approximately \$1.05 billion. The portfolio consists of two managed portfolios: liquid assets for the Authority's daily operations, and the short term portfolio for future budgeted expenditures. External investment managers administer the short-term portfolio, and the Treasurer manages the liquid assets portfolio. The Authority also has funds invested in debt service reserve funds for various outstanding debt obligations. The Authority's Accounting Department is responsible for recording all debt and investment transactions and reconciling all bank and custodial accounts monthly.

**Discussion**

The Authority's investment activities are reviewed on a periodic basis by Internal Audit. The objective of the review is to determine if the Authority is in compliance with the Authority's debt, investment and accounting policies and procedures. The

investment review for July 1, 2007 through December 31, 2007, indicated that the Authority's investments are in compliance.

The review also included a review of the quarterly debt and investment reports provided to the Board of Directors. The book value of investments for Fidelity Funds Treasury I and Milestone Funds Treasury Obligations were understated in the Portfolio Listing of the Fourth Quarter Debt and Investment Report by \$102,836.47, and \$76,317.50, respectively. The differences arose due to interest balances in these accounts and represent 0.017 percent of the portfolio. Internal Audit recommended that the Treasury Department ensure that the reconciliation of all balances on the Portfolio Listing is accurate prior to inclusion in the debt and investment reports. Management indicated that they will work to ensure that the balances shown in the printed report from quarter-end are reflected accurately in the debt and investment reports.

***Summary***

Based on the review, investments were in compliance with the Authority's debt, investment and accounting and policies and procedures. One recommendation was made on the quarterly debt and investment reports.

***Attachment***

- A. Investment Activities July 1, 2007 through December 31, 2007, Internal Audit Report No. 08-012

**Prepared by:**



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



INTEROFFICE MEMO

March 24, 2008

To: Kirk Avila, Treasurer  
Finance, Administration and Human Resources

From: <sup>SN</sup> Serena Ng, Senior Internal Auditor  
Internal Audit

Subject: **Investment Activities July 1 through December 31, 2007, Internal Audit Report No. 08-012**

Attached hereto is Investment Activities July 1 through December 31, 2007, Internal Audit Report No. 08-012. The management response to the one recommendation made in the review has been incorporated into the attached final audit report. Internal Audit concurs with the response.

If you have any questions, please feel free to contact me at extension 5938.

Appendix: Investment Activities July 1 through December 31, 2007,  
Internal Audit Report No. 08-012

c: Jim Kenan  
Tom Wulf  
Vicki Austin  
Rodney Johnson  
Kathleen O'Connell

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT**



**Investment Activities  
July 1 through December 31, 2007**

**INTERNAL AUDIT REPORT NO. 08-012**

**March 24, 2008**



**Internal Audit Team:**

Kathleen M. O'Connell, CPA, Internal Audit Manager  
Serena Ng, CPA, Senior Internal Auditor  
Philip Jun, Internal Audit Intern

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT**

**Investment Activities July 1 through December 31, 2007  
March 24, 2008**

**Conclusion**

The Internal Audit Department has completed a review of investment activities for the period July 1, 2007 through December 31, 2007. Based on the review, it appears that the Orange County Transportation Authority (Authority) is in compliance with its debt, investment and accounting policies and procedures. However, Internal Audit did make one recommendation regarding the quarterly debt and investment reports.

**Background**

The Treasury/Public Finance Department is responsible for management of the Authority's investment portfolio. On December 31, 2007, the investment portfolio's book value was approximately \$1.05 billion. The portfolio consists of two managed portfolios: liquid assets for the Authority's daily operations, and the short term portfolio for future budgeted expenditures. External investment managers administer the short-term portfolio, and the Treasurer manages the liquid assets portfolio. The Authority also has funds invested in debt service reserve funds for various outstanding debt obligations. The Authority's Accounting Department is responsible for recording all debt and investment transactions and reconciling all bank and custodial accounts monthly.

**Objectives, Scope and Methodology**

The objective of the audit was to determine if the Authority was in compliance with the Authority's debt, investment and accounting policies and procedures.

In conjunction with the audit objective, Internal Audit:

- assessed the adequacy of internal controls over the Authority's investment activities;
- determined if the Authority was in compliance with its investment policy and the government code;
- determined if investment transactions were adequately supported; and
- determined the compliance of investment requirements on the Authority's debt issuances.

The scope of the review consisted of reviewing worksheets prepared by the Accounting Department and the Treasury/Public Finance Department, verifying investment transactions to source documents, reviewing bank reconciliations and custodian statements, reviewing investment advisor contract payments, and reviewing the quarterly debt and investment reports provided to the Board of Directors.



**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT**

**Investment Activities July 1 through December 31, 2007  
March 24, 2008**

**Audit Comments, Recommendations and Management Responses**

**Portfolio Listing of Debt and Investment Report**

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The book value of investments for Fidelity Funds Treasury I and Milestone Funds Treasury Obligations were understated in the Portfolio Listing of the Fourth Quarter Debt and Investment Report by \$102,836.47, and \$76,317.50, respectively. The differences arose due to interest balances in these accounts and represent 0.017 percent of the portfolio.

**Recommendation 1:** Internal Audit recommends that the Treasury Department ensure that the reconciliation of all balances on the Portfolio Listing is accurate prior to inclusion in the debt and investment reports.

**Management Response:** The account balances are reconciled on a monthly basis to the Account Balance worksheet. This is a manual process. The balances are used to create the quarterly investment report that contains the Portfolio Listing. The Treasury Department will work to ensure that the balances shown in the printed report from quarter-end are reflected accurately in the debt and investment reports.





**April 14, 2008**

**To:** Members of the Board of Directors  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** State Legislative Status Report

### **Overview**

One bill amending the Safe, Reliable High-Speed Passenger Train Bond Act for the 21<sup>st</sup> Century is recommended for a seek amendments position.

### **Recommendation**

Adopt the following recommended position on legislation:

Seek amendments to AB 3034 (Galgiani, D-Stockton)

- The current Los Angeles Union Station-Irvine segment should include the City of Anaheim as the Los Angeles Union Station-Anaheim-Irvine segment.
- For clarification, the Fresno-Irvine segment be redefined as the Fresno-Bakersfield-Palmdale-Los Angeles Union Station segment, since the Los Angeles Union Station-Anaheim-Irvine segment is listed as a separate segment.
- Any excess revenue should be used for the repayment of high-speed rail bonds. Any remaining amounts above bond repayment should be directed to intercity, commuter, and urban rail systems to improve connectivity to the high-speed train system.

### **Discussion**

#### **Newly Analyzed Legislation**

AB 3034 (Galgiani, D-Stockton) would make several revisions to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21<sup>st</sup> Century (bond act) which would provide \$9.95 billion in general obligation bonds for the planning and development of a high-speed train system initially connecting San Francisco to Los Angeles. The bond act is scheduled to be placed on the

November 8, 2008, general election. If passed, \$9 billion will be designated for planning and construction cost of a high-speed train system and \$950 million will be designated to capital projects aimed to improve connectivity between the high-speed train system and other passenger rail lines.

Revisions under AB 3034 include:

- Requires the construction of the high-speed train system to be consistent with the California High-Speed Rail Authority's (CHSRA) 2005 Certified Environmental Impact Report (EIR) and not the Final Business Plan of June 2000.
- Redefines route segments to the proposed high-speed train system including a Fresno-Bakersfield-Palmdale-Los Angeles-Anaheim-Irvine segment and retains the original Los Angeles to Irvine segment.
- Requires excess revenue beyond what is needed for operational and maintenance costs of the system to be transferred to the state General Fund.
- Requires CHSRA to have a detailed funding plan for each segment of the system that identifies the full cost of construction and revenue sources for that segment, prior to awarding a construction contract for the segment.
- Requires the CHSRA to give priority in selecting construction projects within those segments that require the least amount of bond funds as a percentage of the total cost of construction.

The Orange County Transportation Authority (OCTA) stands to benefit from several of the proposed revisions. For example, AB 3034 would require the CHSRA to give funding priority to identified segments which require the least amount of bond funds. OCTA may utilize existing Measure M funds and future Renewed Measure M funds dedicated to Anaheim to Los Angeles rail improvements as leverage when competing against other public agencies for bond funds.

However, the bill is not clear about specific station locations within the original Los Angeles Union Station to Irvine segment and amendments are needed to make certain an Anaheim terminus is included in this segment. In addition, as the bill now starts another segment from Fresno to Irvine, amendments are needed to ensure that the Los Angeles to Anaheim portion is not negatively impacted in any manner. With the two segments identified in AB 3034 lacking a full description, staff recommends that the Fresno to Irvine segment be redefined as Fresno to Bakersfield to Palmdale to Los Angeles Union Station,

and the original segment be redefined as Los Angeles Union Station to Anaheim to Irvine.

Furthermore, an amendment is needed to stipulate any excess revenue directed to the General Fund should only be used for the repayment of high-speed rail bonds with the remaining excess revenue directed to intercity, commuter, and urban rail systems to improve connectivity to the high-speed train system. An analysis of the bill is attached (Attachment A).

#### Past OCTA Actions

OCTA has sought the inclusion of Anaheim as the southern terminus in the initial operating segment of the proposed high-speed rail bond through the sponsorship of two bills in past sessions. AB 1228 (Solorio, D-Santa Ana) was sponsored by OCTA in 2007 and AB 1173 (Tran, R-Costa Mesa) was sponsored by OCTA in 2005 and 2006.

Moreover, OCTA has provided the CHSRA with \$7 million to cover environmental studies within the Los Angeles to Anaheim corridor. The OCTA Board of Directors has not approved any funds to evaluate extending the high-speed train system from Anaheim south to Irvine.

In addition, the Board of Directors has approved the establishment of the Anaheim Regional Transportation Intermodal Center (ARTIC) as a transportation hub linking five freeways and mass transit services including potential future high speed rail service, Amtrak, Metrolink, Anaheim Resort Transit, and OCTA bus routes.

This item was presented to the Legislative and Communications Committee (Committee) on April 3, 2008, with a Support with Amendments recommendation. Due to a lack of quorum, the Committee could not take action on the recommendation. However, members of the Committee expressed concern that a "Support with Amendments" position could be construed as support of the bond itself. With a state budget deficit rumored to be approaching \$20 billion, the Committee questioned the decision by the State to place another \$10 billion bond on the ballot at this time. This bond is currently scheduled for November 2008.

OCTA does not historically take positions on statewide initiatives. Furthermore, the bill that originally developed and placed the high-speed rail bond measure on the ballot, SB 1856 (Costa, D-Fresno), had a "Watch" position by OCTA with the Board of Directors concerned even then with a looming state budget deficit. A position on this bill is recommended to ensure

Anaheim is listed as a terminus and in no way constitutes a position on the passage of the bond itself. In order to help capture the concerns of Committee members regarding the timing of the bond and the concurrent desire to amend the bill, a draft letter is included for discussion purposes.

Staff recommends: SEEK AMENDMENTS.


**Summary**

A position is recommended on a bill related to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21<sup>st</sup> Century.

**Attachments**

- A. Analysis of AB 3034 (Galgiani, D-Stockton)
- B. Draft Letter for AB 3034
- C. Orange County Transportation Authority Legislative Matrix

Prepared by:

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

Approved by:

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

**BILL:** AB 3034 (Galgiani, D-Stockton and Ma, D-San Francisco)  
Introduced February 22, 2008

**SUBJECT:** Makes several revisions to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21<sup>st</sup> Century which is currently scheduled to go before California voters on November 4, 2008

**STATUS:** Referred to Assembly Committee on Transportation

**SUMMARY AS OF MARCH 21, 2008:**

AB 3034 would make several revisions to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21<sup>st</sup> Century (bond act) which would provide \$9.95 billion in general obligation bonds for the planning and development of a high-speed train system initially connecting San Francisco to Los Angeles. Legislation passed in 2002 required the bond act to be drafted as an initiative and taken to the voters for approval. However, due to the state's fiscal condition over the past six years, the initiative was postponed in 2004 and 2006 and is now scheduled for the November 4, 2008, general election.

The proposed \$9.95 billion in the bond act is required to be allocated in the following manner:

- \$9 billion would be allocated for planning and construction costs of a high-speed train system as specified in the business plan drafted by the California High-Speed Rail Authority (CHSRA).
- \$950 million would be allocated to capital projects which connect other passenger rail lines to the high-speed train system and also for capacity enhancements and safety improvements to those passenger rail lines.

AB 3034 would make several revisions to the bond act. These revisions include:

- Requiring the construction of the high-speed train system to be consistent with the CHSRA's 2005 Certified Environmental Impact Report (EIR) and not the Final Business Plan of June 2000.
- Redefines route segments to the proposed high-speed train system including a Fresno-Bakersfield-Palmdale-Los Angeles-Anaheim-Irvine segment and retains the original Los Angeles to Irvine segment.
- Requires excess revenue beyond what is needed for operational and maintenance cost of system to be transferred to the state General Fund.
- Requires CHSRA to have a detailed funding plan for each segment of the system that identifies the full cost of construction and revenue sources for that segment, prior to awarding a construction contract for the segment.

- Requires the CHSRA to give priority in selecting construction projects within those segments that require the least amount of bond funds as a percentage of the total cost of construction.

The bond act's original intent was to construct a high-speed train system initially from San Francisco to Los Angeles with potential expansions to be constructed thereafter. As the proposed revisions make substantial changes to the bond act by including additional segments to the high-speed train system, requiring the CHSRA to give priority to specific segments which require the least amount of bond funds for construction, and requiring excess revenue be transferred to the state's General Fund, AB 3034 could potentially lead to segments being constructed in both Northern and Southern California but lack the funds and organization to construct the actual line between San Francisco and Los Angeles.

### **EFFECTS ON ORANGE COUNTY:**

Several of the proposed revisions within AB 3034 would ease the pathway for the Orange County Transportation Authority (OCTA) to move forward in evaluating a high-speed train system in Orange County. First, the bill would require the construction of a high-speed train system based on the CHSRA's November 2005 EIR and not the Final Business Plan of June 2000 which included an alternative coastal route that traveled down the Los Angeles-Orange County-San Diego Corridor (LOSSAN) south to San Diego. The 2005 EIR report identifies the segment between Los Angeles and Anaheim and does not make extension assumptions past Irvine.

Second, AB 3034 would require the CHSRA to give priority to identified segments which require the least amount of bond funds. OCTA may utilize existing Measure M funds and future Renewed Measure M funds dedicated to Anaheim to Los Angeles rail improvements as leverage when competing against other public agencies for bond funds.

If passed, Orange County's rail system stands to also benefit from the \$950 million in bond funds dedicated to intercity and commuter rail capital projects. The Southern California Regional Rail Authority (SCRRA) would receive an estimated \$142.5 million. Eligible projects include the purchasing of rolling stock, safety improvements, and track rehabilitation. It should be noted that since this allocation is formula driven, calculations are subject to change due to variables in the formula including annual passenger trips and miles of track utilized for passenger rail. Furthermore, no list of projects has been selected. However, OCTA could benefit from the abovementioned projects within the region and in Orange County.

Conversely, clarification may be needed on the provision which redefines and adds route segments to the existing language of the bond act. Specifically, AB 3034 would define a new segment to extend from Fresno to Irvine with stops in Bakersfield, Palmdale, Los Angeles, and Anaheim. Extending the segment to include portions of the Central Valley in the Los Angeles to Orange County segment could weaken OCTA's



opportunity to obtain bond funds if Central Valley area transportation agencies lack funding. Furthermore, amendments are needed to make certain that the Los Angeles to Anaheim portion is not negatively impacted in any manner.

Further definition is also needed to clarify which stops will be included in the Los Angeles Union Station to Irvine segment to ensure that the Anaheim Terminus is clearly identified in the bill. With the two segments identified in AB 3034 lacking a full description, staff recommends that the Fresno to Irvine segment be redefined as Fresno to Bakersfield to Palmdale to Los Angeles Union Station and the other segment be redefined as Los Angeles Union Station to Anaheim to Irvine.

Over the past two legislative sessions, OCTA has sponsored two bills, AB 1173 (Tran, R-Costa Mesa) and AB 1228 (Solorio, D-Santa Ana) to permit Anaheim to be considered in the initial segment of the high-speed train system. Both bills did not pass the legislature. However, AB 3034 will help this goal. Moreover, OCTA has provided the CHSRA with \$7 million to cover environmental studies within the Los Angeles to Anaheim corridor. The OCTA Board of Directors has not approved any funds to evaluate extending the high-speed train system from Anaheim south to Irvine.

Additionally, staff recommends that excess revenue transferred to the General Fund be limited and only used for the repayment of high-speed rail bonds with the remaining excess revenue directed to intercity, commuter, and urban rail systems to improve connectivity to the high-speed train system.

**OCTA POSITION:**

Staff recommends: SUPPORT WITH AMENDMENTS

**ASSEMBLY BILL**

**No. 3034**

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**Introduced by Assembly Members Galgiani and Ma  
(Principal coauthor: Assembly Member Davis)  
(Coauthor: Senator Steinberg)**

February 22, 2008

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An act to amend Sections 2704.04, 2704.06, 2704.08, and 2704.095 of the Streets and Highways Code, and to amend Sections 1, 3, and 4 of Chapter 697 of the Statutes of 2002, relating to transportation, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 3034, as introduced, Galgiani. Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century.

Existing law, Chapter 697 of the Statutes of 2002, as amended by Chapter 71 of the Statutes of 2004 and Chapter 44 of the Statutes of 2006, provides for submission of the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century to the voters for approval at the November 4, 2008, general election. Subject to voter approval, the act would provide for the issuance of \$9.95 billion of general obligation bonds, \$9 billion of which would be available in conjunction with any available federal funds for planning and construction of a high-speed train system pursuant to the business plan of the High-Speed Rail Authority, and \$950 million of which would be available for capital projects on other passenger rail lines to provide connectivity to the high-speed train system and for capacity enhancements and safety improvements to those lines.

This bill would make various revisions to the bond act to be submitted to the voters. The bill would refer to construction of a high-speed train

system consistent with the authority's certified environmental impact report of November 2005, rather than with the final business plan of June 2000. The bill would revise the descriptions of route segments of the proposed high-speed train system. The bill would require excess revenues from operation of the high-speed train system beyond the amount needed for high-speed train purposes, as defined by the authority, to be deposited in the General Fund. The bill would require that not more than 10% of bond proceeds be used for environmental studies, planning, and engineering activities, and would require the authority to have a detailed funding plan for each segment of the system that identifies the full cost of construction and the sources of revenues for that segment, prior to awarding a construction contract for the segment. The bill would require the authority to give priority in selecting each specific segment for construction to those segments that require the least amount of bond funds as a percentage of total cost of construction, among other considerations.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 1 of Chapter 697 of the Statutes of 2002,  
2 as amended by Section 1 of Chapter 71 of the Statutes of 2004, is  
3 amended to read:

4 Section 1. (a) ~~In light of the events of September 11, 2001, it~~  
5 ~~is very clear that a high-speed passenger train network as described~~  
6 ~~in the High-Speed Rail Authority's Business Plan is essential for~~  
7 ~~the transportation needs of the growing population and economic~~  
8 ~~activity of this state. *The continuing growth in California's*~~  
9 ~~*population and the resulting increase in traffic congestion, air*~~  
10 ~~*pollution, greenhouse gas emissions, and loss of land make it*~~  
11 ~~*imperative that the state proceed quickly to construct a*~~  
12 ~~*state-of-the-art high-speed passenger train network to serve major*~~  
13 ~~*metropolitan areas.*~~

14 (b) ~~The initial high-speed train network linking San Francisco~~  
15 ~~and the bay area to Los Angeles will serve as the backbone of what~~  
16 ~~will become an extensive 700-mile system that will link all of the~~  
17 ~~state's major population centers, including Sacramento, the bay~~

1 area, the Central Valley, Los Angeles, the Inland Empire, Orange  
2 County, and San Diego, and address the needs of the state. ~~The~~  
3 *High-Speed Rail Authority, after extensive studies and analysis,*  
4 *proposes the construction of a new high-speed train network that*  
5 *serves major population centers in the state and that links regional*  
6 *and local transit systems to form an integrated transportation*  
7 *network throughout the state. The network will link all of the state's*  
8 *major population centers, including Sacramento, the Bay Area,*  
9 *the Central Valley, Los Angeles, the Inland Empire, Orange*  
10 *County, and San Diego.*

11 (c) *The high-speed train network proposed by the authority will*  
12 *cost about one-third of what it would cost to provide the same*  
13 *level of mobility and service with highway and airport*  
14 *improvements and will contribute significantly toward a reduction*  
15 *in air pollution and global warming.*

16 (d) *The high-speed train network, once it is completed and*  
17 *becomes operational, will contribute significantly toward the goal*  
18 *of reducing greenhouse gas emissions and other air pollutants*  
19 *and will help reduce California's dependence on foreign energy*  
20 *sources.*

21 (e)

22 (e) The high-speed passenger train bond funds are intended to  
23 encourage the federal government and the private sector to make  
24 a significant contribution toward the construction of the high-speed  
25 train network.

26 ~~(d) The initial segments shall be built in a manner that yields~~  
27 ~~maximum benefit consistent with available revenues.~~

28 ~~(e) After the initial investment from the state, operating revenues~~  
29 ~~from the initial segments and funds from the federal government~~  
30 ~~and the private sector will be used to pay for expansion of the~~  
31 ~~system. It is the intent of the Legislature that the entire high-speed~~  
32 ~~train system shall be constructed as quickly as possible in order~~  
33 ~~to maximize ridership and the mobility of Californians.~~

34 (f) At a minimum, the entire 700-mile system described in the  
35 High-Speed Rail Authority's Business Plan should be constructed  
36 and in revenue service by 2020. It is the intent of the Legislature  
37 that the entire high-speed train system shall be constructed as  
38 quickly as possible in order to maximize ridership and the mobility  
39 of Californians, and that it be completed no later than 2020, and

1 *that all phases shall be built in a manner that yields maximum*  
2 *benefit consistent with available revenues.*

3 SEC. 2. Section 2704.04 of the Streets and Highways Code,  
4 as added by Section 2 of Chapter 697 of the Statutes of 2002, is  
5 amended to read:

6 2704.04. (a) It is the intent of the Legislature by enacting this  
7 chapter and of the people of California by approving the bond  
8 measure pursuant to this chapter to initiate the construction of a  
9 high-speed train network consistent with the authority's ~~Final~~  
10 ~~Business Plan of June 2000~~ *certified environmental impact report*  
11 *of November 2005.*

12 (b) (1) Nine billion dollars (\$9,000,000,000) of the proceeds  
13 of bonds authorized pursuant to this chapter, as well as federal  
14 funds and other revenues made available to the authority, to the  
15 extent consistent with federal and other fund source conditions,  
16 shall be used for planning and eligible capital costs, as defined in  
17 subdivision (c), ~~for the segment of the high-speed train system~~  
18 ~~between San Francisco Transbay Terminal and Los Angeles Union~~  
19 ~~Station. Once construction of the San Francisco-Los Angeles~~  
20 ~~segment is fully funded, all remaining funds described in this~~  
21 ~~subdivision shall be used for planning and eligible capital costs,~~  
22 ~~as defined in subdivision (c); for the following additional~~  
23 ~~high-speed train segments without preference to order purpose of~~  
24 ~~including, but not limited to, the following high-speed train system~~  
25 ~~segments:~~

26 (A) ~~Oakland-San Jose-Sacramento to Stockton to Fresno.~~

27 (B) ~~Sacramento-Merced-San Francisco Transbay Terminal to~~  
28 ~~San Jose to Fresno.~~

29 (C) ~~Los Angeles-Inland Empire-Oakland to San Jose.~~

30 (D) ~~Inland Empire-San Diego-Fresno to Bakersfield to Palmdale,~~  
31 ~~to Los Angeles Union Station to Anaheim to Irvine.~~

32 (E) ~~Los Angeles-Irvine-Los Angeles Union Station to Riverside~~  
33 ~~to San Diego.~~

34 (F) ~~Los Angeles Union Station to Irvine.~~

35 (2) Revenues generated by operations above and beyond  
36 operating and maintenance costs shall be used to ~~fund complete~~  
37 ~~construction of the high-speed train system, as defined by the~~  
38 ~~authority. If excess revenues exceed the amount needed for the~~  
39 ~~high-speed train system, those revenues shall be deposited in the~~  
40 ~~General Fund.~~

1 (c) Capital costs eligible to be paid from proceeds of bonds  
2 authorized for high-speed train purposes pursuant to this chapter  
3 include all activities necessary for acquisition of right-of-way,  
4 construction of tracks, structures, power systems, and stations,  
5 purchase of rolling stock and related equipment, and other related  
6 capital facilities and equipment.

7 (d) Proceeds of bonds authorized pursuant to this chapter shall  
8 not be used for any operating or maintenance costs of trains or  
9 facilities.

10 (e) The State Auditor shall perform periodic audits of the  
11 authority's use of proceeds of bonds authorized pursuant to this  
12 chapter for consistency with the requirements of this chapter.

13 SEC. 3. Section 2704.06 of the Streets and Highways Code,  
14 as added by Section 2 of Chapter 697 of the Statutes of 2002, is  
15 amended to read:

16 2704.06. Nine billion dollars (\$9,000,000,000) of the money  
17 in the fund, upon appropriation by the Legislature, shall be  
18 available, without regard to fiscal years, for planning and  
19 construction of a high-speed train system in this state, consistent  
20 with the authority's ~~Final Business Plan of June 2000~~ *certified*  
21 *environmental impact report of November 2005*, as subsequently  
22 modified pursuant to environmental studies conducted by the  
23 authority.

24 SEC. 4. Section 2704.08 of the Streets and Highways Code,  
25 as added by Section 2 of Chapter 697 of the Statutes of 2002, is  
26 amended to read:

27 2704.08. (a) Proceeds of bonds authorized for high-speed train  
28 purposes pursuant to this chapter shall not be used for more than  
29 one-half of the total cost of construction of track and station costs  
30 of each segment of the high-speed train system.

31 (b) *Not more than 10 percent of the proceeds of bonds*  
32 *authorized pursuant to this chapter shall be used for environmental*  
33 *studies, planning, and engineering activities.*

34 (c) *In selecting each specific segment for construction and prior*  
35 *to awarding a construction contract, the authority shall have a*  
36 *detailed funding plan for that segment that identifies the full cost*  
37 *of constructing the segment and the sources of all revenues needed*  
38 *to complete construction of the segment.*

39 (d) *In selecting each specific segment for construction, the*  
40 *authority shall give priority to those segments that require the*

1 *least amount of bond funds as a percentage of total cost of*  
2 *construction, shall consider the utility of that segment for other*  
3 *passenger rail services, and shall ensure that any other passenger*  
4 *service provided on that segment will not result in any operating*  
5 *or maintenance cost to the authority.*

6 SEC. 5. Section 2704.095 of the Streets and Highways Code,  
7 as added by Section 2 of Chapter 697 of the Statutes of 2002, is  
8 amended to read:

9 2704.095. (a) (1) Of the proceeds of bonds authorized pursuant  
10 to this chapter, nine hundred fifty million dollars (\$950,000,000)  
11 shall be allocated to eligible recipients for capital improvements  
12 to intercity and commuter rail lines and urban rail systems ~~to that~~  
13 ~~provide direct connectivity to the high-speed train system and its~~  
14 ~~facilities, or that are part of the construction of the high-speed~~  
15 ~~train system~~ as that system is described in subdivision (b) of  
16 Section 2704.04 ~~and to, or that provide capacity enhancements~~  
17 and safety improvements. Funds under this section shall be  
18 available upon appropriation by the Legislature in the Annual  
19 Budget act for the eligible purposes described in subdivision (d).

20 (2) Twenty percent (one hundred ninety million dollars  
21 (\$190,000,000)) of the amount authorized by this section shall be  
22 allocated for intercity rail to the Department of Transportation, for  
23 state-supported intercity rail lines that provide regularly scheduled  
24 service and use public funds to operate and maintain rail facilities,  
25 rights-of-way, and equipment. A minimum of 25 percent of the  
26 amount available under this paragraph (forty-seven million five  
27 hundred thousand dollars (\$47,500,000)) shall be allocated to each  
28 of the state's three intercity rail corridors.

29 The California Transportation Commission shall allocate the  
30 available funds to eligible recipients consistent with this section  
31 and shall develop guidelines, *in consultation with the authority*,  
32 to implement the requirements of this section. The guidelines shall  
33 include provisions for the administration of funds, including, but  
34 not limited to, the authority of the intercity corridor operators to  
35 loan these funds by mutual agreement between intercity rail  
36 corridors.

37 (3) Eighty percent (seven hundred sixty million dollars  
38 (\$760,000,000)) of the amount authorized by this section shall be  
39 allocated to eligible recipients, except intercity rail, as described

1 in subdivision (c) based upon a percentage amount calculated to  
2 incorporate all of the following:

3 (A) One-third of the eligible recipient's percentage share of  
4 statewide track miles.

5 (B) One-third of the eligible recipient's percentage share of  
6 statewide annual vehicle miles.

7 (C) One-third of the eligible recipient's percentage share of  
8 statewide annual passenger trips.

9 The California Transportation Commission shall allocate the  
10 available funds to eligible recipients consistent with this section  
11 and shall develop guidelines to implement the requirements of this  
12 section.

13 (b) For the purposes of this section, the following terms have  
14 the following meanings:

15 (1) "Track miles" means the miles of track used by a public  
16 agency or joint powers authority for regular passenger rail service.

17 (2) "Vehicle miles" means the total miles traveled, commencing  
18 with pullout from the maintenance depot, by all locomotives and  
19 cars operated in a train consist for passenger rail service by a public  
20 agency or joint powers authority.

21 (3) "Passenger trips" means the annual unlinked passenger  
22 boardings reported by a public agency or joint powers authority  
23 for regular passenger rail service.

24 (4) "Statewide" when used to modify the terms in paragraphs  
25 (A), (B), and (C) of paragraph (3) of subdivision (a) means the  
26 combined total of those amounts for all eligible recipients.

27 (c) Eligible recipients for funding under paragraph (3) of  
28 subdivision (a) shall be public agencies and joint powers authorities  
29 that operate regularly scheduled passenger rail service in the  
30 following categories:

31 (1) Commuter rail.

32 (2) Light rail.

33 (3) Heavy rail.

34 (4) Cable car.

35 (d) Funds allocated pursuant to this section shall be used for  
36 connectivity with the high-speed train system or for the  
37 rehabilitation or modernization of, or safety improvements to,  
38 tracks utilized for public passenger rail service, signals, structures,  
39 facilities, and rolling stock.



1 (e) Eligible recipients may use the funds for any eligible rail  
2 element set forth in subdivision (d).

3 (f) In order to be eligible for funding under this section, an  
4 eligible recipient under paragraph (3) of subdivision (a) shall  
5 provide matching funds in an amount not less than the total amount  
6 allocated to the recipient under this section.

7 (g) An eligible recipient of funding under paragraph (3) of  
8 subdivision (a) shall certify that it has met its matching funds  
9 requirement, and all other requirements of this section, by  
10 resolution of its governing board, subject to verification by the  
11 California Transportation Commission.

12 (h) Funds made available to an eligible recipient under paragraph  
13 (3) of subdivision (a) shall supplement existing local, state, or  
14 federal revenues being used for maintenance or rehabilitation of  
15 the passenger rail system. Eligible recipients of funding under  
16 paragraph (3) of subdivision (a) shall maintain their existing  
17 commitment of local, state, or federal funds for these purposes in  
18 order to remain eligible for allocation and expenditure of the  
19 additional funding made available by this section.

20 (i) In order to receive any allocation under this section, an  
21 eligible recipient under paragraph (3) of subdivision (a) shall  
22 annually expend from existing local, state, or federal revenues  
23 being used for the maintenance or rehabilitation of the passenger  
24 rail system in an amount not less than the annual average of its  
25 expenditures from local revenues for those purposes during the  
26 1998–99, 1999–2000, and 2000–01 fiscal years.

27 (j) Funds allocated pursuant to this section to the Southern  
28 California Regional Rail Authority for eligible projects within its  
29 service area shall be apportioned each fiscal year in accordance  
30 with memorandums of understanding to be executed between the  
31 Southern California Regional Rail Authority and its member  
32 agencies. The memorandum or memorandums of understanding  
33 shall take into account the passenger service needs of the Southern  
34 California Regional Rail Authority and of the member agencies,  
35 revenue attributable to member agencies, and separate contributions  
36 to the Southern California Regional Rail Authority from the  
37 member agencies.

38 SEC. 6. Section 3 of Chapter 697 of the Statutes of 2002, as  
39 amended by Section 3 of Chapter 44 of the Statutes of 2006, is  
40 amended to read:

1     Sec. 3. Section 2 of Chapter 697 of the Statutes of 2002, as  
2 amended by Sections 2 and 3 of Chapter 71 of the Statutes of 2004,  
3 ~~and as further amended by Sections 1 and 2 of the act amending~~  
4 ~~this section in the 2005-06 Regular Session Chapter 44 of the~~  
5 *Statutes of 2006, and as further amended by Sections 2 to 5,*  
6 *inclusive, of the act amending this section in the 2007-08 Regular*  
7 *Session, shall take effect upon the adoption by the voters of the*  
8 *Safe, Reliable High-Speed Passenger Train Bond Act for the 21st*  
9 *Century, as set forth in Section 2 of Chapter 697 of the Statutes*  
10 *of 2002, as amended by Sections 2 and 3 of Chapter 71 of the*  
11 *Statutes of 2004, and as further amended by Sections 1 and 2 of*  
12 ~~the act amending this section in the 2005-06 Regular Session~~  
13 *Chapter 44 of the Statutes of 2006, and as further amended by*  
14 *Sections 2 to 5, inclusive, of the act amending this section in the*  
15 *2007-08 Regular Session.*

16     SEC. 7. Section 4 of Chapter 697 of the Statutes of 2002, as  
17 amended by Section 4 of Chapter 44 of the Statutes of 2006, is  
18 amended to read:

19     Sec. 4. (a) Section 2 of Chapter 697 of the Statutes of ~~2003~~  
20 *2002, as amended by Sections 2 and 3 of Chapter 71 of the Statutes*  
21 *of 2004, and as further amended by Sections 1 and 2 of the act*  
22 ~~amending this section in the 2005-06 Regular Session Chapter 44~~  
23 *of the Statutes of 2006, and as further amended by Sections 2 to*  
24 *5, inclusive, of the act amending this section in the 2007-08*  
25 *Regular Session, shall be submitted to the voters at the November*  
26 *4, 2008, general election in accordance with provisions of the*  
27 *Government Code and the Elections Code governing the*  
28 *submission of statewide measures to the voters.*

29     (b) Notwithstanding any other provision of law, all ballots of  
30 the November 4, 2008, general election shall have printed thereon  
31 and in a square thereof, exclusively, the words “Safe, Reliable  
32 High-Speed Passenger Train Bond Act for the 21st Century” and  
33 in the same square under those words, the following in 8-point  
34 type: “This act provides for the Safe, Reliable High-Speed  
35 Passenger Train Bond Act for the 21st Century. For the purpose  
36 of reducing traffic on the state’s highways and roadways, upgrading  
37 commuter transportation, improving people’s ability to get safely  
38 from city to city, alleviating congestion at airports, reducing air  
39 pollution, and providing for California’s growing population, shall  
40 the state build a high-speed train system and improve existing

1 passenger rail lines serving the state's major population centers  
2 by creating a rail trust fund that will issue bonds totaling \$9.95  
3 billion, paid from existing state funds at an average cost of \_\_\_\_  
4 dollars (\$\_\_\_\_) per year over the 30-year life of the bonds, with  
5 all expenditures subject to an independent audit?" The blank space  
6 in the question to appear on the ballot pursuant to this subdivision  
7 shall be filled in by the Attorney General with the appropriate  
8 figure provided by the Legislative Analyst relative to the annual  
9 average cost of the bonds. Opposite the square, there shall be left  
10 spaces in which the voters may place a cross in the manner required  
11 by law to indicate whether they vote for or against the measure.

12 (c) Notwithstanding Sections 13247 and 13281 of the Elections  
13 Code, the language in subdivision (b) shall be the only language  
14 included in the ballot label for the condensed statement of the  
15 ballot title, and the Attorney General shall not supplement, subtract  
16 from, or revise that language, except that the Attorney General  
17 may include the financial impact summary prepared pursuant to  
18 Section 9087 of the Elections Code and Section 88003 of the  
19 Government Code. The ballot label is the condensed statement of  
20 the ballot title and the financial impact summary.

21 (d) Where the voting in the election is done by means of voting  
22 machines used pursuant to law in the manner that carries out the  
23 intent of this section, the use of the voting machines and the  
24 expression of the voters' choice by means thereof are in compliance  
25 with this section.

26 SEC. 8. This act is an urgency statute necessary for the  
27 immediate preservation of the public peace, health, or safety within  
28 the meaning of Article IV of the Constitution and shall go into  
29 immediate effect. The facts constituting the necessity are:

30 In order to modify the provisions of a general obligation bond  
31 measure on the November 4, 2008, general election ballot that  
32 would authorize the issuance and sale of bonds for the financing  
33 of a high-speed passenger train system and for other related  
34 purposes, it is necessary that this act take effect immediately.

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DRAFT LETTER FOR AB 3034

April 14, 2008

The Honorable Catherine Galgiani  
State Capitol, Room 2170  
Sacramento, CA 95814

Dear Assembly Member Galgiani,

RE: AB 3034

On behalf of the Orange County Transportation Authority (OCTA) Board of Directors, I would like to inform you that OCTA has taken a "Seek Amendments" position on AB 3034. This bill would make several revisions to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21<sup>st</sup> Century.

While we are concerned about the timing of placing this bond on the November 2008 ballot given the size of the current state budget deficit, we would like you to consider several amendments to AB 3034 to appropriately reflect current activity levels on segments in Southern California and clarify some other elements of the bill.

The requested amendments are as follows:

- The current Los Angeles Union Station-Irvine segment should include the City of Anaheim as the Los Angeles Union Station-Anaheim-Irvine segment.
- For clarification, the Fresno-Irvine segment be redefined as the Fresno-Bakersfield-Palmdale-Los Angeles Union Station segment, since the Los Angeles Union Station-Anaheim-Irvine segment is listed as a separate segment.
- Any excess revenue should be used for the repayment of high-speed rail bonds. Any remaining amounts above bond repayment should be directed to intercity, commuter, and urban rail systems to improve connectivity to the high-speed train system.

OCTA has provided the California High-Speed Rail Authority (CHSRA) with \$7 million to cover environmental studies within the Los Angeles to Anaheim corridor and this segment could potentially be the highest revenue-generating segment in the entire line. It is critical that Anaheim be included as a stop on the Los Angeles Union Station-Irvine segment. No studies have been conducted or are planned for any stations south of Anaheim.

The Honorable Catherine Galgiani

April 14, 2008

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Furthermore, OCTA believes the revenue generated by the high-speed train system should be utilized to ensure the system's financial viability, including debt obligations and feeder systems.

If you or your staff have any questions, please call Wendy Villa, State Relations Manager, at (714) 560-5595.

Sincerely,

Chris Norby  
Chairman

CN:ww

c: Members of the Assembly Transportation Committee  
Orange County State Legislative Delegation  
Sloat Higgins Jensen & Associates



# Orange County Transportation Authority Legislative Matrix

2008 State Legislation Session  
April 3, 2008

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>OCTA SPONSORED LEGISLATION</b>			
<p>► <b>AB 387 (Duvall - R)</b></p> <p>Design-Build: Transit Contracts</p>	<p>Amends law that authorizes transit operators to enter into design-build contract according to specified procedures. Provides that there would be no cost threshold for the acquisition and installation of technology applications or surveillance equipment designed to enhance safety, disaster preparedness, and homeland security efforts. Allows those projects to be awarded based on either the lowest responsible bidder or best value.</p>	<p><b>INTRODUCED:</b> 02/15/2007  <b>LAST AMEND:</b> 01/07/2008  <b>LOCATION:</b> Senate Transportation and Housing Committee</p> <p><b>STATUS:</b> 03/11/2008 From SENATE Committee on TRANSPORTATION AND HOUSING: Do pass to Committee on APPROPRIATIONS.</p>	<p><b>Sponsor</b></p> <p>SUPPORT: CH2M HILL, California Transit Association</p> <p>OPPOSE: Associated Builders and Contractors of California, Western Electrical Contractors' Association</p>
<p>► <b>AB 2906 (Tran - R)</b></p> <p>Vehicles: High-Occupancy Vehicle Lane: Buffer Area</p>	<p>Repeals existing law that requires specified high occupancy vehicle lanes to be separated from adjacent mixed flow lanes by a buffer area of at least four feet in width.</p>	<p><b>INTRODUCED:</b> 02/22/2008  <b>LOCATION:</b> Assembly Transportation Committee</p> <p><b>STATUS:</b> 03/13/2008 To ASSEMBLY Committee on TRANSPORTATION.</p>	<p><b>Sponsor</b></p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>BILLS WITH OFFICIAL POSITIONS</b>			
<b>AB 660 (Galgiani – D)</b>  Railroad-Highway Grade Separations	Revises the highway-railroad grade separation program of the Department of Transportation to delete funding eligibility for a grade separation at a proposed new grade crossing or for removal or relocation of highways or railroad tracks to eliminate existing grade crossings. Provides a maximum allocation of 80 percent of project costs for all projects funded. Modifies the maximum total allocation provisions. Modifies the calculation of the amount of funds deducted from the apportionments of fuel tax revenues.	<b>INTRODUCED:</b> 02/21/2007 <b>LAST AMEND:</b> 01/24/2008 <b>LOCATION:</b> Senate Transportation and Housing Committee  <b>STATUS:</b> 02/07/2008 To SENATE Committee on TRANSPORTATION AND HOUSING.	<b>Oppose Unless Amended</b>  SUPPORT: American Federation of State, County, and Municipal Employees, CSAC (Support with amendments), City of Merced, Merced County, Southern California Contractor Association  OPPOSE: Alameda Corridor East (unless amended)
<b>AB 842 (Jones – D)</b>  Regional Plans: Traffic Reduction	Requires the Transportation Commission to update its guidelines for the preparation of regional transportation plans, including a requirement that each regional transportation plan provide for a 10 percent reduction in the growth increment of vehicle miles traveled. Requires the Department of Housing and Community develop to rank applicants for the award of capital improvement grants based upon a reduction of vehicle miles traveled as a result of the project.	<b>INTRODUCED:</b> 02/22/2007 <b>LAST AMEND:</b> 01/17/2008 <b>LOCATION:</b> Senate Transportation and Housing Committee  <b>STATUS:</b> 02/07/2008 To SENATE Committee on TRANSPORTATION AND HOUSING.	<b>Oppose Unless Amended</b>  SUPPORT: California League of Conservation Voters (Sponsor), American Lung Association, Gray Panthers  OPPOSE: Metropolitan Transportation Commission (unless amended), Association of Bay Area Governments

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p><b>SB 375 (Steinberg – D)</b></p> <p>Transportation Planning: Travel Models: Reviews</p>	<p>Relates to guidelines for travel demand guidelines used in regional transportation plans. Includes a requirement that a regional transportation plan include a sustainable community strategy designed to achieve goals for the reduction of greenhouse gas emissions. Creates provisions for an environmental document under the Environmental Quality Act that examines specific impacts of a transportation project located in a local jurisdiction that has amended its general plan and the legislative body finds the project meets specified criteria.</p>	<p><b>INTRODUCED:</b> 02/21/2007  <b>LAST AMEND:</b> 01/28/2008  <b>LOCATION:</b> Assembly Appropriations Committee</p> <p><b>STATUS:</b> 01/28/2008 From ASSEMBLY Committee on APPROPRIATIONS with author's amendments.  01/28/2008 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.</p>	<p><b>Oppose Unless Amended</b></p> <p>(partial list)</p> <p><b>SUPPORT:</b> California League of Conservation Voters (co-sponsor), Natural Resources Defense Council (co-sponsor), American Lung Association of California</p> <p><b>OPPOSE:</b> Orange County Business Council, California Building Industry Association, Department of Finance, Contra Costa Transportation Authority, California Chamber of Commerce, Transportation California</p>



BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p><b>SB 974</b> <b>(Lowenthal – D)</b></p> <p>Ports: Congestion Relief: Environmental Mitigation</p>	<p>Requires the Ports of Los Angeles and Long Beach to transmit a portion of the funds derived from imposition of a container cargo user fee to the San Pedro Bay Ports Congestion Relief Trust Fund and San Pedro Bay Ports Mitigation Relief Trust Funds. Requires the Port of Oakland to transmit a portion of the funds derived from imposition of the fee to the Port of Oakland Congestion Relief Trust Fund and a portion to the Port of Oakland Mitigation Relief Trust Fund. Authorizes related financing agreements.</p>	<p><b>INTRODUCED:</b> 02/23/2007 <b>LAST AMEND:</b> 09/05/2007 <b>LOCATION:</b> Assembly Third Reading File</p> <p><b>STATUS:</b> 02/26/2008 In ASSEMBLY. From Inactive File. To third reading.</p>	<p><b>Support with Amendments</b></p> <p>(partial list)</p> <p>SUPPORT: LACMTA, Mayor Curt Pringle, City of Anaheim, Port of Long Beach (support only if amended), SCAQMD, California Air Pollution Control Officers Association, California League of Conservation Voters, Gateway Council of Governments, Natural Resources Defense Council.</p> <p>OPPOSE: California Chamber of Commerce, California Railroad Industry, California Taxpayers' Association, National Association of Manufacturers, United States Chamber of Commerce, United Chambers of Commerce of the San Fernando Valley, Howard Jarvis Taxpayers' Association</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► <b>SB 1316 (Correa – D)</b></p> <p>Transportation Facilities: Tolls: Orange/Riverside</p>	<p>Authorizes the Orange County Transportation Authority to eliminate its rights, interests, and obligations in the Riverside County portion of the State Highway Route 91 toll lane by partial assignment to the Riverside County Transportation Commission or by amendment to the franchise agreement. Deletes the 2030 limitation on issuance of bonds and collections of tolls. Authorizes toll revenues to be used for transportation purposes in the State Highway 91 Corridor.</p>	<p><b>INTRODUCED:</b> 02/20/2008 <b>LOCATION:</b> Senate Transportation and Housing Committee</p> <p><b>STATUS:</b> 02/28/2008 To SENATE Committee on TRANSPORTATION AND HOUSING Hearing: 04/08/2008 1:30 p.m.</p>	<p><b>Support</b></p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>BILLS BEING MONITORED</b>			
<b>AB 38 (Nava – D)</b>  Department of Emergency Services and Homeland Security	Deletes provisions of existing law that governs the Office of Homeland Security and the Office of Emergency Services and establishes the Department of Emergency Services and Homeland Security which would succeed to and be vested with the duties, powers, purposes, and responsibilities of both of the former offices. Requires the Office of Emergency Services to develop and complete a guidance document to the state emergency plan with respect to agriculture-related disasters.	<b>INTRODUCED:</b> 12/04/2006 <b>LAST AMEND:</b> 05/01/2007 <b>LOCATION:</b> Senate Public Safety Committee  <b>STATUS:</b> 07/10/2007 In SENATE Committee on PUBLIC SAFETY: Failed passage. 07/10/2007 In SENATE Committee on PUBLIC SAFETY: Reconsideration granted.	<b>SUPPORT:</b> Office of Emergency Services, Office of Homeland Security, California Emergency Services Association, CSAC, California State Sheriffs' Association, Little Hoover Commission, Metropolitan Transportation Commission, James Lee Witt Associates, Regional Council of Rural Counties
<b>AB 109 (Nunez – D)</b>  Global Warming Solutions Act of 2006: Annual Report	Requires the Governor, Treasurer's office, the Public Employees' Retirement and the State Teachers' Retirement systems to annually report to the Legislature information relating to greenhouse gas emissions and green investments. Requires all land conservancies to report to the Legislature on past, current, and future activities to sequester greenhouse gas emissions. Requires an annual report by the California Air Resources Board to the state legislature on the implementation of the Global Warming Solutions Act. Includes the reduction of such gases in the Environmental Goals and Policy Project.	<b>INTRODUCED:</b> 01/05/2007 <b>LAST AMEND:</b> 07/18/2007 <b>LOCATION:</b> Senate Inactive Files  <b>STATUS:</b> 09/04/2007 In SENATE. From third reading. To Inactive File.	<b>SUPPORT:</b> American Federation of State County and Municipal Employees, California Association of Professional Scientists, Moller International Inc., Silicon Valley Leadership Group
<b>AB 169 (Levine – D)</b>  Joint Powers Authorities: Indian Tribes	Provides that 16 federally recognized Indian tribal governments may participate in the Southern California Association of Governments, a joint powers authority, for specified purposes and subject to specified conditions in the six-county region of the Southern California Association of Governments.	<b>INTRODUCED:</b> 01/23/2007 <b>LOCATION:</b> Senate Local Government Committee  <b>STATUS:</b> 05/23/2007 To SENATE Committee on LOCAL GOVERNMENT.	<b>SUPPORT:</b> SCAG (Sponsor)

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>AB 867 (Davis – D)</b>  Transportation Analysis Zones	Requires each metropolitan planning organization and each regional transportation planning agency, in developing the regional transportation plan, to factor the mobility of low-income and minority residents into its computer analysis of regional traffic analysis zones used to estimate travel behavior and traffic generation as part of the transportation demand model. Requires results of such analysis to be availed to the public and to be added as an addendum to the regional transportation plan.	<b>INTRODUCED:</b> 02/22/2007 <b>LAST AMEND:</b> 07/10/2007 <b>LOCATION:</b> Senate Appropriations Committee  <b>STATUS:</b> 08/30/2007 In SENATE Committee on APPROPRIATIONS: Not heard.	SUPPORT: American Federation of State, County and Municipal Employees
<b>AB 901 (Nunez – D)</b>  Transportation: Highway Safety Traffic Reduction	Relates to the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 that requires funds from the proceeds of bonds under the act for allocation to public transit operators and transportation planning agencies. Requires the Department of Transportation and Transportation Commission to provide information regarding their needs. Imposes specified auditing requirements.	<b>INTRODUCED:</b> 02/22/2007 <b>LAST AMEND:</b> 07/05/2007 <b>LOCATION:</b> Senate Appropriations Committee  <b>STATUS:</b> 07/10/2007 From SENATE Committee on TRANSPORTATION AND HOUSING: Do pass to Committee on APPROPRIATIONS.	SUPPORT: California Transit Association, LACMTA, Long Beach Transit, Merced Transit, Inyo Mono Transit, Unitrans, Associated Students of the University of California, Davis, Shields for Families, Inc.
<b>AB 995 (Nava – D)</b>  Trade Corridors	Relates to the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act. Provides that projects eligible for funding from the Trade Corridors Improvement Fund receive priority if they meet specified requirements. Requires the state Transportation Commission to coordinate with the state Air Resources Board for technical assistance in evaluating project applications.	<b>INTRODUCED:</b> 02/22/2007 <b>LAST AMEND:</b> 08/20/2007 <b>LOCATION:</b> Senate Inactive File  <b>STATUS:</b> 02/13/2008 In SENATE. To Inactive File.	SUPPORT: American Federation of State, County and Municipal Employees, American Lung Association, Environmental Defense, Natural Resources Defense Council

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>AB 1351 (Levine – D)</b>  Transportation: State-Local Partnerships	Amends the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006. States the intent of the Legislature to appropriate a specified amount of funds for the State-Local Partnership Program for funding transportation projects for a specified period. Defines local funds under the program relating to a local match as revenues from any locally imposed transportation related sales tax. Requires certain related reports.	<b>INTRODUCED:</b> 02/23/2007 <b>LAST AMEND:</b> 07/12/2007 <b>LOCATION:</b> Senate Appropriations Committee  <b>STATUS:</b> 08/30/2007 In SENATE Committee on APPROPRIATIONS: Not heard.	SUPPORT: LACMTA, RCTC
<b>AB 1358 (Leno – D)</b>  Planning: Circulation Element: Transportation	Requires the legislative body of a city or county, upon any revision of the circulation element of the general plan, to modify the circulation element to accommodate the safety and convenient travel of users of streets, roads, and highways, in a manner that is suitable to the rural, suburban, or urban context of the general plan. Requires the Office of Planning and Research to prepare or amend guidelines to provide for this accommodation using consideration of accommodation variation in transportation.	<b>INTRODUCED:</b> 02/23/2007 <b>LAST AMEND:</b> 07/18/2007 <b>LOCATION:</b> Senate Inactive File  <b>STATUS:</b> 02/13/2008 In SENATE. To Inactive File.	(partial list)  SUPPORT: AARP, California League of Conservation Voters, City of Sacramento, City of Ventura, Sacramento Metropolitan Air Quality Management District, San Luis Obispo Council of Governments, Transportation and Land Use Coalition
<b>AB 1756 (Caballero – D)</b>  Infrastructure Development: Public-Private Partnership	Requires the Secretary of Business, Transportation and Housing to establish the Office of Local Public-Private Partnerships in the agency to inform local agencies and other interested stakeholders of the role that public-private partnerships can play in financing, constructing, or operating, or any combination thereof, fee-producing local infrastructure projects.	<b>INTRODUCED:</b> 01/07/2008 <b>LOCATION:</b> Assembly Local Government Committee  <b>STATUS:</b> 02/07/2008 To ASSEMBLY Committees on LOCAL GOVERNMENT and BUSINESS AND PROFESSIONS. Hearing: 04/02/2008 1:30 p.m.	None Listed
<b>► AB 1815 (Feuer – D)</b>  Transportation Infrastructure Funding Task Force	Creates the Transportation Infrastructure Funding Task Force. Requires the task force to hold at least three public hearings around the state and to report to the Legislature and Governor on alternatives to the current system of taxing road users through per-gallon fuel taxes.	<b>INTRODUCED:</b> 01/17/2008 <b>LOCATION:</b> Assembly Transportation Committee  <b>STATUS:</b> 02/07/2008 To ASSEMBLY Committee on TRANSPORTATION. Hearing: 04/07/2008 1:30 p.m.	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>AB 1845 (Duvall – R)</b>  Railroad-Highway Grade Separations	Transfers responsibility for developing the priority list for the annual grade separation program from the Public Utilities Commission to the Transportation Commission upon completion of the expenditure of Proposition 1B general obligation bond funds that are to be allocated pursuant to the priority list process.	<b>INTRODUCED:</b> 01/28/2008 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 01/28/2008 INTRODUCED.	None Listed
<b>AB 1850 (DeVore – R)</b>  Office of Public-Private Partnerships	Creates the Office of Public-Private Partnerships within the office of the Governor and a process for the Office of Public-Private Partnerships to develop formal public-private partnership agreements to facilitate the construction and maintenance of the state's infrastructure. Requires the Director of that office to provide the Legislature with notice before committing the state to participate in any partnership agreement.	<b>INTRODUCED:</b> 01/29/2008 <b>LOCATION:</b> Assembly Business and Professions Committee  <b>STATUS:</b> 02/21/2008 To ASSEMBLY Committee on BUSINESS AND PROFESSIONS. Hearing: 04/01/2008 9:00 a.m.	None Listed
<b>AB 1851 (Nava – D)</b>  Greenhouse Gas Emissions: Sale of Voluntary Offsets	Expresses legislative intent to create a process for ensuring that voluntary greenhouse gas emissions offsets sold in the state meet clear and consistent standards, and assist local governments and others in the state in generating and marketing qualifying projects for the voluntary offsets market.	<b>INTRODUCED:</b> 01/29/2008 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 01/29/2008 INTRODUCED.	None Listed
<b>► AB 1904 (Torrico – D)</b>  Transportation: Programming of Projects	Provides that, for purposes of calculation of state highway miles in a county for the county shares formula, would provide that the total number of non-freeway miles in a county shall be calculated so that it is not less than the total number of non-freeway miles that existed on a certain date.	<b>INTRODUCED:</b> 02/07/2008 <b>LOCATION:</b> Assembly Transportation Committee  <b>STATUS:</b> 02/21/2008 To ASSEMBLY Committee on TRANSPORTATION. Hearing: 04/07/2008 1:30 p.m.	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► <b>AB 1968</b> <b>(Jeffries – R)</b></p> <p>Transportation Infrastructure Emergencies</p>	<p>Authorizes the Governor to declare a transportation infrastructure emergency for the purpose of relieving traffic congestion on any specific highway or segment of a highway for which the Department of Transportation has determined that the average daily vehicle hours of delay, excluding weekends, exceeds a specified amount. Provides for the Governor to direct the Department of to immediately create and implement an expedited process.</p>	<p><b>INTRODUCED:</b> 02/14/2008 <b>LOCATION:</b> Assembly Transportation Committee</p> <p><b>STATUS:</b> 02/28/2008 To ASSEMBLY Committee on TRANSPORTATION. Hearing: 03/24/2008 1:30 p.m.</p>	<p>None Listed</p>
<p><b>AB 1973 (Ruskin – D)</b></p> <p>Public Utilities Commission</p>	<p>Requires the Governor to appoint a president of the commission from among its members.</p>	<p><b>INTRODUCED:</b> 02/14/2008 <b>LOCATION:</b> Assembly Utilities and Commerce Committee</p> <p><b>STATUS:</b> 02/28/2008 To ASSEMBLY Committee on UTILITIES AND COMMERCE.</p>	<p>None Listed</p>
<p>► <b>AB 2093 (Jones – D)</b></p> <p>General Plan</p>	<p>Amends the Planning and Zoning Law. Provisions that the legislative body of each county and city adopt a comprehensive, long-term general plan for the physical development of the county or city. Requires to be included in the mandatory elements consideration to policies that reduce the effects of land use activities and general plan actions on the emission of greenhouse gases.</p>	<p><b>INTRODUCED:</b> 02/19/2008 <b>LOCATION:</b> Assembly Local Government Committee</p> <p><b>STATUS:</b> 03/06/2008 To ASSEMBLY Committees on LOCAL GOVERNMENT and NATURAL RESOURCES. Hearing: 04/02/2008 1:30 p.m.</p>	<p>None Listed</p>
<p>► <b>AB 2182</b> <b>(Caballero – D)</b></p> <p>Regional and Local Land Use Plans</p>	<p>Establishes the Urban and Community Center Revitalization Program which would provide for moneys from a specified bond act to be made available for distribution in the form of grants to local governments that meets specified criteria, for specific plans, master environmental impact reports, and charettes. Requires the State Clearinghouse in the Governor's Office of Planning and Research to prepare and develop proposed specified regulations for the program.</p>	<p><b>INTRODUCED:</b> 02/20/2008 <b>LOCATION:</b> Assembly Local Government Committee</p> <p><b>STATUS:</b> 03/12/2008 From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments. 03/12/2008 In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► <b>AB 2295 (Arambula – D)</b></p> <p>Transportation Capital Improvement Program</p>	<p>Relates to allocations of transportation capital improvement funds pursuant to the State Transportation Improvement Program process. States that local road rehabilitation projects are eligible for these funds.</p>	<p><b>INTRODUCED:</b> 02/21/2008  <b>LOCATION:</b> Assembly Transportation Committee</p> <p><b>STATUS:</b> 03/05/2008 To ASSEMBLY Committee on TRANSPORTATION.  Hearing: 04/07/2008 1:30 p.m.</p>	<p>None Listed</p>
<p>► <b>AB 2321 (Feuer – D)</b></p> <p>Transportation Funding: County of Los Angeles</p>	<p>Requires the Los Angeles County Metropolitan Transportation Authority tax ordinance to specify that the tax is to be imposed for a period not to exceed and to require the authority to include specified projects and programs in its Long Range Transportation Plan.</p>	<p><b>INTRODUCED:</b> 02/21/2008  <b>LOCATION:</b> Assembly Transportation Committee</p> <p><b>STATUS:</b> 03/05/2008 To ASSEMBLY Committee on TRANSPORTATION.  Hearing: 04/07/2008 1:30 p.m.</p>	<p>None Listed</p>
<p>► <b>AB 2376 (Price – D)</b></p> <p>Small and Emerging Contractors: Assistance Program</p>	<p>Requires the Department of Transportation to establish a Small and Emerging Contractor Technical Assistance Program for the purpose of providing training and technical assistance to small contractors to improve their ability to secure surety bond guarantees, offered by the federal Small Business Administration, necessary to qualify for public works projects.</p>	<p><b>INTRODUCED:</b> 02/21/2008  <b>LOCATION:</b> Assembly Jobs, Economic Development and The Economy Committee</p> <p><b>STATUS:</b> 03/06/2008 To ASSEMBLY Committees on JOBS, ECONOMIC DEVELOPMENT AND THE ECONOMY and TRANSPORTATION.  Hearing: 04/08/2008 9:00 a.m.</p>	<p>None Listed</p>
<p>► <b>AB 2495 (Feuer – D)</b></p> <p>Local Governments: Infrastructure Financing</p>	<p>States the intent of the Legislature to enact legislation to allow the state create public-public partnerships with local governmental agencies.</p>	<p><b>INTRODUCED:</b> 02/21/2008  <b>LOCATION:</b> Assembly</p> <p><b>STATUS:</b> 02/21/2008 INTRODUCED.</p>	<p>None Listed</p>



BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► <b>AB 2500 (Strickland – R)</b></p> <p>Grade Separation Projects</p>	<p>Relates to existing law that requires the Department of Transportation to prepare a proposed budget that includes allocation to grade separation projects. Increases the amount required to be budgeted for allocation to grade separation projects.</p>	<p><b>INTRODUCED:</b> 02/21/2008  <b>LOCATION:</b> Assembly Transportation Committee</p> <p><b>STATUS:</b> 03/06/2008 To ASSEMBLY Committee on TRANSPORTATION.  Hearing: 04/07/2008 1:30 p.m.</p>	<p>None Listed</p>
<p>► <b>AB 2558 (Feuer – D)</b></p> <p>Los Angeles County Metropolitan Commission</p>	<p>Authorizes the Los Angeles County Metropolitan Transportation Authority to impose a climate change mitigation and adaptation fee in the County of Los Angeles, subject to approval of an ordinance by a majority of the board of the authority and majority voter approval of a ballot measure containing the fee and an expenditure plan.</p>	<p><b>INTRODUCED:</b> 02/22/2008  <b>LOCATION:</b> Assembly Transportation Committee</p> <p><b>STATUS:</b> 03/10/2008 To ASSEMBLY Committee on TRANSPORTATION and LOCAL GOVERNMENT.  Hearing: 04/07/2008 1:30 p.m.</p>	<p>None Listed</p>
<p>► <b>AB 2596 (Jones – D)</b></p> <p>Global Warming Solutions Act of 2006: Emissions</p>	<p>Requires the Air Resources Board to quantify the projected annual greenhouse gas emissions generated by each city and county, based on land use and transportation activity from 2009. Authorizes a city or county, to the extent it reduces greenhouse gas emissions by a certain percentage of the state board projections, to sell, exchange, or auction its incremental emissions reduction in any open market-based compliance mechanism established by the state board.</p>	<p><b>INTRODUCED:</b> 02/22/2008  <b>LOCATION:</b> Assembly Natural Resources Committee</p> <p><b>STATUS:</b> 03/13/2008 To ASSEMBLY Committee on NATURAL RESOURCES.  Hearing: 04/07/2008 1:30 p.m.</p>	<p>None Listed</p>
<p>► <b>AB 2600 (Niello – R)</b></p> <p>State and Local Government: Infrastructure</p>	<p>States the intent of the Legislature to enact legislation to authorize state and local governmental entities to enter performance-based infrastructure partnerships for eligible facilities.</p>	<p><b>INTRODUCED:</b> 02/22/2008  <b>LOCATION:</b> Assembly</p> <p><b>STATUS:</b> 02/22/2008 INTRODUCED.</p>	<p>None Listed</p>
<p>► <b>AB 2650 (Carter – D)</b></p> <p>Department of Transportation: Environmental Process</p>	<p>Provides for surface transportation project delivery pilot program. Requires a report to extend the operation of the pilot program provisions.</p>	<p><b>INTRODUCED:</b> 02/22/2008  <b>LOCATION:</b> Assembly Transportation Committee</p> <p><b>STATUS:</b> 03/13/2008 To ASSEMBLY Committee on TRANSPORTATION.</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>AB 2744 (Huffman – D)</b>  Metropolitan Transportation Commission: Fee	Authorizes the Metropolitan Transportation Commission to impose a fee on each gallon of motor vehicle fuel, delivered into the fuel supply tank or tanks of a motor vehicle in the region, excluding motor vehicle fuel used to power aircraft, for a 25-year period. Requires the commission to adopt a regional transportation/climate protection expenditure plan for the revenues derived from the fee. Provides commission would be authorized to impose the fee.	<b>INTRODUCED:</b> 02/22/2008 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 02/22/2008 INTRODUCED.	None Listed
<b>► AB 3021 (Nava – D)</b>  California Transportation Financing Authority	Creates the Transportation Financing Authority with powers and duties relative to issuance of revenue bonds to fund transportation projects to be backed by various revenue streams of transportation funds, and toll revenues in order to facilitate construction of additional capacity on the state highway system.	<b>INTRODUCED:</b> 02/22/2008 <b>LOCATION:</b> Assembly Transportation Committee  <b>STATUS:</b> 03/13/2008 To ASSEMBLY Committee on TRANSPORTATION.	None Listed
<b>► AB 3034 (Galgiani – D)</b>  Safe, Reliable High-Speed Passenger Train Bond Act	Makes various revisions to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century to be submitted to the voters. Refers to construction of a high-speed train system consistent with the High Speed Rail Authority certified environmental impact report, rather than with the final business plan. Revises descriptions of route segments of the proposed high-speed train system. Relates to revenues from operation of the high-speed train system.	<b>INTRODUCED:</b> 02/22/2008 <b>LOCATION:</b> Assembly Transportation Committee  <b>STATUS:</b> 03/13/2008 To ASSEMBLY Committee on TRANSPORTATION.	None Listed
<b>ACA 1 (Dymally – D)</b>  Elections: Redistricting	Proposes an amendment to the Constitution to assign the responsibility for adjusting boundary lines of Senate, Assembly, congressional, and State Board of Equalization district to a specified commission. Requires the commission to hold public hearings to provide for public input and comment. Grants the Supreme Court jurisdiction over all challenges to a redistricting plan. Requires the Governor to include in the budget presented to the Legislature funds for the redistricting process.	<b>INTRODUCED:</b> 12/04/06 <b>LAST AMEND:</b> 06/20/2007 <b>LOCATION:</b> Assembly Appropriations Committee  <b>STATUS:</b> 06/20/2007 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>ACA 2 (Walters – R)</b>  Eminent Domain	Proposes a Constitutional amendment that prohibits the taking or damaging of private property without the express written consent of the owner for purposes of economic development, increasing tax revenue, or private use, or when the same use will be maintained following the taking. Requires that, prior to commencement of eminent domain proceedings, the public use for which the property is to be taken is stated in writing. Defines public use. Permits a taking to eliminate an ongoing threat to public safety.	<b>INTRODUCED:</b> 12/04/2006 <b>LAST AMEND:</b> 07/05/2007 <b>LOCATION:</b> Assembly Judiciary Committee  <b>STATUS:</b> 07/10/2007 In ASSEMBLY Committee on JUDICIARY: Failed passage. 07/10/2007 In ASSEMBLY Committee on JUDICIARY: Reconsideration granted.	SUPPORT: Chris Norby, Orange County Supervisor  OPPOSE: California Redevelopment Association, California State Association of Counties, League of California Cities
<b>ACA 3 (Gaines – R)</b>  Expenditure Limits	Proposes an amendment to the Constitution that would limit total state General Fund and special fund expenditures to an annual increase of no more than the increase in the cost of living multiplied by the percentage increase in state population. Allocates any revenues exceeding the expenditure limitation to the State School Fund and to a reserve fund, to rebates for personal income taxpayers, and to fund state and California State University employees' health and dental benefits.	<b>INTRODUCED:</b> 12/04/2006 <b>LAST AMEND:</b> 06/04/2007 <b>LOCATION:</b> Assembly Education Committee  <b>STATUS:</b> 01/09/2008 In ASSEMBLY Committee on EDUCATION: Not heard.	SUPPORT: Howard Jarvis Taxpayers Association
<b>ACA 4 (Villines – R)</b>  Reapportionment	Proposes an amendment to the Constitution to provide for the establishment of the Independent Citizens' Commission on Redistricting to be comprised of registered voters, who would adjust the boundary lines of the Senate, Assembly, congressional and State Board of Equalization districts as required by law. Requires the Secretary of State to implement a random selection process for members of the commission. Provides that certain records of the commission are public records.	<b>INTRODUCED:</b> 12/04/2006 <b>LAST AMEND:</b> 06/20/2007 <b>LOCATION:</b> Assembly Appropriations Committee  <b>STATUS:</b> 06/20/2007 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	None Listed
<b>ACA 10 (Feuer – D)</b>  Bond Indebtedness: Local Government: Transportation	Amends the State Constitution to create an additional exception to the 1 percent limit on ad valorem tax on real property for a county, or city to pay for bonded indebtedness, incurred to fund specified transportation infrastructure, that is approved by 55 percent of the voters of the county or city. Lowers to 55 percent the voter approval threshold.	<b>INTRODUCED:</b> 01/07/2008 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 01/07/2008 INTRODUCED	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>ACA 11 (Blakeslee – R)</b>  Budget Process: Strategic Reserve Bank	Proposes a Constitutional Amendment. Creates the Strategic Reserve Bank governed by a board of financial experts appointed by the Governor and legislative leaders to reduce the volatility of the General Fund by moderating swings in revenues and accommodating short-term changes in revenue growth. Creates the Strategic Budget Reserve Fund.	<b>INTRODUCED:</b> 01/08/2008 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 01/08/2008 INTRODUCED	None Listed
<b>ACA 12 (Plescia – R)</b>  State Mandated Local Programs	Proposes a constitutional amendment requiring the Legislative Analyst to determine and report to the Legislature whether the enacted bill is a balanced state budget; provides that if the Legislative Analyst reports that it is not a balanced state budget, the Legislature is required to pass and send the Governor a bill or bills to balance the state budget within 15 days and the Governor may reduce expenditures in the enacted budget bill as necessary to balance the state budget.	<b>INTRODUCED:</b> 01/15/2008 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 01/15/2008 INTRODUCED	None Listed
<b>SB 9 (Lowenthal – D)</b>  Trade Corridor Improvement: Transportation Project	Relates to Trade Corridor Improvement Transportation Fund projects. Establishes a process to be administered by the State Transportation Commission for allocation of fund moneys. Establishes the corridors eligible for funding. Establishes criteria for project selection based on improvement of mobility of freight and improvement of air quality. Requires projects to be ready for construction by a specified date. Provides for allocations to projects outside of the trade corridors.	<b>INTRODUCED:</b> 12/04/2006 <b>LAST AMEND:</b> 08/20/2007 <b>LOCATION:</b> Assembly Appropriations Committee  <b>STATUS:</b> 08/30/2007 In ASSEMBLY Committee on APPROPRIATIONS: Heard, remains in Committee.	None Listed
<b>SB 19 (Lowenthal – D)</b>  Trade Corridor; Projects to Reduce Emissions: Goods	Relates to the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Requires the Air Resources Board to implement the Goods Movement Emission Reduction Program and to adopt guidelines and funding criteria for the program. Creates eligibility requirements for funding pursuant to this program. Creates the Goods Movement Emission Reduction Fund to be funded with bond proceeds.	<b>INTRODUCED:</b> 12/04/2006 <b>LAST AMEND:</b> 07/17/2007 <b>LOCATION:</b> Assembly Appropriations Committee  <b>STATUS:</b> 07/17/2007 From ASSEMBLY Committee on APPROPRIATIONS with author's amendments. 07/17/2007 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	SUPPORT: Moller International, Inc.

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>SB 61 (Runner – R)</b>  High-Occupancy Toll Lanes and Toll Roads	Authorizes the Department of Transportation to apply to the State Transportation Commission for the development and operation of a high-occupancy toll land or toll road project sponsored by the department. Deletes the four project limitation and the requirement for the Legislature to approve each project by statute.	<b>INTRODUCED:</b> 01/16/2007 <b>LAST AMEND:</b> 05/01/2007 <b>LOCATION:</b> Assembly Transportation Committee  <b>STATUS:</b> 06/07/2007 To ASSEMBLY Committee on TRANSPORTATION.	SUPPORT: Department of Transportation (source), Association of Southern California Government, Department of Finance
<b>SB 286 (Dutton – R and Lowenthal – D)</b>  Transportation Enhancement Funds: Conservation Corps	Requires, with respect to federal funds made available to the state for transportation enhancement projects, transportation planning agencies, county transportation commissions or authorities, and congestion management agencies to adopt criteria that give priority in project selection to the sponsors of eligible projects that partner with, commit to employ the services of, a community conservation corps, or the state conservation corps to construct or undertake the project.	<b>INTRODUCED:</b> 02/15/2007 <b>LAST AMEND:</b> 01/17/2008 <b>LOCATION:</b> Assembly Appropriations Committee  <b>STATUS:</b> 01/17/2008 From ASSEMBLY Committee on APPROPRIATIONS with author's amendments. 01/17/2008 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	None Listed
<b>► SB 344 (Machado – D)</b>  State and Local Governments: Public Finance	Provides that the acquisition of bonds by or on behalf of a state or local government that issued the bonds does not cancel, extinguish, or otherwise affect the bonds, and that the issued bonds shall be treated as outstanding bonds for all purposes, except to the extent otherwise determined by the issuer or as provided in the constituent instruments defining the rights of the holders of the bonds.	<b>INTRODUCED:</b> 02/20/2007 <b>LAST AMEND:</b> 03/06/2008 <b>LOCATION:</b> Senate Unfinished Business  <b>STATUS:</b> 03/11/2008 Re-referred to SENATE Committee on BANKING, FINANCE AND INSURANCE. 03/11/2008 From SENATE Committee on BANKING, FINANCE AND INSURANCE: Recommend concurrence in ASSEMBLY amendments.	SUPPORT: State Treasurer Bill Lockyer (sponsor), Sacramento Municipal Utility District, Eastern Municipal Water District

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>SB 364 (Simitian –D)</b>  Personal Information: Privacy	Amends existing law that requires any agency, and any person or business, that owns or licenses computerized data that includes personal information to disclose in specified ways, any breach of the security of the system or data, following discovery or notification of the security breach, to any resident whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person. Requires a report to the Office of Information Security and Privacy Protection.	<b>INTRODUCED:</b> 02/20/2007 <b>LAST AMEND:</b> 01/28/2008 <b>LOCATION:</b> Assembly  <b>STATUS:</b> 01/30/2008 In SENATE. Read third time. Passed SENATE. To ASSEMBLY.	SUPPORT: Consumers Union, Consumer Federation of California, Electronic Frontier Foundation, Privacy Rights Clearinghouse
<b>SB 445 (Torlakson –D)</b>  Road User Task Force	Creates the Road User Task Force to hold public hearings around the state and to report on alternatives to the current system of taxing road users through per-gallon fuel taxes.	<b>INTRODUCED:</b> 02/21/2007 <b>LAST AMEND:</b> 03/06/2008 <b>LOCATION:</b> Assembly Transportation Committee  <b>STATUS:</b> 03/06/2008 From ASSEMBLY Committee on TRANSPORTATION with author's amendments. 03/06/2008 In ASSEMBLY. Read second time and amended. Re-referred to Committee on TRANSPORTATION.	(partial listing)  SUPPORT: California Association of Councils of Governments, California State Association of Counties, City of Costa Mesa, El Dorado Transportation Commission, League of California Cities, Merced County Association of Governments, Sacramento Transportation Authority, Sonoma County Transportation Authority
<b>SB 716 (Perata – D)</b>  Transit Operators	Relates to appropriations to transportation agencies from the Public Transportation Modernization, Improvement, and Service Enhancement Account for transit capital projects pursuant to a specified formula. Specifies requirements for an eligible project sponsor to receive an allocation of funds appropriated from the account. Requires the Transportation Commission and the Controller to administer these provisions.	<b>INTRODUCED:</b> 02/23/2007 <b>LAST AMEND:</b> 07/11/2007 <b>LOCATION:</b> Assembly Appropriations Committee  <b>STATUS:</b> 07/11/2007 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	SUPPORT: Alameda Contra Costa Transit District, American Federation of State, County, and Municipal Employees  OPPOSE: LACMTA

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>SB 841 (Calderon – D)</b>  Vehicles: Mature Driver Improvement Course	Amends existing law that requires the Director of Motor Vehicles to establish standards and develop criteria for approval of initial and renewal mature driver improvement courses. Specifies that a course may be offered in an Internet format, if the course is educationally equivalent to the course provided in the classroom format. Authorizes the department to require such course provider to include technologies that reasonably verify the identity of the person taking the course.	<b>INTRODUCED:</b> 02/23/2007 <b>LAST AMEND:</b> 06/27/2007 <b>LOCATION:</b> Assembly Inactive File  <b>STATUS:</b> 08/20/2007 In ASSEMBLY. To Inactive File.	SUPPORT: TrafficSchool.com (sponsor), Automobile Club of Southern California, California State Automobile Association
<b>SB 947 (Hollingsworth – R)</b>  Consultation: Transportation Facilities	Requires notice of at least one scoping meeting to be provided to transportation planning agencies or public agencies required to be consulted concerning a project proposed by a lead agency which requires an environmental impact report under the California Environmental Quality Act. Requires the project's effect on overpasses, on-ramps, and off-ramps to be included in that consultation.	<b>INTRODUCED:</b> 02/23/2007 <b>LAST AMEND:</b> 04/30/2007 <b>LOCATION:</b> Assembly Natural Resources Committee  <b>STATUS:</b> 05/24/2007 To ASSEMBLY Committees on NATURAL RESOURCES and TRANSPORTATION.	SUPPORT: Cities of El Cajon, Murrieta, Poway, Temecula, and Victorville, Lakeside Chamber of Commerce, San Diego Regional Chamber of Commerce, San Diego Mayor Jerry Sanders  OPPOSE: California Chapter of the American Planning Association, Sierra Club California
<b>► SB 1240 (Kehoe – D)</b>  Air Pollution: Low-Carbon Fuel Standards	Requires the Air Resources Board to adopt, implement, and enforce a low-carbon fuel standard by regulation that achieves the maximum technologically feasible and cost-effective reductions in carbon intensity of transportation fuels, and at least a 10 percent reduction in the carbon intensity of transportation fuels by a specified date. Provides that fuel standard would apply to all refiners, blenders, producers and importers of transportation fuels. Provides that reporting requirements be imposed, as specified.	<b>INTRODUCED:</b> 02/14/2008 <b>LOCATION:</b> Senate Transportation and Housing Committee  <b>STATUS:</b> 02/28/2008 To SENATE Committees on TRANSPORTATION AND HOUSING and ENVIRONMENTAL QUALITY. Hearing: 03/25/2008 1:30 p.m.	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► <b>SB 1278</b> <b>(Maldonado – R)</b></p> <p>Building Standards: Green Building Construction</p>	<p>Establishes the Green Neighborhood Grant Act, to be administered by the State Energy Resources Conservation and Development Commission where grants would be awarded annually to private developers for development projects that have been certified by the Building Industry Institute as complying with the Green Builder Program. Reimburses the developer for percentage of the total development cost of a certified developer project. Provides no more than one grant annually for a development in specified cities.</p>	<p><b>INTRODUCED:</b> 02/19/2008 <b>LOCATION:</b> Senate Energy, Utilities and Communications Committee</p> <p><b>STATUS:</b> 02/28/2008 To SENATE Committees on ENERGY, UTILITIES AND COMMUNICATIONS and ENVIRONMENTAL QUALITY Hearing: 04/01/2008 9:30 a.m.</p>	<p>None Listed</p>
<p>► <b>SB 1295</b> <b>(Ducheny – D)</b></p> <p>Coastal Act: Coastal Redevelopment Permit: Appeal</p>	<p>Amends the California Coastal Act of 1976 that provides for the planning and regulation of development within the coastal zone, and that any appealable action on a coastal development permit or claim of exemption for any development by a local government or port governing body may be appealed by any two members of the California Coastal commission. Revises that provision to eliminate an appeal by two members of the California Coastal Commission.</p>	<p><b>INTRODUCED:</b> 02/19/2008 <b>LOCATION:</b> Senate Natural Resources and Water Committee</p> <p><b>STATUS:</b> 02/28/2008 To SENATE Committee on NATURAL RESOURCES AND WATER. Hearing: 04/08/2008 9:30 a.m.</p>	<p>None Listed</p>
<p>► <b>SB 1363 (Perata – D)</b></p> <p>Transportation Projects: Lease Agreements</p>	<p>Extends existing law that authorizes the Department of Transportation and regional transportation agencies to enter into up to four comprehensive development lease agreements with public and private entities for transportation projects primarily designed for improvement of goods movement that may charge users of those projects tolls and user fees.</p>	<p><b>INTRODUCED:</b> 02/21/2008 <b>LOCATION:</b> Senate Transportation and Housing Committee</p> <p><b>STATUS:</b> 02/28/2008 To SENATE Committee on TRANSPORTATION AND HOUSING Hearing: 04/08/2008 1:30 p.m.</p>	<p>None Listed</p>
<p><b>SB 1422</b> <b>(Lowenthal –D)</b></p> <p>High Speed Rail Authority</p>	<p>Amends existing law that creates the High Speed Rail Authority. Provides that the authority may keep the Secretary of Business, Transportation and Housing informed of its activities.</p>	<p><b>INTRODUCED:</b> 02/21/2008 <b>LOCATION:</b> Senate Rules Committee</p> <p><b>STATUS:</b> 03/06/2008 To SENATE Committee on RULES.</p>	<p>None Listed</p>



BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>SB 1429 (Perata – D)</b>  State Owned Toll Bridges	Requires state owned toll bridge project sponsors to seek supplemental funding from state general obligation bond funds make available for transportation capital improvements.	<b>INTRODUCED:</b> 02/21/2008 <b>LOCATION:</b> Senate Transportation and Housing Committee  <b>STATUS:</b> 03/06/2008 To SENATE Committee on TRANSPORTATION AND HOUSING.	None Listed
<b>► SB 1631 (Ackerman – R)</b>  Public Works: Environmental Complaints	Provides that, for a public works project that is to be performed on real property owned or leased by the state or a political subdivision, any person that files or threatens to file, or to fund, any environmental complaint or protest regarding any permit, map, or other entitlement related to the use or development of that land, where the purpose or objective is to obtain or extract money or other thing of value.	<b>INTRODUCED:</b> 02/22/2008 <b>LOCATION:</b> Senate Governmental Organization Committee  <b>STATUS:</b> 03/06/2008 To SENATE Committees on GOVERNMENTAL ORGANIZATION and PUBLIC SAFETY. Hearing: 04/08/2008 9:30 a.m.	None Listed
<b>► SB 1685 (Kehoe – D)</b>  Regional Comprehensive Plan: San Diego County	Relates to the San Diego County Regional Transportation Commission retail transactions and use tax. Revises the purposes for which revenues from the tax could be used to include implementation of the regional comprehensive plan, water quality improvement, and beach sand nourishment projects. Authorizes the consolidated agency to increase the tax rate up to the minimum tax rate authorized under existing law, subject to voter approval.	<b>INTRODUCED:</b> 02/22/2008 <b>LOCATION:</b> Double Referred: Senate Transportation and Housing Committee, and Senate Local Government Committee  <b>STATUS:</b> 03/13/2008 To SENATE Committees on TRANSPORTATION AND HOUSING and LOCAL GOVERNMENT. Hearings: Transportation Committee: 03/25/2008 1:30 p.m. Local Government Committee: 04/02/2008 9:30 a.m.	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>SCA 1 (McClintock – R)</b>  Eminent Domain: Condemnation Proceedings	Proposes an amendment to the Constitution to provide that private property may be taken or damaged only for a stated public purpose and not without the consent of the owner for purposes of economic development, increasing tax revenue, or any other private use, nor for maintaining the present use by a different owner. Provides that if the property ceases to be used for the public use, the former owner would have the right to reacquire the property at its fair market value. Provides reevaluation procedures.	<b>INTRODUCED:</b> 12/04/2006 <b>LAST AMEND:</b> 02/05/2007 <b>LOCATION:</b> Senate Judiciary Committee  <b>STATUS:</b> 02/05/2007 From SENATE Committee on JUDICIARY with author's amendments. 02/05/2007 In SENATE. Read second time and amended. Re-referred to Committee on JUDICIARY.	None Listed
<b>SCA 5 (McClintock – R)</b>  State and Local Government Finance: Taxes	Proposes an amendment to the Constitution to establish a constitutional definition of a tax as any monetary exaction imposed by a governmental entity. Recasts the definition of a special tax. Conditions the imposition by the state or local government of a new tax, or a change in a tax, that increases the amount of any tax levied upon the approval of 2/3 membership of the governing body and voter approval. Prohibits new tax without voter approval. Provides exceptions.	<b>INTRODUCED:</b> 01/30/2007 <b>LAST AMEND:</b> 03/21/2007 <b>LOCATION:</b> Senate Revenue and Taxation Committee  <b>STATUS:</b> 04/25/2007 In SENATE Committee on REVENUE AND TAXATION: Heard, remains in Committee.	<b>SUPPORT:</b> Howard Jarvis Taxpayers' Association, California Chamber of Commerce, Council for Citizens Against Government Waste, Mid Valley Chamber of Commerce, Milpitas Chamber of Commerce  <b>OPPOSE:</b> California Tax Reform Association, East Bay Municipal Utilities District
<b>SCA 14 (Denham – R)</b>  Governor: State Budget	Proposes a Constitutional amendment. Requires the budget submitted by the Governor to be a balanced budget, pursuant to a determination to be made by the Legislative Analyst. Provides that if, by January 10, the Governor fails to submit a balanced budget, as determined by the Legislative Analyst, the Governor shall forfeit any salary from January 11 until the date a balanced budget is submitted.	<b>INTRODUCED:</b> 01/09/2008 <b>LOCATION:</b> Senate Rules Committee  <b>STATUS:</b> 01/17/2008 To SENATE Committees on RULES and ELECTIONS, REAPPORTIONMENT AND CONSTITUTIONAL AMENDMENTS.	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<b>SCA 15 (Denham – R)</b>  Legislature: Sessions: State Budget	Proposes an amendment to the State Constitution. Requires, if the Legislature fails to pass the Budget Bill by June 15 of any year, that each house of the Legislature meet in session 24 hours a day, and not recess or adjourn, until the Budget Bill is passed and presented to the Governor.	<b>INTRODUCED:</b> 01/09/2008 <b>LOCATION:</b> Senate Rules Committee  <b>STATUS:</b> 01/17/2008 To SENATE Committees on RULES and ELECTIONS, REAPPORTIONMENT AND CONSTITUTIONAL AMENDMENTS.	None Listed
<b>SCA 16 (Denham – R)</b>  Legislature: Compensation	Proposes an amendment to the State Constitution. Provides that, if a Budget Bill is not passed by June 15, Members of the Legislature may not be paid any salary from June 16 to the date a Budget Bill is passed and sent to the Governor. Provides that once a Budget Bill is passed and sent to the Governor, a Member of the Legislature may not be paid any salary due for that period of time.	<b>INTRODUCED:</b> 01/09/2008 <b>LOCATION:</b> Senate Rules Committee  <b>STATUS:</b> 01/17/2008 To SENATE Committees on RULES and ELECTIONS, REAPPORTIONMENT AND CONSTITUTIONAL AMENDMENTS.	None Listed
<b>SCR 68 (Denham – R)</b>  Budget Bill Conference Committee	Adds a provision to the Joint Rules of the Senate and Assembly for the 2007-08 regular session to require that any conference committee on the Budget Bill be comprised of 10 members. Requires the Senate Committee on Rules and the Speaker of the Assembly to appoint three members each and the minority party caucuses in each house to appoint two members each.	<b>INTRODUCED:</b> 01/09/2008 <b>LOCATION:</b> Senate Rules Committee  <b>STATUS:</b> 01/09/2008 INTRODUCED. 01/09/2008 To SENATE Committee on RULES.	None Listed
<b>SCR 69 (Denham – R)</b>  Budget Bill Votes	Adds a provision to the Joint Rules of the Senate and Assembly for the 2007-08 Regular Session to require that a vote by a committee or subcommittee in either house of the Legislature to take action on the Budget Bill, or a vote by a conference committee to take action on the Budget Bill, be a 2/3 vote.	<b>INTRODUCED:</b> 01/09/2008 <b>LOCATION:</b> Senate Rules Committee  <b>STATUS:</b> 01/09/2008 INTRODUCED. 01/09/2008 To SENATE Committee on RULES.	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p><b>SB 5 c (Senate Budget &amp; Fiscal Review Committee)</b></p> <p>Highway Users Tax Account</p>	<p>Requires transfers of revenues from the Highway Users Tax Account to counties or cities that would otherwise be made during certain months of 2008, to instead be made in September of 2008. Allows counties and cities to make use of any cash balance in any account that is designated for the receipt of state funds allocated for local streets and roads maintenance without the use of this cash being reflected as an expenditure of bond act funds, provided the cash is replaced.</p>	<p><b>INTRODUCED:</b> 02/07/2008  <b>LAST AMEND:</b> 02/13/2008  <b>LOCATION:</b> Senate Third Reading File</p> <p><b>STATUS:</b> 02/13/2008 From SENATE Committee on BUDGET AND FISCAL REVIEW: Do pass as amended.  02/13/2008 In SENATE. Read second time and amended. To third reading.</p>	<p>None Listed</p>





*BOARD COMMITTEE TRANSMITTAL*

***April 14, 2008***

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Federal Legislative Status Report

**Legislative and Communications Committee Meeting of April 3, 2008**

**Present:** Directors Bates, Buffa and Cavecche  
**Absent:** Directors Glaab, Mansoor and Rosen

***Committee Vote***

No action was taken on this item due to no quorum present.



**April 3, 2008**

**To:** Legislative and Communications Committee

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

**Subject:** Federal Legislative Status Report

### **Overview**

This Federal Legislative Status Report provides information regarding the fuel excise tax credit available to the Orange County Transportation Authority for the use of certain alternative fuels and seeks support for the continued availability of this tax credit.

### **Recommendation**

Support the continuation of the fuel excise tax credit made available for compressed natural gas and liquefied natural gas under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users and authorize letters of support for extension of the tax credit.

### **Background**

Section 11113 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) provides for an alternative fuel credit of 50 cents per gallon or gasoline gallon equivalent (GGE) for certain alternative fuels used in motor vehicles. Among the fuels which qualify for this credit are compressed natural gas (CNG) and liquefied natural gas (LNG), both of which are used in the Orange County Transportation Authority (OCTA) bus fleets. Specifically excluded from this provision are ethanol, methanol, biodiesel, and renewable diesel fuels which already receive a tax credit to refiners under separate legislation

Internal Revenue Service (IRS) guidance clarifies that local governments such as OCTA are "alternative fuelers" for purposes of the SAFETEA-LU credit provision and are eligible to directly collect the credit for the CNG and LNG alternative fuel which they use in their fleets, even though they are exempt from payment of the underlying fuel excise tax.

Each month, the OCTA files a claim form with the IRS to receive this credit. In 2007 the OCTA received over \$3.6 million from the federal government as a result of this tax credit program.

***Discussion***

Section 11113 of SAFEEA-LU will expire on September 30, 2009. The Senate version of H. R. 2419, the Food and Energy Security Act of 2007 (Farm Bill) includes a provision which would extend the SAFETEA-LU alternative fuel tax credit on CNG and LNG until December 31, 2010, the same date on which the refiners tax credit on methanol and ethanol fuels expires. The Farm Bill is a five-year farm policy authorization measure which has been under consideration in congress for more than a year. The House passed its version last July and the Senate finished its version in December. The current law has been extended twice while conference negotiations continue on how to pay for new spending in that bill. The current extension is through April, 18, 2008.

If the CNG and LNG tax credit extension provision in the Senate version of the Farm Bill is not included in the final bill, there may be future opportunities to include such a provision in other legislation leading up to the next transportation authorization. In the absence of such an extension in other legislation, the matter will likely be considered as part of the transportation authorization discussion early next year.

The American Public Transportation Association and individual transit systems which benefit from the SAFETEA-LU tax credit have sent letters to the Chair of the Senate Agriculture Committee urging that the tax credit extension be included in the final version of the Farm Bill.

***Summary***

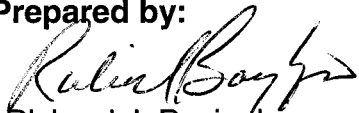
Support is sought to extend the provision in SAFETEA-LU which provides a 50 cent per gallon or GGE direct tax credit to the OCTA for use of CNG and LNG fuels in its bus fleet.



***Attachment***

None.

**Prepared by:**



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INTEROFFICE MEMO

April 14, 2008

To: Members of the Board of Directors

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

Subject: **Board Committee Transmittal for Agenda Item**

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

Thank you.



*April 9, 2008*

**To:** Finance and Administration Committee

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

**Subject:** Funding Agreements with the Orange County Employees Retirement System to Continue Existing Supplemental Retirement Benefit

**Overview**

The Orange County Transportation Authority currently provides a supplemental retirement benefit known as the Additional Retiree Benefit Account for eligible retired employees who are members of the Orange County Employees Retirement System. The Memorandum of Understanding between the Orange County Transportation Authority and the Orange County Employees Retirement System governing the funding and administration of the Additional Retiree Benefit Account terminated December 31, 2007. However, the Orange County Employees Retirement System will continue to act as paying agent and investment manager for the Additional Retiree Benefit Account, so long as the Orange County Transportation Authority establishes and funds the benefit through a trust and enters into a new agreement with the Orange County Employees Retirement System pursuant to California Government Code Sections 31694 et seq.

**Recommendations**

- A. Approve and adopt the Additional Retiree Benefit Account Plan, appoint the Executive Director, Finance, Administration and Human Resources of the Orange County Transportation Authority to be administrator of the Additional Retiree Benefit Account Plan, and authorize the Chief Executive Officer and the administrator to execute the Additional Retiree Benefit Account Plan.
- B. Designate all Orange County Transportation Authority employment classifications as an eligible classification pursuant to the terms of the Additional Retiree Benefit Account Plan.

- C. Approve and adopt Resolution No. 2008-17, establishing a trust for the sole purpose of funding benefits provided under one or more post-employment group health, life, welfare, or other supplemental benefit plans in accordance with Article 8.6 of the County Employees Retirement Law of 1937, California Government Code Sections 31694 et seq., appointing the Executive Director, Finance, Administration and Human Resources of the Orange County Transportation Authority as trustee of the trust, and authorizing the Chief Executive Officer and trustee to execute the Declaration of Trust of the Orange County Transportation Authority post-employment benefits trust account.
- D. Approve the Orange County Transportation Authority post-employment benefits trust account third-party administrative services and investment management agreement between the Orange County Transportation Authority and the Orange County Employees Retirement System and authorize the Chief Executive Officer and the Executive Director, Finance, Administration and Human Resources to execute said agreement.
- E. Authorize the Executive Director, Finance, Administration and Human Resources, as trustee of the trust, to enter into a Grantor Trust Agreement with Barclays Global Investors, N.A., in a form approved by General Counsel, to facilitate investment of the trust assets through the Orange County Employees Retirement System.
- F. Authorize the Executive Director, Finance, Administration and Human Resources to fund the Additional Retiree Benefit Account Plan with reserves previously set aside for self-funded health care claims in the approximate amount of \$6.7 million.

***Background***

Since 1995, the Orange County Transportation Authority (OCTA) has provided a retirement income supplement referred to as the Additional Retiree Benefit Account (ARBA). This benefit is offered to retired members of the Orange County Employees Retirement System (OCERS) in order to assist career OCTA employees in maintaining health insurance coverage following their retirement from OCTA service. The OCTA does not provide retiree medical benefits. The ARBA benefit has been funded and administered pursuant to a 1994 Memorandum of Understanding with OCERS and its subsequent amendments (collectively, the ARBA agreement). The ARBA benefit was originally funded through excess earnings of the retirement system and held as

part of the unallocated fund balance. As the unallocated fund balance was reduced due to benefit payments and market performance, participating agencies began contributing 0.5 percent, then later 1 percent of payroll. OCTA continues to allocate internally 1 percent of payroll to fund the benefit.

OCTA's benefit provides retirees, who qualify for a retirement benefit from OCERS, a supplemental retirement benefit of \$10 per month for each year of service, up to a maximum of \$150 per month, in the form of a monthly cash payment. There are currently 326 OCTA retirees receiving this supplemental benefit at a monthly cost of approximately \$46,000. The payment is included as a line item on the retirees' monthly OCERS retirement check.

The ARBA agreement between OCTA and OCERS expired on December 31, 2007, and was not renewed, as it no longer met funding or reporting needs required by the Governmental Accounting and Financial Reporting Standards Board (GASB). In order to have OCERS continue to act as investment manager and paying agent for OCTA's ARBA benefit, OCTA must establish and fund the benefit through a separate trust and enter into a new agreement with OCERS pursuant to California Government Code Sections 31694 et seq. Without a new funding agreement, payment from OCERS will continue to be made to employees until the current ARBA balance is depleted, estimated to be in October 2008.

***Discussion***

The supplementary ARBA benefit is intended to help defray post-employment medical costs for eligible OCTA retirees. Pursuant to California Government Code Sections 31694 et seq., OCERS may administer and invest the assets of a trust established by OCTA for the sole purpose of funding benefits provided under a post-employment group health, life, welfare, or other supplemental benefits plan. The attached documents were created to provide clarity and flexibility and to establish a more cost-effective structure.

The Attachments include:

The Additional Retiree Benefit Account Plan (Plan) formally memorializes the terms under which the ARBA benefit has been historically provided. The Board of Directors (Board) designation of all OCTA employment classifications as an eligible classification pursuant to the terms of the Plan continues OCTA's practice of providing the ARBA benefit to all non-deferred retirees. The Plan provides the Board flexibility to modify eligibility or benefit terms in the future, if necessary.

Resolution No. 2008-17 provides for the establishment of a trust in which to fund and hold the assets of the Plan in accordance with California Government Code Section 31694.

The OCTA post-employment benefits trust account third-party administrative services and investment management agreement sets forth the respective roles and responsibilities of OCERS and OCTA with respect to the funding, administration and investment of assets of the trust, and the payment of the ARBA benefits. Pursuant to the agreement, OCTA will be responsible for administering the Plan, determining Plan benefits, and funding the trust while OCERS will be responsible for investing the trust assets and acting as OCTA's paying agent for the benefit. In order to facilitate the investment of the trust assets through OCERS, a separate grantor trust agreement will also need to be entered into with one of OCERS' investment managers.

The GASB requires greater transparency and increased disclosure for pension and post-employment benefits since the initial ARBA agreement. The ARBA benefit is classified as a supplemental pension benefit and therefore governed by GASB 27. By following the GASB guidelines, OCTA has the ability to reduce the overall cost of the benefit by utilizing OCERS and the investment manager and paying agent. The benefit shall be accounted for on an accrual method and must have an annual required contribution calculated and contributed to the plan.

#### Funding

In January 2006, as part of a comprehensive effort to reduce the rising cost of health and dental insurance coverage, OCTA replaced its long-held self-funded medical and dental plans with fully insured plans. The result of this change was that the reserves established to cover potential liabilities associated with medical and dental claims were no longer required and could therefore be utilized for a different purpose. Staff informed the Board that conservative estimates showed that approximately \$5 million would be available for reallocation after all of the run-off claims were paid. The Finance and Administration (F&A) Committee discussed the matter last year when the health insurance renewal rates were approved and also during the fiscal year 2007-08 budget development process. No action was taken by the F&A Committee or the Board regarding the utilization of the self-funded reserves because all of the run-off claims had not yet been paid.

To date, all run-off claims have been paid and the current balance of the self-funded reserves is \$6,636,471. Staff is recommending this amount be

added to the internal ARBA account balance of \$995,000, upon approval by the Board.

The summary actuarial report provided by Bartel Associates calculated the present value of benefits (PVB) to be \$24.5 million assuming a 4.5 percent earnings rate for in-house OCTA investments. When the assumed rate is changed to reflect OCERS as the investment manager, the PVB is reduced by approximately \$8.7 million. Similarly, there are \$4 million reductions for both the actuarial accrued liability (AAL) to \$11.5 million, and the unfunded AAL to \$3.5 million. The AAL represents the portion of the present value of fully projected benefits attributable to service credit that has been earned (or accrued) as of the valuation date. The UAAL is the excess of the actuarial accrued liability over the actuarial value of assets. Otherwise stated, the present value of benefits earned to date that are not covered by plan assets.

The above amounts reflect the benefit cost for both active and retired OCTA employees, assuming a 7.5 percent rate of return by OCERS. The annual required contribution is 0.8 percent of payroll in FY 2008-2010, with the use of the self-funded health reserves and the current ARBA balance. This constitutes an annual savings of approximately \$490,000 to OCTA relative to an assumed earnings rate for OCTA of 4.5 percent.

***Summary***

The required documents for the administration of the Additional Retiree Benefit Account are presented for approval by the Finance and Administration Committee and the Board of Directors.



***Attachments***

- A. Orange County Transportation Authority Additional Retiree Benefit Account Plan
- B. Resolution No. 2008-17, A Resolution of the Orange County Transportation Authority Establishing a Trust for the Purpose of Funding Benefits Under the Additional Retiree Benefit Account Plan
- C. Orange County Transportation Authority Post-Employment Benefits Trust Account Third-Party Administrative Services and Investment Management Agreement
- D. Declaration of Trust of the Orange County Transportation Authority Post-Employment Benefits Trust Account, Orange County Transportation Authority Additional Retiree Benefit Account Plan
- E. Orange County Transportation Authority - Additional Retiree Benefit Account - GASB 27 Actuarial Valuation Preliminary Results

**Prepared by:**



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**Approved by:**



James S. Kenan  
Executive Director, Finance,  
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**ORANGE COUNTY TRANSPORTATION AUTHORITY**

**ADDITIONAL RETIREE BENEFIT ACCOUNT**

**PLAN**

**EFFECTIVE April 21, 2008**

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
ADDITIONAL RETIREE BENEFIT ACCOUNT PLAN**

**ARTICLE 1  
INTRODUCTION**

1.1 Establishment of Plan. The Orange County Transportation Authority (the "Authority") hereby establishes the Orange County Transportation Authority Additional Retiree Benefit Account ("ARBA") Plan, effective April 21, 2008.

1.2 Purpose. The Authority is establishing this Plan in order provide a retirement income supplement to Authority retired members of the Orange County Employees Retirement System ("OCERS") to assist career Employees in maintaining health insurance coverage following their retirement from Authority service. This Plan provides eligible Retirees with a monthly Grant to help defray the cost of health insurance coverage. This Plan is intended to continue the Additional Retiree Benefit Account ("ARBA") benefits provided since January 1, 1995 by the Authority in cooperation with OCERS pursuant to the following three agreements between the Authority and OCERS: (1) that certain Memorandum of Understanding Agreement, dated June 27, 1994; (2) that certain Amended and Restated Agreement Re: Additional Retiree Medical Account, dated December 16, 2002; and (3) that certain Second Amended and Restated Memorandum of Understanding Agreement Re: Additional Retiree Benefit Account, dated May 23, 2005.

1.3 Rights. The Authority, by establishing and maintaining this Plan, does not give any Employee, Retiree or any other person any legal or equitable right against the Authority or the Administrator, nor does it give any Employee the right to be retained in the Authority's service. This Plan does not create any vested right to the benefits provided hereunder on the part of any Employee, Retiree or any other person. As provided in Sections 5.4 and 5.5 hereof, this Plan may be amended or terminated at any time, in full or in part, by the Authority in its sole discretion.

**ARTICLE 2  
DEFINITIONS**

When used in this Plan, the following words and phrases shall have the following respective meanings unless the context clearly provides otherwise:

2.1 Administrator means the Executive Director Finance, Administration and Human Resources of the Orange County Transportation Authority or his designee.

2.2 Authority means the Orange County Transportation Authority.

2.3 Code means the Internal Revenue Code of 1986, as amended from time to time.

2.4 Covered Retiree means a Retiree who is receiving a monthly retirement allowance from OCERS, who meets the coverage and participation requirements set forth in

Sections 3.1 and 3.2 hereof and whose coverage has not been terminated under Section 3.3 hereof.

2.5 Effective Date means April 21, 2008.

2.6 Eligible Classification means any employment classification that has been included in this Plan by action of the Board of Directors of the Authority.

2.7 Employee means any regular or probationary, limited term, full time or part time person employed by the Authority who is employed in an Eligible Classification.

2.8 Grant means the monthly benefit paid under this Plan to or for the benefit of a Covered Retiree, as provided in Article 4 hereof.

2.9 OCERS means the Orange County Employees Retirement System, a public employees retirement system organized and existing pursuant to the County Employees Retirement Law of 1937, as amended, California Government Code Sections 31450 et seq.

2.10 Plan means this Orange County Transportation Authority Additional Retiree Benefit Account Plan, as it may be amended from time to time.

2.11 Retiree means a former Employee who has retired from Authority service at or after age 50, or at any age with 30 years of service.

2.12 Years of Service are used to determine the amount of and eligibility for a Grant. An Employee shall be credited with one Year of Service for each complete year of service in an Eligible Classification for which he or she is paid by the Authority. Years of service performed in periods before the Effective Date for the Authority, including service for Orange County Transit District and/or Orange County Transportation Commission, but excluding any years of service for any other predecessor organization, affiliate of the Authority, or other governmental organization, shall be counted toward credit as Years of Service if the Employee is continuously employed by the Authority from the Effective Date until his or her retirement. For this purpose, a layoff will not be regarded as a break in continuous employment if the Employee is reemployed by the Authority in an Eligible Classification following such layoff. If an Employee is rehired into Authority Service after a separation from service other than a layoff, only time of service from such rehire date shall be counted, and time of service for work performed prior to such rehire date do not count toward credit for Years of Service. Buy-back of service time for prior hours of service, workers' compensation leave, medical leave of absence, family leave, pregnancy leave, personal leave, military leave and any other leaves does not count toward credit for Years of Service.

**ARTICLE 3**  
**ELIGIBILITY AND PARTICIPATION**

3.1 Eligibility for Coverage

3.1.1 Eligibility for Grant. An Employee who is credited with at least ten (10) Years of Service and is at least 50 years of age at the time he or she becomes a Retiree shall be eligible to receive a Grant in accordance with Article 4 hereof.

3.1.2 Deferred Retirement. Notwithstanding Section 3.1.1, an Employee who defers retirement to a later date more than thirty (30) days from the date of separation from Authority service shall not be eligible to receive a Grant in accordance with Article 4 hereof.

3.1.3 Survivors and Beneficiaries. Survivors and/or beneficiaries of an Employee or Covered Retiree shall not be eligible for a Grant hereunder.

3.2 Participation.

3.2.1 Participation on the Effective Date. Each former Employee of the Authority who retired prior to the Effective Date, whose commencement of benefits under OCERS occurred on or after January 1, 1995, and who satisfies the requirements set forth in Section 3.1.1 hereof (other than the requirement that he or she be employed in an Eligible Classification to be credited with Years of Service), shall participate in this Plan beginning on the Effective Date, subject to the terms and conditions contained herein. This shall include former employees that were separated from service of the Authority due to lay-off in the last calendar quarter of 1994 who otherwise would be eligible to participate in this Plan if work had continued.

3.2.2 Participation on and after the Effective Date. On and after the Effective Date, an Employee who is eligible in accordance with the provisions of Section 3.1 hereof shall participate in this Plan beginning upon his or her retirement from the Authority, subject to the terms and conditions contained herein.

3.3 Termination of Participation

3.3.1 Termination of Participation The participation of a Covered Retiree under this Plan shall cease and their eligibility for benefits under the Plan shall terminate upon the earlier of (a) the death of such Covered Retiree, (b) the cessation of payment of retirement benefits to the Covered Retiree by OCERS with respect to Authority service, (c) the amendment of this Plan so as to preclude such coverage or (d) the termination of this Plan.

3.3.2 Effect on Further Eligibility. If a Covered Retiree's participation in this Plan is terminated under Section 3.3.1 hereof, his or her eligibility for coverage under this Plan will be extinguished, his or her Years of Service and Years of Credited Service will be lost, and he or she may not later again participate in this Plan unless he or she again satisfies the requirements of Section 3.1 hereof based solely on subsequent employment with the Authority.

**ARTICLE 4**  
**BENEFITS**

4.1 Grant.

4.1.1 Amount of Grant. the amount of the Grant payable to a Covered Retiree shall equal \$10 per month multiplied by the number of the Covered Retiree's full Years of Service, not to exceed the maximum sum of One Hundred Fifty Dollars and no Cents (\$150.00) per month.

4.1.2 Payment. Payment of the Grant shall commence at such date as a Covered Retiree's retirement benefits under OCERS commence and shall continue to be paid each month until the Covered Retiree's participation terminates as provided in Section 3.3.1.

4.2 Recovery for Overpayment. Whenever benefits have been paid from this Plan at any time in a total amount in excess of the maximum amount of payment necessary at that time to satisfy the terms of this Plan, the Plan Administrator shall have the right to recover such excess payments from the individual or entity to whom or for whom such overpayment has been made. Alternatively, the Administrator may treat such an overpayment as an advance against future benefit payments to or for the benefit of the Covered Retiree with respect to whom the overpayment has been made, in which case, notwithstanding the non-discrimination requirement of Section 5.6, all future benefit payments with respect to such Covered Retiree shall be reduced in a manner determined by the Administrator in his discretion until the entire amount of the overpayment has been recovered.

**ARTICLE 5**  
**GENERAL AND ADMINISTRATIVE PROVISIONS**

5.1 Powers and Duties of Administrator. The Administrator shall have the general responsibility to administer this Plan and shall have full and exclusive power to construe and apply its provisions. The Administrator may appoint such agents, counsel, accountants, consultants and other persons as may be required to assist in administering this Plan, including one or more claims administrators. The Administrator may allocate and delegate to any other person or organization any of the Administrator's duties, including, without limitation, duties with respect to the verification, evaluation, processing, approval, denial and payment of benefit claims. Any such allocation or delegation shall be reviewed periodically by the Administrator and shall be terminable upon such notice as the Administrator in his discretion deems reasonable and proper under the circumstances.

5.2 Interpretation of Plan/Other Powers and Duties. In addition to the powers and authorities delegated to the Administrator elsewhere in the Plan, the Administrator shall interpret and administer the terms and conditions of this Plan, decide all questions concerning the eligibility of any persons to participate in this Plan, grant or deny benefits under this Plan, construe any ambiguous provision of this Plan, correct any defect, supply any omission, or reconcile any inconsistency, in such manner and to such extent as the Administrator in his discretion may determine. The Administrator shall have such other duties and powers as may

be necessary to discharge his duties hereunder. The rules, regulations, interpretations and determinations made by the Administrator, or his delegate, shall, subject only to the claims procedure in Section 5.8 hereof, be final and binding on Covered Retirees and their respective successors in interest. When making a determination, the Administrator shall be entitled to rely upon information furnished by a Covered Retiree.

5.3 Assignment and Protection against Creditors. No benefit payment under this Plan shall be subject in any way to voluntary assignment or alienation by a Covered Retiree (including by sale, transfer, pledge or encumbrance of any kind), and any attempt to accomplish any such acts shall be void. No benefit payment under this Plan shall be subject in any way to involuntary assignment, alienation, sale, transfer, pledge, attachment, garnishment, execution or encumbrance of any kind, unless such acts are taken pursuant to federal or state law. Any payment made pursuant to such collection procedures will constitute a complete discharge of this Plan's obligation to the extent of such payment and Administrator will not be required to see to the application of the money so paid.

5.4 Termination of Plan. The Authority reserves the right at any time to terminate this Plan by action of its Board of Directors, in its sole discretion, without prior notice to any Covered Retiree or other person. Termination shall be subject to the meet and confer requirements of the National Labor Relations Act or any other applicable law.

5.5 Amendment of Plan. This Plan and any or all benefits provided hereunder may be amended at any time or from time to time, in whole or in part, by the Board of Directors of the Authority, in its sole discretion, without prior notice to any Covered Retiree or other person. Amendment shall be subject to the meet and confer requirements of the National Labor Relations Act or any other applicable law.

5.6 Nondiscriminatory Exercise of Authority. Whenever, in the administration of this Plan, any discretionary action by the Administrator is required, the Administrator shall exercise his authority in a nondiscriminatory manner so that all persons similarly situated will receive substantially the same treatment under this Plan.

5.7 Gender and Number. The masculine gender whenever used herein shall refer to and include the neuter and the feminine gender, and the singular shall include the plural and the plural shall include the singular.

5.8 Claims Procedure.

5.8.1 Claim. A Covered Retiree who believes he or she is eligible to receive a benefit under this Plan shall file a Participation Agreement with the Administrator. The Administrator shall provide notice in writing to a Covered Retiree whose claim for benefits under this Plan has been denied, in whole or in part, setting forth the specific reasons for such denial and the provisions of this Plan upon which the denial of the claim is based and describing the additional information needed to perfect the claim, if appropriate. Such notice shall be written in a manner calculated to be understood by the Covered Retiree.

5.8.2 Appeal. A Covered Retiree may request that the Administrator, or his delegate, review any such denial of a claim by submitting a request for review in writing, stating in clear and concise terms the reason or reasons for disagreement with the handling of the claim. Any such request for review must be submitted within 60 days after the notice of claim denial is received. Upon receipt of a request for review, the Administrator, or his delegate, shall review all matters pertaining to the request. The Administrator's decision shall be in written form and shall state the specific reasons for the decision and the Plan provisions on which the decision was based. During such review, the claimant shall be given the opportunity to review documents that are pertinent to his claim and to submit issues and comments in writing.

5.8.3 Decision Final. Any decision by the Administrator, or his delegate, to grant or deny benefits under this Plan shall be final and binding on all Covered Retirees and other interested parties.

5.9 Choice of Law. This Plan shall be construed and governed in all respects in accordance with the Code and the laws of the State of California, without reference to conflicts of laws provisions.

5.10 Taxes. All taxes which may be due with respect to any payments or benefits under this Plan are the obligation of the Covered Retiree and not the obligation of the Authority.

5.11 Incompetency. When the Administrator determines that an individual to whom benefits are payable is unable to manage his or her financial affairs, the Administrator may pay such individual's benefits to a duly appointed conservator or other legal representative of such individual or, if not prior claim has been made by such a conservator or legal representative, to a person or institution entrusted with the care or maintenance of the incompetent or disabled individual if the Administrator is satisfied that the payments will be used for the best interest of such individual. Any payment made in accordance with this Section shall constitute a complete discharge of any liability or obligation of the Authority and Plan.



**SIGNATURE PAGE**

SIGNED AT Orange California, this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
CHIEF EXECUTIVE OFFICER

\_\_\_\_\_  
EXECUTIVE DIRECTOR FINANCE,  
ADMINISTRATION, HUMAN RESOURCES

ATTEST:

\_\_\_\_\_  
CLERK OF THE BOARD

**RESOLUTION NO. 2008-17**

**A RESOLUTION OF THE ORANGE COUNTY  
TRANSPORTATION AUTHORITY ESTABLISHING A TRUST FOR  
THE PURPOSE OF FUNDING BENEFITS UNDER THE ADDITIONAL  
RETIREE BENEFIT ACCOUNT PLAN**

**WHEREAS**, Article 8.6 of the County Employees Retirement Law of 1937, California Government Code Sections 31694 et seq. ("Article 8.6"), authorizes the Orange County Transportation Authority ("Authority") to establish and fund a Post-Employment Benefits Trust Account for the purpose of funding benefits provided under a post-employment group health, life, welfare, or other supplemental benefits plan; and

**WHEREAS**, the Authority has established the Additional Retiree Benefit Account Plan (the "Plan") to provide supplemental retirement benefits to Authority retired members of the Orange County Employees Retirement System ("OCERS") to assist career employees in maintaining health insurance coverage following their retirement from Authority service; and

**WHEREAS**, the Authority wishes to establish a trust in which to fund and hold the assets of the Plan.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Orange County Transportation Authority hereby establishes a trust for the sole purpose of funding benefits provided under one or more post-employment group health, life, welfare, or other supplemental benefits plans in accordance with Article 8.6 of the County Employees Retirement Law of 1937, California Government Code Sections 31694 et seq., (the "Trust"), appoints the Executive Director, Finance, Administration and Human Resources of the Authority as Trustee of the Trust, and authorizes the Chief Executive Officer and Trustee to execute the Declaration of Trust of the Orange County Transportation Authority Post-Employment Benefits Trust Account in the form attached hereto at Exhibit D.

\* \* \* \* \*

\_\_\_\_\_  
Chris Norby  
Chair, Orange County Transportation Authority

\_\_\_\_\_  
Date

The foregoing resolution was introduced and adopted at a regular meeting of the Board of Directors of the Orange County Transportation Authority held on (Date), by the following vote, to wit:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

DATED: \_\_\_\_\_

ATTEST: (s) \_\_\_\_\_  
Wendy Knowles  
Clerk of the Board

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
POST-EMPLOYMENT BENEFITS TRUST ACCOUNT  
THIRD-PARTY ADMINISTRATIVE SERVICES AND  
INVESTMENT MANAGEMENT AGREEMENT**

This Orange County Transportation Authority Post-Employment Benefits Trust Account Third-Party Administrative Services and Investment Management Agreement (“Agreement”) is entered as of the Effective Date provided for herein, by and between the Orange County Transportation Authority (“OCTA”), a California public entity, and the Orange County Transportation Authority Post-Employment Benefits Trust Account (the “Trust”) on the one hand; and the Orange County Employees’ Retirement System (“OCERS”), a public employees retirement system organized and existing pursuant to the County Employees Retirement Law of 1937, as amended, California Government Code Sections 31450 et seq. (“CERL”) on the other hand. OCTA, the Trust and OCERS are sometimes referred to herein individually as the “Party” or collectively as the “Parties.”

**RECITALS**

WHEREAS, OCERS provides and administers a multiple employer defined benefit pension plan for the active and retired employees of the County of Orange, OCTA, and certain other public agencies located within the County of Orange, pursuant to CERL and other applicable law; and

WHEREAS, OCTA is a public agency participating in OCERS, whose active and retired officers and employees are members of OCERS; and

WHEREAS, since 1994, OCTA and OCERS have cooperated in the funding, investment, and payment of supplemental retirement benefits for eligible retired employees of OCTA, which benefits supplement the benefits OCERS administers through the defined benefit plan under CERL, in accordance with the following three agreements between OCTA and OCERS (which three agreements are collectively referred to herein as the “ARBA Agreement”): (i) that certain Memorandum of Understanding Agreement, dated June 27, 1994; (ii) that certain Amended and Restated Agreement Re: Additional Retiree Medical Account, dated December 16, 2002; and (iii) that certain Second Amended and Restated Memorandum of Understanding Agreement Re: Additional Retiree Benefit Account, dated May 23, 2005; and

WHEREAS, the ARBA Agreement expired according to its terms on December 31, 2007; and

WHEREAS, notwithstanding the expiration of the ARBA Agreement, OCTA and OCERS desire to continue to cooperate with respect to the payment of supplemental retirement benefits for eligible retired employees of OCTA and the investment of assets set aside for the payment of such benefits, as permitted by law; and

WHEREAS, Government Code Section 31694(a) authorizes OCTA to establish and fund a Post-Employment Benefits Trust Account for the sole purpose of funding benefits provided under a post-employment group health, life, welfare, or other supplemental benefits plan;

WHEREAS, OCTA has established and maintains the Orange County Transportation Authority Additional Retiree Benefit Account Plan (the “Plan”) for the purpose of providing supplemental retirement benefits for its eligible retired employees (collectively, “Participants”), which supplements the benefits OCERS administers through the defined benefit plan under CERL; and

WHEREAS, pursuant to Government Code Section 31694(a), OCTA has established the Trust for the sole purpose of funding supplemental retirement benefits to Participants under the Plan and/or other post-employment group health, life, welfare, or other supplemental benefits plans established by OCTA; and

WHEREAS, Government Code Section 31694.1(b) authorizes OCERS to administer and invest assets of the Trust provided that OCERS shall have sole, exclusive, and plenary authority and fiduciary responsibility over the investment of such assets, subject to the terms of this Agreement, as provided by Government Code Section 31694.1(f); and

WHEREAS, Government Code Section 31694.1(f) authorizes OCTA, the Trust and OCERS to enter into an agreement establishing the respective roles and responsibilities of the Parties with respect to the administration and investment of assets of the Trust; and

WHEREAS, the Parties desire to have OCERS administer and manage the investment of the assets contained in the Trust that are placed under the control of OCERS, pursuant to the terms of this Agreement and applicable law.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

## **AGREEMENT**

1. RECITALS. The foregoing recitals are true and correct and incorporated herein by this reference.

2. Responsibilities of OCTA. OCTA shall have the following responsibilities pursuant to this Agreement:

A. Determination of Benefits. OCTA shall be responsible for establishing and maintaining the Plan, determining the level and amount of benefits available to Participants, determining Participants' eligibility, and establishing and administering policies and procedures and all other rights and obligations under the Plan.

B. Funding of the Trust. OCTA shall be responsible for providing for the contribution of funds to the Trust, in its sole and absolute discretion.

C. Appointment of Trustee. OCTA shall be responsible for appointing the Trustee(s) of the Trust. OCTA acknowledges that OCERS is not a trustee with respect to the Trust and shall owe no obligations to the Trust's beneficiaries, except as otherwise expressly provided in this Agreement or required by Government Code Section 31694.1.

D. Furnishing of Information. OCTA shall furnish OCERS on a timely basis such information as is necessary for OCERS to carry out its responsibilities under this Agreement. OCERS shall be entitled to rely upon the accuracy of any information that is furnished to it by a responsible official of OCTA, or any information relating to a Participant that is furnished by such Participant, and OCERS shall not be responsible for any error or omission arising from its reliance on such information.

E. Cooperation with OCERS. OCTA shall take all actions, or refrain from taking actions, reasonably necessary to assist OCERS in carrying out its rights and responsibilities under this Agreement, including but not limited to entering into and performing Group Trust arrangements with investment managers to facilitate the investment of Trust Assets.

3. Responsibilities of the Trust.

A. Valid Existence. The Trust shall maintain its valid existence at all times and at all times comply with all applicable state and federal laws, rules and regulations.

B. Furnishing of Information. The Trust shall furnish OCERS on a timely basis such information as is necessary for OCERS to carry out its responsibilities under this Agreement. OCERS shall be entitled to rely upon the accuracy of any information that is furnished to it by the Trustee(s) of the Trust, or any information relating to a Participant that is furnished by such Participant, and OCERS shall not be responsible for any error or omission arising from its reliance on such information.

C. Cooperation with OCERS. The Trust shall take all actions, or refrain from taking actions, reasonably necessary to assist OCERS in carrying out its rights and responsibilities under this Agreement, including but not limited to entering into and performing Group Trust arrangements with investment managers to facilitate the investment of Trust Assets.

4. Responsibilities of OCERS. OCERS shall have the following responsibilities pursuant to this Agreement:

A. Investment of Trust Assets. OCERS is hereby engaged to invest, and manage the investment of, such assets of the Trust as are placed into its custody, possession and control by the Trustee of the Trust ("Trust Assets"). OCERS has established policies and guidelines for the investment of assets of the retirement system, and such policies and guidelines shall be applicable as well to OCERS' investment of the Trust Assets, to the extent practicable. Solely for investment purposes, OCERS may, but shall not be required to, co-invest the Trust Assets with the assets of the retirement system intended to pay retirement, disability and death benefits, to the extent permitted by applicable law and accounting standards. OCERS may also invest the Trust Assets in any other manner, subject to its duty of prudence and the terms of this Agreement. OCERS shall account for all investment gains and losses attributable to the Trust Assets and shall fairly allocate expenses of investment and administration to the Trust in the same manner and at the same time as it does for the assets held in the retirement system intended to pay retirement, disability and death benefits. Notwithstanding the foregoing, OCERS shall have no obligation to identify specific investments held by the Trust or to unitize any of the investment of assets in the Trust.

Notwithstanding the foregoing, Trust Assets shall only be used to pay for those supplemental benefits and costs authorized under Government Code Section 31694, *et seq.* and provided for in the Plan, and under no circumstances shall Trust Assets be used to pay for any other retirement, disability or death benefits provided for under CERL or for any other purpose for which assets of the retirement system are used.

B. Full Discretionary Authority. Consistent with Government Code Section 31694.1, OCERS shall have sole, exclusive, and plenary discretionary authority and fiduciary responsibility to manage the investment and reinvestment of Trust Assets as OCERS deems appropriate, consistent with the investment policies and guidelines for the investment of the assets of the retirement system to the extent practicable. OCTA and the Trust hereby appoint OCERS as agent and attorney-in-fact with full power and authority for and on behalf of the Trust through any of its Board members, officers or employees or their designated agents, representatives, custodians, brokers, dealers, or other service providers, to (i) purchase, sell, sell short, exchange, exercise or otherwise trade for the Trust any and all interests, securities, instruments and obligations of every description, including without limitation all stocks, bonds, mutual fund shares, notes, commercial paper, trade acceptances, loans, deposits and options or

other rights to acquire any of the foregoing issued or incurred by any corporation, mutual fund, trust, partnership, limited liability company, association, firm, institution or governmental body, and (ii) take such other actions or direct such Board members, officers or employees or their designated agents, representatives, custodians, brokers, dealers, or other service providers as OCERS may from time to time select to take such other actions, as any Board member, officer or employee of OCERS may deem necessary or desirable to carry out the purpose and intent of the foregoing, provided that such actions and transactions are authorized by applicable law and are consistent with OCERS' publicly adopted policies and guidelines for the investment of the assets of the retirement system to the extent practicable.

C. Interest Crediting. OCERS shall credit interest to the Trust Assets invested by OCERS in the following manner: OCERS shall credit interest to the Trust Assets on a monthly basis. The interest amount to be credited shall be determined by applying the time weighted rate of return actually experienced by OCERS to the adjusted beginning balance of the Trust Assets for the month. The "adjusted beginning balance" shall be determined by subtracting any outflows during the quarter from, and adding any inflows during the quarter to, the monthly balance prorated based on the date made or received. The "time weighted rate of return" shall be determined by OCERS' Chief Investment Officer in a manner consistent with industry standards. OCERS shall notify OCTA and the Trust within thirty (30) calendar days after the end of each month, or as soon as practicable thereafter, as to the amount of interest so credited to the Trust Assets.

Notwithstanding the foregoing, no assets or earnings held by OCERS for the payment of any other retirement, disability or death benefits shall be used to credit interest to the Trust Assets.

D. Administration of Trust Assets. OCERS shall:

- (i) Perform periodic accounting of Trust Assets, payments and investment activity, based upon information received from OCTA and/or the Trustee, and make such accounting available for OCTA's and the Trustee of the Trust's inspection upon reasonable request during normal business hours.
- (ii) Coordinate the processing of supplemental benefit payments due to Participants from the Trust Assets pursuant to authorized direction by OCTA and in accordance with those administrative procedures established from time to time by, and acceptable to, both OCTA and OCERS.
- (iii) Coordinate actions with the Trustee(s) of the Trust as directed by OCTA within the scope of this Agreement.
- (iv) Provide quarterly reports to OCTA and the Trustee(s) of the Trust regarding the status of the Trust Assets, payments and investment activity.
- (v) Provide such information reasonably requested by OCTA and/or the Trustee(s) and required for purposes of the preparation of annual financial statements by OCTA, the performance of actuarial valuations, the conducting of audits of the Trust, the provision of required information to state or federal regulatory and/or taxing agencies, and similar purposes.
- (iv) Meet with OCTA and Trust at least two (2) times per year regarding investment and administration of the Trust Assets.

5. Title to Trust Assets to Remain in Name of Trustee. Title to all Trust Assets shall at all times be held in the name of the Trust. The Trustee(s) agrees to execute such documents and take such actions as are necessary for OCERS to invest and administer the Trust Assets pursuant to this Agreement.

6. Payment of Investment and Administration Expenses. OCERS may charge the Trust Assets with all expenses of investment and administration reasonably attributable to the Trust. OCERS shall regularly report to OCTA and the Trust the nature and amount of such charges. To the extent the Trust Assets are insufficient to provide for the payment of such expenses, OCTA shall pay them.

7. Assumption of Risks and Suitability of Investments. OCTA and the Trust expressly acknowledge and agree that:

A. OCERS' investment of Trust Assets could carry significant risk. An investment by and through OCERS involves risks that may not be associated with other investment vehicles or types. OCERS will follow investment policies that, if unsuccessful, could involve substantial losses. OCERS' portfolio may be subject to wide swings in value. Although OCERS has the flexibility to react to changing market conditions, changes in market conditions or a particular investment's situation could involve losses. OCERS hopes to manage this risk of loss through a careful selection of investments. However, no guarantee or representation is made that OCERS' investment strategy will be successful, or that OCERS will achieve its investment objective. To the fullest extent permitted by applicable law, OCERS shall not be liable for any error in judgment and/or for any investment losses to the Trust Assets, in the absence of fraud, willful misconduct or such negligence for which it is otherwise liable under law.

B. The potential risks associated with this agreement include, but are not limited to, risks associated with reliance upon OCERS as the sole investment manager of the Trust Assets, the success of OCERS' investment selections, changes in OCERS' investment strategies, policies and guidelines, the performance of OCERS' investment managers, the lack of regulatory oversight, limited or no access to information respecting certain investments, the valuation of certain assets, concentration of certain investments, general investment and market risks, limited or no liquidity of certain investments, ability or inability to acquire certain investments, changes in external factors affecting investments, contingent liabilities, potential mandatory redemptions, involuntary termination of this Agreement, changes in applicable laws, rules or regulations, indemnification obligations under this Agreement, regulatory risks, tax risks and conflicting fiduciary duties and the consequences thereof. This list is not exhaustive of all risks associated with OCERS' investment of Trust Assets. OCTA and the Trust assume all risks of investment losses in the absence of OCERS' fraud, willful misconduct or such negligence for which it is otherwise liable under law.

C. OCERS' investment of Trust Assets is subject to all applicable investment policies and guidelines established from time to time for the investment of the assets held in the retirement system to pay retirement, disability and death benefits, to the extent practicable. OCTA and the Trust have requested and received from OCERS all information that they, after due inquiry, deemed relevant to their decision to enter into this Agreement. OCTA and the Trust have independently reviewed this information, including but not limited to OCERS' investment policies and guidelines, and are now and will continue to be completely familiar with the terms and conditions thereof. Such policies and guidelines are and shall at all times be considered suitable and appropriate for the investment of the Trust Assets.



**8. Indemnification and Defense.**

A. OCTA and the Trust shall jointly and severally indemnify and defend OCERS and its officers, directors, employees, attorneys, consultants and agents, and hold each of them harmless from any and all losses, claims, obligations, defenses, expenses, disputes and liabilities of any nature whatsoever including but not limited to reasonable attorneys' fees and costs incurred in litigation, at trial and/or on appeal, incurred on account of any claim, demand, cause of action, obligation, damage, defenses, fees, costs, and/or liabilities, of any nature whatsoever, whether or not known, suspected or claimed, initiated by any person or entity, in any way related to this Agreement, the Plan, the Trust, or the Parties' performance hereunder, to the extent permitted by law, except by reason of OCERS' breach of any provisions of this Agreement or OCERS' own fraud, willful misconduct or such negligence for which it is otherwise liable under law.

B. OCERS shall indemnify and defend OCTA and/or the Trust, and their respective officers, directors, employees, attorneys, consultants and agents, and hold each of them harmless from any and all losses, claims, obligations, expenses, defenses, disputes and liabilities of any nature whatsoever including but not limited to reasonable attorneys' fees and costs incurred in litigation, at trial and/or on appeal, incurred on account of any claim, demand, cause of action, obligation, damage, defenses, fees, costs, and/or liabilities, of any nature whatsoever, whether or not known, suspected or claimed, initiated by any person or entity, in any way related to this Agreement, the Plan, the Trust or the Parties' performance hereunder, resulting from OCERS' breach of any provisions of this Agreement or OCERS' own fraud, willful misconduct or such negligence for which it is otherwise liable under law, to the extent permitted by law.

**9. Compliance With Applicable Law.** OCTA shall observe and comply with federal, state and local laws in effect as of the Effective Date, or which may come into effect during the term of this Agreement, regarding the administration of the Plan and the Trust. OCERS shall observe and comply with federal, state and local laws in effect as of the Effective Date, or which may come into effect during the term of this Agreement, regarding the administrative and investment manager services provided under this Agreement.

**10. Term.** This Agreement shall remain in effect for an initial term beginning on the Effective Date and ending on the day before the fifth anniversary of the Effective Date, unless earlier terminated in accordance with Section 11, below. The Agreement will continue unchanged for successive twelve month periods following the Term unless either Party gives written notice to the other Party of the intent to terminate under Section 11, below, prior to one hundred eighty (180) days before the end of the Term.

**11. Termination.** Any Party may elect to terminate this Agreement at any time and for any reason. If any Party elects to terminate this Agreement, it shall give the other Parties not less than one hundred eighty (180) days' written notice of the elected date of termination, and the Agreement shall terminate as of 11:59 p.m. Pacific time on such date, unless exigent circumstances requires shorter notice and termination. In addition, the Parties may terminate this Agreement by further written agreement upon terms and conditions stated therein. Upon termination of this Agreement, OCERS shall timely transfer all Trust Assets in its possession, net of all investment gains and losses and accrued investment and administration expenses, to the Trustee or to such other person or entity as the Trustee shall direct, or as otherwise agreed to by the Parties, or as otherwise provided by law.

12. Representations and Warranties of OCTA and the Trust. OCTA and the Trust each represents and warrants:

A. OCTA is a public agency validly existing under the laws of the state of California, and duly authorized to provide the supplemental retiree benefits under the Plan.

B. The Trust has been duly formed, under the laws of the state of California and the United States, and is duly authorized to carry out its lawful purpose.

C. The execution, delivery and performance by OCTA and the Trust of this Agreement are within their respective powers, have been duly authorized by all necessary action of the governing body of OCTA and the Trustee of the Trust, and do not (i) violate any applicable law, rule or regulation or the organizational documents of OCTA or the Trust, or (ii) violate, conflict with or result in (now or with notice or lapse of time or both) a breach or default under any indenture, agreement or other instrument binding upon OCTA or the Trust.

D. The Trust has been duly authorized by all necessary action of the governing body of OCTA, and does not (i) violate any applicable law, rule or regulation or the organizational documents of OCTA or (ii) violate, conflict with or result in (now or with notice or lapse of time or both) a breach or default under any indenture, agreement or other instrument binding upon OCTA.

E. No authorization or approval or other action by, and no notice to or registration or filing with, any State of California governmental authority or any employee or retiree organization, is required to be obtained by OCTA or the Trust as a condition to the execution, delivery and performance by OCTA and the Trust of this Agreement.

F. This Agreement, when effective, shall have been duly authorized, executed and delivered by OCTA and the Trust and constitutes the legal, valid and binding obligation of OCTA and the Trust, enforceable against OCTA and the Trust in accordance with its terms.

G. OCTA and the Trust have each consulted with its own legal, accounting, tax, investment and other advisers in connection with this Agreement, to the extent that it has deemed necessary.

OCTA's and the Trust's representations and warranties are material inducements to OCERS in entering into this Agreement.

13. Representations and Warranties of OCERS. OCERS represents and warrants:

A. It is a public agency validly existing under the laws of the state of California, and duly authorized to provide the services described in this Agreement.

B. The execution, delivery and performance by OCERS of this Agreement are within the OCERS' powers, have been duly authorized by all necessary action of the governing body of OCERS, and do not (i) violate any applicable law, rule or regulation or the organizational documents of OCERS or (ii) violate, conflict with or result in (now or with notice or lapse of time or both) a breach or default under any indenture, agreement or other instrument binding upon OCERS.

C. No authorization or approval or other action by, and no notice to or registration or filing with, any State or federal governmental authority, is required to be obtained by the OCERS as a condition to the execution, delivery and performance by OCERS of this Agreement.

D. This Agreement, when effective, shall have been duly authorized, executed and delivered by OCERS and constitutes the legal, valid and binding obligation of OCERS, enforceable against OCERS in accordance with its terms.

E. It has consulted with its own legal, accounting, tax, investment and other advisers in connection with this Agreement, to the extent that it has deemed necessary.

OCERS' representations and warranties are material inducements to OCTA and Trust in entering into this Agreement.

14. Effective Date; Enabling Resolutions. This Agreement shall become effective on the last date of the following events to occur:

A. The Board of Retirement's adoption of a Resolution approving this Agreement and authorizing OCERS to enter into and perform this Agreement.

B. The OCTA Board of Directors' adoption of a Resolution approving this Agreement and authorizing OCTA to enter into and perform this Agreement.

C. The Trustee of the Trust's approval of this Agreement on behalf of the Trust.

D. The full execution of this Agreement by authorized signatories of all Parties.

15. Governing Law; Consent to Jurisdiction. This Agreement and its enforcement shall be governed by the internal laws of the State of California. The Parties hereby consent to the exclusive jurisdiction, venue and forum of any state or federal court located in Orange County, California with respect to any action which in any way relates to the subject matter of this Agreement.

16. Further Actions. Each Party shall take all actions and do all things, and execute, with acknowledgement or affidavit if required, any and all documents and writings that reasonably may be necessary or proper to achieve the purposes and objectives of this Agreement.

17. Additional Provisions. This Agreement represents the Parties' entire agreement and constitutes the only existing and binding agreement between them with respect to the matters stated herein. This Agreement supersedes any and all prior agreements, representations, promises and understandings of any kind, whether oral or written, express or implied, between the Parties regarding the subject matter of this Agreement. Nothing contained herein is intended to nor shall affect any Party's rights and obligations under CERL. In entering into this Agreement, each Party disclaims any reliance upon any representation, fact or opinion that is not otherwise stated in this Agreement. Each Party hereby waives any rules of interpretation or construction contained in California Civil Code Section 1654. This Agreement may not be modified, altered, amended or otherwise changed in any respect except by a writing duly authorized and executed by each Party.

18. Notices. All notices and communications provided for or required under this Agreement shall be in writing and shall be (i) personally delivered, (ii) sent by certified or registered by return receipt requested or overnight air courier, or (iii) communicated by telecopy, to the respective Parties at the address set forth below their respective signatures or at a substituted address designated by the Parties by notice given in the same manner. Any such notice shall be deemed effectively given upon actual receipt.

19. Attorneys' Fees. If legal proceedings are instituted by any Party to enforce any provision of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees, in addition to other costs and expenses incurred by it, regardless of whether the action proceeds to final judgment.

ORANGE COUNTY TRANSPORTATION  
AUTHORITY

ORANGE COUNTY TRANSPORTATION  
AUTHORITY POST EMPLOYMENT  
BENEFITS TRUST ACCOUNT

By \_\_\_\_\_

By \_\_\_\_\_

Print Name \_\_\_\_\_

Print Name \_\_\_\_\_

Its \_\_\_\_\_

Its \_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

Address for notices:

Address for notices:

Chief Executive Officer  
Orange County Transportation Authority  
550 South Main Street  
P.O. Box 14184  
Orange, CA 92863-1584

Executive Director Finance, Administration  
and Human Resources  
Orange County Transportation Authority  
550 South Main Street  
P.O. Box 14184  
Orange, CA 92863-1584

ATTEST:

By: \_\_\_\_\_  
Wendy Knowles  
Clerk of the Board

Dated: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Kennard R. Smart, Jr.  
General Counsel

Dated: \_\_\_\_\_

BOARD OF RETIREMENT  
OF THE ORANGE COUNTY  
EMPLOYEES' RETIREMENT SYSTEM

By \_\_\_\_\_

Print Name \_\_\_\_\_

Its \_\_\_\_\_

Dated: \_\_\_\_\_

Address for notices:

Chief Executive Officer  
Orange County Employees' Retirement System  
2223 Wellington Avenue  
Santa Ana, CA 92701

**Declaration of Trust  
of the  
Orange County Transportation Authority  
Post-Employment Benefits Trust Account**

**Orange County Transportation Authority  
Additional Retiree Benefit Account Plan**

**DECLARATION OF TRUST OF THE  
ORANGE COUNTY TRANSPORTATION AUTHORITY  
POST-EMPLOYMENT BENEFITS TRUST ACCOUNT**

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
ADDITIONAL RETIREE BENEFIT ACCOUNT PLAN**

This Declaration of Trust is made as of the \_\_\_ day of \_\_\_\_\_, 2008 by and between the Orange County Transportation Authority, a California public entity (hereinafter referred to as the "Employer") and the Executive Director, Finance, Administration and Human Resources of the Orange County Transportation Authority, or its designee (hereinafter referred to as the "Trustee").

**RECITALS**

WHEREAS, the Employer is a local governmental agency created pursuant to the laws of the State of California and exempt from federal income tax under the Internal Revenue Code of 1986; and

WHEREAS, the Employer provides for the security and welfare of its eligible employees (hereinafter referred to as "Participants"), their Spouses, and Dependents by the maintenance of one or more post-retirement welfare benefit plans, programs or arrangements which provide for health, life, welfare, or other supplemental benefits (collectively the "Plan"); and

WHEREAS, it is an essential function and integral part of the exempt activities of the Employer to assist Participants, their Spouses, and Dependents by making contributions to and accumulating assets in the trust, a segregated fund, for post-retirement welfare benefits under the Plan; and

WHEREAS, the authority to conduct the general operation and administration of the Plan is vested in the Employer or its designee, who has the authority and shall be subject to the duties with respect to the trust specified in this Declaration of Trust; and

WHEREAS, the Employer wishes to establish this trust to hold assets and income of the Plan for the exclusive benefit of Plan Participants, their Spouses, and Dependents;

NOW, THEREFORE, the parties hereto do hereby establish this trust, by executing the Declaration of Trust of the Orange County Transportation Authority Post-Employment Benefits Trust Account (hereinafter referred to as the "Trust"), and agree that the following constitute the Declaration of Trust (hereinafter referred to as the "Declaration"):

**ARTICLE I**

Definitions

1.1 *Definitions.* For the purposes of this Declaration, the following terms shall have the respective meanings set forth below unless otherwise expressly provided.

- (a) **"Administrator"** means the Employer or the person or entity designated by the Employer to carry out administrative services as are necessary to implement the Plan.
- (b) **"Code"** means the Internal Revenue Code of 1986, as amended from time to time:
- (c) **"Dependent"** means an individual who is a person described in Code Section 152(a).

- (d) "**Investment Fund**" means any separate investment option or vehicle selected by the Employer in which all or a portion of the Trust assets may be separately invested as herein provided. The Trustee shall not be required to select any Investment Fund.
- (e) "**Spouse**" means the Participant's lawful spouse as determined under the laws of the state in which the Participant has his primary place of residence.
- (f) "**Trust**" means the trust established by this Declaration.
- (g) "**Trustee**" means the Executive Director, Finance, Administration and Human Resources of the Orange County Transportation Authority or such other the person or persons appointed by the Employer to serve in that capacity.

## **ARTICLE II**

### Establishment of Trust

2.1 The Trust is hereby established as of the date set forth above for the exclusive benefit of Participants, their Spouses, and Dependents.

## **ARTICLE III**

### Construction

3.1 This Trust and its validity, construction and effect shall be governed by the laws of the State of California.

3.2 Pronouns and other similar words used herein in the masculine gender shall be read as the feminine gender where appropriate, and the singular form of words shall be read as the plural where appropriate.

3.3 If any provision of this Trust shall be held illegal or invalid for any reason, such determination shall not affect the remaining provisions, and such provisions shall be construed to effectuate the purpose of this Trust.

## **ARTICLE IV**

### Benefits

4.1 *Benefits.* This Trust may provide benefits to the Participant, the Participant's Spouse, and Dependents pursuant to the terms of the Plan.

4.2 *Form of Benefits.* This Trust may provide benefits by cash payment. This Trust may reimburse the Participant, his Spouse, or Dependents for insurance premiums or other payments expended for permissible benefits described under the Plan. This trust may reimburse the Employer, or the Administrator for insurance premiums paid on behalf of the Participant, his Spouse, or Dependents pursuant to the Plan.



## ARTICLE V

### General Duties

5.1 It shall be the duty of the Trustee to hold title to assets held in respect of the Plan in the Trustee's name as directed by the Employer or its designees in writing. The Trustee shall not be under any duty to compute the amount of contributions to be paid by the Employer or to take any steps to collect such amounts as may be due to be held in trust under the Plan. The Trustee shall not be responsible for the custody, investment, safekeeping or disposition of any assets comprising the Trust, to the extent such functions are performed by the Employer or the Administrator, or both.

5.2 It shall be the duty of the Employer, subject to the provisions of the Plan, to pay over to the Administrator or other person designated hereunder from time to time the Employer's contributions and Participants' contributions under the Plan and to inform the Trustee in writing as to the identity and value of the assets titled in the Trustee's name hereunder and to keep accurate books and records with respect to the Participants of the Plan.

## ARTICLE VI

### Investments

6.1 The Employer may appoint and/or contract with one or more investment managers to manage and control all or part of the assets of the Trust and the Employer shall notify the Trustee in writing of any such appointment.

6.2 The Trustee shall not have any discretion or authority with regard to the investment of the Trust and shall act solely as a directed Trustee of the assets of which it holds title. To the extent directed by the Employer the Trustee is authorized and empowered with the following powers, rights and duties, each of which the Trustee shall exercise in a nondiscretionary manner:

- (a) To cause stocks, bonds, securities, or other investments to be registered in its name as Trustee or in the name of a nominee, or to take and keep the same unregistered;
- (b) To employ such agents and legal counsel as it deems advisable or proper in connection with its duties and to pay such agents and legal counsel a reasonable fee. The Trustee shall not be liable for the acts of such agents and counsel for the acts done in good faith and in reliance upon the advice of such agents and legal counsel, provided it has used reasonable care in selecting such agents and legal counsel;
- (c) To exercise where applicable and appropriate any rights of ownership in any contracts of insurance in which any part of the Trust may be invested and to pay the premiums thereon; and
- (d) At the direction of the Employer (or the investment manager, as the case may be) to sell, write options on, convey or transfer, invest and reinvest any part thereof in each and every kind of property, whether real, personal or mixed, tangible or intangible, whether income or non-income producing and wherever situated, including but not limited to, time deposits (including time deposits in the Trustee or its affiliates, or any successor thereto, if the deposits bear a reasonable rate of interest), shares of common and preferred stock, mortgages, bonds, leases, notes, debentures, equipment or collateral trust certificates, rights, warrants, convertible or exchangeable securities and other corporate,

individual or government securities or obligations, annuity, retirement or other insurance contracts, mutual funds (including funds for which the Trustee or its affiliates serve as investment advisor, custodian or in a similar or related capacity), or in units of any other common, collective or commingled trust fund.

6.3 Notwithstanding anything to the contrary herein, the assets of the Plan shall be held by the Trustee as title holder only. Persons holding custody or possession of assets titled to the Trust shall include the Employer, the Administrator, the investment manager, and any agents and subagents, but not the Trustee. The Trustee shall not be responsible or liable for any loss or expense which may arise from or result from compliance with any direction from the Employer, the Administrator, the investment manager, or such agents to take title to any assets nor shall the Trustee be responsible or liable for any loss or expense which may result from the Trustee's refusal or failure to comply with any direction to hold title, except if the same shall involve or result from the Trustee's negligence or intentional misconduct. The Trustee may refuse to comply with any direction from the Employer, the Administrator, the investment manager, or such agents in the event that the Trustee, in its sole and absolute discretion, deems such direction illegal.

6.4 The Employer hereby indemnifies and holds the Trustee harmless from any and all actions, claims, demands, liabilities, losses, damages or reasonable expenses of whatsoever kind and nature in connection with or arising out of (i) any action taken or omitted in good faith by the Trustee in accordance with the directions of the Employer or its agents and subagents hereunder, or (ii) any disbursements of any part of the Trust made by the Trustee in accordance with the directions of the Employer, or (iii) any action taken by or omitted in good faith by the Trustee with respect to an investment managed by an investment manager in accordance with any direction of the investment manager or any inaction with respect to any such investment in the absence of directions from the investment manager. Notwithstanding anything to the contrary herein, the Employer shall have no responsibility to the Trustee under the foregoing indemnification if the Trustee fails negligently, intentionally or recklessly to perform any of the duties undertaken by it under the provisions of this Trust.

6.5 Notwithstanding anything to the contrary herein, the Employer or, if so designated by the Employer, the Administrator and the investment manager or another agent of the Employer, will be responsible for valuing all assets so acquired for all purposes of the Trust and of holding, investing, trading and disposing of the same. The Employer will indemnify and hold the Trustee harmless against any and all claims, actions, demands, liabilities, losses, damages, or expenses of whatsoever kind and nature, which arise from or are related to any use of such valuation by the Trustee or holding, trading, or disposition of such assets.

6.6 Notwithstanding anything to the contrary herein, the Employer may, in its sole discretion and consistent with the use and exclusive benefit requirements of the Declaration, direct the Trustee to cause all or a portion of the assets of the Trust to be transferred into another tax-exempt trust solely for the purpose of funding benefits of the type described in Article IV for those Participants, Spouses and Dependents eligible for benefits pursuant to the terms of the Plan.

## ARTICLE VII

### Contributions

7.1 *Employer Contributions.* The Employer shall contribute to the Trust such amounts as specified in the Plan or by action of its Board of Directors.

7.2 *Receipt of Contributions.* The Employer or, if so designated by the Employer, the Administrator or investment manager or another agent of the Employer, shall receive all contributions paid or delivered to it hereunder and shall hold, invest, reinvest and administer such contributions pursuant to this Declaration, without distinction between principal and income. The Trustee shall not be responsible for the calculation or collection of any contribution under the Plan, but shall hold title to property received in respect of the Plan in the Trustee's name as directed by the Employer or its designee pursuant to this Declaration.

7.3 No amount in any account maintained under this Trust shall be subject to transfer, assignment, or alienation, whether voluntary or involuntary, in favor of any creditor, transferee, or assignee of the Employer, the Trustee, any Participant, his Spouse, or Dependents.

7.4 Upon the satisfaction of all liabilities under the Plan to provide such benefits, any amount of Employer contributions, plus accrued earnings thereon, remaining in such separate accounts must, under the terms of the Plan, be returned to the Employer.

## ARTICLE VIII

### Other Plans

If the Employer hereafter adopts one or more other plans providing health, life, welfare, or other supplemental benefits and designates the Trust hereby created as part of such other plan, the Employer or, if so designated by the Employer, the Administrator or an investment manager or another agent of the Employer shall, subject to the terms of this Declaration, accept and hold hereunder contributions to such other plans. In that event (a) the Employer or, if so designated by the Employer, the Administrator or an investment manager or another agent of the Employer, may commingle for investment purposes the contributions received under such other plan or plans with the contributions previously received by the Trust, but the books and records of the Employer or, if so designated by the Employer, the Administrator or an investment manager or another agent of the Employer, shall at all times show the portion of the Trust Fund allocable to each plan; (b) the term "Plan" as used herein shall be deemed to refer separately to each other plan; and (c) the term "Employer" as used herein shall be deemed to refer to the person or group of persons which have been designated by the terms of such other plans as having the authority to control and manage the operation and administration of such other plan.

## ARTICLE IX

### Disbursements and Expenses

9.1 The Employer or its designee shall make such payments from the Trust at such time to such persons and in such amounts as shall be authorized by the provisions of the Plan.

9.2 All payments of benefits under the Plan shall be made exclusively from the assets of the Trust, and no person shall be entitled to look to any other source for such payments.

9.3 The Employer, Trustee and Administrator may be reimbursed for expenses reasonably incurred by them in the administration of the Trust. All such expenses, including, without limitation, reasonable fees of accountants and legal counsel to the extent not otherwise reimbursed, shall constitute a charge against and shall be paid from the Trust upon the direction of the Employer.

## **ARTICLE X**

### **Accounting**

10.1 The Trustee shall not be required to keep accounts of the investments, receipts, disbursements, and other transactions of the Trust, except as necessary to perform its title-holding function hereunder. All accounts, books, and records relating thereto shall be maintained by the Employer or its designee.

10.2 Upon request of the Employer, as promptly as possible following the close of each year, the Trustee shall file with the Employer a written account setting forth assets titled to the Trust as reported to the Trustee by the Employer or its designee.

## **ARTICLE XI**

### **Miscellaneous Provisions**

11.1 No person transferring title or receiving a transfer of title from the Trustee shall be obligated to look to the propriety of the acts of the Trustee in connection therewith.

11.2 The Employer may engage the Trustee as its agent in the performance of any duties required of the Employer under the Plan, but such agency shall not be deemed to increase the responsibility or liability of the Trustee under this Declaration.

11.3 The Employer shall have the right at all reasonable times during the term of this Declaration and for three (3) years after the termination of this Declaration to examine, audit, inspect, review, extract information from, and copy all books, records, accounts, and other documents of the Trustee relating to this Declaration and the Trustees' performance hereunder.

11.4 The Trustee shall serve without compensation.

## **ARTICLE XII**

### **Amendment and Termination**

12.1 The Employer reserves the right to alter, amend, or terminate this Declaration at any time for any reason without the consent of the Trustee or any other person, provided that no amendment affecting the rights, duties, or responsibilities of the Trustee shall be adopted without the execution of the Trustee to the amendment. Any such amendment shall become effective as of the date provided in the amendment, if requiring the Trustee's execution, or on delivery of the amendment to the Trustee, if the Trustee's execution is not required. No amendment to this Declaration shall affect benefits already in pay status.

### **ARTICLE XIII**

#### Successor Trustees

13.1 The Employer reserves the right to discharge the Trustee for any or no reason, at any time by giving thirty (30) days' advance written notice.

13.2 The Trustee reserves the right to resign at any time by giving thirty (30) days' advance written notice to the Employer.

13.3 In the event of discharge or resignation of the Trustee, the Employer may appoint a successor Trustee who shall succeed to all rights, duties, and responsibilities of the former Trustee under this Declaration, and the terminated Trustee shall be deemed discharged of all duties under this Declaration and responsibilities for the Trust.

### **ARTICLE XIV**

#### Limited Effect of Plan and Trust

Neither the establishment of the Plan and the Trust or any modification thereof, the creation of any fund or account, nor the payment of any benefits, shall be construed as giving to any person covered under the Plan or other person any legal or equitable right against the Trustee, the Administrator, the Employer or any officer or employee thereof, except as may otherwise be expressly provided in the Plan or in this Declaration.

### **ARTICLE XV**

#### Protective Clause

Neither the Administrator, the Employer, nor the Trustee shall be responsible for the validity of any contract of insurance or other arrangement maintained in connection with the Plan, or for the failure on the part of the insurer or provider to make payments provided by such contract, or for the action of any person which may delay payment or render a contract void or unenforceable in whole or in part.

*[SIGNATURE PAGE TO FOLLOW]*

IN WITNESS WHEREOF, the Employer and the Trustee have executed this Declaration by their respective duly authorized officers on the respective dates set forth below.

**EMPLOYER:**

ORANGE COUNTY TRANSPORTATION  
AUTHORITY

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

\_\_\_\_\_  
CHAIRMAN

**ATTEST:**

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

\_\_\_\_\_  
CLERK OF THE BOARD

**TRUSTEE:**

\_\_\_\_\_  
EXECUTIVE DIRECTOR FINANCE,  
ADMINISTRATION, HUMAN RESOURCES,  
ORANGE COUNTY TRANSPORTATION  
AUTHORITY

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

APPROVED AS TO FORM:

\_\_\_\_\_  
KENNARD R. SMART,  
GENERAL COUNSEL



**Orange County Transportation Authority  
Additional Retiree Benefit Account**

**GASB 27 Actuarial Valuation  
Preliminary Results**

**John E. Bartel**

**BARTEL**  
ASSOCIATES, LLC

March 26, 2008

# Benefit Summary

## Eligibility

- Retire from the Authority after January 1, 1995
- Age 50 with 10 years OCERS service, or age 70, or 30 years of OCERS service

## Benefit

- \$10/month time years of Authority service
- Maximum \$150/month
- Single life annuity, no COLA





# Participant Statistics

## Actives as of January 1, 2008

	<u>Coach</u>	<u>Operators</u>	<u>Maintenance</u>	<u>TCU</u>	<u>Non Union</u>	<u>Total</u>
■ Count		1,191	255	45	468	1,959
■ Average:						
• Age		46.2	47.5	49.0	46.9	46.6
• Service		8.6	12.0	11.5	10.7	9.6
• Salary		\$ 41,500	\$ 49,400	\$ 44,500	\$ 72,800	\$ 50,000
■ Total Salary (000s)		49,390	12,588	2,002	34,083	98,063



# Participant Statistics

Retirees participating in ARBA as of January 1, 2008

	<u>Coach Operators</u>	<u>Maintenance</u>	<u>TCU</u>	<u>Non Union</u>	<u>Total</u>
■ Count	203	28	12	76	319 <sup>1</sup>
■ Average:					
• Age	65.2	66.9	66.3	64.7	65.3
• Age at Retirement	59.3	62.1	60.2	60.0	59.8
• Monthly Benefit	\$ 143	\$ 143	\$ 137	\$ 141	\$ 142
■ Total Monthly Benefit	29,000	4,010	1,640	10,690	45,340

<sup>1</sup> Total retiree count is 580.



March 26, 2008



# Actuarial Assumptions

Valuation Date	January 1, 2008 2007/08 Fiscal Year												
Interest Rate	4.5% (invested in OCTA assets, not pre-funded) 7.5% (pre-funded, invested in OCERS trust)												
General Inflation	3.5%												
Aggregate Payroll Increases	3.5%												
Service Retirement	OCERS sample rates: <table data-bbox="982 873 1360 1149"> <thead> <tr> <th><u>Age</u></th> <th><u>Rate</u></th> </tr> </thead> <tbody> <tr> <td>50</td> <td>3%</td> </tr> <tr> <td>55</td> <td>4%</td> </tr> <tr> <td>60</td> <td>11%</td> </tr> <tr> <td>65</td> <td>25%</td> </tr> <tr> <td>70</td> <td>100%</td> </tr> </tbody> </table> Expected Retirement Age: 61.5	<u>Age</u>	<u>Rate</u>	50	3%	55	4%	60	11%	65	25%	70	100%
<u>Age</u>	<u>Rate</u>												
50	3%												
55	4%												
60	11%												
65	25%												
70	100%												
Mortality, Termination & Disability	OCERS assumptions												



# Assets

(amounts in 000s)

	<u>Value</u>
▪ OCERS	\$418
▪ OCTA Reserves	995
▪ Internal Service Funds Surplus	<u>6,600</u>
▪ Total	8,013



# Actuarial Obligations

## January 1, 2008 – with Assets

(amounts in 000's)

	<u>4.5%</u>	<u>7.5%</u>
■ <b>Present Value of Benefits</b>		
• Actives	\$18,221	\$10,801
• Retirees	6,278	4,972
• Total	<u>24,499</u>	<u>15,773</u>
■ <b>Actuarial Accrued Liability</b>		
• Actives	9,263	6,573
• Retirees	6,278	4,972
• Total	<u>15,541</u>	<u>11,545</u>
■ <b>Assets</b>	<u>8,013</u>	<u>8,013</u>
■ <b>UAAL</b>	7,528	3,532
■ <b>Normal Cost (2007/08)</b>	897	530
■ <b>Pay-As-You-Go Cost (2007/08)</b>	574	574



# Annual Required Contribution (ARC)

2007/08 Fiscal Year – with Assets

(amounts in 000's)

	<u>4.5%</u>	<u>7.5%</u>
■ <b>ARC \$</b>		
• Normal Cost	\$ 897	\$ 530
• UAAL Amortization <sup>2</sup>	421	256
• Total	<u>1,318</u>	<u>786</u>
■ <b>Projected 2007/08 Payroll</b>	98,063	98,063
■ <b>ARC as % of payroll</b>		
• Normal Cost	0.9%	0.5%
• UAAL Amortization	0.4%	0.3%
• Total	<u>1.3%</u>	<u>0.8%</u>

<sup>2</sup> Amortized as a level percentage of payroll over 20 years



# Actuarial Obligations

## January 1, 2008 – without Assets

(amounts in 000's)

	<u>4.5%</u>	<u>7.5%</u>
■ <b>Present Value of Benefits</b>		
• Actives	\$18,221	\$10,801
• Retirees	6,278	4,972
• Total	<u>24,499</u>	<u>15,773</u>
■ <b>Actuarial Accrued Liability</b>		
• Actives	9,263	6,573
• Retirees	6,278	4,972
• Total	<u>15,541</u>	<u>11,545</u>
■ <b>Assets</b>	<u>0</u>	<u>0</u>
■ <b>UAAL</b>	15,541	11,545
■ <b>Normal Cost (2007/08)</b>	897	530
■ <b>Pay-As-You-Go Cost (2007/08)</b>	574	574



# Annual Required Contribution (ARC)

2007/08 Fiscal Year – without Assets

(amounts in 000's)

	<u>4.5%</u>	<u>7.5%</u>
■ <b>ARC \$</b>		
• Normal Cost	\$ 897	\$ 530
• UAAL Amortization <sup>3</sup>	869	838
• Total	1,765	1,368
■ <b>Projected 2007/08 Payroll</b>	98,063	98,063
■ <b>ARC as % of payroll</b>		
• Normal Cost	0.9%	0.5%
• UAAL Amortization	0.9%	0.9%
• Total	1.8%	1.4%

<sup>3</sup> Amortized as a level percent of payroll over 20 years.









INTEROFFICE MEMO

April 14, 2008

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

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

Thank you.



**April 9, 2008**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, *ATL* Chief Executive Officer  
**Subject:** Small Business Conference and Vendor Fair

### **Overview**

Over the past six years, the Orange County Transportation Authority has hosted an annual small business conference and vendor fair. The event has attracted hundreds of vendors to participate and network with the Orange County Transportation Authority's Board of Directors, executive management, and procurement staff.

### **Recommendation**

Approve the replacement of the Small Business Conference and Vendor Fair with an open house format to be hosted at the Orange County Transportation Authority's administrative office.

### **Background**

The Orange County Transportation Authority (Authority) has long been committed to creating a procurement environment that embodies a fair and open opportunity for all businesses to compete for contracting opportunities. However, as a public agency receiving funding from a variety of sources, the Authority's procurement policies and procedures must ensure that the contracting requirements of these funding sources are met. This creates, at times, an atmosphere of confusing regulations that discourage many firms from submitting offers or bids to the Authority.

In recognition of this situation, in 2002, the Contracts Administration and Materials Management (Camm) Department created the Small Business Conference and Vendor Fair as an avenue to demystify the procurement process, educate vendors on how to do business with the Authority, as well as provide information on future procurement opportunities. The conference also offers an opportunity for vendors to meet and talk directly to Board Members and the Authority's executive management and procurement staff. In addition

to the conference, a VIP reception has been held the night before to thank the sponsors, exhibitors, and guests.

***Discussion***

Planning for the small business conference is a yearlong task. A group of 10 staff from CAMM, Marketing, Public Communication, Government Relations, and the Executive Office meet on a regular basis beginning in November to plan the logistics, workshops, speakers, and attendee lists. The event has been held each year during the September/October timeframe. On average 80 hours of staff time is devoted to planning this event each month. This time estimate excludes the time during the two days of the actual event.

Because the event requires approximately 25,000 square feet of space to accommodate the exhibit hall, luncheon and breakout rooms, only a few area hotels have sufficient square footage to house this event. The first four events were held at the Disneyland Hotel. In 2006, staff tried a different venue, The Grove of Anaheim, but many of the attendees preferred a hotel setting. Last year's conference was held at the Anaheim Hilton Hotel.

Firms are hired each year to provide graphics, collateral materials, exhibitor booths, signage, and photography services. In order to offset the cost of this event each year, sponsorships are solicited. The sponsorship levels have ranged from \$2,000 for a silver sponsor to \$10,000 for a major sponsor. Over the last two years, the following dollars have been collected:

	2006		2007	
Sponsorships	26	\$68,000	22	\$55,000
Exhibitors	50	\$17,500	64	\$24,500
Vendors Attending	113	\$9,075	152	\$12,500
Advertisements	11	\$2,150	7	\$1,600
Total Revenue	\$96,725		\$93,600	
Total # of Attendees	375		404	
Cost of the event (including the cost of the hotel and food)	\$129,519		\$141,012	
Net OCTA Event Cost	\$32,794		\$47,412	
Estimated Cost in Staff Time	\$35,850		\$37,250	
Net Event Cost with Staff Time	\$68,644		\$84,662	

Because this event takes a tremendous amount of time, effort, and money to produce, staff is recommending that a different venue be used for future outreach to the business community. An open house format is being proposed to take the place of the small business conference. The open house would be held at the Authority's administrative offices for three to four hours. Beginning this year, staff is recommending a late summer/early fall event.

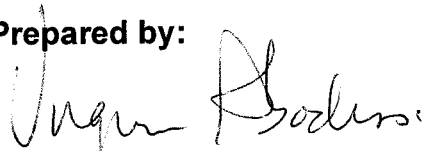
The open house would provide information on projects budgeted by all of the Authority's departments and divisions. Vendors would be invited to attend to hear about upcoming projects, meet with Board Members and executive management, as well as staff from each of the departments. The open house format would afford the business community with the same information and access to the Authority that the small business conference and vendor fair did, but with much less expense and staff time. It is anticipated that the cost to plan and host the open house would not exceed \$19,000. This estimate includes about \$4,000 to design, print, and mail invitations; \$7,500 to provide light refreshments and beverages; and \$7,500 in staff time to plan and host the event. This represents a savings of approximately \$65,000 annually and eliminates the sponsorship burden.

**Summary**

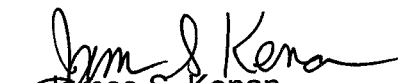
Over the last six years, staff has planned and hosted a Small Business Conference and Vendor Fair as a way to educate vendors on how to do business with the Authority as well as provide information on future procurement opportunities. Staff is requesting Board approval to change the format and is proposing that an open house be held annually to take the place of the conference.

**Attachment**

None.

**Prepared by:**

Virginia Abadessa  
Director, Contracts Administration and  
Materials Management  
(714) 560-5623

**Approved by:**

James S. Kenan  
Executive Director, Finance,  
Administration & Human Resources  
(714) 560-5678





BOARD COMMITTEE TRANSMITTAL

**April 14, 2008**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board  
**Subject:** Agreement with the California State University, Fullerton for Demographic Services for Fiscal Year 2008-09

Highways Committee Meeting of April 7, 2008

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

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Authorize the Chief Executive Officer to exercise the second one-year option for services of the Center for Demographic Research during fiscal year 2008-09 and execute Amendment No. 3 to Agreement No. C-6-0191 between the Orange County Transportation Authority and the California State University, Fullerton Auxiliary Services Corporation, in an amount not to exceed \$122,943, contingent upon Board of Directors' approval of the Orange County Transportation Authority's Fiscal Year 2008-09 Budget.



*April 7, 2008*

**To:** Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Agreement with the California State University, Fullerton for Demographic Services for Fiscal Year 2008-09

**Overview**

The Center for Demographic Research at California State University, Fullerton develops population, employment, and other demographic projections used by the Orange County Transportation Authority for transportation planning studies. A recommendation to continue this arrangement and fund the effort is provided for the Board of Directors review and approval.

**Recommendation**

Authorize the Chief Executive Officer to exercise the second one-year option for services of the Center for Demographic Research during fiscal year 2008-09 and execute Amendment No. 3 to Agreement No. C-6-0191 between the Orange County Transportation Authority and the California State University, Fullerton Auxiliary Services Corporation, in an amount not to exceed \$122,943, contingent upon Board of Directors' approval of the Orange County Transportation Authority's Fiscal Year 2008-09 Budget.

**Background**

Since 1996, the Orange County Transportation Authority (OCTA) and other agencies have jointly funded the Center for Demographic Research (CDR) at California State University, Fullerton for the preparation of demographic projections for use in various planning activities. The CDR is sponsored by OCTA, the County of Orange, Orange County Division of the League of California Cities, Transportation Corridor Agencies, Orange County Sanitation District, Municipal Water District of Orange County, Orange County Water District, and the County of Orange Clerk-Recorder.

Each agency contributes funding toward a series of ongoing demographic data deliverables including Orange County Projections, a critical data source used



by OCTA and others for travel demand forecasting. For example, the 2006 Long-Range Transportation Plan relied upon population, housing, and employment forecasts developed by CDR. These forecasts are also adopted by the Orange County Council of Governments and serve as Orange County's input into the growth forecasts for the Southern California Association of Governments Regional Transportation Plan. Each local agency is directly involved in demographic data development with CDR, and this "bottom up" approach has worked well in addressing issues early in the process.

### ***Discussion***

The proposed amendment with California State University, Fullerton continues a multi-agency cooperative effort for fiscal year (FY) 2008-09. In May 2006, the Board of Directors (Board) approved Agreement No. C-6-0191 for FY 2006-07 demographic services (Attachment A). This action included option years for FY 2007-08 and 2008-09. Option years are subject to subsequent Board approval. The FY 2007-08 option year was approved by the Board in March 2007. Staff is returning with the FY 2008-09 option year for Agreement No. C-6-0191.

OCTA's commitment for FY 2008-09 under this option is \$122,943. This amount includes agreed upon allowances for cost increases and rate adjustments. OCTA and other agencies' funds will be used for traffic-zone level demographic projections for travel forecasting, as well as supporting other CDR activities. These other CDR activities include the preparation of the annual Orange County Progress Report, Orange County Facts and Figures, Orange County Profiles, and other reports.

### **Fiscal Impact**

Funding for this agreement is included in the proposed OCTA FY 2008-09 Budget, Strategic Planning Division, Account 0010-7519-A4462-F5F. Execution of the second one-year option is contingent upon Board adoption of OCTA's FY 2008-09 Budget.

### ***Summary***

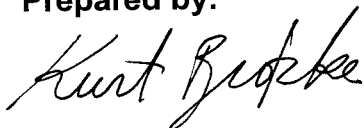
Staff recommends approval of Amendment No. 3 to Agreement No. C-6-0191, in an amount not to exceed \$122,943, with the California State University, Fullerton Auxiliary Services Corporation, to exercise the second option year to continue Center of Demographic Research services for FY 2008-09, subject to Board approval of OCTA's FY 2008-09 Budget.

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**Attachment**

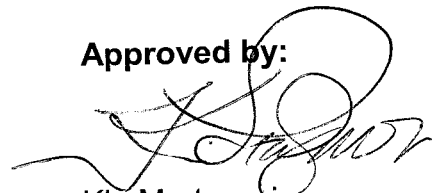
- A. California State University, Fullerton Auxiliary Services Corporation,  
Agreement No. C-6-0191 Fact Sheet

**Prepared by:**



Kurt Brotcke  
Director, Strategic Planning  
(714) 560-5742

**Approved by:**



Kia Mortazavi  
Executive Director, Development  
(714) 560-5471

**California State University, Fullerton  
Auxiliary Services Corporation  
Agreement No. C-6-0191 Fact Sheet**

1. May 22, 2006, Agreement No. C-6-0191, \$110,003, approved by Board of Directors.
  - Provide demographic services for the Orange County Transportation Authority, County of Orange, Orange County Division of the League of California Cities, Transportation Corridor Agencies, Orange County Sanitation District, Municipal Water District of Orange County, Orange County Water District, and the County of Orange Clerk-Recorder.
  - Agreement includes provision for option years for fiscal years (FY) 2007-08 and 2008-09.
2. January 11, 2007, Amendment No. 1 to Agreement No. C-6-0191, \$0, administrative change only, approved by the Chief Executive Officer.
  - Add Orange County Council of Governments and delete Orange County Division of the League of California Cities.
3. March 26, 2007, Amendment No. 2 to Agreement No. C-6-0191, \$114,396, approved by the Board of Directors.
  - Add funding and exercise first option-year term for FY 2007-08.
4. April 14, 2008, Amendment No. 3 to Agreement No. C-6-0191, \$122,943, pending approval by the Board of Directors.
  - Add funding and exercise second option-year term for FY 2008-09.

Total committed to the California State University, Fullerton Auxiliary Services Corporation after approval of Amendment No. 3 to Agreement No. C-6-0191 will be \$347,342.





BOARD COMMITTEE TRANSMITTAL

**April 14, 2008**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Cooperative Agreement with the City of Buena Park for Shuttle Bus Service from the Buena Park Metrolink Station to the Fullerton Park-and-Ride Facility

Transit Committee Meeting of March 27, 2008

**Present:** Directors Brown, Dixon, Green, Pulido, and Winterbottom  
**Absent:** Directors Buffa and Nguyen

**Committee Vote**

This item was passed by all Committee Members present.

Director Pulido was not present to vote on this item.

**Committee Recommendation**

Authorize the Chief Executive Officer to enter into Cooperative Agreement No. C-8-0498 between the Orange County Transportation Authority and the City of Buena Park, in an amount not to exceed \$225,000, for funding of shuttle bus service during peak commute hours between the Buena Park Metrolink Station and the Fullerton Park-and-Ride facility.



**March 27, 2008**

**To:** Transit Committee

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

**Subject:** Cooperative Agreement with the City of Buena Park for Shuttle Bus Service from the Buena Park Metrolink Station to the Fullerton Park-and-Ride Facility

### **Overview**

The Orange County Transportation Authority proposes to enter into a cooperative agreement with the City of Buena Park to establish roles and responsibilities for implementation of shuttle bus service between the Buena Park Metrolink Station and the Fullerton Park-and-Ride facility during peak commute hours for a one-year demonstration period.

### **Recommendation**

Authorize the Chief Executive Officer to enter into Cooperative Agreement No. C-8-0498 between the Orange County Transportation Authority and the City of Buena Park, in an amount not to exceed \$225,000, for funding of shuttle bus service during peak commute hours between the Buena Park Metrolink Station and the Fullerton Park-and-Ride facility.

### **Background**

On September 4, 2007, the eleventh Orange County Metrolink Station successfully opened in Buena Park with full service provided by 28 daily Metrolink trains. Within the first week of train service, all 300 parking spaces were occupied the entire day. Metrolink passengers are currently forced to use other stations and/or illegally park in adjacent neighborhoods. The Orange County Transportation Authority (OCTA) and the City of Buena Park (City) are working together to seek parking alternatives to alleviate the overcrowding resulting from the immediate success of the new station.

***Discussion***

Currently, OCTA owns the Fullerton Park-and-Ride facility and has over 300 parking spaces available for use. The Fullerton Park-and-Ride facility is conveniently located approximately one mile south of the Buena Park Metrolink Station (Attachment A). OCTA and City staff found the Fullerton Park-and-Ride facility a viable solution for alleviating the parking capacity issue in the near-term while assessing the possibility of other options. The City has agreed to contract directly with an operator for shuttle service during the peak morning and afternoon commute hours and has requested funding from OCTA for a one-year demonstration project. At the end of the demonstration project, consideration will be given to extending the shuttle bus service as needed. Concurrently, OCTA staff will work with City staff to develop a parking solution to be evaluated and presented to the Board of Directors (Board) for consideration.

The City will be responsible for procuring and managing the services of a bus operator and providing oversight of all aspects of the shuttle bus service. OCTA will reimburse the City for all costs related to operation of the service for a period of one year, in an amount not to exceed \$225,000. The cost estimate is based on 3,000 hours of service needed annually to provide shuttle bus service to and from the Buena Park Metrolink Station and the Fullerton Park-and-Ride facility. Dedicated shuttle service will operate during peak commute hours in the morning and afternoon, Monday through Friday, to meet all Metrolink peak period trains.

**Fiscal Impact**

Funding for this project is currently available in OCTA's Fiscal Year 2007-08 Budget, Development Division, Account 0093-7831-A0001-ECD, Commuter and Urban Rail Endowment fund.

***Summary***

Staff recommends Board approval for the Chief Executive Officer to execute Cooperative Agreement No. C-8-0498, in an amount not to exceed \$225,000, with the City to act as lead for the implementation, operation, and management of shuttle bus service between the Buena Park Metrolink Station and the Fullerton Park-and-Ride facility for a one-year period.

**Cooperative Agreement with the City of Buena Park for Shuttle Bus Service from the Buena Park Metrolink Station to the Fullerton Park-and-Ride Facility**

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**Page 3**

***Attachments***

- A. Buena Park Metrolink Station/Fullerton Park-and-Ride Shuttle
- B. Draft Cooperative Agreement No. C-8-0498 Between Orange County Transportation Authority and City of Buena Park for Shuttle Services

**Prepared by:**



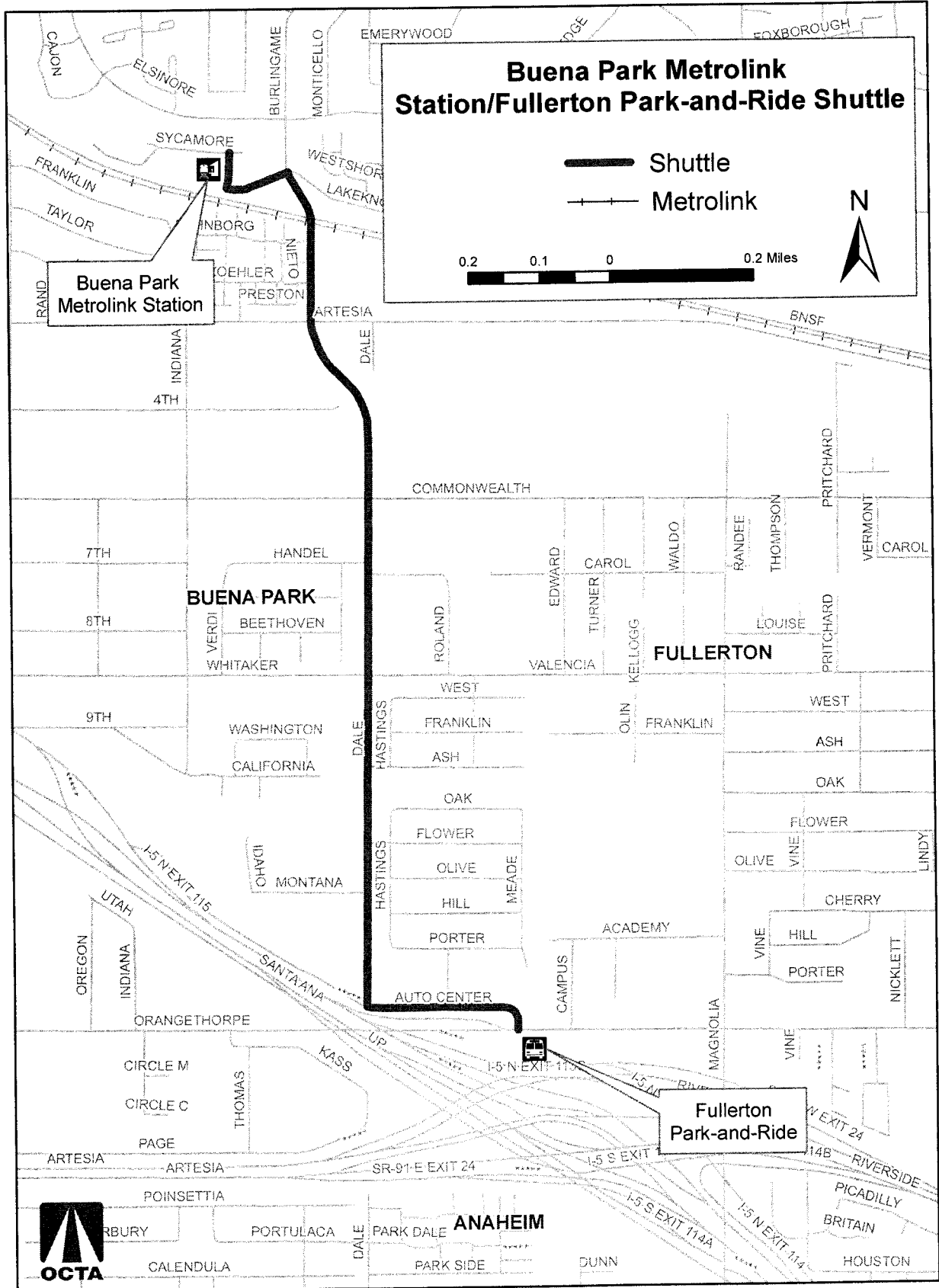
Abbe McClenahan  
Principal Transportation Analyst  
(714) 560-5673

**Approved by:**



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





# DRAFT

1 COOPERATIVE AGREEMENT NO. C-8-0498

2 BETWEEN

3 ORANGE COUNTY TRANSPORTATION AUTHORITY

4 AND

5 CITY OF BUENA PARK

6 FOR

7 SHUTTLE SERVICES

8 THIS AGREEMENT, is effective as of this \_\_\_\_ day of \_\_\_\_\_, 2008, by and between  
9 the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange,  
10 California 92863-1584, a public corporation of the State of California (hereinafter referred to as  
11 "AUTHORITY"), and the City of Buena Park, 6650 Beach Blvd., Buena Park, CA 90622, a  
12 municipal corporation duly organized and existing under the constitution and laws of the State  
13 of California (hereinafter referred to as "CITY").

14 RECITALS:

15 WHEREAS, the Buena Park Metrolink Station opened on September 4, 2007; and

16 WHEREAS, the current number of parking spaces at the Buena Park Metrolink Station  
17 are insufficient for demand; and

18 WHEREAS, the AUTHORITY and CITY have determined that a shuttle bus service  
19 (hereinafter referred to as "PROJECT") between the Buena Park Metrolink Station and the  
20 Fullerton Park-and-Ride during peak commute hours is a viable option to alleviate parking  
21 capacity issue at the Buena Park Metrolink Station; and

22 WHEREAS, the CITY has agreed to contract directly with a bus operator for PROJECT,  
23 and AUTHORITY has agreed to reimburse CITY for costs associated with the PROJECT; and

24 WHEREAS, this Cooperative Agreement (hereinafter, "AGREEMENT") defines the  
25 specific terms, conditions, and responsibilities between the AUTHORITY and CITY for the  
26 PROJECT; and

1           **WHEREAS**, this AGREEMENT was approved by the AUTHORITY's Board of Directors  
2 on \_\_\_\_\_;

3           **NOW, THEREFORE**, it is mutually understood and agreed by AUTHORITY and CITY  
4 as follows:

5           **ARTICLE 1. COMPLETE AGREEMENT**

6           AGREEMENT, including any exhibits and documents incorporated herein and made  
7 applicable by reference, constitutes the complete and exclusive statement of the terms and  
8 conditions of the Agreement between AUTHORITY and CITY concerning the PROJECT and  
9 supersedes all prior representations, understandings, and communications between the  
10 parties. The above-referenced Recitals are true and correct and are incorporated by reference  
11 herein.

12           **ARTICLE 2. RESPONSIBILITIES OF AUTHORITY**

13           AUTHORITY agrees to the following responsibilities for the PROJECT:

14           A.     To reimburse CITY up to an amount not-to-exceed Two Hundred and Twenty  
15 Five Thousand Dollars (\$225,000) for costs for the PROJECT.

16           B.     To pay CITY within 15 business days after receipt of an acceptable payment  
17 request for costs for the PROJECT.

18           **ARTICLE 3. RESPONSIBILITIES OF CITY**

19           CITY agrees to the following responsibilities for the PROJECT:

20           A.     To act as the lead agency for the PROJECT.

21           B.     To procure and manage the services of a bus operator to provide shuttle bus  
22 services between the Buena Park Metrolink Station and the Fullerton Park-and-Ride during  
23 peak morning and afternoon commute hours. The approximate hours of shuttle bus services  
24 are from 6:00 am to 9:00 am and 3:00 pm to 7:00 pm, Monday through Friday. The  
25 approximate frequency for shuttle bus services will coincide with all train schedules, both  
26 directions, between the Buena Park Metrolink Station and the Fullerton Park-and-Ride during

1 the approximate hours of shuttle bus services mentioned above. The number of shuttle buses  
2 for the PROJECT is anticipated to be two (2) buses in the a.m. and p.m.

3 C. To ensure that shuttle bus services do not impact AUTHORITY's transit  
4 operations at the Buena Park Metrolink Station nor the Fullerton Park-and-Ride.

5 D. To include AUTHORITY as an indemnified party in all contracts entered into by  
6 CITY for the PROJECT.

7 E. To provide oversight of all aspects of shuttle bus services.

8 F. To request payment from AUTHORITY for costs associated with the PROJECT  
9 on a monthly basis and to submit payment requests in duplicate to AUTHORITY's Accounts  
10 Payable department. Each CITY payment request shall include the following information:

- 11 1. Agreement Number C-8-0498;
- 12 2. The time period covered by the payment request;
- 13 3. Monthly Progress Report, which includes a detailed description of services  
14 performed during the month;
- 15 4. Total monthly payment request amount; and
- 16 5. Such other information as requested by AUTHORITY.

17 G. If CITY contracts for any services associated with the PROJECT, then CITY  
18 shall be responsible for payment to consultants and/or contractors for services rendered and  
19 then seek reimbursement from AUTHORITY as part of this Agreement. CITY shall be  
20 responsible for reviewing consultant and/or contractor invoices for accuracy, reasonableness,  
21 terms, and completeness.

22 **ARTICLE 4. PAYMENT**

23 A. On a monthly basis, CITY shall request a payment of \$18,750.00 from  
24 AUTHORITY. CITY'S requests for payment shall be in writing, with two (2) copies submitted to  
25 AUTHORITY'S Accounts Payable Department and one (1) copy submitted to AUTHORITY'S  
26 Project Manager. Within fifteen (15) business days after AUTHORITY'S receipt of an

1 acceptable request for payment, AUTHORITY will review the request for payment for  
2 consistency and conformity with all requirements of this Agreement and issue payment to  
3 CITY. AUTHORITY shall notify CITY of any amounts not approved for payment and specify  
4 the reason for disapproval. CITY may include such disapproved amounts in the next month's  
5 request for payment after correction of the deficiencies noted by AUTHORITY.

6 B. On a quarterly basis, CITY shall reconcile actual costs versus payments from  
7 AUTHORITY for the PROJECT. If actual costs are less than payments from AUTHORITY,  
8 AUTHORITY shall withhold such excess payment amounts from CITY's next monthly payment  
9 request. If actual costs exceed payments from AUTHORITY, CITY shall submit a written  
10 request for payment to AUTHORITY for such additional actual costs. In no event shall  
11 payments from AUTHORITY exceed the amount specified in Article 5. Maximum Obligation.

12 **ARTICLE 5. MAXIMUM OBLIGATION**

13 Notwithstanding any provisions of this Agreement to the contrary, AUTHORITY and  
14 CITY agree that AUTHORITY's maximum cumulative payment obligation hereunder (including  
15 CITY's direct and indirect costs) shall be Two Hundred and Twenty Five Thousand Dollars  
16 (\$225,000), which shall include all amounts payable incurred solely for the purposes of the  
17 PROJECT.

18 **ARTICLE 6. INDEMNIFICATION**

19 CITY shall indemnify, defend and hold harmless AUTHORITY, its officers, directors,  
20 employees, and agents from and against any and all claims (including attorney's fees and  
21 reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries,  
22 including death, damage to or loss of use of property caused by the negligent acts, omissions,  
23 or willful misconduct by CITY, its officers, directors, employees, or agents in connection with or  
24 arising out of the performance of this Agreement.

**ARTICLE 7. AUDIT AND INSPECTION**

CITY shall maintain a complete set of records in accordance with generally accepted accounting principles and in accordance with Local Transportation Ordinance Number 2: The Revised Traffic Improvement and Growth Management Ordinance. The original records shall be maintained within the CITY limits. Upon reasonable notice, CITY shall permit the authorized representatives of the AUTHORITY to inspect and audit all work, materials, payroll, books, accounts and other data and records of CITY for a period of not less than four (4) years after final payment, or until any on-going audit is completed whichever is longer. For purposes of this Article, the date of final payment shall be the date of AUTHORITY's payment for CITY's final billing (so noted on the invoice) under this Agreement. AUTHORITY shall also have the right to reproduce any documents related to this Agreement by whatever means necessary.

**ARTICLE 8. ADDITIONAL PROVISIONS**

A. The parties agree that this PROJECT is a one (1) year demonstration project to alleviate parking capacity issue at the Buena Park Metrolink Station.

B. The parties agree that CITY shall not be obligated to continue the PROJECT beyond the maximum obligation amount specified in Article 5. Maximum Obligation.

C. Term of Agreement- This Agreement shall continue in full force and effect for one (1) year from execution of this Agreement. This Agreement may only be extended upon written mutual agreement by both parties.

D. Termination- This Agreement may be terminated by giving either party 30 days written notice.

E. Modifications- This Agreement may be amended in writing at any time by the mutual consent of both parties. No amendment shall have any force or effect unless executed in writing by both parties.

1 F. Legal Authority- The persons executing this Agreement on behalf of the parties  
 2 hereto warrant that they are duly authorized to execute this Agreement on behalf of said  
 3 parties and that, by so executing this Agreement, the parties hereto are formally bound to the  
 4 provisions of this Agreement.

5 G. Notices- All notices hereunder and communications regarding the interpretation  
 6 of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices  
 7 in person or by depositing said notices in the U.S. mail, registered, or certified mail and  
 8 addressed as follows:

9 To CITY:	To AUTHORITY:
10	Orange County Transportation Authority
11	550 South Main Street
12	P. O. Box 14184
13	Orange, CA 92863-1584
14	
15 Attention:	Attention:
16	
17	
18	

19 H. Headings- The headings of all sections of this Agreement are inserted solely for  
 20 the convenience of reference and are not part of and not intended to govern, limit, or aid in the  
 21 construction or interpretation of any terms or provision thereof.

22 I. Successors/Assigns- The provision of this Agreement shall bind and inure to the  
 23 benefit of each of the parties hereto and all successors or assigns of the parties hereto.

24 J. Severability- If any term, provision, covenant, or condition of this Agreement is  
 25 held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent  
 26 jurisdiction, the remainder to this Agreement shall not be affected thereby, and each term,

1 provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest  
2 extent permitted by law.

3 K. Counterparts of Agreement- This Agreement may be executed and delivered in  
4 any number of counterparts, each of which, when executed and delivered shall be deemed an  
5 original and all of which together shall constitute the same agreement. Facsimile signatures  
6 will be permitted.

7 L. Assignment- Neither this Agreement, nor any of a Party's rights, obligations,  
8 duties, or authority hereunder may be assigned in whole or in part by either Party without the  
9 prior written consent of the other Party. Any such attempt of assignment shall be deemed void  
10 and of no force and effect. Consent to one assignment shall not be deemed consent to any  
11 subsequent assignment, nor the waiver of any right to consent to such subsequent  
12 assignment.

13 M. Force Majeure- Either party shall be excused from performing its obligations  
14 under this Agreement during the time and to the extent that it is prevented from performing by  
15 an unforeseeable cause beyond its control, including but not limited to: any incidence of fire,  
16 flood, acts of God, commandeering of material, products, plants or facilities by the federal,  
17 state or local government, national fuel shortage, or a material act or omission by the other  
18 party, when satisfactory evidence of such cause is presented to the other party, and provided  
19 further that such nonperformance is unforeseeable, beyond the control and is not due to the  
20 fault or negligence of the party not performing.

21 N. Governing Law- The laws of the State of California and applicable Federal,  
22 State, local laws, regulations and guidelines shall govern hereunder.

23 This Agreement shall be made effective upon execution by both parties.

24 /

25 /

26 /



1           **IN WITNESS WHEREOF**, the parties hereto have caused this Agreement  
2 No. C-8-0498 to be executed on the date first above written.

3 **CITY OF BUENA PARK**

**ORANGE COUNTY TRANSPORTATION  
AUTHORITY**

4 By: \_\_\_\_\_

By: \_\_\_\_\_

5  
6                   Arthur T. Leahy  
                    Chief Executive Officer

7 **ATTEST:**

**APPROVED AS TO FORM**

8 By: \_\_\_\_\_

By: \_\_\_\_\_

9  
10                   Kennard R. Smart, Jr.  
                    General Counsel

11 **APPROVED AS TO FORM:**

**APPROVAL RECOMMENDED:**

12 By: \_\_\_\_\_

By: \_\_\_\_\_

13                   Executive Director, Kia Mortazavi

14 Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

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INTEROFFICE MEMO

April 14, 2008

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

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

Thank you.



**April 9, 2008**

**To:** Finance and Administration Committee

**From:** *ATL/pt*  
Arthur T. Leahy, Chief Executive Officer

**Subject:** Bus Advertising Program Contract Compliance and Operational Review

### **Overview**

The Internal Audit Department has completed a contract compliance and operational review of the Orange County Transportation Authority's bus advertising program. Two recommendations were made to strengthen internal controls over revenue monitoring. Management staff has indicated the recommendations contained in the report will be implemented or otherwise satisfactorily addressed.

### **Recommendation**

Direct staff to implement the recommendations in the Bus Advertising Program Contract Compliance and Operational Review, Internal Audit Report No. 07-015.

### **Background**

Advertising on the Orange County Transportation Authority's (OCTA) fixed-route and ACCESS vehicles has provided OCTA with a means of generating additional revenue. Outdoor media in Orange County is limited and OCTA vehicles provide moving media that businesses can lease for advertising messages. OCTA has contracted with Titan Outdoor LLC (Titan) to provide sales and administration services for OCTA's bus advertising program under the terms of Agreement No. C-5-0127 (Titan Contract). The Titan Contract is effective from September 1, 2005 through August 31, 2008, with two one-year option terms. The Titan Contract will provide OCTA with minimum guaranteed revenue of \$23,600,000, for the five-year term, assuming the execution of both option years.

The Marketing Department has developed policies and procedures for the administration of the Titan Contract. The marketing program administrator monitors the Titan Contract, which includes monitoring compliance with terms,

ensuring the correct payments owed to OCTA are received on a timely basis, and maintaining communication between Titan and OCTA.

***Discussion***

The objective of the review was to ensure contract compliance with the terms of the Titan Contract. The review also evaluated contract management procedures and internal controls. Internal Audit made two recommendations to strengthen controls over the revenue monitoring process.

***Summary***

Based on the review, Internal Audit offered two recommendations for improvement to the revenue monitoring process, which management staff indicated would be implemented or otherwise satisfactorily addressed.

***Attachment***

- A. Bus Advertising Program Contract Compliance and Operational Review, Internal Audit Report No. 07-015

**Prepared by:**



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



INTEROFFICE MEMO

February 18, 2008

To: Ellen Burton, Executive Director  
External Affairs

From: Ricco Bonelli, Senior Internal Auditor  
Internal Audit

RTB

Subject: **Bus Advertising Program Contract Compliance and  
Operational Review, Internal Audit Report No. 07-015**

Attached hereto is Bus Advertising Program Contract Compliance and Operational Review, Internal Audit Report No. 07-015. Your responses to the recommendations made in the audit have been incorporated into the attached final audit report. Internal Audit concurs with the planned corrective action.

We appreciate the cooperation received during this review. Internal Audit will follow up on management's planned corrective action in six months.

Appendix: Bus Advertising Program Contract Compliance and Operational Review, Internal Audit Report No. 07-015

c: Stella Lin  
Jennifer O'Conner  
Kathleen O'Connell

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT  
2007-08 AUDIT PLAN**



**Bus Advertising Program**

**Contract Compliance and Operational Review**

INTERNAL AUDIT REPORT NO. 07-015

**Report Date: February 18, 2008**



Audit Team

Kathleen O'Connell, CPA, Internal Audit Manager

Ricco Bonelli, Senior Internal Auditor

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT**

**Bus Advertising Program  
Contract Compliance and Operational Review  
February 18, 2008**

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**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT**

**Bus Advertising Program  
Contract Compliance and Operational Review  
February 18, 2008**

**CONCLUSION**

The Internal Audit Department has completed a review of a contract between Titan Outdoor LLC (Titan) and the Orange County Transportation Authority (OCTA). Titan provides advertising sales and administration for OCTA's bus advertising program.

Internal Audit conducted a contract compliance and operational audit of the bus advertising program in 2006. The review found that the controls over the bus advertising program needed to be improved. Specifically, recommendations were made to improve monitoring of contract requirements and the payment process.

During the current review, Internal Audit noted significant improvement in the timeliness of Titan's payments and enhanced monitoring procedures by OCTA staff. However, Internal Audit has found that controls over revenue could be further improved and has made two recommendations.

**BACKGROUND**

*Advertising Revenue*

Advertising on OCTA's fixed-route and ACCESS vehicles has provided OCTA with a means of generating additional revenue. Outdoor media in Orange County is limited and OCTA vehicles provide moving media that businesses can lease for advertising messages. The vehicles are highly visible on Orange County streets and roads. OCTA's service area covers 797 square miles throughout Orange County as well as some cities in Los Angeles County, including the cities of Los Angeles and Long Beach.

Titan provides sales and administration of OCTA's bus advertising program under the terms of Agreement No. C-5-0127 (Titan Contract), effective September 1, 2005 through August 31, 2008, with two one-year option terms. Under the Titan Contract, OCTA receives 60 percent of the gross revenue earned by Titan for the sale of advertising space on OCTA buses. Gross revenue is determined by deducting any sales commissions (not to exceed 15 percent of revenue) from advertising revenue.

The Titan Contract also provides OCTA with minimum guaranteed revenue per year. The cumulative minimum guarantee for the 5-year contract, assuming the execution of both option years, is \$23,600,000. For the first two years, OCTA received \$3,819,739, and \$4,205,350 in bus advertising revenue from Titan. OCTA recently entered its third year of the Titan Contract with guaranteed minimum revenue of \$4,700,000.

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The Viacom Outdoor Group (Viacom) performed the sales and administration of the bus advertising program from September 1, 2000 to August 31, 2005 under the terms of Agreement No. C-0-0200 (Viacom Contract). During this period, Viacom paid OCTA a total of \$37,000,000, which is equal to the minimum guaranteed revenue under the Viacom Contract. The Viacom Contract stipulated that OCTA would receive the greater of 65 percent of the gross revenue earned by Viacom or the minimum guaranteed revenue.

Under the current contract with Titan, OCTA agreed to 5 percent less in revenue sharing and a decrease of \$13,400,000, in guaranteed minimum revenue over the five-year period<sup>1</sup>. During the review, Internal Audit reviewed the procurement files for the Titan Contract and noted that Titan was awarded the present contract through a competitive bid process. Additionally, Titan's proposed minimum payment guarantee exceeded the next highest bidder by \$13,800,000, over a five-year period and exceeded Viacom's proposed minimum payment guarantee by \$16,100,000, over the same period.

Revenue Monitoring

Once a month, the contract manager for the bus advertising program receives an e-mail from Titan advising of a pending wire transfer. Attached to this e-mail are two revenue schedules detailing the amount of Titan's monthly advertising revenue and the revenue owed to OCTA. Within a day or two of receiving the notification e-mail from Titan, an OCTA Accounts Receivable clerk sends the contract manager the details of the wire-transfer received from Titan. At this time, the contract manager compares the two revenue schedules to the wire-transfer amount. The contract manager also maintains a payment-monitoring schedule. This schedule is used to ensure that Titan's payments to OCTA are timely, agree with Titan's revenue reports, and comply with the terms of the contract.

In response to recommendations made in Internal Audit Report No. 06-017, Review of Bus Advertising Program - Contract Compliance and Operational Audit dated June 12, 2006, the Marketing Department developed policies and procedures for the administration of the contract with Titan. Improvements were made in both the monitoring of contract requirements and the payment process. The improvements included developing a payment monitoring schedule to enable OCTA staff to better monitor payments made by Titan, coordinating with Titan to make payments to OCTA via wire-transfer on a set date each month to eliminate confusion and prevent late payments, and improving communication channels between Titan and OCTA staff.

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<sup>1</sup> Since the amount of advertising revenue earned by OCTA in excess of the minimum guaranteed revenue is less than \$20,000 over the past two years, the decrease in the revenue sharing contract provision has had a minimal effect on OCTA's bus advertising revenue.

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In conjunction with the current review, Internal Audit has reviewed these policies and procedures and noted enhanced payment performance from Titan in which late payments have been drastically reduced.

**PURPOSE AND SCOPE**

The Internal Audit Plan for Fiscal Year 2007-08 includes a contract compliance and operational review of the bus advertising program. The contract compliance audit focused on the key contract requirements, including accuracy and timing of payments. The review examined opportunities to improve operations, including OCTA's management of the contract. The period covered by the audit generally included activities and transactions taking place between September 1, 2006 and August 30, 2007.

Internal Audit performed the following:

- Reviewed and documented all significant processes, including OCTA's revenue monitoring procedures and Titan's advertising and reporting processes;
- Agreed a sample of Titan's monthly revenue reports to wire-transfer payments received by OCTA;
- Reviewed Titan's payment history for the past three years and verified that minimum payment obligations have been met;
- Reviewed payments made by Titan and evaluated whether applicable late fees were correctly applied to the payment amount;
- Reviewed a sample of Titan's bus advertising sales agreements and traced the agreement amounts to Titan's monthly revenue reports; and
- Performed analytics on bus advertising revenue for the past seven contract years.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT**

**Bus Advertising Program  
Contract Compliance and Operational Review  
February 18, 2008**

**AUDIT COMMENTS AND RECOMMENDATIONS**

**Finding 1: Gross Revenue Monitoring**

During our review of revenue monitoring procedures for the bus advertising program, it appeared that procedures could be enhanced to ensure that Titan is reporting all bus advertising revenue to OCTA. Monitoring procedures are primarily focused on ensuring the payment is timely, agrees to Titan's revenue reports, and meets the minimum guaranteed amount.

Because OCTA's bus advertising revenue is based on 60 percent of the gross revenue reported by Titan, the risk to OCTA is that Titan underreports revenue in order to reduce its payment to OCTA. Revenue reports provided by Titan are currently the only basis for calculating the amount Titan owes OCTA.

Mitigating controls do exist. The Titan Contract establishes annual minimum guaranteed payments to OCTA regardless of Titan's sales performance. Additionally, Titan was awarded the present contract through a competitive bid process in which Titan's proposed minimum payment guarantee for the five-year contract exceeded the next highest bidder by \$13,800,000.

Internal Audit discussed controls over bus advertising revenue monitoring with personnel from Los Angeles County Metropolitan Transportation Authority (LACMTA). LACMTA has a similar bus advertising contract agreement; however, they chose to select a firm fixed price agreement, which is based on an annual flat fee amount, instead of selecting a revenue sharing and minimum guaranteed payment option. The flat fee revenue option, which eliminates the risk of underreported bus advertising revenues, reduces the level of controls needed to effectively monitor the contract.

**Recommendation No. 1:** Internal Audit recommends that OCTA periodically request detail supporting the gross revenue reported by Titan. The contract manager should then periodically, and on a sample basis, confirm advertising revenue directly with the advertisers. Internal Audit also recommends that management perform periodic comparisons of bus advertising revenues among local transit agencies to determine whether trends in OCTA's bus advertising revenues are consistent with trends experienced by other transit agencies. Finally, Internal Audit recommends that future procurements relating to bus advertising revenue administration also solicit proposals for annual flat fee amounts in addition to revenue sharing percentages and minimum guaranteed payments in the Request For Proposal (RFP).

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**Management's Response:** The contract manager will request that Titan provide OCTA with detailed individual sales invoices between Titan and their advertisers and conduct an annual spot check directly with the advertisers to verify the cost and quantity of purchased advertisements. In addition, the contract manager will select two to three Southern California transit agencies to compare revenue receipts on an annual basis. For future procurements, OCTA will solicit proposals for annual flat fee amounts in addition to revenue sharing and minimum guaranteed payments in the RFP.

**Finding No. 2: Net Revenue Monitoring**

With the exception of agency commissions, which are capped at 15 percent of gross revenue, Titan is required to pay OCTA 60 percent of the gross revenue generated from bus advertising. During the course of the review, Internal Audit noted that Titan does not report adjustments to gross revenue such as agency commissions and production revenue. During testwork, Internal Audit identified one contract with \$10,720, of agency commissions and two contracts totaling \$85,672, of production revenue that were netted from the gross revenue reported to OCTA. Although subsequent testwork found that these adjustments complied with the Titan Contract, the contract manager does not receive the information necessary to determine if agency commissions or other adjustments made to gross revenue are allowable.

**Recommendation No. 2:** We recommend that management request that Titan report gross revenue, adjustments to gross revenue including any applicable agency commissions or production costs, and net revenue in its monthly revenue reports. This will allow the Contract Manager to evaluate whether the adjustments to gross revenue are allowable under the terms of the Titan Contract.

**Management's Response:** The Contract Manager has begun working with Titan to include the gross revenue, adjustments from agency commission and net revenue in the monthly reports. Although some contracts include production costs, when Titan invoices the agencies, revenue and production costs are invoiced separately. Therefore, the production costs will not be included in the monthly reports as they report revenue only. Titan's new monthly reports, reflecting these changes, are expected to begin in March 2008.





INTEROFFICE MEMO

April 14, 2008

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

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

Thank you.



**April 9, 2008**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Operations Training Program Operational Audit

**Overview**

The Internal Audit Department has completed an operational audit of the Orange County Transportation Authority's Operations Training Program. Five recommendations were made to strengthen internal controls over the training program and improve operational efficiency. Management has indicated the recommendations contained in the report will be implemented or otherwise satisfactorily addressed.

**Recommendation**

Direct staff to implement the recommendations in the Operations Training Program Operational Audit, Internal Audit Report No. 07-019.

**Background**

The Orange County Transportation Authority (OCTA) provides several different types of coach operator training including student coach operator training, annual required training, and training required for compliance with the Americans with Disabilities Act (Operations Training Program). The Operations Training Department administers the Operations Training Program and is staffed with a manager, one senior instructor, eight behind-the-wheel instructors, four extra help behind-the-wheel instructors, an office specialist, and an intern.

OCTA is part of the Department of Motor Vehicles' (DMV) Employer Testing Program (ETP) that allows transit operators to certify DMV instructors to test and issue coach operator California Drivers Licenses (CDL). The ETP requires that certified DMV instructors pass an examiner training course and conduct road tests at least once every 90 days. The DMV conducts sample testing of CDLs issued by OCTA and periodically performs site visits to review training files, road courses, and other compliance requirements.



***Discussion***

The objectives of the audit were to determine that the training curriculum and ETP is appropriate and adequate to ensure compliance with DMV and Federal Transit Administration (FTA) requirements, that the training program meets or exceeds industry best practices and that coach operator, administrative personnel, and instructor time is used in an efficient manner. The scope of the audit generally included Operations Training Program statistics and activities between July 1, 2004 and June 30, 2007, as well as practices and procedures currently in place. Internal Audit conducted employee interviews, surveyed other transit agencies, reviewed written policies and procedures, reviewed DMV and FTA regulations, reviewed OCTA's training curriculum, and tested a sample of training files.

Internal Audit found that OCTA's training program appears to operate efficiently. Internal Audit also identified some weaknesses in training file documentation and opportunities to improve the efficiency of the Operations Training Program.


***Summary***

Based on the audit, Internal Audit offered five recommendations to strengthen internal controls over the Operations Training Program and improve its operational efficiency.

***Attachment***

- A. Operations Training Program Operational Audit, Internal Audit Report No. 07-019

**Prepared by:**



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



INTEROFFICE MEMO

March 18, 2008

To: Beth McCormick, General Manager  
Transit

From: Kathleen M. O'Connell, Manager  
Internal Audit

A handwritten signature in black ink, appearing to read 'K. O'Connell', is written over the printed name of Kathleen M. O'Connell.

Subject: **Operations Training Program Operational Audit, Internal  
Audit Report No. 07-019**

Attached hereto is the Operations Training Program Operational Audit, Internal Audit Report No. 07-019. Management responses to recommendations made in the review have been incorporated into the attached final audit report. Internal Audit concurs with the responses.

Internal Audit appreciates the cooperation and assistance provided to us by your staff during the course of this review. If you have any questions, please feel free to contact me at extension 5669.

Appendix: Operations Training Program Operational Audit, Internal Audit  
Report No. 07-019

c: Diane Kiernan  
Tina Wimberly

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT**



**Operations Training Program  
Operational Audit**

**INTERNAL AUDIT REPORT NO. 07-019**

**March 18, 2008**



**Audit Team**

**Kathleen M. O'Connell, CPA, Internal Audit Manager  
Lisa Monteiro, CPA, Principal Internal Auditor**

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT**

**Operations Training Program Operational Audit  
March 18, 2008**

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**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT**

**Operations Training Program Operational Audit  
March 18, 2008**

**Conclusion**

The Internal Audit Department has completed an operational audit of the Operations Training Program (Training Program) at the Orange County Transportation Authority (OCTA). The objectives of the audit were to determine that OCTA's Training Program is compliant with state and federal requirements and is carried out in an efficient manner. Based on the audit, it appears that an effective Training Program has been established. Internal Audit has provided recommendations to improve internal controls and increase operational efficiency.

**Background**

The Operations Training Department (Training) reports to the manager of Bus Operations in the Transit Division. Training employees include one manager, one senior instructor, eight behind-the-wheel instructors (BWIs), four extra help BWIs, an office specialist, and an intern.

All coach operators are required to have a Commercial Driver's License (CDL). CDL's are issued by the California Department of Motor Vehicles (DMV). A CDL must be renewed every five years in accordance with both California DMV and Federal Transit Administration (FTA) requirements.

The DMV also requires that coach operators obtain a Verification of Transit Training (VTT). To obtain a VTT, coach operators must have at least 15 hours of in-class training and 20 hours of behind-the-wheel training. The VTT must be renewed every five years in conjunction with the CDL renewal. Additionally, eight hours of training per year is required to maintain the VTT.

OCTA provides several different types of training:

- Student Coach Operator Training – This training is for newly-hired coach operators and consists of three weeks of formal classroom training and three weeks of BTW training at the coach operator's assigned base. Behind-the-wheel training refers to actual bus-driving training.
- Annual Required Training – This program provides the required eight hours of training to coach operators to maintain VTT certification.
- Americans with Disabilities Act – This training provides coach operators with the necessary information to comply with ADA requirements.

Additionally, each coach operator is trained on every new vehicle type and type of equipment they will be operating.

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INTERNAL AUDIT DEPARTMENT**

**Operations Training Program Operational Audit  
March 18, 2008**

Behind-the-wheel trainers (BWTs) are coach operators that submit an application and meet minimum requirements such as possession of a high school diploma, a VTT, and passage of BWT "trainer training." Student coach operators accompany BWTs on the trainer's regular route. BWTs are paid an additional \$1.70 for each hour of training conducted and may be removed from regular route assignments to assist with other aspects of the Training Program.

OCTA is part of the DMV's Employer Testing Program (ETP) that allows transit operators to employ certified DMV instructors to test and issue CDLs to coach operators. Minimum requirements must be met to become a certified DMV instructor such as possession of a CDL for at least three years with no infractions and passing a DMV-sponsored examiner training course. Additionally, instructors must conduct a road test of a coach operator or another instructor at least once every 90 days to maintain DMV instructor certification. Since 2004, the DMV has been conducting sample testing of CDLs issued by OCTA. Additionally, the DMV periodically performs site-visits to review training files, road courses, and compliance with instructor requirements.

As of June 30, 2007, there were 1,147 coach operators employed by OCTA, with an estimated 270 new trainees participating in the training program during fiscal year 2006-07. The budget for the training program for fiscal years 2004-05, 2005-06, and 2006-07 was \$1.4 million, \$1.3 million, and \$1.2 million, respectively.

### **Objectives, Scope and Methodology**

The objectives of the audit were to ensure that an effective operations training program has been established and more specifically that:

- The training curriculum is appropriate and adequate to ensure compliance with requirements.
- The Employer Testing Program is adequate to ensure compliance with requirements.
- The Training Program meets or exceeds industry best practices.
- Coach operator time is used for the Training Program in an efficient manner while meeting union restrictions.
- Administrative personnel time, including base instructors, is used in an efficient manner.

The scope of the audit generally included Operations Training statistics and Training Program activities between July 1, 2004 and June 30, 2007, and operating practices and procedures currently in place. The methodology used to conduct the review included interviews with employees, review of written policies and procedures, review of DMV and FTA regulations, review of OCTA's training curriculum, and review of training files.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT**

**Operations Training Program Operational Audit  
March 18, 2008**

**Noteworthy Accomplishments**

Internal Audit sent out a survey to eight transit agencies concerning their training programs. Internal Audit received results from the Los Angeles Metropolitan Transportation Authority (LAMTA), North County Transit District (NCTD), San Diego Metro, Montebello Transit, and Culver CityBus.

Based on the survey results, it appears the Operations Training Department is providing more training and producing more CDLs per instructor than several other agencies. OCTA trains, on average, about 270 new students each year, and OCTA's new driver training course is six weeks as compared to between six and eight weeks for other agencies. Following is a summary of the survey results.

	OCTA	LAMTA	Montebello Transit	San Diego Metro	NCTD	Culver CityBus
CDL's issued per full-time instructor	19.8	3.0	25.0	14.7	16.0	3.3
Full-time instructors to coach operators	1:134	1:45	1:180	1:57	1:86	1:31
% time inspectors spend training	95%	90%	80%	80 – 85%	75%	100%
Training Budget / CDL's issued	\$10,255	\$16,667	-	\$4,356	-	\$350,000

**Audit Findings, Recommendations and Management Responses**

**Missing Training File Documents**

During our review of 25 training files, we noted four employee files that were missing required documents or certain documents in the file were expired. Specifically, one employee's file did not contain a copy of the employee's CDL or medical card; two employee's files had expired medical cards; and one employee's file had an expired VTT. The DMV's ETP requires three years of training documents be kept on file. The DMV can impose sanctions for non-compliance with the record-keeping program of the ETP.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
INTERNAL AUDIT DEPARTMENT**

**Operations Training Program Operational Audit  
March 18, 2008**

**Recommendation 1:** Management should ensure that updated copies of required documents are kept in the training files.

**Management Response:** A review of the finding indicated that Operations Training and the Operations base managers need to work more closely to develop a procedure to ensure that a copy of each coach operator's required documents are kept not only at the base, but are routinely sent to the Operations Training Manager. A log of these transactions will be developed and maintained by the office specialist in Operations Training.

**DMV Training Form not Current**

DMV Form DL260 records the required training for coach operators and instructors and is required to be submitted to the DMV every five years in conjunction with VTT renewals. Form instructions state that "these hours are recorded in the appropriate month in the appropriate section and will be kept with the employee records until renewal." During Internal Audit's testing of 25 training files, we noted that DMV Form DL260, Transit Driver Training Record, is not updated as training requirements are fulfilled. The forms are only updated every five years. Additionally, two instances were noted in which the DL260 for instructors was missing. The DMV may cancel a VTT for failure to comply with training requirements.

**Recommendation 2:** Management should ensure that DMV Form DL260 is kept current and is in the training files.

**Management Response:** Procedures will be changed to update training within the month that a training requirement is fulfilled. All files will be kept current.

**Instructor Road Tests not Conducted**

During our testing of 12 instructor files, we noted three instances of required road tests not being conducted by instructors at least once every 90 days. Additionally, we noted four instances in which instructor files did not include a road trip testing log to document road tests conducted by the instructors. DMV ETP requirements stipulate that instructors must conduct a road test at least every 90 days. The DMV may impose sanctions for non-compliance with the road test program of the ETP.

**Recommendation 4:** Management should ensure that instructors are giving road tests at least every 90 days. Additionally, road trip testing logs for each instructor should be kept in the training files.



**ORANGE COUNTY TRANSPORTATION AUTHORITY  
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**Operations Training Program Operational Audit  
March 18, 2008**

**Management Response:** A review of the Operations training files revealed two of the instructors did not conduct road trip testing due to medical leaves of absence. When they returned to work, they were reinstated and have since been current. The third instructor had completed the required road trips, but the information had been incorrectly recorded. That information has been corrected. The information for each individual instructor will now be kept in their training files.

**Commitment for BWT Program**

For the last three fiscal years (2005, 2006, and 2007), between 77 and 79 percent of all BWTs spent less than 300 hours on the program each year. The previous collective bargaining agreement that expired in July 2007 placed a limit of 500 hours per year that a coach operator can spend on special assignment, including BWT hours. The current collective bargaining agreement does not include any such restrictions. There were between 124 and 136 BWTs each of the three fiscal years.

**Recommendation 5:** To ensure efficiency of the training program, management should require BWTs to commit to a minimum number of hours each year for training. Based on the number of hours needed, the number of trainers should also be determined.

**Management Response:** The previous Collective Bargaining Agreement (CBA) in effect from May 2004 through April 2007, only allowed coach operators to work with Operations Training for a limited number of hours. This includes two categories, BWI, or working with the training class, and BWT, instructing new operators out on the street after completing the Student Coach Operator Training (SCOT). The new CBA does not renew that portion of the agreement. Operations Training is currently evaluating the best use of the BWI and BWT program.

**BWI Program Overtime Hours Management**

Internal Audit could not determine from timesheet records how much, if any, coach operator overtime hours were used for the training program. Additionally, Internal Audit could not determine whether or how many overtime hours were used to replace a coach operator's route assignment when they are performing BWI duties. Management does not track the cost of back-filling BWI routes and, therefore, does not have enough information to determine the most efficient structure of the program.

**Recommendation 6:** Management should construct records of hours, including overtime, used to back-fill route assignments for BWIs. This information should be used to determine the most efficient structure of the BWI program.

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**Operations Training Program Operational Audit  
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**Management Response:** When coach operators are used as BWIs, their regular work is back-filled, but when they are BWTs, they mentor new operators on their own route assignments and no back-fill is required. The Bus Operations Manager will work with the Operations Training group to determine a method of recording the overtime required for the BWI program.





MEMO

April 14, 2008

To: Members of the Board of Directors

From: Wendy Knowles, Clerk of the Board

Subject: **Board Committee Transmittal for Agenda Item**

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

Thank you.



**April 10, 2008**

**To:** Transit Committee

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

**Subject:** Cooperative Agreements for Provision of Senior Transportation to Congregate Meal Sites

### **Overview**

The Orange County Transportation Authority proposes to enter into a new cooperative agreement with the Orange County Office on Aging and amend existing contracts with cities participating in the Special Agency Transportation program. Cooperative agreements are required to confirm roles, responsibilities, and process for the provision of senior transportation to congregate meal sites.

### **Recommendations**

- A. Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-8-0224 between the Orange County Transportation Authority and the Orange County Office on Aging for its share of the program expense for the provision of senior transportation to congregate meal sites in an amount not to exceed \$340,000, through June 30, 2009.
- B. Authorize the Chief Executive Officer to execute amendments to agreements with ten participating cities for the cities' share of the program expense through June 30, 2009, based on the Orange County Office on Aging allocation, for a total amount not to exceed \$120,000.

### **Background**

The Orange County Transportation Authority (Authority) provides approximately 36,000 trips annually to seniors traveling to and from congregate meal sites throughout the County under contract to the Orange County Office on Aging (OoA). This program is referred to internally as the Special Agency Transportation (SAT) program (Attachment A).

The SAT program is a service initiated by the OoA to support its congregate meal program and is partially funded by the Older Americans Act. The OoA contracts with the Authority to provide transportation to meal sites selected by the OoA, and the Authority has subcontracted with American Logistics, Inc., doing business as California Yellow Cab, to provide transportation service under this agreement. Through an arrangement established in the early 1990s, the OoA, the Authority, and the cities/centers receiving this service all contribute toward the cost of the program. The cities/centers contribute 20 percent of the program funds, the OoA contributes a portion of the amount available through the Older Americans Act, Title III B funds, and the Authority contributes the balance of funds necessary to operate the program using Article 4.5 Transportation Development Act (TDA) funds (Attachment B). A total of 20 cities/centers are included in the OoA allocation for the SAT program. The allocation of funds to support nutrition transportation services in these 20 locations is determined by the OoA.

The Authority provides transportation services to ten of the 20 cities/centers. The remaining ten cities/centers provide approximately 66,000 nutrition trips directly under the Authority's Senior Mobility Program (SMP). Under the SMP, the Authority provides an operating subsidy to the city/center which includes the contribution from the Authority and the OoA.

### ***Discussion***

Board of Directors approval of this item will allow the execution of a new revenue agreement issued by the County of Orange for the OoA (Attachment C) and the execution of amendments to agreements with the ten cities participating in the SAT program to continue the provision of these transportation services (Attachment D). During the term of these agreements, these cities have the option of transitioning to the SMP, under which the cities would assume direct responsibility for provision of these trips and receive additional funds.

The total Authority contribution for the program during fiscal year 2008-09 is projected to be \$837,972 or 57 percent. Of this amount, \$160,474 or 19 percent funds the SAT program. The remaining \$677,498 funds cities providing nutrition and other senior transportation services under the SMP.

Fiscal Impact

Funds to operate this program are in the proposed Authority's Fiscal Year 2008-09 Budget. Similarly, revenues from the OoA and the participating cities have been estimated and are included in the proposed Authority's Fiscal Year 2008-09 Budget as a reimbursement from other agencies.

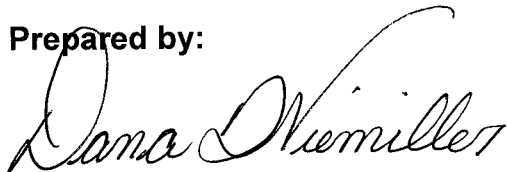
**Summary**

Staff recommends the Board of Directors approval for the Chief Executive Officer to execute Cooperative Agreement No. C-8-0224, a revenue agreement issued by the Orange County Office on Aging, and related amendments with participating cities and centers to extend the Special Agency Transportation program through June 30, 2009.

**Attachments**

- A. Special Agency Transportation Program Outline
- B. Office on Aging Nutrition Transportation Program Funding Allocations by City
- C. Agreement for the Provision of Older Americans Act Services between the County of Orange and the Orange County Transportation Authority
- D. Cooperative Agreements Fact Sheet

**Prepared by:**



Dana Wiemiller  
Community Transportation Coordinator  
(714) 560-5718

**Approved by:**



Beth McCormick  
General Manager, Transit  
(714) 560-5964

**Special Agency Transportation Program Outline**

- The nutrition transportation program is a service initiated by the Orange County Office on Aging (OoA) to support its congregate meal program. The OoA contracts with the Authority to provide transportation to selected centers within the cities participating in the congregate meal program.
- While 20 cities/centers are included in the OoA allocation for senior nutrition transportation, the Authority only provides service for ten of these cities/centers, providing approximately 36,000 annual trips. These cities include: Cypress, Dana Point, Fullerton, Garden Grove, Los Alamitos, Mission Viejo, Orange, San Juan Capistrano, Stanton, and Tustin.
- The remaining ten cities participate in the Authority's Senior Mobility Program (SMP) and account for an estimated 66,000 trips provided annually for seniors traveling to congregate meal sites. These cities include: Anaheim, Brea, Buena Park, Huntington Beach, La Habra, Laguna Niguel, San Clemente, Seal Beach, Westminster, and the Vietnamese Community of Orange County, located in Santa Ana.
- The Office on Aging, the Authority, and the participating cities all contribute toward the cost of the program.
  - The OoA contributes approximately 23 percent of the cost of the program using Older Americans Act, Title III B funds, which are earmarked for senior supportive services including OoA transportation.
  - Each city or center participating in the program contributes 20 percent of the cost.
  - The Authority contributes approximately 57 percent of the cost of the program using Article 4.5 Transportation Development Act funds.
    - Of the Authority's contribution, 19 percent supports the 10 participating SAT cities and the remaining allocation supports nutrition and other senior transportation services under the SMP.
- The Authority currently has a contract with American Logistics, Inc., doing business as California Yellow Cab, Agreement No. C-3-1284, to provide nutrition transportation services for the ten cities/centers participating in the congregate meal program.
- The OoA determines the level of funding for each city included in the nutrition program. SMP cities receive additional funds under the SMP program directly from the Authority. Funding from the Authority is used by SMP cities for nutrition transportation and may also be used for additional senior transportation services, including shopping, medical, and other trips.
- The funds requested for approval in this report represent the full 12-month commitment for this program in fiscal year 2008-09.



**Office on Aging Nutrition Transportation Program  
Funding Allocations by City  
July 2008 - June 2009**

<b>Participating Special Agency Transportation Program Cities</b>	<b>City Contribution (\$9.31)</b>	<b>OoA Contribution (\$17.40)</b>	<b>OCTA Contribution (\$16.68)</b>
City of Cypress	\$ 3,956.75	\$ 7,394.00	\$ 7,217.00
City of Dana Point	\$ 5,120.50	\$ 9,569.00	\$ 9,340.00
City of Fullerton	\$ 11,055.62	\$ 20,659.00	\$ 20,165.00
City of Garden Grove	\$ 15,827.00	\$ 29,580.00	\$ 28,867.70
City of Los Alamitos	\$ 3,491.25	\$ 6,524.00	\$ 6,368.00
City of Mission Viejo	\$ 7,448.00	\$ 13,920.00	\$ 13,584.80
City of Orange	\$ 25,602.50	\$ 47,849.00	\$ 46,699.75
City of San Juan Capistrano	\$ 6,982.50	\$ 13,049.00	\$ 12,735.75
City of Stanton	\$ 3,491.25	\$ 6,524.00	\$ 6,368.00
City of Tustin	\$ 5,004.13	\$ 9,349.00	\$ 9,128.00
<b>Subtotals</b>	<b>\$ 87,979.50</b>	<b>\$ 164,417.00</b>	<b>\$ 160,474.00</b>

<b>Participating Senior Mobility Program Cities</b>	<b>City Contribution</b>	<b>OoA Contribution</b>	<b>OCTA Contribution</b>
Vietnamese Community of OC	\$ 14,851.00	\$ 14,738.00	\$ 44,666.00
City of Anaheim	\$ 53,316.40	\$ 47,900.00	\$ 165,365.60
City of Brea	\$ 12,481.80	\$ 13,380.00	\$ 34,547.20
City of Buena Park	\$ 14,543.00	\$ 16,581.00	\$ 41,591.00
City of Huntington Beach	\$ 39,138.00	\$ 13,097.00	\$ 143,455.00
City of Laguna Niguel	\$ 10,940.80	\$ 3,146.00	\$ 40,617.20
City of La Habra	\$ 17,331.60	\$ 21,373.00	\$ 47,953.40
City of San Clemente	\$ 13,006.40	\$ 8,364.00	\$ 43,661.60
City of Seal Beach	\$ 18,059.20	\$ 12,896.00	\$ 59,340.80
City of Westminster	\$ 19,602.00	\$ 22,108.00	\$ 56,300.00
Subtotals	\$ 213,270.20	\$ 173,583.00	\$ 677,497.80
<b>Totals</b>	<b>\$ 301,249.70</b>	<b>\$ 340,000.00</b>	<b>\$ 837,971.80</b>
<b>TOTAL PROGRAM ALLOCATION</b>			<b>\$ 1,479,221.50</b>

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**AGREEMENT**

**FOR THE PROVISION OF**

**OLDER AMERICANS ACT SERVICES**

**BETWEEN**

**THE COUNTY OF ORANGE**

**AND**

**THE ORANGE COUNTY**

**TRANSPORTATION AUTHORITY**

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1 **AGREEMENT**

2 FOR THE PROVISION OF

3 OLDER AMERICANS ACT SERVICES

4 **RECITALS:**

5 This AGREEMENT, hereinafter referred to as "AGREEMENT," consisting of 39 pages and 8 exhibits, is  
6 made and entered into this 1st day of July, 2008, by and between the County of Orange, a political  
7 subdivision of the State of California, designated as the Area Agency on Aging/Office on Aging,  
8 hereinafter referred to as "COUNTY," and the Orange County Transportation Authority, a public  
9 corporation of the State of California, hereinafter referred to as "AUTHORITY."

10 WHEREAS, COUNTY, as the Area Agency on Aging, desires to obtain Transportation Services for older  
11 adults to Nutrition Sites and Transportation Services for older adults to Senior Supportive Services Sites in  
12 accordance with the Older Americans Act of 1965, as amended; and

13 WHEREAS, AUTHORITY has represented itself as qualified to provide Transportation Services for older  
14 adults to Nutrition Sites and Transportation Services for older adults to Senior Supportive Services Sites in  
15 accordance with the Older Americans Act of 1965, as amended; and

16 WHEREAS, AUTHORITY has indicated its commitment to provide Transportation Services to Nutrition  
17 Sites for older adults in accordance with the Older Americans Act of 1965, as amended; and

18 WHEREAS, AUTHORITY is a special district, a recipient of federal funds and is bound by federal  
19 regulations pertaining to transportation; and

20 WHEREAS, in the interests of maximizing the funds available to provide transportation services to older  
21 adults hereunder, the parties hereto desire to avoid unnecessary and duplicative paperwork while  
22 complying with all applicable federal regulations,

23 NOW, THEREFORE, the parties mutually agree as follows:

24 **GENERAL TERMS AND CONDITIONS**

25 **1. DEFINITIONS**

26 a. "ADMINISTRATOR" means the Executive Director, Orange County Housing and Community  
27 Services Department/ Office on Aging (OoA), the designated Area Agency on Aging for Orange County,  
28 or designee thereof.

1 b. "Information & Assistance" [I&A] means the function of the Office on Aging that refers older  
2 adults to appropriate service and assistance agencies in Orange County.

3 c. "Nutrition Program" means congregate and home delivered meal programs as defined in Section  
4 7638.7 of the California Code of Regulations, Title 22 Social Security, Division 1.8 California Department  
5 of Aging, Article 6, Title III C Elderly Nutrition program, hereinafter referred to as Article 6.

6 d. "Nutrition Services" means the procurement, preparation, transport and service of meals, nutrition  
7 screening, nutrition education and nutrition counseling, to eligible individuals at congregate sites or in their  
8 homes.

9 e. "Program Eligibility" means a determination that an individual meets the eligibility requirements  
10 contained in Section 7638.7 of Article 6.

11 f. "Subcontractor" means any entity that furnishes to AUTHORITY services or supplies relative to  
12 this AGREEMENT.

13 g. Definitions pertaining to the Title III/V/VII Programs are contained in Exhibit D.

14 **2. GOVERNING LAW AND VENUE**

15 This AGREEMENT has been negotiated and executed in the State of California and shall be governed by  
16 and construed under the laws of the State of California. In the event of any legal action to enforce or  
17 interpret this AGREEMENT, the sole and exclusive venue shall be a court of competent jurisdiction  
18 located in Orange County, California, and the parties hereto agree to and do hereby submit to the  
19 jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the parties  
20 specifically agree to waive any and all rights to request that an action be transferred for trial to another  
21 county.

22 **3. ENTIRE CONTRACT**

23 This AGREEMENT consists of the General Terms and Conditions, Sections 1 through 51, and Exhibits A  
24 through F which are attached hereto, and incorporated herein by reference.

25 This AGREEMENT, when accepted by the AUTHORITY either in writing or by the shipment of any  
26 article or other commencement of performance hereunder, contains the entire AGREEMENT between the  
27 parties with respect to the matters herein, and there are no restrictions, promises, warranties or undertakings  
28 other than those set forth herein or referred to herein. No exceptions, alternatives, substitutes or revisions

1 are valid or binding on COUNTY unless authorized by ADMINISTRATOR in writing. Electronic  
2 acceptance of any additional terms, conditions or supplemental AGREEMENTS by any COUNTY  
3 employee or agent, including but not limited to installers of software, shall not be valid or binding on  
4 COUNTY unless agreed to in writing by both parties.

5 **4. AMENDMENTS**

6 No alteration or variation of the terms of this AGREEMENT shall be valid unless made in writing and  
7 signed by the parties; no oral understanding or AGREEMENT not incorporated herein shall be binding on  
8 either of the parties; and no exceptions, alternatives, substitutes or revisions are valid or binding on  
9 COUNTY unless authorized by ADMINISTRATOR in writing.

10 **5. PATENT/COPYRIGHT MATERIALS/PROPRIETARY INFRINGEMENT**

11 Unless otherwise expressly provided in this AGREEMENT, AUTHORITY shall be solely responsible for  
12 clearing the right to use any patented or copyrighted materials in the performance of this AGREEMENT.  
13 AUTHORITY warrants that any software as modified through services provided hereunder will not  
14 infringe upon or violate any patent, proprietary right, or trade secret right of any third party. AUTHORITY  
15 agrees that, in accordance with the more specific requirement contained in Section 13 below, it shall  
16 indemnify, defend and hold COUNTY and COUNTY INDEMNITEES harmless from any and all such  
17 claims and be responsible for payment of all costs, damages, penalties and expenses related to or arising  
18 from such claim(s), including, but not limited to, attorney's fees, costs and expenses.

19 **6. ASSIGNMENT OR SUB-CONTRACTING**

20 The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors,  
21 executors, administrators and assigns of the parties. It is understood that AUTHORITY intends to  
22 subcontract services for this AGREEMENT. Furthermore, neither the performance of this AGREEMENT  
23 nor any portion thereof may be assigned or sub-contracted by AUTHORITY without the express written  
24 consent of ADMINISTRATOR which shall not be unreasonably withheld. Any attempt by AUTHORITY  
25 to assign or sub-contract the performance or any portion thereof of this AGREEMENT without the express  
26 written consent of COUNTY shall be invalid and shall constitute a breach of this AGREEMENT. In the  
27 event that the AUTHORITY is authorized by the ADMINISTRATOR to subcontract, this AGREEMENT  
28 shall prevail and the terms of the subcontract shall incorporate by reference and not conflict with the terms



1 of this AGREEMENT. In the manner in which the COUNTY expects to receive services, the COUNTY  
2 shall look to the AUTHORITY for performance and not deal directly with any subcontractor. All matters  
3 related to this AGREEMENT shall be handled by the AUTHORITY with the COUNTY; the COUNTY  
4 will have no direct contact with the subcontractor in matters related to the performance of this  
5 AGREEMENT. All work must meet the approval of the COUNTY.

6 **7. NON-DISCRIMINATION**

7 In the performance of this AGREEMENT, AUTHORITY agrees that it will not engage nor permit any  
8 subcontractors to engage in discrimination in employment of persons because of the race, religious creed,  
9 color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age  
10 or sex of such persons. AUTHORITY acknowledges that a violation of this provision shall subject  
11 AUTHORITY to all the penalties imposed for a violation of anti-discrimination law or regulation including  
12 but not limited to Section 1720 et seq. of the California Labor Code.

13 **8. TERMINATION**

14 a. Right to terminate. In addition to any other remedies or rights they may have by law, both  
15 AUTHORITY and COUNTY have the right to terminate this AGREEMENT upon (10) days written notice  
16 with cause as defined in Section 8.b, or after 30 days' written notice without cause, as defined in Section  
17 8.c, unless otherwise specified. Exercise by COUNTY of its right to terminate the AGREEMENT shall  
18 relieve COUNTY of all further obligation. Exercise by AUTHORITY of its right to terminate the  
19 AGREEMENT shall relieve AUTHORITY of all further obligation.

20 b. Termination for cause. In the event of: (1) a violation of the law or failure to comply in a timely  
21 manner with any condition of this AGREEMENT; (2) inadequate program performance; (3) failure to  
22 comply with reporting requirements (4) breach of contract; (5) any material misrepresentation; and (6)  
23 fraud, COUNTY may terminate this AGREEMENT and be relieved of the payment of any consideration to  
24 AUTHORITY with the exception of the costs incurred to date.

25 Such termination shall be effective immediately in the case of threat to health or safety of the  
26 public, or, in all other cases, upon ten (10) days written notice to AUTHORITY.

27 c. Termination for convenience. COUNTY may terminate this AGREEMENT, without cause, upon  
28 thirty (30) days written notice to AUTHORITY, except COUNTY may immediately terminate this

1 AGREEMENT for failure of any of the funding contingencies set forth in Section 30. AUTHORITY may  
2 terminate this AGREEMENT, without cause, upon thirty (30) days written notice to COUNTY, except  
3 AUTHORITY may immediately terminate this AGREEMENT for failure of any of the funding  
4 contingencies set forth in Section 30.

5 d. Cancellation of commitments/termination claim. After receipt of notice of termination,  
6 AUTHORITY shall cancel outstanding commitments required by this AGREEMENT.

7 (1) With respect to the above-cancelled commitments, AUTHORITY agrees to provide, within  
8 ten (10) days of a notice of termination, a plan for settlement of all outstanding liabilities and all  
9 claims arising out of such cancellation of commitments. Such plan shall be subject to the approval  
10 of ADMINISTRATOR.

11 (2) AUTHORITY shall submit a termination claim to ADMINISTRATOR promptly after  
12 receipt of a notice of termination, but in no event later than sixty (60) days from the effective date  
13 thereof unless an extension, in writing, is granted by ADMINISTRATOR.

14 **9. CONSENT TO BREACH NOT WAIVER**

15 No term or provision of this AGREEMENT shall be deemed waived and no breach excused, unless such  
16 waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any  
17 consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute  
18 consent to, waiver of, or excuse for any other different or subsequent breach.

19 **10. REMEDIES NOT EXCLUSIVE**

20 The remedies for breach set forth in this AGREEMENT are cumulative as to one another and as to any  
21 other provided by law, rather than exclusive; and the expression of certain remedies in this AGREEMENT  
22 does not preclude resort by either party to any other remedies provided by law.

23 **11. INDEPENDENT CONTRACTOR**

24 AUTHORITY shall be considered an independent contractor and neither AUTHORITY, its employees, nor  
25 anyone working under AUTHORITY shall be considered an agent or an employee of COUNTY. Neither  
26 AUTHORITY, its employees nor anyone working under AUTHORITY shall qualify for workers'  
27 compensation or other fringe benefits of any kind through COUNTY.

28 **12. PERFORMANCE**

1 AUTHORITY shall perform all work under this AGREEMENT, taking necessary steps and precautions to  
2 perform the work to COUNTY'S satisfaction. AUTHORITY shall be responsible for the professional  
3 quality, technical assurance, timely completion and coordination of all documentation and other  
4 goods/services furnished by the AUTHORITY under this AGREEMENT. AUTHORITY shall perform all  
5 work diligently, carefully, and in a good and workman-like manner; shall furnish all labor, supervision,  
6 machinery, equipment, materials, and supplies necessary thereto; shall at its sole expense obtain and  
7 maintain all permits and licenses required by public authorities, including those of COUNTY required in its  
8 governmental capacity, in connection with performance of the work; and, if permitted to subcontract, shall  
9 be fully responsible for all work performed by subcontractors.

10 **13. INDEMNIFICATION AND INSURANCE**

11 COUNTY shall indemnify and hold AUTHORITY, its officers, agents, employees, contractors and  
12 independent contractors free and harmless from any claims or liability based or asserted upon any act or  
13 omission of COUNTY, its officers, agents, employees, contractors and independent contractors related to  
14 this Agreement, for property damage, personal injury or death. COUNTY shall defend at its expense  
15 including attorney fees, AUTHORITY, its officers, agents, employees, contractors and independent  
16 contractors in any legal action or claim of any kind based upon such alleged acts or omissions. COUNTY  
17 shall purchase adequate levels of insurance and/or maintain substantial and proper liability reserves in  
18 order to honor potential claims and judgments.

19 AUTHORITY shall indemnify and hold COUNTY, its officers, agents, employees, contractors and  
20 independent contractors free and harmless from any claims or liability based or asserted upon any act or  
21 omission of AUTHORITY, its officers, agents employees, contractors and independent contractors related  
22 to this Agreement, for property damage, personal injury or death. AUTHORITY shall defend at its expense  
23 including attorney fees COUNTY, its officers, agents, employees, contractors and independent contractors  
24 in any legal action or claim of any kind based upon such alleged acts or omissions. AUTHORITY shall  
25 purchase adequate levels of insurance and /or maintain substantial and proper liability reserves in order to  
26 honor potential claims and judgments.

27 Prior to the provision of services under this AGREEMENT, the Agreed parties agree to purchase all  
28 required insurance at their own expense and provide certificates of insurance including all endorsements,

1 for the review by the Agreed parties, if requested. COUNTY and AUTHORITY may meet any commercial  
2 insurance requirement through either commercial or self-insurance at their election. In addition, all  
3 contractors performing work on behalf of the Agreed parties pursuant to this AGREEMENT shall obtain  
4 insurance as follows or as entitled, "Coverage and Minimum Limits." Contractors shall not be allowed to  
5 work if contractors have less than the level of coverage required by the Agreed parties under this  
6 AGREEMENT. It is the obligation of Authority to provide notice of the insurance requirements to every  
7 contractor and to receive proof of insurance prior to allowing any contractor to begin work and to deposit  
8 with the COUNTY certificates of insurance, including all endorsements herein, necessary to satisfy the  
9 coverage and the certificates on deposit with the County during the entire term of the contract. Such proof  
10 of insurance must be maintained by the contractor through the entire of the project for inspection by the  
11 Agreed parties and their representatives at any reasonable time. These policies will not be subject to any  
12 self insurance or deductibles unless specifically approved by Agreed parties.

13 Qualified Insurer

14 The policy or policies of insurance must be issued by a qualified insurer licensed to do business in the State  
15 of California (California Admitted Carrier).

16 Minimum insurance company ratings as determined by the most current edition of the **Best's Key Rating**  
17 **Guide/Property-Caualty/United States or amberst. com shall be A-(Secure Best's Rating) and VIII**  
18 **(Financial Size Category).**

19 **If the carrier is a non-admitted carrier in the state of California, CEO/Office of Risk Management**  
20 **retains the right to approve or reject carrier after a review of the company's performance and**  
21 **financial ratings.**

22 The policy or policies of insurance maintained by the contractor shall provide the minimum limits and  
23 coverage as set forth below:

Coverage	Minimum Limits
Commercial General Liability with broad form	\$1,000,000 combined single
Property damage and contractual liability	limit per occurrence
	\$2,000,000 aggregate
Automobile Liability including coverage	

1	For owned, non-owned and hired vehicles	
2	(4 passengers or less, not including the driver)	\$1,000,000 combined single limit per
3		occurrence
4	Passenger Vans (7 passengers or less, not including	
5	the driver)	\$2,000,000 combined single limit per
6		occurrence \$3,000,000 aggregate
7	Passenger Vans (8 or more passengers, not including	
8	the driver)	\$5,000,000 combined single limit per
9		occurrence \$5,000,000 aggregate
10	Workers' Compensation	Statutory with a waiver of subrogation
11		Favorable to the Agreed parties
12	Employees' Liability Insurance	\$1,000,000 per occurrence
13	Sexual Misconduct Liability	\$1,000,000 per occurrence

14 The County of Orange, State of California and the AUTHORITY shall be added as an additional insured on  
15 all insurance policies required by this contract with respect to work done by the contractor under the terms  
16 of this contract (except Workers' Compensation/Employees' Liability). Proof of such coverage, in the form  
17 of an insurance company issued policy endorsement and a broker-issued insurance certificate, must be  
18 received by the Agreed parties prior to commencement of any work. Proof of insurance coverage must be  
19 received by the Agreed parties within ten (10) calendar days from the date of execution of the contract;  
20 with COUNTY and the AUTHORITY its officers, directors, employees and agents designated as additional  
21 insured. Furthermore, the Agreed parties reserve the right to request certified copies of all related insurance  
22 policies.

23 All insurance policies required by this contract shall give the AUTHORITY and the County of Orange, 30  
24 days notice in the event of cancellation. This shall be evidenced by an endorsement separate from the  
25 Certificate of Insurance. In addition, the cancellation clause must include language as follows, which edits  
26 the pre-printed ACORD certificate:

27 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE  
28 EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS

1 WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. ~~BUT FAILURE TO~~  
2 ~~MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON~~  
3 ~~THE COMPANY, ITS AGENT OR REPRESENTATIVE.~~

4 All insurance policies required by this contract shall waive all rights of subrogation against the State of  
5 California, County of Orange, members of the Board of Supervisors and the Authority, its elected and  
6 appointed officials, officers, agents and employees when acting within the scope of their appointment or  
7 employment.

8 **14. BILLS AND LIENS**

9 AUTHORITY shall pay promptly all indebtedness for labor, materials and equipment used in performance  
10 of the work. AUTHORITY shall not permit any lien or charge to attach to the work or the premises, but if  
11 any does so attach, AUTHORITY shall promptly procure its release and, in accordance with the  
12 requirements of Section 13 above, indemnify, defend, and hold COUNTY harmless and be responsible for  
13 payment of all costs, damages, penalties and expenses related to or arising from or related thereto.

14 **15. FORCE MAJEURE**

15 AUTHORITY shall not be assessed with liquidated damages or unsatisfactory performance penalties  
16 during any delay beyond the time named for the performance of this AGREEMENT caused by any act of  
17 God, war, civil disorder, employment strike or other cause beyond its reasonable control, provided  
18 AUTHORITY gives written notice of the cause of the delay to COUNTY within 36 hours of the start of the  
19 delay and AUTHORITY avails itself of any available remedies.

20 **16. COMPLIANCE WITH LAWS**

21 AUTHORITY represents and warrants that services to be provided under this AGREEMENT shall fully  
22 comply, at AUTHORITY'S expense, with all known standards, laws, statutes, restrictions, ordinances,  
23 requirements, and regulations (collectively "laws"), including, but not limited to those issued by COUNTY  
24 in its governmental capacity and all other laws applicable to the services at the time services are provided  
25 to and accepted by COUNTY. AUTHORITY acknowledges that COUNTY is relying on AUTHORITY to  
26 ensure such compliance, and pursuant to the requirements of Section 13 above, AUTHORITY agrees that it  
27 shall defend, indemnify and hold COUNTY and COUNTY INDEMNITEES harmless from all liability,  
28 damages, costs and expenses arising from or related to AUTHORITY'S violation of such laws.

1 **17. WAIVER OF JURY TRIAL**

2 Each party acknowledges that it is aware of and has had the opportunity to seek advice of counsel of its  
3 choice with respect to its rights to trial by jury, and each party, for itself and its successors, creditors, and  
4 assigns, does hereby expressly and knowingly waive and release all such rights to trial by jury in any  
5 action, proceeding or counterclaim brought by any party hereto against the other (and/or against its officers,  
6 directors, employees, agents, or subsidiary or affiliated entities) on or with regard to any matters  
7 whatsoever arising out of or in any way connected with this AGREEMENT and/or any other claim of  
8 injury or damage.

9 **18. TERMS AND CONDITIONS**

10 AUTHORITY acknowledges that it has read and agrees to all terms and conditions included in this  
11 AGREEMENT.

12 **19. HEADINGS**

13 The various headings and numbers herein, the grouping of provisions of this AGREEMENT into separate  
14 clauses and paragraphs, and the organization hereof are for the purpose of convenience only and shall not  
15 limit or otherwise affect the meaning hereof.

16 **20. SEVERABILITY**

17 If any term, covenant, condition or provision of this AGREEMENT is held by a court of competent  
18 jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full  
19 force and effect and shall in no way be affected, impaired or invalidated thereby.

20 **21. CALENDAR DAYS**

21 Any reference to the word "day" or "days" herein shall mean calendar day or calendar days, respectively,  
22 unless otherwise expressly provided.

23 **22. ATTORNEY'S FEES**

24 In any action or proceeding to enforce or interpret any provision of this AGREEMENT, or where any  
25 provision hereof is validly asserted as a defense, each party shall bear its own attorney's fees, costs and  
26 expenses.

27 **23. INTERPRETATION**

28 This AGREEMENT has been negotiated at arm's length and between persons sophisticated and

1 knowledgeable in the matters involving this AGREEMENT. In addition, each party has been represented  
2 by experienced and knowledgeable independent legal counsel of its own choosing or has knowingly  
3 declined to seek such counsel despite being encouraged and given the opportunity to do so. Each party  
4 further acknowledges that it has not been influenced to any extent whatsoever in executing this  
5 AGREEMENT by any other party hereto or by any person representing it, or both parties. Accordingly,  
6 any rule or law (including California Civil Code Section 1654) or legal decision that would require  
7 interpretation of any ambiguities in this AGREEMENT against the party that has drafted it is not applicable  
8 and is waived. The provisions of this AGREEMENT shall be interpreted in a reasonable manner to  
9 effectuate the purpose of the parties and this AGREEMENT.

10 **24. AUTHORITY**

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

14 **25. CONTRACTOR PERSONNEL – DRUG-FREE WORKPLACE**

15 The AUTHORITY hereby certifies compliance with Government Code Section 8355 in matters relating to  
16 providing a drug-free workplace. The AUTHORITY will:

17 a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation,  
18 possession, or use of a controlled substance is prohibited and specifying actions to be taken against  
19 employees for violations, as required by Government Code Section 8355(a).

20 b. Establish a drug-free awareness program as required by Government Code Section 8355(b) to  
21 inform employees about all of the following:

- 22 (1) The dangers of drug abuse in the workplace;
- 23 (2) The organization’s policy of maintaining a drug-free workplace;
- 24 (3) Any available counseling, rehabilitation and employee assistance programs; and
- 25 (4) Penalties that may be imposed upon employees for drug abuse violations.

26 c. Provide as required by Government Code Section 8355(c) that every employee who works under  
27 this AGREEMENT:

- 28 (1) Will receive a copy of the company’s drug-free policy statement; and



1 (2) Will agree to abide by the terms of the company's statement as a condition of employment  
2 under this AGREEMENT.

3 d. Failure to comply with these requirements may result in suspension of payments under the  
4 AGREEMENT or termination of the AGREEMENT or both, and the AUTHORITY may be ineligible for  
5 award of any future COUNTY AGREEMENTS if the COUNTY determines that any of the following has  
6 occurred:

- 7 (1) The AUTHORITY has made false certification, or
- 8 (2) The AUTHORITY violates the certification by failing to carry out the requirements as noted  
9 above.

10 **26. AUTHORITY'S COMPLAINT PROCESS**

11 a. AUTHORITY'S Complaint Handling Procedure. AUTHORITY has established a detailed, written  
12 procedure (hereinafter called the "Complaint Handling Procedure") for reviewing and attempting to resolve  
13 complaints of individuals receiving AUTHORITY'S services. A copy of the Complaint Handling  
14 Procedure, entitled "Customer Comment Process" was provided to COUNTY by AUTHORITY in July  
15 2008 and is incorporated herein by reference as Exhibit "E.". AUTHORITY shall have a  
16 Complaint Handling Procedure available to all older adults served through this program.

17 b. Notification of Complaint Handling Procedure. AUTHORITY shall have a Complaint Handling  
18 Procedure available to all older adults served through this program.

19 c. COUNTY'S Office on Aging Written Grievance Procedure. COUNTY shall provide a copy of  
20 COUNTY'S Office on Aging Grievance Procedure, a copy of which is attached hereto as Exhibit F and  
21 incorporated herein by reference, to each of the program sites to which AUTHORITY provides  
22 transportation hereunder. If AUTHORITY is unable to resolve a complaint using AUTHORITY'S  
23 Complaint Handling Procedures, AUTHORITY shall refer the complainant to ADMINISTRATOR.  
24 ADMINISTRATOR shall provide the complainant with a copy of Exhibit F "ORANGE COUNTY  
25 OFFICE ON AGING GRIEVANCE PROCEDURES" hereto and shall ensure that, upon request by the  
26 complainant, COUNTY follows the "Orange County Office on Aging Informal Administrative Review –  
27 Second Level of Resolution" described in Exhibit F, and "ADMINISTRATIVE HEARING-Final  
28 Grievance Resolution" described in Exhibit F, to attempt to resolve the complaint.

1 d. Other remedies available. Nothing in this section shall be construed as prohibiting older individuals  
2 from seeking other available remedies, such as presenting their complaints at an open meeting of  
3 COUNTY'S Board of Supervisors.

4 **27. PAYMENT TERMS – PAYMENT IN ARREARS**

5 Invoices are to be submitted in arrears to the user agency/department to the ship-to address, unless  
6 otherwise directed in this contract. Payment will be net 30 days after receipt of an invoice in a format  
7 acceptable to the County of Orange and verified and approved by the agency/department and subject to  
8 routine processing requirements. The responsibility for providing an acceptable invoice rests with the  
9 AUTHORITY.

10 Billing shall cover services and/or goods not previously invoiced. The AUTHORITY shall reimburse the  
11 COUNTY for any monies paid to the AUTHORITY for goods or services not provided or when goods or  
12 services do not meet the AGREEMENT requirements. Payments made by the COUNTY shall not preclude  
13 the right of the COUNTY from thereafter disputing any items or services involved or billed under this  
14 AGREEMENT and shall not be construed as acceptance of any part of the goods or services.

15 **28. COMPENSATION**

16 The AUTHORITY agrees to accept the specified compensation as set forth in this AGREEMENT as full  
17 remuneration for performing all services and furnishing all staffing and materials required, for any  
18 reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until  
19 acceptance, for risks connected with the services, and for performance by the AUTHORITY of all its duties  
20 and obligations hereunder.

21 **29. FISCAL APPROPRIATIONS, SUBJECT TO**

22 This AGREEMENT is subject to and contingent upon applicable budgetary appropriations being approved  
23 by the County of Orange Board of Supervisors for each fiscal year during the term of this AGREEMENT.  
24 If such appropriations are not approved, the AGREEMENT will be terminated without penalty to the  
25 COUNTY with the exception of costs incurred to date. This AGREEMENT is subject to and contingent  
26 upon applicable budgetary appropriations being approved by the AUTHORITY'S Board of Directors for  
27 each fiscal year during the term of this AGREEMENT. If such appropriations are not approved, the  
28 AGREEMENT will be terminated without penalty to the AUTHORITY.

1 **30. CONTINGENCY OF FUNDS**

2 AUTHORITY acknowledges that funding or portions of funding for this AGREEMENT may also be  
3 contingent upon the receipt of funds from, and/or appropriation of funds by, the State of California to  
4 COUNTY. If such funding and/or appropriations are not forthcoming, or are otherwise limited, COUNTY  
5 may immediately terminate or modify this AGREEMENT without penalty with the exception of costs  
6 incurred to date. COUNTY acknowledges that funding or portions of funding for this AGREEMENT may  
7 also be contingent upon the receipt of funds from, and/or appropriation of funds by, the federal government  
8 and/or the State of California to AUTHORITY. If such funding and/or appropriations are not forthcoming,  
9 or are otherwise limited, AUTHORITY may immediately terminate or modify this AGREEMENT without  
10 penalty.

11 **31. RECORDS AND AUDIT**

12 a. Maintenance, retention and access. AUTHORITY shall, at all times during the term of this  
13 AGREEMENT, maintain complete records (which shall include, but not be limited to, accounting records,  
14 grants, contracts, agreements, letters of agreement, insurance documentation in accordance with Section 13,  
15 memoranda and/or letters of understanding and client records) of its activities and expenditures hereunder  
16 in a form satisfactory to the State and COUNTY. AUTHORITY shall make available to COUNTY  
17 (including auditors from a private auditing firm hired by the COUNTY), State and federal officials all of its  
18 records with respect to the contract at any time during normal business hours for the purpose of auditing,  
19 examining or making excerpts of such records and auditing all invoices, materials, payrolls, records of  
20 personnel and other data relating to all matters covered by the contract. AUTHORITY agrees to allow  
21 interviews of any employees or others who might reasonably have information related to such records.  
22 Further, AUTHORITY agrees to include a similar right to the COUNTY to audit records and interview  
23 staff of any subcontractor related to performance of this AGREEMENT.

24 All such records must be maintained and kept available by AUTHORITY as follows:

- 25 (1) until three years after final payment under this AGREEMENT or until an audit has occurred  
26 and an audit resolution has been reached, whichever is later, unless otherwise authorized in writing  
27 by COUNTY; or  
28 (2) for such longer period, if any, as is required by applicable statute, by any other section of

1 this AGREEMENT or by subsections “b” or “c” below, or for such longer period as the State or  
2 COUNTY deem necessary.

3 b. Termination of AGREEMENT. If this AGREEMENT is completely or partially terminated, the  
4 records relating to the work terminated shall be preserved and made available for the same periods as set  
5 forth in subsections “a” and “c.” Should the AUTHORITY cease to exist as a legal entity, the  
6 AUTHORITY’S records pertaining to this AGREEMENT shall be forwarded to the surviving entity in a  
7 merger or acquisition or, in the event of liquidation, to the ADMINISTRATOR.

8 c. Litigation, claims, etc. In the event of any litigation, claim, negotiation, audit exception, or other  
9 action involving the records, all records relative to such action shall be maintained and kept available until  
10 three (3) years after every action has been cleared to the satisfaction of COUNTY and so stated in writing  
11 to AUTHORITY.

12 d. Accounting Records. Unless otherwise agreed to in writing by ADMINISTRATOR, AUTHORITY  
13 shall maintain accounting records to account for all funds received under this AGREEMENT. Said records  
14 shall be separate from the records for any other funds administered by AUTHORITY, and shall be kept in  
15 accordance with “Generally Accepted Accounting Principles and Procedures and Generally Acceptable  
16 Government Accounting Standards.” Said records must contain information pertaining to receipt of funds  
17 for the program(s) for which this AGREEMENT provides, authorization to expend said funds, obligations,  
18 unobligated balances, assets, liabilities, outlays or expenditures, program income, contributions, and third-  
19 party revenue. Said accounting records must be supported by source documentation (such as cancelled  
20 checks, paid bills, payrolls, time and attendance records, contract and subcontract award documents, etc.),  
21 and adequate source documentation of each transaction shall be maintained relative to the allowability of  
22 expenditures under this AGREEMENT. If the allowability of expenditures cannot be determined because  
23 records or documentation of AUTHORITY are nonexistent or inadequate according to Generally Accepted  
24 Accounting Principles and Procedures and Generally Accepted Government Accounting Standards, the  
25 expenditures will be questioned in the audit and may be disallowed during the audit resolution process.

26 e. Financial Reporting Requirements. Grant funds shall be identified separately. The COUNTY  
27 requires AUTHORITY to discretely identify State, federal and local grant funding in the Statement of  
28 Revenues and Expenditures. In addition, the amounts reported on the Schedule of Revenue and

1 Expenditures shall be displayed by award year beginning July 1<sup>st</sup> and ending June 30<sup>th</sup>. For contractors  
2 with fiscal years different than ending on June 30<sup>th</sup>, this will result in a display of amounts on two separate  
3 lines. For example, for a contractor with an accounting period ending December 31, 2006, the amounts  
4 displayed by award year would appear on separate lines for FY 2005/06 (January 1 through June 30, 2006)  
5 and FY 2006/07 (July 1 through December 31, 2006).

6 f. Subcontract provisions. AUTHORITY shall place in all of its subcontracts, if any, made pursuant  
7 to, and/or utilizing funds provided by, this AGREEMENT, provisions requiring the subcontractor: (1) to  
8 make available to COUNTY, State and federal officials all of its records with respect to the subcontract at  
9 any time during normal business hours for the purpose of auditing, examining or making excerpts of such  
10 records and auditing all invoices, materials, payrolls, records of personnel and other data relating to all  
11 matters covered by the subcontract; and (2) to retain books, documents, papers, records and other evidence  
12 pertinent to the subcontract for the period of time specified in this Section 31, subsections, "a", "b", and  
13 "c" of this AGREEMENT.

14 g. Audit.

15 (1) If AUTHORITY expends more than \$500,000 in federal funds during the term of this  
16 AGREEMENT, AUTHORITY shall arrange for an audit to be performed, within one hundred fifty  
17 (150) days of the end of AUTHORITY'S fiscal year and in accordance with OMB Circular A-133,  
18 "Audits of States, Local Governments, and Non-Profit Organizations," which is incorporated herein  
19 by reference.

20 (2) AUTHORITY shall take the following actions in connection with such audit:

21 (i) Ensure that appropriate corrective action is taken to correct instances of  
22 noncompliance with federal laws and regulations. Corrective action shall be taken within  
23 six months after COUNTY receives AUTHORITY'S audit report;

24 (ii) Adjust its own records as necessitated by the audit;

25 (iii) Permit independent auditors to have access to its records and financial statements as  
26 is necessary for COUNTY or AUTHORITY to comply with OMB Circular A-133;

27 (iv) Submit two copies of its audit reports to COUNTY no later than 30 days after  
28 completion of the reports;

- 1 (v) Procure audit services in accordance with OMB Circular A-110 procurement  
2 standards and provide maximum opportunity for small and minority audit firms;
- 3 (vi) Include in contract(s) with auditor(s) provisions that the auditor(s) will comply with  
4 all applicable audit requirements;
- 5 (vii) Include in its contract with independent auditors a clause permitting representatives  
6 of COUNTY or the State to have access to the work papers of the independent auditors;
- 7 (viii) Provide to COUNTY, the California Department of Aging (CDA), the California  
8 Department of General Services, the Bureau of State Audits, and their designated  
9 representatives, the right to review and to copy all audit reports and any supporting  
10 documentation pertaining to the performance of this AGREEMENT, and the option to  
11 perform audits and/or additional work as needed;
- 12 (ix) Cooperate with and participate in any further audits which may be required by  
13 COUNTY or the State;
- 14 (x) Ensure that its audit addresses all issues contained in any federal OMB Compliance  
15 Supplement that applies to its program;
- 16 (xi) Ensure that the audit is performed in accordance with Government Auditing  
17 Standards, is performed by an independent auditor, and is organization-wide;
- 18 (xii) Ensure that the audit is all-inclusive, i.e., it includes an audit of the financial  
19 statements, an assessment of internal controls (including tests of transactions), and a  
20 determination of compliance with laws and regulations of all major federal programs and  
21 selected non-major program transactions.
- 22 (xiii) Ensure that the audit considers the closely related programs identified below by  
23 Catalog of Federal Domestic Assistance (CFDA) number as an “other cluster” for purposes  
24 of determining major programs or whether a program specific audit may be elected.  
25 AUTHORITY shall communicate this information to the independent auditor conducting  
26 the organization’s single audit:

27 U.S. Department of Health and Human Services, Administration on Aging  
28

- 1                     93.041       Special programs for the Aging-Title VII, Chapter 3-Programs
- 2   for Prevention of Elder Abuse, Neglect, and Exploitation
- 3   (Title VII-B)
- 4                     93.042       Special Programs for the Aging-Title VII, Chapter 2-Long
- 5   Term Care Ombudsman services for Older Individuals (Title
- 6   VII-A)
- 7                     93.043       Special Programs for the Aging-Title III, Part F-Disease
- 8   Prevention and Health Promotion Services (Title III-F)
- 9                     93.044       Special Programs for the Aging-Title III, Part B- Grants for
- 10                                        Supportive Services and Senior Centers (Title III-B)
- 11                    93.045       Special Programs for the Aging –Title III, Part C – Nutrition
- 12                                        Services (Title III-C)

13           (Pursuant to OMB Circular A-133, a “cluster of programs” means a grouping of closely related  
14           programs that share common compliance requirements. The types of cluster of programs are  
15           research and development (R&D), student financial aid (SFA), and other clusters. “Other clusters”  
16           are defined by the Office of Management and Budget (OMB) in the compliance supplement or as  
17           designated by a State for federal awards the State provides to its subrecipients that meet the  
18           definition of cluster of programs. When designating an “other cluster,” a State shall identify the  
19           federal awards included in the cluster and advise the subrecipients of compliance requirements  
20           applicable to the cluster, consistent with Section .400(d)(1) and Section .400 (d)(2), respectively. A  
21           cluster of programs shall be considered as one program for determining major programs, as  
22           described in Section .520, and with the exception of R&D as described in Section .200 (c), whether  
23           a program specific audit may be elected.)

24           (3) If total funds awarded under this AGREEMENT equal or exceed \$10,000, AUTHORITY  
25           shall be subject to examination and audit, including interviews of its staff, by the State of California  
26           for a period of three (3) years after final payment under this AGREEMENT.

27   h.   Final financial statement. Within thirty (30) days after termination of this AGREEMENT,  
28   AUTHORITY shall submit to ADMINISTRATOR a final financial statement detailing all program

1 expenditures and all income received during the term of this AGREEMENT, or include such a final  
2 financial statement with AUTHORITY'S final invoice and substantiating reports.

3 i. Final Payment. The COUNTY reserves the right to audit and verify the AUTHORITY'S records  
4 before final payment is made.

5 **32. REPORTS**

6 a. As documentation to support justification for payment, the AUTHORITY shall report to  
7 ADMINISTRATOR monthly the total number of vehicle service hours, nutrition trips and total trips  
8 provided by program site, total monthly cost of trips for each Senior Mobility Program, and the dollar  
9 amount contributed by each Senior Mobility Program operator.

10 b. AUTHORITY will be required to submit records, statistical information, financial reports, and  
11 program information in electronic or paper format as required by the County of Orange/OoA and the CDA.

12 c. COUNTY reserves the right to withhold payment or to terminate this AGREEMENT for  
13 nonconformance with data collection and reporting requirements.

14 d. It shall be the responsibility of the ADMINISTRATOR to inform program sites that the number of  
15 vehicle service hours provided by the AUTHORITY has exceeded the monthly pro-rata share as specified  
16 in Exhibit A for each program site. AUTHORITY shall cooperate with ADMINISTRATOR in  
17 ADMINISTRATOR'S efforts to maximize the utilization of services provided hereunder to ensure that  
18 COUNTY'S maximum obligation hereunder is not expended before the expiration of the term of this  
19 Agreement.

20 **33. DEBARMENT**

21 AUTHORITY certifies that it is not debarred or suspended or otherwise excluded from or ineligible for  
22 participation in Federal or State Assistance Programs. AUTHORITY shall not make any award or permit  
23 any award at any time to any party which is debarred or suspended or is otherwise excluded from or  
24 ineligible for participation in Federal/State Assistance Programs. AUTHORITY shall timely execute any  
25 and all amendments to this AGREEMENT or certificates or other required documentation relating to its  
26 subcontractors' debarment/suspension status.

27 **34. TERM OF AGREEMENT**

28 a. Term of AGREEMENT. The term of the AGREEMENT shall begin July 1, 2008 and end June 30,



1 2009 (First Term) unless terminated or extended as provide in this AGREEMENT; provided however, the  
2 expiration of this term shall not affect any duties of AUTHORITY which would extend beyond the term of  
3 this AGREEMENT.

4 b. AUTHORITY and COUNTY may elect to extend the term of this CONTRACT up to an additional  
5 twelve (12) months, commencing on July 1, 2009, and continuing through June 30, 2010, (Second Term),  
6 and thereupon require both parties to continue to provide services and funding as stated in this  
7 CONTRACT and as amended by revised Exhibits A and B; provided however, the expiration of this  
8 Second Term shall not affect any duties of AUTHORITY which would extend beyond the term of this  
9 AGREEMENT.

10 c. AUTHORITY and COUNTY may elect to extend the term of this CONTRACT up to an additional  
11 twelve (12) months, commencing on July 1, 2010, and continuing through June 30, 2011, (Third Term),  
12 and thereupon require both parties to continue to provide services and funding as stated in this  
13 CONTRACT and as amended by revised Exhibits A and B; provided however, the expiration of this Third  
14 Term shall not affect any duties of AUTHORITY which would extend beyond the term of this  
15 AGREEMENT.

16 d. AUTHORITY and COUNTY may elect to extend the term of this CONTRACT up to an additional  
17 twelve (12) months, commencing on July 1, 2011, and continuing through June 30, 2012, (Fourth Term),  
18 and thereupon require both parties to continue to provide services and funding as stated in this  
19 CONTRACT and as amended by revised Exhibits A and B; provided however, the expiration of this Fourth  
20 Term shall not affect any duties of AUTHORITY which would extend beyond the term of this  
21 AGREEMENT.

22 **35. TAXES**

23 Unless otherwise provided herein or by law, price quoted does not include California State sales or use tax.

24 **36. SERVICES AND COMPENSATION**

25 a. Services pursuant to Exhibits A and B. AUTHORITY agrees to provide those services, facilities,  
26 equipment and supplies described in this AGREEMENT; the "Service AGREEMENT" submitted by  
27 AUTHORITY, which is attached hereto as "Exhibit A" and incorporated herein by reference; and the  
28 Program Budget, which is attached hereto as "Exhibit B" and incorporated herein by reference. A written

1 request by AUTHORITY and written approval by ADMINISTRATOR are necessary to change the Units  
2 of Service for which Exhibits A and/or B provide. AUTHORITY shall operate continuously throughout the  
3 term of this AGREEMENT with at least the minimum number and type of staff and volunteers required for  
4 provision of the services described.

5 b. Senior Mobility Program.

6 Senior Mobility Program – A senior transportation program managed by AUTHORITY, and  
7 contracted between AUTHORITY and a city/center to provide transportation services, including but not  
8 limited to transportation to congregate meal sites, to seniors. Funding for the Senior Mobility Program is  
9 based on senior population (age 60 and over) in the area served. AUTHORITY shall work with  
10 cities/centers to develop and implement the Senior Mobility Transportation Program, via Agreement  
11 between AUTHORITY and city/center. As of the time this AGREEMENT is executed, AUTHORITY and  
12 ADMINISTRATOR anticipate at a minimum that the Senior Mobility Programs will provide the number of  
13 trips indicated in Exhibit A to each city/center participating in the Senior Mobility Program. The  
14 participants will be encouraged to provide additional types of trips (i.e., shopping and medical) as each  
15 individual program budget allocation allows. Under the Senior Mobility Program, AUTHORITY will  
16 allocate the total amount of funds available per city/center as shown in Exhibit A, to transport seniors  
17 residing in participating cities which will include the amount allocated for trips authorized by the  
18 ADMINISTRATOR. In the event that a Senior Mobility Program fails, such failure shall not be deemed a  
19 breach of this AGREEMENT, and if deemed necessary, AUTHORITY may propose to  
20 ADMINISTRATOR the reallocation of trips provided hereunder, and with ADMINISTRATOR'S  
21 concurrence, AUTHORITY may amend the city/center contract(s) so as to utilize funds provided hereunder  
22 to provide transportation services to senior citizens residing in the city in which the Senior Mobility  
23 Program failed.

24 ADMINISTRATOR may authorize the use of funds to assist with the Senior Mobility Program in the  
25 county's unincorporated areas. ADMINISTRATOR will determine the amount and length of funding at  
26 the ADMINISTRATOR'S sole discretion.

27 c. Time of essence. Time is of the essence in the performance of duties under this AGREEMENT.

28 **37. PERFORMANCE STANDARDS**

1 a. Accepted professional standards. The performance of work and services pursuant to this  
2 AGREEMENT by AUTHORITY and its subcontractors, if any, shall conform to accepted professional  
3 standards associated with all services provided under this AGREEMENT. AUTHORITY shall resolve all  
4 issues regarding the performance of AUTHORITY and its subcontractors, if any, under this AGREEMENT  
5 using good administrative practices and sound judgment. AUTHORITY shall be accountable to COUNTY  
6 for the proper use of funds provided to AUTHORITY pursuant to this AGREEMENT and for the  
7 performance of all work and services pursuant to this AGREEMENT.

8 b. Performance of AUTHORITY. AUTHORITY agrees to meet the performance standards listed in  
9 Exhibit A. If AUTHORITY fails to meet performance standards, COUNTY, in its sole discretion, may do  
10 the following:

11 ADMINISTRATOR may demand, and AUTHORITY shall submit upon demand, a corrective  
12 action plan which shall include an analysis of the causes of the problem, specific actions to be taken  
13 to correct the problem, and a timetable for each such action. The corrective action plan is to be  
14 submitted to ADMINISTRATOR within ten (10) days of demand and is to be implemented as  
15 authorized by ADMINISTRATOR. If AUTHORITY does not carry out the required corrective  
16 action within the time frame, COUNTY shall have the right, in its sole discretion, to take any, or  
17 more than one, of the following actions:

- 18 (i) terminate this AGREEMENT pursuant to Section 8 hereof;
- 19 (ii) discontinue program support until such time as AUTHORITY complies with the  
20 corrective action plan.

21 **38. BUDGET**

22 a. The Budget consists of a Program Budget in line item format, and a Budget Narrative. The  
23 Program Budget shall have three cost categories: OoA, Cities and OCTA.

24 b. Expenditures. The expenditure of any and all funds under this AGREEMENT shall be as specified  
25 (Vehicle Service Hours, SMP Funding, fixed route vouchers, or Access coupons) in Exhibit A.

26 **39. PAYMENTS TO CONTRACTOR**

27 a. Maximum obligation of COUNTY. COUNTY will pay AUTHORITY for the cost of the services  
28 provided up to a maximum obligation of \$TO BE DETERMINED.

1 b. Monthly operating costs. Payments for monthly operating costs shall be made as follows:

2 (1) AUTHORITY shall timely transmit to COUNTY all data required pursuant to Section 32 of  
3 this AGREEMENT. AUTHORITY also shall submit an invoice(s) and such other substantiating  
4 reports as COUNTY may require, both in a form satisfactory to ADMINISTRATOR, by the tenth  
5 (10th) business day of each month, showing the prior month's actual expenditures. COUNTY shall  
6 make monthly reimbursement payments based on AUTHORITY'S data, invoice(s), and  
7 substantiating reports as required herein.

8 (2) No payments will be made if any preceding months' data, reports or invoices are  
9 outstanding.

10 (3) No payments will be made for costs incurred by AUTHORITY which are not "allowable  
11 costs" applicable to AUTHORITY under 45 CFR Section 92.22(b).

12 (4) COUNTY also reserves the right to refuse payment to AUTHORITY or to later disallow  
13 costs for any expenditure determined by COUNTY not to be in compliance with this  
14 AGREEMENT, or unrelated to activities for which this AGREEMENT provides, or inappropriate  
15 to such activities; or for which there is inadequate supporting documentation presented; or for  
16 which prior approval was required but was either not requested or not granted.

17 c. Frequency of payments. Under normal conditions, payments should be mailed directly to  
18 AUTHORITY by COUNTY approximately twenty-one (21) days after receipt of a correctly prepared  
19 invoice and report.

20 d. Reduction or alteration of services.

21 (1) In any month, ADMINISTRATOR, after consultation with AUTHORITY, shall have  
22 authority to reallocate, increase or decrease the number of vehicle service hours specified in Exhibit  
23 A or from any program site, within the available resources of AUTHORITY, or purchase fixed  
24 route vouchers and/or ACCESS coupons from the AUTHORITY for use during the term of this  
25 Agreement or thereafter.

26 (2) The parties' determination of the amount of service by AUTHORITY that will be available  
27 by AUTHORITY in each city is based on the parties' mutual understanding that all of the cities in  
28 which services will be provided will execute timely agreements with AUTHORITY whereby such

1 cities commit to provide to AUTHORITY no less than twenty percent (20%) of the cost of  
2 providing services hereunder in such cities. In the event any such city does not execute such an  
3 agreement by October 1, of each year of this AGREEMENT, ADMINISTRATOR, with the  
4 concurrence of AUTHORITY may reduce the level of service available in such city by decreasing  
5 the level of service available to such city that is specified in Exhibit A attached hereto. If such city  
6 subsequently executes an agreement with AUTHORITY to provide funding for services hereunder  
7 in such city, the parties may re-adjust the level of service available in such city to reflect the  
8 addition of city funding.

9 e. Contributions.

10 (1) AUTHORITY shall provide to ADMINISTRATOR a mailing list and envelope labels  
11 derived from that mailing list, consisting of individuals receiving transportation services from this  
12 program. ADMINISTRATOR shall use said envelope labels to deliver by mail or otherwise to each  
13 individual receiving services hereunder, a stamped envelope in which the individuals may make  
14 voluntary contributions to the cost of services. The stamped envelope shall bear the  
15 ADMINISTRATOR'S return address and shall be accompanied by an explanation of how to use the  
16 envelope to make a voluntary contribution. AUTHORITY and COUNTY shall protect the privacy  
17 of each such contributor with respect to his or her contribution. No older person shall be denied a  
18 service because of unwillingness or inability to contribute towards the cost of said service.

19 (2) COUNTY shall spend the amounts contributed to purchase additional fixed route vouchers  
20 and/or ACCESS coupons to be used during the term of the Agreement or thereafter, or to pay for  
21 such additional transportation services hereunder as ADMINISTRATOR and AUTHORITY  
22 determine best meet the needs of senior citizens in Orange County. The amount of any  
23 contributions expended hereunder shall be in addition to the maximum obligation of COUNTY set  
24 forth in Section 40 (a) of this Agreement.

25 **40. PROHIBITIONS ON USE OF FUNDS/ CONFLICTS OF INTEREST**

26 a. AUTHORITY'S governing authority. AUTHORITY shall not use monies provided under this  
27 AGREEMENT to pay or reimburse any staff person of AUTHORITY or any consultant to AUTHORITY,  
28 if such staff person or consultant is a member of the Board of Directors, or other official governing body of

1 AUTHORITY.

2 b. Officials not to benefit.

3 (1) Current State Employees (Public Contracts Code Section 10410):

4 (i) No State officer or employee shall engage in any employment, activity or enterprise  
5 from which the officer or employee receives compensation or has a financial interest and  
6 which is sponsored or funded by any State agency, unless the employment, activity or  
7 enterprise is required as a condition of regular State employment.

8 (ii) No State officer or employee shall contract on his or her own behalf as an  
9 independent contractor with any State agency to provide goods or services.

10 (2) Former State Employees (Public Contracts Code Section 10411):

11 (i) For the two-year period from the date he or she left State employment, no former  
12 State officer or employee may enter into a contract in which he or she engaged in any of the  
13 negotiations, transactions, planning, arrangements or any part of the decision-making  
14 process relevant to the contract while employed in any capacity by any State agency.

15 (ii) For the twelve-month period from the date he or she left State employment, no  
16 former State officer or employee may enter into a contract with any State agency if he or she  
17 was employed by that State agency in a policy-making position in the same general subject  
18 area as the proposed contract within the 12-month period prior to his or her leaving State  
19 service.

20 (3) If AUTHORITY violates any provisions of above paragraphs, such action by AUTHORITY  
21 shall render this AGREEMENT void. Public Contracts Code Section 10420.

22 (4) Members of boards and commissions are exempt from this subsection if they do not receive  
23 payment other than payment of each meeting of the board or commission, payment for preparatory  
24 time and payment for per diem. Public Contracts Code Section 10430(e).

25 c. Lobbyists. AUTHORITY shall not use monies provided under this AGREEMENT to pay the  
26 salary or expenses of any individual who is engaging in activities designed to influence legislation or  
27 appropriations pending before the U.S. Congress.

28 d. Certification regarding lobbying. AUTHORITY, by signing this AGREEMENT, hereby certifies to

1 the best of its knowledge and belief that:

2 (1) No federally appropriated funds have been paid or will be paid, by or on behalf of  
3 AUTHORITY, to any person for influencing or attempting to influence an officer or employee of  
4 any agency, a Member of Congress, an officer or employee of Congress, or an employee of a  
5 Member of Congress in connection with the awarding of any federal contract, the making of any  
6 federal grant, the making of any federal loan, the entering into of any cooperative AGREEMENT,  
7 and the extension, continuation, renewal, amendment, or modification of any federal contract, grant,  
8 loan, or cooperative AGREEMENT.

9 (2) If any funds other than federal appropriated funds have been paid or will be paid to any  
10 person for influencing or attempting to influence an officer or employee of an agency, a Member of  
11 Congress, an officer or employee of Congress or an employee of a Member of Congress in  
12 connection with this AGREEMENT, or the AGREEMENT(s) and/or grant(s) pursuant to which  
13 COUNTY receives funds for the services provided hereunder, AUTHORITY shall complete and  
14 submit, in accordance with its instructions, Standard Form – LLL, “Disclosure Form to Report  
15 Lobbying.”

16 (3) AUTHORITY shall require that the language of this certification be included in the award  
17 documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under  
18 grants, loans, and cooperative AGREEMENTS) and that all subrecipients shall certify and disclose  
19 accordingly.

20 “This certification is a material representation of fact upon which reliance was placed when  
21 this transaction was made or entered into. This certification is a prerequisite for making or entering  
22 into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the  
23 required certification shall be subject to a civil penalty of not less than \$10,000 and not more than  
24 \$100,000 for each such failure.”

25 e. Code of conduct.

26 (1) AUTHORITY shall prevent its employees, consultants, and members of its governing body  
27 from using their positions for purposes including, but not limited to, the selection of subcontractors,  
28 that are, or give the appearance of being, motivated by a desire for private gain for themselves or

1 others, such as family, business, or other ties. In the event that COUNTY determines that a conflict  
2 of interest exists, any increase in costs associated with the conflict of interest may be disallowed by  
3 COUNTY, and such conflict may constitute grounds for termination of this AGREEMENT.

4 (2) This provision shall not be construed to prohibit employment of persons with whom  
5 AUTHORITY'S officers, agents, or employees have family, business, or other ties, so long as the  
6 employment of such persons does not result in a conflict of interest (real or apparent) or increased  
7 costs over those associated with the employment of any other equally qualified applicant, and such  
8 persons have successfully competed for employment with the other applicants on a merit basis.

9 f. Covenant against contingent fees.

10 (1) AUTHORITY warrants that no person or selling agency has been employed or retained to  
11 solicit this AGREEMENT. There has been no AGREEMENT to make commission payments in  
12 order to obtain this AGREEMENT.

13 (2) For breach or violation of this warranty, COUNTY shall have the right to annul this  
14 AGREEMENT without liability or, at its discretion, to deduct from the AGREEMENT price or  
15 consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or  
16 contingent fee.

17 **41. PROCUREMENT**

18 a. Competitive process. AUTHORITY acknowledges that the procurement of all supplies, services  
19 and/or equipment pursuant to, and utilizing funds provided by, this AGREEMENT involves the  
20 expenditure of public funds and that the use of a competitive process open to all interested competitors is  
21 necessary to maintain the public trust and to allow all interested persons to compete for business resulting  
22 from expenditure of said public funds.

23 b. Special District. AUTHORITY is a special district created by the State of California to provide  
24 transportation services and as such receives funding from the Federal Transit Administration (FTA) of the  
25 U.S. Department of Transportation.

26 c. Other applicable federal regulation. To the extent AUTHORITY'S procurement procedures are  
27 consistent with the procurement requirements applicable to subgrantees set forth in 45 C.F.R. Part 92.36,  
28



AUTHORITY shall comply with the applicable requirements of 45 C.F.R. Section 92.36 in procuring all supplies, services and equipment pursuant to, and/or utilizing funds provided by, this AGREEMENT.

**42. ADDRESSES FOR NOTICES**

a. All notices, claims, correspondence, invoices, reports and/or statements authorized or required by this AGREEMENT shall be addressed or faxed as follows:

COUNTY: Executive Director  
Office on Aging  
1300 S. Grand Avenue, Building B  
Santa Ana, CA 92705  
Fax: (714) 567-5021

AUTHORITY: Senior Procurement Administrator  
Orange County Transportation Authority  
550 South Main Street  
P.O. Box 14184  
Orange, CA 92863-1584  
Fax: (714) 560-5619

b. AUTHORITY shall notify ADMINISTRATOR in writing of any intended change of address of any site where services are provided under this AGREEMENT or of the location where notices to AUTHORITY under this AGREEMENT should be sent. Such notification shall be made at least 30 days prior to actual change of address.

c. Any and all notices, requests, demands, and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing, except through the course of the parties' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address in paragraph a. above, or such other address as the parties hereto may designate by

1 written notice from time to time in the manner aforesaid.

2 **43. LEGAL STATUS OF CONTRACTOR**

3 a. Legal status.

4 (1) AUTHORITY does hereby certify that it is a special district created by the State of  
5 California to provide transportation services and that by its articles of incorporation, corporate  
6 charter, or the Statutes of California, is empowered and authorized to conduct and provide the  
7 services specified in this AGREEMENT. AUTHORITY further agrees that if it is shown that the  
8 special district status of AUTHORITY is not valid at the time of the effective date of this  
9 AGREEMENT or if AUTHORITY loses its lawful special district status for any reason during the  
10 time of this AGREEMENT, then sufficient grounds exist for COUNTY to terminate this  
11 AGREEMENT pursuant to Section 8 of this AGREEMENT or to suspend payments and operations  
12 under this AGREEMENT until satisfactory status is restored.

13 (2) AUTHORITY shall notify COUNTY immediately of any change in its special district  
14 status.

15 b. Minutes. AUTHORITY shall inform ADMINISTRATOR in writing of the availability via the  
16 internet of minutes of its Board of Directors' meetings

17 c. Labor relations. AUTHORITY, by signing this AGREEMENT, does swear under penalty of  
18 perjury that no more than one (1) final unappealable finding of contempt of court by a federal court has  
19 been issued against AUTHORITY within the immediately preceding two-year period because of  
20 AUTHORITY'S failure to comply with an order of a federal court requiring AUTHORITY to comply with  
21 an order of the National Labor Relations Board.

22 **44. EVALUATION AND MONITORING**

23 a. Site inspection. Authorized COUNTY, State and federal representatives shall have the right to  
24 inspect work, program and service sites of AUTHORITY during the term of this AGREEMENT at any  
25 time during normal business hours.

26 b. Access to books and records. During normal business hours, AUTHORITY shall provide access to  
27 COUNTY, the federal and State grantor agencies, the Controller General of the United States, and any duly  
28 authorized COUNTY, federal or State representatives to any books, documents, papers, and records of

1 AUTHORITY which are pertinent to this AGREEMENT, for the purpose of making audits, examinations,  
2 excerpts, copies and transcriptions. AUTHORITY shall include this requirement in any subcontracts to be  
3 funded in whole or in part by funds provided pursuant to this AGREEMENT.

4 c. Evaluating, monitoring and assessing AUTHORITY'S performance. Authorized COUNTY, State  
5 and/or federal representatives shall have the right to monitor, assess and evaluate AUTHORITY'S  
6 performance pursuant to this AGREEMENT. Said monitoring, assessment and evaluation may include, but  
7 is not limited to, audits, inspections of project premises, visits to participant worksites, and interviews of  
8 project staff and participants.

9 d. AUTHORITY cooperation. AUTHORITY shall actively participate and cooperate with COUNTY,  
10 State and/or federal representatives in the monitoring, assessment and evaluation processes, including  
11 making any program and any administrative staff (fiscal, etc.) available at the request of such  
12 representatives.

13 e. Failure to comply. Failure by AUTHORITY to meet the conditions necessary for an evaluation will  
14 be sufficient grounds for COUNTY to withhold and/or delay reimbursement or to terminate this  
15 AGREEMENT.

16 **45. CONFIDENTIALITY OF SERVICE RECIPIENTS**

17 a. Identity. For purposes of this section, identity shall include, but not be limited to, name, identifying  
18 number, symbol or other identifying characteristic assigned to the service recipient, such as finger or voice  
19 print or a photograph.

20 b. Protection from unauthorized disclosure. AUTHORITY shall protect from unauthorized disclosure  
21 the names and other identifying information of service recipients receiving services pursuant to this  
22 AGREEMENT, and information about, or obtained from said service recipients, except for statistical  
23 information not identifying any service recipient.

24 c. Use of information. AUTHORITY shall not use such information for any purpose other than  
25 carrying out AUTHORITY'S obligations under this AGREEMENT.

26 d. Transmittal of requests for disclosure. AUTHORITY shall promptly transmit to COUNTY all  
27 requests for disclosure of identifying information not authorized by the subject of such information.

28 e. Nondisclosure by AUTHORITY. AUTHORITY shall not disclose, except as otherwise specifically

1 permitted by this AGREEMENT or authorized by the service recipient, any such identifying information to  
2 anyone other than COUNTY or the State of California without prior written authorization from COUNTY  
3 or the State, except when subpoenaed by a court.

4 f. Blanket authorizations or blank releases. AUTHORITY may allow clients to authorize the release  
5 of information to specific entities, but shall not request or encourage any service recipient to give a blanket  
6 authorization or sign a blank release, nor shall the AUTHORITY accept such from any service recipient.

7 g. Furnishing information as required by government contracts. The provisions of this Section shall  
8 not restrict AUTHORITY'S obligation to provide information required under this or any of its other  
9 COUNTY, State or federal contracts.

10 h. Maintaining Confidentiality. AUTHORITY agrees to maintain the confidentiality of all COUNTY  
11 and COUNTY-related records and information pursuant to all applicable State and federal codes and  
12 regulations, as they now exist or may hereafter be amended or changed including, but not limited to, the  
13 Health Insurance Portability and Accountability Act [and 42 C.F.R. Part2 (Confidentiality)]. All such  
14 records and information shall be considered confidential and kept confidential by AUTHORITY and  
15 AUTHORITY'S staff, agents and employees.

16 **46. PROJECT PUBLICITY**

17 All project publicity shall include the following statement: "This project is funded in part through a grant  
18 from the California Department of Aging of funds from the Federal Older Americans Act, as allocated by  
19 the Orange County Board of Supervisors."

20 **47. COMPLIANCE WITH NON-DISCRIMINATION LAWS**

21 a. State laws.

22 (1) AUTHORITY'S signature affixed hereon shall constitute a certification, under penalty of  
23 perjury under the laws of the State of California, that, in accordance with Section 7, AUTHORITY  
24 has, unless exempted, complied with the nondiscrimination program requirements of Government  
25 Code Section 12900 (a-f) and Title 2, California Code of Regulations, Section 8103.

26 (2) AUTHORITY shall include the nondiscrimination and compliance provisions of this  
27 subsection in all subcontracts to perform work under this AGREEMENT.

28 b. Title VI of Civil Rights Act.

1 (1) AUTHORITY hereby agrees that it will comply with Title VI of the Civil Rights Act of  
2 1964 (P.L. 88-352) and all requirements imposed by or pursuant to the Regulation of the  
3 Department of Health and Human Services (45 CFR Part 80) issued pursuant to that title, to the end  
4 that, in accordance with Title VI of the Act and the Regulation, no person in the United States shall,  
5 on the ground of race, color, or national origin, be excluded from participation in, be denied the  
6 benefits of, or be otherwise subjected to discrimination under any program or activity for which  
7 funds are made available under this AGREEMENT. AUTHORITY acknowledges that funds made  
8 available hereunder include federal funds granted to COUNTY by the California Department of  
9 Aging (hereinafter called "the State"), a recipient of federal financial assistance from the  
10 Department of Health and Human Services through the Administration on Aging, and hereby gives  
11 assurance that it will immediately take any measures necessary to effectuate this AGREEMENT.

12 (2) If any real property or structure thereon is provided or improved with the aid of funds made  
13 available pursuant to this AGREEMENT, this assurance shall obligate AUTHORITY, or in the case  
14 of any transfer of such property, any transferee, for the period during which the real property or  
15 structure is used for a purpose for which the funds are made available pursuant to this  
16 AGREEMENT or for another purpose involving the provision of similar services or benefits. If any  
17 personal property is so provided, this assurance shall obligate AUTHORITY for the period during  
18 which it retains ownership or possession of the property. In all other cases, this assurance shall  
19 obligate AUTHORITY for the period during which funds are made available under this  
20 AGREEMENT or any other AGREEMENT pursuant to which AUTHORITY receives federal  
21 funds that are provided to COUNTY or AUTHORITY by the State.

22 (3) This assurance is given in consideration of and for the purpose of obtaining any and all  
23 federal grants, loans, contracts, property, discounts, or other federal financial assistance extended  
24 after the date hereof to the AUTHORITY by COUNTY or the State, including installment  
25 payments after such date on account of applications for federal financial assistance which were  
26 approved before such date. AUTHORITY recognizes and agrees that such federal financial  
27 assistance will be extended in reliance on the representations and AGREEMENT made in this  
28

1 assurance, and that the United States shall have the right to seek judicial enforcement of this  
2 assurance. This assurance is binding on AUTHORITY, its successors, transferees, and assignees.

3 c. Title VII of Civil Rights Act. AUTHORITY shall comply with Title VII of the Civil Rights Act of  
4 1964 (42 U.S.C. 2000), as amended by the Equal Opportunity Act of March 24, 1972 (Public Law  
5 No. 92-261), and with all applicable rules, regulations and orders promulgated pursuant thereto, as  
6 now in existence or as hereafter amended.

7 d. Disability discrimination. AUTHORITY shall comply with Sections 503 and 504 of the  
8 Rehabilitation Act of 1973, as amended (29 U.S.C. 794), the Americans with Disabilities Act of 1990 (42  
9 U.S.C. 12101 et seq.), and all requirements imposed by the applicable regulations and guidelines issued  
10 pursuant to those statutes, including 45 CFR, Part 84.

11 e. Voluntary Compliance AGREEMENT. AUTHORITY shall perform all “Activities” applicable to  
12 “service delivery providers” and “service delivery personnel” set forth in the Voluntary Compliance  
13 AGREEMENT dated February 1, 1986 between the County of Orange Area Agency on Aging and the  
14 Office of Civil Rights, which is attached hereto as Exhibit C and incorporated herein by reference.

15 f. Failure to comply. If AUTHORITY fails to comply with the requirements of any subsection of this  
16 Section 47, ADMINISTRATOR may withhold payment to AUTHORITY and/or terminate this  
17 AGREEMENT in accordance with Section 8.

18 **48. COMPLIANCE WITH OTHER LAWS**

19 a. Laws related to AGREEMENT. AUTHORITY and its subcontractors shall administer the  
20 program(s) funded by this AGREEMENT in accordance with this AGREEMENT, and with all applicable  
21 local, State and federal laws, regulations, directives, guidelines and/or manuals, including, but not limited  
22 to, applicable provisions of the Older Americans Act of 1965, as amended (42 U.S.C. Sec. 3001 et seq.).

23 b. Laws applicable to AUTHORITY’S operations. AUTHORITY and its subcontractors shall comply  
24 with all federal, State and local laws and regulations pertinent to their operations, including, but not limited  
25 to all statutes, ordinances, regulations, directives, guidelines and/or manuals pertaining to wages and hours  
26 of employment, occupational safety, fire safety, health and sanitation.

27 c. Federal environmental laws. If the amount of compensation AUTHORITY shall receive under this  
28 AGREEMENT exceeds \$100,000, AUTHORITY and its subcontractors shall comply with all applicable

orders or requirements issued under the following laws:

- (1) Clean Air Act as amended (42 U.S.C. 1857)
- (2) Clean Water Act (33 U.S.C. 1368)
- (3) Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.)
- (4) Environmental Protection Agency Regulations (40 CFR, Part 15 and Executive Order 11738).

d. State Energy Plan. AUTHORITY shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the "State Energy Plan" issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stats. 871).

e. Withholding. AUTHORITY shall promptly forward payroll taxes, insurances and contributions, including State Disability Insurance, Unemployment Insurance, Old Age Survivors Disability Insurance, and federal and State income taxes withheld, to designated governmental agencies as required by law.

f. Licenses, permits, etc. CONTRACTOR and its subcontractors shall secure, and maintain in full force and effect, any and all licenses, permits, notices, certificates and authorizations, required by statutes, ordinances, rules and regulations of any applicable governmental entities pertaining to CONTRACTOR'S, or its subcontractors', operations.

**49. CONFLICT OR DISAGREEMENT**

To the extent that any conflicts exist between the language of this AGREEMENT and the Exhibits attached hereto, the former shall govern and prevail.

**50. SPECIAL CONDITIONS**

a. All Title III/V/VII programs. For any Title III/V/VII programs operated under this AGREEMENT, AUTHORITY shall comply with the provisions of the Contract Terms and Conditions and the applicable Program Exhibit(s), which are attached hereto as Exhibit D and incorporated herein by reference.

**51. AGREEMENT AUTHORIZATION**

a. Public entity. As a public entity, AUTHORITY shall submit to ADMINISTRATOR a copy of a resolution, order or motion of its governing body that references this AGREEMENT number and authorizes execution of this AGREEMENT.

//

1 IN WITNESS WHEREOF, the parties hereto certify that they have read and understand all the  
2 terms and conditions contained herein and have hereby caused this AGREEMENT to be executed.

3 COUNTY OF ORANGE, a political  
4 subdivision of the State of California

5 ATTEST:

6 By: \_\_\_\_\_

7  
8 Director, Housing & Community Services Department

9 Dated: \_\_\_\_\_

10  
11 AUTHORITY:

12  
13 By: \_\_\_\_\_

14  
15 Title: \_\_\_\_\_

16  
17 APPROVED AS TO FORM

Dated: \_\_\_\_\_

18 COUNTY COUNSEL

19 By: \_\_\_\_\_

20  
21 By: \_\_\_\_\_

Title: \_\_\_\_\_

22 Deputy

23  
24 Dated: \_\_\_\_\_

Dated: \_\_\_\_\_



**Cooperative Agreements Fact Sheet**

1. April 28, 2008, execute Cooperative Agreement No. C-8-0224 with the Orange County Office on Aging, and execute amendments with ten participating cities/centers to extend the term through June 30, 2009, pending approval by Board of Directors.
  - Revenue agreement with Orange County Office on Aging for its share of the program expense for the provision of senior transportation to congregate meal sites through June 30, 2009.
  - Revenue agreements with participating cities for the cities share of the program expense for the provision of senior transportation to congregate meal sites through June 30, 2009.
    - C-8-0189 with City of Cypress
    - C-8-0370 with City of Dana Point
    - C-8-0367 with City of Fullerton
    - C-8-0369 with City of Garden Grove
    - C-8-0192 with City of Los Alamitos
    - C-8-0193 with City of Mission Viejo
    - C-8-0194 with City of Orange
    - C-8-0196 with City of San Juan Capistrano
    - C-8-0200 with City of Stanton
    - C-2-0163 with City of Tustin





MEMO

April 14, 2008

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

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

Thank you.



**April 10, 2008**

**To:** Transit Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Amendment to Agreement for Special Agency Transportation Service

**Overview**

On April 12, 2004, the Board of Directors approved an agreement with American Logistics, Inc., formerly doing business as Cabco Yellow, Inc., in the amount of \$450,335, to provide special agency transportation service. The current agreement will expire on June 30, 2008. Board of Directors' approval is required to exercise the second option term and extend the agreement through June 30, 2009.

**Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement No. C-3-1284 between the Orange County Transportation Authority and American Logistics, Inc., in an amount not to exceed \$498,606, for the provision of special agency transportation service through June 30, 2009, bringing the total contract value to \$2,061,142.

**Background**

The Orange County Transportation Authority (Authority) provides special agency transportation (SAT) under contract to the Orange County Office on Aging (OoA) to take seniors to and from congregate meal programs throughout Orange County. SAT is provided to various senior centers and social services agencies through cooperative cost-sharing agreements with the OoA and ten participating cities: Cypress, Dana Point, Fullerton, Garden Grove, Los Alamitos, Mission Viejo, Orange, San Juan Capistrano, Stanton, and Tustin. More than 37,000 trips were provided in fiscal year 2007-08 at a cost per trip of \$8.61.

***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 to exercise the second option term and extend the agreement through June 30, 2009.

The original agreement awarded on April 12, 2004, was in the amount of \$450,335. This agreement has been amended previously (Attachment A). The total contract value after approval of Amendment No. 3 will be \$2,061,142.

**Fiscal Impact**

The work described in Amendment No. 3 to Agreement No. C-3-1284 is proposed in the Authority's Fiscal Year 2008-09 Budget, Transit Division, Community Transportation Services, Account 2131-7312-D1211-8LK, and is funded through the Local Transportation Fund.

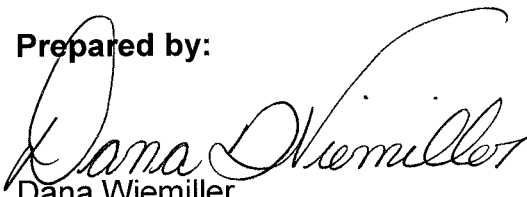
***Summary***

Staff recommends approval of Amendment No. 3, in the amount of \$498,606, to Agreement No. C-3-1284 with American Logistics, Inc., for the provision of special agency transportation services.

***Attachment***

- A. Agreement No. C-3-1284 Fact Sheet American Logistics, Inc.

**Prepared by:**

  
Dana Wiemiller  
Community Transportation Coordinator  
(714) 560-5718

**Approved by:**

  
Beth McCormick  
General Manager, Transit  
(714) 560-5964

**Agreement No. C-3-1284 Fact Sheet  
American Logistics, Inc.**

1. April 12, 2004, Agreement No. C-3-1284, \$450,335, approved by Board of Directors.
  - Agreement for the provision of special agency transportation services to take seniors to and from congregate meal programs throughout Orange County.
2. January 23, 2006, Amendment No. 1 to Agreement No. C-3-1284, \$636,440, approved by Board of Directors.
  - Amendment to increase the cumulative maximum obligation by \$636,440.
3. April 9, 2007, Amendment No. 2 to Agreement No. C-3-1284, \$475,761, approved by Board of Directors.
  - Amendment to exercise the first option term and extend the agreement through June 30, 2008.
4. March 10, 2008, Amendment No. 3 to Agreement No. C-3-1284, \$498,606, pending approval by Board of Directors.
  - Amendment to exercise the second option term and extend the agreement through June 30, 2009.

Total committed to American Logistics, Inc., Agreement No. C-3-1284: \$2,061,142.





BOARD COMMITTEE TRANSMITTAL

**April 14, 2008**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Amendment to Agreement with Trapeze Software Group, Inc.

Transit Committee Meeting of March 27, 2008

**Present:** Directors Brown, Dixon, Green, Pulido, and Winterbottom  
**Absent:** Directors Buffa and Nguyen

**Committee Vote**

This item was passed by all Committee Members present.

Director Pulido was not present to vote on this item.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 8 to Agreement No. C-9-0008 between the Orange County Transportation Authority and Trapeze Software Group, Inc., for the purchase of Trapeze Certification and Suspension software licensing, implementation services, and technical support, for a maximum obligation of \$140,000.





**March 27, 2008**

**To:** Transit Committee

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

**Subject:** Amendment to Agreement with Trapeze Software Group, Inc.

### **Overview**

On May 4, 1999, the Board of Directors approved an agreement with Trapeze Software Group, Inc., to provide paratransit scheduling software. The Board of Directors later approved amendments to this agreement to include Trapeze mobile data computers, supervisor mobile data computers, and on-board mapping software as part of the Trapeze PASS scheduling software package licensed to the Orange County Transportation Authority. Approval is requested for the purchase of additional Trapeze software applications and licensing.

### **Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 8 to Agreement No. C-9-0008 between the Orange County Transportation Authority and Trapeze Software Group, Inc., for the purchase of Trapeze Certification and Suspension software licensing, implementation services, and technical support, for a maximum obligation of \$140,000.

### **Background**

The Orange County Transportation Authority (Authority) began using the Trapeze PASS (PASS) scheduling software in October 1999, replacing a previously used version of the software that was not year-2000 compliant. PASS is a software package that provides automated scheduling and routing for trips provided by the Authority's ACCESS service. In May 2005, the Authority began installing mobile data terminal (MDT) units in the paratransit vehicle fleet to improve communication, safety, and productivity. In June 2006, the Authority added on-board mapping software, an application that provides drivers turn-for-turn directions to each stop, and supervisor MDTs to the PASS software.

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***Discussion***

This procurement was originally handled in accordance with the Authority's procedures for professional and technical services. In order to more effectively manage service guidelines as mandated under the Americans with Disabilities Act (ADA) and Authority service policies, it has become necessary to amend the agreement to add the Trapeze Certification and Suspension applications to the PASS software package. The Trapeze Certification and Suspension applications will allow eligibility staff to more effectively manage and monitor the client certification and suspension process, including conducting interviews and appeals. The applications will automate tasks associated with the certification and suspension process, ensure full compliance with a greater range of ADA and Authority service policies by having the service policies automatically applied by the PASS scheduling software, and will more effectively manage client correspondence and mailings.

The Authority's Internal Audit Department has conducted a price review, finding the price of the license fee to be fair and reasonable.

**Fiscal Impact**

Amendment No. 8 to Agreement No. C-9-0008 was approved in the Authority's Fiscal Year 2007-08 Budget, Transit Division, Community Transportation Services, Account 2131-7669-IX012-6MB and is funded through Local Transportation Fund.

***Summary***

Staff recommends approval of Amendment No. 8 to Agreement No. C-9-0008 between the Orange County Transportation Authority and Trapeze Software Group, Inc., for the purchase of Trapeze Certification and Suspension software licensing, implementation services and support, for a maximum obligation of \$140,000.

**Attachment**

- A. Trapeze PASS Scheduling Software Agreement No. C-9-0008 Fact Sheet

**Prepared by:**



Patrick Sampson  
Senior Transportation Analyst,  
Community Transportation Services  
(714) 560-5425

**Approved by:**



Beth McCormick  
General Manager, Transit  
(714) 560-5964

**Trapeze PASS Scheduling Software  
Agreement No. C-9-0008 Fact Sheet**

1. May 4, 1999, Agreement No. C-9-0008, \$158,930, approved by the Board of Directors.
  - Trapeze PASS Four scheduling software package that provides automated scheduling and routing for trips provided by the ADA ACCESS service. Under this agreement, the Authority is licensed to operate up to 36 Trapeze workstations to schedule up to 4,000 daily trips.
  - Brings system into year-2000 compliance.
2. October 7, 1999, Amendment No. 1 to Agreement No. C-9-0008, \$2,913, approved by purchasing agent.
  - To convert from disc operating system to Windows New Technology operating system.
3. June 7, 2000, Amendment No. 2 to Agreement No. C-9-0008, approved by purchasing agent.
  - Extend completion date for Trapeze PASS interface from April 30, 2000 to June 30, 2000. No change in the dollar value of the agreement.
4. June 30, 2000, Amendment No. 3 to Agreement No. C-9-0008, \$3,506, approved by purchasing agent.
  - 7.75 percent California sales tax not included in the original firm-fixed price agreement.
5. September 22, 2003, Amendment No. 4 to Agreement No. C-9-0008, \$16,800, approved by Board of Directors.
  - Increase Trapeze PASS user licenses from 36 to 40.
6. March 22, 2004, Amendment No. 5 to Agreement No. C-9-0008, \$25,000, approved by Board of Directors.
  - Increase maximum number of daily trips allowed from 3,999 to 4,999 trips.

7. June 26, 2006, Amendment No. 6 to Agreement No. C-9-0008, \$295,689 approved by Board of Directors.
  - Add mobile data terminal mapping
  - Add 12 supervisor mobile data terminals and licensing to support the ACCESS program.
8. February 4, 2008, Amendment No. 7 to Agreement No. C-9-0008, approved by purchasing agent.
  - Extend completion date for completion of tasks 10 through 15, supervisor mobile data terminal units and on-board mapping, from January 31, 2008 to December 31, 2008. No change in the dollar value of the agreement.
9. April 14, 2008, Amendment No. 8 to Agreement No. C-9-0008, \$140,000 pending approval by Board of Directors.
  - Add Trapeze Certification and Suspension modules

Total committed to Trapeze Software Group, Inc., Agreement No. C-9-0008: \$642,838





MEMO

April 14, 2008

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

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

Thank you.



**April 10, 2008**

**To:** Transit Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Amendment to Agreement for Mobility Planning Services

### **Overview**

On June 12, 2006, the Board of Directors approved an agreement with Transit Access, in the amount of \$235,335, to provide mobility planning services. The mobility planning service is training that teaches senior citizens and persons with disabilities to use the fixed route bus system. An amendment is necessary to exercise the first option term of the agreement.

### **Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement No. C-5-3038 between the Orange County Transportation Authority and Transit Access, in an amount not to exceed \$247,645, for mobility planning services through June 30, 2010, for a total contract value of \$482,980.

### **Background**

The Orange County Transportation Authority (Authority) began its mobility planning services in a effort to educate and encourage senior citizens and persons with disabilities to use the fixed route bus system. The content of this program is based on the Easter Seals Project "Accessible Community Transportation in Our Nation (ACTION)", a national technical assistance project funded through a cooperative agreement between the United States Department of Transportation, the Federal Transit Administration, and Easter Seals. This curriculum, entitled "The Americans with Disabilities Act (ADA)... The Bus Stops Here," teaches persons with disabilities about their rights and responsibilities as outlined in the transportation provision of the ADA. This curriculum is the first level of introduction to fixed route transportation services and is designed in a modular format to maximize flexibility. It can be delivered in a one-day training or a separate series of classes. This program has been a successful element of the Paratransit Growth Management Plan.



***Discussion***

During fiscal year 2006-07, Transit Access conducted 25 workshops, providing group training for more than 600 participants on how to use the fixed route bus system. The workshops are conducted with individuals from high schools, the Regional Center of Orange County, and school-to-work transition programs. Several participants are referred to Transit Access for individual, one-on-one follow-up instruction. In addition, Transit Access receives referrals from Comprehensive Assessments Restorative Evaluation (C.A.R.E.) evaluators, the ACCESS eligibility contractor, for individuals with a restricted eligibility and individuals who did not qualify for ACCESS service who would benefit from personalized, fixed route travel training. As a result of the workshops and eligibility referrals, Transit Access has trained 240 individuals.

Training provided through the mobility planning services contract also helps support the Paratranist Growth Management Plan by encouraging fixed route ridership among ACCESS clients. The Authority offers a 25 cent fixed route fare for ACCESS eligible riders; more than 66,000 ACCESS reduced fare boardings were recorded on fixed route in fiscal year 2006-07. Comparing the cost per trip on ACCESS of \$25.83 to the fixed route cost per trip of \$2.43, these boardings represent more than \$1.5 million in savings to the Authority.

This procurement was originally handled in accordance with Authority's procedures for professional and technical services and was awarded on a competitive basis. Staff has been satisfied with the work performed by Transit Access, and it has become necessary to exercise the first option term to extend the agreement from July 1, 2008 through June 30, 2010. The original agreement awarded on June 12, 2006, was in the amount of \$235,335. Under the original proposal, Transit Access proposed a firm fixed price of \$247,645 for the first option term. Amendment No. 1, in the amount of \$247,645, will increase the total contract value to \$482,980 (Attachment A).

**Fiscal Impact**

Amendment No. 1 to Agreement No. C-5-3038 is included in the proposed Authority's Fiscal Year 2008-09 Budget, Transit Division, Community Transportation Services, Account 2131-7629-D1214-8M9, and is funded through the Local Transportation Fund.

**Summary**

Staff recommends the Board of Directors approval for the Chief Executive Officer to execute Amendment No. 1 to Agreement No. C-5-3038, in the amount of \$247,645, with Transit Access for mobility planning services through June 30, 2010.

**Attachment**

- A. Transit Access Agreement No. C-5-3038 Fact Sheet

**Prepared by:**

  
Gracie A. Davis  
ADA Eligibility Administrator  
(714) 560-5641

**Approved by:**

  
Beth McCormick  
General Manager, Transit  
(714) 560-5964

**Transit Access  
Agreement No. C-5-3038 Fact Sheet**

1. June 12, 2006, Agreement No. C-5-3038, \$235,335, approved by Board of Directors.
  - mobility planning services program to train persons with disabilities to use fixed route system.
  - Initial term July 1, 2006, through June 30, 2008.
2. April 28, 2008, Amendment No. 1 to Agreement No. C-5-3038, \$247,645, pending approval by Board of Directors.
  - Exercise first option term to extend contract through June 30, 2010.

Total committed to Transit Access, Agreement No. C-5-3038: \$482,980.





MEMO

April 14, 2008

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

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

Thank you.



**April 10, 2008**

**To:** Transit Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Amendment to Agreement for Provision of Same-Day Taxi Service

**Overview**

On May 26, 2005, the Board of Directors approved an agreement with Yellow Cab of Greater Orange County, to provide same-day taxi service for ACCESS eligible customers. Board of Directors approval is required to exercise the third option year of this agreement.

**Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement No. C-5-2376 between the Orange County Transportation Authority and Yellow Cab of Greater Orange County, in an amount not to exceed \$169,725, for the provision of same-day taxi service for a total contract value of \$592,860.

**Background**

When the Board of Directors (Board) adopted the Paratransit Growth Management Implementation Plan in October 2004, staff was directed to develop a service plan for same-day taxi service. The Board approved implementation of the same-day taxi service to mitigate possible negative impacts of certain growth management strategies implemented on July 1, 2005, such as restricting the service area to within a three-quarter mile corridor of fixed route service and eliminating same-day medical back-up trips. This service is only available to individuals who qualify for ACCESS service under the Americans with Disabilities Act (ADA). Because the service is available on a same-day basis only, it exceeds the minimum ADA requirements which prescribe complementary paratransit service be available on an advance reservation basis.

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The operating plan for the same-day taxi service provides specific parameters which include a maximum of 60 trips provided per day. Under this program an individual with ADA eligibility contacts the ACCESS reservation center to request a same-day taxi trip. The reservation center confirms the individual's eligibility, schedules the trip, and relays the trip information to Yellow Cab. When the individual boards the taxi, a fare of \$2.25 (which is the same as the ACCESS fare) is collected. The Orange County Transportation Authority (Authority) subsidizes the next \$7.75 of the cost of the trip. The rider's initial fare and the Authority's subsidy total \$10, which pays for the cost of approximately a two-and-a-half to three mile trip. If the trip is longer than a \$10 fare at the destination, the customer is required to pay the taxi operator any amount that exceeds \$10 as shown on the meter.

***Discussion***

Ridership for this program is approximately 1,300 passengers per month, with 7,617 same-day taxi trips booked during the first six months of fiscal year 2007-08. Based on the Authority's current average cost per trip on ACCESS of \$25.83, the same number of trips provided on ACCESS would have cost an additional \$138,000. Of the 7,617 trips, 16 percent or 472 trips were booked by individuals whose origin or destination was beyond the three-quarter mile fixed route corridor.

**Fiscal Impact**

The work described in Amendment No. 3 to Agreement No. C-5-2376 is proposed in the fiscal year 2008-09 Budget, Transit Division, Community Transportation Services Department, Account 2131-7311-D1208-33H, and is funded through the Local Transportation Fund.

***Summary***

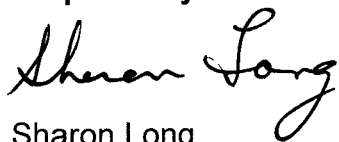
A same-day taxi program was implemented in May 2005 as part of the Paratransit Growth Management Plan. The current contract for this service will expire June 30, 2008. An amendment to the contract is required to continue the program through June 30, 2009. Staff requests approval to execute Amendment No. 3 to Agreement No. C-5-2376, in the amount of \$169,725, with Yellow Cab of Greater Orange County.

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***Attachment***

- A. Yellow Cab of Greater Orange County Agreement No. C-5-2376 Fact Sheet

**Prepared by:**



Sharon Long  
Community Transportation Coordinator  
(714) 560-5367

**Approved by:**



Beth McCormick  
General Manager, Transit  
(714) 560-5964



**Yellow Cab of Greater Orange County  
Agreement No. C-5-2376 Fact Sheet**

1. May 26, 2005, Agreement No. C-5-2376, \$75,000, approved by the Board of Directors.
  - Provide non-ADA same-day taxi service to ACCESS eligible riders.
  - Establish a user side subsidy where passenger pays \$2.25 upon boarding, the Authority pays next \$7.75, and passenger pays any amount on taxi meter in excess of \$10.
2. June 12, 2006, Amendment No. 1 to Agreement No. C-5-2376, \$178,410, approved by the Board of Directors.
  - Exercise the first option year.
  - Increase the maximum daily bookings from 56 to 60.
3. April 23, 2007, Amendment No. 2 to Agreement No. C-5-2376, \$169,725, approved by the Board of Directors.
  - Exercise the second option year.
4. April 28, 2008, Amendment No. 3 to Agreement No. C-5-2376, \$169,725, pending approval by Board of Directors.
  - Exercise the third option year from July 1, 2008 through June 30, 2009.

Total committed to Yellow Cab of Greater Orange County, Agreement No. C-5-2376: \$592,860.





MEMO

April 14, 2008

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

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

Thank you.



**April 10, 2008**

**To:** Transit Committee

**From:** Arthur T. Leahy, Chief Executive Officer *ATL/lea*

**Subject:** Amendment to Agreement for Underground Storage Tank Testing and Repair Services

**Overview**

On June 12, 2006, the Board of Directors approved an agreement with Inland Petroleum Equipment and Repair, Inc., for a maximum obligation of \$100,000, to provide underground storage tank testing and repair service for a one-year period with two option years. It is time to consider exercising the second option year.

**Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement No. C-6-0178 between the Orange County Transportation Authority and Inland Petroleum Equipment and Repair, Inc., to exercise the second option term at a cost of \$200,000, for underground storage tank testing and repair service, for a total contract value of \$468,000.

**Background**

The Orange County Transportation Authority (Authority) operates five bus bases. In support of operations at these bases, the Authority has various underground storage tanks (UST) for required fluids such as gasoline, diesel, engine oil, and transmission fluid. The Authority is responsible for assuring that the USTs are in good working order, tested, and certified to comply with local and state regulating agencies. The Orange County Health Care Agency (OCHCA) administers all UST requirements per the California Code of Regulations.

Agreement No. C-6-0178 between the Authority and Inland Petroleum Equipment and Repair, Inc. (IPER), provides the Authority with testing and repair of the UST system at all of the Authority's operating bases. The first

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option year expires on June 30, 2008. IPER has been providing this service to the Authority for five years with very good results.

***Discussion***

This procurement was originally handled in accordance with the Authority's procedures for professional and technical services. The original agreement was procured on a competitive basis and was approved by the Board of Directors on June 12, 2006.

The agreement was for a one-year initial term at \$100,000, plus two one-year options. This year all bases are required to have secondary containment testing done per codes and regulations. This testing is required every three years. The previous time this testing was done, the total cost of testing and repairs was \$168,000. This agreement has been amended previously (Attachment A). It has become necessary to amend the agreement to exercise the second option term. The total contract amount after approval of Amendment No. 3 will be \$468,000.

**Fiscal Impact**

The work described in Amendment No. 3 to Agreement No. C-6-0178 was approved in the Authority's Fiscal Year 2007-08 Budget, Transit Division, Maintenance Department, Account 2166-7611, and is funded through the Local Transportation Fund.

***Summary***


Staff recommends approval of Amendment No. 3, in the amount of \$200,000, to Agreement No. C-6-0178 with Inland Petroleum Equipment and Repair, Inc., to exercise the second option term, for a total contract value of \$468,000.

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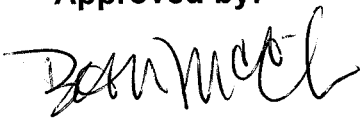
***Attachment***

- A. Inland Petroleum Equipment and Repair, Inc. Agreement No. C-6-0178  
Fact Sheet

**Prepared by:**

  
Ryan Erickson  
Section Manager, Facilities Maintenance  
714-560-5897

**Approved by:**

  
Beth McCormick  
General Manager, Transit  
714-560-5964

## ATTACHMENT A

### **Inland Petroleum Equipment and Repair, Inc. Agreement No. C-6-0178 Fact Sheet**

1. June 12, 2006, Agreement No. C-6-0178, \$100,000, approved by Board of Directors.
  - Procurement of underground storage tank testing and repair services.
2. March 26, 2007, Amendment No. 1 to Agreement No. C-6-0178, \$100,000, approved by Board of Directors, bringing the total commitment to \$200,000.
  - Exercise the first option year.
3. October 22, 2007, Amendment No. 2 to Agreement No. C-6-0178, \$68,000, approved by Board of Directors, bringing the total commitment to \$268,000.
  - Increase maximum obligation to repair leaking fuel lines at Garden Grove Base.
4. April 28, 2008, Amendment No. 3 to Agreement No. C-6-0178, \$200,000, pending approval by Board of Directors.
  - Exercise the second option year.

Total committed to Inland Petroleum Equipment and Repair, Inc., Agreement No. C-6-0178: \$468,000.







BOARD COMMITTEE TRANSMITTAL

**April 14, 2008**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Agreement for the Replacement of the Overhead Doors in the Maintenance Building at the Garden Grove Base

Transit Committee Meeting of March 27, 2008

**Present:** Directors Brown, Dixon, Green, Pulido, and Winterbottom  
**Absent:** Directors Buffa and Nguyen

**Committee Vote**

This item was passed by all Committee Members present.

Director Pulido was not present to vote on this item.

**Committee Recommendations**

- A. Recommendation to find the low bidder non-responsive.
- B. Authorize the Chief Executive Officer to execute Agreement No. C-7-1440 between the Orange County Transportation Authority and Laguna Overhead Ltd; doing business as Precision Door Service, for a maximum obligation of \$107,000, for replacement of 22 overhead doors.



**March 27, 2008**

**To:** Transit Committee  
**From:** Arthur T. Leahy,  Chief Executive Officer  
**Subject:** Agreement for the Replacement of the Overhead Doors in the Maintenance Building at the Garden Grove Base

**Overview**

Due to normal wear and damage over 30 years, the 22 overhead doors in the maintenance building at the Garden Grove Base require frequent maintenance. Parts are now obsolete and downtime has become excessive. The replacement of these doors will improve the aesthetics of the building and safety of the employees, and reduce recurring maintenance costs associated with repairs.

**Recommendations**

- A. Recommendation to find the low bidder non-responsive.
- B. Authorize the Chief Executive Officer to execute Agreement No. C-7-1440 between the Orange County Transportation Authority and Laguna Overhead Ltd; doing business as Precision Door Service, for a maximum obligation of \$107,000, for replacement of 22 overhead doors.

**Background**

The Orange County Transportation Authority (Authority) provides bus service from its Garden Grove Base. The maintenance building was constructed in 1977 and still has the original 22 overhead doors for its maintenance bays. Normal wear and damage over the years require frequent repairs, and have left the doors mismatched; parts have become obsolete causing high maintenance costs and frequent downtime. The replacement of these doors will improve the overall aesthetics of the building, increase safety for the mechanics, and reduce maintenance costs.

***Discussion***

This procurement for replacement of overhead doors was handled in accordance with the Authority's procedures for public works and construction projects, which conform to state requirements. Public works projects are handled as sealed bids, and award is made to the lowest responsive, responsible bidder.

The requirement was advertised on January 14, 2008 and January 21, 2008, in the Orange County Register. On January 14, 2008, an electronic notice of Invitation for Bids (IFB) 7-1440 was released and posted on CAMM NET, and an electronic notification was sent to 27 registered firms. A pre-bid conference and site visit were held on January 22, 2008, and was attended by two firms. Addendum No. 1 was issued on February 11, 2008, to address questions regarding the IFB and scope of work.

On February 13, 2008, three bids were received. The bids were reviewed by the Transit Division and Contracts Administration and Materials Management department to ensure compliance with all terms, conditions, and technical specifications. Listed below are the three lowest bids received. State law requires award to the lowest responsive, responsible bidder:

<u>Firm and Location</u>	<u>Bid Price</u>
Laguna Overhead Ltd. ( Precision Door Service) Santa Ana, California	\$107,000
McKinley Equipment Corporation Irvine, California	\$104,425
Pacific Door, Inc. Huntington Beach, California	\$128,480

McKinley Equipment Corporation submitted the lowest bid in the amount of \$104,425. However, the firm did not provide all documentation forms identified in the IFB and therefore could not be awarded a contract due to the firm's non-responsiveness. The next lowest responsive, responsible bidder, Laguna Overhead Ltd., doing business as (dba) Precision Door Service, submitted all required forms including a bid bond in the amount of \$11,000. The bid bond provided by the firm was reviewed and approved by the Authority's risk manager.

**Fiscal Impact**

The project was approved in the Authority's Fiscal Year 2007-08 Budget, Transit Division, Maintenance Department, Account 2166-9022, and is funded through the Local Transportation Fund.

**Summary**

Staff recommends award of Agreement No. C-7-1440, to Laguna Overhead Ltd., dba Precision Door Service, for a maximum obligation of \$107,000, for replacement of the 22 overhead doors in the Garden Grove maintenance building.

**Attachment**

None.

**Prepared by:**



Ryan Erickson  
Section Manager, Facilities Maintenance  
714-560-5897

**Approved by:**



Beth McCormick  
General Manager, Transit  
714-560-5964





MEMO

April 14, 2008

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

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**April 10, 2008**

**To:** Transit Committee

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

**Subject:** Agreement to Purchase Non-Revenue Hybrid Electric Vehicles

**Overview**

The Orange County Transportation Authority currently operates 90 automobiles used to relieve coach operators in the field. In addition, nine support vehicles are required to provide transportation for staff at the operations bases and the administration building. The lease of these 99 vehicles will end on August 31, 2008. A new contract is needed in order to provide uninterrupted service.

**Recommendations**

Authorize the Chief Executive Officer to execute Agreement No. C-7-1389 between the Orange County Transportation Authority and Longo Toyota, in an amount not to exceed \$2,381,559, to purchase 93 company equipment assigned vehicles and provide maintenance for a period of up to five years or 100,000 miles.

**Background**

Under the terms of the Coach Operator Collective Bargaining Agreement between the Orange County Transportation Authority (Authority) and Teamsters Local 952, all coach operator work assignments must begin and end at the bus operations base to which the coach operator is assigned. Typically, the first assigned coach operator in the morning will drive a bus to an assigned location to begin scheduled revenue service. Most Authority bus schedules span 12 hours or more, requiring the morning coach operator to be relieved enroute.

To ensure uninterrupted bus service, coach operators assigned to operate the afternoon schedule must relieve coach operators assigned to the morning schedule. There are several methods used to accomplish the coach operator relief process, which include walking from the assigned bus operations base to the relief point, riding an in-service revenue bus to the relief point, or driving a

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company equipment assigned (CEA) vehicle from the assigned base to the relief point.

The Authority requires a fleet of 85 CEA vehicles to accomplish necessary relief activities. In addition, eight support vehicles are required to address the day-to-day transportation needs for staff at the operations bases and administration building. Support vehicles provide transport between Authority locations and off-site business obligations. In addition, these vehicles serve as "guaranteed ride home" cars as part of the Authority rideshare program.

In keeping with the Authority's commitment to clean air, the CEA vehicles are hybrid electric vehicles (HEV). HEV combine the internal combustion engine of a conventional vehicle with the battery and electric motor of an electric vehicle, resulting in twice the fuel economy of conventional vehicles. This combination offers the extended range and rapid refueling with a significant portion of the energy and environmental benefits of an electric vehicle. The practical benefits of HEV include improved fuel economy and significantly lower emissions compared to conventional vehicles. Staff proposes to continue to use HEV technology for CEA requirements.

Staff has considered other options including compressed natural gas (CNG) sedans and plug-in hybrids. In conclusion, CNG vehicles were not considered at this time, but would be as additional Authority CNG fueling facilities are constructed and become operational over the next two years. Moreover, plug-in vehicles are not available in the quantities needed to support the CEA requirements. However, staff is in the process of developing a proposal to acquire a smaller number of plug-in vehicles (i.e., six) and two or three charging stations using grant funds to gain some practical experience and evaluate the use of these vehicles in support of operations. Other elements under consideration include use of CNG vehicles in field supervision, and the possible purchase of additional HEV for use by other Authority staff, allowing the agency to retire high-mileage Ford Crown Victorias running on regular unleaded gasoline.

Under the now-expiring agreement, five options were considered: purchase, lease, lease with full maintenance, purchase with full maintenance, and maintenance. The four-year lease agreement for the existing CEA fleet ends on September 1, 2008. In order to ensure uninterrupted service relief for the Authority's coach operators and guarantee delivery of new vehicles by September 1, 2008, the replacement vehicles must be ordered by the first week of May 2008.



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***Discussion***

The procurement for the CEA vehicles was handled in accordance with the Authority's procedures for professional and technical services. Due to the nature of the technology involved, the Authority used a competitive negotiated procurement method. The criteria for selecting a firm are based on meeting the Authority's technical requirements at the most competitive cost.

On February 14, 2008, staff took the request for the release of the request for proposals (RFP) and approval of the evaluation criteria to the Board of Directors (Board). The Board approved the following weighted criteria to evaluate the proposals:

- Qualifications of the Firm: 25 percent
- Staffing: 12.5 percent
- Work Plan: 12.5 percent
- Cost and Price: 50 percent

In addition to cost, other factors are considered in an award in a competitive negotiated procurement. Award is recommended to the firm offering the most effective overall proposal considering such factors as staffing, prior experience with similar engagements, approach to the requirement, and expertise in the field.

The procurement was advertised on January 29, 2008 and February 5, 2008, in the Orange County Register. On January 29, 2008, an electronic notice of the RFP was sent to 145 firms registered on CAMM NET. A pre-proposal meeting was held on February 12, 2008, and was attended by three firms.

On March 3, 2008, two firms, Longo Toyota (Longo) and Enterprise Fleet Management (Enterprise) responded. An evaluation committee was established with staff from Contracts Administration and Materials Management, Transit, and Finance, Administration and Human Resources to review the proposals submitted by each firm. Phone interviews were conducted on March 24, 2008, and attended by the evaluation committee and representatives of the two short-listed firms. Each firm was given the opportunity to ask questions related to the requirements and hear the questions and concerns of the committee. The scores of the evaluation committee are included as Attachment A.

After the phone interviews, the Operations Analysis Section completed a lease versus buy price analysis (Attachment B). The price analysis reflects the total costs over the life of each option. The analysis indicates that the lowest priced option is option three, purchase with full maintenance of the 93 hybrid-electric vehicles for \$2,381,559. The next lowest option is option one, a four-year lease

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with full maintenance for \$2,697,060. The difference between these two options is \$315,501.

The analysis also considered the option of bringing the maintenance service in-house. However, as shown in Attachment B, the in-house maintenance cost is estimated to be \$1.4 million, while the maintenance cost under the recommended option is \$91,605, a difference of \$1,362,408. Staff recommends the purchase of the 93 hybrid-electric vehicles with a full-service maintenance agreement for up to five years or 100,000 miles.

Based on the evaluation committee findings, the evaluation committee recommends the following firm for consideration of an award:

Firm and Location

Longo Toyota  
El Monte, California

Longo employs approximately 400 people and retailed over 20,000 new Toyota vehicles last year. Longo has been in business for nearly 40 years and is the largest Toyota franchise in the United States.

Longo has supplied government agencies and municipalities automotive vehicles and service for several years. Longo currently has ongoing contracts with the counties of Los Angeles, Orange, San Diego, Riverside, San Bernardino, the Metropolitan Water District, the City of San Antonio, Texas, and the state of Kansas.

**Fiscal Impact**

Funds for this project are in the Authority's Fiscal Year 2008-09 Proposed Budget, Transit Division, Maintenance, Account 2159-9025-D2108-EMY, and funded through the Local Transportation Fund.

**Summary**

Staff recommends approval of Agreement No. C-7-1389 with Longo Toyota, in an amount not to exceed \$2,381,559, to purchase 93 company equipment assigned vehicles and provide maintenance for a period of up to five years or 100,000 miles.

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***Attachments***

- A. Proposal Evaluation Criteria Matrix RFP-7-1389 Non-Revenue Hybrid Electric Vehicles Short-list Firms
- B. CEA Vehicle Fleet Lease vs. Buy Comparison
- C. RFP-7-1389 Non-Revenue Hybrid-Electric Vehicles Review of Proposals

**Prepared by:**



Connie Raya  
Section Manager,  
Maintenance Resource Management  
(714) 560-5962

**Approved by:**



Beth McCormick  
General Manager, Transit  
(714) 560-5964

**PROPOSAL EVALUATION CRITERIA MATRIX  
RFP 7-1389 NON-REVENUE HYBRID-ELECTRIC VEHICLES  
Short-listed Firms**

<b>PURCHASE: LONGO TOYOTA - SCION</b>						<b>Wts.</b>	<b>Overall Score</b>
<b>Evaluator Number</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>		
Qualifications of Firm	4.00	4.00	4.00	5.00	4.00	5	21.00
Staffing & Project Organization	3.00	2.00	3.00	2.50	3.00	2.5	6.75
Work Plan	4.00	4.00	4.00	4.00	4.00	2.5	10.00
Cost & Price	5.00	5.00	5.00	5.00	5.00	10	50.00
<b>Overall Score</b>	<b>87.50</b>	<b>85.00</b>	<b>87.50</b>	<b>91.25</b>	<b>87.50</b>		<b>87.75</b>

<b>LEASE: ENTERPRISE FLEET MANAGEMENT</b>						<b>Wts.</b>	<b>Overall Score</b>
<b>Evaluator Number</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>		
Qualifications of Firm	4.00	5.00	5.00	5.00	5.00	5	24.00
Staffing & Project Organization	4.00	5.00	4.00	5.00	4.00	2.5	11.00
Work Plan	4.00	5.00	4.00	4.00	4.00	2.5	10.50
Cost & Price	4.00	4.00	4.00	4.00	4.00	10	40.00
<b>Overall Score</b>	<b>80.00</b>	<b>90.00</b>	<b>85.00</b>	<b>87.50</b>	<b>85.00</b>		<b>85.50</b>

<b>LEASE: LONGO TOYOTA - SCION</b>						<b>Wts.</b>	<b>Overall Score</b>
<b>Evaluator Number</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>		
Qualifications of Firm	4.00	3.00	4.00	5.00	4.00	5	20.00
Staffing & Project Organization	3.00	2.00	3.00	2.50	2.00	2.5	6.25
Work Plan	2.00	1.50	1.50	2.50	2.00	2.5	4.75
Cost & Price	4.00	4.00	4.00	4.00	4.00	10	40.00
<b>Overall Score</b>	<b>72.50</b>	<b>63.75</b>	<b>71.25</b>	<b>77.50</b>	<b>70.00</b>		<b>71.00</b>

**CEA Vehicle Fleet  
Lease vs. Buy Comparison**

	<u>Lease (48 months) / Buy</u>	<u>Total Cost</u>	<u>Total Months Included</u>	<u>Cost / Month</u>
<b>1 Lease Hybrid (Enterprise Fleet Services)</b> Toyota Prius	<b>Lease Cost</b>	\$ 2,106,785		
	<b>Contracted Maintenance</b>	\$ 590,275		
	<b>Sub-total</b>	<u>\$ 2,697,060</u>		
	Estimated Equity Owed <sup>a</sup>	\$ 53,509		
	<b>Total</b>	<u><u>\$ 2,750,569</u></u>	\$ 2,781,941	48
<b>2 Lease Hybrid (Longo Toyota)</b> Toyota Prius or Honda Civic	<b>Lease Cost</b>	\$ 2,251,061		
	<b>Contracted Maintenance</b>	\$ 91,605		
	<b>Sub-total</b>	<u>\$ 2,342,667</u>		
	Estimated Equity Owed <sup>a</sup>	\$ 453,409		
	<b>Total</b>	<u><u>\$ 2,796,076</u></u>	\$ 2,807,980	48
<b>3 Purchase Hybrid (Longo Toyota)</b> Toyota Prius	<b>Purchase Price</b>	\$ 2,289,954		
	<b>Contracted Maintenance</b>	91,605		
	<b>Sub-total</b>	<u>\$ 2,381,559</u>		
	Interest Income Loss	202,105		
	Salvage Value <sup>b</sup>	<u>(457,991)</u>		
<b>Total</b>	<u><u>\$ 2,125,673</u></u>	\$ 2,155,805	48	\$ 44,913
<b>4 In-house Maintenance</b>	In-house Maintenance Cost <sup>c</sup>	1,454,013		
	<b>Total</b>	<u>\$ 1,454,013</u>	\$ 1,454,013	48

a. Based on residual values provided by the vendors

b. Based on a straightline depreciation method for a five-year asset

c. Based on a fully burdened rate for four auto mechanics and parts for 93 vehicles

**RFP 7-1389 NON-REVENUE HYBRID-ELECTRIC VEHICLES  
Review of Proposals**

*PRESENTED TO THE TRANSIT COMMITTEE MEETING APRIL 10, 2008*

(2) proposals were received, two (2) firms were interviewed, and one (1) firm is recommended to provide the Authority with 93 company equipment assigned vehicles.

<b>Overall Ranking</b>	<b>Prop. Score</b>	<b>Firm &amp; Location</b>	<b>Subcontractors</b>	<b>Evaluation Committee Comments</b>	<b>Total Pricing</b>
1	88	Longo Toyota (Purchase)	None	Well organized and professional proposal Dealership was well prepared for the interview Low maintenance rates for 48 months Dealer offered extended service without increasing maintenance rate Lowest overall pricing	See Attachment B "CEA Vehicle Fleet, Lease vs. Buy Comparison"
2	86	Enterprise Fleet Management (Lease)	None	Proposal was well done and provided a good work plan Dealer was knowledgeable of the Authority's needs and requirements The dealer provided quality staff to respond to interview questions Aggressive lease rates	See Attachment B "CEA Vehicle Fleet, Lease vs. Buy Comparison"
3	71	Longo Toyota (Lease)	None	Well organized and professional proposal Work plan was suited for car purchase rather than a lease	See Attachment B "CEA Vehicle Fleet, Lease vs. Buy Comparison"

***Evaluation Panel***

Contracts Administration and Materials Management  
Transit  
Finance Planning and Analysis

***Proposal Criteria***

Qualifications of the Firm  
Staffing and Project Organization  
Work Plan  
Cost and Price

***Wts.***

25%  
12.5%  
12.5%  
50%





MEMO

April 14, 2008

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

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

Thank you.





***April 10, 2008***

**To:** Transit Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Amendment to Agreement for Test and Operation Gases for Natural Gas Buses and Facilities

***Overview***

On June 11, 2007, the Board of Directors approved an agreement with Cameron Welding Supply, in the amount of \$60,000, for a one-year term with four one-year options, to provide test and operation gases used by the Maintenance Department for natural gas leak detection in buses and Orange County Transportation Authority-owned natural gas facilities.

***Recommendation***

Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement No. C-7-0746 between the Orange County Transportation Authority and Cameron Welding Supply, to exercise the four option terms in an amount not to exceed \$440,000, for test and operation gases for natural gas buses and facilities, for a new maximum obligation of \$500,000.

***Background***

The Orange County Transportation Authority (Authority) is required to have functioning methane gas detectors that sound an alarm when gaseous methane leaks into the passenger or engine compartment of the Authority's natural gas buses, or leaks within the facilities where natural gas buses are maintained. A specific mix of gases is required in order to set-up, calibrate, and test the proper function of the leak detection sensors and systems in the event of a natural gas leak.

Additionally, the Authority requires the use of clean, ultra-dry nitrogen gas to actuate the valves on the natural gas fueling stations, and provide a constant purge to the fuel nozzles to keep them free of debris and moisture that could freeze and create leaks. Clean nitrogen gas is also required to purge the

vehicle tanks, when defueling those tanks, in order to provide a safe work environment when maintenance is performed on the natural gas fuel system.

***Discussion***

This procurement was handled in accordance with the Authority's procedures for sealed bids. The original agreement was awarded on a competitive basis.

The agreement awarded on June 11, 2007, was for the initial term of one-year, in the amount of \$60,000, plus four one-year options. In the past, many of the recurring maintenance expenses have been purchased through the use of one-year agreements with multiple single year options. This has facilitated our annual budget process because multiple-year agreements are typically encumbered in one-year contracts, but this practice results in repetitive staff time spent each year to exercise options, decreasing overall staff efficiency.

The original agreement in the amount of \$60,000 was sufficient to support the 232 liquefied natural gas (LNG) vehicles the fueling facilities for the Garden Grove and Anaheim bases; however, the Authority is now adding 299 compressed natural gas (CNG) buses to the fleet which requires an additional \$50,000 each option year for this service.

At this time, staff recommends approval of Amendment No. 1 to Agreement No. C-7-0746, to exercise the four remaining option years as proposed by the contractor, in the amount of \$440,000, for a new maximum obligation of \$500,000. This will remove the necessity to bring this item back to the Board of Directors for consideration again each year, for gases that the Maintenance Department will continue to use well into the future.

**Fiscal Impact**

Amendment No. 1 to Agreement No. C-7-0746 was approved in the Authority's Fiscal Year 2007-08 Budget, Transit Division, Maintenance Department, various accounts, and is funded through the Local Transportation Fund.

***Summary***

Staff recommends approval of Amendment No. 1, in the amount of \$440,000, to Agreement No. C-7-0746 with Cameron Welding Supply to exercise the four option years.

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***Attachment***

- A. Cameron Welding Supply, Agreement No. C-7-0746 Fact Sheet

**Prepared by:**



Connie Raya  
Section Manager  
Maintenance Resource Management  
714-560-5962

**Approved by:**



Beth McCormick  
General Manager, Transit  
714-560-5964

**ATTACHMENT A**

**Cameron Welding Supply  
Agreement No. C-7-0746 Fact Sheet**

1. June 11, 2007, Agreement No. C-7-0746, \$60,000 approved by the Board of Directors.
  - Test and operation gases for natural gas buses and facilities.
  - Initial one-year term
  
2. April 28, 2008, Amendment No. 1 to Agreement No. C-7-0746, \$440,000 pending approval by the Board of Directors.
  - Exercise the four option years provided in the original agreement for test and operation gases for natural gas buses and facilities.

Total committed to Cameron Welding Supply, Agreement No. C-7-0746: \$500,000.





MEMO

April 14, 2008

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

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

Thank you.



**April 10, 2008**

**To:** Transit Committee  
**From:** Arthur T. Leahy, <sup>ATL/RT</sup> Chief Executive Officer  
**Subject:** Amendment to Agreement for Towing Services

**Overview**

On May 22, 2006, the Board of Directors approved an agreement with Hadley Tow, in the amount of \$140,000, to provide towing services for the revenue and non-revenue fleet for a one-year period with two option years. It is time to consider exercising the final option year.

**Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement No. C-6-0016 between the Orange County Transportation Authority and Hadley Tow, to exercise the final option year in an amount not to exceed \$130,000, for a total contract value of \$400,000.

**Background**

The Orange County Transportation Authority (Authority) requires the services of a qualified towing contractor to provide retrieval of disabled buses and service vehicles for the Authority's revenue and non-revenue fleet. This towing service requires specially trained persons and equipment available around the clock to cover the Authority service area on an as-needed basis.

**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 to exercise the final option year.

Agreement No. C-6-0016 provides 24 hour, seven days a week towing services for the Authority's revenue and non-revenue fleet. The original agreement awarded on May 22, 2006, was in the amount of \$140,000. Amendment No. 2,

in the amount of \$130,000 will increase the total agreement amount to \$400,000.

**Fiscal Impact**

Amendment No. 2 to Agreement No. C-6-0016 was approved in the Authority's Fiscal Year 2007-08 Budget, Transit Division, Maintenance Department, various accounts, and is funded through the Local Transportation Fund.


**Summary**

Staff recommends approval of Amendment No. 2, in the amount of \$130,000, to Agreement No. C-6-0016 with Hadley Tow, to exercise the second and final option term.

**Attachment**

- A. Hadley Tow Agreement No. C-6-0016 Fact Sheet

**Prepared by:**

  
Connie Raya  
Section Manager  
Maintenance Resource Management  
714-560-5962

**Approved by:**

  
Beth McCormick  
General Manager, Transit  
714-560-5964



**Hadley Tow  
Agreement No. C-6-0016 Fact Sheet**

1. May 22, 2006, Agreement No. C-6-0016, \$140,000, approved by Board of Directors.
  - Procurement of Towing Services.
2. March 12, 2007, Amendment No. 1 to Agreement No. C-6-0016, \$130,000, approved by Board of Directors.
  - Exercise the first option year.
3. April 28, 2008, Amendment No. 2 to Agreement No. C-6-0016, \$130,000, pending approval by Board of Directors.
  - Exercise the second option year.

Total committed to Hadley Tow, Agreement No. C-6-0016: \$400,000





BOARD COMMITTEE TRANSMITTAL

**April 14, 2008**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Amendment to Agreement for Automotive Shop Supplies

Transit Committee Meeting of March 27, 2008

**Present:** Directors Brown, Dixon, Green, Pulido, and Winterbottom  
**Absent:** Directors Buffa and Nguyen

**Committee Vote**

This item was passed by all Committee Members present.

Director Pulido was not present to vote on this item.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement No. C-7-0516 between the Orange County Transportation Authority and Shamrock Supply Company, Inc., to exercise both option years in an amount not to exceed \$167,272, for automotive shop supplies, for a maximum obligation of \$247,272.



**March 27, 2008**

**To:** Transit Committee

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

**Subject:** Amendment to Agreement for Automotive Shop Supplies

### **Overview**

On May 29, 2007, the Board of Directors approved an agreement with Shamrock Supply Company, Inc., in the amount of \$80,000, to provide automotive shop supplies used in the maintenance and repair of fixed route buses and support vehicles. It is time to consider exercising both option years.

### **Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement No. C-7-0516 between the Orange County Transportation Authority and Shamrock Supply Company, Inc., to exercise both option years in an amount not to exceed \$167,272, for automotive shop supplies, for a maximum obligation of \$247,272.

### **Background**

The Orange County Transportation Authority (Authority) maintenance staff requires various shop supplies used in the maintenance and repair of fixed route buses and support vehicles. Examples of materials used include gasket sealer, battery cleaner, fastener compounds, brake grease, graphite, silicone lubricants, anti-seize compounds, brake cleaner, and electrical contact cleaner.

### **Discussion**

This procurement was handled in accordance with the Authority's procedures for sealed bids. The original agreement was awarded on a competitive basis.

The agreement awarded on May 29, 2007, was for an initial term of one year, in the amount of \$80,000, plus two one-year options. In the past, many of our recurring maintenance expenses have been purchased through the use of one-year agreements with multiple single year options. This has facilitated our

annual budget process because multiple-year agreements are typically encumbered in the year the contract is awarded. This practice has discouraged multiple year contracts, resulting in repetitive staff time spent each year to exercise options, decreasing overall staff efficiency. At this time, staff recommends approval of Amendment No. 1 to Agreement No. C-7-0516, to exercise both of the remaining option years as proposed by the contractor, in the amount of \$167,272, for a new maximum obligation of \$247,272. This will remove the necessity to bring this item back to the Board of Directors for consideration again next year, for products that the Maintenance Department will continue to use well into the future.

**Fiscal Impact**

Amendment No. 1 to Agreement No. C-7-0516 was approved in the Authority's Fiscal Year 2007-08 Budget, Transit Division, Maintenance Department, Account 2162-7799-D2108-2RK, 2164-7799-D2108-2UL, and 2168-7799-D2108-2T7, and is funded through the Local Transportation Fund.

**Summary**

Staff recommends approval of Amendment No. 1, in the amount of \$167,272, to Agreement No. C-7-0516 with Shamrock Supply Company, Inc., to exercise the two option years.

**Attachment**

- A. Shamrock Supply Company, Inc. Agreement No. C-7-0516 Fact Sheet

**Prepared by:**

  
Connie Raya  
Section Manager  
Maintenance Resource Management  
714-560-5962

**Approved by:**

  
Beth McCormick  
General Manager, Transit  
714-560-5964

**ATTACHMENT A**

**Shamrock Supply Company, Inc.  
Agreement No. C-7-0516 Fact Sheet**

1. May 29, 2007, Agreement No. C-7-0516, \$80,000, approved by Board of Directors.
  - Automotive shop supplies for maintenance.
  - Terms of agreement June 1, 2007 through May 31, 2008.
  
2. April 14, 2008, Amendment No. 1 to Agreement C-7-0516, \$167,272, pending approval by Board of Directors.
  - Execute the two option years offered on the original agreement for automotive shop supplies.
  - Term of agreement will be June 1, 2008 through May 31, 2010.

Total committed to Shamrock Supply Company, Inc., Agreement No. C-7-0516:  
\$247,272





BOARD COMMITTEE TRANSMITTAL

**April 14, 2008**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Agreement for Construction of Pavement Striping and Joint Sealant at the Santa Ana Base

Transit Committee Meeting of March 27, 2008

**Present:** Directors Brown, Dixon, Green, Pulido, and Winterbottom  
**Absent:** Directors Buffa and Nguyen

**Committee Vote**

This item was passed by all Committee Members present.

Director Pulido was not present to vote on this item.

**Committee Recommendation**

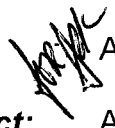
Authorize the Chief Executive Officer to execute Agreement No. C-7-1488 between the Orange County Transportation Authority and Thomco Construction, Inc., the lowest responsive, responsible bidder, in an amount not to exceed \$109,000, for the construction of pavement striping and joint sealant at the Santa Ana Base.





**March 27, 2008**

**To:** Transit Committee

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

**Subject:** Agreement for Construction of Pavement Striping and Joint Sealant at the Santa Ana Base

### **Overview**

The Orange County Transportation Authority needs to restripe a portion of the Santa Ana Base to provide additional bus parking spaces. In addition, repairs to joint sealant are needed. Bids to do this work were received in accordance with the Orange County Transportation Authority's public works procurement procedures. The project is ready for construction and Board of Directors' authorization is requested.

### **Recommendation**

Authorize the Chief Executive Officer to execute Agreement No. C-7-1488 between the Orange County Transportation Authority and Thomco Construction, Inc., the lowest responsive, responsible bidder, in an amount not to exceed \$109,000, for the construction of pavement striping and joint sealant at the Santa Ana Base.

### **Background**

The Orange County Transportation Authority (Authority), acting on behalf of the Orange County Transit District, completed the construction of the Santa Ana Base in 2005. With the new compressed natural gas buses and associated technology comprising over 50 percent of the Authority's fleet, the fleet plan has been modified to have a larger bus contingency fleet. The restriping of the bus parking area will provide an additional 35 bus parking spaces at the Santa Ana Base. A small portion of the joint sealant material installed at the base has failed because movement of the concrete pavement has been greater than anticipated by the designer of the base. Replacement of the failed joint sealant for the concrete pavement at the Santa Ana Base is required to prevent contamination and debris from leaking into the pavement joints, which leads to soil contamination and increased pavement deterioration.

***Discussion***

This procurement was handled in accordance with the Authority's procedures for public works and construction projects, which conform to state requirements. Public work projects are handled as sealed bids and award is made to the lowest responsive, responsible bidder. On January 24, 2008, Invitation for Bids 7-1488 was released and posted on CAMM NET, and an electronic notification was sent to 718 firms. The project was advertised on February 1 and February 12, 2008, in a newspaper of general circulation. A pre-bid conference was held on February 13, 2008, and was attended by seven firms. Addendum No. 1 was issued on February 4, 2008, to provide clarifications to the specifications. On March 4, 2008, three bids were received. All bids were reviewed by staff from the Development Division and the Contracts Administration and Materials Management Department to ensure compliance with the terms and conditions, specifications, and drawings. Listed below are the three bids received. State law requires award to the lowest responsive, responsible bidder.

<u>Firm and Location</u>	<u>Bid Price</u>
Thomco Construction, Inc. Anaheim, California	\$109,000
Southland Construction Irvine, California	\$110,000
Howard Ridley Company, Inc. Chino, California	\$164,875

**Fiscal Impact**

The project was approved in the Authority's Fiscal Year 2007-08 Budget, Development, Account 17229022D3126G1H, and is funded through the Orange County Transit District.

***Summary***

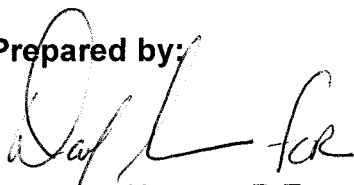
Staff has reviewed all bids received and recommends the approval of Agreement No. C-7-1488, in the amount of \$109,000, with Thomco Construction, Inc., the lowest responsive, responsible bidder for the construction of pavement striping and joint sealant at the Santa Ana Base.

---

***Attachment***

None.

**Prepared by:**



James J. Kramer, P.E.  
Principal Civil Engineer  
(714) 560-5866

**Approved by:**



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





MEMO

April 14, 2008

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

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

Thank you.



**April 10, 2008**

**To:** Transit Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Agreement for Construction of Compressed Natural Gas Building Modifications at the Irvine Sand Canyon Base

**Overview**

On January 28, 2008, the Orange County Transportation Authority Board of Directors approved the release of Invitation for Bids 8-0055 for construction of compressed natural gas building modifications at the Irvine Sand Canyon Base. Bids were received in accordance with the Orange County Transportation Authority's public works procurement procedures. The project is ready for construction and Board of Directors' authorization is requested.

**Recommendations**

- A. Amend the Orange County Transportation Authority's Fiscal Year 2007-08 Budget by \$1,690,960 for construction of compressed natural gas building modifications at the Irvine Sand Canyon Base.
- B. Authorize the Chief Executive Officer to execute Agreement No. C-8-0055 between the Orange County Transportation Authority and Amtek Construction, the lowest responsive, responsible bidder, in an amount not to exceed \$1,690,960, for compressed natural gas building modifications at the Irvine Sand Canyon Base.

**Background**

To meet expected ridership growth, the Orange County Transportation Authority's (Authority) fleet plan includes growth in the number of midsize, fixed-route buses. The South Coast Air Quality Management District fleet rules require that new fixed-route buses use low emission, alternative fueled engines. In November 2004, the Board of Directors (Board) approved the Authority's fleet plan, including the use of compressed natural gas (CNG).

On April 9, 2007, the Board approved the purchase of 31 midsize CNG buses with options to purchase up to 71 additional buses. On May 29, 2007, the Board approved the purchase of 20 cutaway CNG buses. These midsize and cutaway CNG buses will be operated by the Authority's Community Transportation Services Department and their contractor, Veolia Transportation, Inc., from the Irvine Sand Canyon Base. This facility requires certain building modifications to service vehicles using lighter than air fuels. On January 28, 2008, the Board approved the release of an invitation for bids (IFB) for construction of CNG building modifications at the Irvine Sand Canyon Base.

As previously reported to the Board on November 9, 2007, the Orange County Great Park Corporation and the City of Irvine (City) are pursuing an eventual realignment of Marine Way near Sand Canyon Boulevard that would potentially impact the Irvine Sand Canyon Base. In early March the City notified the Authority that it has decided to table discussions due to the housing and economic slow down. The Great Park Corporation and the City are aware of this procurement and the fueling modifications. The CNG modifications at the Sand Canyon Base are not in conflict with Marine Way realignment discussions.

### ***Discussion***

This procurement was handled in accordance with the Authority's procedures for public works and construction projects, which conform to state requirements. Public work projects are handled as sealed bids and award is made to the lowest responsive, responsible bidder. On February 4, 2008, IFB 8-0055 was released and posted on CAMM NET, and an electronic notification was sent to 1,023 firms. The project was advertised on February 4 and February 11, 2008, in a newspaper of general circulation. A pre-bid conference was held on February 14, 2008, and was attended by 29 firms. Addendum No. 1 and Addendum No. 2 were issued on February 18 and February 28, 2008, respectively, to provide clarifications to the agreement, plans, and specifications, and to respond to bidders questions. On March 6, 2008, 13 bids were received. All bids were reviewed by staff from the Development Division and the Contracts Administration and Materials Management Department to ensure compliance with the terms and conditions, specifications, and drawings. Listed below are the three low bids received. State law requires award to the lowest responsive, responsible bidder.

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<u>Firm and Location</u>	<u>Bid Price</u>
Amtek Construction Santa Fe Springs, California	\$1,690,960
CA Construction Riverside, California	\$1,809,000
2H Construction, Inc. Signal Hill, California	\$1,948,000

**Fiscal Impact**

The CNG building modification project was not included in the Authority's Fiscal Year 2007-08 Budget. A budget amendment, in the amount of \$1,690,960, Development, Account 1722-9022, is requested to fund the construction of CNG building modifications at the Irvine Sand Canyon Base and will be funded through the Orange County Transit District.


**Summary**

Staff has reviewed the bids received and requests Board approval to amend the Authority's 2007-08 Budget and execute Agreement No. C-8-0055, in the amount of \$1,690,960, with Amtek Construction, the lowest responsive and responsible bidder, for CNG building modifications at the Irvine Sand Canyon Base.

**Attachment**

None.

**Prepared by:**

  
James J. Kramer, P.E.  
Principal Civil Engineer  
(714) 560-5866

**Approved by:**


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







*April 14, 2008*

**To:** Members of the Board of Directors  
**From:**  Arthur T. Leahy, Chief Executive Officer  
**Subject:** Marketing Update on Bus Rapid Transit Bus Decals and Orange County Fair Outreach

### **Overview**

Two marketing program updates are being presented. The first is a recommendation to modify vehicle graphics for the Bravo! bus rapid transit service to increase the useful life of decals. The second is an update on the Orange County Fair marketing program.

### **Recommendations**

- A. Approve a modification to the placement of the Bravo! decals on buses.
- B. Receive and file an update on the Orange County Fair marketing program.

### **Background**

This report focuses on two marketing efforts. The first is the vehicle graphics for bus rapid transit (BRT) service and the second an update on the Orange County Fair (OC Fair) marketing program.

On November 26, 2007, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved branding elements for BRT. Technical drawings using the Bravo! concept are now being produced for BRT buses and bus shelters. For buses, staff is recommending a slight modification of the decal placement to improve its useful life.

### **Discussion**

Bravo!

Attachment A identifies the original placement of the Bravo! logo on buses with the large logo on the window of the vehicle. In speaking with vendors about this

application, staff learned that a product guarantee would be available for about a one to two year time period. This is due to the fact that the decal partially adheres to a rubberized surface where the windows meet. It was discovered that if the decal is moved to a metal surface, a seven to ten year guarantee could be available. A new decal placement option is identified in Attachment B. Since replacement costs for decals are estimated at \$800 per bus, extending the useful life of a decal by almost five fold greatly reduces replacement costs.

Attachment B also includes a method of further supporting BRT branding by placing curb-side, king-size advertisements on BRT lines. Advertising space, which is readily available to OCTA, could be used during the initial six months of BRT service. Since OCTA customarily reserves 75 king-size spaces to promote its services, costs would be limited to production of the advertisement.

#### **OC Fair**

For the past three years, OCTA has participated in a cooperative marketing program with the OC Fair whereby bus advertising space was exchanged for booth space. OCTA was provided space large enough to accommodate a 20' by 20' booth as well as a 40' bus. In exchange, the OC Fair received bus interior and exterior advertising space for a two-month period – a retail value of about \$140,000. This year, OC Fair management has elected to discontinue its participation in this program. Booth space of the same scale is now valued by the OC Fair at about \$90,000.

OC Fair management is suggesting OCTA move to the Orange County building at a cost of \$200. While this is a significantly smaller area, given the present constrained fiscal environment, relocating is a prudent option.

While a trade for booth space is not available this year, OCTA continues to work with OC Fair management to promote bus service to the OC Fair. Discussions are underway where customers taking one of five OC Flyer buses to the OC Fair would receive a coupon for \$2 off the admission price. Staff will update the Board on this promotion as discussions proceed.

#### **Summary**

Staff is updating the Board on two elements of the marketing program. The first involves a modification of the placement of Bravo! decals on buses to lengthen its useful life. The second is an update on OC Fair marketing program.

---

***Attachments***

- A. Bus Rapid Transit Branding Bus Decals Approved November 2007
- B. Bus Rapid Transit Branding Bus Decals Proposed April 2008

**Prepared by:**



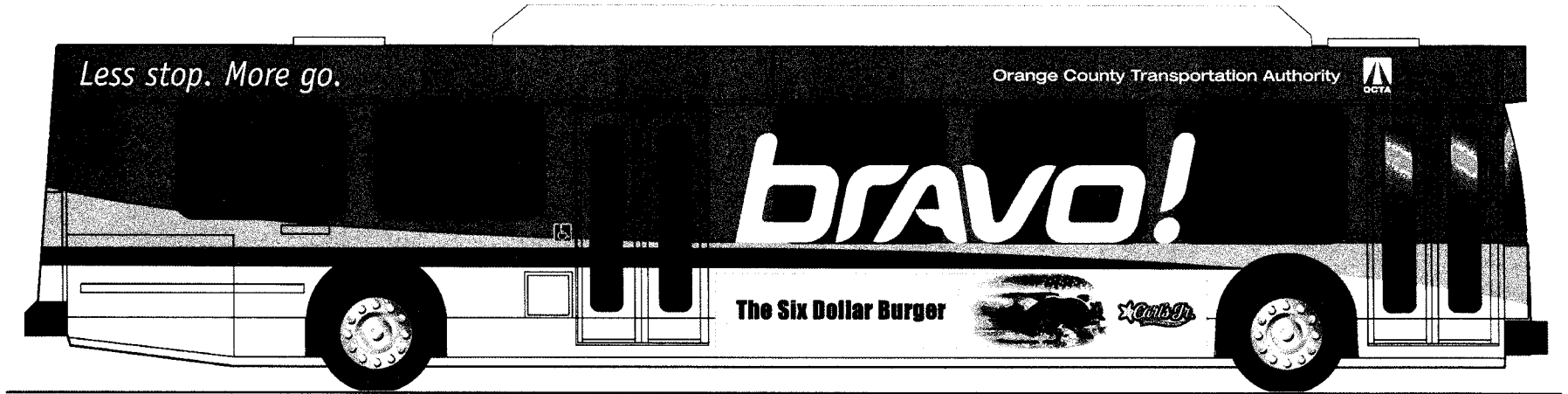
Stella Lin  
Manager, Marketing  
(714) 560-5342

**Approved by:**



Ellen S. Burton  
Executive Director, External Affairs  
(714) 560-5923

Bus Rapid Transit Bus Branding Decals  
Approved November 2007



Bus Rapid Transit Bus Branding Decals  
Proposed April 2008



A BRAVO! bus ad to run for first six months of service





INTEROFFICE MEMO

April 14, 2008

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

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

Thank you.





**April 9, 2008**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Local Transportation Fund Claims for Fiscal Year 2008-09

**Overview**

The Orange County Transit District is eligible to receive funding from the Local Transportation Fund for providing public transportation services throughout Orange County. In order to receive these funds, the Orange County Transit District, as the public transit and community transit services operator, must file claims with the Orange County Transportation Authority, the transportation planning agency for Orange County.

**Recommendation**

Adopt Orange County Transit District Resolution No. 2008-08 authorizing the filing of Local Transportation Fund claims, in the amounts of \$98,226,084, to support public transportation, and \$5,227,300, for community transit services, including operation of the Senior Mobility Program.

**Background**

The Transportation Development Act (TDA) of 1971 established a funding source dedicated to transit and transit-related projects. The funding source consists of two parts: the Local Transportation Fund (LTF), which is derived from 1/4 cent of the current retail sales tax of 7 3/4 percent, and the State Transit Assistance Fund (STAF), which consists of sales taxes on gasoline and diesel fuel appropriated by the State Legislature from the State Transportation Planning and Development Account.

The LTF revenues are collected by the State Board of Equalization (SBOE) and returned monthly to local jurisdictions based on the volume of sales during each month. In Orange County, the LTF receipts are deposited in the Orange County LTF Account in the Orange County Treasury and administered by the Orange County Auditor-Controller. LTF receipts are distributed by the

Auditor-Controller among the various administrative, planning, and program apportionments as specified in the TDA.

**Discussion**

Section 6630 of the California Code of Regulations requires Orange County Transit District (OCTD) to file a claim with the Orange County Transportation Authority (OCTA) in order to receive an allocation from the LTF for providing public transportation services (Article 4 claims). Since the OCTA has previously designated the OCTD as the consolidated transportation service agency for Orange County, the OCTD is also required to file a claim with the OCTA in order to receive an allocation from the LTF for operating community transit services (Article 4.5 claims). The total amount of these claims for fiscal year 2008-09 equals \$103,453,384.

**Summary**

The Local Transportation Fund provides funds to the Orange County Transit District for public transit services. In order to receive these funds, the Orange County Transit District must file the appropriate Local Transportation Fund claims with the Orange County Transportation Authority. Staff recommends the Orange County Transportation Authority Board of Directors adopt the Orange County Transportation Authority Resolution No. 2008-08 to authorize the filing of these claims.

**Attachment**

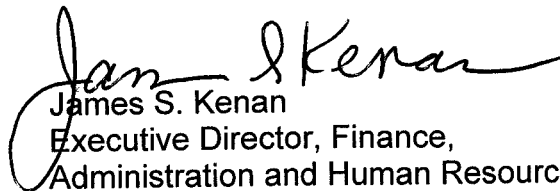
- A. Resolution of the Orange County Transit District, Authorizing the Filing of Local Transportation Fund Claims

**Prepared by:**



William J. Dineen  
Manager, Revenue Management  
Financial Planning and Analysis  
(714) 560-5917

**Approved by:**



James S. Kenan  
Executive Director, Finance,  
Administration and Human Resources  
(714) 560-5678

**RESOLUTION OF THE  
ORANGE COUNTY TRANSIT DISTRICT**

**AUTHORIZING THE FILING OF  
LOCAL TRANSPORTATION FUND CLAIMS**

**WHEREAS**, the Orange County Local Transportation Fund was created by the Transportation Development Act (SB 325:1971) to aid in meeting the public transportation and community transit needs that exist in Orange County; and

**WHEREAS**, the Orange County Transit District is submitting transportation claims for funds from the Orange County Local Transportation Fund; and

**WHEREAS**, the Orange County Transportation Authority has the authority to review claims and allocate such funds in accordance with the California Code of Regulations and the California Transportation Development Act.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Orange County Transit District hereby requests the Orange County Transportation Authority to allocate funds to the Orange County Transit District for the purpose of providing the support of a public transportation system as described under the California Transportation Development Act, Article 4, and for funding community transit services as described under the California Transportation Development Act, Article 4.5.

**BE IT FURTHER RESOLVED** that the Orange County Transit District agrees to provide the Orange County Transportation Authority with such information as may be necessary to support these transportation claims.

ADOPTED, SIGNED AND APPROVED this 14<sup>th</sup> day of April, 2008.

AYES:

NOES:

ABSENT:

ATTEST:

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Wendy Knowles  
Clerk of the Board

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Chris Norby, Chairman  
Orange County Transit District





**April 14, 2008**

**To:** Members of the Board of Directors  
**From:** *ATL*  
Arthur T. Leahy, Chief Executive Officer  
**Subject:** Agreement for an Electronic Time and Attendance Tracking System

### **Overview**

As part of the Orange County Transportation Authority's Fiscal Year 2007-08 Budget, the Board of Directors approved the purchase of an electronic time and attendance tracking system for the Maintenance Department. Proposals were received in accordance with the Orange County Transportation Authority's fixed assets procurement procedures.

### **Recommendation**

Authorize the Chief Executive Officer to execute Agreement No. C-7-1118 between the Orange County Transportation Authority and Kronos, Incorporated, in an amount not to exceed \$457,287, for a comprehensive electronic time and attendance tracking system.

### **Background**

On February 14, 2008, the Transit Committee authorized the Chief Executive Officer to execute Agreement No. C-7-1118 between the Orange County Transportation Authority (Authority) and Kronos Incorporated (Kronos), in an amount not to exceed \$457,287, for a comprehensive electronic time and attendance tracking system. The Board of Directors was scheduled to consider this item at the February 28, 2008, Board of Directors' meeting. Staff pulled this item from the agenda to continue discussions with Kronos relative to the terms and conditions of the agreement. The Authority and Kronos staff have worked continuously over the last two months to negotiate key contractual provisions which included the process for future purchases, warranty provisions for the hardware and software packages and the terms relative to software licensing. At the end of March the Authority and Kronos resolved all contractual issues, and legal counsel from both the Authority and

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Kronos have approved the agreement in its current form. Kronos has signed the agreement pending Board approval.

***Attachment***

- A. Staff Report Agreement for an Electronic Time and Attendance Tracking System

**Prepared by:**



Connie Raya  
Section Manager,  
Maintenance Resource Management  
(714) 560-5962

**Approved by:**



Beth McCormick  
General Manager, Transit  
(714) 560-5964



**February 14, 2008**

**To:** Transit Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Agreement for an Electronic Time and Attendance Tracking System

**Overview**

As part of the Orange County Transportation Authority's Fiscal Year 2007-08 Budget, the Board of Directors approved the purchase of an electronic time and attendance tracking system for the Maintenance Department. Proposals were received in accordance with the Orange County Transportation Authority's fixed assets procurement procedures.

**Recommendation**

Authorize the Chief Executive Officer to execute Agreement No. C-7-1118 between the Orange County Transportation Authority and Kronos, in an amount not to exceed \$457,287, for a comprehensive electronic time and attendance tracking system.

**Background**

The Orange County Transportation Authority (Authority) currently uses a combination of two separate systems to capture and administer timekeeping records and track attendance for all Maintenance Department employees. The Enterprise Timekeeping Optimization System (ETOS) records employee time-in and time-out. ETOS utilizes biometric time clocks that are no longer supported by the manufacturer. The electronic time and attendance (ETA) application captures and lists schedule exceptions for each employee based on the attendance work rules from two sets of complex union contracts. The combined solution was implemented over 10 years ago and has become failure prone and obsolete. Additionally, the current solution is inflexible and incapable of providing an effective solution for administering the myriad of federal and state leave of absence mandates.

Authority Maintenance Department is comprised of approximately 300 union employees, including mechanics, service workers, body mechanics, upholstery mechanics, electronic technicians, parts clerks, and facility technicians. Maintenance employees work out of three operating bases in Orange County (Garden Grove, Anaheim, and Santa Ana) and support a number of other Authority-owned facilities. The scheduled hours of operation are 24-hours a day, seven days a week.

Maintenance union employees currently clock in using biometric collection devices (hand scanners) for identification. The hand scanner identification system is designed to prevent employees from clocking in and out for each other, a practice commonly referred to as "buddy punching." ETOS, a product manufactured by Cetec Automation, Inc., records employee time worked and captures attendance exceptions. This information is then uploaded to the ETA system, an in-house developed software application that stores and processes attendance information. The ETA system calculates payroll time records and forwards them to the Lawson payroll system. Utilizing timekeeping information, the attendance tracking component creates employee attendance history. ETA uses the history to create attendance policy caution notices, discipline letters, and employee incentive awards.

The many components of the existing time and attendance tracking system are obsolete, non-supported, failure-prone and incapable of administering the complex and ever-changing attendance and leave policies imposed upon it. The application has reached the end of its useful life (Attachment A).

The Authority is seeking a firm to provide a comprehensive workforce management software package that will efficiently and accurately track employee attendance, apply union rules, maintain compliance with legislative mandates while utilizing biometric data collection devices.

This project provides for the purchase of a time and attendance solution that will replace the existing ETOS and ETA timekeeping and attendance systems and it will allow employees the self-service option to track and view work time from a biometric data collection device. The new software will be integrated with the Authority's Ellipse maintenance resource planning system and Lawson payroll system (Attachment B).

### ***Discussion***

This procurement was handled in accordance with the Authority's procurement procedures for fixed assets, which permits the use of competitive negotiated



procurements depending on the technical requirements of the item being procured.

The procurement was advertised on September 8 and September 10, 2007, in the Orange County Register. On September 6, 2007, an electronic notice of the Request for Proposals (RFP) 7-1118 was sent to 1,509 firms registered on CAMM NET. A pre-proposal meeting was held on September 13, 2007, and was attended by four firms.

On October 8, 2007, six proposals were received from Productive Solutions, Cetec, Richard Brady and Associates, Kronos Incorporated, IntelliTime Systems Corporation, and Pacific Time Systems.

An evaluation committee was established with staff from Contracts Administration and Materials Management (CAMM), Transit, Information Systems, and Human Resources Employment was established to review each of the proposals submitted by each firm. The proposals were evaluated using the following criteria and weights:

- Qualifications of the Firm 25 percent
- Staffing and Project Organization 25 percent
- Work Plan 25 percent
- Cost and Price 25 percent

The three highest ranked firms, Kronos Incorporated (Kronos), IntelliTime Systems Corporation, and Pacific Time Systems were short listed based on the preliminary scores. Interviews were conducted on October 24, 2007. All three firms provided live, hands-on demonstrations of their timekeeping and attendance software and hardware systems and responded to questions by the evaluation committee. Kronos provided an impressive demonstration of their software, Workforce Central. The evaluation committee was particularly impressed with the ease of use of the product and the fact that the application would interface well with the Authority's other related software, specifically, the Lawson payroll system and Ellipse maintenance resource planning system.

At the end of the evaluation process, Kronos ranked first, with the highest overall score of 73; Pacific Time Systems ranked second, with a score of 71; and IntelliTime Systems Corporation ranked third, with an overall score of 70 (Attachment C).

In addition to the interviews, a teleconference forum was held on November 7, 2007, attended by the evaluation committee and representatives of

the three short-listed firms. Each firm was given the opportunity to ask technical questions related to the technical requirements and hear the questions and concerns of the other short-listed firms before providing best and final offers. Following this teleconference, all three firms were invited to submit a best and final offer (BAFO). A discussion of the evaluation criteria, weights and evaluation process is identified in Attachment C.

Kronos listed several exceptions and deviations to the Authority's agreement. Kronos and the Authority are in the process of working through deviations and exceptions to the agreement and anticipate the deviations will be resolved to the Authority's satisfaction.

Based on their findings, the evaluation committee recommends the following firm for consideration of an award:

Firm and Location

Kronos Incorporated  
Irvine, California

Kronos is the recognized industry leader in providing time and attendance tracking solutions with 33,000 clients worldwide, supported locally, with a time-tested and proven implementation strategy. The Workforce Central application proposed by Kronos meets all of the Authority's time and attendance tracking requirements "out of the box", meaning ready for use without system modifications. The time and attendance, leave management, attendance, labor scheduling, labor performance analytics and workforce connect features are currently in use by thousands of customers. The solutions proposed by the other short-listed firms would require significant development and customization to meet the Authority's time and attendance tracking requirements.

Kronos is a 3,400 person company with 45 employees headquartered in its Irvine location. The firm has been in business for 30 years. In order to continually improve products and remain an industry leader, Kronos spends \$60 million annually on research and development. All of the products included in the proposed solution are developed, manufactured, implemented, and supported by Kronos.

Kronos is an industry leader in electronic timekeeping and attendance systems. The firm offers excellent security with a proven product and installations worldwide. Kronos has customers who have had the same Kronos system installed for over 25 years. Based on these facts, the evaluation committee

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agreed that the solution offered by Kronos is the best fit for the Authority's needs and would ensure the greatest possibility of success.

The evaluation committee received overwhelming positive response from the contacted references for Kronos. Responses from the other firms' references ranged from unfavorable to very good.

Even though Kronos proposed a higher price, the evaluation committee concluded that the proposed product offers the best value because it represents a more comprehensive solution that will meet the Authority's needs with minimal risk of failure. For frequently asked questions, see Attachment D.

#### Fiscal Impact

Funds for this project were approved in the Authority's Fiscal Year 2007-08 Budget, Transit Division/Maintenance, Account 2159-9028-D2108-H5T, and funded through the Local Transportation Fund.

#### ***Summary***

Staff recommends approval of Agreement No. C-7-1118 to Kronos Incorporated, in the amount of \$457,287, for an electronic timekeeping and attendance tracking system.

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***Attachments***

- A. Current System Deficiencies
- B. Benefits of the New System
- C. Evaluation Overview
- D. Timekeeping Procurement Frequently Asked Questions (FAQs)
- E. Proposal Evaluation Criteria Matrix RFP 7-1118 Electronic Timekeeping System Short-listed Firms
- F. RFP 7-1118 Electronic Timekeeping System Review of Proposals

**Prepared by:**



Connie Raya  
Section Manager,  
Maintenance Resource Management  
714-560-5962

**Approved by:**



Beth McCormick  
General Manager, Transit  
714-560-5964

## ATTACHMENT A

### **CURRENT SYSTEM DEFICIENCIES**

The current time and attendance tracking system is deficient or inadequate in the following ways:

- ETOS cannot be upgraded to the currently supported version of the Oracle database, as the Authority requires.
- The ETOS system incorporates the use of hand scanners for employee identification. The manufacturer of the hand scanners is no longer in business; there is no longer a reliable source for the repair of these devices.
- ETOS is failure prone and every payroll period results in system generated errors requiring considerable staff time to correct. As a result, approximately \$53,000 is spent annually in manual audit and correction of timekeeping records. This manual process introduces additional risk to the accuracy of the payroll disbursement. The breakdown of the additional cost to the Authority for this manual intervention is:

Maintenance Supervisors (3):	7.5 hrs/wk = 390 hrs/yr =	\$14,999
Facility Maintenance Supervisor:	2.5 hrs/wk = 130 hrs/yr =	\$ 4,992
Office Specialists (3):	15 hrs/wk = 780 hrs/yr =	\$15,000
Payroll Coordinator:	15 hrs/wk = 780 hrs/yr =	<u>\$18,225</u>
		\$53,216

- Due to the continual ETOS system errors, maintenance employee paychecks require frequent check adjustments and replacements. An incorrect paycheck results in employee dissatisfaction, additional staff time to correct, and may result in incorrect reporting of service records for retirement purposes.
- The current system does not provide reporting and analysis tools. The Authority requires a time and attendance tracking system that can generate management reports and provide analysis of its data.
- To maintain a proper timekeeping function for 300 union employees requires a much more reliable and robust program than the current system is capable of providing.

## **ATTACHMENT B**

### **BENEFITS OF A NEW SYSTEM**

The new software will be integrated with the Authority's Lawson payroll system and replace the existing ETOS and ETA timekeeping and attendance systems.

Implementation of an integrated time and attendance tracking application will:

- Validate employee identity and prevent "buddy punching" (biometrics)
- Integrate directly with the Authority's payroll (Lawson) and work order/job costing (Ellipse) systems
- Apply complex work rules and attendance policies accurately
- Provide the flexibility for authorized Authority personnel to reconfigure the system over time as work rules and leave policies change
- Provide an application for tracking leaves of absence in full compliance with the provisions of the Family Medical Leave Act (FMLA) and all other state-mandated leave acts
- Provide for the generation of disciplinary letters, bonuses and awards based on the Authority's attendance policies and collective bargaining agreements.
- Minimize the requirement for custom code to meet the Authority's need for both time and attendance reporting, so as to optimize Authority independence with regard to using and configuring the system
- Provide the ability to periodically upload work schedules as a result of bids for work based upon seniority
- Provide analytical reports to allow the Authority to identify and correct abuses of attendance and leave policies, thereby effecting additional cost savings
- Provide built-in security and privacy features
- Provide all of the above in a single, integrated application
- Elimination of failures

## **EVALUATION OVERVIEW**

Following is a discussion of the evaluation criteria categories:

### **Qualifications of the Firm**

Kronos Incorporated (Kronos) received the highest marks in this area, scoring 23 out of a possible 25 points. The Kronos Workforce Central application met all of the functional requirements specified in the RFP scope of work. The firm has extensive experience in the transit industry, as well with cities and municipalities. Kronos client list includes MTA New York, New Jersey Transit, Cleveland, Omnitrans, North San Diego Transit, the cities of Huntington Beach, Torrance, Ontario, Fresno, Santa Monica, the counties of San Diego, Sonoma and Riverside, The California Department of Food and Agriculture, and the San Diego Water Authority. This is important because these types of agencies share the same or similar challenges in terms of compliance with work and attendance rules and state and federal leave of absence regulations.

Kronos has received a “Strong Positive” rating by Gartner, the world’s leading information technology research and advisory committee. In granting this rating, Gartner considers innovation, product/service, customer experience and overall viability of the vendor. The other short-listed firms are not rated.

Kronos’ proposal includes an integrated solution in which all of the proposed products, system software, and biometric data collection devices are made, delivered, and supported by Kronos. Of the competitors, Pacific Time Sales implements another vendor’s software while IntelliTime provides its own software but uses a third party for the data collection devices. It is important to have one central source for all software and hardware support.

### **Staffing and Project Organization**

The staffing section of the proposal established the methods that the firms will use to manage the project and identified key project staff assigned.

The evaluation committee rated the firms similarly in this area with Pacific Time scoring slightly higher. The firm’s proposed staff was knowledgeable, professional, and shared equally in the discussions regarding the firm’s product and the experience managing similar projects.

### Work Plan

The work plan is intended to provide a comprehensive description of how the services will be performed.

Kronos scored highest in this area. The proposed work plan was thorough and comprehensive. The firm could have easily rated higher scores; however, due to the exceptions and deviations to the terms and conditions of the Authority's agreement included in their proposal, the firm's scores were marked down in this area. Kronos and the Authority are in the process of working through deviations and exceptions to the agreement and anticipate the deviations will be resolved to the Authority's satisfaction. Kronos has repeatedly expressed its willingness to work with the Authority to execute a mutually acceptable agreement.

### Cost and Price

Kronos ranked third in the cost and price category at \$457,287. Although this is the highest priced proposal, the evaluation committee concluded that the firm offered the most comprehensive solution to meet the Authority's time and attendance tracking requirements.



## **Timekeeping Procurement Frequently Asked Questions (FAQs)**

### **1. Does the Authority need a state-of-the-art electronic timekeeping system for 300 employees?**

The Authority has employed the use of biometric hand-scanners since 2000. These devices offer superior security and identification features and eliminate the practice of “buddy punching”. Additionally, the proposed devices offer self-service features which will allow employees to review their work schedules and accrued leave balances and request time off.

The proposed system will eliminate many manual processes currently required to prepare timekeeping records for payroll processing. This will increase employee satisfaction by consistently providing accurate and timely paychecks. The system will also administer and track unscheduled absences, mandated protected leave status, and ensure that attendance and union work rules are applied consistently and fairly to all employees.

Finally, the proposed system represents one fully integrated workforce management system with direct interface to the Lawson payroll system and Ellipse maintenance resource planning system.

Biometric – The Authority has used biometric hand-scanners since 2000. Biometrics verify the identity of the user with fingerprint or hand recognition systems and eliminates “buddy punching.”

Biometric Collection Devices – The eleven (11) new biometric devices are manufactured and supported by Kronos. They collect more than just time records. They display time records, accrued leave balances, and process requests for leave time.

One system – One fully integrated system with direct interface to the Lawson payroll system and Ellipse maintenance resource planning system.

### **2. What are the differences between timekeeping and time & attendance systems?**

#### Timekeeping

Simply records and collects hours worked by employees.

### Time and Attendance

In addition to timekeeping, a time and attendance tracking solution:

- Implements and applies complex pay rules (union rules)
- Integrates directly with pay systems (Lawson and Ellipse)
- Provides absence and leave management capability
- Applies attendance policies fairly and consistently
- Automatically generates attendance disciplinary letters, bonuses and awards
- Provides real time reporting and audit capability
- Reduces error rates in payroll (no manual input)

**3. Is there a professional organization that ranks time and attendance applications, and if so, how are the short-listed firms rated?**

Gartner is the world's leading independent information technology research and advisory company. In its December 2006 publication entitled "MarketScope for Retail Time and Labor Applications," Gartner rated Kronos a "strong positive", its highest rating. The criteria for the rating included: innovation, product development, product/service, customer experience, and overall viability of the vendor. The other short-listed firms were not rated in the article.

**4. Can a system like this be expected to pay for itself over time?**

The Authority's current expenditures related to the manual processes necessitated by deficiencies of the current timekeeping solution are estimated at \$53,000 annually. With the elimination of the majority of these manual processes alone, it can be argued that the replacement application, along with free upgrades, could pay for itself within eight to nine years. Elimination of the majority of the manual processes alone can be argued that, in fact, the replacement application, along with free upgrades, could pay for itself within eight to nine years. Kronos has installations that date over 25 years. The system is developed to expand and grow as long as the product is used.

Additional savings may be realized by implementing the self-service features of the data clocks including entering leave of absence requests and viewing leave accrual balances.

**5. Why does the Authority impose such strict project management requirements on software implementation projects?**

The Authority's Information Systems Department applies a formalized project management approach to ensure the success of a project. This is accomplished by lowering risk, controlling scope, containing costs, and meeting project deliverable deadlines. Effective project management requires overhead but the Authority believes and has experienced that if not invested in up front and during a project's lifecycle, more will be paid in the end. Depending on the scope of the project, these costs are generally limited to 5 percent to 15 percent of an information technology project budget.

**6. Why is transit agency experience important in selecting a vendor for this type of project?**

Public transit agencies have unique union work rules, time and attendance rules and regulations, contractual, and project funding requirements.

**PROPOSAL EVALUATION CRITERIA MATRIX**  
**RFP NO. 7-1118, ELECTRONIC TIMEKEEPING SYSTEM**  
**Short-listed Firms**

<b>KRONOS</b>						<b>Wts.</b>	<b>Overall Score</b>
<b>Evaluation Number</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>		
Qualifications of Firm	4.00	5.00	5.00	4.00	5.00	5	23
Staffing & Project Organization	4.00	3.00	3.00	3.00	3.00	5	16
Work Plan	4.00	4.00	4.00	4.00	3.00	5	19
Cost & Price	3.00	3.00	3.00	3.00	3.00	5	15
<b>Overall Score</b>	<b>75.00</b>	<b>75.00</b>	<b>75.00</b>	<b>70.00</b>	<b>70.00</b>		<b>73</b>

<b>PACIFIC TIME SYSTEMS</b>						<b>Wts.</b>	<b>Overall Score</b>
<b>Evaluation Number</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>		
Qualifications of Firm	2.00	3.00	3.00	3.00	2.00	5	13
Staffing & Project Organization	4.00	4.00	4.00	4.00	4.00	5	20
Work Plan	2.00	3.00	3.00	2.00	3.00	5	13
Cost & Price	5.00	5.00	5.00	5.00	5.00	5	25
<b>Overall Score</b>	<b>65.00</b>	<b>75.00</b>	<b>75.00</b>	<b>70.00</b>	<b>70.00</b>		<b>71</b>

<b>INTELLITIME</b>						<b>Wts.</b>	<b>Overall Score</b>
<b>Evaluation Number</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>		
Qualifications of Firm	4.00	3.00	3.00	3.50	4.00	5	18
Staffing & Project Organization	3.00	3.00	4.00	3.00	3.00	5	16
Work Plan	3.50	3.00	3.00	3.50	3.00	5	16
Cost & Price	4.00	4.00	4.00	4.00	4.00	5	20
<b>Overall Score</b>	<b>72.50</b>	<b>65.00</b>	<b>70.00</b>	<b>70.00</b>	<b>70.00</b>		<b>70</b>

**RFP 7-1118 Electronic Timekeeping System  
Review of Proposals**

*PRESENTED TO THE TRANSIT COMMITTEE MEETING FEBRUARY 14, 2008*

6 proposals were received, 3 firms were interviewed, and 1 firm is recommended to provide the Authority's Electronic Timekeeping System.

Overall Ranking	Prop. Score	Firm & Location	Subcontractors	Evaluation Committee Comments	Firm-Fixed Price
1	73	Kronos Incorporated 18400 Von Karman, #600 Irvine, CA 92612	None	Extensive experience in timekeeping business Recognized industry leader in providing timekeeping applications The Workforce Central Version 6.0 application appears to be an excellent product The Kronos team presented their staff and product very well at the interview The references were eager to praise the services and products provided by Kronos	\$ 457,287.00
2	71	Pacific Time Systems 500 South Kraemer Blvd., #275 Brea, CA 92821	None	Firm should have discussed previous experience and installations in greater detail The reference checks were lukewarm in regards to support of the system The NOVAtime 3000 application is a functional and impressive system The proposed project team presented well at the interview Overall good proposal, but did not expand enough on qualifications and workplan Lowest pricing	\$ 328,131.48
3	70	IntelliTime Systems Corporation 310 S. Susan St., #200 Santa Ana, CA 92704	None	The firm has a good municipal background but no transit experience Very good and well organized proposal The IntelliTime application proposed and presented at interview is functional The proposed team was not cohesive at the interview Good references Competitive pricing	\$ 398,950.00

**Evaluation Panel**

Contracts Administration and Materials Management  
Transit  
Human Resources  
Information Systems

**Proposal Criteria**

Qualifications of the Firm	25%
Staffing and Project Organization	25%
Work Plan	25%
Cost and Price	25%





MEMO

April 14, 2008

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

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

Thank you.



**April 10, 2008**

**To:** Transit Committee

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

**Subject:** Cooperative Agreement with Community SeniorServ

### **Overview**

The Orange County Transportation Authority proposes to enter into a cooperative agreement with Community SeniorServ. A cooperative agreement is required to establish roles, responsibilities, and process for a cost sharing arrangement to provide alternative transportation services for ACCESS riders attending Community SeniorServ facilities.

### **Recommendation**

Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-8-0690 between the Orange County Transportation Authority and Community SeniorServ, in an amount not to exceed \$2,646,400, to share in the cost of providing transportation services through June 30, 2010.

### **Background**

Trips provided to ACCESS customers traveling to and from adult day healthcare (ADHC) facilities account for approximately one-third of all ACCESS trips. Many of these individuals require specialized service, beyond the requirements of ACCESS, due to significant physical and/or cognitive disabilities. In addition, paratransit growth management strategies implemented since July 2005 have resulted in service policies which impact the ADHC community. One of the recommended strategies included in the Paratransit Growth Management Plan, as well as studies of adult day healthcare transportation, was to develop cost sharing agreements between the Orange County Transportation Authority (Authority) and ADHC facilities to transition ACCESS riders to an alternative transportation provider at a lower cost per trip.



***Discussion***

Community SeniorServ, formerly known as Feedback Foundation, operates adult day healthcare facilities in Anaheim and Santa Ana. The Authority provides approximately 79,000 annual ACCESS trips to and from these facilities. Under this cooperative agreement (Attachment A), the Authority will contribute an operating subsidy of \$16.00 per one-way trip for trips that have been moved from ACCESS to services provided by Abrazar, Inc., (Abrazar) under contract with Community SeniorServ. Abrazar, a non-profit social service agency located in Westminster, currently provides other senior transportation services including a contract with Acacia Adult Day Services, and is a provider of the County's Senior Non-Emergency Medical Transportation Program. In addition, Abrazar is a member of the Authority's Senior Mobility Program. Under this agreement, approximately 200 clients will be moved from ACCESS to services provided by Abrazar.

Under this cooperative agreement, the Authority will continue to contribute an operating subsidy to SeniorServ for ACCESS customers traveling to and from the adult day healthcare program. Using the average ACCESS cost per trip of \$25.83, the \$16.00 subsidy provided to Community SeniorServ will defer up to \$1.6 million in total expenses to the Authority during the initial term of the agreement and up to \$3.5 million over five years (Attachment B). Moving Community SeniorServ clients from ACCESS to Abrazar will also free ACCESS vehicle capacity during peak service hours as these clients travel weekdays during peak morning and afternoon commuting hours.

**Fiscal Impact**

Funds for this project are included in the proposed Authority's Fiscal Year 2008-09 Budget, Transit Division, Community Transportation Services, Account 2131-7312-1208-PJX, and is funded through the Local Transportation Fund.

***Summary***

Staff recommends the Board of Directors approval for the Chief Executive Officer to execute Cooperative Agreement No. C-8-0690, in the amount of \$2,646,400, with Community SeniorServ, to provide a partial operating subsidy for ACCESS riders traveling to an adult day healthcare program using an alternate transportation service.

**Attachments**

- A. Draft Cooperative Agreement No. C-8-0690 Between Orange County Transportation Authority and Community SeniorServ
- B. Operating Subsidy for Adult Day Healthcare Transportation Agreement No. C-8-0690 with Community SeniorServ

**Prepared by:**



Dana Wiemiller  
Community Transportation Coordinator  
(714) 560-5718

**Approved by:**



Beth McCormick  
General Manager, Transit  
(714) 560-5964

**DRAFT COOPERATIVE AGREEMENT NO. C-8-0690**

**BETWEEN**

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

**AND**

**COMMUNITY SENIORSERV**

**THIS AGREEMENT** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2008, by and between the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584, a public corporation of the state of California (hereinafter referred to as "AUTHORITY"), and Community SeniorServ, 1200 North Knollwood Circle, Anaheim, California 92801 (hereinafter referred to as "CONTRACTOR").

**WITNESSETH:**

**WHEREAS**, AUTHORITY requires assistance from CONTRACTOR to provide alternative transportation services to ACCESS riders attending the Community SeniorServ facilities; and

**WHEREAS**, AUTHORITY agrees to provide an eighty (80) percent financial contribution for providing the alternative transportation services; and

**WHEREAS**, said work cannot be performed by the regular employees of AUTHORITY; and

**WHEREAS**, CONTRACTOR has represented that it has the requisite personnel and experience, and is capable of performing such services; and

**WHEREAS**, CONTRACTOR wishes to perform these services; and

**WHEREAS**, AUTHORITY's Board of Directors has reviewed and approved this Cooperative Agreement with CONTRACTOR on April 28, 2008;

**NOW, THEREFORE**, it is mutually understood and agreed by AUTHORITY and CONTRACTOR as follows:

**ARTICLE 1. COMPLETE AGREEMENT**

A. This Agreement, including all exhibits and documents incorporated herein and made applicable by reference, constitutes the complete and exclusive statement of the term(s) and

1 condition(s) of the agreement between AUTHORITY and CONTRACTOR and it supersedes all prior  
2 representations, understandings and communications. The invalidity in whole or in part of any term or  
3 condition of this Agreement shall not affect the validity of other term(s) or condition(s).

4 B. AUTHORITY's failure to insist in any one or more instances upon CONTRACTOR's  
5 performance of any term(s) or condition(s) of this Agreement shall not be construed as a waiver or  
6 relinquishment of AUTHORITY's right to such performance or to future performance of such term(s) or  
7 condition(s) and CONTRACTOR's obligation in respect thereto shall continue in full force and effect.  
8 Changes to any portion of this Agreement shall not be binding upon AUTHORITY except when  
9 specifically confirmed in writing by an authorized representative of AUTHORITY by way of a written  
10 amendment to this Agreement and issued in accordance with the provisions of this Agreement.

11 **ARTICLE 2. AUTHORITY DESIGNEE**

12 The Chief Executive Officer of AUTHORITY, or designee, shall have the authority to act for and  
13 exercise any of the rights of AUTHORITY as set forth in this Agreement.

14 **ARTICLE 3. SCOPE OF WORK**

15 A. CONTRACTOR shall perform the work necessary to complete in a manner satisfactory to  
16 AUTHORITY the services set forth in Exhibit A, entitled "Scope of Work," attached to and, by this  
17 reference, incorporated in and made a part of this Agreement. All services shall be provided at the  
18 times and places designated by AUTHORITY.

19 B. CONTRACTOR shall provide the personnel listed below to perform the above-specified  
20 services, which persons are hereby designated as key personnel under this Agreement.

<b><u>Names</u></b>	<b><u>Functions</u></b>
Randy Platt	Chief Executive Officer
Chris Diminyatz	Program Director, Adult Day Services, Anaheim
Louise Obester	Program Director, Adult Day Services, Santa Ana
Jennifer Radics	Marketing Director, Adult Day Services
/	

1 C. No person named in paragraph B of this Article, or his/her successor approved by  
 2 AUTHORITY, shall be removed or replaced by CONTRACTOR, nor shall his/her agreed-upon function  
 3 or level of commitment hereunder be changed, without the prior written consent of AUTHORITY.  
 4 Should the services of any key person become no longer available to CONTRACTOR, the resume and  
 5 qualifications of the proposed replacement shall be submitted to AUTHORITY for approval as soon as  
 6 possible, but in no event later than seven (7) calendar days prior to the departure of the incumbent key  
 7 person, unless CONTRACTOR is not provided with such notice by the departing employee.  
 8 AUTHORITY shall respond to CONTRACTOR within seven (7) calendar days following receipt of these  
 9 qualifications concerning acceptance of the candidate for replacement.

10 **ARTICLE 4. TERM OF AGREEMENT**

11 A. This Agreement shall commence upon execution by both parties, and shall continue in full  
 12 force and effect through June 30, 2010 ("Initial Term"), unless earlier terminated or extended as  
 13 provided in this Agreement.

14 B. AUTHORITY, at its sole discretion, may elect to extend the term of this Agreement up to an  
 15 additional twelve (12) months, commencing July 1, 2010, and continuing through June 30, 2011 ("First  
 16 Option Term"), and thereupon require CONTRACTOR to continue to provide services, and otherwise  
 17 perform, in accordance with Exhibit A, entitled "Scope of Work", and at the rates set forth in Article 5,  
 18 "Payment."

19 C. AUTHORITY, at its sole discretion, may elect to extend the term of this Agreement up to an  
 20 additional twelve (12) months, commencing July 1, 2011, and continuing through June 30, 2012  
 21 ("Second Option Term"), and thereupon require CONTRACTOR to continue to provide services, and  
 22 otherwise perform, in accordance with Exhibit A, entitled "Scope of Work", and at the rates set forth in  
 23 Article 5, "Payment."

24 D. AUTHORITY, at its sole discretion, may elect to extend the term of this Agreement up to an  
 25 additional twelve (12) months, commencing July 1, 2012, and continuing through June 30, 2013 ("Third  
 26 Option Term"), and thereupon require CONTRACTOR to continue to provide services, and otherwise

perform, in accordance with Exhibit A, entitled "Scope of Work", and at the rates set forth in Article 5, "Payment."

E. AUTHORITY's election to extend the Agreement beyond the Initial Term shall not diminish its right to terminate the Agreement for AUTHORITY's convenience or CONTRACTOR's default as provided elsewhere in this Agreement. The "maximum term" of this Agreement shall be the period extending from execution by both parties, through June 30, 2013, which period encompasses the Initial Term, First Option Term, Second Option Term, and Third Option Term.

**ARTICLE 5. PAYMENT**

A. For CONTRACTOR's full and complete performance of its obligations under this Agreement and subject to the maximum cumulative payment obligation provisions set forth in Article 6, AUTHORITY shall pay CONTRACTOR on a firm fixed price per one-way trip basis in accordance with the following provisions.

B. The following schedule shall establish the firm fixed per one-way trip payment to CONTRACTOR by AUTHORITY for the work set forth in the Scope of Work.

<u>Fiscal Year</u>	<u>Annual One-way Trips</u>	<u>80% Contribution Per One-way Trip</u>	<u>Firm Fixed Price</u>
07/08	7,000	\$16.00	\$112,000.00
08/09	79,200	\$16.00	\$1,267,200.00
09/10	79,200	\$16.00	\$1,267,200.00
<b>TOTAL FIRM FIXED PRICE PAYMENT</b>			<b><u>\$2,646,400.00</u></b>

C. CONTRACTOR shall invoice AUTHORITY on a monthly basis for payments representing an eighty percent (80%) contribution corresponding to the actual program costs incurred during the month. Actual one-way trips and program costs incurred shall be documented in a monthly report prepared by CONTRACTOR, which shall accompany each invoice submitted by CONTRACTOR. CONTRACTOR shall also furnish such other information as may be requested by AUTHORITY to substantiate the validity of an invoice. At its sole discretion, AUTHORITY may decline to make full payment for any one-way trip listed in paragraph B of this Article until such time as CONTRACTOR has

1 documented to AUTHORITY's satisfaction, that CONTRACTOR has fully completed all work required.

2 D. A single invoice shall be submitted by CONTRACTOR within thirty (30) days of executing  
3 this Agreement and shall be submitted in duplicate to AUTHORITY's Accounts Payable office. The  
4 monthly report specified in paragraph C of this Article shall be submitted monthly to AUTHORITY.  
5 AUTHORITY shall remit payment within thirty (30) calendar days of the receipt and approval of the  
6 invoice. The invoice shall include the following information:

- 7 1. Agreement No. C-8-0690;
- 8 2. Specify the actual one-way trips and program costs for which payment is being  
9 requested;
- 10 3. The time period covered by the invoice;
- 11 4. Monthly Report;
- 12 5. Certification signed by the CONTRACTOR or his/her designated alternate that a)

13 The invoice is a true, complete and correct statement of reimbursable costs; b) The backup information  
14 included with the invoice is true, complete and correct in all material respects; c) All payments due and  
15 owing to subcontractors and suppliers have been made; d) Timely payments will be made to  
16 subcontractors and suppliers from the proceeds of the payments covered by the certification and; e)  
17 The invoice does not include any amount which CONTRACTOR intends to withhold or retain from a  
18 subcontractor or supplier unless so identified on the invoice.

19 6. Any other information as agreed or requested by AUTHORITY to substantiate the  
20 validity of an invoice.

21 **ARTICLE 6. MAXIMUM OBLIGATION**

22 Notwithstanding any provisions of this Agreement to the contrary, AUTHORITY and  
23 CONTRACTOR mutually agree that AUTHORITY's maximum cumulative payment obligation (including  
24 obligation for CONTRACTOR's profit) shall be Two Million Six Hundred Forty-Six Thousand Four  
25 Hundred Dollars (\$2,646,400.00) which shall include all amounts payable to CONTRACTOR for its  
26 subcontracts, leases, materials and costs arising from, or due to termination of, this Agreement.

1           **ARTICLE 7. NOTICES**

2           All notices hereunder and communications regarding the interpretation of the terms of this  
3 Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing  
4 said notices in the U.S. mail, registered or certified mail, returned receipt requested, postage prepaid  
5 and addressed as follows:

6           To CONTRACTOR:

7           Community SeniorServ  
8           1200 North Knollwood Circle  
9  
10          Anaheim, California 92801  
11          ATTENTION: Randy Platt  
12          (714) 229-3355

To AUTHORITY:

Orange County Transportation Authority  
550 South Main Street  
P.O. Box 14184  
Orange, California 92863-1584  
ATTENTION: Pia Veesapen  
(714) 560 - 5619

13           **ARTICLE 8. INDEPENDENT CONTRACTOR**

14          CONTRACTOR's relationship to AUTHORITY in the performance of this Agreement is that of  
15 an independent contractor. CONTRACTOR's personnel performing services under this Agreement  
16 shall at all times be under CONTRACTOR's exclusive direction and control and shall be employees of  
17 CONTRACTOR and not employees of AUTHORITY. CONTRACTOR shall pay all wages, salaries and  
18 other amounts due its employees in connection with this Agreement and shall be responsible for all  
19 reports and obligations respecting them, such as social security, income tax withholding, unemployment  
20 compensation, workers' compensation and similar matters.

21           **ARTICLE 9. INSURANCE**

22          A. CONTRACTOR shall procure and maintain insurance coverage during the entire term of  
23 this Agreement. Coverage shall be full coverage and not subject to self-insurance provisions.  
24 CONTRACTOR shall provide the following insurance coverage:

25           1. Commercial General Liability, to include Products/Completed Operations,  
26 Independent Contractors', Contractual Liability, and Personal Injury Liability with a minimum limit of



1 \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate.

2 2. Automobile Liability Insurance to include owned, hired and non-owned autos  
3 with a combined single limit of \$1,000,000.00 each accident;

4 3. Workers' Compensation with limits as required by the State of California including a  
5 waiver of subrogation in favor of AUTHORITY, its officers, directors, employees or agents;

6 4. Employers' Liability with minimum limits of \$1,000,000.00; and

7 5. Professional Liability with minimum limits of \$1,000,000.00 per claim.

8 B. Proof of such coverage, in the form of an insurance company issued policy endorsement  
9 and a broker-issued insurance certificate, must be received by AUTHORITY prior to commencement of  
10 any work. Proof of insurance coverage must be received by AUTHORITY within ten (10) calendar days  
11 from the effective date of this Agreement with the AUTHORITY, its officers, directors, employees and  
12 agents designated as additional insureds on the general and automobile liability. Such insurance shall  
13 be primary and non-contributive to any insurance or self-insurance maintained by the AUTHORITY.

14 C. CONTRACTOR shall include on the face of the Certificate of Insurance the Agreement  
15 Number C-8-0690; and, the Contract Administrator's Name, Pia Veesapen.

16 D. CONTRACTOR shall also include in each subcontract the stipulation that subcontractors  
17 shall maintain insurance coverage in the amounts required from CONTRACTOR as provided in this  
18 Agreement.

19 **ARTICLE 10. ORDER OF PRECEDENCE**

20 Conflicting provisions hereof, if any, shall prevail in the following descending order of  
21 precedence: (1) the provisions of this Agreement, including all exhibits; (2) all other documents, if any,  
22 cited herein or incorporated by reference.

23 **ARTICLE 11. CHANGES**

24 By written notice or order, AUTHORITY may, from time to time, order work suspension and/or  
25 make changes in the general scope of this Agreement, including, but not limited to, the services  
26 furnished to AUTHORITY by CONTRACTOR as described in the Scope of Work. If any such work

1 suspension or change causes an increase or decrease in the price of this Agreement, or in the time  
2 required for its performance, CONTRACTOR shall promptly notify AUTHORITY thereof and assert its  
3 claim for adjustment within ten (10) calendar days after the change or work suspension is ordered, and  
4 an equitable adjustment shall be negotiated. However, nothing in this clause shall excuse  
5 CONTRACTOR from proceeding immediately with the agreement as changed.

6 **ARTICLE 12. DISPUTES**

7 A. Except as otherwise provided in this Agreement, any dispute concerning a question of fact  
8 arising under this Agreement which is not disposed of by supplemental agreement shall be decided by  
9 AUTHORITY's Director, Contracts Administration and Materials Management (CAMM), who shall  
10 reduce the decision to writing and mail or otherwise furnish a copy thereof to CONTRACTOR. The  
11 decision of the Director, CAMM, shall be final and conclusive.

12 B. The provisions of this Article shall not be pleaded in any suit involving a question of fact  
13 arising under this Agreement as limiting judicial review of any such decision to cases where fraud by  
14 such official or his representative or board is alleged, provided, however, that any such decision shall  
15 be final and conclusive unless the same is fraudulent or capricious or arbitrary or so grossly erroneous  
16 as necessarily to imply bad faith or is not supported by substantial evidence. In connection with any  
17 appeal proceeding under this Article, CONTRACTOR shall be afforded an opportunity to be heard and  
18 to offer evidence in support of its appeal.

19 C. Pending final decision of a dispute hereunder, CONTRACTOR shall proceed diligently with  
20 the performance of this Agreement and in accordance with the decision of AUTHORITY's Director,  
21 CAMM. This Disputes clause does not preclude consideration of questions of law in connection with  
22 decisions provided for above. Nothing in this Agreement, however, shall be construed as making final  
23 the decision of any AUTHORITY official or representative on a question of law, which questions shall be  
24 settled in accordance with the laws of the state of California.

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1           **ARTICLE 13. TERMINATION**

2           A. AUTHORITY may terminate this Agreement for its convenience at any time, in whole or  
3 part, by giving CONTRACTOR written notice thereof. Upon said notice, AUTHORITY shall pay  
4 CONTRACTOR its allowable costs incurred to date of termination and those allowable costs  
5 determined by AUTHORITY to be reasonably necessary to effect such termination. Thereafter,  
6 CONTRACTOR shall have no further claims against AUTHORITY under this Agreement.

7           B. AUTHORITY may terminate this Agreement for CONTRACTOR's default if a federal or state  
8 proceeding for the relief of debtors is undertaken by or against CONTRACTOR, or if CONTRACTOR  
9 makes an assignment for the benefit of creditors, or if CONTRACTOR breaches any term(s) or violates  
10 any provision(s) of this Agreement and does not cure such breach or violation within ten (10) calendar  
11 days after written notice thereof by AUTHORITY. CONTRACTOR shall be liable for any and all  
12 reasonable costs incurred by AUTHORITY as a result of such default including, but not limited to,  
13 reprocurement costs of the same or similar services defaulted by CONTRACTOR under this  
14 Agreement.

15           **ARTICLE 14. INDEMNIFICATION**

16           CONTRACTOR shall indemnify, defend and hold harmless AUTHORITY, its officers, directors,  
17 employees and agents from and against any and all claims (including attorneys' fees and reasonable  
18 expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage  
19 to or loss of use of property caused by the negligent acts, omissions or willful misconduct by  
20 CONTRACTOR, its officers, directors, employees, agents, subcontractors or suppliers in connection  
21 with or arising out of the performance of this Agreement.

22           **ARTICLE 15. ASSIGNMENTS AND SUBCONTRACTS**

23           A. Neither this Agreement nor any interest herein nor claim hereunder may be assigned by  
24 CONTRACTOR either voluntarily or by operation of law, nor may all or any part of this Agreement be  
25 subcontracted by CONTRACTOR, without the prior written consent of AUTHORITY. Consent by  
26 AUTHORITY shall not be deemed to relieve CONTRACTOR of its obligations to comply fully with all

1 terms and conditions of this Agreement.

2 B. AUTHORITY hereby consents to CONTRACTOR's subcontracting portions of the Scope of  
3 Work to the parties identified below. CONTRACTOR shall include in the subcontract agreement the  
4 stipulation that CONTRACTOR, not AUTHORITY, is solely responsible for payment to the  
5 subcontractor for the amounts owing and that the subcontractor shall have no claim, and shall take no  
6 action, against AUTHORITY, its officers, directors, employees or sureties for nonpayment by  
7 CONTRACTOR.

8 **Subcontractor Name**

**Address**

9 Abrazar, Inc.

7101 Wyoming Street, Westminster, CA 92683

10 **ARTICLE 16. AUDIT AND INSPECTION OF RECORDS**

11 CONTRACTOR shall provide AUTHORITY, or other agents of AUTHORITY, such access to  
12 CONTRACTOR's accounting books, records, payroll documents and facilities as AUTHORITY deems  
13 necessary. CONTRACTOR shall maintain such books, records, data and documents in accordance  
14 with generally accepted accounting principles and shall clearly identify and make such items readily  
15 accessible to such parties during CONTRACTOR's performance hereunder and for a period of four (4)  
16 years from the date of final payment by AUTHORITY. AUTHORITY's right to audit books and records  
17 directly related to this Agreement shall also extend to all first-tier subcontractors identified in Article 15  
18 of this Agreement. CONTRACTOR shall permit any of the foregoing parties to reproduce documents  
19 by any means whatsoever or to copy excerpts and transcriptions as reasonably necessary.

20 **ARTICLE 17. FEDERAL, STATE AND LOCAL LAWS**

21 CONTRACTOR warrants that in the performance of this Agreement, it shall comply with all  
22 applicable federal, state and local laws, statutes and ordinances and all lawful orders, rules and  
23 regulations promulgated thereunder.

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**ARTICLE 18. EQUAL EMPLOYMENT OPPORTUNITY**

In connection with its performance under this Agreement, CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age or national origin. CONTRACTOR shall take affirmative action to ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, age or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

**ARTICLE 19. PROHIBITED INTERESTS**

CONTRACTOR covenants that, for the term of this Agreement, no director, member, officer or employee of AUTHORITY during his/her tenure in office or for one (1) year thereafter shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

**ARTICLE 20. OWNERSHIP OF REPORTS AND DOCUMENTS**

The originals of all letters, documents, reports and other products and data produced under this Agreement shall be delivered to, and become the property of AUTHORITY. Copies may be made for CONTRACTOR's records but shall not be furnished to others without written authorization from AUTHORITY. Such deliverables shall be deemed works made for hire and all rights in copyright therein shall be retained by AUTHORITY.

**ARTICLE 21. PATENT AND COPYRIGHT INFRINGEMENT**

A. In lieu of any other warranty by AUTHORITY or CONTRACTOR against patent or copyright infringement, statutory or otherwise, it is agreed that CONTRACTOR shall defend at its expense any claim or suit against AUTHORITY on account of any allegation that any item furnished under this Agreement or the normal use or sale thereof arising out of the performance of this Agreement, infringes upon any presently existing U. S. letters patent or copyright and CONTRACTOR shall pay all costs and damages finally awarded in any such suit or claim, provided that CONTRACTOR is promptly notified in writing of the suit or claim and given authority, information and assistance at CONTRACTOR's expense

1 for the defense of same. However, CONTRACTOR will not indemnify AUTHORITY if the suit or claim  
 2 results from: (1) AUTHORITY's alteration of a deliverable, such that said deliverable in its altered form  
 3 infringes upon any presently existing U.S. letters patent or copyright; or (2) the use of a deliverable in  
 4 combination with other material not provided by CONTRACTOR when such use in combination  
 5 infringes upon an existing U.S. letters patent or copyright.

6 B. CONTRACTOR shall have sole control of the defense of any such claim or suit and all  
 7 negotiations for settlement thereof. CONTRACTOR shall not be obligated to indemnify AUTHORITY  
 8 under any settlement made without CONTRACTOR's consent or in the event AUTHORITY fails to  
 9 cooperate fully in the defense of any suit or claim, provided, however, that said defense shall be at  
 10 CONTRACTOR's expense. If the use or sale of said item is enjoined as a result of such suit or claim,  
 11 CONTRACTOR, at no expense to AUTHORITY, shall obtain for AUTHORITY the right to use and sell  
 12 said item, or shall substitute an equivalent item acceptable to AUTHORITY and extend this patent and  
 13 copyright indemnity thereto.

14 **ARTICLE 22. FINISHED AND PRELIMINARY DATA**

15 A. All of CONTRACTOR's finished technical data, including but not limited to illustrations,  
 16 photographs, tapes, software, software design documents, including without limitation source code,  
 17 binary code, all media, technical documentation and user documentation, photoprints and other graphic  
 18 information required to be furnished under this Agreement, shall be AUTHORITY's property upon  
 19 payment and shall be furnished with unlimited rights and, as such, shall be free from proprietary  
 20 restriction except as elsewhere authorized in this Agreement. CONTRACTOR further agrees that it  
 21 shall have no interest or claim to such finished, AUTHORITY-owned, technical data; furthermore, said  
 22 data is subject to the provisions of the Freedom of Information Act, 5 USC 552.

23 B. It is expressly understood that any title to preliminary technical data is not passed to  
 24 AUTHORITY but is retained by CONTRACTOR. Preliminary data includes roughs, visualizations,  
 25 software design documents, layouts and comprehensives prepared by CONTRACTOR solely for the  
 26 purpose of demonstrating an idea or message for AUTHORITY's acceptance before approval is given

1 for preparation of finished artwork. Preliminary data title and right thereto shall be made available to  
2 AUTHORITY if CONTRACTOR causes AUTHORITY to exercise Article 11, and a price shall be  
3 negotiated for all preliminary data.

4 **ARTICLE 23. ALCOHOL AND DRUG POLICY**

5 AUTHORITY and CONTRACTOR shall provide under this Agreement, a safe and healthy work  
6 environment free from the influence of alcohol and drugs. Failure to comply with this Article may result  
7 in nonpayment or termination of this Agreement.

8 **ARTICLE 24. FORCE MAJEURE**

9 Either party shall be excused from performing its obligations under this Agreement during the  
10 time and to the extent that it is prevented from performing by an unforeseeable cause beyond its  
11 control, including but not limited to: any incidence of fire, flood; acts of God; commandeering of material,  
12 products, plants or facilities by the federal, state or local government; national fuel shortage; or a  
13 material act or omission by the other party; when satisfactory evidence of such cause is presented to  
14 the other party, and provided further that such nonperformance is unforeseeable, beyond the control  
15 and is not due to the fault or negligence of the party not performing.

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This Agreement shall be made effective upon execution by both parties.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement No. C-8-0690 to be executed on the date first above written.

**COMMUNITY SENIORSERV**

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

By \_\_\_\_\_

By \_\_\_\_\_

Randy Platt  
Chief Executive Officer

Arthur T. Leahy  
Chief Executive Officer

APPROVED AS TO FORM:

By \_\_\_\_\_

Kennard R. Smart, Jr.  
General Counsel

APPROVED:

By \_\_\_\_\_

Beth McCormick  
General Manager, Transit



**SCOPE OF WORK**  
**Community SeniorServ**  
**Adult Day Healthcare Transportation**

**I. Project Background**

Community SeniorServ (CSS), formerly known as Feedback Foundation, operates adult day healthcare facilities located in Anaheim and Santa Ana. Approximately 200 participants of the CSS programs are eligible for Orange County Transportation Authority (Authority) ACCESS service and CSS purchases transportation services for their participants. Changes in ACCESS fares and service policies as a result of Paratransit Growth Management strategies have impacted the adult day healthcare community. A 2005 Authority study on adult day healthcare transportation recommended the establishment of cooperative agreements with private service providers which would offer alternative service to adult day healthcare providers and reduce ACCESS costs.

In response to the study recommendation, the Authority has entered into cooperative agreements with several adult day healthcare (ADHC) facilities in which the Authority agrees to provide a per-trip transportation subsidy for ACCESS-eligible participants traveling to/from these ADHC facilities.

**II. Work Plan**

- A. More than 200 ACCESS-eligible participants may travel to/from the two CSS facilities. The Authority will participate in a cost-sharing agreement to subsidize transportation service for ACCESS-eligible, CSS participants using an alternative transportation provider.
- B. CSS is contracting with Abrazar, Inc., a non-profit transportation service provider, to provide transportation services for their participants to/from their facilities.
- C. The Authority will provide a per trip subsidy for each ACCESS-eligible participant traveling to and from the CSS facilities in Anaheim and Santa Ana. The subsidy shall be no more than 80 percent of the per trip transportation cost.
- D. A Consumer Price Index (CPI) rate adjustment may be included with the execution of each option term.

**III. Data Collection and Reporting**

CSS will ensure that Abrazar, Inc., will collect data required for National Transit Database (NTD) reporting for trips provided to/from the CSS facilities and submit that data by the 10<sup>th</sup> calendar day of the following month.

**IV. Project Management**

Staff from the Authority's Community Transportation Services Department will manage the contract.

**Operating Subsidy for Adult Day Healthcare Transportation  
Agreement No. C-8-0690 with Community SeniorServ**

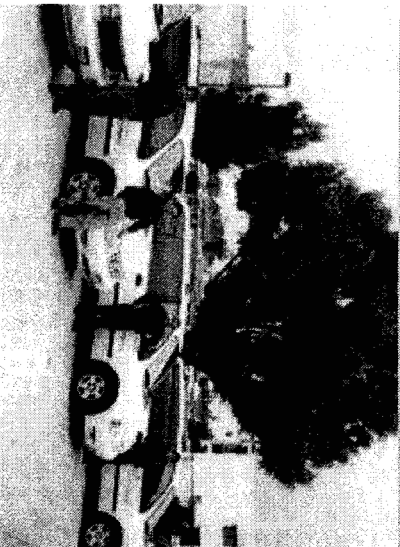
		FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY12/13	Totals
Trips (one-way)		7,000	79,200	79,200	<i>79,200</i>	<i>79,200</i>	<i>79,200</i>	403,000
Total cost @ \$20.00	\$20.00	\$140,000	\$1,584,000	\$1,584,000	<i>\$1,584,000</i>	<i>\$1,663,200</i>	<i>\$1,746,360</i>	\$ 8,301,560
CPI @ 5 percent per year*					<i>\$79,200</i>	<i>\$83,160</i>	<i>\$87,318</i>	\$ 249,678
		\$140,000	\$1,584,000	\$1,584,000	<i>\$1,663,200</i>	<i>\$1,746,360</i>	<i>\$1,833,678</i>	\$ 8,551,238
OCTA subsidy @ 80 percent	\$16.00	\$112,000	\$1,267,200	\$1,267,200	<i>\$1,330,560</i>	<i>\$1,397,088</i>	<i>\$1,466,942</i>	\$6,840,990
CSS subsidy @ 20 percent	\$4.00	\$28,000	\$316,800	\$316,800	<i>\$332,640</i>	<i>\$349,272</i>	<i>\$366,736</i>	\$1,710,248
<b>Program Total</b>		<b>\$140,000</b>	<b>\$1,584,000</b>	<b>\$1,584,000</b>	<b><i>\$1,663,200</i></b>	<b><i>\$1,746,360</i></b>	<b><i>\$1,833,678</i></b>	<b>\$8,551,238</b>
Estimated ACCESS cost @ \$25.83/trip		\$180,810	\$2,045,736	\$2,045,736	<i>\$2,045,736</i>	<i>\$2,045,736</i>	<i>\$2,045,736</i>	\$10,409,490
Estimated Savings to ACCESS		\$68,810	\$778,536	\$778,536	<i>\$715,176</i>	<i>\$648,648</i>	<i>\$578,794</i>	<b>\$3,568,500</b>

\*By adding in a 5 percent per year growth factor, additional funds are programmed for increases in trip costs

\*\*NOTE: Italicized amounts are projections for option years; amounts have not been approved by OCTA Board

**ITEMS 31, 32, AND 33  
WILL BE PRESENTED TOGETHER,  
AND THE FOLLOWING POWERPOINT  
WILL ADDRESS THOSE ITEMS**

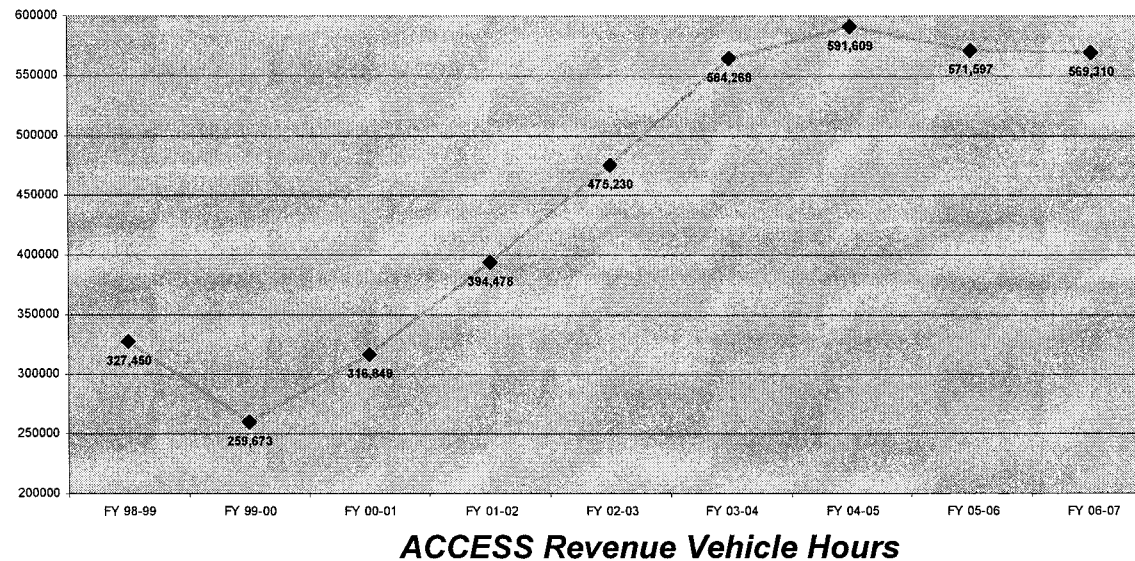
# Community Transportation Partnerships



Orange County Transportation Authority  
Board of Directors' Meeting  
April 14, 2008



- ACCESS Growth



- Studies recommend coordination
- State and Federal governments recognize need
- OCTA leadership in coordination

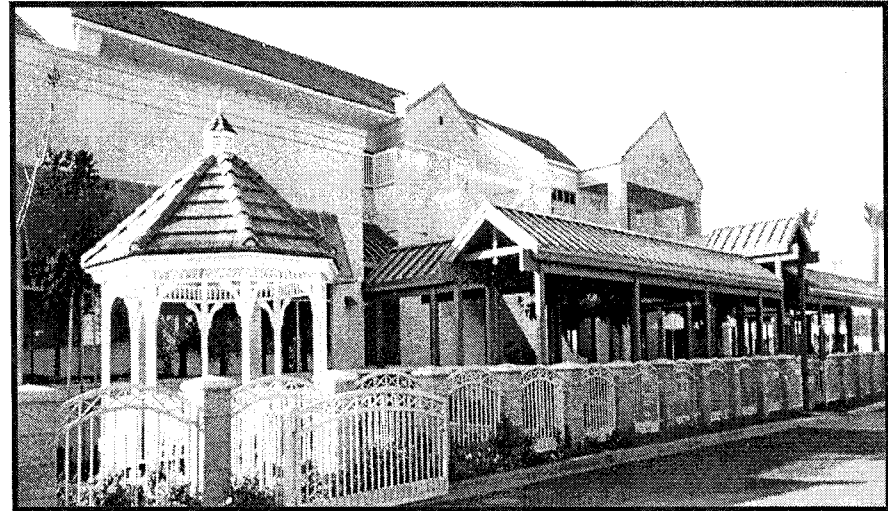
## Acacia Adult Day Services

- Located in Garden Grove
- 42,000 annual trips
- St. Anselm's and Abrazar, Inc.
- Partnership since 2006



- **Alzheimer's Family Services**

- Located in Huntington Beach
- 10,200 annual trips
- Alzheimer's & Dementia clients
- Western Transit, Inc.
- Partnership since 2006





## Community SeniorServ

- Located in Anaheim & Santa Ana
- 79,200 annual trips
- Abrazar, Inc.
- New partnership



# Agreements Summary



## Fiscal Years 2008-10

Program	Passenger Trips	OCTA Program Cost	OCTA Cost Per Trip	ACCESS Cost*	Costs Deferred
Acacia Adult Day Services	84,000	\$1,411,200	\$16.80	\$2,169,720	\$758,520
Alzheimer's Family Services	20,400	\$283,968	\$13.92	\$526,932	\$242,964
Community SeniorServ	158,400	\$2,534,400	\$16.00	\$4,091,472	\$1,557,072
<b>Totals</b>	<b>262,800</b>	<b>\$4,229,568</b>	<b>\$16.09 (Avg)</b>	<b>\$6,788,124</b>	<b>\$2,558,556</b>

*\*Based on average per trip cost of \$25.83*

# Coordinated Programs Summary



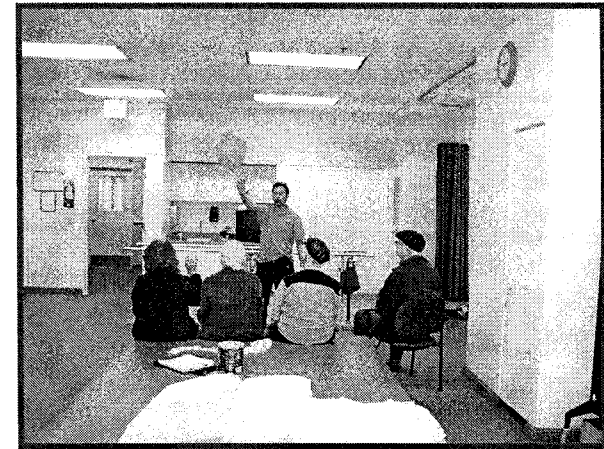
## Fiscal Year 2007-08 Estimates

Program	Passenger Trips	Cost per Trip	OCTA Program Cost	Cost on ACCESS	Costs Deferred
Partnership Agreements	79,394	\$14.05	\$1,115,854	\$2,050,747	\$934,893
Senior Mobility Program	235,310	\$6.30	\$1,483,179	\$6,078,057	\$4,594,878
Special Agency Transportation	36,662	\$8.63	\$316,570	\$946,979	\$630,409
Same Day Taxi	14,678	\$7.75	\$113,754	\$379,133	\$265,379
Reduced Fare ID	66,000	\$2.18	\$143,880	\$1,704,780	\$1,560,900
<b>Totals</b>	<b>432,044</b>		<b>\$3,173,237</b>	<b>\$11,159,696</b>	<b>\$7,896,459</b>

# Everyone Benefits



- Agencies
  - Enhanced level of service
  - Cost neutral
  
- OCTA
  - Lower cost per trip
  - Reduce peak hour demand
  
- Customers
  - Appropriate ride







MEMO

April 14, 2008

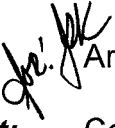
To: Members of the Board of Directors  
From: <sup>WK</sup> Wendy Knowles, Clerk of the Board  
Subject: **Board Committee Transmittal for Agenda Item**

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

Thank you.



**April 10, 2008**

**To:** Transit Committee  
**From:**  Arthur T. Leahy, Chief Executive Officer  
**Subject:** Cooperative Agreement with Alzheimer's Family Services

**Overview**

The Orange County Transportation Authority proposes to enter into a cooperative agreement with Alzheimer's Family Services. A cooperative agreement is required to establish roles, responsibilities, and process for a cost sharing arrangement to provide alternative transportation services for ACCESS riders attending Alzheimer's Family Services.

**Recommendation**

Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-8-0688 between the Orange County Transportation Authority and Alzheimer's Family Services, in an amount not to exceed \$283,968, to share in the cost of providing transportation services through June 30, 2010.

**Background**

Trips provided to ACCESS customers traveling to and from adult day healthcare (ADHC) facilities account for approximately one-third of all ACCESS trips. Many of these individuals require specialized service, beyond the requirements of ACCESS, due to significant physical and/or cognitive disabilities. In addition, paratransit growth management strategies implemented since October 2005 have resulted in service policies which impact the ADHC community. One of the recommended strategies included in the Paratransit Growth Management Plan, as well as studies of ADHC transportation, was to develop cost sharing agreements between the Orange County Transportation Authority (Authority) and ADHC facilities to transition ACCESS riders to an alternative transportation provider at a lower cost per trip.

The Authority entered into an agreement with Alzheimer's Family Services, formerly known as Adult Day Services of Orange County, in April 2006. Under this agreement, the Authority has provided a one-way per trip subsidy for



ACCESS customers traveling to and from Alzheimer's Family Services alternative provider. During the term of this agreement to date, more than 12,800 trips have been moved from ACCESS at a cost savings of more than \$300,000. The current agreement expires June 30, 2008, and a new agreement is necessary to continue this cost sharing arrangement.

***Discussion***

Alzheimer's Family Services operates an adult day healthcare facility in Huntington Beach which specializes in Alzheimer and dementia patients, many of whom require specialized transportation service not accommodated through ACCESS. Under this cooperative agreement (Attachment A), Alzheimer's Family Services will continue its contract with Western Transit, Inc., to provide transportation services for ACCESS customers traveling to and from its facility, and the Authority will contribute an operating subsidy of \$13.92 per one-way trip.

Under this cooperative agreement, the Authority will continue to contribute an operating subsidy to Alzheimer's Family Services for ACCESS customers traveling to and from the adult day healthcare program. Using the average ACCESS cost per one-way trip of \$25.83, the \$13.92 subsidy provided to Alzheimer's Family Services will defer up to \$242,964 in total expenses to the Authority during the initial term of the agreement and more than \$563,377 over five years (Attachment B). Moving Alzheimer's Family Services clients from ACCESS to services provided by Western Transit, Inc., would also free ACCESS vehicle capacity during peak service hours.

**Fiscal Impact**

The project is included in the proposed Authority's Fiscal Year 2008-09 Budget, Transit Division, Community Transportation Services Department, Account 2131-7312-D1208-HBA, funded through the Local Transportation Fund.

***Summary***

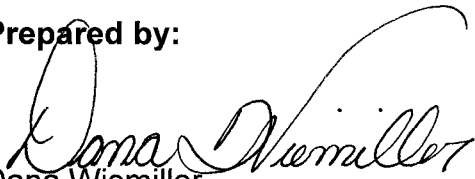
Staff requests that the Board of Directors approve Cooperative Agreement No. C-8-0688, in the amount of \$283,968, with Alzheimer's Family Services, to provide a partial operating subsidy for ACCESS riders traveling to an adult day healthcare program using an alternate transportation service.



**Attachments**

- A. Draft Cooperative Agreement No. C-8-0688 Between Orange County Transportation Authority and Alzheimer's Family Services
- B. Operating Subsidy for Adult Day Healthcare Transportation Agreement No. C-8-0688 with Alzheimer's Family Services

**Prepared by:**

  
Dana Wiemiller  
Community Transportation Coordinator  
(714) 560-5718

**Approved by:**

  
Beth McCormick  
General Manager, Transit  
(714) 560-5964

**DRAFT COOPERATIVE AGREEMENT NO. C-8-0688**

**BETWEEN**

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

**AND**

**ALZHEIMER'S FAMILY SERVICES**

**THIS AGREEMENT** is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2008, by and between the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584, a public corporation of the state of California (hereinafter referred to as "AUTHORITY"), and Alzheimer's Family Services, 9451 Indianapolis Avenue, Huntington Beach, California 92646 (hereinafter referred to as "CONTRACTOR").

**WITNESSETH:**

**WHEREAS**, AUTHORITY requires assistance from CONTRACTOR to provide alternative transportation services to ACCESS riders attending the Alzheimer's Family Services Program; and

**WHEREAS**, CONTRACTOR agrees to provide a twenty (20) percent financial contribution for providing the alternative transportation services; and

**WHEREAS**, said work cannot be performed by the regular employees of AUTHORITY; and

**WHEREAS**, CONTRACTOR has represented that it has the requisite personnel and experience, and is capable of performing such services; and

**WHEREAS**, CONTRACTOR wishes to perform these services; and

**WHEREAS**, AUTHORITY's Board of Directors has reviewed and approved this Cooperative Agreement with CONTRACTOR on April 28, 2008;

**NOW, THEREFORE**, it is mutually understood and agreed by AUTHORITY and CONTRACTOR as follows:

**ARTICLE 1. COMPLETE AGREEMENT**

A. This Agreement, including all exhibits and documents incorporated herein and made applicable by reference, constitutes the complete and exclusive statement of the term(s) and

1 condition(s) of the agreement between AUTHORITY and CONTRACTOR and it supersedes all prior  
 2 representations, understandings and communications. The invalidity in whole or in part of any term or  
 3 condition of this Agreement shall not affect the validity of other term(s) or condition(s).

4 B. AUTHORITY's failure to insist in any one or more instances upon CONTRACTOR's  
 5 performance of any term(s) or condition(s) of this Agreement shall not be construed as a waiver or  
 6 relinquishment of AUTHORITY's right to such performance or to future performance of such term(s) or  
 7 condition(s) and CONTRACTOR's obligation in respect thereto shall continue in full force and effect.  
 8 Changes to any portion of this Agreement shall not be binding upon AUTHORITY except when  
 9 specifically confirmed in writing by an authorized representative of AUTHORITY by way of a written  
 10 amendment to this Agreement and issued in accordance with the provisions of this Agreement.

11 **ARTICLE 2. AUTHORITY DESIGNEE**

12 The Chief Executive Officer of AUTHORITY, or designee, shall have the authority to act for and  
 13 exercise any of the rights of AUTHORITY as set forth in this Agreement.

14 **ARTICLE 3. SCOPE OF WORK**

15 A. CONTRACTOR shall perform the work necessary to complete in a manner satisfactory to  
 16 AUTHORITY the services set forth in Exhibit A, entitled "Scope of Work," attached to and, by this  
 17 reference, incorporated in and made a part of this Agreement. All services shall be provided at the  
 18 times and places designated by AUTHORITY.

19 B. CONTRACTOR shall provide the personnel listed below to perform the above-specified  
 20 services, which persons are hereby designated as key personnel under this Agreement.

<b><u>Names</u></b>	<b><u>Functions</u></b>
Cordula Dick-Muehlke	Executive Director
Karen Freeman	Associate Director

24 C. No person named in paragraph B of this Article, or his/her successor approved by  
 25 AUTHORITY, shall be removed or replaced by CONTRACTOR, nor shall his/her agreed-upon function  
 26 or level of commitment hereunder be changed, without the prior written consent of AUTHORITY.

1 Should the services of any key person become no longer available to CONTRACTOR, the resume and  
 2 qualifications of the proposed replacement shall be submitted to AUTHORITY for approval as soon as  
 3 possible, but in no event later than seven (7) calendar days prior to the departure of the incumbent key  
 4 person, unless CONTRACTOR is not provided with such notice by the departing employee.  
 5 AUTHORITY shall respond to CONTRACTOR within seven (7) calendar days following receipt of these  
 6 qualifications concerning acceptance of the candidate for replacement.

7 **ARTICLE 4. TERM OF AGREEMENT**

8 A. This Agreement shall commence on July 1, 2008 and shall continue in full force and effect  
 9 through June 30, 2010 ("Initial Term"), unless earlier terminated or extended as provided in this  
 10 Agreement.

11 B. AUTHORITY, at its sole discretion, may elect to extend the term of this Agreement up to an  
 12 additional twelve (12) months, commencing July 1, 2010, and continuing through June 30, 2011 ("First  
 13 Option Term"), and thereupon require CONTRACTOR to continue to provide services, and otherwise  
 14 perform, in accordance with Exhibit A, entitled "Scope of Work", and at the rates set forth in Article 5,  
 15 "Payment."

16 C. AUTHORITY, at its sole discretion, may elect to extend the term of this Agreement up to an  
 17 additional twelve (12) months, commencing July 1, 2011, and continuing through June 30, 2012  
 18 ("Second Option Term"), and thereupon require CONTRACTOR to continue to provide services, and  
 19 otherwise perform, in accordance with Exhibit A, entitled "Scope of Work", and at the rates set forth in  
 20 Article 5, "Payment."

21 D. AUTHORITY, at its sole discretion, may elect to extend the term of this Agreement up to an  
 22 additional twelve (12) months, commencing July 1, 2012, and continuing through June 30, 2013 ("Third  
 23 Option Term"), and thereupon require CONTRACTOR to continue to provide services, and otherwise  
 24 perform, in accordance with Exhibit A, entitled "Scope of Work", and at the rates set forth in Article 5,  
 25 "Payment."

26 /

E. AUTHORITY's election to extend the Agreement beyond the Initial Term shall not diminish its right to terminate the Agreement for AUTHORITY's convenience or CONTRACTOR's default as provided elsewhere in this Agreement. The "maximum term" of this Agreement shall be the period extending from July 1, 2008 through June 30, 2013, which period encompasses the Initial Term, First Option Term, Second Option Term, and Third Option Term.

**ARTICLE 5. PAYMENT**

A. For CONTRACTOR's full and complete performance of its obligations under this Agreement and subject to the maximum cumulative payment obligation provisions set forth in Article 6, AUTHORITY shall pay CONTRACTOR on a firm fixed price per one-way trip basis in accordance with the following provisions.

B. The following schedule shall establish the firm fixed per one-way trip payment to CONTRACTOR by AUTHORITY for the work set forth in the Scope of Work.

<u>Fiscal Year</u>	<u>Annual One-way Trips</u>	<u>80% Contribution Per One-way Trip</u>	<u>Firm Fixed Price</u>
08/09	10,200	\$13.92	\$141,984.00
09/10	10,200	\$13.92	\$141,984.00
<b>TOTAL FIRM FIXED PRICE PAYMENT</b>			<b><u>\$283,968.00</u></b>

C. CONTRACTOR shall invoice AUTHORITY on a monthly basis for payments representing an eighty percent (80%) contribution corresponding to the actual program costs incurred during the month. Actual one-way trips and program costs incurred shall be documented in a monthly report prepared by CONTRACTOR, which shall accompany each invoice submitted by CONTRACTOR. CONTRACTOR shall also furnish such other information as may be requested by AUTHORITY to substantiate the validity of an invoice. At its sole discretion, AUTHORITY may decline to make full payment for any one-way trip listed in paragraph B of this Article until such time as CONTRACTOR has documented to AUTHORITY's satisfaction, that CONTRACTOR has fully completed all work required.

/

/

1 D. A single invoice shall be submitted by CONTRACTOR within thirty (30) days of executing  
2 this Agreement and shall be submitted in duplicate to AUTHORITY's Accounts Payable office. The  
3 monthly report specified in paragraph C of this Article shall be submitted monthly to AUTHORITY.  
4 AUTHORITY shall remit payment within thirty (30) calendar days of the receipt and approval of the  
5 invoice. The invoice shall include the following information:

- 6 1. Agreement No. C-8-0688;
- 7 2. Specify the actual one-way trips and program costs for which payment is being  
8 requested;
- 9 3. The time period covered by the invoice;
- 10 4. Monthly Report;
- 11 5. Certification signed by the CONTRACTOR or his/her designated alternate that a)

12 The invoice is a true, complete and correct statement of reimbursable costs; b) The backup information  
13 included with the invoice is true, complete and correct in all material respects; c) All payments due and  
14 owing to subcontractors and suppliers have been made; d) Timely payments will be made to  
15 subcontractors and suppliers from the proceeds of the payments covered by the certification and; e)  
16 The invoice does not include any amount which CONTRACTOR intends to withhold or retain from a  
17 subcontractor or supplier unless so identified on the invoice.

18 6. Any other information as agreed or requested by AUTHORITY to substantiate the  
19 validity of an invoice.

20 **ARTICLE 6. MAXIMUM OBLIGATION**

21 Notwithstanding any provisions of this Agreement to the contrary, AUTHORITY and  
22 CONTRACTOR mutually agree that AUTHORITY's maximum cumulative payment obligation (including  
23 obligation for CONTRACTOR's profit) shall be Two Hundred Eighty-Three Thousand, Nine Hundred  
24 Sixty-Eight Dollars (\$283,968.00) which shall include all amounts payable to CONTRACTOR for its  
25 subcontracts, leases, materials and costs arising from, or due to termination of, this Agreement.

26 /

**ARTICLE 7. NOTICES**

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, returned receipt requested, postage prepaid and addressed as follows:

To CONTRACTOR:

Alzheimer's Family Services

9451 Indianapolis Avenue

Huntington Beach, California 92646

ATTENTION: Cordula Dick-Muehlke

(714) 593 - 9630

To AUTHORITY:

Orange County Transportation Authority

550 South Main Street

P.O. Box 14184

Orange, California 92863-1584

ATTENTION: Pia Veesapen

(714) 560 - 5619

**ARTICLE 8. INDEPENDENT CONTRACTOR**

CONTRACTOR's relationship to AUTHORITY in the performance of this Agreement is that of an independent contractor. CONTRACTOR's personnel performing services under this Agreement shall at all times be under CONTRACTOR's exclusive direction and control and shall be employees of CONTRACTOR and not employees of AUTHORITY. CONTRACTOR shall pay all wages, salaries and other amounts due its employees in connection with this Agreement and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, workers' compensation and similar matters.

**ARTICLE 9. INSURANCE**

A. CONTRACTOR shall procure and maintain insurance coverage during the entire term of this Agreement. Coverage shall be full coverage and not subject to self-insurance provisions. CONTRACTOR shall provide the following insurance coverage:

1. Commercial General Liability, to include Products/Completed Operations, Independent Contractors', Contractual Liability, and Personal Injury Liability with a minimum limit of

1 \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate.

2 2. Automobile Liability Insurance to include owned, hired and non-owned autos  
3 with a combined single limit of \$1,000,000.00 each accident;

4 3. Workers' Compensation with limits as required by the State of California including a  
5 waiver of subrogation in favor of AUTHORITY, its officers, directors, employees or agents;

6 4. Employers' Liability with minimum limits of \$1,000,000.00; and

7 5. Professional Liability with minimum limits of \$1,000,000.00 per claim.

8 B. Proof of such coverage, in the form of an insurance company issued policy endorsement  
9 and a broker-issued insurance certificate, must be received by AUTHORITY prior to commencement of  
10 any work. Proof of insurance coverage must be received by AUTHORITY within ten (10) calendar days  
11 from the effective date of this Agreement with the AUTHORITY, its officers, directors, employees and  
12 agents designated as additional insureds on the general and automobile liability. Such insurance shall  
13 be primary and non-contributive to any insurance or self-insurance maintained by the AUTHORITY.

14 C. CONTRACTOR shall include on the face of the Certificate of Insurance the Agreement  
15 Number C-8-0688; and, the Contract Administrator's Name, Pia Veesapen.

16 D. CONTRACTOR shall also include in each subcontract the stipulation that subcontractors  
17 shall maintain insurance coverage in the amounts required from CONTRACTOR as provided in this  
18 Agreement.

19 **ARTICLE 10. ORDER OF PRECEDENCE**

20 Conflicting provisions hereof, if any, shall prevail in the following descending order of  
21 precedence: (1) the provisions of this Agreement, including all exhibits; (2) all other documents, if any,  
22 cited herein or incorporated by reference.

23 **ARTICLE 11. CHANGES**

24 By written notice or order, AUTHORITY may, from time to time, order work suspension and/or  
25 make changes in the general scope of this Agreement, including, but not limited to, the services  
26 furnished to AUTHORITY by CONTRACTOR as described in the Scope of Work. If any such work



1 suspension or change causes an increase or decrease in the price of this Agreement, or in the time  
2 required for its performance, CONTRACTOR shall promptly notify AUTHORITY thereof and assert its  
3 claim for adjustment within ten (10) calendar days after the change or work suspension is ordered, and  
4 an equitable adjustment shall be negotiated. However, nothing in this clause shall excuse  
5 CONTRACTOR from proceeding immediately with the agreement as changed.

6 **ARTICLE 12. DISPUTES**

7 A. Except as otherwise provided in this Agreement, any dispute concerning a question of fact  
8 arising under this Agreement which is not disposed of by supplemental agreement shall be decided by  
9 AUTHORITY's Director, Contracts Administration and Materials Management (CAMM), who shall  
10 reduce the decision to writing and mail or otherwise furnish a copy thereof to CONTRACTOR. The  
11 decision of the Director, CAMM, shall be final and conclusive.

12 B. The provisions of this Article shall not be pleaded in any suit involving a question of fact  
13 arising under this Agreement as limiting judicial review of any such decision to cases where fraud by  
14 such official or his representative or board is alleged, provided, however, that any such decision shall  
15 be final and conclusive unless the same is fraudulent or capricious or arbitrary or so grossly erroneous  
16 as necessarily to imply bad faith or is not supported by substantial evidence. In connection with any  
17 appeal proceeding under this Article, CONTRACTOR shall be afforded an opportunity to be heard and  
18 to offer evidence in support of its appeal.

19 C. Pending final decision of a dispute hereunder, CONTRACTOR shall proceed diligently with  
20 the performance of this Agreement and in accordance with the decision of AUTHORITY's Director,  
21 CAMM. This Disputes clause does not preclude consideration of questions of law in connection with  
22 decisions provided for above. Nothing in this Agreement, however, shall be construed as making final  
23 the decision of any AUTHORITY official or representative on a question of law, which questions shall be  
24 settled in accordance with the laws of the state of California.

25 /

26 /

**ARTICLE 13. TERMINATION**

A. AUTHORITY may terminate this Agreement for its convenience at any time, in whole or part, by giving CONTRACTOR written notice thereof. Upon said notice, AUTHORITY shall pay CONTRACTOR its allowable costs incurred to date of termination and those allowable costs determined by AUTHORITY to be reasonably necessary to effect such termination. Thereafter, CONTRACTOR shall have no further claims against AUTHORITY under this Agreement.

B. AUTHORITY may terminate this Agreement for CONTRACTOR's default if a federal or state proceeding for the relief of debtors is undertaken by or against CONTRACTOR, or if CONTRACTOR makes an assignment for the benefit of creditors, or if CONTRACTOR breaches any term(s) or violates any provision(s) of this Agreement and does not cure such breach or violation within ten (10) calendar days after written notice thereof by AUTHORITY. CONTRACTOR shall be liable for any and all reasonable costs incurred by AUTHORITY as a result of such default including, but not limited to, procurement costs of the same or similar services defaulted by CONTRACTOR under this Agreement.

**ARTICLE 14. INDEMNIFICATION**

CONTRACTOR shall indemnify, defend and hold harmless AUTHORITY, its officers, directors, employees and agents from and against any and all claims (including attorneys' fees and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage to or loss of use of property caused by the negligent acts, omissions or willful misconduct by CONTRACTOR, its officers, directors, employees, agents, subcontractors or suppliers in connection with or arising out of the performance of this Agreement.

**ARTICLE 15. ASSIGNMENTS AND SUBCONTRACTS**

A. Neither this Agreement nor any interest herein nor claim hereunder may be assigned by CONTRACTOR either voluntarily or by operation of law, nor may all or any part of this Agreement be subcontracted by CONTRACTOR, without the prior written consent of AUTHORITY. Consent by AUTHORITY shall not be deemed to relieve CONTRACTOR of its obligations to comply fully with all

1 terms and conditions of this Agreement.

2 B. AUTHORITY hereby consents to CONTRACTOR's subcontracting portions of the Scope of  
3 Work to the parties identified below. CONTRACTOR shall include in the subcontract agreement the  
4 stipulation that CONTRACTOR, not AUTHORITY, is solely responsible for payment to the  
5 subcontractor for the amounts owing and that the subcontractor shall have no claim, and shall take no  
6 action, against AUTHORITY, its officers, directors, employees or sureties for nonpayment by  
7 CONTRACTOR.

8 **Subcontractor Name**

**Address**

9 Western Transit Systems

1619 E. Lincoln Avenue, Anaheim, CA 92805

10 **ARTICLE 16. AUDIT AND INSPECTION OF RECORDS**

11 CONTRACTOR shall provide AUTHORITY, or other agents of AUTHORITY, such access to  
12 CONTRACTOR's accounting books, records, payroll documents and facilities as AUTHORITY deems  
13 necessary. CONTRACTOR shall maintain such books, records, data and documents in accordance  
14 with generally accepted accounting principles and shall clearly identify and make such items readily  
15 accessible to such parties during CONTRACTOR's performance hereunder and for a period of four (4)  
16 years from the date of final payment by AUTHORITY. AUTHORITY's right to audit books and records  
17 directly related to this Agreement shall also extend to all first-tier subcontractors identified in Article 15  
18 of this Agreement. CONTRACTOR shall permit any of the foregoing parties to reproduce documents  
19 by any means whatsoever or to copy excerpts and transcriptions as reasonably necessary.

20 **ARTICLE 17. FEDERAL, STATE AND LOCAL LAWS**

21 CONTRACTOR warrants that in the performance of this Agreement, it shall comply with all  
22 applicable federal, state and local laws, statutes and ordinances and all lawful orders, rules and  
23 regulations promulgated thereunder.

24 /

25 /

26 /

**ARTICLE 18. EQUAL EMPLOYMENT OPPORTUNITY**

In connection with its performance under this Agreement, CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age or national origin. CONTRACTOR shall take affirmative action to ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, age or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

**ARTICLE 19. PROHIBITED INTERESTS**

CONTRACTOR covenants that, for the term of this Agreement, no director, member, officer or employee of AUTHORITY during his/her tenure in office or for one (1) year thereafter shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

**ARTICLE 20. OWNERSHIP OF REPORTS AND DOCUMENTS**

The originals of all letters, documents, reports and other products and data produced under this Agreement shall be delivered to, and become the property of AUTHORITY. Copies may be made for CONTRACTOR's records but shall not be furnished to others without written authorization from AUTHORITY. Such deliverables shall be deemed works made for hire and all rights in copyright therein shall be retained by AUTHORITY.

**ARTICLE 21. PATENT AND COPYRIGHT INFRINGEMENT**

A. In lieu of any other warranty by AUTHORITY or CONTRACTOR against patent or copyright infringement, statutory or otherwise, it is agreed that CONTRACTOR shall defend at its expense any claim or suit against AUTHORITY on account of any allegation that any item furnished under this Agreement or the normal use or sale thereof arising out of the performance of this Agreement, infringes upon any presently existing U. S. letters patent or copyright and CONTRACTOR shall pay all costs and damages finally awarded in any such suit or claim, provided that CONTRACTOR is promptly notified in writing of the suit or claim and given authority, information and assistance at CONTRACTOR's expense

1 for the defense of same. However, CONTRACTOR will not indemnify AUTHORITY if the suit or claim  
2 results from: (1) AUTHORITY's alteration of a deliverable, such that said deliverable in its altered form  
3 infringes upon any presently existing U.S. letters patent or copyright; or (2) the use of a deliverable in  
4 combination with other material not provided by CONTRACTOR when such use in combination  
5 infringes upon an existing U.S. letters patent or copyright.

6 B. CONTRACTOR shall have sole control of the defense of any such claim or suit and all  
7 negotiations for settlement thereof. CONTRACTOR shall not be obligated to indemnify AUTHORITY  
8 under any settlement made without CONTRACTOR's consent or in the event AUTHORITY fails to  
9 cooperate fully in the defense of any suit or claim, provided, however, that said defense shall be at  
10 CONTRACTOR's expense. If the use or sale of said item is enjoined as a result of such suit or claim,  
11 CONTRACTOR, at no expense to AUTHORITY, shall obtain for AUTHORITY the right to use and sell  
12 said item, or shall substitute an equivalent item acceptable to AUTHORITY and extend this patent and  
13 copyright indemnity thereto.

#### 14 **ARTICLE 22. FINISHED AND PRELIMINARY DATA**

15 A. All of CONTRACTOR's finished technical data, including but not limited to illustrations,  
16 photographs, tapes, software, software design documents, including without limitation source code,  
17 binary code, all media, technical documentation and user documentation, photoprints and other graphic  
18 information required to be furnished under this Agreement, shall be AUTHORITY's property upon  
19 payment and shall be furnished with unlimited rights and, as such, shall be free from proprietary  
20 restriction except as elsewhere authorized in this Agreement. CONTRACTOR further agrees that it  
21 shall have no interest or claim to such finished, AUTHORITY-owned, technical data; furthermore, said  
22 data is subject to the provisions of the Freedom of Information Act, 5 USC 552.

23 B. It is expressly understood that any title to preliminary technical data is not passed to  
24 AUTHORITY but is retained by CONTRACTOR. Preliminary data includes roughs, visualizations,  
25 software design documents, layouts and comprehensives prepared by CONTRACTOR solely for the  
26 purpose of demonstrating an idea or message for AUTHORITY's acceptance before approval is given

1 for preparation of finished artwork. Preliminary data title and right thereto shall be made available to  
2 AUTHORITY if CONTRACTOR causes AUTHORITY to exercise Article 11, and a price shall be  
3 negotiated for all preliminary data.

4 **ARTICLE 23. ALCOHOL AND DRUG POLICY**

5 AUTHORITY and CONTRACTOR shall provide under this Agreement, a safe and healthy work  
6 environment free from the influence of alcohol and drugs. Failure to comply with this Article may result  
7 in nonpayment or termination of this Agreement.

8 **ARTICLE 24. FORCE MAJEURE**

9 Either party shall be excused from performing its obligations under this Agreement during the  
10 time and to the extent that it is prevented from performing by an unforeseeable cause beyond its  
11 control, including but not limited to: any incidence of fire, flood; acts of God; commandeering of material,  
12 products, plants or facilities by the federal, state or local government; national fuel shortage; or a  
13 material act or omission by the other party; when satisfactory evidence of such cause is presented to  
14 the other party, and provided further that such nonperformance is unforeseeable, beyond the control  
15 and is not due to the fault or negligence of the party not performing.

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Upon execution by both parties, this Agreement shall be made effective on July 1, 2008.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement No. C-8-0688 to be executed on the date first above written.

ALZHEIMER'S FAMILY SERVICES

ORANGE COUNTY TRANSPORTATION AUTHORITY

By \_\_\_\_\_

By \_\_\_\_\_

Cordula Dick-Muehlke  
Executive Director

Arthur T. Leahy  
Chief Executive Officer

APPROVED AS TO FORM:

By \_\_\_\_\_

Kennard R. Smart, Jr.  
General Counsel

APPROVED:

By \_\_\_\_\_

Beth McCormick  
General Manager, Transit

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**SCOPE OF WORK**  
**Alzheimer's Family Services**  
**Adult Day Healthcare Transportation**

**I. Project Background**

Alzheimer's Family Services (AFS), formerly known as Adult Day Services of Orange County is an adult day healthcare facility located in Huntington Beach which specializes in the care of Alzheimer's and Dementia patients. Approximately 50 participants of the AFS program are eligible for Orange County Transportation Authority (Authority) ACCESS service and AFS purchases transportation services for their participants. Changes in ACCESS fares and service policies as a result of Paratransit Growth Management strategies have impacted the adult day healthcare community. A 2005 Authority study on adult day healthcare transportation recommended the establishment of cooperative agreements with private service providers which would offer alternative service to adult day healthcare providers and reduce ACCESS costs.

In response to the study recommendation, the Authority and AFS entered into a cost-sharing agreement in 2006, in which the Authority agreed to provide a per one-way trip transportation subsidy for ACCESS-eligible participants traveling to/from the AFS facility. AFS contracted with Western Transit Systems, Inc., to provide these transportation services.

**II. Work Plan**

- A. Currently, more than 50 AFS ACCESS-eligible participants travel to/from the AFS facility. The Authority shall participate in a cost-sharing agreement to subsidize transportation service for ACCESS-eligible, AFS participants using an alternative transportation provider.
- B. AFS shall continue to contract with Western Transit Systems, Inc., to provide transportation services for their participants to/from their facility.
- C. The Authority shall provide a per one-way trip subsidy for each ACCESS-eligible participant traveling to and from the AFS facility in Huntington Beach. The subsidy shall be no more than 80 percent of the per one-way trip transportation cost.
- D. A Consumer Price Index (CPI) rate adjustment may be included with the execution of each option term.



**III. Data Collection and Reporting**

AFS shall ensure that Western Transit Systems, Inc., collect data required for National Transit Database (NTD) reporting for trips provided to/from the AFS facility and submit that data by the 10<sup>th</sup> calendar day of the following month.

**IV. Project Management**

Staff from the Authority's Community Transportation Services Department will manage the contract.

**Operating Subsidy for Adult Day Healthcare Transportation  
Agreement No. C-8-0688 with Alzheimer's Family Services**

		FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	Totals
Trips (one-way)		10,200	10,200	<i>10,200</i>	<i>10,200</i>	<i>10,200</i>	51,000
Total cost @ \$17.40	\$17.40	\$177,480	\$177,480	<i>\$177,480</i>	<i>\$186,354</i>	<i>\$195,672</i>	\$ 914,466
CPI @ 5 percent per year <sup>1</sup>				<i>\$8,874</i>	<i>\$9,318</i>	<i>\$9,784</i>	\$ 27,975
		<u>\$177,480</u>	<u>\$177,480</u>	<u><i>\$186,354</i></u>	<u><i>\$195,672</i></u>	<u><i>\$205,456</i></u>	<u>\$ 942,441</u>
Authority subsidy @ 80 percent	\$13.92	\$141,984	\$141,984	<i>\$149,083</i>	<i>\$156,537</i>	<i>\$164,364</i>	\$753,953
AFS subsidy @ 20 percent	\$3.48	\$35,496	\$35,496	<i>\$37,271</i>	<i>\$39,134</i>	<i>\$41,091</i>	\$188,488
<b>Program Total</b>		<b>\$177,480</b>	<b>\$177,480</b>	<b><i>\$186,354</i></b>	<b><i>\$195,672</i></b>	<b><i>\$205,456</i></b>	<b>\$942,441</b>
Estimated ACCESS cost @ \$25.83/trip		\$263,466	\$263,466	<i>\$263,466</i>	<i>\$263,466</i>	<i>\$263,466</i>	\$1,317,330
Estimated Savings to ACCESS		\$121,482	\$121,482	<i>\$114,383</i>	<i>\$106,929</i>	<i>\$99,102</i>	<b>\$563,377</b>

1. By adding in a 5 percent per year growth factor, additional funds are programmed for increases in trip costs.

\*\*NOTE: Italicized amounts are projections for option years; amounts have not been approved by Authority Board.





MEMO

April 14, 2008

To: Members of the Board of Directors  
From: Wendy Knowles, Clerk of the Board  
Subject: **Board Committee Transmittal for Agenda Item**

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

Thank you.



**April 10, 2008**

**To:** Transit Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Cooperative Agreement with Acacia Adult Day Services

**Overview**

The Orange County Transportation Authority proposes to enter into a cooperative agreement with Acacia Adult Day Services. A cooperative agreement is required to establish roles, responsibilities, and process to continue providing alternative transportation services to ACCESS riders attending the Acacia Adult Day Services program. This program supports the objectives of the Paratransit Growth Management Plan, which was adopted by the Board of Directors in October 2004.

**Recommendation**

Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-8-0517 between the Orange County Transportation Authority and Acacia Adult Day Services, in an amount not to exceed \$1,411,200, to share in the cost of providing transportation services through June 30, 2010.

**Background**

The Orange County Transportation Authority (Authority) has been proactive in establishing community partnerships and alternative transportation programs for ACCESS customers to help reduce the growth in demand and cost of ACCESS service. This strategy is consistent with the Paratransit Growth Management Plan approved by the Board of Directors in October 2005. Trips provided to ACCESS customers traveling to and from adult day healthcare facilities account for approximately one-third of all ACCESS trips. Many of the individuals attending adult day healthcare programs require specialized transportation service, beyond the requirements of ACCESS, due to significant physical and/or cognitive disabilities.

In October 2006, the Authority entered into a cost-sharing agreement with Acacia Adult Day Services (Acacia) to provide alternative transportation for

ACCESS customers traveling to and from the Acacia facility in Garden Grove. Through the implementation of the current cost-sharing agreement, the Authority has been providing an operating subsidy for an average of 2,700 monthly trips that have been moved from ACCESS to services provided by Saint Anselm's Cross Cultural Community Center (Saint Anselm's) and Abrazar, Inc. (Abrazar), under contract to Acacia. The current agreement will expire June 30, 2008.

***Discussion***

Under this cooperative agreement (Attachment A), the Authority will continue to contribute an operating subsidy to for ACCESS customers traveling to and from Acacia. Using the average ACCESS cost per trip of \$25.83, the subsidy of \$16.80 provided to Acacia will defer up to \$758,520 in total expenses to the Authority during the initial term of the agreement and more than \$1.6 million over five years (Attachment B). Moving Acacia clients from ACCESS to Saint Anselm's and Abrazar will also free ACCESS vehicle capacity during peak service hours as these clients travel weekdays during peak morning and afternoon commuting hours.

Acacia and its clients have been very satisfied with the transportation services provided by St. Anselm's and Abrazar and wish to continue this cost sharing arrangement. The new agreement will include a two-year initial term and three one-year options.

**Fiscal Impact**

Funds for this project are included in the proposed Authority's Fiscal Year 2008-09 Budget, Transit Division, Community Transportation Services, Account 2131-7312-1208-HB9, and is funded through the Local Transportation Fund.

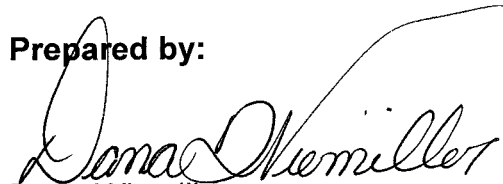
***Summary***

Staff requests that the Board of Directors approve Cooperative Agreement No. C-8-0517, for an initial term of two years in the amount of \$1,411,200, with Acacia Adult Day Services to provide a partial operating subsidy for ACCESS riders traveling to an adult day healthcare program using an alternate transportation service.

**Attachments**

- A. Draft Cooperative Agreement No. C-8-0517 Between Orange County Transportation Authority and Acacia Adult Day Services
- B. Operating Subsidy for Adult Day Healthcare Transportation Agreement No. C-8-0517 with Acacia Adult Day Services

**Prepared by:**



Dana Wiemiller  
Community Transportation Coordinator  
(714) 560-5718

**Approved by:**



Beth McCormick  
General Manager, Transit  
(714) 560-5964

**DRAFT COOPERATIVE AGREEMENT NO. C-8-0517**

**BETWEEN**

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

**AND**

**ACACIA ADULT DAY SERVICES**

**THIS AGREEMENT** is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2008, by and between the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584, a public corporation of the state of California (hereinafter referred to as "AUTHORITY"), and Acacia Adult Day Services, 11391 Acacia Parkway, Garden Grove, California 92840 (hereinafter referred to as "CONTRACTOR").

**WITNESSETH:**

**WHEREAS**, AUTHORITY requires assistance from CONTRACTOR to provide alternative transportation services to ACCESS riders attending the Acacia Adult Day Services Program; and

**WHEREAS**, AUTHORITY agrees to provide an eighty (80) percent financial contribution to CONTRACTOR for providing the alternative transportation services; and

**WHEREAS**, said work cannot be performed by the regular employees of AUTHORITY; and

**WHEREAS**, CONTRACTOR has represented that it has the requisite personnel and experience, and is capable of performing such services; and

**WHEREAS**, CONTRACTOR wishes to perform these services; and

**WHEREAS**, AUTHORITY's Board of Directors has reviewed and approved this Cooperative Agreement with CONTRACTOR on April 28, 2008;

**NOW, THEREFORE**, it is mutually understood and agreed by AUTHORITY and CONTRACTOR as follows:

**ARTICLE 1. COMPLETE AGREEMENT**

A. This Agreement, including all exhibits and documents incorporated herein and made applicable by reference, constitutes the complete and exclusive statement of the term(s) and



1 condition(s) of the agreement between AUTHORITY and CONTRACTOR and it supersedes all prior  
 2 representations, understandings and communications. The invalidity in whole or in part of any term or  
 3 condition of this Agreement shall not affect the validity of other term(s) or condition(s).

4 B. AUTHORITY's failure to insist in any one or more instances upon CONTRACTOR's  
 5 performance of any term(s) or condition(s) of this Agreement shall not be construed as a waiver or  
 6 relinquishment of AUTHORITY's right to such performance or to future performance of such term(s) or  
 7 condition(s) and CONTRACTOR's obligation in respect thereto shall continue in full force and effect.  
 8 Changes to any portion of this Agreement shall not be binding upon AUTHORITY except when  
 9 specifically confirmed in writing by an authorized representative of AUTHORITY by way of a written  
 10 amendment to this Agreement and issued in accordance with the provisions of this Agreement.

11 **ARTICLE 2. AUTHORITY DESIGNEE**

12 The Chief Executive Officer of AUTHORITY, or designee, shall have the authority to act for and  
 13 exercise any of the rights of AUTHORITY as set forth in this Agreement.

14 **ARTICLE 3. SCOPE OF WORK**

15 A. CONTRACTOR shall perform the work necessary to complete in a manner satisfactory to  
 16 AUTHORITY the services set forth in Exhibit A, entitled "Scope of Work," attached to and, by this  
 17 reference, incorporated in and made a part of this Agreement. All services shall be provided at the  
 18 times and places designated by AUTHORITY.

19 B. CONTRACTOR shall provide the personnel listed below to perform the above-specified  
 20 services, which persons are hereby designated as key personnel under this Agreement.

<b><u>Names</u></b>	<b><u>Functions</u></b>
Mallory Vega	Executive Director
Julie Duarte	Program Director

24 C. No person named in paragraph B of this Article, or his/her successor approved by  
 25 AUTHORITY, shall be removed or replaced by CONTRACTOR, nor shall his/her agreed-upon function  
 26 or level of commitment hereunder be changed, without the prior written consent of AUTHORITY.

1 Should the services of any key person become no longer available to CONTRACTOR, the resume and  
 2 qualifications of the proposed replacement shall be submitted to AUTHORITY for approval as soon as  
 3 possible, but in no event later than seven (7) calendar days prior to the departure of the incumbent key  
 4 person, unless CONTRACTOR is not provided with such notice by the departing employee.  
 5 AUTHORITY shall respond to CONTRACTOR within seven (7) calendar days following receipt of these  
 6 qualifications concerning acceptance of the candidate for replacement.

7 **ARTICLE 4. TERM OF AGREEMENT**

8 A. This Agreement shall commence on July 1, 2008 and shall continue in full force and effect  
 9 through June 30, 2010 ("Initial Term"), unless earlier terminated or extended as provided in this  
 10 Agreement.

11 B. AUTHORITY, at its sole discretion, may elect to extend the term of this Agreement up to an  
 12 additional twelve (12) months, commencing July 1, 2010, and continuing through June 30, 2011 ("First  
 13 Option Term"), and thereupon require CONTRACTOR to continue to provide services, and otherwise  
 14 perform, in accordance with Exhibit A, entitled "Scope of Work", and at the rates set forth in Article 5,  
 15 "Payment."

16 C. AUTHORITY, at its sole discretion, may elect to extend the term of this Agreement up to an  
 17 additional twelve (12) months, commencing July 1, 2011, and continuing through June 30, 2012  
 18 ("Second Option Term"), and thereupon require CONTRACTOR to continue to provide services, and  
 19 otherwise perform, in accordance with Exhibit A, entitled "Scope of Work", and at the rates set forth in  
 20 Article 5, "Payment."

21 D. AUTHORITY, at its sole discretion, may elect to extend the term of this Agreement up to an  
 22 additional twelve (12) months, commencing July 1, 2012, and continuing through June 30, 2013 ("Third  
 23 Option Term"), and thereupon require CONTRACTOR to continue to provide services, and otherwise  
 24 perform, in accordance with Exhibit A, entitled "Scope of Work", and at the rates set forth in Article 5,  
 25 "Payment."

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E. AUTHORITY's election to extend the Agreement beyond the Initial Term shall not diminish its right to terminate the Agreement for AUTHORITY's convenience or CONTRACTOR's default as provided elsewhere in this Agreement. The "maximum term" of this Agreement shall be the period extending from July 1, 2008 through June 30, 2013, which period encompasses the Initial Term, First Option Term, Second Option Term, and Third Option Term.

**ARTICLE 5. PAYMENT**

A. For CONTRACTOR's full and complete performance of its obligations under this Agreement and subject to the maximum cumulative payment obligation provisions set forth in Article 6, AUTHORITY shall pay CONTRACTOR on a firm fixed price per one-way trip basis in accordance with the following provisions.

B. The following schedule shall establish the firm fixed per one-way trip payment to CONTRACTOR by AUTHORITY for the work set forth in the Scope of Work.

<u>Fiscal Year</u>	<u>Annual One-way Trips</u>	<u>80% Contribution Per One-way Trip</u>	<u>Firm Fixed Price</u>
08/09	42,000	\$16.80	\$705,600.00
09/10	42,000	\$16.80	\$705,600.00
<b>TOTAL FIRM FIXED PRICE PAYMENT</b>			<b>\$1,411,200.00</b>

C. CONTRACTOR shall invoice AUTHORITY on a monthly basis for payments representing an eighty percent (80%) contribution corresponding to the actual program costs incurred during the month. Actual one-way trips and program costs incurred shall be documented in a monthly report prepared by CONTRACTOR, which shall accompany each invoice submitted by CONTRACTOR. CONTRACTOR shall also furnish such other information as may be requested by AUTHORITY to substantiate the validity of an invoice. At its sole discretion, AUTHORITY may decline to make full payment for any one-way trip listed in paragraph B of this Article until such time as CONTRACTOR has documented to AUTHORITY's satisfaction, that CONTRACTOR has fully completed all work required.

D. A single invoice shall be submitted by CONTRACTOR within thirty (30) days of executing this Agreement and shall be submitted in duplicate to AUTHORITY's Accounts Payable office. The

1 monthly report specified in paragraph C of this Article shall be submitted monthly to AUTHORITY.  
2 AUTHORITY shall remit payment within thirty (30) calendar days of the receipt and approval of the  
3 invoice. The invoice shall include the following information:

- 4 1. Agreement No. C-8-0517;
- 5 2. Specify the actual one-way trips and program costs for which payment is being  
6 requested;
- 7 3. The time period covered by the invoice;
- 8 4. Monthly Report;
- 9 5. Certification signed by the CONTRACTOR or his/her designated alternate that a)

10 The invoice is a true, complete and correct statement of reimbursable costs; b) The backup information  
11 included with the invoice is true, complete and correct in all material respects; c) All payments due and  
12 owing to subcontractors and suppliers have been made; d) Timely payments will be made to  
13 subcontractors and suppliers from the proceeds of the payments covered by the certification and; e)  
14 The invoice does not include any amount which CONTRACTOR intends to withhold or retain from a  
15 subcontractor or supplier unless so identified on the invoice.

16 6. Any other information as agreed or requested by AUTHORITY to substantiate the  
17 validity of an invoice.

18 **ARTICLE 6. MAXIMUM OBLIGATION**

19 Notwithstanding any provisions of this Agreement to the contrary, AUTHORITY and  
20 CONTRACTOR mutually agree that AUTHORITY's maximum cumulative payment obligation (including  
21 obligation for CONTRACTOR's profit) shall be One Million, Four Hundred Eleven Thousand, Two  
22 Hundred Dollars (\$1,411,200.00) which shall include all amounts payable to CONTRACTOR for its  
23 subcontracts, leases, materials and costs arising from, or due to termination of, this Agreement.

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**ARTICLE 7. NOTICES**

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, returned receipt requested, postage prepaid and addressed as follows:

To CONTRACTOR:

Acacia Adult Day Services  
11391 Acacia Parkway

Garden Grove, California 92840

ATTENTION: Mallory Vega  
(714) 530 - 1566

To AUTHORITY:

Orange County Transportation Authority  
550 South Main Street  
P.O. Box 14184

Orange, California 92863-1584

ATTENTION: Pia Veesapen  
(714) 560 - 5619

**ARTICLE 8. INDEPENDENT CONTRACTOR**

CONTRACTOR's relationship to AUTHORITY in the performance of this Agreement is that of an independent contractor. CONTRACTOR's personnel performing services under this Agreement shall at all times be under CONTRACTOR's exclusive direction and control and shall be employees of CONTRACTOR and not employees of AUTHORITY. CONTRACTOR shall pay all wages, salaries and other amounts due its employees in connection with this Agreement and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, workers' compensation and similar matters.

**ARTICLE 9. INSURANCE**

A. CONTRACTOR shall procure and maintain insurance coverage during the entire term of this Agreement. Coverage shall be full coverage and not subject to self-insurance provisions. CONTRACTOR shall provide the following insurance coverage:

1. Commercial General Liability, to include Products/Completed Operations, Independent Contractors', Contractual Liability, and Personal Injury Liability with a minimum limit of

1 \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate.

2 2. Automobile Liability Insurance to include owned, hired and non-owned autos  
3 with a combined single limit of \$1,000,000.00 each accident;

4 3. Workers' Compensation with limits as required by the State of California including a  
5 waiver of subrogation in favor of AUTHORITY, its officers, directors, employees or agents;

6 4. Employers' Liability with minimum limits of \$1,000,000.00; and

7 5. Professional Liability with minimum limits of \$1,000,000.00 per claim.

8 B. Proof of such coverage, in the form of an insurance company issued policy endorsement  
9 and a broker-issued insurance certificate, must be received by AUTHORITY prior to commencement of  
10 any work. Proof of insurance coverage must be received by AUTHORITY within ten (10) calendar days  
11 from the effective date of this Agreement with the AUTHORITY, its officers, directors, employees and  
12 agents designated as additional insureds on the general and automobile liability. Such insurance shall  
13 be primary and non-contributive to any insurance or self-insurance maintained by the AUTHORITY.

14 C. CONTRACTOR shall include on the face of the Certificate of Insurance the Agreement  
15 Number C-8-0517; and, the Contract Administrator's Name, Pia Veasapen.

16 D. CONTRACTOR shall also include in each subcontract the stipulation that subcontractors  
17 shall maintain insurance coverage in the amounts required from CONTRACTOR as provided in this  
18 Agreement.

19 **ARTICLE 10. ORDER OF PRECEDENCE**

20 Conflicting provisions hereof, if any, shall prevail in the following descending order of  
21 precedence: (1) the provisions of this Agreement, including all exhibits; (2) all other documents, if any,  
22 cited herein or incorporated by reference.

23 **ARTICLE 11. CHANGES**

24 By written notice or order, AUTHORITY may, from time to time, order work suspension and/or  
25 make changes in the general scope of this Agreement, including, but not limited to, the services  
26 furnished to AUTHORITY by CONTRACTOR as described in the Scope of Work. If any such work

1 suspension or change causes an increase or decrease in the price of this Agreement, or in the time  
 2 required for its performance, CONTRACTOR shall promptly notify AUTHORITY thereof and assert its  
 3 claim for adjustment within ten (10) calendar days after the change or work suspension is ordered, and  
 4 an equitable adjustment shall be negotiated. However, nothing in this clause shall excuse  
 5 CONTRACTOR from proceeding immediately with the agreement as changed.

6 **ARTICLE 12. DISPUTES**

7 A. Except as otherwise provided in this Agreement, any dispute concerning a question of fact  
 8 arising under this Agreement which is not disposed of by supplemental agreement shall be decided by  
 9 AUTHORITY's Director, Contracts Administration and Materials Management (CAMM), who shall  
 10 reduce the decision to writing and mail or otherwise furnish a copy thereof to CONTRACTOR. The  
 11 decision of the Director, CAMM, shall be final and conclusive.

12 B. The provisions of this Article shall not be pleaded in any suit involving a question of fact  
 13 arising under this Agreement as limiting judicial review of any such decision to cases where fraud by  
 14 such official or his representative or board is alleged, provided, however, that any such decision shall  
 15 be final and conclusive unless the same is fraudulent or capricious or arbitrary or so grossly erroneous  
 16 as necessarily to imply bad faith or is not supported by substantial evidence. In connection with any  
 17 appeal proceeding under this Article, CONTRACTOR shall be afforded an opportunity to be heard and  
 18 to offer evidence in support of its appeal.

19 C. Pending final decision of a dispute hereunder, CONTRACTOR shall proceed diligently with  
 20 the performance of this Agreement and in accordance with the decision of AUTHORITY's Director,  
 21 CAMM. This Disputes clause does not preclude consideration of questions of law in connection with  
 22 decisions provided for above. Nothing in this Agreement, however, shall be construed as making final  
 23 the decision of any AUTHORITY official or representative on a question of law, which questions shall be  
 24 settled in accordance with the laws of the state of California.

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**ARTICLE 13. TERMINATION**

A. AUTHORITY may terminate this Agreement for its convenience at any time, in whole or part, by giving CONTRACTOR written notice thereof. Upon said notice, AUTHORITY shall pay CONTRACTOR its allowable costs incurred to date of termination and those allowable costs determined by AUTHORITY to be reasonably necessary to effect such termination. Thereafter, CONTRACTOR shall have no further claims against AUTHORITY under this Agreement.

B. AUTHORITY may terminate this Agreement for CONTRACTOR's default if a federal or state proceeding for the relief of debtors is undertaken by or against CONTRACTOR, or if CONTRACTOR makes an assignment for the benefit of creditors, or if CONTRACTOR breaches any term(s) or violates any provision(s) of this Agreement and does not cure such breach or violation within ten (10) calendar days after written notice thereof by AUTHORITY. CONTRACTOR shall be liable for any and all reasonable costs incurred by AUTHORITY as a result of such default including, but not limited to, reprocurement costs of the same or similar services defaulted by CONTRACTOR under this Agreement.

**ARTICLE 14. INDEMNIFICATION**

CONTRACTOR shall indemnify, defend and hold harmless AUTHORITY, its officers, directors, employees and agents from and against any and all claims (including attorneys' fees and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage to or loss of use of property caused by the negligent acts, omissions or willful misconduct by CONTRACTOR, its officers, directors, employees, agents, subcontractors or suppliers in connection with or arising out of the performance of this Agreement.

**ARTICLE 15. ASSIGNMENTS AND SUBCONTRACTS**

A. Neither this Agreement nor any interest herein nor claim hereunder may be assigned by CONTRACTOR either voluntarily or by operation of law, nor may all or any part of this Agreement be subcontracted by CONTRACTOR, without the prior written consent of AUTHORITY. Consent by AUTHORITY shall not be deemed to relieve CONTRACTOR of its obligations to comply fully with all



1 terms and conditions of this Agreement.

2 B. AUTHORITY hereby consents to CONTRACTOR's subcontracting portions of the Scope of  
3 Work to the parties identified below. CONTRACTOR shall include in the subcontract agreement the  
4 stipulation that CONTRACTOR, not AUTHORITY, is solely responsible for payment to the  
5 subcontractor for the amounts owing and that the subcontractor shall have no claim, and shall take no  
6 action, against AUTHORITY, its officers, directors, employees or sureties for nonpayment by  
7 CONTRACTOR.

8 **Subcontractor Name**

**Address**

9 Saint Anselm's Cross Cultural Community Center 13091 Galway Street, Garden Grove, CA 92844

10 Abrazar, Inc. 7101 Wyoming Street, Westminster, CA 92683

11 **ARTICLE 16. AUDIT AND INSPECTION OF RECORDS**

12 CONTRACTOR shall provide AUTHORITY, or other agents of AUTHORITY, such access to  
13 CONTRACTOR's accounting books, records, payroll documents and facilities as AUTHORITY deems  
14 necessary. CONTRACTOR shall maintain such books, records, data and documents in accordance  
15 with generally accepted accounting principles and shall clearly identify and make such items readily  
16 accessible to such parties during CONTRACTOR's performance hereunder and for a period of four (4)  
17 years from the date of final payment by AUTHORITY. AUTHORITY's right to audit books and records  
18 directly related to this Agreement shall also extend to all first-tier subcontractors identified in Article 15  
19 of this Agreement. CONTRACTOR shall permit any of the foregoing parties to reproduce documents  
20 by any means whatsoever or to copy excerpts and transcriptions as reasonably necessary.

21 **ARTICLE 17. FEDERAL, STATE AND LOCAL LAWS**

22 CONTRACTOR warrants that in the performance of this Agreement, it shall comply with all  
23 applicable federal, state and local laws, statutes and ordinances and all lawful orders, rules and  
24 regulations promulgated thereunder.

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**ARTICLE 18. EQUAL EMPLOYMENT OPPORTUNITY**

In connection with its performance under this Agreement, CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age or national origin. CONTRACTOR shall take affirmative action to ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, age or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

**ARTICLE 19. PROHIBITED INTERESTS**

CONTRACTOR covenants that, for the term of this Agreement, no director, member, officer or employee of AUTHORITY during his/her tenure in office or for one (1) year thereafter shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

**ARTICLE 20. OWNERSHIP OF REPORTS AND DOCUMENTS**

The originals of all letters, documents, reports and other products and data produced under this Agreement shall be delivered to, and become the property of AUTHORITY. Copies may be made for CONTRACTOR's records but shall not be furnished to others without written authorization from AUTHORITY. Such deliverables shall be deemed works made for hire and all rights in copyright therein shall be retained by AUTHORITY.

**ARTICLE 21. PATENT AND COPYRIGHT INFRINGEMENT**

A. In lieu of any other warranty by AUTHORITY or CONTRACTOR against patent or copyright infringement, statutory or otherwise, it is agreed that CONTRACTOR shall defend at its expense any claim or suit against AUTHORITY on account of any allegation that any item furnished under this Agreement or the normal use or sale thereof arising out of the performance of this Agreement, infringes upon any presently existing U. S. letters patent or copyright and CONTRACTOR shall pay all costs and damages finally awarded in any such suit or claim, provided that CONTRACTOR is promptly notified in writing of the suit or claim and given authority, information and assistance at CONTRACTOR's expense

1 for the defense of same. However, CONTRACTOR will not indemnify AUTHORITY if the suit or claim  
2 results from: (1) AUTHORITY's alteration of a deliverable, such that said deliverable in its altered form  
3 infringes upon any presently existing U.S. letters patent or copyright; or (2) the use of a deliverable in  
4 combination with other material not provided by CONTRACTOR when such use in combination  
5 infringes upon an existing U.S. letters patent or copyright.

6 B. CONTRACTOR shall have sole control of the defense of any such claim or suit and all  
7 negotiations for settlement thereof. CONTRACTOR shall not be obligated to indemnify AUTHORITY  
8 under any settlement made without CONTRACTOR's consent or in the event AUTHORITY fails to  
9 cooperate fully in the defense of any suit or claim, provided, however, that said defense shall be at  
10 CONTRACTOR's expense. If the use or sale of said item is enjoined as a result of such suit or claim,  
11 CONTRACTOR, at no expense to AUTHORITY, shall obtain for AUTHORITY the right to use and sell  
12 said item, or shall substitute an equivalent item acceptable to AUTHORITY and extend this patent and  
13 copyright indemnity thereto.

#### 14 **ARTICLE 22. FINISHED AND PRELIMINARY DATA**

15 A. All of CONTRACTOR's finished technical data, including but not limited to illustrations,  
16 photographs, tapes, software, software design documents, including without limitation source code,  
17 binary code, all media, technical documentation and user documentation, photoprints and other graphic  
18 information required to be furnished under this Agreement, shall be AUTHORITY's property upon  
19 payment and shall be furnished with unlimited rights and, as such, shall be free from proprietary  
20 restriction except as elsewhere authorized in this Agreement. CONTRACTOR further agrees that it  
21 shall have no interest or claim to such finished, AUTHORITY-owned, technical data; furthermore, said  
22 data is subject to the provisions of the Freedom of Information Act, 5 USC 552.

23 B. It is expressly understood that any title to preliminary technical data is not passed to  
24 AUTHORITY but is retained by CONTRACTOR. Preliminary data includes roughs, visualizations,  
25 software design documents, layouts and comprehensives prepared by CONTRACTOR solely for the  
26 purpose of demonstrating an idea or message for AUTHORITY's acceptance before approval is given

1 for preparation of finished artwork. Preliminary data title and right thereto shall be made available to  
2 AUTHORITY if CONTRACTOR causes AUTHORITY to exercise Article 11, and a price shall be  
3 negotiated for all preliminary data.

4 **ARTICLE 23. ALCOHOL AND DRUG POLICY**

5 AUTHORITY and CONTRACTOR shall provide under this Agreement, a safe and healthy work  
6 environment free from the influence of alcohol and drugs. Failure to comply with this Article may result  
7 in nonpayment or termination of this Agreement.

8 **ARTICLE 24. FORCE MAJEURE**

9 Either party shall be excused from performing its obligations under this Agreement during the  
10 time and to the extent that it is prevented from performing by an unforeseeable cause beyond its  
11 control, including but not limited to: any incidence of fire, flood; acts of God; commandeering of material,  
12 products, plants or facilities by the federal, state or local government; national fuel shortage; or a  
13 material act or omission by the other party; when satisfactory evidence of such cause is presented to  
14 the other party, and provided further that such nonperformance is unforeseeable, beyond the control  
15 and is not due to the fault or negligence of the party not performing.

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Upon execution by both parties, this Agreement shall be made effective on July 1, 2008.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement No. C-8-0517 to be executed on the date first above written.

**ACACIA ADULT DAY SERVICES**

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

By \_\_\_\_\_

By \_\_\_\_\_

Mallory Vega  
Executive Director

Arthur T. Leahy  
Chief Executive Officer

APPROVED AS TO FORM:

By \_\_\_\_\_

Kennard R. Smart, Jr.  
General Counsel

APPROVED:

By \_\_\_\_\_

Beth McCormick  
General Manager, Transit

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**SCOPE OF WORK**  
**Acacia Adult Day Services**  
**Adult Day Healthcare Transportation**

**I. Project Background**

Acacia Adult Day Services (Acacia) is an adult day healthcare facility located in the City of Garden Grove whose services include purchasing transportation to/from their facility for their participants. Approximately 75 participants of the Acacia program are eligible for Orange County Transportation Authority (Authority) ACCESS service. Changes in ACCESS fares and service policies as a result of Paratransit Growth Management strategies have impacted the adult day healthcare community. A 2005 Authority study on adult day healthcare transportation recommended the establishment of cooperative agreements with private service providers which would offer alternative service to adult day healthcare providers and reduce ACCESS costs.

In response to the study recommendation, Authority and Acacia entered into a cost-sharing agreement in 2006, in which Authority agreed to provide a per one-way trip transportation subsidy for ACCESS-eligible participants traveling to/from the Acacia facility. Acacia contracted with Saint Anselm's Cross Cultural Community Center (Saint Anselm's) and Abrazar, Inc., private, non-profit operators located in Garden Grove and Westminster, to provide these transportation services.

**II. Work Plan**

- A. Currently, more than 75 ACCESS-eligible participants travel to/from the Acacia facility. The Authority will participate in a cost-sharing agreement to subsidize transportation service for ACCESS-eligible, Acacia participants using an alternative transportation provider.
- B. Acacia shall continue to contract with Saint Anselm's and Abrazar, Inc. to provide transportation services for their participants to/from their facility.
- C. Authority shall provide a per one-way trip subsidy for each ACCESS-eligible participant traveling to and from the Acacia facility in Garden Grove. The subsidy shall be no more than 80 percent of the per one-way trip transportation cost.
- D. A Consumer Price Index (CPI) rate adjustment may be included with the execution of each option term.

**III. Data Collection and Reporting**

Acacia shall ensure that Saint Anselm's and Abrazar, Inc. collect data required for National Transit Database (NTD) reporting for trips provided to/from the Acacia facility and submit that data by the 10<sup>th</sup> calendar day of the following month.

**IV. Project Management**

Staff from the Authority's Community Transportation Services Department will manage the contract.

**Operating Subsidy for Adult Day Healthcare Transportation  
Agreement No. C-8-0517 with Acacia Adult Day Services**

		<b>FY 08/09</b>	<b>FY 09/10</b>	<b>FY 10/11</b>	<b>FY 11/12</b>	<b>FY 12/13</b>	<b>Totals</b>
Trips (one-way)		42,000	42,000	<i>42,000</i>	<i>42,000</i>	<i>42,000</i>	210,000
Total cost @ \$21.00	\$21.00	\$882,000	\$882,000	<i>\$882,000</i>	<i>\$926,100</i>	<i>\$972,405</i>	\$ 4,544,505
CPI @ 5 percent per year <sup>1</sup>				<i>\$44,100</i>	<i>\$46,305</i>	<i>\$48,620</i>	\$ 139,025
		<b>\$882,000</b>	<b>\$882,000</b>	<b><i>\$926,100</i></b>	<b><i>\$972,405</i></b>	<b><i>\$1,021,025</i></b>	<b>\$ 4,683,530</b>
Authority subsidy @ 80 percent	\$16.80	\$705,600	\$705,600	<i>\$740,880</i>	<i>\$777,924</i>	<i>\$816,820</i>	\$3,746,824
Acacia subsidy @ 20 percent <sup>2</sup>	\$4.20	\$176,400	\$176,400	<i>\$185,220</i>	<i>\$194,481</i>	<i>\$204,205</i>	\$936,706
<b>Program Total</b>		<b>\$882,000</b>	<b>\$882,000</b>	<b><i>\$926,100</i></b>	<b><i>\$972,405</i></b>	<b><i>\$1,021,025</i></b>	<b>\$4,683,530</b>
Estimated ACCESS cost @ \$25.83/trip		\$1,084,860	\$1,084,860	<i>\$1,084,860</i>	<i>\$1,084,860</i>	<i>\$1,084,860</i>	\$5,424,300
Estimated Savings to ACCESS		\$379,260	\$379,260	<i>\$343,980</i>	<i>\$306,936</i>	<i>\$268,040</i>	<b>\$1,677,476</b>

1. By adding in a 5 percent per year growth factor, additional funds are programmed for increases in trip costs.

2. Shared cost by Acacia and in-kind contribution by providers.

\*\*NOTE: Italicized amounts are projections for option years; amounts have not been approved by the Authority Board.







BOARD COMMITTEE TRANSMITTAL

**April 14, 2008**

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

**From:** Wendy Knowles, Clerk of the Board

**Subject:** Cooperative Agreement with the California Department of Transportation and Release of Request for Proposals for Project Report and Environmental Services for the San Diego Freeway (Interstate 405) Widening Project

Highways Committee Meeting of April 7, 2008

**Present:** Directors Amante, Cavecche, Dixon, Green, Mansoor, Norby, Pringle, and Rosen

**Absent:** Director Glaab

**Committee Vote**

This item was passed by all Committee Members present.


**Committee Recommendations**

- A. Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-7-1483 between the Orange County Transportation Authority and the California Department of Transportation for the San Diego Freeway (Interstate 405) widening project.
- B. Approve the proposed evaluation criteria and weightings for consultant selection.
- C. Approve the release of Request for Proposals 8-0693 for consultant services to prepare the project report and environmental document.



**April 7, 2008**

**To:** Highways Committee

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

**Subject:** Cooperative Agreement with the California Department of Transportation and Release of Request for Proposals for Project Report and Environmental Services for the San Diego Freeway (Interstate 405) Widening Project

**Overview**

The San Diego Freeway (Interstate 405) widening project will add new lanes from the Costa Mesa Freeway (State Route 55) to the San Gabriel River Freeway (Interstate 605). A draft cooperative agreement has been prepared that outlines the roles and responsibilities of the Orange County Transportation Authority and the California Department of Transportation for the project approval and environmental document phase of the project. Staff has also developed a draft request for proposals to initiate a competitive procurement process to retain a consultant team to prepare the project report and environmental document for the project.

**Recommendations**

- A. Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-7-1483 between the Orange County Transportation Authority and the California Department of Transportation for the San Diego Freeway (Interstate 405) widening project.
- B. Approve the proposed evaluation criteria and weightings for consultant selection.
- C. Approve the release of Request for Proposals 8-0693 for consultant services to prepare the project report and environmental document.

**Background**

On October 14, 2005, the Orange County Transportation Authority (Authority) Board of Directors (Board) approved staff's recommendation to proceed with

the San Diego Freeway (Interstate 405) major investment study's locally preferred strategy, alternative 4. This alternative proposed the addition of new lanes to Interstate 405, between the San Gabriel River Freeway (Interstate 605) to the north, and the Costa Mesa Freeway (State Route 55) to the south, generally within the existing right-of-way.

A project study report (PSR) is currently underway to define the Interstate 405 widening project's preliminary scope, cost, and schedule. The PSR will also define the roadway geometrics and recommended build alternatives in order to proceed to the project approval and environmental document (PA/ED) phase. In addition to the No Build Alternative, the PSR proposes two build alternatives. Build Alternative 1 would add one general purpose lane in each direction, and Build Alternative 2 would add two general purpose lanes in each direction. Both of these alternatives would provide other improvements, including auxiliary lanes between on-ramps and off-ramps and local interchange improvements. With the PSR and conceptual engineering close to completion, the procurement process for the environmental phase can be initiated.

### ***Discussion***

Draft Cooperative Agreement No. C-7-1483 between the California Department of Transportation (Caltrans) and the Authority outlines the roles and responsibilities of each party during the PA/ED phase. Pursuant to the California Environmental Quality Act (CEQA), Caltrans will be the lead agency and the Authority will be the responsible agency. The Authority will be responsible for funding, procuring, and administering the PA/ED professional services contract, and also for the CEQA/National Environmental Policy Act (NEPA) public involvement process, including public notices, planning the scoping meetings, and conducting the public meetings. At its cost, Caltrans will be responsible for providing independent quality assurance for approval of the environmental and engineering documents and will act as the approving agency pursuant to the NEPA Delegation Pilot Program.

Approving the release of a request for proposals (RFP) at this time will enable the Interstate 405 widening project to move forward into the next project development phase of PA/ED. The draft PSR will be available in April 2008, and the RFP will be released shortly thereafter. The project report, environmental impact report/statement, and technical studies will be prepared in cooperation with Caltrans and the Federal Highway Administration, and in accordance with CEQA and NEPA requirements.

**Cooperative Agreement with the California Department of  
Transportation and Release of Request for Proposals for  
Project Report and Environmental Services for the San Diego  
Freeway (Interstate 405) Widening Project**

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On April 23, 2007, the Board approved procurement procedures and policies requiring the Board to approve all RFPs over \$1,000,000, as well as approve the evaluation criteria and weightings. Staff is hereby submitting for Board approval the draft RFP and evaluation criteria and weights, which will be used to evaluate proposals received in response to the RFP. The evaluation criteria and weights are as follows:

- Qualifications of the Firm 25 percent
- Staffing and Project Organization 35 percent
- Work Plan 40 percent

The evaluation criteria are consistent with criteria developed for similar architectural and engineering (A&E) procurements. Several factors were considered in developing the criteria weights. Staff assigned the greatest level of importance to the work plan, as the technical approach to the project is most critical to the successful performance of the project. Likewise, staff assigned a high level of importance to staffing and project organization, as the qualifications of the project manager and other key task leaders are critical to the timely delivery of the project. As this is an A&E procurement, price is not an evaluation criterion pursuant to state and federal law.

**Fiscal Impact**

The contract for the PA/ED phase for the Interstate 405 widening project has been included in the Authority's Fiscal Year 2008-09 Budget request. It is anticipated that this phase will be funded by federal sources along with local funds.

**Summary**

Staff is requesting that the Board of Directors authorize the Chief Executive Officer to execute Cooperative Agreement No. C-7-1483 with the California Department of Transportation and to approve the evaluation criteria and weightings for release of Request for Proposals 8-0693 to initiate a competitive procurement process for consultant services to prepare the project report and environmental document for the San Diego Freeway (Interstate 405) widening project.

**Cooperative Agreement with the California Department of Transportation and Release of Request for Proposals for Project Report and Environmental Services for the San Diego Freeway (Interstate 405) Widening Project**

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**Page 4**

***Attachments***

- A. Draft Cooperative Agreement No. C-7-1483 with the California Department of Transportation
- B. Draft Request for Proposals (RFP) 8-0693 - Project Report and Environmental Document Preparation Consultant Services for Widening Interstate 405

**Prepared by:**



Rose Casey, P.E.  
Program Manager  
Highway Project Delivery  
(714) 560-5729

**Approved by:**



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

**Draft Cooperative Agreement No. C-7-1483 with  
the California Department of Transportation**

**12-ORA-405, PM 10.30/24.20  
In the Cities of Costa Mesa, Fountain Valley,  
Westminster, Huntington Beach, and Seal Beach  
12-OH1000  
District Agreement No. 12-594  
OCTA Agreement No. C-7-1483**

This AGREEMENT, entered into and made effective on \_\_\_\_\_, 2008, is between the STATE OF CALIFORNIA, acting by and through its Department of Transportation, referred to herein as "STATE", and the

ORANGE COUNTY TRANSPORTATION AUTHORITY, a public corporation of the State of California, referred to herein as "AUTHORITY".

**RECITALS**

1. The STATE and AUTHORITY, pursuant to Streets and Highways Code sections 114 and 130, are authorized to enter into a Cooperative Agreement for improvements to the State Highway System (SHS) within AUTHORITY's jurisdiction.
2. AUTHORITY desires State Highway improvements consisting of widening northbound and southbound Interstate 405 (I-405) from approximately 0.26 mi. south of the Orange County Line (PM 10.30) and Los Angeles County Line (PM 0.00) near the City of Long Beach to approximately 1.55 mi. north of State Route 55 (SR-55) in the City of Costa Mesa (PM 24.20), referred to herein as the "PROJECT".
3. The terms of this Agreement shall supersede any inconsistent terms of any prior Memorandum of Understanding (MOU) or Agreement relating to PROJECT.
4. PROJECT construction and preparation of detailed Plans, Specifications and Estimate (PS&E) of PROJECT, as well as landscape maintenance and construction, will be the subjects of separate future Agreement(s).
5. The Agreement will define the roles and responsibilities of the CEQA Lead Agency regarding the environmental documentation, studies, and reports necessary for compliance with CEQA. This Agreement will also define roles and responsibilities for compliance with NEPA, if applicable.
6. The parties now define herein below the terms and conditions under which PROJECT is to be developed.

**SECTION I**

**AUTHORITY AGREES:**

1. To fund one hundred percent (100%) of all support costs in the preparation of Project Report (PR) and Environmental Document (ED), except for costs of STATE's Independent Quality Assurance (IQA) and STATE's costs incurred as the California Environmental Quality Act (CEQA) Lead Agency and National Environmental Policy Act (NEPA) Lead Agency in the review and approval of the PROJECT environmental documentation prepared entirely by AUTHORITY.
2. All PROJECT work performed by AUTHORITY, or performed on AUTHORITY's behalf, shall be performed in accordance with all State and Federal laws, regulations, policies, procedures, and standards that STATE would normally follow. All such PROJECT work shall be submitted to STATE for STATE's review, comment, and concurrence at appropriate stages of development.
3. All PROJECT work, except as set forth in this Agreement, is to be performed by AUTHORITY. Should AUTHORITY request that STATE perform any portion of PROJECT work, except as otherwise set forth in this Agreement, AUTHORITY shall first agree to reimburse STATE for such work pursuant to an Amendment to this Agreement or a separate executed Agreement.



4. To have a PR and ED prepared, at no cost to STATE, and to submit each to STATE for STATE's review and concurrence at appropriate stages of development. The PR shall be signed on behalf of AUTHORITY by a Civil Engineer registered in the State of California.
5. To permit STATE to monitor, participate, and oversee the selection of personnel who will prepare the PR, conduct environmental studies, and prepare environmental documentation for PROJECT. The AUTHORITY agrees to consider any request by STATE to discontinue the services of any consultant personnel considered by STATE to be unqualified on the basis of credentials, professional expertise, failure to perform in accordance with the scope of work and/or other pertinent criteria.
6. To make written application to STATE for necessary encroachment permits authorizing entry of AUTHORITY onto the SHS right-of-way to perform surveying and other investigative activities required for preparation of the PR and ED.
7. To identify and locate all high and low risk underground facilities within the area of PROJECT and to protect or otherwise provide for such facilities, all in accordance with STATE's "Manual on High and Low Risk Underground Facilities with Highway Rights of Way". AUTHORITY hereby acknowledges receipt of STATE's "Manual on High and Low Risk Underground Facilities Within Highway Rights of Way".
8. To be responsible for, and to the STATE's satisfaction, the investigation of potential hazardous material sites within and outside of the existing SHS right of way that could impact PROJECT as part of performing any preliminary engineering work. If AUTHORITY discovers hazardous material or contamination within PROJECT study area during said investigation, AUTHORITY shall immediately notify STATE.
9. To obtain, at AUTHORITY's expense, all necessary permits and/or Agreement(s) from appropriate regulatory agencies. All mitigation, monitoring, and/or remedial action required by said permits shall constitute parts of the cost of PROJECT.
10. All aerial photography and photogrammetric mapping for PROJECT shall conform to STATE's latest standards.
11. An electronic (compatible with STATE software) and paper copy of the PR, ED and original survey documents resulting from surveys performed for PROJECT, including original field notes, adjustment calculations, final results, and appropriate intermediate documents, shall be delivered to STATE and shall become property of STATE. For aerial mapping, all information and materials listed in the document "Materials Needed to Review Consultant Photogrammetric Mapping" shall be delivered to STATE and shall become property of STATE.
12. To provide, at no cost to STATE, survey and mapping services necessary to perpetuate existing land net and alignment monumentation in accordance with Sections 8771 and 8765 of the Business and Professions Code; and to permanently monument the location of all roadway alignments, realignments, and right-of-way acquisitions. All of the above are to be shown on a Record of Survey filed with the County Surveyor. AUTHORITY shall deliver one copy of any field notes, filed Corner Records, and the Record of Survey required for execution of the above obligation, to STATE's District 12 Survey Branch.

**SECTION II**

**STATE AGREES:**

1. At no cost to AUTHORITY, to complete STATE's review as CEQA and NEPA Lead Agency of the environmental documents prepared and submitted by AUTHORITY and to provide IQA of all AUTHORITY work necessary for completion of the Project Report and Environmental Document for PROJECT.
2. Upon proper application by AUTHORITY and by AUTHORITY's contractor, to issue, at no cost to AUTHORITY and AUTHORITY's contractor, the necessary encroachment permits for required work within the SHS right of way as specifically defined elsewhere in this Agreement.

**SECTION III**

**IT IS MUTUALLY AGREED:**

1. All obligations of STATE under the terms of this Agreement are subject to the appropriation of resources by the Legislature, State Budget Act authority and the allocation of funds by the California Transportation Commission (CTC).
2. The parties to this Agreement understand and agree that STATE's IQA is defined as providing STATE policy and procedural guidance through to completion of the PROJECT preliminary engineering, PS&E, and right of way phases administered by AUTHORITY. This guidance includes prompt reviews by STATE to assure that all work and products delivered or incorporated into the PROJECT by AUTHORITY conform to then existing STATE standards. IQA does not include any PROJECT related work deemed necessary to actually develop and deliver the PROJECT, nor does it involve any validation to verify and recheck any work performed by AUTHORITY and/or its consultants or contractors and no liability will be assignable to STATE, its officers and employees by AUTHORITY under the terms of this Agreement or by third parties by reason of STATE's IQA activities.
3. The parties to this Agreement hereto will execute and implement PROJECT in accordance with the Scope of Work, attached and made a part of the Agreement, which outlines the specific roles and responsibilities of the parties hereto. The attached Scope of Work may be modified in writing in the future to reflect changes in the roles and responsibilities of the respective parties. Such modifications shall be concurred by AUTHORITY's Executive Director of Development Division or other official designated by AUTHORITY and STATE's District Director for District 12 and become a part of this Agreement after execution of the amending document by the respective officials of the parties.
4. The Major Investment Study (MIS) Locally Preferred Strategy Alternative 4 for PROJECT, approved by AUTHORITY's Board of Directors on October 14, 2005 and the Project Study Report/Project Development Support (PSR/PDS) for PROJECT, scheduled for approval on June 30, 2008 are by this reference, made an express part of this Agreement.

5. The basic design features shall comply with those addressed in the approved PSR/PDS, unless modified as required for completion of the PROJECT's environmental documentation and/or if applicable, requested by the Federal Highway Administration (FHWA).
6. The design and preparation of environmental documentation and related investigative studies and technical environmental reports for shall be performed in accordance with all applicable Federal and STATE standards and practices current as of the date of performance. Any exceptions to applicable design standards shall first be approved by STATE for approval via the processes outlined in STATE's Highway Design Manual and appropriate memoranda and design bulletins published by STATE. In the event that STATE proposes and /or requires a change in design standards, implementation of new or revised design standards shall be done as part of the work on PROJECT in accordance with STATE's current Highway Design Manual Section 82.5, "Effective Date for Implementing Revisions to Design Standards". STATE shall consult with AUTHORITY in a timely manner regarding effects of proposed and/or required changes on PROJECT.
7. AUTHORITY's share of all changes in development costs associated with modifications to the basic design features as described above shall be in the same proportion as described in this Agreement, unless mutually agreed to the contrary by STATE and AUTHORITY in a subsequent amendment to this Agreement.
8. STATE will be the CEQA Lead Agency and AUTHORITY will be a CEQA Responsible Agency. STATE will be the Federal Lead Agency for NEPA, if applicable. AUTHORITY will assess PROJECT impacts on the environment and AUTHORITY will prepare the appropriate level of environmental documentation and necessary associated supporting investigative studies and technical environmental reports in order to meet the requirements of CEQA and NEPA. If applicable, AUTHORITY will submit to STATE all investigative studies and technical environmental reports for STATE's review, comment, and approval. The environmental document and/or categorical exemption/exclusion determination, including the administrative draft, draft, administrative final, and final environmental documentation, as applicable, will require STATE's review, comment, and approval prior to public availability.

If, during preparation of preliminary engineering, new information is obtained which requires the preparation of additional environmental documentation to comply with CEQA and/or NEPA if applicable, this Agreement will be amended to include completion of these additional tasks by AUTHORITY.
9. AUTHORITY agrees to obtain, as a PROJECT cost, all necessary PROJECT permits, Agreements and/or approvals from appropriate regulatory agencies, unless the parties agree otherwise in writing. If STATE agrees in writing to obtain said PROJECT permits, Agreements, and/or approvals, those said costs shall be paid by AUTHORITY, as a PROJECT cost.
10. Any hazardous material or contamination of an HM-1 category found within the existing State highway right-of-way during investigative studies requiring remedy or remedial action, as defined in Division 20, Chapter 6.8 et seq. of the Health and Safety Code, shall be the responsibility of STATE. Any hazardous material or contamination of an HM-1 category found within the local road right-of-way during investigative studies requiring the same defined remedy or remedial action shall be the responsibility of AUTHORITY. For the purpose of this Agreement, hazardous material or contamination of HM-1 category is defined as that level or type of contamination which State or Federal regulatory control agencies

having jurisdiction have determined must be remediated by reason of its mere discovery, regardless of whether it is disturbed by PROJECT or not. If AUTHORITY decides to not proceed with PROJECT, STATE shall sign the HM-1 manifest and pay all costs for required remedy or remedial action within the existing State highway right-of-way and AUTHORITY shall sign the HM-1 manifest and pay all costs for required remedy or remedial action within the local road right-of-way. If AUTHORITY and STATE decide to proceed with PROJECT, STATE shall sign the HM-1 manifest and pay all costs for required remedy or remedial action within the existing State highway right-of-way, except that if STATE determines, in its sole judgment that STATE's cost for remedy or remedial action is increased as a result of AUTHORITY decision to proceed with PROJECT, that additional cost identified by STATE shall be deemed a part of the costs of PROJECT. AUTHORITY shall sign the HM-1 manifest and pay all costs for required remedy or remedial action within the local road right-of-way. STATE will exert every effort to fund the remedy or remedial action for which STATE is responsible. In the event STATE is unable to provide funding, AUTHORITY will have the option to either delay PROJECT until STATE is able to provide funding or AUTHORITY may proceed with the remedy or remedial action at AUTHORITY's expense without any subsequent reimbursement by STATE.

11. Any remedy or remedial action with respect to any hazardous material or contamination of an HM-2 category found within the existing SHS right-of-way shall be the responsibility of AUTHORITY, who shall sign the HM-2 manifest and management of HM-2, at AUTHORITY expense, if AUTHORITY decides to proceed with PROJECT. For the purposes of this Agreement, hazardous material or contamination of HM-2 category is defined as that level or type of contamination which said regulatory control agencies would have allowed to remain in place if undisturbed or otherwise protected in place should PROJECT not proceed.
12. If hazardous material or contamination of either HM-1 or HM-2 category is found on new right-of-way acquired by or on account of AUTHORITY for PROJECT, AUTHORITY shall be responsible, at AUTHORITY expense, for all required remedy or remedial action and/or protection in the absence of a generator or prior property owner willing and prepared to perform that corrective work.
13. Locations subject to remedy or remedial action and/or protection include utility relocation work required for PROJECT. Costs for remedy and remedial action and/or protection shall include, but not be limited to, the identification, treatment, protection, removal, packaging, transportation, storage, and disposal of such material.
14. The party responsible for funding any hazardous material cleanup shall be responsible for the development of the necessary remedy and/or remedial action plans and designs. Remedial actions proposed by AUTHORITY on the State highway right-of-way shall be pre-approved by State and shall be performed in accordance with STATE's standards and practices and those standards mandated by the Federal and State regulatory agencies.
15. A separate Cooperative Agreement(s) will be required to address development of Plans, Specifications and Estimate, Landscape Maintenance, and to cover responsibilities and funding for the construction phase of PROJECT.
16. All administrative reports, studies, materials, and documentation, including, but not limited to, all administrative drafts and administrative finals, relied upon, produced, created or utilized for PROJECT will be held in confidence pursuant to Government Code section

6254.5(e). The parties agree that said material will not be distributed, released or shared with any other organization, person or group other than the parties' employees, agents and consultants whose work requires that access without the prior written approval of the party with the authority to authorize said release and except as required or authorized by statute or pursuant to the terms of this Agreement.

17. Nothing within the provisions of this Agreement is intended to create duties or obligations to third parties not parties to this Agreement or to affect the legal liability of either party to the Agreement by imposing any standard of care with respect to the development, design, construction, operation or maintenance of SHS and public facilities different from the standard of care imposed by law.
18. Neither STATE nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by AUTHORITY under or in connection with any work, authority or jurisdiction conferred upon AUTHORITY and arising under this Agreement. It is understood and agreed AUTHORITY shall fully defend, indemnify and hold harmless STATE and all its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortuous, contractual, inverse condemnation and other theories or assertions of liability occurring by reasons of anything done or omitted to be done by AUTHORITY under this Agreement.
19. Neither AUTHORITY nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by STATE under or in connection with any work, authority or jurisdiction conferred upon STATE and arising under this Agreement. It is understood and agreed that STATE shall fully defend, indemnify and hold harmless AUTHORITY and all its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortuous, contractual, inverse condemnation and other theories or assertions of liability occurring by reason of anything done or omitted to be done by STATE under this Agreement.
20. Prior to the commencement of any work pursuant to this Agreement, either STATE or AUTHORITY may terminate this Agreement by written notice to the other party.
21. No alteration or variation of the terms of this Agreement shall be valid unless made by a formal amendment executed by the parties hereto and no oral understanding or Agreement not incorporated herein shall be binding on any of the parties hereto.
22. This Agreement shall terminate upon the satisfactory completion of all post-PROJECT construction obligations of AUTHORITY and the delivery of required PROJECT construction documents, with concurrence of STATE, or on 12/30/2011, whichever is earlier in time, except that the ownership, operation, maintenance, indemnification, environmental commitments, legal challenges, and claims articles shall remain in effect until terminated or modified, in writing, by mutual agreement. Should any construction related or other claims arising out of PROJECT be asserted against one of the parties, the parties agree to extend the fixed termination date of this Agreement, until such time as the construction related or other claims are settled, dismissed or paid.

SIGNATURES ON FOLLOWING PAGE:

STATE OF CALIFORNIA  
DEPARTMENT OF TRANSPORTATION

ORANGE COUNTY  
TRANSPORTATION AUTHORITY

By: \_\_\_\_\_  
Will Kempton  
Director

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

By: \_\_\_\_\_  
Jim Beil  
Deputy District Director  
Capital Outlay Program

APPROVED AS TO FORM AND  
PROCEDURE:

APPROVED AS TO FORM AND  
PROCEDURE:

By: \_\_\_\_\_  
Attorney  
Department of Transportation

By: \_\_\_\_\_  
Kennard R. Smart, Jr.  
General Counsel

CERTIFIED AS TO FUNDS:

By: \_\_\_\_\_  
District Budget Manager

CERTIFIED AS TO FINANCIAL TERMS  
AND POLICIES:

Approved:                      Date:

By: \_\_\_\_\_  
Accounting Administrator

**KIA MORTAZAVI**  
**Executive Director, Development**

## **SCOPE OF WORK**

This Scope of Work outlines the specific areas of responsibility for various project development activities for the proposed widening of I-405 between I-605 to approximately SR-73.

1. STATE will be the Lead Agency for CEQA and AUTHORITY will be a Responsible Agency for CEQA. STATE will also be the Lead Agency for NEPA, under the authority of the NEPA delegation, except for Air Quality approval for which FHWA is the lead agency. AUTHORITY will assess impacts of PROJECT on the environment and AUTHORITY will prepare the ED and supporting technical studies to meet the requirements of CEQA and NEPA. The draft and final ED will require STATE's review and approval prior to public circulation. AUTHORITY will provide all data for and prepare the Draft Project Report (DPR) and the Project Report (PR). STATE will review, process, and approve the PROJECT and ED under the authority of the NEPA delegation. AUTHORITY will be responsible for the CEQA/NEPA public involvement process, including scoping and public meetings.
2. AUTHORITY and STATE concur that the proposal is a Category 4A as defined in STATE's Project Development Procedures Manual.
3. AUTHORITY will submit drafts of the environmental technical reports and individual sections of the draft environmental documents to STATE, as they are developed, for review and comment. Traffic counts and projections to be used in the various reports shall be supplied by STATE if available, or by AUTHORITY. Existing traffic data shall be furnished by AUTHORITY.
4. STATE will review, monitor, and approve all project development reports, studies, and plans. All reviews performed by STATE shall be completed within 30 days.
5. STATE will prepare the revised freeway Agreement and obtain approval of any new public road connection(s) from the California Transportation Commission.
6. All phases of PROJECT, from inception through construction, whether implemented by AUTHORITY or STATE, will be developed in accordance with all policies, procedures, practices, and standards that STATE would normally follow.
7. Detailed steps in the project development process are attached to this Scope of Work. These Attachments are intended as a guide to STATE's and AUTHORITY's staff.

**ATTACHMENT 1  
PLANNING PHASE ACTIVITIES**

<b>PROJECT ACTIVITY</b>	<b>RESPONSIBILITY</b>	
	<b>STATE</b>	<b>AUTHORITY</b>
<b>1. ENVIRONMENTAL ANALYSIS &amp; DOCUMENT PREPARATION</b>		
Establish Project Development Team (PDT)		X
Approve PDT		X
Project Category Determination	X	
Identify Preliminary Alternatives and Costs		X
Prepare and Submit Environmental Studies and Draft PR		X
Review and Approve Environmental Studies and Draft PR	X	
Prepare and Submit Draft Environmental Document (DED)		X
District Review of DED & Draft PR	X	
Circulate DED		
		X
Issue Notice of Availability of DED		X
Hold Public Meetings		X
Prepare and Submit Final ED		X
District Review and Approve Final ED and Final PR	X	
<b>2. PROJECT GEOMETRICS DEVELOPMENT</b>		
Prepare Existing Traffic Analysis		X
Prepare Future Traffic Volumes for Alternatives		X
Prepare Project Geometrics and Profiles		X
Prepare Layouts and Estimates for Alternatives		X
Prepare Operational Analysis for Alternatives		X
Review and Approve Project Geometrics and Operational Analysis	X	
<b>3. PROJECT APPROVAL</b>		
Lead Agency for Environmental Compliance Certifies ED in Accordance with its Procedures	X	
Finalize and Submit PR with Certified ED for Approval		
X		
Approve Project Report	X	



## ATTACHMENT 2 EXISTING CONDITIONS & BACKGROUND

I-405 in Orange County north of SR-73 to I-605 has several distinct segments. The freeway segment from SR-73 north to Euclid Street has been reconstructed. This segment has a single HOV lane and six (6) general-purpose lanes in each direction with numerous auxiliary lanes and braided ramps serving interchanges at Fairview Road, Harbor Boulevard (including a new ramp from South Coast Drive and Hyland Avenue), and Euclid Street.

At Euclid Street, there is a “lane drop”. North of Euclid Street, there are five (5) general-purpose lanes and a single HOV lane in each direction.

There is another lane drop at Brookhurst Street. North of Brookhurst Street to SR-22 (near Valley View Street), there are four (4) general-purpose lanes and a single HOV lane in each direction. There are no auxiliary lanes in this section that has interchanges at Warner Avenue, Magnolia Street, Edinger Avenue, Beach Boulevard (including ramps terminating at Center Avenue), Bolsa Avenue, Goldenwest Street, Westminster Boulevard (including a ramp terminating on Willow Lane), Springdale Street, Garden Grove Boulevard, and Valley View Street. This segment has the least number of travel lanes in the study area.

In the SR-22 overlap segment between Valley View Street and the SR-22 (7th Street ramps) there are six (6) general-purpose lanes and a single HOV lane in each direction. There is a lane drop on I-405 at the SR-22 (7th Street) ramps. North of the SR-22 (7th Street) ramps to I-605, there are five (5) general-purpose lanes and a single HOV lane in each direction. There is a southbound auxiliary lane from the SR-22 (7th Street) entrance ramp to the Seal Beach Boulevard exit ramp. There are also auxiliary lanes in the I-605 interchange area.

Caltrans has prepared detailed engineering for auxiliary lanes between Beach Boulevard and Magnolia Street in both directions. There is sufficient width to provide an auxiliary lane at the southbound direction between the Magnolia Street on-ramp and the Warner Avenue off-ramp. However, the length of the section is too short to be striped as an auxiliary lane based on Caltrans standards, so the section has a wider than typical outside travel lane. Caltrans has conducted Project Study Reports for auxiliary lanes and other improvements at the following locations:

- Magnolia Street to Brookhurst Street southbound (EA 0C760K);
- Brookhurst Street to Warner Avenue northbound (EA 0C770K)
- Ellis Street/Euclid Avenue to Brookhurst Street northbound (EA0C780K)
- Talbert Avenue to Ellis Street/Euclid Avenue southbound (EA 0C790K)

**POWERPOINT  
PRESENTATION**

# DRAFT

REQUEST FOR PROPOSALS (RFP) 8-0693

## Project Report and Environmental Document Preparation Consultant Services for Widening Interstate 405



ORANGE COUNTY TRANSPORTATION AUTHORITY  
550 South Main Street  
P.O. Box 14184  
Orange, CA 92863-1584  
(714) 560-6282 tele; (714) 560-5770 fax; [sholt@octa.net](mailto:sholt@octa.net)

### Key RFP Dates

Issued:	April 14, 2008
Pre-Proposal Conference:	April 21, 2008
Written Questions:	April 28, 2008
Proposal Due:	May 14, 2008
Interview Date:	May 29, 2008

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Governor's  
Ex-Officio Member*

CHIEF EXECUTIVE OFFICE

*Arthur T. Leahy  
Chief Executive Officer*

April 14, 2008

**SUBJECT: NOTICE OF REQUEST FOR PROPOSALS  
RFP 8-0693: "Project Report and Environmental Document  
Preparation Consultant Services for Widening Interstate  
405"**

Gentlemen/Ladies:

The Orange County Transportation Authority ("Authority") invites proposals from qualified consultants for project report and environmental document preparation consultant services for widening Interstate 405.

**Proposals must be submitted in the Orange County Transportation Authority's office at or before 2:00 p.m. on May 14, 2008.**

Proposals delivered in person or by means other than the U.S. Postal Service shall be submitted to the following:

**Orange County Transportation Authority  
Contracts Administration and Materials Management  
600 South Main Street, 4th Floor  
Orange, California 92868  
Attention: Susan A. Holt, Senior Contract Administrator**

Proposals delivered using the U.S. Postal Service shall be addressed as follows:

**Orange County Transportation Authority  
Contracts Administration and Materials Management  
P.O. Box 14184  
Orange, California 92863-1584  
Attention: Susan A. Holt, Senior Contract Administrator**

Proposals, and amendments to proposals, received after the date and time specified above will be returned to the Offerors unopened.

Parties interested in obtaining a copy of this Request for Proposals (RFP) 8-0693 may do so by faxing their request to (714) 560-5792, e-mailing request to [rfp\\_ifb\\_Requests@octa.net](mailto:rfp_ifb_Requests@octa.net), or calling (714) 560-5922. Please include the following information:

- Name of Firm
- Address
- Contact Person
- Telephone and Facsimile Number
- Request For Proposal (RFP) 8-0693

All firms interested in doing business with the Authority are required to register their business on-line at CAMMNet, the Authority's interactive website. The website can be found at [www.octa.net](http://www.octa.net). From the site menu, click on CAMMNet to register.

To receive all further information regarding this RFP 8-0693, firms must be registered on CAMMNet with at least one of the following commodity codes for this solicitation selected as part of the vendor's on-line registration profile:

Commodities for this solicitation are:

<u>Category(s):</u>	<u>Commodity(s):</u>
Professional Services	Engineering – General
Professional Services	Engineering – Civil
Professional Services	Engineering – Traffic
Professional Services	Engineering – Right of Way
Professional Services	Engineering – Environmental
Professional Services	Engineering - Structural
Professional Services	Engineering Drawings
Professional Services	Impact Studies, Environmental
Professional Consulting	Consultant Services - General
Professional Consulting	Consultant Services - Transit Planning
Professional Consulting	Consultant Services - Transportation Planning
Professional Consulting	Traffic Planning Consulting
Professional Consulting	Architectural & Engineering Design Consulting
Professional Consulting	Environmental Consulting

A pre-proposal conference will be held on April 21, 2008, at 2:00 p.m. at the Authority's Administrative Office, 600 South Main Street, Orange, California, in Conference Room 154. All prospective Offerors are encouraged to attend the pre-proposal conference.

Offerors are asked to submit written statements of technical qualifications and describe in detail their work plan for completing the work specified in the Request for Proposal. **No cost proposal or estimate of work hours is to be included in this phase of the RFP process.**

The Authority has established May 29, 2008 as the date to conduct interviews. All prospective Offerors will be asked to keep this date available.

Offerors are encouraged to subcontract with small businesses to the maximum extent possible.

Bidders are advised that, as required by federal law, the State has established a statewide overall DBE goal. This Agency federal-aid contract is considered to be part of the statewide overall DBE goal. The Agency is required to report to Caltrans on DBE participation for all Federal-aid contracts each year so that attainment efforts may be evaluated. Offerors shall ensure that in regard to this RFP, DBE's will be afforded full opportunity to compete for subcontracting work and will not be discriminated against on the grounds of race, color, sex, religion or national origin.

The Offeror will be required to comply with all applicable equal opportunity laws and regulations.

The award of this contract is subject to receipt of federal, state and/or local funds adequate to carry out the provisions of the proposed agreement including the identified Scope of Work.

Sincerely,

Susan A. Holt  
Senior Contract Administrator  
Capital Projects

Contracts Administration and Materials Management Note:  
Comments relative to this draft RFP should be submitted in writing no later than April 14, 2008 to Susan Holt, Senior Contract Administrator.

**SECTION I**  
**INSTRUCTIONS TO OFFERORS**



**SECTION I. INSTRUCTIONS TO OFFERORS**

**A. PRE-PROPOSAL CONFERENCE**

A pre-proposal conference will be held on April 21, 2008, at 2:00 p.m. at the Authority's Administrative Office, 600 South Main Street, Orange, California, in Conference Room 154. All prospective Offerors are strongly encouraged to attend the pre-proposal conference.

**B. EXAMINATION OF PROPOSAL DOCUMENTS**

By submitting a proposal, Offeror represents that it has thoroughly examined and become familiar with the work required under this RFP and that it is capable of performing quality work to achieve the Authority's objectives.

**C. ADDENDA**

Any Authority changes to the requirements will be made by written addendum to this RFP. Any written addenda issued pertaining to this RFP shall be incorporated into the terms and conditions of any resulting Agreement. The Authority will not be bound to any modifications to or deviations from the requirements set forth in this RFP as the result of oral instructions. Offerors shall acknowledge receipt of addenda in their proposals.

**D. AUTHORITY CONTACT**

All questions and/or contacts with Orange County Transportation Authority (Authority) staff regarding this RFP are to be directed to the following Contract Administrator:

Susan A. Holt, Senior Contract Administrator  
Contracts Administration and Materials Management Department  
600 South Main Street, P.O. Box 14184  
Orange, CA 92863-1584  
Phone: 714.560.5660, Fax: 714.560.5792, or E-Mail: sholt@octa.net

**E. CLARIFICATIONS**

**1. Examination of Documents**

Should an Offeror require clarifications of this RFP, the Offeror shall notify the Authority in writing in accordance with Section E.2 below. Should it be found that the point in question is not clearly and fully set forth, the Authority will issue a written addendum clarifying the matter which will be sent to all firms registered on CAMMNet under the commodity codes specified in this RFP.

**2. Submitting Requests**

- a. All questions, including questions that could not be specifically answered at the pre-proposal conference must be put in writing and must be received by the Authority no later than 2:00 p.m., April 28, 2008.
- b. Requests for clarifications, questions and comments must be clearly labeled, "Written Questions". The Authority is not responsible for failure to respond to a request that has not been labeled as such.
- c. Any of the following methods of delivering written questions are acceptable as long as the questions are received no later than the date and time specified above:
  - (1) U.S. Mail: Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584.
  - (2) Personal Courier: Contracts Administration and Materials Management Department, 600 South Main Street, 4<sup>th</sup> Floor, Orange, California.
  - (3) Facsimile: The Authority's fax number is (714) 560-5792.
  - (4) E-Mail: Susan A. Holt, Senior Contract Administrator, e-mail address is [sholt@octa.net](mailto:sholt@octa.net).

**3. Authority Responses**

Responses from the Authority will be posted on CAMM NET, the Authority's interactive website, no later than May 5, 2008. Offerors may download responses from CAMM NET at [www.octa.net/cammnet](http://www.octa.net/cammnet), or request responses be sent via U.S. Mail by e-mailing or faxing the request to Susan A. Holt, Senior Contract Administrator.

To receive e-mail notification of Authority responses when they are posted on CAMM NET, firms must be registered on CAMM NET with at least one of the following commodity codes for this solicitation selected as part of the vendor's on-line registration profile:

Commodities for this solicitation are:

<u>Category(s):</u>	<u>Commodity(s):</u>
Professional Services	Engineering – General
Professional Services	Engineering – Civil
Professional Services	Engineering – Traffic
Professional Services	Engineering – Right of Way
Professional Services	Engineering – Environmental
Professional Services	Engineering - Structural
Professional Services	Engineering Drawings
Professional Services	Impact Studies, Environmental
Professional Consulting	Consultant Services - General
Professional Consulting	Consultant Services - Transit Planning
Professional Consulting	Consultant Services - Transportation Planning
Professional Consulting	Traffic Planning Consulting
Professional Consulting	Architectural & Engineering Design Consulting
Professional Consulting	Environmental Consulting

Inquiries received after 2:00 p.m. on April 28, 2008, will not be responded to.

**F. SUBMISSION OF PROPOSALS**

**1. Date and Time**

**Proposals must be submitted in the Orange County Transportation Authority’s office at or before 2:00 p.m. on May 14, 2008.**

Proposals received after the above specified date and time will not be accepted by the Authority and will be returned to the Offeror unopened.

**2. Address**

Proposals delivered in person or by a means other than the U.S. Postal Service shall be submitted to the following:

**Orange County Transportation Authority  
Contracts Administration and Materials Management (CMM)  
600 South Main Street, 4th Floor  
Orange, California 92868  
Attention: Susan A. Holt, Senior Contract Administrator**

Proposals delivered using the U.S. Postal Services shall be addressed as follows:

**Orange County Transportation Authority  
Contracts Administration and Materials Management  
P.O. Box 14184  
Orange, California 92863-1584  
Attention: Susan A. Holt, Senior Contract Administrator**

Firms must obtain a Visitor Badge from the Receptionist in the lobby of the 600 Building before delivering any information to the CAMM Department.

**3. Identification of Proposals**

Offeror shall submit an **original and 7 copies** of its proposal in a sealed package, addressed as shown above, bearing the Offeror's name and address and clearly marked as follows:

**"RFP 8-0693: Project Report and Environmental Document  
Preparation Consultant Services for Widening Interstate 405"**

**4. Acceptance of Proposals**

- a. The Authority reserves the right to accept or reject any and all proposals, or any item or part thereof, or to waive any informalities or irregularities in proposals.
- b. The Authority reserves the right to withdraw or cancel this RFP at any time without prior notice, and the Authority makes no representations that any contract will be awarded to any Offeror responding to this RFP.
- c. The Authority reserves the right to postpone proposal openings for its own convenience.
- d. Proposals received by the Authority are public information and must be made available to any person upon request.
- e. Submitted proposals are not to be copyrighted.

**G. PRE-CONTRACTUAL EXPENSES**

The Authority shall not, in any event, be liable for any pre-contractual expenses incurred by Offeror in the preparation of its proposal. Offeror shall not include any such expenses as part of its proposal.

Pre-contractual expenses are defined as expenses incurred by Offeror in:

1. Preparing its proposal in response to this RFP;
2. Submitting that proposal to the Authority;
3. Negotiating with the Authority any matter related to this proposal; or
4. Any other expenses incurred by Offeror prior to date of award, if any, of the Agreement.

**H. JOINT OFFERS**

Where two or more Offerors desire to submit a single proposal in response to this RFP, they should do so on a prime-subcontractor basis rather than as a joint venture. The Authority intends to contract with a single firm and not with multiple firms doing business as a joint venture.

**I. TAXES**

Offerors' proposals are subject to State and Local sales taxes. However, the Authority is exempt from the payment of Federal Excise and Transportation Taxes.

**J. PROTEST PROCEDURES**

The Authority has on file a set of written protest procedures applicable to this solicitation that may be obtained by contacting the Contract Administrator responsible for this procurement. Any protests filed by an Offeror in connection with this RFP must be submitted in accordance with the Authority's written procedures.

**K. CONTRACT TYPE**

It is anticipated that the Agreement resulting from this solicitation, if awarded, will be a firm-fixed price contract specifying firm-fixed prices for individual tasks specified in the Scope of Work included in this RFP as Section V.

**L. CONFLICT OF INTEREST**

Offerors are advised that federal transit law requires grantees to award contracts through a process of full and open competition, and that any organizational conflict of interest that gives any party an unfair competitive advantage are considered restrictive of competition under paragraph 8(a)(5) of FTA Circular 4220.1E. By responding to this Request for Proposals, each Offeror represents (a) that such Offeror does not have access to any information not available to the other Offerors, as the result of an existing relationship with the Authority, that might be deemed to give it a competitive advantage over other Offerors, and (b) that no other organizational conflict of interest exists providing such Offeror an unfair competitive advantage over the other Offerors.

**M. DISADVANTAGED BUSINESS ENTERPRISE (DBE)**

This contract is subject to Title 49 Code of Federal Regulations (CFR), Part 26, entitled "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs" (Regulations). The Regulations in their entirety and corresponding directives are incorporated herein by this reference. Offerors are to be fully informed with respect to the DBE requirements delineated in Section IV of this RFP and the applicable Regulations.

Offerors shall ensure that in regard to this RFP, DBE's will be afforded full opportunity to compete for subcontracting work and will not be discriminated against on the grounds of race, color, sex, religion or national origin.

**SECTION II**  
**PROPOSAL CONTENT**

**SECTION II. PROPOSAL CONTENT AND FORMS****A. PROPOSAL FORMAT AND CONTENT****1. Presentation**

Proposals shall be typed, with 12 pt font, double spaced and submitted on 8 1/2 x 11" size paper, using a single method of fastening. Charts and schedules may be included in 11" x 17" format. Offers should not include any unnecessarily elaborate or promotional material. Lengthy narrative is discouraged, and presentations should be brief and concise. Proposals should not exceed fifty (50) pages in length, excluding any appendices.

**2. Letter of Transmittal**

The Letter of Transmittal shall be addressed to Susan A. Holt, Senior Contract Administrator, and must, at a minimum, contain the following:

- a. Identification of Offeror that will have contractual responsibility with the Authority. Identification shall include legal name of company, corporate address, telephone and fax number. Include name, title, address, and telephone number of the contact person identified during period of proposal evaluation.
- b. Identification of all proposed subcontractors including legal name of company, contact persons name and address, phone number and fax number. Relationship between Offeror and subcontractors, if applicable.
- c. Acknowledgment of receipt of all RFP addenda, if any.
- d. A statement to the effect that the proposal shall remain valid for a period of not less than 180 days from the date of submittal.
- e. Signature of a person authorized to bind Offeror to the terms of the proposal.
- f. Signed statement attesting that all information submitted with the proposal is true and correct.



### 3. Technical Proposal

#### a. Qualifications, Related Experience and References of Offeror

This section of the proposal should establish the ability of Offeror to satisfactorily perform the required work by reasons of: experience in performing work of the same or similar nature; Demonstrated experience working with local agencies and cities directly involved in this project; strength and stability of the Offeror; staffing capability; work load; record of meeting schedules on similar projects; and supportive client references. Equal weighting will be given to firms for past experience performing work of a similar nature whether with the Authority or elsewhere.

Offeror to:

- (1) Provide a brief profile of the firm, including the types of services offered; the year founded; form of the organization (corporation, partnership, sole proprietorship); number, size and location of offices; number of employees.
- (2) Provide a general description of the firm's financial condition, identify any conditions (e.g., bankruptcy, pending litigation, planned office closures, impending merger) that may impede Offeror's ability to complete the project. The Authority does not have a policy for debarment or disqualifying firms.
- (3) Describe the firm's experience in performing work of a similar nature to that solicited in this RFP, and highlight the participation in such work by the key personnel proposed for assignment to this project.
- (4) Describe experience in working with the various government agencies that may have jurisdiction over the approval of the work specified in this RFP. Please include specialized experience and professional competence in areas directly related to this RFP.
- (5) Provide a list of past joint work by the Offeror and each subcontractor, if applicable. The list should clearly identify the project and provide a summary of the roles and responsibilities of each party.
- (6) A minimum of three (3) references should be given. Furnish the name, title, address and telephone number of the person(s) at the client organization who is most knowledgeable about the work performed. Offeror may also supply references from other work not cited in this section as

related experience.

**b. Proposed Staffing and Project Organization**

This section of the proposal should establish the method that will be used by the Offeror to manage the project as well as identify key personnel assigned. Proposed Staffing and Organization are to be presented by Offeror for project identified in the Scope of Work.

Offeror to:

- (1) Provide education, experience and applicable professional credentials of project staff. Include applicable professional credentials of "key" project staff.
- (2) Furnish brief resumes (not more than two [2] pages each) for the proposed Project Manager and other key personnel.
- (3) Identify key personnel proposed to perform the work in the specified tasks and include major areas of subcontract work. Include the person's name, current location, proposed position for this project, current assignment, level of commitment to that assignment, availability for this assignment and how long each person has been with the firm.
- (4) Include a project organization chart that clearly delineates communication/reporting relationships among the project staff, including subconsultants.
- (5) Include a statement that key personnel will be available to the extent proposed for the duration of the project, acknowledging that no person designated as "key" to the project shall be removed or replaced without the prior written concurrence of the Authority.

**c. Work Plan**

Offeror shall provide a narrative that addresses the Scope of Work and shows Offeror's understanding of Authority's needs and requirements.

Offeror to:

- (1) Describe the approach and work plan for completing the tasks specified in the Scope of Work. The work plan shall be of such detail to demonstrate the Offeror's ability to accomplish the project objectives and overall schedule.

- (2) Outline sequentially the activities that would be undertaken in completing the tasks and specify who in the firm would perform them.
- (3) Furnish a project schedule for each task and subtask in terms of elapsed weeks from the project commencement date.
- (4) Identify methods that Offeror will use to ensure quality control as well as budget and schedule control for the project.
- (5) Identify any special issues or problems that are likely to be encountered during this project and how the Offeror would propose to address them.
- (6) Offeror is encouraged to propose enhancements or procedural or technical innovations to the Scope of Work that do not materially deviate from the objectives or required content of the project.

**d. Exceptions/Deviations**

State any exceptions to or deviations from the requirements of this RFP, segregating "technical" exceptions from "contractual" exceptions. Where Offeror wishes to propose alternative approaches to meeting the Authority's technical or contractual requirements, these should be thoroughly explained. If no contractual exceptions are noted, Offeror will be deemed to have accepted the contract requirements as set forth in Section IV. Proposed Agreement.

**4. Cost and Price Proposal**

Offerors are asked to submit only the technical qualifications as requested in this RFP. **No cost proposal or work hours are to be included in this phase of the RFP process.** Upon completion of the initial evaluations and interviews, if conducted, the highest ranked Offeror will be asked to submit a detailed cost proposal and negotiations will commence based on both the cost and technical proposals.

**5. Appendices**

Information considered by Offeror to be pertinent to this project and which has not been specifically solicited in any of the aforementioned sections may be placed in a separate appendix section. Offerors are cautioned, however, that this does not constitute an invitation to submit large amounts of extraneous materials; appendices should be relevant and brief.

**B. FORMS****PARTY AND PARTICIPANT DISCLOSURE FORMS – EXHIBIT A**

In conformance with the statutory requirements of the State of California Government Code Section 84308, part of the Political Reform Act and Title 2, California Code of Regulations 18438 through 18438.8, regarding campaign contributions to members of appointed Boards of Directors, Offeror is required to complete and sign the Party and Participant Disclosure Forms provided in Exhibit A of this RFP and submit as part of the proposal. Offeror is required to submit only **one** copy of the completed form(s) as part of its proposal and it should be included in only the **original** proposal. The prime contractor and subcontractors must complete the form entitled "Party Disclosure Form". Lobbyists or agents representing the prime contractor in this procurement must complete the form entitled "Participant Disclosure Form". Reporting of campaign contributions is a requirement from the proposed submittal date up and until the Authority's Board of Directors takes action. Reporting of campaign contributions is a requirement from the proposed submittal date up and until the Authority's Board of Directors take action, which is anticipated to be July 14, 2008.

**CERTIFICATION OF PRIMARY PARTICIPANT REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS – EXHIBIT B****Primary Participant and Lower-Tier Participants****a. Policy**

Unless otherwise permitted by law, any person or firm that is debarred, suspended, or voluntarily excluded, as defined in the Federal Transit Administration (FTA) Circular 2015.1, dated April 28, 1989 may not take part in any federally funded transaction, either as a participant or a principal, during the period of debarment, suspension, or voluntary exclusion. Accordingly, the Authority, may not enter into any transaction with such debarred, suspended, or voluntarily excluded persons or firms during such period.

A certification process has been established by 49 CFR Part 29, as a means to ensure that debarred suspended or voluntarily excluded persons or firms do not participate in Federally assisted projects. The inability to provide the required certification will not necessarily result in denial of participation in a covered transaction. A person or firm that is unable to provide a positive certification as required by this solicitation, must submit a complete explanation attached to the certification. FTA will consider the certification and any accompanying explanation in determining whether or not to provide assistance for the project. Failure to furnish a certification or an explanation may disqualify that person or firm from participating in the project.

b. **Submission Requirements**

Each Offeror shall complete the certification, "Certification of Primary Participant Regarding Debarment, Suspension and other Responsibility Matters," Exhibit B, included in this RFP, for itself and its principals, and submit this certification with its proposal. Failure to do so may result in rejection of the proposal.

If the Offeror plans to use subcontractors on the project, the Offeror, shall have all subcontractors with contracts in excess of \$100,000 complete a certification for lower-tier participation and submit the certification with its proposal.

If a prime or subcontractor learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances, immediate written notice shall be provided to the Authority.

**DISCLOSURE OF LOBBYING ACTIVITIES – EXHIBIT C**

As a recipient of federal funds, the Authority is required to certify compliance with the influencing restrictions and efforts of Offeror to influence federal officials regarding specific procurements in excess of \$100,000.00 that must be disclosed pursuant to section 1352, Title 31, U.S. Code.

This RFP includes, under Exhibit C, the following: a certification form entitled "Certification of Restrictions on Lobbying," the Office of Management and Budget (OMB) Standard Form LLL entitled "Disclosure of Lobbying Activities," and a document entitled "Limitation on Payments to Influence Certain Federal Transactions."

The Offeror to this solicitation will be required to complete and submit to the Authority in their proposal, the certification form entitled "Certification of Restrictions on Lobbying" whether or not any lobbying efforts took place. If the Offeror did engage in lobbying activities, then OMB Standard Form LLL "Disclosure of Lobbying Activities" must also be completed and submitted to the Authority.

**LOCAL AGENCY PROPOSER BIDDER DBE (Consultant Contract) INFORMATION (10-O) EXHIBIT D-2**

Local Agency Proposer/Bidder DBE (Consultant Contract) Information (also referred to as Exhibit 10-O) should be submitted by the successful Offeror upon award.

**BIDDERS LIST – EXHIBIT D-3**

The Offeror is to complete all requested information on the **Bidders List** in Exhibit D-3 for every firm who submitted a bid, proposal or quote, including the primary Offeror, and submit this information at the time of proposal submission.

**CERTIFICATION OF COMPLIANCE REGARDING ALCOHOL AND DRUG POLICY FORM – EXHIBIT E**

The Offeror agrees to establish and implement a drug and alcohol testing program that complies with 49 CFR parts 653 and 654, produce and documentation necessary to establish its compliance with Parts 653 and 654, and permit any authorized representative of the United States Department of Transportation or its operating administrations, the State Oversight Agency of California, or the Authority, to inspect the facilities and records associated with the implementation of the drug and alcohol testing program as required under 49 CFR Parts 653 and 654 and review the testing process. The Offeror agrees further to certify annually its compliance with Parts 653 and 654 before December 31st to the Authority. To certify compliance the Offeror shall use the “Substance Abuse Certifications” in the “Annual list of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements,” which is published annually in the Federal Register.

Offeror is required to submit Exhibit E, Drug and Alcohol Certification in their proposal, or the proposal may be considered non-responsive and not considered for further review.

**STATUS OF PAST AND PRESENT CONTRACTS FORM – EXHIBIT F**

Offeror is required to complete and sign the form entitled “Status of Past and Present Contracts” provided in this RFP and submit as part of the proposal. Offeror shall list the status of past and present contracts where the firm has either provided services as a prime contractor or a subcontractor during the past five (5) years and the contract has ended or will end in a termination, settlement, or litigation. A separate form must be completed for each contract. Offeror shall provide a current contact name and telephone number for each contract and indicated the term of the contract and the original contract value. If the contract was terminated, Offeror must list the reason for termination. Offeror must identify and state the status of any litigation, claims or settlement agreements related to any of the contracts. Each form must be signed by the Offeror confirming that the information provided is true and accurate. If there is no information to report Offeror shall indicate as such by stating “N/A” on the form. Offeror is required to submit only one copy of the completed form(s) as part of its proposal and it should be included in only the original proposal.

**SECTION III**  
**EVALUATION AND AWARD**

### SECTION III. EVALUATION AND AWARD

#### A. EVALUATION CRITERIA

The Authority will evaluate the offers received based on the following criteria:

1. **Qualifications of the Firm** **25 %**  
 Technical experience in performing work of a closely similar nature; experience working with public agencies; strength and stability of the firm; strength, stability, experience and technical competence of subcontractors; assessment by client references.
  
2. **Staffing and Project Organization** **35 %**  
 Qualifications of "Key personnel", especially the Project Manager, including their relevant past experience. Key personnel's level of involvement in performing related work cited in "Qualifications of the Firm" section; adequacy of labor commitment; references from past projects; logic of project organization; concurrence in the restrictions on changes in key personnel; and licensed Project Engineer.
  
3. **Work Plan** **40 %**  
 Depth of Offeror's understanding of Authority's requirements and overall quality of work plan; logic, clarity and specificity of work plan; appropriateness of labor distribution among the tasks; ability to meet the project deadline; reasonableness of proposed schedule; utility of suggested technical or procedural innovations.

#### B. EVALUATION PROCEDURE

An Evaluation Committee will be appointed to review all proposals received. The committee is comprised of Authority staff and may include outside personnel. The committee members will evaluate the written proposals. Each member of the Evaluation Committee will then evaluate each proposal using the criteria identified in Section III. A. to arrive at a "proposal score" for each proposal. Based on the proposal scores, a list of Offerors within a competitive range will be developed based upon the totals of each committee member's score for each proposal.

The Authority has established **May 29, 2008** as the date to conduct interviews. All prospective Offerors will be asked to keep this date available. No other interview dates will be provided, therefore, if an Offeror is unable to attend the interview on this date, its proposal may be eliminated from further consideration. The interview may consist of a short presentation by the Offeror after which the evaluation committee will ask questions related to the Offeror's proposal and



qualifications.

At the conclusion of the evaluation process, the evaluation committee will rank proposals and will recommend the highest ranking Offeror(s) to the appropriate Board Committee. The Board Committee(s) will review the evaluation committee's recommendation and forward its recommendation to the Board of Directors for final action.

**C. AWARD**

In conjunction with its action of selecting a firm, the Authority's Board of Directors will authorize staff to request a cost proposal from the selected Offeror(s) and to negotiate a contract price and other terms and conditions. The Board will also grant staff the ability to terminate negotiations with selected Offeror(s) if no satisfactory agreement can be reached and to begin negotiations with the next highest-ranked Offeror until a satisfactory agreement has been achieved. The selected Offeror(s) may be asked to submit a Best and Final Offer (BAFO). In the BAFO request, the Offeror(s) may be asked to provide additional information, confirm or clarify issues and submit a final cost/price offer. A deadline for submission of the BAFO will be stipulated.

The Authority reserves the right to award its total requirements to one Offeror or to apportion those requirements among several Offerors as the Authority may deem to be in its best interest. In addition, negotiations may or may not be conducted with Offerors; therefore, the proposal submitted should contain Offeror's most favorable terms and conditions, since the selection and award may be made without discussion with any Offeror. The selected Offeror(s) may be required to submit to an audit of its financial records to confirm its financial stability and its accounting system.

**D. NOTIFICATION OF AWARD AND DEBRIEFING**

Offerors who submit a proposal in response to this RFP shall be notified regarding the Offeror(s) awarded a contract. Such notification shall be made within three (3) days of the date the contract is awarded.

Offerors who were not awarded the contract may obtain a prompt explanation concerning the strengths and weaknesses of their proposal. Unsuccessful Offerors who wish to be debriefed, must request the debriefing in writing or electronic mail and it must be received by the Authority within three (3) days of notification of the award of contract.

**SECTION IV**  
**PROPOSED AGREEMENT**

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**PROPOSED AGREEMENT NO. C-8-0693**

**BETWEEN**

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

**AND**

\_\_\_\_\_

**THIS AGREEMENT** is made and entered into effective as of this \_\_\_\_ day of \_\_\_\_\_, 2008, by and between the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, CA 92863-1584, a public corporation of the state of California (hereinafter referred to as "AUTHORITY"), \_\_\_\_\_, \_\_\_\_\_ (hereinafter referred to as "CONSULTANT").

**WITNESSETH:**

**WHEREAS**, AUTHORITY requires assistance from CONSULTANT to provide project report and environmental document preparation consultant services for widening Interstate 405; and

**WHEREAS**, said work cannot be performed by the regular employees of AUTHORITY; and

**WHEREAS**, CONSULTANT has represented that it has the requisite personnel and experience, and is capable of performing such services; and

**WHEREAS**, CONSULTANT wishes to perform these services; and

**WHEREAS**, AUTHORITY's Board of Directors has reviewed and approved the selection of CONSULTANT on July 14, 2008;

**NOW, THEREFORE**, it is mutually understood and agreed by AUTHORITY and CONSULTANT as follows:

**ARTICLE 1. COMPLETE AGREEMENT**

A. This Agreement, including all exhibits and documents incorporated herein and made applicable by reference, constitutes the complete and exclusive statement of the term(s) and condition(s) of the agreement between AUTHORITY and CONSULTANT and it supersedes all prior representations, understandings and communications. The invalidity in whole or in part of any term or condition of this Agreement shall not affect the validity of other term(s) or condition(s).

1 B. AUTHORITY's failure to insist in any one or more instances upon CONSULTANT's  
2 performance of any term(s) or condition(s) of this Agreement shall not be construed as a waiver or  
3 relinquishment of AUTHORITY's right to such performance or to future performance of such term(s) or  
4 condition(s) and CONSULTANT's obligation in respect thereto shall continue in full force and effect.  
5 Changes to any portion of this Agreement shall not be binding upon AUTHORITY except when  
6 specifically confirmed in writing by an authorized representative of AUTHORITY by way of a written  
7 amendment to this Agreement and issued in accordance with the provisions of this Agreement.

8 **ARTICLE 2. AUTHORITY DESIGNEE**

9 The Chief Executive Officer of AUTHORITY, or designee, shall have the authority to act for and  
10 exercise any of the rights of AUTHORITY as set forth in this Agreement.

11 **ARTICLE 3. SCOPE OF WORK**

12 A. CONSULTANT shall perform the work necessary to complete in a manner satisfactory to  
13 AUTHORITY the services set forth in Exhibit A, entitled "Scope of Work," attached to and, by this  
14 reference, incorporated in and made a part of this Agreement. All services shall be provided at the  
15 times and places designated by AUTHORITY.

16 B. CONSULTANT shall provide the personnel listed below to perform the above-specified  
17 services, which persons are hereby designated as key personnel under this Agreement.

<u>Names</u>	<u>Functions</u>
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23 C. No person named in paragraph B of this Article, or his/her successor approved by  
24 AUTHORITY, shall be removed or replaced by CONSULTANT, nor shall his/her agreed-upon function  
25 or level of commitment hereunder be changed, without the prior written consent of AUTHORITY.  
26 Should the services of any key person become no longer available to CONSULTANT, the resume and

1 qualifications of the proposed replacement shall be submitted to AUTHORITY for approval as soon as  
 2 possible, but in no event later than seven (7) calendar days prior to the departure of the incumbent key  
 3 person, unless CONSULTANT is not provided with such notice by the departing employee.  
 4 AUTHORITY shall respond to CONSULTANT within seven (7) calendar days following receipt of these  
 5 qualifications concerning acceptance of the candidate for replacement.

6 **ARTICLE 4. TERM OF AGREEMENT**

7 This Agreement shall commence upon the effective date of this Agreement, and shall continue  
 8 in full force and effect through December 31, 2011, unless earlier terminated or extended as provided in  
 9 this Agreement.

10 **ARTICLE 5. PAYMENT**

11 A. For CONSULTANT's full and complete performance of its obligations under this Agreement,  
 12 and subject to the maximum cumulative payment obligation provisions set forth in Article 7,  
 13 AUTHORITY shall pay CONSULTANT on a firm fixed price basis in accordance with the following  
 14 provisions.

15 B. The following schedule shall establish the firm fixed payment to CONSULTANT by  
 16 AUTHORITY for each work task set forth in the Scope of Work.

17	<u>Task</u>	<u>Description</u>	<u>Firm Fixed Price</u>
18	1	Project Management/Coordination/Administration	\$ .00
19	2	Engineering Development	\$ .00
20	3	Project Report Preparation	\$ .00
21	4	Environmental Document	<u>\$ .00</u>
22	<b>TOTAL FIRM FIXED PRICE PAYMENT</b>		<b>\$ .00</b>

23 C. CONSULTANT shall invoice AUTHORITY on a monthly basis for payments corresponding  
 24 to the work actually completed by CONSULTANT. Percentage of work completed shall be documented  
 25 in a monthly progress report prepared by CONSULTANT, which shall accompany each invoice  
 26 submitted by CONSULTANT. CONSULTANT shall also furnish such other information as may be

1 requested by AUTHORITY to substantiate the validity of an invoice. At its sole discretion, AUTHORITY  
2 may decline to make full payment for any task listed in paragraph B of this Article until such time as  
3 CONSULTANT has documented to AUTHORITY's satisfaction, that CONSULTANT has fully  
4 completed all work required under the task. AUTHORITY's payment in full for any task completed shall  
5 not constitute AUTHORITY's final acceptance of CONSULTANT's work under such task; final  
6 acceptance shall occur only when AUTHORITY's release of the retention described in paragraph D.

7 D. As partial security against CONSULTANT's failure to satisfactorily fulfill all of its obligations  
8 under this Agreement, AUTHORITY shall retain five percent (5%) of the amount of each invoice  
9 submitted for payment by CONSULTANT. All retained funds shall be released by AUTHORITY and  
10 shall be paid to CONSULTANT within sixty (60) days of payment of final invoice, unless AUTHORITY  
11 elects to audit CONSULTANT's records in accordance with Article 17 of this Agreement. If  
12 AUTHORITY elects to audit, retained funds shall be paid to CONSULTANT within thirty (30) calendar  
13 days of completion of such audit in an amount reflecting any adjustment required by such audit.

14 E. Invoices shall be submitted by CONSULTANT on a monthly basis and shall be submitted in  
15 duplicate to AUTHORITY's Accounts Payable office. Each invoice shall be accompanied by the  
16 monthly progress report specified in paragraph C of this Article. AUTHORITY shall remit payment  
17 within thirty (30) calendar days of the receipt and approval of each invoice. Each invoice shall include  
18 the following information:

- 19 1. Agreement No. C-8-0693;
- 20 2. Specify the task number for which payment is being requested;
- 21 3. The time period covered by the invoice;
- 22 4. Total monthly invoice (including project-to-date cumulative invoice amount) and  
23 retention;
- 24 5. Monthly Progress Report;

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1           6. Certification signed by the CONSULTANT or his/her designated alternate that a)  
 2 The invoice is a true, complete and correct statement of reimbursable costs and progress; b) The  
 3 invoice is a true, complete and correct statement of reimbursable costs; c) The backup information  
 4 included with the invoice is true, complete and correct in all material respects; d) All payments due and  
 5 owing to subcontractors and suppliers have been made; e) Timely payments will be made to  
 6 subcontractors and suppliers from the proceeds of the payments covered by the certification and; f) The  
 7 invoice does not include any amount which CONSULTANT intends to withhold or retain from a  
 8 subcontractor or supplier unless so identified on the invoice.

9           7. Any other information as agreed or requested by AUTHORITY to substantiate the  
 10 validity of an invoice.

11           **ARTICLE 6. PROMPT PAYMENT CLAUSE**

12           A. CONSULTANT agrees to pay each subcontractor for the satisfactory work preformed under  
 13 this Agreement, no later than ten (10) calendar days from the receipt of each payment CONSULTANT  
 14 receives from AUTHORITY. CONSULTANT agrees further to return retainage payments to each  
 15 subcontractor within thirty (30) calendar days after the subcontractor's work is satisfactorily completed.  
 16 AUTHORITY reserves the right to request the appropriate documentation from CONSULTANT showing  
 17 payment has been made to the subcontractors. Any delay or postponement of payment from the above  
 18 referenced time frames may occur only for good cause following written approval by AUTHORITY.

19           B. Failure to comply with this provision or delay in payment without prior written approval from  
 20 AUTHORITY will constitute noncompliance, which may result in appropriate administrative sanctions,  
 21 including, but not limited to a penalty of two percent (2%) of the invoice amount due per month for every  
 22 month that payment is not made.

23           C. These prompt payment provisions must be incorporated in all subcontract agreements  
 24 issued by CONSULTANT under this Agreement.

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**ARTICLE 7. MAXIMUM OBLIGATION**

Notwithstanding any provisions of this Agreement to the contrary, AUTHORITY and CONSULTANT mutually agree that AUTHORITY's maximum cumulative payment obligation (including obligation for CONSULTANT's profit) shall be \_\_\_\_\_ Dollars (\$\_\_\_\_\_.00) which shall include all amounts payable to CONSULTANT for its subcontracts, leases, materials and costs arising from, or due to termination of, this Agreement.

**ARTICLE 8. NOTICES**

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, returned receipt requested, postage prepaid and addressed as follows:

To CONSULTANT:

To AUTHORITY:

Orange County Transportation Authority  
550 South Main Street  
P.O. Box 14184  
Orange, CA 92863-1584

ATTENTION:

ATTENTION: Susan A. Holt  
Senior Contract Administrator  
(714) 560 - 5660

**ARTICLE 9. INDEPENDENT CONTRACTOR**

CONSULTANT's relationship to AUTHORITY in the performance of this Agreement is that of an independent contractor. CONSULTANT's personnel performing services under this Agreement shall at all times be under CONSULTANT's exclusive direction and control and shall be employees of CONSULTANT and not employees of AUTHORITY. CONSULTANT shall pay all wages, salaries and other amounts due its employees in connection with this Agreement and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment



1 compensation, workers' compensation and similar matters.

2 **ARTICLE 10. INSURANCE**

3 A. CONSULTANT shall procure and maintain insurance coverage during the entire term of this  
4 Agreement. Coverage shall be full coverage and not subject to self-insurance provisions.  
5 CONSULTANT shall provide the following insurance coverage:

6 1. Commercial General Liability, to include Products/Completed Operations,  
7 Independent Contractors', Contractual Liability, and Personal Injury with a minimum limit of  
8 \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate.

9 2. Automobile Liability to include owned, hired and non-owned autos with a combined  
10 single limit of \$1,000,000.00 each accident;

11 3. Workers' Compensation with limits as required by the State of California including a  
12 waiver of subrogation in favor of AUTHORITY, its officers, directors, employees and agents;

13 4. Employers' Liability with minimum limits of \$1,000,000.00; and

14 5. Professional Liability with minimum limits of \$1,000,000.00 per claim.

15 B. Proof of such coverage, in the form of an insurance company issued policy endorsement  
16 and a broker-issued insurance certificate, must be received by AUTHORITY prior to commencement of  
17 any work. Proof of insurance coverage must be received by AUTHORITY within ten (10) calendar days  
18 from the effective date of this Agreement with the AUTHORITY, its officers, directors, employees and  
19 agents designated as additional insured on the general and automobile liability. Such insurance shall  
20 be primary and non-contributive to any insurance or self-insurance maintained by AUTHORITY.  
21 Furthermore, AUTHORITY reserves the right to request certified copies of all related insurance  
22 policies.

23 C. CONSULTANT shall include on the face of the Certificate of Insurance the Agreement  
24 Number C-8-0693; and, the Contract Administrator's Name, Susan A. Holt.

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1 D. CONSULTANT shall also include in each subcontract the stipulation that subcontractors  
2 shall maintain insurance coverage in the amounts required from CONSULTANT as provided in this  
3 Agreement.

4 **ARTICLE 11. ORDER OF PRECEDENCE**

5 Conflicting provisions hereof, if any, shall prevail in the following descending order of  
6 precedence: (1) the provisions of this Agreement, including all exhibits; (2) the provisions of RFP 8-  
7 0693, (3) CONSULTANT's technical proposal dated May 14, 2008; (4) CONSULTANT's cost proposal  
8 dated \_\_\_\_\_, 2008; and (4) all other documents, if any, cited herein or incorporated by  
9 reference.

10 **ARTICLE 12. CHANGES**

11 By written notice or order, AUTHORITY may, from time to time, order work suspension and/or  
12 make changes in the general scope of this Agreement, including, but not limited to, the services  
13 furnished to AUTHORITY by CONSULTANT as described in the Scope of Work. If any such work  
14 suspension or change causes an increase or decrease in the price of this Agreement or in the time  
15 required for its performance, CONSULTANT shall promptly notify AUTHORITY thereof and assert its  
16 claim for adjustment within ten (10) calendar days after the change or work suspension is ordered, and  
17 an equitable adjustment shall be negotiated. However, nothing in this clause shall excuse  
18 CONSULTANT from proceeding immediately with the agreement as changed.

19 **ARTICLE 13. DISPUTES**

20 A. Except as otherwise provided in this Agreement, any dispute concerning a question of fact  
21 arising under this Agreement which is not disposed of by supplemental agreement shall be decided by  
22 AUTHORITY's Manager, Contracts Administration and Materials Management, who shall reduce the  
23 decision to writing and mail or otherwise furnish a copy thereof to CONSULTANT. The decision of the  
24 Manager, Contracts Administration and Materials Management, shall be final and conclusive.

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1 B. The provisions of this Article shall not be pleaded in any suit involving a question of fact  
2 arising under this Agreement as limiting judicial review of any such decision to cases where fraud by  
3 such official or his representative or board is alleged, provided, however, that any such decision shall  
4 be final and conclusive unless the same is fraudulent or capricious or arbitrary or so grossly erroneous  
5 as necessarily to imply bad faith or is not supported by substantial evidence. In connection with any  
6 appeal proceeding under this Article, CONSULTANT shall be afforded an opportunity to be heard and  
7 to offer evidence in support of its appeal.

8 C. Pending final decision of a dispute hereunder, CONSULTANT shall proceed diligently with  
9 the performance of this Agreement and in accordance with the decision of AUTHORITY's Manager,  
10 Contracts Administration and Materials Management. This Disputes clause does not preclude  
11 consideration of questions of law in connection with decisions provided for above. Nothing in this  
12 Agreement, however, shall be construed as making final the decision of any AUTHORITY official or  
13 representative on a question of law, which questions shall be settled in accordance with the laws of the  
14 state of California.

#### 15 **ARTICLE 14. TERMINATION**

16 A. AUTHORITY may terminate this Agreement for its convenience at any time, in whole or  
17 part, by giving CONSULTANT written notice thereof. Upon termination, AUTHORITY shall pay  
18 CONSULTANT its allowable costs incurred to date of that portion terminated. Said termination shall be  
19 construed in accordance with the provisions of CFR Title 48, Chapter 1, Part 49, of the Federal  
20 Acquisition Regulation (FAR) and specific subparts and other provisions thereof applicable to  
21 termination for convenience. If AUTHORITY sees fit to terminate this Agreement for convenience, said  
22 notice shall be given to CONSULTANT in accordance with the provisions of the FAR referenced above  
23 and Article 8, herein. Upon receipt of said notification, CONSULTANT agrees to comply with all  
24 applicable provisions of the FAR pertaining to termination for convenience.

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1 B. AUTHORITY may terminate this Agreement for CONSULTANT's default if a federal or state  
2 proceeding for the relief of debtors is undertaken by or against CONSULTANT, or if CONSULTANT  
3 makes an assignment for the benefit of creditors, or if CONSULTANT breaches any term(s) or violates  
4 any provision(s) of this Agreement and does not cure such breach or violation within ten (10) calendar  
5 days after written notice thereof by AUTHORITY. CONSULTANT shall be liable for any and all  
6 reasonable costs incurred by AUTHORITY as a result of such default including, but not  
7 limited to, reprourement costs of the same or similar services defaulted by CONSULTANT under this  
8 Agreement. Such termination shall comply with CFR Title 48, Chapter 1, Part 49, of the FAR.

9 **ARTICLE 15. INDEMNIFICATION**

10 CONSULTANT shall indemnify, defend and hold harmless AUTHORITY, its officers, directors,  
11 employees and agents from and against any and all claims (including attorneys' fees and reasonable  
12 expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage  
13 to or loss of use of property caused by the negligent acts, omissions or willful misconduct by  
14 CONSULTANT, its officers, directors, employees, agents, subcontractors or suppliers in connection  
15 with or arising out of the performance of this Agreement.

16 **ARTICLE 16. ASSIGNMENTS AND SUBCONTRACTS**

17 A. Neither this Agreement nor any interest herein nor claim hereunder may be assigned by  
18 CONSULTANT either voluntarily or by operation of law, nor may all or any part of this Agreement be  
19 subcontracted by CONSULTANT, without the prior written consent of AUTHORITY. Consent by  
20 AUTHORITY shall not be deemed to relieve CONSULTANT of its obligations to comply fully with all  
21 terms and conditions of this Agreement.

22 B. AUTHORITY hereby consents to CONSULTANT's subcontracting portions of the Scope of  
23 Work to the parties identified below for the functions described in CONSULTANT's proposal.  
24 CONSULTANT shall include in the subcontract agreement the stipulation that CONSULTANT, not  
25 AUTHORITY, is solely responsible for payment to the subcontractor for the amounts owing and that the  
26 subcontractor shall have no claim, and shall take no action, against AUTHORITY, its officers, directors,

employees or sureties for nonpayment by CONSULTANT.

<u>Subcontractor Name/Addresses</u>	<u>Subcontractor Amounts</u>
/	.00
/	.00

**ARTICLE 17. AUDIT AND INSPECTION OF RECORDS**

CONSULTANT shall provide AUTHORITY, the U.S. Department of Transportation (DOT), the Comptroller General of the United States, or other agents of AUTHORITY, such access to CONSULTANT's accounting books, records, payroll documents and facilities of the CONSULTANT which are directly pertinent to this Agreement for the purposes of examining, auditing and inspecting all accounting books, records, work data, documents and activities related hereto. CONSULTANT shall maintain such books, records, data and documents in accordance with generally accepted accounting principles and shall clearly identify and make such items readily accessible to such parties during CONSULTANT's performance hereunder and for a period of four (4) years from the date of final payment by AUTHORITY. AUTHORITY's right to audit books and records directly related to this Agreement shall also extend to all first-tier subcontractors identified in Article 16 of this Agreement. CONSULTANT shall permit any of the foregoing parties to reproduce documents by any means whatsoever or to copy excerpts and transcriptions as reasonably necessary.

**ARTICLE 18. FEDERAL, STATE AND LOCAL LAWS**

CONSULTANT warrants that in the performance of this Agreement, it shall comply with all applicable federal, state and local laws, statutes and ordinances and all lawful orders, rules and regulations promulgated thereunder.

**ARTICLE 19. EQUAL EMPLOYMENT OPPORTUNITY**

In connection with its performance under this Agreement, CONSULTANT shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age or national origin. CONSULTANT shall take affirmative action to ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, age or

1 national origin. Such actions shall include, but not be limited to, the following: employment, upgrading,  
2 demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other  
3 forms of compensation; and selection for training, including apprenticeship.

4 **ARTICLE 20. CIVIL RIGHTS ASSURANCE**

5 During the performance of this Agreement, CONSULTANT, for itself, its assignees and  
6 successors in interest agree as follows:

7 A. Compliance with Regulations: CONSULTANT shall comply with the Regulations relative to  
8 nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter,  
9 "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time,  
10 (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a  
11 part of this Agreement.

12 B. Nondiscrimination: CONSULTANT, with regard to the work performed by it during the  
13 Agreement, shall not discriminate on the grounds of race, color, or national origin in the selection and  
14 retention of subcontractors, including procurements of materials and leases of equipment. The  
15 CONSULTANT shall not participate either directly or indirectly in the discrimination prohibited by  
16 Section 21.5 of the Regulations, including employment practices when the Agreement covers a  
17 program set forth in Appendix B of the Regulations.

18 C. Solicitations for Subcontracts, Including Procurement of Materials and Equipment: In all  
19 solicitations either by competitive bidding or negotiation made by the CONSULTANT for work to be  
20 performed under a subcontract, including procurements of materials or leases of equipment, each  
21 potential subcontractor or supplier shall be notified by the CONSULTANT of the CONSULTANT's  
22 obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of  
23 race, color, or national origin.

24 D. Information and Reports: CONSULTANT shall provide all information and reports required  
25 by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records,  
26 accounts, other sources of information, and its facilities as may be determined by the AUTHORITY to

1 be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any  
2 information required of a CONSULTANT is in the exclusive possession of another who fails or refuses  
3 to furnish this information the CONSULTANT shall so certify to the AUTHORITY as appropriate, and  
4 shall set forth what efforts it has made to obtain the information.

5 E. Sanctions for Noncompliance: In the event of the CONSULTANT's noncompliance with  
6 nondiscrimination provisions of this Agreement, the AUTHORITY shall impose Agreement sanctions as  
7 it may determine to be appropriate, including, but not limited to:

8 1. Withholding of payments to the CONSULTANT under the Agreement until the  
9 CONSULTANT complies; and/or

10 2. Cancellation, termination, or suspension of the Agreement, in whole or in part.

11 F. Incorporation of Provisions: CONSULTANT shall include the provisions of paragraphs (A)  
12 through (F) in every subcontract, including procurements of materials and leases of equipment, unless  
13 exempt by the Regulations, or directives issued pursuant thereto. The CONSULTANT shall take such  
14 action with respect to any subcontract or procurement as the AUTHORITY may direct as a means of  
15 enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event  
16 a CONSULTANT becomes involved in, or is threatened with, litigation with a subcontractor or supplier  
17 as a result of such direction, the CONSULTANT may request the AUTHORITY to enter into such  
18 litigation to protect the interests of the AUTHORITY, and, in addition, the CONSULTANT may request  
19 the United States to enter into such litigation to protect the interests of the United States.

## 20 **ARTICLE 21. RACE NUETRAL DBE PARTICIPATION**

21 A. At the time of contract execution, CONSULTANT has committed to use its reasonable best  
22 efforts to utilize DBE(s) in the performance of this DOT-assisted contract, and further agrees to ensure  
23 (to the extent reasonably possible) that DBE subcontractors, if any, listed on the "Local Agency  
24 Proposer/Bidder-DBE (Consultant Contracts) Information" form, Exhibit D-2, which is attached herein, to  
25 perform work and/or supply materials in accordance with original commitments, unless otherwise  
26 directed and/or approved by the AUTHORITY prior to the CONSULTANT effectuating any changes to its

1 race-neutral DBE participation commitment(s).

2 B. This project is subject to Title 49 CFR Part 26, "Participation by Disadvantaged Business  
3 Enterprises in Department of Transportation Programs." The AUTHORITY encourages the  
4 participation of DBEs as defined in 49 CFR 26 in the performance of contracts financed in whole or in  
5 part with U.S. DOT funds. Pursuant to the intent of these Regulations, it is also the policy of the  
6 AUTHORITY to:

7 1. Fulfill the spirit and intent of the Federal DBE Program regulations published under U.S.  
8 DOT Title 49 CFR, Part 26, by ensuring that DBEs have equitable access to participate in all of  
9 AUTHORITY's DOT-assisted contracting opportunities.

10 2. Ensure that DBEs can fairly compete for and perform on all DOT-assisted contracts and  
11 subcontracts.

12 3. Ensure non-discrimination in the award and administration of AUTHORITY's DOT-  
13 assisted contracts.

14 4. Create a level playing field on which DBEs can compete fairly for DOT-assisted  
15 contracts.

16 5. Ensure that only firms that fully meet 49 CFR, Part 26 eligibility standards are permitted  
17 to participate as DBEs.

18 6. Help remove barriers to the participation of DBEs in DOT-assisted contracts.

19 7. Assist in the development of firms that can compete successfully in the marketplace  
20 outside the DBE Program.

21 8. CONSULTANT shall not discriminate on the basis of race, color, national origin, or sex  
22 in the award and performance of subcontracts.

23 C. Any terms used in this section that is defined in 49 CFR Part 26, or elsewhere in the  
24 Regulations, shall have the meaning set forth in the Regulations. In the event of any conflicts or  
25 inconsistencies between the Regulations and the AUTHORITY's DBE Program with respect to DOT-  
26 assisted contracts, the Regulations shall prevail.



1 D. AUTHORITY's new Race-Neutral DBE Policy Implementation Directives: Pursuant to  
2 recently released Race-Neutral DBE policy directives issued by the U.S. DOT and the California  
3 Department of Transportation in response to the Ninth Circuit U.S. Court of Appeals decision in  
4 Western States Paving Co. v. Washington State Department of Transportation, AUTHORITY has  
5 implemented a wholly Race-Neutral DBE Program. A Race-Neutral DBE Program is one that, while  
6 benefiting DBEs, is not solely focused on DBE firms. Therefore, under a Race-Neutral DBE Program,  
7 AUTHORITY does not establish numeric race-conscious DBE participation goals on its DOT-assisted  
8 contracts. CONSULTANT shall not be required to achieve a specific level of DBE participation as a  
9 condition of contract compliance in the performance of this DOT-assisted contract. However,  
10 CONSULTANT shall adhere to race-neutral DBE participation commitment(s) made at the time of  
11 contract award.

12 E. Definitions -The following definitions apply to the terms as used in these provisions:

13 1. "Disadvantaged Business Enterprise (DBE)" means a small business concern: (a) which  
14 is at least 51 percent owned by one or more socially and economically disadvantaged individuals or, in  
15 the case of any publicly-owned business, at least 51 percent of the stock of which is owned by one or  
16 more socially and economically disadvantaged individuals; and (b) whose management and daily  
17 business operations are controlled by one or more of the socially and economically disadvantaged  
18 individuals who own it.

19 2. "Small Business Concern" means a small business as defined pursuant to Section 3 of  
20 the Small Business Act and relevant regulations promulgated pursuant thereto, except that a small  
21 business concern shall not include any concern or group of concerns controlled by the same socially  
22 and economically disadvantaged individual or individuals which has annual average gross receipts in  
23 excess of \$19.57 million over the previous three fiscal years.

24 3. "Socially and Economically Disadvantaged Individuals" means those individuals who are  
25 citizens of the United States (or lawfully admitted permanent residents) and who are Black Americans,  
26 Hispanic Americans, Native Americans, Asian-Pacific Americans, or Asian-Indian Americans, women

1 and any other minorities or individuals found to be disadvantaged by the Small Business Administration  
2 pursuant to Section 8(a) of the Small Business Act, or by AUTHORITY pursuant to 49 CFR part 26.65.

3 Members of the following groups are presumed to be socially and economically disadvantaged:

- 4 a. "Black Americans," which includes persons having origins in any of the Black racial  
5 groups of Africa;
- 6 b. "Hispanic Americans," which includes persons of Mexican, Puerto Rican, Cuban,  
7 Central or South American, or other Spanish or Portuguese culture or origin,  
8 regardless of race;
- 9 c. "Native Americans," which includes persons who are American Indians, Eskimos,  
10 Aleuts, or Native Hawaiians;
- 11 d. "Asian-Pacific Americans," which includes persons whose origins are from Japan,  
12 China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam,  
13 the U.S. Trust Territories of the Pacific, and the Northern Marianas;
- 14 e. "Asian-Indian Americans," which includes persons whose origins are from India,  
15 Pakistan, and Bangladesh; and
- 16 f. Women, regardless of ethnicity or race.

17 4. "Owned and Controlled" means a business: (a) which is at least 51 percent owned by  
18 one or more "Socially and Economically Disadvantaged Individuals" or, in the case of a publicly-owned  
19 business, at least 51 percent of the stock of which is owned by one or more "Socially and Economically  
20 Disadvantaged Individuals"; and (b) whose management and daily business operations are controlled  
21 by one or more such individuals.

22 5. "Manufacturer" means a firm that operates or maintains a factory or establishment that  
23 produces on the premises the materials or supplies obtained by the CONSULTANT.

24 6. "Regular Dealer" means a firm that owns, operates or maintains a store, warehouse, or  
25 other establishment in which the materials or supplies required for the performance of the contract are  
26 bought, kept in stock, and regularly sold to the public in the usual course of business. The firm must

1 engage in, as its principal business, and in its own name, the purchase and sale of the product in  
2 question. A regular dealer in such bulk items as steel, cement, gravel, stone and petroleum products  
3 need not keep such products in stock if it owns or operates distribution equipment.

4 7. "Other Socially and Economically Disadvantaged Individuals" means those individuals  
5 who are citizens of the United States (or lawfully admitted permanent residents) and who, on a case-by-  
6 case basis, are determined by Small Business Administration or the AUTHORITY to meet the social  
7 and economic disadvantage criteria described below.

8 a. Social Disadvantage- (i)The individual's social disadvantage must stem from  
9 his/her color, national origin, gender, physical handicap, long-term residence in an environment isolated  
10 from the mainstream of American society, or other similar cause beyond the individual's control. (ii) The  
11 individual must demonstrate that he/she has personally suffered social disadvantage. (iii) The  
12 individual's social disadvantage must be rooted in treatment, which he/she has experienced in  
13 American society, not in other countries. (iv) The individual's social disadvantage must be chronic,  
14 longstanding and substantial, not fleeting or insignificant. (v) The individual's social disadvantage must  
15 have negatively affected his/her entry into and/or advancement in the business world. A determination  
16 of social disadvantage must be made before proceeding to make a determination of economic  
17 disadvantage.

18 b. Economic Disadvantage – (i) The individual's ability to compete in the free  
19 enterprise system has been impaired due to diminished capital and credit opportunities, as compared to  
20 others in the same line of business and competitive market area that are not socially disadvantaged. (ii)  
21 The following criteria will be considered when determining the degree of diminished credit and capital  
22 opportunities of a person claiming social and economic disadvantage: With respect to the individual:  
23 availability of financing; bonding capability; availability of outside equity capital; and available markets.  
24 With respect to the individual and the business concern: personal and business assets; personal and  
25 business net worth; and personal and business income and profits.

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8. Race-Neutral DBE Submission and Ongoing Reporting Requirements (Post-Award).

CONSULTANT shall complete and submit the following DBE exhibits (forms) at the times specified:

a. "Monthly Race-Neutral DBE Subcontractors Paid Report Summary and Payment Verification" (Form 103).

b. If CONSULTANT is a DBE firm and/or has proposed to utilize DBE firms, CONSULTANT will be required to complete and submit Form 103 to the AUTHORITY by the 10<sup>th</sup> of each month until completion of the contract to facilitate reporting of race-neutral DBE participation, following the first month of contract activity. CONSULTANT shall report the total dollar value paid to DBEs for the applicable reporting period. CONSULTANT shall also report the DBE's Scope of Work and the total subcontract value of commitment for each DBE reported.

c. CONSULTANT is advised not to report the participation of DBEs toward the CONSULTANT's race-neutral DBE attainment until the amount being counted has been paid to the DBE.

d. Upon completion of the contract, CONSULTANT will be required to prepare and submit to the AUTHORITY Form 103 clearly marked "Final" to facilitate reporting and capturing actual DBE race-neutral attainments. Additionally, a "Final Report Utilization of Disadvantaged Business (DBE)" (Exhibit 17-F) - shall be completed and signed by the CONSULTANT and shall be submitted to the AUTHORITY with the final invoice.

e. CONSULTANT shall complete and submit a Final Form 103 and Exhibit 17-F whether or not DBEs were utilized in the performance of the contract.

F. A DBE must be a small business concern as defined pursuant to Section 3 of the U.S. Small Business Act and relevant regulations promulgated pursuant thereto.

1. A DBE may participate as a prime CONSULTANT, subcontractor, joint venture partner with a prime or subcontractor, vendor of material or supplies, or as a trucking company.

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1           2. A DBE joint venture partner must be responsible for specific contract items of work,  
2 or clearly defined portions thereof. Responsibility means actually performing, managing and  
3 supervising the work with its own forces. The DBE joint venture partner must share in the capital  
4 contribution, control, management, risks and profits of the joint venture commensurate with its  
5 ownership interest.

6           3. A DBE must perform a commercially useful function in accordance with 49 CFR  
7 26.55 (i.e., must be responsible for the execution of a distinct element of the work and must carry out its  
8 responsibility by actually performing, managing and supervising the work). A DBE should perform at  
9 least thirty percent (30%) of the total cost of its contract with its own workforce to presume it is  
10 performing a commercially useful function.

11           4. DBEs must be certified by the California Unified Certification Program (CUCP).  
12 Listings of DBEs certified by the CUCP are available from the following sources: (a) The CUCP web  
13 site, which can be accessed at <http://www.californiaucp.com>; or the Caltrans "Civil Rights" web site at  
14 <http://www.dot.ca.gov/hq/bep>. (b) The CUCP DBE Directory, which may be obtained from the  
15 Department of Transportation, Material Operations Branch, Publication Distribution Unit, 1900 Royal  
16 Oaks Drive, Sacramento, California 95815; Telephone: (916) 445-3520.

17           G. DBE Crediting Provisions: When a DBE is proposed to participate in the contract, either  
18 as a prime CONSULTANT or subcontractor, only the value of the work proposed to be performed by  
19 the DBE with its own forces may be counted towards race-neutral DBE participation. If a DBE  
20 intends to subcontract part of the work of its subcontract to a lower tier subcontractor, the value of  
21 the subcontracted work may be counted toward race-neutral DBE participation only if the DBE  
22 subcontractor is a certified DBE and actually performs the work with their own forces. Services  
23 subcontracted to a non-DBE firm may not be credited toward the prime CONSULTANT's race-  
24 neutral DBE attainment.

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1           1. CONSULTANT is to calculate and credit participation by eligible DBE vendors of  
2 equipment, materials, and suppliers toward race-neutral DBE attainment, as follows: (a) Sixty  
3 percent (60%) of expenditure(s) for equipment, materials and supplies required under the Contract,  
4 obtained from a regular dealer; or (b) One hundred percent (100%) of expenditure(s) for equipment,  
5 materials and supplies required under the contract, obtained from a DBE manufacturer (c) Brokers,  
6 and Packagers may be credited towards CONSULTANT's race-neutral DBE attainment, provided  
7 that the fee or commission is reasonable, and not excessive, as compared with fees or commissions  
8 customarily allowed for similar work, including fees and commissions charged for providing bona fide  
9 professional or technical services, or procurement of essential personnel, facilities, equipment,  
10 materials, or supplies required in the performance of the contract. Fees charged for delivery of  
11 material and supplies (excluding the cost of materials or supplies themselves) when the licensed  
12 hauler, trucker, or delivery service is not also the manufacturer of, or a regular dealer in, the material  
13 and supplies. Fees and commissions charged for providing any insurance specifically required in  
14 the performance of the contract.

15           2. CONSULTANT may count the participation of DBE trucking companies toward  
16 race-neutral DBE attainment, as follows: the DBE must be responsible for the management and  
17 supervision of the entire trucking operation for which it is responsible on a particular contract; the  
18 DBE must itself own and operate at least one fully licensed, insured, and operational truck used on  
19 the contract; the DBE receives credit for the total value of the transportation services it provides on  
20 the contract using trucks it owns, insures, and operates using drivers it employs; DBE may lease  
21 trucks from another DBE firm, including an owner-operator who is certified as a DBE; the DBE who  
22 leases trucks from another DBE receives credit for the total value of the transportation services the  
23 lessee DBE provides on the contract. The DBE may also lease trucks from a non-DBE firm,  
24 including an owner-operator. The DBE who leases trucks from a non-DBE is entitled to credit only  
25 for the fee or commission it receives as a result of the lease arrangement. The DBE does not  
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1 receive credit for the total value of the transportation services provided by the lessee, since these  
2 services are not provided by a DBE.

3 3. For purposes of this paragraph, a lease must indicate that the DBE has exclusive  
4 use of and control over the truck. This does not preclude the leased truck from working for others  
5 during the term of the lease with the consent of the DBE, so long as the lease gives the DBE  
6 absolute priority for use of the leased truck. Leased trucks must display the name and identification  
7 number of the DBE.

8 4. If CONSULTANT listed a non-certified DBE 1<sup>st</sup> tier subcontractor to perform work  
9 on this contract, and the non-certified DBE subcontractor subcontracts a part of its work or  
10 purchases materials and/or supplies from a lower tier DBE certified subcontractor or vendor, the  
11 value of work performed by the lower tier DBE firm's own forces can be counted toward race-neutral  
12 DBE participation on the contract.

13 H. DBE subcontractors listed by the CONSULTANT in its "Local Agency Proposer/Bidder-DBE  
14 (Consultant Contracts)-Information" form (Exhibit D-2) submitted at the time of award shall perform the  
15 work and supply the materials for which they are listed, unless the CONSULTANT has received prior  
16 written authorization from the AUTHORITY to perform the work with other forces or to obtain the  
17 materials from other sources. CONSULTANT shall provide written notification to AUTHORITY in a  
18 timely manner of any changes to its anticipated DBE participation. This notice should be provided prior  
19 to the commencement of that portion of the work.

20 I. In the event CONSULTANT identifies additional DBE subcontractors or suppliers not  
21 previously identified by CONSULTANT for race-neutral DBE participation under the contract,  
22 CONSULTANT shall notify AUTHORITY by submitting "Request for Additional DBE Firm" form.  
23 CONSULTANT shall also submit, for each DBE identified after contract execution, a written  
24 confirmation from the DBE acknowledging that it is participating in the contract for a specified value,  
25 including the corresponding Scope of Work (a subcontract agreement can serve in lieu of the written  
26 confirmation).

1 J. DBE Certification Status- If a listed DBE subcontractor is decertified during the life of the  
2 project, the decertified subcontractor shall notify CONSULTANT in writing with the date of  
3 decertification. If a non-DBE subcontractor becomes a certified DBE during the life of the project,  
4 the DBE subcontractor shall notify CONSULTANT in writing with the date of certification.  
5 CONSULTANT shall furnish the written documentation to AUTHORITY in a timely manner.  
6 Notification to the AUTHORITY shall additionally be provided via the "Disadvantaged Business  
7 Enterprise Certification Status Change" Form (Exhibit 17-F) with the final invoice.

8 K. In compliance with State and Federal anti-discrimination laws, CONSULTANT shall affirm  
9 that they will not exclude or discriminate on the basis of race, color, national origin, or sex in  
10 consideration of contract award opportunities. Further, CONSULTANT shall affirm that they will  
11 consider, and utilize subcontractors and vendors, in a manner consistent with non-discrimination  
12 objectives.

13 L. Any subcontract entered into as a result of this Agreement shall contain all of the  
14 provisions of this section.

15 M. The CONSULTANT shall maintain records of materials purchased and/or supplied from all  
16 subcontracts entered into with certified DBEs. The records shall show the name and business address  
17 of each DBE or vendor and the total dollar amount actually paid each DBE or vendor, regardless of tier.  
18 The records shall show the date of payment and the total dollar figure paid to all firms. DBE prime  
19 CONSULTANTS shall also show the date of work performed by their own forces along with the  
20 corresponding dollar value of the work.

21 N. Only legitimate DBEs are eligible to participate as DBEs in DOT-assisted contracts.  
22 Therefore, CONSULTANT is hereby cautioned against knowingly and willfully using "fronts". The use of  
23 "fronts" and "pass through" subcontracts to non-disadvantaged firms constitute criminal violations.  
24 Further, any indication of fraud, waste, abuse or mismanagement of Federal funds should be  
25 immediately reported to the Office of Inspector General, U.S. Department of Transportation at the toll-  
26 free hotline: (800) 424-9071; or to the following field office: FTA Special Agent-in-Charge, 210 Mission



Street, Room 2210, San Francisco, CA 94105-1839; Telephone: (415) 744-3133; Fax: (415) 744-2726.

**ARTICLE 22. PROHIBITED INTERESTS**

A. CONSULTANT covenants that, for the term of this Agreement, no director, member, officer or employee of AUTHORITY during his/her tenure in office or for one (1) year thereafter, shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

B. No member of or delegate to, the Congress of the United States shall have any interest, direct or indirect, in this Agreement or to the benefits thereof.

**ARTICLE 23. OWNERSHIP OF REPORTS AND DOCUMENTS**

A. The originals of all letters, documents, reports and other products and data produced under this Agreement shall be delivered to, and become the property of AUTHORITY. Copies may be made for CONSULTANT's records but shall not be furnished to others without written authorization from AUTHORITY. Such deliverables shall be deemed works made for hire and all rights in copyright therein shall be retained by AUTHORITY.

B. All ideas, memoranda, specifications, plans, manufacturing, procedures, drawings, descriptions, and all other written information submitted to CONSULTANT in connection with the performance of this Agreement shall not, without prior written approval of AUTHORITY, be used for any purposes other than the performance under this Agreement, nor be disclosed to an entity not connected with the performance of the project. CONSULTANT shall comply with AUTHORITY's policies regarding such material. Nothing furnished to CONSULTANT which is otherwise known to CONSULTANT or is or becomes generally known to the related industry shall be deemed confidential. CONSULTANT shall not use AUTHORITY's name, photographs of the project, or any other publicity pertaining to the project in any professional publication, magazine, trade paper, newspaper, seminar or other medium without the express written consent of AUTHORITY.

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1 C. No copies, sketches, computer graphics or graphs, including graphic art work, are to be  
2 released by CONSULTANT to any other person or agency except after prior written approval by  
3 AUTHORITY, except as necessary for the performance of services under this Agreement. All press  
4 releases, including graphic display information to be published in newspapers, magazines, etc., are to  
5 be handled only by AUTHORITY unless otherwise agreed to by CONSULTANT and AUTHORITY.

6 **ARTICLE 24. PATENT AND COPYRIGHT INFRINGEMENT**

7 A. In lieu of any other warranty by AUTHORITY or CONSULTANT against patent or copyright  
8 infringement, statutory or otherwise, it is agreed that CONSULTANT shall defend at its expense any  
9 claim or suit against AUTHORITY on account of any allegation that any item furnished under this  
10 Agreement or the normal use or sale thereof arising out of the performance of this Agreement, infringes  
11 upon any presently existing U. S. letters patent or copyright and CONSULTANT shall pay all costs and  
12 damages finally awarded in any such suit or claim, provided that CONSULTANT is promptly notified in  
13 writing of the suit or claim and given authority, information and assistance at CONSULTANT's expense  
14 for the defense of same. However, CONSULTANT will not indemnify AUTHORITY if the suit or claim  
15 results from: (1) AUTHORITY's alteration of a deliverable, such that said deliverable in its altered form  
16 infringes upon any presently existing U.S. letters patent or copyright; or (2) the use of a deliverable in  
17 combination with other material not provided by CONSULTANT when such use in combination infringes  
18 upon an existing U.S. letters patent or copyright.

19 B. CONSULTANT shall have sole control of the defense of any such claim or suit and all  
20 negotiations for settlement thereof. CONSULTANT shall not be obligated to indemnify AUTHORITY  
21 under any settlement made without CONSULTANT's consent or in the event AUTHORITY fails to  
22 cooperate fully in the defense of any suit or claim, provided, however, that said defense shall be at  
23 CONSULTANT's expense. If the use or sale of said item is enjoined as a result of such suit or claim,  
24 CONSULTANT, at no expense to AUTHORITY, shall obtain for AUTHORITY the right to use and sell  
25 said item, or shall substitute an equivalent item acceptable to AUTHORITY and extend this patent and  
26 copyright indemnity thereto.

**ARTICLE 25. FINISHED AND PRELIMINARY DATA**

1  
2 A. All of CONSULTANT's finished technical data, including but not limited to illustrations,  
3 photographs, tapes, software, software design documents, including without limitation source code,  
4 binary code, all media, technical documentation and user documentation, photoprints and other graphic  
5 information required to be furnished under this Agreement, shall be AUTHORITY's property upon  
6 payment and shall be furnished with unlimited rights and, as such, shall be free from proprietary  
7 restriction except as elsewhere authorized in this Agreement. CONSULTANT further agrees that it  
8 shall have no interest or claim to such finished, AUTHORITY-owned, technical data; furthermore, said  
9 data is subject to the provisions of the Freedom of Information Act, 5 USC 552.

10 B. It is expressly understood that any title to preliminary technical data is not passed to  
11 AUTHORITY but is retained by CONSULTANT. Preliminary data includes roughs, visualizations,  
12 software design documents, layouts and comprehensives prepared by CONSULTANT solely for the  
13 purpose of demonstrating an idea or message for AUTHORITY's acceptance before approval is given  
14 for preparation of finished artwork. Preliminary data title and right thereto shall be made available to  
15 AUTHORITY if CONSULTANT causes AUTHORITY to exercise Article 12, and a price shall be  
16 negotiated for all preliminary data.

**ARTICLE 26. FORCE MAJEURE**

17  
18 Either party shall be excused from performing its obligations under this Agreement during the  
19 time and to the extent that it is prevented from performing by an unforeseeable cause beyond its  
20 control, including but not limited to: any incidence of fire, flood; acts of God; commandeering of material,  
21 products, plants or facilities by the federal, state or local government; national fuel shortage; or a  
22 material act or omission by the other party; when satisfactory evidence of such cause is presented to  
23 the other party; and provided further that such nonperformance is unforeseeable, beyond the control  
24 and is not due to the fault or negligence of the party not performing.

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1                   **ARTICLE 27. ALCOHOL AND DRUG POLICY**

2                   A. CONSULTANT agrees to establish and implement an alcohol and drug program that  
3 complies with 49 Code of Federal Regulations Part 655, produce any documentation necessary to  
4 establish its compliance with Part 655, and permit any authorized representative of the United States  
5 Department of Transportation or its operating administrations, the State Oversight Agency of California,  
6 or AUTHORITY, to inspect the facilities and records associated with the implementation of the alcohol  
7 and drug testing program as required under 49 CFR Part 655 and review the testing process.

8                   B. CONSULTANT agrees further to certify annually its compliance with Part 655 before July  
9 14, 2008 and to submit the Management Information System reports to, and when requested by,  
10 AUTHORITY's Project Manager and AUTHORITY's Alcohol and Drug Program Manager. To certify  
11 compliance CONSULTANT shall use the "Substance Abuse Certifications" and the "Annual List of  
12 Certifications and Assurances for Federal Transit Administration (FTA) Grants and Cooperative  
13 Agreements," which is published annually in the Federal Register.

14                  C. On an annual basis, and no later than February 15 of each year, CONSULTANT shall  
15 submit to AUTHORITY's Human Resources Division annual drug and alcohol testing data using the  
16 appropriate FTA prescribed forms. The report shall cover testing conducted during the previous  
17 calendar year. It shall be addressed as follows:

18                                   OCTA Human Resources  
19                                   Attn: Alcohol and Drug Program Manager  
20                                   550 S. Main Street  
21                                   P. O. Box 14184  
22                                   Orange, CA 92863-1584

23                  D. Using the EZ format prescribed by the FTA for the annual report, CONSULTANT shall send  
24 a quarterly drug and alcohol testing report to the Project Manager, with a copy to the Alcohol and Drug  
25 Program Manager in Human Resources. The quarterly report must be submitted no later than the 15<sup>th</sup>  
26 of the month following the close of each quarter (April, July, October, January).

1 E. CONSULTANT agrees further to submit upon request a copy of the Policy Statement  
2 developed to implement its alcohol and drug testing program.

3 F. Failure to comply with this Article may result in nonpayment or termination of this  
4 Agreement.

5 **ARTICLE 28. PRIVACY ACT**

6 CONSULTANT shall comply with, and assures the compliance of its employees with, the  
7 information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. §552a.  
8 Among other things, CONSULTANT agrees to obtain the express consent of the Federal Government  
9 before the CONSULTANT or its employees operate a system of records on behalf of the Federal  
10 Government. CONSULTANT understands that the requirements of the Privacy Act, including the civil  
11 and criminal penalties for violation of that Act, apply to those individuals involved, and that failure to  
12 comply with the terms of the Privacy Act may result in termination of the underlying Agreement.

13 **ARTICLE 29. INCORPORATION OF FHWA TERMS**

14 All contractual provisions required by U.S. Department of Transportation (USDOT), whether or  
15 not expressly set forth in this document, as amended, are hereby incorporated by reference. Anything  
16 to the contrary herein notwithstanding, all Federal Highway Administration (FHWA) mandated terms  
17 shall be deemed to control in the event of a conflict with other provisions contained in this Agreement.  
18 CONSULTANT shall not perform any act, fail to perform any act, or refuse to comply with any requests,  
19 which would cause AUTHORITY to be in violation of the FHWA terms and conditions.

20 **ARTICLE 30. FEDERAL CHANGES**

21 CONSULTANT shall at all times comply with all applicable FTA regulations, policies, procedures  
22 and directives, including without limitation those listed directly or by reference in the agreement  
23 between the AUTHORITY and FTA , as they may be amended or promulgated from time to time during  
24 this Agreement. CONSULTANT's failure to comply shall constitute a material breach of contract.

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**ARTICLE 31. NO GOVERNMENT OBLIGATION TO THIRD PARTIES**

1  
2 AUTHORITY and CONSULTANT acknowledge and agree that, notwithstanding any  
3 concurrence by the Federal Government in or approval of the solicitation or award of the underlying  
4 Agreement, absent the express written consent by the Federal Government, the Federal Government is  
5 not a party to this Agreement and shall not be subject to any obligations or liabilities to the  
6 AUTHORITY, CONSULTANT, or any other party (whether or not a party to this Agreement) pertaining  
7 to any matter resulting from the underlying Agreement. CONSULTANT agrees to include these  
8 requirements in all of its subcontracts.

**ARTICLE 32. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS AND  
RELATED ACTS**

9  
10  
11 A. CONSULTANT acknowledges that the provisions of the Program Fraud Civil Remedies Act  
12 of 1986, as amended, 31 U.S.C. §§3801 et seq. and U.S. DOT regulations, "Program Fraud Civil  
13 Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this project. Accordingly, by signing this  
14 Agreement, CONSULTANT certifies or affirms the truthfulness and accuracy of any statement it has  
15 made, it makes, it may make, or causes to be made, pertaining to the underlying Agreement of the FTA  
16 assisted project for which this Agreement's work is being performed. CONSULTANT also  
17 acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement,  
18 submission, or certification, the Federal Government reserves the right to impose penalties of the  
19 Program Fraud Civil Remedies Act of 1986 on the CONSULTANT to the extent the Federal  
20 Government deems appropriate.

21 B. CONSULTANT also acknowledges that if it makes, or causes to be made, a false, fictitious,  
22 or fraudulent claim, statement, submission, or certification to the Federal Government under an  
23 agreement connected with a project that is financed in whole or part with Federal assistance awarded  
24 by FTA under the authority of 49 U.S.C. §5307 et seq., the Government reserves the right to impose  
25 the penalties of 18 U.S.C. §1001 and 49 U.S.C. §5307(n) (1) et seq. on the CONSULTANT, to the  
26 extent the Federal Government deems appropriate. CONSULTANT agrees to include this requirement

1 in all of its subcontracts.

2 **ARTICLE 33. RECYCLED PRODUCTS**

3 CONSULTANT shall comply with all the requirements of Section 6002 of the Resource  
4 Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the  
5 regulatory provisions of 40 CFR Part 247, and Executive Order 12873, as they apply to the  
6 procurement of the items designated in subpart B of 40 CFR Part 247. CONSULTANT agrees to  
7 include this requirement in all of its subcontracts.

8 **ARTICLE 34. ENERGY CONSERVATION REQUIREMENTS**

9 CONSULTANT shall comply with mandatory standards and policies relating to energy efficiency  
10 which are contained in the state energy conservation plan issued in compliance with the Energy Policy  
11 Conservation Act.

12 **ARTICLE 35. CLEAN AIR**

13 CONSULTANT shall comply with all applicable standards, orders or regulations issued pursuant  
14 to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq. CONSULTANT shall report each violation  
15 to AUTHORITY, who will in turn, report each violation as required to assure notification to FTA and the  
16 appropriate EPA Regional Office. CONSULTANT agrees to include this requirement in all of its  
17 subcontracts.

18 **ARTICLE 36. CLEAN WATER REQUIREMENTS**

19 CONSULTANT shall comply with all applicable standards, orders or regulations issued pursuant  
20 to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. CONSULTANT shall  
21 report each violation to AUTHORITY and understands and agrees that the AUTHORITY who will in  
22 turn, report each violation as required to assure notification to FTA and appropriate EPA Regional  
23 Office. CONSULTANT agrees to include this requirement in all of its subcontracts.

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This Agreement shall be made effective upon execution by both parties.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement No. C-8-0693 to be executed on the date first above written.

**CONSULTANT**

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

By \_\_\_\_\_

By \_\_\_\_\_

Arthur T. Leahy  
Chief Executive Officer

APPROVED AS TO FORM:

By \_\_\_\_\_

Kennard R. Smart, Jr.  
General Counsel

APPROVED:

By \_\_\_\_\_

Kia Mortazavi  
Executive Director, Development

Date \_\_\_\_\_



**SECTION V**  
**SCOPE OF WORK**

**SCOPE OF WORK**

**PROJECT REPORT & ENVIRONMENTAL SERVICES**

**FOR**

**PROPOSED IMPROVEMENTS TO  
SAN DIEGO FREEWAY (I-405)**

**BETWEEN**

**SAN GABRIEL RIVER FREEWAY (I-605)  
AND  
COSTA MESA FREEWAY (SR-55)**

## SCOPE OF WORK

### SECTION 1

#### DESCRIPTION OF PROJECT

#### 1.1 PROJECT DESCRIPTION

##### 1.1-1 Background

The Orange County Transportation Authority (Authority) in cooperation with the California Department of Transportation (Caltrans) and the Federal Highway Administration (FHWA), is issuing Request for Proposals (RFP) 8-0693 for professional and technical consultant services for developing an approved Project Report and Environmental Document (PR/ED) for proposed improvements to the San Diego Freeway (I-405) in Orange County. Consultant shall prepare both the draft and final Project Report (PR) and necessary California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) documentation per the Caltrans Project Development Procedures Manual (PDPM), Caltrans Standard Environmental Reference (SER), and Caltrans District 12 and the FHWA guidelines for the Interstate 405 (I-405) project from Interstate 605 (I-605) at the northern terminus to State Route 55 (SR-55) at the southern terminus, referred to as the Project. The appropriate document for the Project will be an Environmental Impact Report/Statement (EIR/EIS). The EIR/EIS and supporting technical studies shall be submitted to the Authority and Caltrans, as appropriate, for review and approval. Caltrans is now responsible for the policy and procedures for compliance with NEPA and other Federal environmental laws, regulations and Executive Orders for projects assigned to Caltrans under Section 6004 of SAFETEA-LU (Section 6004 MOU) signed June 7, 2007 and the Section 6005 MOU effective July 1, 2007. The Consultant will also be responsible for implementing the CEQA/NEPA public involvement process and providing support to Authority and Caltrans for the Public Outreach efforts.

In addition to the No Build Alternative, the EIR/EIS will examine the environmental impacts of the two build alternatives. Under NEPA, all alternatives under consideration, shall contain an equal level of analysis. The EIR/EIS will propose mitigation measures and modifications in design to mitigate the impacts resulting from the proposed Project. The EIR/EIS will also evaluate the proposed Project impacts in relation to existing and future projects within the study area. This will include but are not limited to the following disciplines: air quality, biology, community

impacts, cultural resources, floodplain, geology/seismicity, relocation impacts, Sections 4(f) and 6(f), traffic and circulation, traffic noise, water quality, growth inducement and cumulative impacts.

The EIR/EIS document will be used to support the Project Approval/Environmental Document (PA/ED) phase, which is anticipated to be initiated upon completion of the Project Study Report/Project Development Support (PSR/PDS) document, currently being prepared.

**1.1-2 Location and Limits**

**San Diego Freeway (I-405) from Interstate 605 (I-605), P.M. 24.20, at the northern terminus to State Route 55 (SR-55), P.M. 10.30, at the southern terminus. The total length of the project is approximately 14 miles.**

**1.1-3 Statement of Intent**

Consultant shall perform professional and technical engineering services to prepare a PR and an EIR/EIS for the proposed Project. The Alternatives being considered are described in the following section.

**1.1-4 Detailed Proposed Project Alternatives**

The EIR/EIS should fully analyze the viable alternatives that are being examined as part of the PSR/PDS. The proposed improvements, described as Alternative 1 and Alternative 2, will be the basis for the work contained in this Scope of Work. The Project Baseline is the No Build Alternative.

**1.1-4a Baseline Alternative**

The Baseline Alternative represents the "No Build" alternative. No additional lanes or interchange improvements would be provided by this alternative. Compared to the existing condition, the Baseline Alternative assumes the completion of two projects which have approved environmental documentation and are currently programmed. The SR-22 West County Connectors project from Valley View Street to I-605 will provide a second HOV lane in each direction in the segment of I-405 where SR-22 and I-405 overlap. It will also provide HOV direct connectors between I-405 and SR-22 east of Valley View Street and between I-405 and I-605. The Baseline Alternative also includes auxiliary lanes in both directions on I-405 between the Beach Boulevard and Magnolia Street/Warner Avenue interchanges.

**1.1-4b Alternative 1: Add One General Purpose Lane in Each Direction**

Alternative 1 adds a single general purpose freeway lane in each direction to the I-405 freeway from Euclid Street to the I-605 interchange.

This alternative would be supplemented with auxiliary lanes at various locations. The location and length of the proposed auxiliary lanes are subject to change. Interchange improvements are proposed for each interchange within the project limits. Some interchanges have two options for improvements which will be more fully investigated during the PA/ED phase.

**1.1-4c Alternative 2: Add Two General Purpose Lanes in Each Direction**

Alternative 2 adds two general purpose freeway lanes in each direction. One lane in each direction would extend from Euclid Street to the I-605 interchange in the north, as in Alternative 1. In the northbound direction, the second lane would extend from Brookhurst Street to the SR-22/7<sup>th</sup> Street interchange. In the southbound direction, the second lane would extend from the Seal Beach Boulevard on-ramp to Brookhurst Street.

Other features of Alternative 2 are similar to Alternative 1.

**1.2 STANDARDS**

**1.2-1 Latest Editions**

Consultant shall perform all services under the Agreement in conformance and in compliance with the latest Caltrans editions of applicable design and environmental standards. Please note that Caltrans currently requires work to be done in English Customary Units.

**1.2-2 Conflicts**

In case of conflict, ambiguities, discrepancies, errors or omissions among the reference materials obtained by Consultant from other agencies, Consultant shall submit the matter to Authority for clarification. Any work affected by such conflicts, ambiguities, discrepancies, errors or omissions which is performed by Consultant prior to clarification by Authority shall be at Consultant's risk. Such conflicts, ambiguities, discrepancies, errors or omissions among the references shall not give rise to a claim by Consultant for extra work unless Consultant can demonstrate that it has incurred additional expenses as a result thereof.

**1.2-3 Preliminary Engineering and Environmental Documentation**

Preparation of the PR will be in accordance with the latest edition of the Caltrans "Project Development Procedures Manual" and the "Highway Design Manual". Any additional nonstandard features shall require documentation by the Consultant and approval from Caltrans and FHWA. Environmental Documentation work shall be prepared in conformance with both CEQA and NEPA guidelines and regulations, as well as Caltrans and FHWA policies and procedures.

**1.2-4 Drafting**

All drafting shall be in conformance with the latest Caltrans "Plan Preparation Manual" and "CADD Users Manual".

**1.2-5 Reference Materials**

Consultant shall utilize as appropriate, but not limited to, the following documents:

- Caltrans Highway Design Manual
- Caltrans Project Development Procedures Manual
- Caltrans and FHWA Environmental Guidelines & Manuals
- Caltrans Standard Environmental Reference (SER)
- Caltrans Plan Preparation Manual
- Caltrans CADD Users Manual
- Caltrans Standards Specifications
- Caltrans Standard Plans
- Orange County Hydrology Manual
- Caltrans Right of Way Engineering Procedures Handbook
- Caltrans Survey Manual
- Applicable Caltrans District 12 Design Memorandum
- Applicable Local Codes and Manuals
- Caltrans District 12 Quality Control Review Checklists
- CEQA and NEPA Handbooks

**1.2-6 Consultant Deliverables**

- All electronic data produced and supporting the PR/ED shall be provided on electronic media (CD, DVD or portable hard drive) in formats consistent with Authority and Caltrans software programs.
- All vector geographic data layers shall be delivered in either ESRI Shapefile or Personal Geodatabase (MS ACCESS) format. Aerial photography shall be delivered in tiled Tagged Image File Format (TIFF) with "world" files or Joint Photographic Experts Group (JPEG) with "world" files. Raster data can be delivered in ArcGRID format. The coordinate system for all geographic data layers shall be California Coordinate System State Plane , Zone VI (FIPS 0406), units = feet, North American Datum 1983.
- All electronic data produced and supporting the PR/ED shall be provided on either 80 min/700mb CDs or DVDs 4.7 GB or 8.5 GB double capacity DVDs using Micro Station Version 08.05.02.47 dgn files, CaiCE Visual Transportation Version 10. SP5 (CaiCE VT). One copy of the data on CD/DVD, including the Engineer's electronic signature and seal, shall be provided to Authority upon completion of the PR and environmental studies/documentation. Authority reserves the right to modify these CD/DVD. Files may be submitted on up to five (5) CDs or, if larger, on DVDs. All submittal files shall be compressed and shall be successfully run through AXIOM FILEFIXER software or EDG.
- All electronic data produced and supporting the PR/ED shall be provided to Authority and shall be organized and indexed. This includes but is not limited to all drawings, reports, tables, graphs, exhibits, and appendices in their original electronic format (.dgn, .dwg, .jpg, .doc, .xls, .pdf, etc.)

## SECTION 2

### GENERAL CONDITIONS AND REQUIREMENTS

#### 2.1 SCOPE OF WORK GENERAL CONDITIONS AND REQUIREMENTS

- 2.1-1 Consultant shall carry out the instructions as received from the Authority Project Manager and shall cooperate fully with Caltrans staff assigned to the Project.
- 2.1-2 It is not the intent of the foregoing paragraph to relieve the Consultant of their professional responsibility during the performance of this Scope of Work. In those instances where the Consultant believes a better design or solution to a problem is possible, Consultant shall promptly notify Authority/Caltrans of these concerns, together with the reasons.
- 2.1-3 Consultant shall be responsible for the accuracy, consistency and completeness of reports, studies, data, plans, and estimates prepared for the Project and shall check such material accordingly. Caltrans will provide Quality Assurance for the reports and plans for conformity with Caltrans design standards and applicable State and Federal regulations. The responsibility for accuracy and completeness is the Consultant's.
- 2.1-4 Reports, studies, plans, data, estimates, and documents produced by the Consultant shall be subject to approval and acceptance by Caltrans and FHWA. In the event of non-acceptance due to errors, inconsistencies and omissions, the Consultant shall have ten (10) business days to make corrections and return the documents to Caltrans.
- 2.1-5 The reports, studies, plans, estimates and other documents furnished under this Scope of Work shall be of a quality acceptable to Caltrans and Authority. The minimum criteria for acceptance shall be a product of neat appearance that is well organized, technically and grammatically correct, and thoroughly checked in accordance with the Caltrans QA/QC Procedures Manual. All work products shall clearly identify both the preparer and checker. The standards of appearance, organization, and contents of the reports shall meet or exceed those of similar documents produced by Caltrans.
- 2.1-6 The page identifying preparers of engineering reports, the title for specifications and each sheet of plans, shall bear the professional seal, certificate number, registration classification, expiration date of the certificate, and signature of the professional engineer(s) responsible for their preparation.



- 2.1-7 To assist in understanding contract objectives and requirements, Consultant shall hold regular meetings with the Authority and Caltrans. If the original established schedule is insufficient, Consultant shall hold additional meetings as necessary. The primary purpose of these meetings is to discuss work objectives, Consultant's work schedule, the terms of the contract and other related issues. In addition, the meetings shall serve as a forum for resolving any issues related to the PR/ED development.
- 2.1-8 Authority and Caltrans shall have the right, from time-to-time, to monitor and review the progress and/or processes of the Consultant by visiting the Consultant's facilities or by requiring coordination meetings.
- 2.1-9 Only with approval from Caltrans and Authority, may the Consultant establish direct contact with governmental regulatory and resource agencies and others for the purpose of obtaining information, expertise and assistance in developing baseline data and resource inventories. The Consultant shall maintain a record of such contacts and shall transmit copies of those records to Authority and Caltrans on a regular basis. At a minimum, these records shall be transmitted monthly or more frequently, when the content or extent of the records so warrants.
- 2.1-10 Authority and Caltrans will retain responsibility for final consultation, both informal and formal, with State and Federal agencies regarding the Project mitigation and compensation proposals.
- 2.1-11 Surveys performed by the Consultant shall conform to the requirements of the Land Surveyors Act and Caltrans Surveys Manual. In accordance with the Act, "responsible charge" for the work shall reside with a pre January 1, 1982, Registered Civil Engineer or a Licensed Land Surveyor, in the State of California.
- 2.1-12 Consultant shall designate a Surveys Manager who will coordinate Consultant's surveying operations. The Surveys Manager shall be responsible for all matters related to Consultant's surveying operations, but shall coordinate with Consultant's Project Manager.
- 2.1-13 Where Consultant is required to prepare and submit studies, reports, plans, etc., to Caltrans as required by this Scope of Work, these shall be submitted in draft to Authority for review prior to submitting to Caltrans. The Project schedule shall reflect Authority reviews and consultant revisions as necessary. In addition to Authority reviews, draft submittals reflected on project schedule shall be provided an opportunity for Caltrans to request revisions, prior to final submission.

2.1-14 The Authority Project Manager will administer the Consultant Agreement and provide general direction to Consultant. Caltrans is responsible for Independent Quality Assurance and approval of reports, plans, estimates and other required items and deliverables.

2.1-15 Material to be furnished by Caltrans/Authority (as available):

- Existing aerial photographs and mapping
- Existing site survey information
- Existing right-of-way maps
- Existing land-net information and any pertinent record of information
- Copies of existing plans (half-size)
- Existing and future traffic data

2.1-16 Caltrans Responsibilities:

- Provide all current standards, existing plans, and manuals ( at consultant cost)
- Perform Independent Quality Assurance for all work and deliverables
- Attend project meetings
- Coordinate and communicate with FHWA, as needed
- Provide general guidance with the preparation of the EIR/EIS and supporting documentation

2.1-17 Encroachment Permit:

It is the responsibility of the Consultant and its sub Consultants to obtain the proper permit(s) from Caltrans and/or local agencies prior to any field surveys.

2.1-18 Consultant shall comply with Occupational Safety and Health Act (OSHA) regulations regarding safety equipment and procedures, safety instructions issued by Caltrans, and the safety provisions included in the Caltrans Survey Manual. While working on the job site, Consultant's personnel shall wear white hard hats, rubber soled shoes, and appropriate safety vests. In the case of a discrepancy between the Caltrans and OSHA requirements, the more stringent regulation shall apply.

2.1-19 The Consultant team shall be responsible for supporting and assisting Authority staff in the Board approval process during the preparation of the EIR/EIS and PR. These may include but are not limited to: providing project materials for Board packages, assisting and/or making Board presentations, researching/investigating of information requested by the Board, and attending additional meetings/workshops, as necessary. The

Consultant team shall also be responsible for supporting Authority with coordinating with corridor cities regarding various issues related to the Project. The Consultant shall obtain approval from the Authority Project Manager prior to any changes to personnel, including sub-consultants. Key personnel removal without prior consent of the Authority Project Manager shall be deemed as out of contract compliance.

## SECTION 3

### STATEMENT OF WORK

#### 3.1 TASK 1 - PROJECT MANAGEMENT/COORDINATION/ADMINISTRATION

This task includes the project management services including the requirements for meetings, schedules, progress reports, invoicing, and administration of Consultant's work.

##### 3.1-1 Project Management

**Purpose:** To provide overall execution and financial management of the Project, including Authority and Caltrans coordination, coordination with local, state and federal regulatory agencies and railroads, tracking progress of the work, administering subcontracts, attending public workshops, preparing invoices, and conducting project meetings.

**Methodology:** Consultant Project Manager shall provide overall project management, coordination, and supervision of project staff to facilitate the performance of the work in accordance with the scope and requirements of Authority and Caltrans. Consultant shall maintain coordination with other members of the project development team (PDT) and regulatory agencies impacted by the Project. An EIR/EIS task kick-off meeting shall be held soon after contract execution to review project objectives and requirements, receive initial information from agencies, establish communication plan and protocols, and address other issues as necessary to ensure a successful project initiation. Thereafter, Consultant shall actively participate in PDT meetings in conjunction with Authority, Caltrans, and FHWA to discuss progress, coordinate design activities, obtain direction, exchange project information, and identify issues to be resolved. The Consultant shall prepare a Project Management Plan and Financial Plan pursuant to FHWA's Issuance Major Project Guidance, dated January 19, 2007.

**Deliverables:**

- FHWA Project Management Plan and Financial Plan
- Communication Plan

### 3.1-2 Coordination/Administration

#### 3.1-2a Coordination and Meetings

**Purpose:** To meet with affected parties; to discuss / resolve issues pertinent to the analysis, design, and potential environmental impacts of the Project; and to obtain direction for the study.

**Methodology:** Consultant shall participate in the following meetings:

PDT Meetings with Authority, Caltrans and other key stakeholders will be held as needed (up to a maximum of 36 meetings), to discuss policy, procedure, and make decisions affecting the direction of the Project Report and Environmental Document. Consultant shall prepare and distribute meeting notices, agendas, handout material relevant to the agenda, and meeting minutes.

Agency Coordination/Technical Workshop Meetings will be held to discuss technical issues with specific agencies. Consultant shall participate in a maximum of 10 meetings and will bring progress plans as appropriate. No special presentation materials will be prepared.

Consultant task-specific meetings shall be held as necessary to coordinate environmental and design activities, review assignments and progress, and identify issues to be resolved.

Collateral material shall be black and white.

**Deliverables:**

- PDT meeting notices, agendas, handouts, and minutes.
- Progress plans

#### 3.1-2b Administration

**Purpose:** To provide administration to ensure all executive and managerial requirements with the Project are met. The scheduling requirements for the Project is to be considered and documented.

**Methodology:** Consultant administration shall include the following elements of the work:

- Supervise, coordinate and monitor work for conformance with Caltrans' standards and policies.

- Apply for and obtain Caltrans' and/or local agency encroachment permits necessary for Consultant to be on the job site.
- Prepare, circulate and file correspondence and memos as appropriate.
- Maintain project files using Caltrans Uniform File System.

Fifteen days after notice to proceed, Consultant shall prepare the Project Master Schedule (PMS) for the EIR/EIS, technical studies, and PR. The schedule shall be prepared using the Critical Path Method, and at a minimum, the schedule shall be consistent with the tasks that have been laid out in this scope of work. Inclusions of additional critical path items are to be added as necessary. The PMS shall reflect the various level of reviews for the draft and final environmental documents. Caltrans will require 30 to 60 day review periods for major deliverables. The PMS shall include:

- Project milestones and delivery of intermediate project deliverables.
- Reviews for the draft and final environmental documents and intermediate project deliverables by Authority, Caltrans, and FHWA.
- Work items of agencies and other third-parties that may affect or be affected by the Consultant's activities

The PMS shall be prepared to include the data for the total project and the critical path shall be identified. The order, sequence, and interdependence of significant work items will be reflected on the PMS.

The following list of tasks shall be used to develop the Project Master Schedule:

Task 1 - Project Management/Coordination/Administration

Task 2 - Engineering Development

Task 3 - Project Report Preparation

Task 4 - Environmental Document, including Permit Coordination

Consultant shall submit a copy of the PMS to the Authority Project Manager for review and approval and a copy to Caltrans for Information.

Deliverables:

- Project Master Schedule

**3.1-3 Progress Reports.**

**Purpose:** To provide for tracking the actual progress relative to the Project Master Schedule and to ensure that all significant completion dates of the Project are being met.

**Methodology:** At the end of each month, Consultant shall report the progress of the work. Progress shall be based on physical percent complete such as number of drawings or deliverables completed or estimated progress toward completion. Progress payments will be based upon percent complete of the major tasks identified.

Consultant shall submit one copy of a monthly Progress Report to the Authority Project Manager consisting of a written narrative and an updated bar-chart format of the Project Master Schedule. This report shall be received no later than the tenth (10<sup>th</sup>) calendar day of the month.

The narrative portion of the monthly Progress Report shall describe overall progress of the work, discuss significant problems and present proposed corrective action and show the status of major changes.

All schedule tasks will be updated to reflect current percent complete. If the latest completion time for a significant work item does not fall within the time allowed by the original Project Master Schedule, the sequence of work and/or duration shall be revised by Consultant through concurrent operations, additional staffing or overtime, until the resultant schedule indicates that all significant project completion dates shall be met. If during the course of the work, Consultant falls behind in overall performance in accordance with the current schedule, a project management meeting will be called to determine the cause. If cause is found to be due to Consultant performance, payment to Consultant may be withheld pending the submittal of an action plan outlining the steps which will be taken to correct the identified delay(s).

The initial Project Master Schedule referenced in Section 3.1-2, as agreed to by Authority, shall become the Project target. The target schedule shall be displayed on the updated Project Master Schedule.

**Deliverables:**

- Monthly Progress Reports

**3.1-4 Quality Assurance / Quality Control (QA / QC) Plan.**

**Purpose:** The QA / QC Plan is intended to ensure that the tasks are being prepared and developed in accordance with the Caltrans Quality Assurance Procedures (5 step process per NEPA Pilot Program for the EIR/EIS), is acceptable to the Authority Project Manager, and satisfies the Consultant's internal QA/QC standards.

**Methodology:** Consultant shall maintain a Quality Assurance / Quality Control Plan throughout performance of the services under this Agreement. The comprehensive quality assurance procedures should outline the independent checking procedures to be performed on report preparation, calculations and drawings, ongoing peer reviews, audits, and management systems to maintain product quality, schedule, and budget adherence. The Caltrans District 12 Quality Control checklists, Caltrans Environmental Document External Quality Control Certification Sheet, and Environmental Document Review Checklist shall be used as part of the quality assurance procedures. Consultant shall sign off on each checklist by sub-functional responsibility before submittal of the draft and final EIR/EIS documents.

All deliverables shall be subjected to a quality control review utilizing Consultant QA/QC Procedures before they are submitted to Authority, Caltrans, and FHWA. Consultant shall prepare a response-to-comments matrix indicating how and where the changes to the documents have been made, when the revised documents are resubmitted to Authority and Caltrans. In addition, the Caltrans Environmental Document External Quality Control Certification Sheet and appropriate tools, as deemed necessary, are to be utilized in the preparation of the EIR/EIS and technical studies. The Environment Document Review Checklist for draft and final environmental documents are to accompany the screencheck draft, draft, and final EIR/EIS, respectively.

Within 7 days of receiving the Notice to Proceed, Consultant shall submit a complete copy of the 5-step review process prepared under the Pilot Program and the QA / QC Plan to both the Authority Project Manager and Caltrans for review. The Consultant shall prepare this QA/QC plan in accordance with Caltrans Environmental Handbook, Volume 1, Chapter 38 Nepa Delegation.

**Deliverables:**

- 1 copy of QA / QC Plan (5-step process per NEPA Pilot Program)



## 3.2 TASK 2 - ENGINEERING DEVELOPMENT

Activities consist of the development of engineering plans to support the evaluation of the I-405 Project build alternatives within the draft Project Report and Draft EIR/EIS.

### 3.2-1 Data Collection

**Purpose:** The Consultant shall obtain existing and previously documented information for features of the proposed Project.

**Methodology:** The Consultant shall collect the aforementioned and other pertinent information including encroachment permits from Authority, Caltrans, and local jurisdictions, and perform field reconnaissance when necessary. Consultant shall be responsible for obtaining the necessary encroachment permits for the field reconnaissance. This will include the following available information, but not limited to:

- The approved PSR/PDS
- The approved Preliminary Environmental Analysis Report (PEAR) used to support the PSR/PDS
- Any preliminary technical studies used to support the PEAR
- Recent traffic counts (Authority, Caltrans, and corridor cities)
- Aerials of project area
- Preliminary project plans/profiles
- Existing roadway geometrics and intersection configuration
- Any other information/documentation used to support the PSR/PDS

**Deliverables:**

- Inventory of existing planning/engineering data
- Inventory of existing environmental conditions.

### 3.2-2 Field Surveys

**Purpose:** To obtain necessary survey data of the Project areas to be carried forward in the draft PR.

**Methodology:** The Consultant shall obtain the necessary permits to perform surveys. The Consultant shall perform surveys, including mapping, necessary to complete the PR. This includes horizontal and vertical control, drainage surveys, topographical surveys, cross sections, open ended traverses, profile data sheets, and required documentation.

Surveys shall be performed in accordance with the current Caltrans "Survey Manual" and its revisions. Work not covered by the Manual shall be performed in accordance with accepted professional surveying standards. The minimum standard of survey quality shall be that of similar surveys performed by Caltrans.

Caltrans will designate the existing horizontal and vertical control monuments that are to be the basis of Consultant performed surveys. Caltrans will provide the California Coordinate System values and/or elevation values for these monuments. The Consultant shall adjust the Consultant performed surveys to the designated control monuments and their values - no other control shall be used by the Consultant.

Survey points, lines, and monuments shall be established, marked, identified and referenced, as required to complete the PR. Additionally, survey notes, drawings, calculations and other survey documents/materials shall be completed as required to complete the PR.

A copy, except as otherwise specified herein, of original survey documents resulting from this Agreement (including original field notes, adjustment calculations, final results, and appropriate intermediate documents) shall be delivered to Authority and shall become the property of Authority. The original survey documents (or a copy, if the original is to be provided to Authority) shall be retained by the Consultant for future reference.

When the survey is performed with a Total Station Survey System, the original field notes shall be a hard copy listing, in a readable format, of the data (observations) as originally collected and submitted by the survey party. The listing shall be signed by the party chief.

Deliverables:

- Survey Plans (original and 10 copies (full size))

### **3.2-3 Geometric Development**

Purpose: To develop layout plans and profiles (where necessary), to be carried forward in the draft PR and Draft EIR/EIS.

Methodology: Geometric layout plans shall be developed based on English design standards as defined in Caltrans Highway Design Manual, latest edition. Lane, shoulder, buffer, and right-of-way widths will be labeled. Profiles shall be developed at critical arterial street and other features overcrossing locations as a component of the build alternatives carried forward in the EIR/EIS.

The Consultant shall work with Caltrans, Authority, and affected cities and agencies to obtain geometric approval of the preferred alternative.

Comments received from the submittal of geometric plans will be reviewed and incorporated as required for final approval.

Deliverables:

- Layout Plans of the build alternatives of the Project (original vellum & 10 copies)

### **3.2-4 Structure Advance Planning Studies**

**Purpose:** The purpose of this subtask is to prepare an Advance Planning Study (APS) for proposed structure widening and replacements for the alternatives to be carried forth in the PR. The APS will evaluate the impacts of each alternative on each affected structure. This analysis shall be the basis for a preliminary cost estimate and include an analysis of construction feasibility for proposed structure modifications and replacements.

**Methodology:** Guidelines set forth in Office of Special Funded Projects (OSFP) Information and Procedures Guide for Advance Planning Studies and the Caltrans Amendments to AASHTO's Load and Resistance Factor Design (LRFD) specifications shall be used as a tool for developing the scope of this PA/ED level structural analysis. The Consultant shall be responsible for developing preliminary feasible structure alternatives and costs appropriate for the specific location. The Consultant shall coordinate project and structure alternatives and associated estimates to arrive at the best project solution. The *Consultant Prepared Advance Planning Studies Checklist* (available on the Caltrans website) shall be used as a guideline, to the level appropriate for a PA/ED level document, for completion of the APS. The analysis shall include identification of the following:

- Structure lengths, widths and types
- Span lengths
- Structure depths
- Vertical and horizontal clearances
- Roadway widths
- Bridge removal (if required)

Deliverables:

- Identification of the impacts of each alternative on structures  
Preliminary cost estimates for structure modifications and/or replacements.

**3.2-5 Cost Estimates**

**Purpose:** Prepare cost estimates for each of the proposed alternatives to be analyzed in the draft and final PRs.

**Methodology:** Based on the preliminary engineering plans and the structure cost estimates described above, PR level cost estimates shall be prepared.

**Deliverables:**

- Cost Estimate (original & 10 copies for each alternative)

**3.2-6 Right-of-Way and Utility Identification**

**Purpose:** To identify right-of-way impacts and proposed utility impacts associated with each of the alternatives developed in the draft PR. Existing right-of-way lines and major utilities shall be identified on the engineering plans.

**Methodology:** The Consultant shall utilize previous studies (e.g., preliminary utility investigation) to build on the analysis for utility impacts. Based on the preliminary geometric plans, right-of-way acquisition delineation shall be prepared for each alternative for review and approval by Authority, Caltrans and pertinent cities. Potential impacts associated with proposed mainline and arterial interchange reconfigurations shall be delineated via right-of-way lines on appropriate base mapping. Specific delineation of proposed ramps shall be developed for the PR and EIR/EIS.

Each parcel potentially affected shall be reviewed to assess the degree of impact and the likely Project impact (full take, partial take, severance, etc.). Contacts shall be made with each utility company affected and a preliminary determination of relocation requirements and responsibilities will be made. It is assumed that Caltrans will provide guidance on valuations for right-of-way acquisitions. Individual parcel maps, preliminary title reports, appraisals, right-of-way acquisition negotiations, property surveys and other acquisition activities are not included as part of this Scope of Work.

**Deliverables:**

- Right-of-way Lines Delineated on Geometric Plans
- Right-of-way Data Sheets for each proposed alternative
- Preliminary Impacted Utilities Delineated on Layout Plans

### **3.2-7 Drainage**

**Purpose:** To identify drainage impacts including the relocation or realignment of adjacent channels and storm drains, and determine the drainage improvements for on-site and off-site drainage facilities. This shall be identified in coordination with Water Quality Best Management Practices and is required for the various alternatives.

**Methodology:** A field reconnaissance of the Project shall be enclosed to accommodate the build alternatives. Impacts on and replacement of these facilities shall be analyzed and included in the cost estimate. Freeway drainage shall be reviewed to assess the adequacy of the existing systems. Freeway, County and City drainage systems (including pump stations) shall be reviewed and the impacts of the proposed alternatives on these facilities shall be studied. Necessary replacements and/or improvements including incorporation of Water Quality Best Management practices shall be reflected in the cost estimates.

**Deliverables:**

- Identification of Major Drainage Improvements on Layout Plans or, if required, individual drainage layouts
- Inclusion of Drainage Improvements in Cost Estimate

### **3.2-8 Storm Water Data Report**

**Purpose:** Develop a Storm Water Data Report (SWDR) to identify the selection and design of Best Management Practices (BMPs) for each alternative per the latest version of the Caltrans' Storm Water Quality Handbooks: Project Planning and Design Guide (PPDG) in compliance with Caltrans statewide NPDES permit.

**Methodology:** The SWDR shall summarize the storm water quality issues of a project and each alternative. The SWDR shall consist of a cover sheet, storm water data information, checklists, and attachments. The SWDR shall summarize how the project will address temporary, permanent, and treatment BMPs for the Project and each alternative. The SWDR shall be approved by obtaining the signatures of the Project Engineer who prepared the SWDR, and Caltrans' Project Manager, District Storm Water Coordinator, Maintenance Representative, and District Landscape Architect.

**Deliverables:**

- Inclusion of the approved SWDR in the PR

### **3.2-9 Railroads/PUC Processing**

**Purpose:** The Consultant shall assist in Railroad and Public Utility Commission coordination as needed.

**Methodology:** Consultant shall utilize the preliminary utility investigation to establish a detailed scope, schedule, and estimated cost of utility relocation and/or impacts for each build alternatives addressed in the PR. This work shall also identify low – and – high risk utility areas within the project limits. Also, the CONSULTANT shall identify any potentially affected utility areas which may be subject to the requirements of the California Public Utility Commission General Order 131-D.

**Deliverables:**

- Approved Preliminary Utility Investigation Report and Utility Plans for each build alternative
- Preliminary Cost Estimate of utility relocations/impacts associated with each build alternative

### **3.2-10 Construction Staging/Traffic Handling**

**Purpose:** To develop a construction staging/Traffic Management Plan (TMP) concept for the project build alternatives carried forward in the Draft and Final PR/EIR/EIS.

**Methodology:** The Consultant shall prepare the TMP in accordance with the Caltrans Transportation Management Plan Guidelines (latest edition). The TMP shall identify methods for minimizing project-related traffic delays and accidents by implementing effective traditional traffic handling practices. A conceptual construction staging/traffic handling concept shall be prepared to verify constructability and feasibility of traffic handling. This concept shall be developed assuming the existing mainline capacity will be maintained during construction of the build alternative. The construction staging and traffic handling concept shall identify detour concepts that minimizes disruption and impacts to adjacent residents and businesses.

**Deliverables:**

- TMP with Construction Staging/Traffic Handling Concepts (one camera-ready original & 10 copies)

### **3.2-11 Geotechnical Identification**

**Purpose:** Identify sub-surface conditions at the Project overcrossings and undercrossings, and develop the traffic index for purposes of establishing the roadway structural section.

**Methodology:** Preliminary geotechnical investigations shall be conducted by the Consultant if necessary to assess potential impacts and estimate construction costs. The Consultant shall develop the traffic index for purposes of establishing the roadway structural section.

**Deliverables:**

- Traffic Index
- Roadway structural section
- A technical memo to discuss geotechnical impacts to the Project costs.

### **3.2-12 Value Analysis (Value Engineering)**

**Purpose:** In an effort to deliver the most cost effective solution, an independent team of experts will evaluate the Alternatives being developed to ascertain their effectiveness with regards to costs, time of delivery and other benefits.

**Methodology:** As per the Caltrans PDPM, Value Analysis (VA) process, utilizing a function-oriented, structured, team approach to solving problems and reducing life-cycle costs by applying techniques that adhere to a formal VA job plan. The consultant shall provide a VA team leader / facilitator, a certified VA Specialist, to conduct the VA study and

the facility including support materials for conducting the workshop. The VA Study should be completed within the first 6 months.

Deliverables:

- Draft VA Study Report
- Final VA Study Report

### **3.3 TASK 3 - PROJECT REPORT PREPARATION**

This task shall involve the preparation of the Draft and Final Project Reports, Fact Sheets, and any needed engineering exhibits for the EIR/EIS under concurrent preparation.

#### **3.3-1 Administrative draft Project Report and Fact Sheet**

**Purpose:** To develop the Administrative Draft PR and Fact Sheets documenting the engineering evaluation of the proposed alternatives and to satisfy Caltrans Project Development procedures.

**Methodology:** An Administrative Draft PR shall be prepared in accordance with Caltrans' PDPM. The Administrative Draft PR shall contain a discussion of the existing conditions, the need for improvements, and the alternatives considered.

Fact Sheets shall be prepared if needed to document any non-standard features within the proposed build alternatives. The consideration of non-standard features shall be closely coordinated with Caltrans and FHWA staff to assure acceptability and compliance with state and federal requirements.

The Administrative Draft PR and Draft Fact Sheets shall be submitted for Authority, Caltrans and FHWA for review and comment.

Deliverables:

- Administrative Draft PR (15 copies each)
- Draft Mandatory and Advisory Fact Sheets (10 copies each)



### **3.3-2 Draft Project Report and Fact Sheet**

Purpose: To incorporate Authority, Caltrans, and FHWA review comments into the Drafts.

Methodology: Upon receipt of Authority, Caltrans, and FHWA review comments of the Administrative Draft PR and Fact Sheets and after adequate time to develop response actions, a meeting shall be held with the above agencies and the Consultant to discuss the comments and the appropriate responses taken. This step reduces the opportunity for misunderstanding and provides clear direction toward the development of an approved product. Once concurrence has been reached on all outstanding issues, the draft PR's shall be prepared, signed by a Registered Civil Engineer and submitted to Caltrans for signature and approval.

Deliverables:

- Draft PR (original and 30 copies)
- Mandatory and Advisory Fact Sheets (original and 30 copies each)

### **3.3-3 Administrative Final Project Report**

Purpose: To document recommendation of the Preferred Alternative for the Project.

Methodology: After circulation of the Draft EIR/EIS and concurrent with the preparation of the Final EIR/EIS, Consultant shall prepare a draft Final PR for the Project which recommends the Preferred Alternative. The report shall review the development of the Preferred Alternative including public and agency comments obtained during the public meetings and environmental review period.

Deliverables:

- Administrative Draft Final PR (15 copies)

### **3.3-4 Final Project Report**

Purpose: To incorporate Authority, Caltrans, and FHWA review comments into the Final PR.

Methodology: Upon receipt of Authority, Caltrans, and FHWA review comments of the Administrative Final PR and after adequate time to develop response actions, a meeting will be held with the above agencies and the Consultant to discuss the comments and the appropriate responses taken. Once concurrence has been reached on all outstanding issues, the Final PR shall be prepared, signed by a

Registered Civil Engineer and submitted to Caltrans for signature and approval.

Deliverables:

- Final PR for the Project (camera-ready original and 30 copies)

### **3.4 TASK 4 - ENVIRONMENTAL DOCUMENT**

The activities consist of the further development of environmental studies to support the evaluation of the I-405 Project's Build Alternatives draft and final EIR/EIS'.

#### **3.4-1 Issuance of Environmental Notices (NOP/NOI) & Scoping Meetings Notice**

**Purpose:** The Consultant shall prepare and circulate a Notice of Preparation/Notice of Intent (NOP/NOI) pursuant to CEQA/NEPA and Caltrans/FHWA requirements. The Consultant shall also coordinate with Authority and Caltrans to provide a minimum of two and a maximum of eight scoping meetings and the appropriate public notice.

**Methodology:** The NOP/NOI shall describe the project and indicate that the appropriate environmental analyses for the project have been initiated, and requesting comments from stakeholders and interested parties. The NOP/NOI shall be accompanied by an environmental checklist. The NOP/NOI will be sent to local residents, elected officials, affected agencies, and other special interest groups on the project mailing list. The Consultant will coordinate this effort with Authority, Caltrans, and other Project Development Team (PDT) members. The public notice for the scoping meetings shall be advertised in a widely circulated newspaper (e.g., Times Orange County Edition and Orange County Register) and in a local Spanish and Vietnamese newspapers. The Consultant shall coordinate with Authority, and Caltrans to ensure that the notices are properly posted (e.g., newspaper, mass mailers, State Clearinghouse, and the Federal Register). The Consultant shall designate an individual (with concurrence by the Authority Project Manager) as the main point of contact with interested parties during NOP/NOI and scoping meeting process.

Deliverables:

- NOP/NOI (original and 10 copies each of the final and electronic copy)
- Distribution List
- Record of Mass Mailer

- Public Notices for the Scoping Meetings (minimum of two, maximum of eight)

### **3.4-2 Conduct Environmental Evaluation**

Environmental analyses shall be prepared to meet CEQA and NEPA requirements, and in accordance to Caltrans and FHWA guidelines. The Consultant shall coordinate with Caltrans in determining the specific content and format requirements for the studies.

The technical studies to be conducted for Caltrans are identified in the Preliminary Environmental Analysis Report (PEAR). The Consultant shall refer to the Caltrans Standard Environmental Reference (SER), in compliance with CEQA and NEPA requirements for the preparation of the environmental documentation. It will include concise application and enforcement of various regulations governing topic areas, including Federal, State and local laws, acts, policies, and ordinances as well as direct, indirect, and cumulative impacts. As appropriate, the following studies, reports or evaluations shall be prepared in accordance with Caltrans' SER.

Technical studies/information include, but are not limited to:

#### **3.4-2a APE Map/Records Search**

**Purpose:** The Consultant shall prepare an Area of Potential Effects (APE) map delineating direct and indirect cultural resources impacted areas. This shall be done in accordance with Caltrans Environmental Handbook, Volume 2.

**Methodology:** The APE map shall be at an appropriate scale and approval shall be obtained from the Caltrans District Archaeologist and Project Manager. Archaeological and historic property surveys of the project's APE will be completed as part of the HPSR, ASR, and HRER document preparation process.

**Deliverables:**

- Draft and Final APE map for the Project (10 copies each)
- Approved APE for inclusion and delineating the analyses in the HPSR, ASR, and HRER

#### **3.4-2b Floodplain Evaluation Report**

**Purpose:** The Consultant shall prepare a report that discusses the requirements of Executive Order 11988 and the responsibilities of FHWA, Caltrans and local agencies when projects encroach on a 100-year base floodplain. This will be

done in accordance with Caltrans Environmental Handbook, Volume 1, Chapter 17 to support the EIR/EIS.

**Methodology:** If it is determined that there are minimal to no impacts to floodplain, a Summary Floodplain Encroachment Report shall be prepared. If there is substantial encroachment, completion of a Floodplain Evaluation Report shall be prepared. Coordination with the Caltrans Hydraulics unit will be critical to the timely completion of this study.

**Deliverables:**

- Draft and Final Floodplain Evaluation Report or Floodplain Evaluation Report (as appropriate) for the Project (10 copies of draft, 10 copies of final, original of final)

### **3.4-2c Water Quality Analysis**

**Purpose:** The Consultant shall evaluate the effects that the proposed Project may have on water quality in the Project area. The Water Quality Analysis shall be prepared in accordance to the Caltrans Environmental Handbook, Volume 1, Storm Water Quality Handbook Project Planning and Design Guide, and Caltrans Storm Water Quality Handbooks to support the EIR/EIS.

**Methodology:** The Water Quality Analysis shall evaluate the effects that the proposed Project may have on water quality for three watersheds: Santa Ana River, Talbert, and Westminster. Within these three watersheds, I-405 crosses eight major drainages, including the Santa Ana River, Greenville-Banning Channel, Fountain Valley Channel, Ocean View Channel, East Garden Grove-Wintersburg Channel, Westminster Channel, Anaheim-Barber City Channel, and the Bolsa Chica Channel. The corridor also crosses smaller drainages and may impact other drainages due to proximity. Most of these drainages are channelized within the study area and are under the jurisdiction of ACOE, as well as Santa Ana Regional Water Quality Control Board (SARWQCB).

The Water Quality Analysis shall also include discussions on the Project's potential to result in water quality impacts to storm water runoff during construction activities and operations of the Project. Construction would be conducted in accordance with all applicable water quality requirements of the Section 401 permit issued by the SARWQCB and the provisions of the NPDES General Permit for Construction Activities No. CAS000002.

Implementation of best management practices (BMPs) would minimize erosion of exposed soils and resultant sediment and surface contaminant loading into the storm drain system and downstream water bodies. Coordination with the Caltrans Storm Water Unit will be critical to the timely completion of this study.

Deliverables:

- Water Quality Analysis (10 copies of draft, 10 copies of final, original of final)

### **3.4-2d Air Quality Report**

**Purpose:** The Consultant shall conduct an air quality analysis to satisfy CEQA, state and federal environmental requirements, and conformity provisions of the Clean Air Act Amendments (CAAA) to support the EIR/EIS .

**Methodology:** The Air Quality Technical Study shall be prepared in accordance with the latest following protocols/guidelines: *Caltrans Transportation Project-Level Carbon Monoxide Protocol*, *FHWA/EPA Transportation Conformity Guidance for Qualitative Hot-spot Analyses in PM2.5 and PM10 Nonattainment and Maintenance Areas*, *FHWA Interim Guidance on Air Toxic Analysis in NEPA Documents*, and *Caltrans' policy on greenhouse gas emissions*. The Air Quality Technical Study will also analyze and discuss the presence/absence of asbestos-containing structures/roadway affected by the Project and construction-related impacts and adhere to the South Coast Air Quality Management District's (SCAQMD) rules 403 and 1403 requirements.

The Air Quality Technical Study will need to document whether the proposed Project is included in the latest Regional Transportation Plan (RTP), and Regional Transportation Improvement Program (RTIP) and Federal Statewide Transportation Improvement Program (FSTIP) for preliminary engineering/environmental documentation. The Air Quality Technical Study will make a final determination whether the build alternatives will conform to applicable state and federal air quality plans. Mitigation measures will be defined for any construction and/or operational impacts that are identified. FHWA shall be the lead agency for the review of the Air Quality Technical Study. Coordination with Authority, Caltrans, and FHWA will be necessary to ensure that the proposed Project

would not violate/exacerbate air quality in the South Coast Air Basin (SCAB). Coordination with the Caltrans Environmental Engineering Branch will be critical to the timely completion of this study. Prior to final approval of the project, FHWA approval will be required.

Deliverables:

- Draft and Final Air Quality Technical Study for the Project (10 copies of draft, 10 copies of final, original of final)
- Supporting Documentation including backup data/documentation for the Emission FACTor (EMFAC) and CALINE4 model runs.

### **3.4-2e Traffic/Circulation Impact Report**

**Purpose:** The Consultant shall analyze the traffic/circulation impacts of the Project utilizing the OCTAM, Highway Capacity Manual, and Intersection Capacity Utilization methodologies. The Traffic/Circulation Study shall be prepared in accordance with Caltrans Traffic Manual, the HOV Guidelines, the Highway Capacity Manual, and the Ramp Meter Design Guidelines.

**Methodology:** Available data, reports, and relevant studies shall be reviewed in the preparation of the Traffic/Circulation Impact Study. Existing and future deficiencies in the arterial system or traffic control devices shall be identified. In addition, Project related impacts and mitigation measures shall be identified. This work shall take into consideration the previous analyses that have been prepared to support the PSR/PDS and MIS. The current and forecasted design year traffic data shall be presented in the following formats: Annual Average Daily Traffic (AADT), peak month Average Daily Traffic (ADT), peak hour and peak hour directional split — including percentage of trucks, if appropriate. Also, discussion of the growth assumptions that provided the basis for the forecast should be included.

The most recent three-year accident history by type, as well as the comparable breakdown of the state-wide average accident rates for similar facilities shall be included (e.g., TASAS table B, C, and C[wet] data). Coordination with the Caltrans Traffic Operations unit will be critical to the timely completion of this study.

Deliverables:

- Draft and Final Traffic/Circulation Impact Report for the Project (10 copies of draft, 10 copies of final, original of final)

### **3.4-2f Hazardous Materials/Waste ISA**

**Purpose:** The Consultant shall prepare an Initial Site Assessment (ISA) for the Project building on and including reference to information obtained from previous ISAs prepared in support of the PSR/PDS and MIS. The ISA will be prepared to support the EIR/EIS.

**Methodology:** The Consultant shall complete the ISA taking into account the analysis already conducted as part of the PSR/PDS, I-405 MIS, and building on them. Also, the Consultant shall obtain from Caltrans and other entities any relevant hazardous waste investigations work prepared for other projects in the area. The analysis work shall be based on the ISA format as generally described in the Caltrans PDPM (current edition), Caltrans Environmental Handbook, Volume I, Chapter 10, and the guidelines as set forth in the American Society for Testing and Materials Designation E1527-05 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process. Coordination with the Caltrans Environmental Engineering unit will be critical to the timely completion of this study.

The scope of work shall consist of the following:

- A review of available project area information including taking into account findings from the PSR/PDS and I-405 MIS study
- A review of historical aerial photographs (1928 to 1956) available from the Fairchild Aerial Photography Collection at Whittier College, Whittier, California
- A review of historical aerial photographs (1952 to 1995) available from the Continental Aerial Photography Collection in Cypress, California
- Completion of the Caltrans ISA Checklist as referenced in the Caltrans PDPM
- A review of an environmental database records search provided by Vista Information Solutions, Inc. (Vista), Environmental Database Resources, Inc. (EDR), or a similar database search report (subject to prior approval by Authority Project Manager)
- A review of the information from the County Health Department pertaining to any potentially affected properties
- A site reconnaissance and completion of Property

Transaction Screen Questionnaires accompanied with photographic coverage

- Determine, if any, the need for a Phase II site assessment
- Remediation recommendations for affected properties

Deliverables:

- Draft and Final ISA for the Project (10 copies of draft, 10 copies of final, original of final)
- Caltrans ISA Checklist
- Site Location Map and Site Visit Notes. (10 copies of draft, 10 copies of final)
- Environmental Database Search by Vista, EDR, or similar database search report (subject to prior approval by Authority Project Manager)
- Transaction Screen Questionnaires
- Selected Site Photographs (10 copies of each)
- Hazardous Materials assessment evaluation including Aerially Deposited Lead (ADL) contaminants and supporting documentation (10 copies of draft, 10 copies of final, original of final)

### **3.4-2g Visual Impact Assessment Report**

**Purpose:** The Consultant shall prepare a Visual Impact Assessment in accordance to Caltrans Environmental Handbook, Volume 1, Chapter 27, Caltrans Visual Impact Assessment guidance (latest edition), Caltrans Visual Impact Guide Checklist, and FHWA's guidance on *Visual Impact Assessment for Highway Projects* (latest edition), to identify and analyze visual resource impacts associated with the project. This will be prepared to support the EIR/EIS.

**Methodology:** The Consultant shall consider and identify potential aesthetic treatments for structural elements including the bridge, retaining walls, soundwalls, and other roadway structures, which will enhance the project. The context sensitive solutions approach shall be utilized and implemented in the preparation of the Visual Impact Assessment. This report shall include a minimum of eight key viewpoints demonstrating the before and after effects of the proposed project. These eight key viewpoints shall include a before and after visual simulation. Coordination with the Caltrans Landscape Architect unit will be critical to the timely completion of this study.



**Deliverables:**

- Draft and Final Visual Impact Assessment and supporting documentation for the Project (10 copies of draft, 10 copies of final, original of final)

**3.4-2h Noise Study**

**Purpose:** The Consultant shall conduct a noise analysis, based on the Caltrans Traffic Noise Analysis Protocols and Technical Noise Supplement (latest editions), which will include an assessment of existing conditions and the design year future conditions for the project. The Noise Study shall be prepared in accordance with the Caltrans and FHWA requirements to support the EIR/EIS. The Noise Abatement Decision Report (NADR) should be prepared and circulated with the draft.

**Methodology:** The existing noise measurements and simultaneous traffic counts will be conducted at sites deemed representative of noise sensitive land uses. Obtaining the traffic counts in a timely manner will assure the on-time completion of the Noise Study. The Noise Study shall take into consideration impacts to frequent outdoor uses, as defined by FHWA, and recommend mitigation as appropriate. Measurement results and traffic counts will be used to establish existing conditions and calibrate the computer noise model. Noise abatement and/or mitigation measures will be identified in the Noise Study. Coordination with the Caltrans Environmental Engineering unit will be critical to the timely completion of this study.

**Deliverables:**

- Draft and Final Noise Study for the Project and Noise Abatement Decision Report (10 copies of draft, 10 copies of final, original of final)

**3.4-2i Cultural Resources (HPSR, HRER, and ASR)**

**Purpose:** In accordance with Caltrans, FHWA, and the State Historic Preservation Officer (SHPO) requirements, a Historic Property Survey Report (HPSR), Archaeological Survey Report (ASR), and Historic Resources Evaluation Report (HRER) will be prepared to support the EIR/EIS. These documents shall be prepared in conformance with current requirements, as outlined in the Caltrans Environmental Handbook, Volume 2. In addition,

a paleontology literature study shall be undertaken, following the Caltrans Environmental Handbook, Volume I, Chapter 8.

**Methodology:** The HPSR, ASR, and HRER shall adhere to the Section 106 Programmatic Agreement that governs Caltrans cultural resources actions on federally-assisted state and local projects. A paleontology literature study shall be conducted to determine the absence/presence of paleontological resources. All actions taken under the Section 106 PA must be conducted by or under the supervision of Caltrans Professionally Qualified Staff (PQS).

Where applicable, these documents shall comply with requirements of Section 106 of the National Historic Preservation Act and its relationship to Section 4(f) of the Department of Transportation Act, and at the state level, the CEQA and the Public Resources Code. Coordination with the Caltrans Environmental Planning unit will be critical to the timely completion of this study.

**Deliverables:**

- Historic Property Survey Report (HPSR), Archaeological Survey Report (ASR), Historic Resources Evaluation Report (HRER) and supporting documents (10 copies of draft, 10 copies of final, original of final)
- Paleontology Literature Study (10 copies of draft, 10 copies of final, original of final)

#### **3.4-2j Native American Consultation**

**Purpose:** Native American consultation is to ensure that proper coordination takes place early in the environmental documentation process. This shall be done in accordance to the Caltrans Environmental Handbook, Volume 2 and under FHWA/Caltrans guidance.

**Methodology:** The Consultant shall adhere to pertinent legislation and regulations that address Native American concerns and resources, including the federal and state Native American Graves Protection and Repatriation Act. This will include the policy and procedures for obtaining a Native American Monitor, the roles of Monitors and Most Likely Descendants, and the issue of confidentiality relative to Native American cultural resources. The Consultant shall document at least two attempts made to contact the appropriate Native

American tribe(s) within the proposed project area. Under NEPA delegation, Native American Consultation has not been delegated to Caltrans. FHWA will conduct government to government consultation.

Deliverables:

- Native American Coordination Documented in the HPSR, ASR, and HRER

### **3.4-2k Section 4(f) and 6(f) Evaluation**

**Purpose:** The Consultant shall prepare a Sections 4(f) and 6(f) Evaluation in accordance to the Caltrans Environmental Handbook, Volume 1, Chapter 20 and FHWA Technical Advisory (Technical Advisory T 6640.8A) to support the EIR/EIS.

**Methodology:** The Sections 4(f) and 6(f) Evaluation shall include the application and requirements of Section 4(f) of the Department of Transportation Act (49 U.S.C. 303) and Consideration of Park and Recreational Properties Funded Under Section 6(f) of the land and water conservation fund act. This shall include:

- Publicly-Owned Public Parks, Recreational Areas, Or Wildlife Or Waterfowl Refuges officially designated as such, or when the agency having jurisdiction over the land determine one of its major purposes or functions is for park, recreation, or refuge purposes
- Historic sites on or eligible for the National Register of Historic Places and archaeological sites on or eligible for the National Register of Historic Places and which warrant preservation in place as determined by FHWA and the SHPO

Coordination with the Caltrans Environmental Planning unit will be critical to the timely completion of this study.

Deliverables:

- Section 4(f) and 6(f) evaluation (10 copies of draft, 10 copies of final, original of final)

### **3.4-2I Biological Resources (NES)**

**Purpose:** A Natural Environment Study (NES) shall be prepared in accordance with the Caltrans Environmental Handbook, Volume 3, to document and evaluate the natural habitat in the project area, and determine whether the proposed project would result in impacts on sensitive species/habitat, and waters of the United States to support the EIR/EIS. The NES shall be prepared using the Caltrans prescribed format, available on the Standard Environmental Reference website. If there are endangered species, then a Biological Assessment will be required.

**Methodology:** The Consultant shall coordinate with the appropriate agencies to delineate the biological study area and determine the need for a Section 404 (individual or nationwide) permit and Section 1602 Agreement (Streambed Alteration Agreement). The Consultant shall also coordinate with the U.S. Fish and Wildlife Service (USFWS) and the California Department of Fish and Game (CDFG) to identify state and federally listed threatened and endangered species potentially in the area. A Section 402 permit may also be required for the Project.

The Consultant shall identify applicable permits necessary for implementation of the construction phase of the Project. Coordination with USFWS, CDFG, United State Army Corps of Engineers (ACOE), etc. will be necessary under the guidance of the Caltrans Environmental Planning unit.

Many cities and counties within California have tree preservation ordinances and local land use policies with which transportation agencies and their agents must comply. During the planning phases, there should be a thorough investigation to determine if such ordinances or regulations apply.

**Deliverables:**

- NES and supporting documentation including but not limited to: field surveys, and documentation of coordination efforts with state and federal resources agencies and a Biological Assessment if required (10 copies of draft, 10 copies of final, original of final).

### **3.4-2m Relocation Impact Report**

**Purpose:** The Consultant shall prepare a Relocation Impact Report (RIR), in accordance with 49 Code of Federal Regulations (CFR) 24, Caltrans' Environmental Handbook, Volume 4, and the Caltrans Right-of-Way Manual to support the EIR/EIS.

**Methodology:** The RID shall identify the potential displacement of adjacent commercial/businesses/residential properties, and include a discussion of the impacts to these businesses/properties as a result of the proposed Project. A table summarizing the impacts to each property shall be included in the analysis. In addition, minimization measures to displaced businesses and identification of alternate site(s) for potentially displaced business shall be identified. Coordination with the Caltrans Right-of-Way Division will be critical to the timely completion of this study.

**Deliverables:**

- Draft and Final RIR for the Project (10 copies of draft, 10 copies of final, original of final and electronic copy)

### **3.4-2n Community Impact Assessment**

**Purpose:** The Consultant shall prepare a Community Impact Assessment in accordance with Caltrans Environmental Handbook, Volume 4 guidance and include discussion of existing socioeconomic conditions, impacts, and recommended mitigation measures to support the EIR/EIS. Impacts to minority and/or low-income populations will be addressed in compliance with Executive Order 12898 (Federal Actions to Address Environmental Justice in Minority and Low Income Populations) (Chapters 24-25 of Caltrans Environmental Handbook, Volume 1).

**Methodology:** The Community Impact Assessment shall address Project impacts related to but not limited to the following: social impacts (relocation of housing, population characteristics, community institutions, community stability and cohesion); economic impacts (change in employment, income gains or loss, tax base changes); land use and growth (consistency of projects with local plans, shift in location where growth will occur, development opportunities enhanced); and public services impacts (schools and health systems, police and fire

protection, accessibility and parking, utilities). Coordination with the Caltrans Environmental Planning unit will be critical to the timely completion of this study.

Deliverables:

- Community Impact Assessment and supporting documentation (including census data for the project area) [10 copies of draft, 10 copies of final, original of final]

### **3.4-2o Topography/Geology/Soils/Seismic Analysis**

Purpose: To identify and address the impacts of topography, geology, soils, and seismic activity on the Project.

Methodology: The Consultant shall prepare a Topography/Geology/Soils/Seismic Analysis Report following Caltrans Environmental Handbook, Volume 1. The analysis should include information on the regional and local geologic setting, topography, significant landforms, soil types and thickness of soil or depth to bedrock, geologic hazards, soil/rock types, geologic structures, groundwater conditions, and other relevant properties, such as erosion potential and mineral economic resources. Suggested reference materials include, but are not limited to:

- U.S. Department of Agricultural (USDA) or National Forest Service maps should be consulted for information on soil types in the project vicinity, or from other sources if available.
- The Caltrans California Seismic Hazard Map (1996; currently being revised) should be consulted for information on locations of major earthquake faults, the maximum credible (magnitude) earthquake, and expected ground motion at a particular site.
- The California Geological Survey (CGS) [[www.consrv.ca.gov/CGS/](http://www.consrv.ca.gov/CGS/)] should be consulted for additional information in earthquake faults and seismic hazards if needed, mineral resources, and oil, gas, and geothermal resources.

Deliverables:

- Topography/Geology/Soils/Seismic Analysis Report and supporting documentation (10 copies of draft, 10 copies of final, original of final).

### 3.4-2p Energy Analysis

**Purpose:** The Consultant shall analyze the effects of the proposed Project to affect energy consumption from both the construction and operational phases to support the EIR/EIS. This will be done in accordance with Caltrans Environmental Handbook, Volume 1, Chapter 13, and the FHWA 1980 Energy Requirements for Transportation Systems.

**Methodology:** The Energy Analysis will determine if the proposed Project would lead to potential substantial energy impacts. If the Project does not substantially affect energy, then a general (qualitative) analysis of construction and operation energy requirements and conservation potential of each alternative shall be discussed. If the Project substantially affects energy, then a detail (quantitative) energy study shall be undertaken. Specifically, this analysis will include direct and indirect energy impacts, relationship and consistency with state and regional energy plans, and mitigation measures. Coordination with the Caltrans Environmental Engineering unit will be critical to the timely completion of this study.

**Deliverables:**

- Energy Analysis and supporting documentation (10 copies of draft, 10 copies of final, original of final)

### 3.4-2q Growth Inducement and Cumulative Impacts

**Purpose:** The Consultant shall prepare a Growth Inducement and Cumulative Impacts Analysis to support the EIR/EIS.

**Methodology:** The Analysis shall be prepared in accordance to CEQA/NEPA requirements and the Caltrans *Guidance for Preparers of Growth-related, Indirect Impact Analyses*, available on the SER website. The improved access proposed by the Project could facilitate in the growth of business development in the area. Analysis shall investigate whether the level of growth is consistent with local planning documents for the area. The proposed Project may be implemented at the same time as other proposed projects in the area. Construction-related activities such as road closures may need to be coordinated to avoid unexpected traffic congestion or conflicting detour plans (cumulative impacts). Mitigation measures shall be recommended to minimize impacts commensurate with the Project's contribution to the impact. Coordination with the

Caltrans Environmental Planning unit will be critical to the timely completion of this study.

Deliverables:

- Growth Inducement and Cumulative Impacts Analysis and supporting documentation (10 copies of draft, 10 copies of final, original of final)

### **3.4-3 Final Technical Reports**

Purpose: To incorporate Authority and Caltrans review comments into the Draft Technical Reports.

Methodology: For each technical report itemized below, Consultant shall incorporate Authority and Caltrans review comments to the draft versions. To facilitate this effort, Consultant shall discuss comments with the applicable reviewers as needed for clarification and direction.

Deliverables: (10 copies of draft, 10 copies of final, camera-ready original of final, 2 copies in electronic format [ Microsoft word and excel, and Adobe Acrobat Reader])

- 3.4-2a APE Map
- 3.4-2b Floodplain Evaluation Report
- 3.4-2c Water Quality Analysis
- 3.4-2d Air Quality Report
- 3.4-2e Traffic/Circulation Impact Report
- 3.4-2f Hazardous Materials/Waste ISA and Site Investigation
- 3.4-2g Visual Impact Assessment Report
- 3.4-2h Noise Study
- 3.4-2i HPSR, HRER, ASR, Paleontology Literature Study
- 3.4-2k Section 4(f) and 6(f) Evaluation
- 3.4-2l Natural Environment Study/Biological Assessment
- 3.4-2m Relocation Impact Document
- 3.4-2n Community Impact Assessment
- 3.4-2o Topography/Geology/Soils/Seismic Analysis
- 3.4-2p Energy Analysis
- 3.4-2q Growth Inducement and Cumulative Impacts Analysis



### 3.4-4 Screencheck Draft EIR/EIS

**Purpose:** A screencheck Draft EIR/EIS shall be prepared in accordance with the Caltrans Environmental Handbook (latest Annotated Outline), FHWA Technical Advisory T6640.8A, and Council on Environmental Quality (CEQ) guidance. Concurrent with the aforementioned technical analyses, the Consultant shall prepare the screencheck Draft EIR/EIS incorporating the environmental checklist, technical analyses, a discussion of critical environmental issues identified, an analysis of the cumulative and indirect effects of the project, proposed mitigation measures, an environmental commitment record (ECR) and a listing of environmental (and related) permits required for implementation of the project.

**Methodology:** The screencheck Draft EIR/EIS shall fully utilize and update as appropriate the previous environmental analyses prepared to support the PSR/PDS and MIS. This document shall be provided to Authority and Caltrans for the appropriate reviews (e.g., Caltrans District, Headquarters, and Legal reviews, accompanied by the completed Environmental Document Preparation and Review Tool. Once Authority, Caltrans, and FHWA provide comments on the document, the Consultant shall revise the document appropriately. The revised screencheck Draft EIR/EIS will then be resubmitted to the Authority and Caltrans for approval. The Consultant shall prepare a response-to-comments matrix demonstrating how and where the comments have been addressed in the screencheck Draft EIR/EIS. Coordination with the Caltrans Environmental Planning unit will be critical to the timely completion of this document. Once Authority and Caltrans District 12 are satisfied with the document, the next round of reviews would commence, i.e. NEPA QC, legal reviews, and CT Headquarters liaisons. Once all reviews have been completed, the District 12 Environmental Branch Chief will certify that the document is ready for public circulation.

**Deliverables:**

- Screencheck Draft EIR/EIS with Environmental Document Preparation and Review Tool and External QC Certification Sheet for draft environmental documents for Authority and Caltrans to review/comment. (15 copies, 2 copies in electronic format Microsoft word and excel, and Adobe Acrobat Reader)
- Draft Technical Studies (5 copies)

**3.4-5 Draft EIR/EIS**

**Purpose:** To incorporate Authority and Caltrans review comments to the Screencheck.

**Methodology:** The revised screencheck Draft EIR/EIS along with the Environmental Document Preparation and Review Tool and External QC Certification Sheet for draft environmental documents and response-to-comments matrix shall be resubmitted to Authority and Caltrans for approval to publicly circulate. Following approval by Caltrans and FHWA, the approved Draft EIR/EIS will be distributed to agencies and the public for review and comment. The Consultant will be responsible for updating the distribution list. Consultant shall submit six copies of the Draft EIR/EIS to request for approval from Authority and Caltrans.

**Deliverables:**

- Approved Draft EIR/EIS for the Project (21 copies, Original, 2 copies in electronic format Microsoft word and excel, and Adobe Acrobat Reader)
- Draft Technical Studies (5 copies)
- All files should be filed in accordance with the Uniform Filing System and should be submitted to Caltrans.

**3.4-6 Public Outreach Support and EIR/EIS Public Meetings**

**Purpose:** To receive agency and public comments on the Draft EIR/EIS.

**Methodology:** The Consultant shall provide support the Public Outreach efforts (under separate Authority contract), and take the lead on providing two public meetings during the EIR/EIS public review period, following procedures as required by CEQA/NEPA and the Caltrans Environmental Handbook. The Consultant shall be responsible for providing the public notice and coordinating the two EIR/EIS public hearings, including handouts, materials, presentation boards, etc. In coordination and consultation with Authority and Caltrans, the Consultant will also be responsible for ensuring that copies of the Draft EIR/EIS are available for review/comment at city halls and libraries along the project corridor. The Consultant shall be responsible for posting newspapers advertisement of the project in accordance with CEQA/NEPA (e.g., Los Angeles Times Orange County Edition, Orange County Register, Excelsior, Press Telegram, and Nguoi Viet). This shall include a minimum of 75 copies of the EIR/EIS and ten sets of the technical studies (see Caltrans SER, Chapter 37 for distribution list). The Consultant shall designate an individual (with concurrence by the

Authority Project Manager) as the main point of contact with interested parties during CEQA/NEPA public review process. The Consultant will coordinate with Caltrans (who will coordinate with FHWA) for posting in the Federal register.

Deliverables:

- EIR/EIS (75 copies)
- Technical Studies (10 copies)
- Notification (e.g., newspapers advertisements) for the 2 EIR/EIS Public Meetings, including mailing list of addresses and contacts, including mailing
- 2 Public Hearings including handouts, visual displays and other materials as well as the presence of a court reporter.
- Documentation and gathering of public comments for the Project records (10 copies)
- Submittal of the Draft EIR/EIS to the State Clearinghouse (in an electronic format subject to their guidance).

#### **3.4-7 Prepare Response to Comments Matrix**

Purpose: To document the responses to comments on the Draft EIR/EIS.

Methodology: The Consultant shall be responsible for maintaining documentation and providing the adequate response to internal and public comments on the project and Draft EIR/EIS. A response-to-comments matrix outlining how and where the revisions to the documents have been made shall be included in the revised Draft and Final EIR/EIS. The response-to-comments matrix shall be provided to Authority and Caltrans for review and concurrence prior to finalization of the Draft and Final EIR/EIS.

Deliverables:

- Response to Comments Matrix (10 copies)

#### **3.4-8 Screencheck Final EIR/EIS**

Purpose: A screencheck Final EIR/EIS shall be prepared in accordance with the Caltrans SER, Caltrans Environmental Handbook, FHWA Technical Advisory T6640.8A, and CEQ regulations. The EIR/EIS shall be prepared using the latest Caltrans environmental document template. Concurrent with the aforementioned technical analyses, the Consultant shall prepare the screencheck Final EIR/EIS incorporating the public comments, technical analyses, a discussion of critical environmental issues identified, an analysis of the cumulative and indirect effects of the

project, proposed mitigation measures, and a listing of environmental (and related) permits required for implementation of the project.

**Methodology:** The screencheck Final EIR/EIS shall be provided to Authority, Caltrans, and FHWA for the appropriate reviews (e.g., Caltrans District, Headquarters, and Legal reviews, and FHWA California Division and Legal reviews), accompanied by the completed Environmental Document Preparation and Review Tool and External QC Certification Sheet for final environmental documents. The revised Final EIR/EIS will then be resubmitted to Caltrans for approval. Caltrans will seek formal approval from FHWA for the responsibilities that have not been delegated under the NEPA Delegation, including FHWA's air quality conformity responsibilities (MOU 3.2.4) and government to government consultation with Indian tribes (MOU 3.2.3). The Consultant shall prepare a response-to-comments matrix indicating how and where the public comments have been addressed in the screencheck Final EIR/EIS.

**Deliverables:**

- Screencheck Final EIR/EIS for the Project along with the External QC sheet and the Environmental Document Review Checklist (15 copies, Original, 2 copies in electronic format Microsoft word and excel, and Adobe Acrobat Reader)
- Final Technical Studies (5 copies)
- Files per Uniform Filing System

### **3.4-9 Final EIR/EIS**

**Purpose:** To document the selection of the Preferred Alternative, timing and responsibility of mitigation measures identified in the EIR/EIS.

**Methodology:** Following review by the Authority and Caltrans, the Consultant shall revise the screencheck Final EIR/EIS. Six copies of the revised Final EIR/EIS along with the final environmental documents and response-to-comments matrix shall be resubmitted to Authority and Caltrans for approval. Following approval by Caltrans and FHWA, the Final EIR/EIS shall be made available to the public upon request. The Consultant will be responsible for updating the distribution list.

**Deliverables:**

- Approved Final EIR/EIS for the Project (21 copies, Original, 2 copies in electronic format Microsoft word and excel, and Adobe Acrobat Reader)
- Final Technical Studies (5 copies)

- Files should be submitted to Caltrans in accordance with the Uniform Filing System

**3.4-10 Prepare Notice of Determination/Record of Decision (NOD/ROD)**

Purpose: To complete the CEQA and NEPA environmental process.

Methodology: Upon approval of the Final EIR/EIS, the Consultant shall prepare the Notice of Determination and Record of Decision (NOD/ROD) pursuant to CEQA/NEPA, respectively. The NOD/ROD will be provided to Authority, Caltrans, and FHWA for District, Headquarters, and Legal reviews. The NOD/ROD shall indicate the agencies' decision to proceed with the Preferred Alternative and include responses to public comments generated during the Draft EIR/EIS public review period. The Consultant is responsible for posting the NOD on the State Clearinghouse and coordinating with Caltrans (who will coordinate with FHWA) to post the ROD in the Federal Register.

**SECTION 4**  
**PROJECT SCHEDULE**

The products shall be delivered in accordance with the following schedule.

<b>ACTIVITY</b>	<b>DATE</b>
A. Initiate Environmental Studies	July 2008
B. Initiate Draft PR	July 2008
C. Draft PR	June 2010
D. Draft ED	June 2010
E. Final ED	June 2011
F. Final ED (NOD/ROD) & PR	June 2011

**SECTION VI**

**FORMS**

**EXHIBIT A**  
**PARTY DISCLOSURE FORM**

**Information Sheet**

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AND AFFILIATED AGENCIES**

The attached Party Disclosure Form must be completed by applicants for, or persons who are the subject of, any proceeding involving a license, permit, or other entitlement for use pending before the Board of Directors of the Orange County Transportation Authority or any of its affiliated agencies. (Please see next page for definitions of these terms.)

**IMPORTANT NOTICE**

Basic Provisions of Government Code Section 84308

- A. If you are an applicant for, or the subject of, any proceeding involving a license, permit, or other entitlement for use, you are prohibited from making a campaign contribution of more than \$250 to any board member or his or her alternate. This prohibition begins on the date your application is filed or the proceeding is otherwise initiated, and the prohibition ends three months after a final decision is rendered by the Board of Directors. In addition, no board member or alternate may solicit or accept a campaign contribution of more than \$250 from you during this period.
- B. These prohibitions also apply to your agents, and, if you are a closely held corporation, to your majority shareholder as well. These prohibitions also apply to your subcontractor(s), joint venturer(s), and partner(s) in this proceeding. Also included are parent companies and subsidiary companies directed and controlled by you, and political action committees directed and controlled by you.
- C. You must file the attached disclosure form and disclose whether you or your agent(s) have in the aggregate contributed more than \$250 to any board member or his or her alternate during the 12-month period preceding the filing of the application or the initiation of the proceeding.
- D. If you or your agent have in the aggregate contributed more than \$250 to any individual board member or his/or her alternate during the 12 months preceding the decision on the application or proceeding, that board member or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the board member or alternate returns the campaign contribution within 30 days from the time the director knows, or should have known, about both the contribution and the fact that you are a party in the proceeding. The



Party Disclosure Form should be completed and filed with your proposal, or with the first written document you file or submit after the proceeding commences.

1. A proceeding involving "a license, permit, or other entitlement for use" includes all business, professional, trade and land use licenses and permits, and all other entitlements for use, including all entitlements for land use, all contracts (other than competitively bid, labor or personal employment contracts), and all franchises.
2. Your "agent" is someone who represents you in connection with a proceeding involving a license, permit or other entitlement for use. If an individual acting as an agent is also acting in his or her capacity as an employee or member of a law, architectural, engineering, consulting firm, or similar business entity, both the business entity and the individual are "agents."
3. To determine whether a campaign contribution of more than \$250 has been made by you, campaign contributions made by you within the preceding 12 months must be aggregated with those made by your agent within the preceding 12 months or the period of the agency, whichever is shorter. Contributions made by your majority shareholder (if a closely held corporation), your subcontractor(s), your joint venturer(s), and your partner(s) in this proceeding must also be included as part of the aggregation. Campaign contributions made to different directors or their alternates are not aggregated.
4. A list of the members and alternates of the Board of Directors is attached.

This notice summarizes the major requirements of Government Code Section 84308 of the Political Reform Act and 2 Cal. Adm. Code Sections 18438-18438.8.

**ORANGE COUNTY TRANSPORTATION AUTHORITY**  
**AND ITS AFFILIATED AGENCIES**

To be completed only if campaign contributions have been made in the preceding 12 months.

Party's Name: \_\_\_\_\_

Party's Address: \_\_\_\_\_

Street

City

State

Zip

Phone

Application or Proceeding  
Title and Number: \_\_\_\_\_

Board Member(s) or Alternate(s) to whom you and/or your agent made campaign contributions and dates of contribution(s) in the preceding 12 months:

Name of Member: \_\_\_\_\_

Name of Contributor (if other than Party): \_\_\_\_\_

Date(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

Name of Member: \_\_\_\_\_

Name of Contributor (if other than Party): \_\_\_\_\_

Date(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

Name of Member: \_\_\_\_\_

Name of Contributor (if other than Party): \_\_\_\_\_

Date(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

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

\_\_\_\_\_  
Signature of Party and/or Agent

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AND AFFILIATED AGENCIES**

**Board of Directors**

**Chris Norby, Chairman**

**Peter Buffa, Vice Chairman**

**Jerry Amante, Director**

**Patricia Bates, Director**

**Art Brown, Director**

**Bill Campbell, Director**

**Carolyn V. Cavecche, Director**

**Richard Dixon, Director**

**Paul G. Glaab, Director**

**Cathy Green, Director**

**Allan Mansoor, Director**

**John Moorlach, Director**

**Janet Nguyen, Director**

**Curt Pringle, Director**

**Miguel Pulido, Director**

**Mark Rosen, Director**

**Gregory T. Winterbottom, Director**

**EXHIBIT A**  
**PARTICIPANT DISCLOSURE FORM**

**Information Sheet**

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AND AFFILIATED AGENCIES**

The attached Participant Disclosure Form must be completed by participants in a proceeding involving a license, permit, or other entitlement for use. (Please see next page for definitions of these terms.)

**IMPORTANT NOTICE**

Basic Provisions of Government Code Section 84308

- A. If you are a participant in a proceeding involving a license, permit, or other entitlement for use, you are prohibited from making a campaign contribution of more than \$250 to any board member or his or her alternate. This prohibition begins on the date you begin to actively support or oppose an application for license, permit, or other entitlement for use pending before the Orange County Transportation Authority or any of its affiliated agencies, and continues until three months after a final decision is rendered on the application or proceeding by the Board of Directors.

No board member or alternate may solicit or accept a campaign contribution of more than \$250 from you and/or your agency during this period if the board member or alternate knows or has reason to know that you are a participant.

- B. The attached disclosure form must be filed if you or your agent have contributed more than \$250 to any board member or alternate for the Orange County Transportation Authority or any of its affiliated agencies during the 12-month period preceding the beginning of your active support or opposition. (The disclosure form will assist the board members in complying with the law.)
- C. If you or your agent have made a contribution of more than \$250 to any board member or alternate during the 12 months preceding the decision in the proceeding, that board member or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the member or alternate returns the campaign contribution within 30 days from the time the director knows, or should have known, about both the contribution and the fact that you are a participant in the proceeding.

The Participant Disclosure Form should be completed and filed with the proposal submitted by a party, or should be completed and filed the first time that you lobby in person, testify in person before, or otherwise directly act to influence the vote of the board members of the Orange County Transportation Authority or any of its affiliated agencies.

1. An individual or entity is a "participant" in a proceeding involving an application for a license, permit or other entitlement for use if:
  - a. The individual or entity is not an actual party to the proceeding, but does have a significant financial interest in the Orange County Transportation Authority's or one of its affiliated agencies' decision in the proceeding.

AND

- b. The individual or entity, directly or through an agent, does any of the following:
    - (1) Communicates directly, either in person or in writing, with a board member or alternate of the Orange County Transportation Authority or any of its affiliated agencies for the purpose of influencing the member's vote on the proposal;
    - (2) Communicates with an employee of the Orange County Transportation Authority or any of its affiliated agencies for the purpose of influencing a member's vote on the proposal; or
    - (3) Testifies or makes an oral statement before the Board of Directors of the Orange County Transportation Authority or any of its affiliated agencies.
2. A proceeding involving "a license, permit, or other entitlement for use" includes all business, professional, trade and land use licenses and permits, and all other entitlements for use, including all entitlements for land use; all contracts (other than competitively bid, labor, or personal employment contracts) and all franchises.
3. Your "agent" is someone who represents you in connection with a proceeding involving a license, permit, or other entitlement for use. If an agent acting as an employee or member of a law, architectural, engineering, or consulting firm, or a similar business entity or corporation, both the business entity or corporation and the individual are agents.

4. To determine whether a campaign contribution of more than \$250 has been made by a participant or his or her agent, contributions made by the participant within the preceding 12 months shall be aggregated with those made by the agent within the preceding 12 months or the period of the agency, whichever is shorter. Campaign contributions made to different members or alternates are not aggregated.
5. A list of the members and alternates of the Board of Directors is attached.

This notice summarizes the major requirements of Government Code Section 84308 and 2 Cal. Adm. Code Sections 18438-18438.8.

**ORANGE COUNTY TRANSPORTATION AUTHORITY**  
**AND ITS AFFILIATED AGENCIES**

To be completed only if campaign contributions have been made in the preceding 12 months.

Party's Name: \_\_\_\_\_

Party's Address: \_\_\_\_\_

Street

City

State

Zip

Phone

Application or Proceeding  
Title and Number: \_\_\_\_\_

Board Member(s) or Alternate(s) to whom you and/or your agent made campaign contributions and dates of contribution(s) in the preceding 12 months:

Name of Member: \_\_\_\_\_

Name of Contributor (if other than Party): \_\_\_\_\_

Date(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

Name of Member: \_\_\_\_\_

Name of Contributor (if other than Party): \_\_\_\_\_

Date(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

Name of Member: \_\_\_\_\_

Name of Contributor (if other than Party): \_\_\_\_\_

Date(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

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

\_\_\_\_\_  
Signature of Party and/or Agent

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
AND AFFILIATED AGENCIES**

**Board of Directors**

**Chris Norby, Chairman**

**Peter Buffa, Vice Chairman**

**Jerry Amante, Director**

**Patricia Bates, Director**

**Art Brown, Director**

**Bill Campbell, Director**

**Carolyn V. Cavecche, Director**

**Richard Dixon, Director**

**Paul G. Glaab, Director**

**Cathy Green, Director**

**Allan Mansoor, Director**

**John Moorlach, Director**

**Janet Nguyen, Director**

**Curt Pringle, Director**

**Miguel Pulido, Director**

**Mark Rosen, Director**

**Gregory T. Winterbottom, Director**



**EXHIBIT B**

**CERTIFICATION OF PRIMARY PARTICIPANT  
REGARDING DEBARMENT, SUSPENSION, AND OTHER  
RESPONSIBILITY MATTERS**

The \_\_\_\_\_  
Firm name/principal

certifies to the best of its knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
2. Have not within a three-year period preceding this bid been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local), with commission of any of the offenses enumerated in paragraph (2) of this certification; and
4. Have not within a three-year period preceding this bid had one or more public transactions (federal, state or local) terminated for cause or default.

If unable to certify to any of the statements in this certification, the participant shall attach an explanation to this certification.

**THE PRIMARY PARTICIPANT** \_\_\_\_\_  
Firm name/principal

**CERTIFIES OR AFFIRMS THE TRUTHFULNESS AND ACCURACY OF THE CONTENTS OF THE STATEMENTS SUBMITTED ON OR WITH THIS CERTIFICATION AND UNDERSTANDS THAT THE PROVISIONS OF 31 U.S.C. SECTIONS 3801 ET SEQ. ARE APPLICABLE THERETO.**

\_\_\_\_\_  
Signature and Title of Authorized Official

**EXHIBIT B**

**CERTIFICATION OF LOWER-TIER PARTICIPANTS**  
**REGARDING**  
**DEBARMENT, SUSPENSION, AND OTHER INELIGIBILITY AND**  
**VOLUNTARY EXCLUSION**

The \_\_\_\_\_  
Firm name/principal

certifies, by submission of this bid, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

If unable to certify to any of the statements in this certification, such participant shall attach an explanation to this bid.

The \_\_\_\_\_  
Firm name/principal

**CERTIFIES OR AFFIRMS THE TRUTHFULNESS AND ACCURACY OF THE STATEMENTS SUBMITTED ON OR WITH THIS CERTIFICATION AND UNDERSTANDS THAT THE PROVISIONS OF 31 U.S.C. SECTIONS 3801 ET SEQ. ARE APPLICABLE THERETO.**

\_\_\_\_\_  
Signature and Title of Authorized Official

**EXHIBIT C**

**CERTIFICATION OF  
RESTRICTIONS ON LOBBYING**

I, \_\_\_\_\_, hereby certify on behalf (name of offeror) of \_\_\_\_\_ that:

(Firm name)

1. No Federal appropriated funds have been paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds, other than Federal appropriated funds, have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit the attached Standard Form-LLL, "Disclosure of Lobbying Activities", in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in all subcontracts, and that all subcontractors shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance is placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_

By \_\_\_\_\_  
(Signature of authorized official)

\_\_\_\_\_  
(Title of authorized official)

**EXHIBIT C**

**CERTIFICATION**  
**LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN**  
**FEDERAL TRANSACTIONS**

- A. Definitions
- B. Authority, as used in this clause, means the Orange County Transportation Authority, acting on behalf of the Orange County Transit District.
  - 1. Covered Federal action, as used in this clause, means any of the following Federal actions:
    - a. The awarding of any Federal contract.
    - b. The making of any Federal grant.
    - c. The making of any Federal loan.
    - d. The entering into of any cooperative agreement.
    - e. The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
  - 2. Indian tribe and tribal organization, as used in this clause, have the meaning provided in Section 4 of the Indian self-determination and Education Assistance Act (25 U.S.C. 4508) and include Alaskan Natives.
  - 3. Influencing or attempting to influence, as used in this clause, means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.
  - 4. Local government, as used in this clause, means a unit of government in a State and, if chartered, established, or other were recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

5. Officer or employee of an agency, as used in this clause, includes the following individuals who are employed by an agency:
  - (1) An individual who is appointed to a position in the Government under title 5, United States code, including a position under a temporary appointment.
  - (2) A member of the uniformed services, as defined in the subsection 101(3), Title 37, United States Code.
  - (3) A special Government employee, as defined in Section 202, Title 18, United States Code.
  - (4) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, Title 5, United States Code, Appendix 2.
6. Person, as used in this clause, means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit, or not for profit. This term excludes an Indian tribe, tribal organization or any other Indian organization with respect to expenditures specifically permitted by other Federal law.
7. Reasonable compensation, as used in this clause, means with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.
8. Reasonable payment, as used in this clause means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.
9. Recipient, as used in this clause, includes the CONSULTANT and all subcontractors. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.
10. Regularly employed, as used in this clause, means, with respect to an officer or employee of a person requesting or receiving by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of the

submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

11. State, as used in this clause, means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State regional or interstate entity having governmental duties and powers.

C. Prohibitions

1. Section 1352 of Title 31, United States Code, among other things, prohibits a recipient of a Federal contract, grant, loan or cooperative agreement from using appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract; the making of any Federal grant; the making of any Federal loan; the entering into of any cooperative agreement; or, the modification of any Federal contract, grant, loan, or cooperative agreement.
2. The Act also requires consultants to furnish a disclosure if any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a Federal contract, grant, loan or cooperative agreement.
3. The prohibitions of the Act do not apply under the following conditions:
  - a. Agency and legislative liaison by own employees.
    - (1) The prohibition on the use of appropriated funds, in subparagraph B.1. of this clause, does not apply in the case of payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action if the payment is for agency and legislative liaison activities not directly related to a covered Federal action.

- (2) For purposes of paragraph B.3.a.(1) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.
- (3) The following agency and legislative liaison activities are permitted any time where they are not related to a specific solicitation for any covered Federal action:

Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities.

Technical discussions and other activities regarding the application of adaptation of the person's products or services for an agency's use.

- (4) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:

Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and,

Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507, and subsequent amendments.

- (5) Only those services expressly authorized by paragraph B.3.a.(1) of this clause are permitted under this clause.

a. Professional and technical services

- (1) The prohibition on the use of appropriated funds, in subparagraph B.1. of this clause, does not apply in the case of:

A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements

imposed by or pursuant to law as condition for receiving that Federal action.

Any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission or negotiation of any bid, proposal, or application or that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include contractors and trade associations.

- (2) For purposes of paragraph B.3.a.(1) of this clause, professional and technical services shall be limited to advise and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission, or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission, or negotiation of a covered Federal action.



- (3) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation and any other requirements in the actual award documents.
- (4) Only those services expressly authorized by paragraph B.3.a.(1) and (2) of this clause are permitted under this clause.
- (5) The reporting requirements of FAR 3.803(a) shall not apply with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

b. Disclosure

- (1) The CONSULTANT who requests or receives from an agency a Federal contract shall file with that agency a disclosure form OMB standard form LLL, Disclosure of Lobbying Activities, (Attachment to the bid package) if such person has made or had agreed to made any payment using non appropriated funds (to include profits from any covered Federal action), which would be prohibited under subparagraph B.1. of this clause, if paid for with appropriated funds.
- (2) The CONSULTANT shall file a disclosure form at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under subparagraph II.A. of this clause. An event that materially affects the accuracy of the information reported includes:

A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or

A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or

A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.

- (3) The CONSULTANT shall require the submittal of a certification, and if required, a disclosure form by any person who requests or receives any subcontract exceeding \$100,000 under the Federal contract.

- (4) All subcontractor disclosure forms (but not certifications) shall be forwarded from tier to tier until received by the prime CONSULTANT. The prime CONSULTANT shall submit all disclosures to the District at the end of the calendar quarter in which the disclosure form is submitted by the subcontractor. Each subcontractor certification shall be retained in the subcontract file of the awarding CONSULTANT.

c. Agreement

The CONSULTANT agrees not to make any payment prohibited by this clause.

d. Penalties

- (1) Any person who makes an expenditure prohibited under paragraph a) of this clause or who fails to file or amend the disclosure form to be filed or amended by paragraph d) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.
- (2) Consultants may rely without liability on the representation made by their subcontractors in the certification and disclosure forms.

e. Cost Allowability:

Nothing in this clause is to be interpreted to make allowable or reasonable any costs, which will otherwise be unallowable or unreasonable. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any other provisions.

### DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352  
(See reverse for public burden disclosure.)

<b>1. Type of Federal Action:</b> <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	<b>2. Status of Federal Action:</b> <input type="checkbox"/> a. bid/offer application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	<b>3. Report Type:</b> <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material changes  For Material Change Only: year _____ quarter _____ date of last report _____
<b>4. Name and Address of Reporting Entity:</b> <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known:  Congressional District, if known:	<b>5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:</b>  Congressional District, if known:	
<b>6. Federal Department/Agency:</b>	<b>7. Federal Program Name/Description:</b>  CFDA number, if applicable: _____	
<b>8. Federal Action Number, if known:</b>	<b>9. Award Amount, if known:</b> \$	
<b>10. a. Name and Address of Lobbying Entity (if individual, last name, first name, MI)</b>	<b>b. Individuals Performing Services (including address if different from No 10a) (last name, first name, MI):</b>	
(attach Continuation Sheet(s) SF - LLL - A if necessary)		
<b>11. Amount of Payment (check all that apply):</b> \$ _____ <input type="checkbox"/> actual <input type="checkbox"/> planned	<b>13. Type of Payment (check all that apply):</b> <input type="checkbox"/> a. retainer <input type="checkbox"/> b. one-time fee <input type="checkbox"/> c. commission <input type="checkbox"/> d. contingent fee <input type="checkbox"/> e. deferred <input type="checkbox"/> f. other specify: _____	
<b>12. Forum of Payment (check all that apply):</b> <input type="checkbox"/> a. cash <input type="checkbox"/> b. in-kind; specify      nature: _____ value: _____		
<b>14. Brief Description of Services Performed or to be Performed and Date(s) of Service, including officer(s), employee(s) or Member(s) contracted for Payment indicated in Item, 11:</b>  (attach Continuation Sheet(s) SF-LLL-A if necessary)		
<b>15. Continuation Sheet(s) SF-LLL-A attached:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No		
<b>16. Information requested through this form is authorized by Code 31 U.S.C. Section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each such failure.</b>	Signature: _____ Print name: _____ Title: _____ Telephone No: _____      Date: _____	
Federal Use Only		Authorized for Local Reproduction Standard Form - LLL

## INSTRUCTIONS FOR COMPLETION OF SF-LLL DISCLOSURE OF LOBBYING ACTIVITIES

This DISCLOSURE FORMS SHALL BE COMPLETED BY the reporting entity, whether Subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be a prime or subaward recipient. Identify the tier of the subawardee e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee" then enter the full name, address city, state, and zip code of the prime Federal recipient. Include Congressional District.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency, name if known. For example, Department of Transportation, United State Coast Guard.
7. Enter the Federal program name for description of the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g. Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract, grant, or loan award number, the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state, and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered Federal action.  
  
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a.). Enter Last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box (es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box (es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to the Office of Management and Budget Paperwork Reduction Project (0348-0446), Washington, D.C. 20503.

**DISCLOSURE OF LOBBYING ACTIVITIES CONTINUATION SHEET**

Reporting Entity: \_\_\_\_\_ Page \_\_\_\_\_ of \_\_\_\_\_

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**EXHIBIT D-2**

**Exhibit 10-O Local Agency Proposer/Bidder-DBE (Consultant Contract) Information**

This information shall be provided by the successful Proposer/Bidder with the award document.

- 1.  Preliminary Engr.  Studies  Environmental Document  Prelim Design
- 2.  Final Design Right of Way  Right of Way Engineering  Right of Way Utility Relocation

Construction  Construction Engineering  Construction Management

AGENCY: \_\_\_\_\_ LOCATION: \_\_\_\_\_  
 PROJECT DESCRIPTION: \_\_\_\_\_  
 CONTRACT NUMBER: \_\_\_\_\_  
 FEDERAL-AID PROJECT NUMBER: \_\_\_\_\_  
 TOTAL CONTRACT AMOUNT: \$ \_\_\_\_\_  
 FEDERAL SHARE (For local agency to complete) : \$ \_\_\_\_\_  
 PROPOSAL/BID DATE: \_\_\_\_\_  
 PROPOSER'S/BIDDER'S NAME: \_\_\_\_\_

CONTRACT ITEM NO.	ITEM OF WORK AND DESCRIPTION OR SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED <sup>2</sup>	DBE Cert. No. AND EXPIRATION DATE	NAME OF DBEs <sup>1</sup> (Must be certified on the date bids are opened - include DBE address and phone number)	DOLLAR AMOUNT DBE
<p><b>IMPORTANT:</b> Identify all DBE firms being claimed for credit, regardless of tier. Copies of the DBE quotes are helpful. Names of the First-Tier DBE Subcontractors and their respective item(s) of work listed above shall be consistent with the names and items of work in the "List of Subcontractors" submitted with your bid pursuant to the Subcontractors Listing Law and the Special Provisions.</p> <p>1. Enter DBE prime and subcontractors certification number. Prime contractors shall indicate all work to be performed by DBEs including work performed by its own DBE forces.</p> <p>2. If 100% of item is not to be performed or furnished by DBE, describe exact portion of item to be performed or furnished by DBE.</p>				<p>Total Claimed Participation</p> <p>\$ _____</p> <p>_____</p> <p>%</p>
<p>Signature of Proposer/Bidder</p> <p>_____</p>				
<p>Date _____ (Area Code) Tel. No. _____</p>				

CT Bidder - DBE Information (Rev 4/28/06)

- Distribution:
- (1) Copy - Fax immediately to the Caltrans District Local Assistance Engineer (DLAE) upon award.
  - (2) Copy - Include in award package to Caltrans District Local Assistance.
  - (3) Original - Local Agency files

**EXHIBIT D-2 INSTRUCTIONS**

**INSTRUCTIONS - LOCAL AGENCY PROPOSER/BIDDER-DBE (CONSULTANT CONTRACTS) INFORMATION FORM (Revised 10/05)**

The form requires specific information regarding the consultant contract: Agency, Location, Project Descriptions, Contract Number (assigned by local agency), Federal Aid Project Number (assigned by Caltrans Local Assistance), Total Dollar Contract Amount, Proposal/Bid Date, and Proposer's/Bidder's Name.

The form has a column for the Contract Item Number (or Item No's) and Item of Work and Description or Services to be Subcontracted or Materials to be provided by DBEs. The DBE should provide a certification number to the Contractor. Notify the Contractor in writing with the date of the decertification if their status should change during the course of the contract. The form has a column for the Names of DBE certified contractors to perform the work (include DBE address and phone number).

There is a column for the total DBE dollar amount. Enter the Total Claimed DBE Participation dollars and percentage amount of items of work submitted with your proposal/bid pursuant to the Contract Provisions. (If 100% of item is not to be performed or furnished by the DBE, describe exact portion of time to be performed or furnished by the DBE.)

**Exhibit 10-O must be signed and dated by the person proposing/bidding. Also list a phone number in the space provided and print the name of the person to contact.**

**EXHIBIT D-3**  
**BIDDERS LIST**

**Offeror:** \_\_\_\_\_ **RFP No.:** \_\_\_\_\_

The Department of Transportation requires the AUTHORITY to create and maintain a "Bidders List" containing information about all firms (DBE and Non-DBE) that bid, propose or quote on the Authority's DOT-assisted contracts, in accordance with 49 CFR Part 26.11. The "Bidders List" is intended to be a count of all firms that are participating, or attempting to participate, on DOT-assisted contracts, whether successful or unsuccessful in their attempt to obtain a contract.

The Bidder/Offeror is to complete all requested information on **Form D-5: "Bidders List"** for every firm who submitted a bid, proposal or quote, including the primary Bidder/Offeror, and submit this information at the time of bid submission. However, if not elected to do so at the time of bid submission, Bidders/Offerors must submit such information at the request of the Authority within the prescribed timeline set forth in the solicitation. The AUTHORITY will utilize this information to assist in the AUTHORITY's overall annual DBE goal-setting process. ***The "Bidders List" content will not be considered in evaluating the bid/proposal or determining award of any contract.***

2. Prime Bidder's/Offeror's Information:	
Name of Prime's Firm:	3. Phone: (     )
4. Firm Address:	5. Fax: (     )
Number of years in business:	Type of work/services/materials provided:
Contact Person:	Title:
Is the firm currently certified as a DBE under 49 CFR Part 26? <input type="checkbox"/> Yes <input type="checkbox"/> No	Check the box below for your firm's annual gross receipts last year:
	<input type="checkbox"/> Less than \$1 million
	<input type="checkbox"/> Less than \$5 million
	<input type="checkbox"/> Less than \$10 million
	<input type="checkbox"/> Less than \$15 million
	<input type="checkbox"/> More than \$15 million



6. Provide the following information for every firm (DBE and non-DBE) that submitted a bid, proposal or quote on this DOT-assisted project, whether successful or unsuccessful in their attempt to obtain a contract:	
Firm Name:	7. Phone: (     )
8. Firm Address:	9. Fax: (     )
Number of years in business:	Type of work/services/materials provided:
Contact Person:	Title:
Is the firm currently certified as a DBE under 49 CFR Part 26? <input type="checkbox"/> Yes <input type="checkbox"/> No	Check the box below for your firm's annual gross receipts last year:
	<input type="checkbox"/> Less than \$1 million
	<input type="checkbox"/> Less than \$5 million
	<input type="checkbox"/> Less than \$10 million
	<input type="checkbox"/> Less than \$15 million
	<input type="checkbox"/> More than \$15 million

10. Provide the following information for every firm (DBE and non-DBE) that submitted a bid, proposal or quote on this DOT-assisted project, whether successful or unsuccessful in their attempt to obtain a contract:	
Firm Name:	11. Phone: (     )
12. Firm Address:	13. Fax: (     )
Number of years in business:	Type of work/services/materials provided:
Contact Person:	Title:
Is the firm currently certified as a DBE under 49 CFR Part 26? <input type="checkbox"/> Yes <input type="checkbox"/> No	Check the box below for your firm's annual gross receipts last year:
	<input type="checkbox"/> Less than \$1 million
	<input type="checkbox"/> Less than \$5 million
	<input type="checkbox"/> Less than \$10 million
	<input type="checkbox"/> Less than \$15 million
	<input type="checkbox"/> More than \$15 million

If necessary, this "Bidders List" form can be duplicated to include all firms (DBE and non-DBE) that have submitted a bid, proposal or quote on this DOT-assisted project, whether successful or unsuccessful in their attempt to obtain a contract.

Failure of the Bidder/Offeror to submit the required "Bidders List" form will deem the Bidder/Offeror non-responsive.

**EXHIBIT E**

**CERTIFICATION OF COMPLIANCE REGARDING**

**ALCOHOL AND DRUG POLICY**

**49 Code of Federal Regulations (CFR) Part 655**

The \_\_\_\_\_  
Firm name/principal

Hereby certifies that it **will comply** with the applicable alcohol and drug regulations in 49 CFR Part 655.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**Or:**

The \_\_\_\_\_  
Firm name/principal

Hereby certifies that it **cannot comply** with the applicable alcohol and drug regulations in 49 CFR Part 655.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**EXHIBIT F**

**STATUS OF PAST AND PRESENT CONTRACTS FORM**

On the form provided below, Offeror shall list the status of past and present contracts where the firm has either provided services as a prime contractor or a subcontractor during the past five (5) years in which the contract has ended or will end in a termination, settlement or in legal action. A separate form must be completed for each contract. Offeror shall provide an accurate contact name and telephone number for each contract and indicate the term of the contract and the original contract value.

If the contract was terminated, list the reason for termination. Offeror must also identify and state the status of any litigation, claims or settlement agreements related to any of the identified contracts. Each form must be signed by an officer of the Offeror confirming that the information provided is true and accurate.

<b>Project city/agency/other:</b>	
<b>Contact name:</b>	<b>Phone:</b>
<b>Project award date:</b>	<b>Original Contract Value:</b>
<b>Term of Contract:</b>	
<b>1) Status of Contract:</b>	
<b>2) Identify claims/litigation or settlements associated with <u>the</u> contract:</b>	

By signing this Form entitled "Status of Past and Present Contracts", I am affirming that all of the information provided is true and accurate.

Name \_\_\_\_\_  
 Title \_\_\_\_\_

Date \_\_\_\_\_



**Sunday and Holiday Schedule**  
 Sunday Schedule will operate on New Year's Day, Memorial Day, Fourth of July,  
 Labor Day, Thanksgiving Day and Christmas Day.

## LOS ANGELES TO SANTA ANA

STATIONS	A	M	M	AM	AM	AM	AM	AM	PM	P	M	P	M	P	M	P	M	P	M	PM	PM	PM	AM
Los Angeles (Main St. Station)	8:24	7:24	6:24	5:24	4:24	3:24	2:24	1:24	12:24	11:24	10:24	9:24	8:24	7:24	6:24	5:24	4:24	3:24	2:24	1:24	12:24	11:24	10:24
Vernon Avenue	8:26	7:26	6:26	5:26	4:26	3:26	2:26	1:26	12:26	11:26	10:26	9:26	8:26	7:26	6:26	5:26	4:26	3:26	2:26	1:26	12:26	11:26	10:26
Stanton Junction	8:28	7:28	6:28	5:28	4:28	3:28	2:28	1:28	12:28	11:28	10:28	9:28	8:28	7:28	6:28	5:28	4:28	3:28	2:28	1:28	12:28	11:28	10:28
Watts	8:30	7:30	6:30	5:30	4:30	3:30	2:30	1:30	12:30	11:30	10:30	9:30	8:30	7:30	6:30	5:30	4:30	3:30	2:30	1:30	12:30	11:30	10:30
Lynwood Station	8:32	7:32	6:32	5:32	4:32	3:32	2:32	1:32	12:32	11:32	10:32	9:32	8:32	7:32	6:32	5:32	4:32	3:32	2:32	1:32	12:32	11:32	10:32
Clearwater	8:34	7:34	6:34	5:34	4:34	3:34	2:34	1:34	12:34	11:34	10:34	9:34	8:34	7:34	6:34	5:34	4:34	3:34	2:34	1:34	12:34	11:34	10:34
West Bellflower (Lakewood)	8:36	7:36	6:36	5:36	4:36	3:36	2:36	1:36	12:36	11:36	10:36	9:36	8:36	7:36	6:36	5:36	4:36	3:36	2:36	1:36	12:36	11:36	10:36
Bellflower Station	8:38	7:38	6:38	5:38	4:38	3:38	2:38	1:38	12:38	11:38	10:38	9:38	8:38	7:38	6:38	5:38	4:38	3:38	2:38	1:38	12:38	11:38	10:38
Artesia	8:40	7:40	6:40	5:40	4:40	3:40	2:40	1:40	12:40	11:40	10:40	9:40	8:40	7:40	6:40	5:40	4:40	3:40	2:40	1:40	12:40	11:40	10:40
Cypress	8:42	7:42	6:42	5:42	4:42	3:42	2:42	1:42	12:42	11:42	10:42	9:42	8:42	7:42	6:42	5:42	4:42	3:42	2:42	1:42	12:42	11:42	10:42
Stanton	8:44	7:44	6:44	5:44	4:44	3:44	2:44	1:44	12:44	11:44	10:44	9:44	8:44	7:44	6:44	5:44	4:44	3:44	2:44	1:44	12:44	11:44	10:44
Garden Grove Station	8:46	7:46	6:46	5:46	4:46	3:46	2:46	1:46	12:46	11:46	10:46	9:46	8:46	7:46	6:46	5:46	4:46	3:46	2:46	1:46	12:46	11:46	10:46
West Santa Ana	8:48	7:48	6:48	5:48	4:48	3:48	2:48	1:48	12:48	11:48	10:48	9:48	8:48	7:48	6:48	5:48	4:48	3:48	2:48	1:48	12:48	11:48	10:48
Santa Ana (P. E. Station)	8:50	7:50	6:50	5:50	4:50	3:50	2:50	1:50	12:50	11:50	10:50	9:50	8:50	7:50	6:50	5:50	4:50	3:50	2:50	1:50	12:50	11:50	10:50
Santa Ana (S. P. Station)	8:52	7:52	6:52	5:52	4:52	3:52	2:52	1:52	12:52	11:52	10:52	9:52	8:52	7:52	6:52	5:52	4:52	3:52	2:52	1:52	12:52	11:52	10:52

## SANTA ANA TO LOS ANGELES

STATIONS	AM	AM	AM	AM	AM	AM	AM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	AM	
Santa Ana (S. P. Station)	8:52	7:52	6:52	5:52	4:52	3:52	2:52	1:52	12:52	11:52	10:52	9:52	8:52	7:52	6:52	5:52	4:52	3:52	2:52	1:52	12:52	11:52	10:52
Santa Ana (P. E. Station)	8:54	7:54	6:54	5:54	4:54	3:54	2:54	1:54	12:54	11:54	10:54	9:54	8:54	7:54	6:54	5:54	4:54	3:54	2:54	1:54	12:54	11:54	10:54
West Santa Ana	8:56	7:56	6:56	5:56	4:56	3:56	2:56	1:56	12:56	11:56	10:56	9:56	8:56	7:56	6:56	5:56	4:56	3:56	2:56	1:56	12:56	11:56	10:56
Garden Grove Station	8:58	7:58	6:58	5:58	4:58	3:58	2:58	1:58	12:58	11:58	10:58	9:58	8:58	7:58	6:58	5:58	4:58	3:58	2:58	1:58	12:58	11:58	10:58
Stanton	9:00	8:00	7:00	6:00	5:00	4:00	3:00	2:00	1:00	12:00	11:00	10:00	9:00	8:00	7:00	6:00	5:00	4:00	3:00	2:00	1:00	12:00	11:00
Cypress	9:02	8:02	7:02	6:02	5:02	4:02	3:02	2:02	1:02	12:02	11:02	10:02	9:02	8:02	7:02	6:02	5:02	4:02	3:02	2:02	1:02	12:02	11:02
Artesia	9:04	8:04	7:04	6:04	5:04	4:04	3:04	2:04	1:04	12:04	11:04	10:04	9:04	8:04	7:04	6:04	5:04	4:04	3:04	2:04	1:04	12:04	11:04
Bellflower Station	9:06	8:06	7:06	6:06	5:06	4:06	3:06	2:06	1:06	12:06	11:06	10:06	9:06	8:06	7:06	6:06	5:06	4:06	3:06	2:06	1:06	12:06	11:06
West Bellflower (Lakewood)	9:08	8:08	7:08	6:08	5:08	4:08	3:08	2:08	1:08	12:08	11:08	10:08	9:08	8:08	7:08	6:08	5:08	4:08	3:08	2:08	1:08	12:08	11:08
Clearwater	9:10	8:10	7:10	6:10	5:10	4:10	3:10	2:10	1:10	12:10	11:10	10:10	9:10	8:10	7:10	6:10	5:10	4:10	3:10	2:10	1:10	12:10	11:10
Lynwood Station	9:12	8:12	7:12	6:12	5:12	4:12	3:12	2:12	1:12	12:12	11:12	10:12	9:12	8:12	7:12	6:12	5:12	4:12	3:12	2:12	1:12	12:12	11:12
Watts	9:14	8:14	7:14	6:14	5:14	4:14	3:14	2:14	1:14	12:14	11:14	10:14	9:14	8:14	7:14	6:14	5:14	4:14	3:14	2:14	1:14	12:14	11:14
Stanton Junction	9:16	8:16	7:16	6:16	5:16	4:16	3:16	2:16	1:16	12:16	11:16	10:16	9:16	8:16	7:16	6:16	5:16	4:16	3:16	2:16	1:16	12:16	11:16
Vernon Avenue	9:18	8:18	7:18	6:18	5:18	4:18	3:18	2:18	1:18	12:18	11:18	10:18	9:18	8:18	7:18	6:18	5:18	4:18	3:18	2:18	1:18	12:18	11:18
Los Angeles (Main St. Station)	9:20	8:20	7:20	6:20	5:20	4:20	3:20	2:20	1:20	12:20	11:20	10:20	9:20	8:20	7:20	6:20	5:20	4:20	3:20	2:20	1:20	12:20	11:20

B--To Bellflower only

**EFFECTIVE APRIL 18, 1943**

TIME  
TABLE  
**5**

**PACIFIC  
RAIL  
SERVICE**

LOS ANGELES TERMINAL  
Main St. Station, 510 So. Main St.

### SANTA ANA LINE

Between Los Angeles and

Watts  
Lynwood  
Bellflower  
Artesia

Cypress  
Stanton  
Garden Grove  
Santa Ana

Subject to Change Without Notice

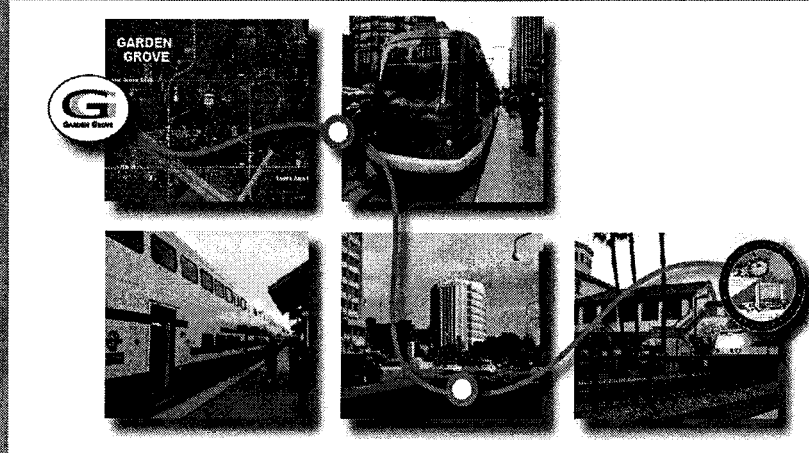
#### AGENTS

LOS ANGELES—Main St. Station, 510 So. Main St., Phone YU 7772.  
 WATTS—1885 East 187th St., Phone LA 1778.  
 LYWOOD—1483 Long Beach Blvd., Phone NE 1-3728.  
 BELLFLOWER—262 So. Bellflower Ave., Phone 7281.  
 GARDEN GROVE—Garden Grove Blvd. and 14th St., Phone 417.  
 SANTA ANA—189 East 4th St., Phone 27.  
 Schedule 5-9 10M-8-17-43

H O MARLER  
 Passenger Traffic Manager  
 Los Angeles

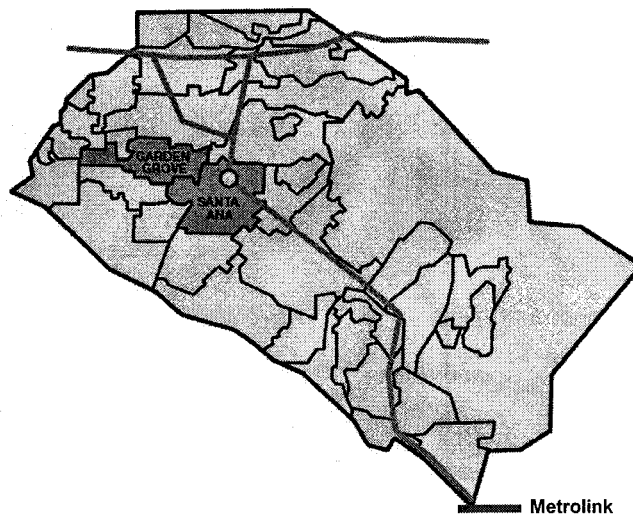


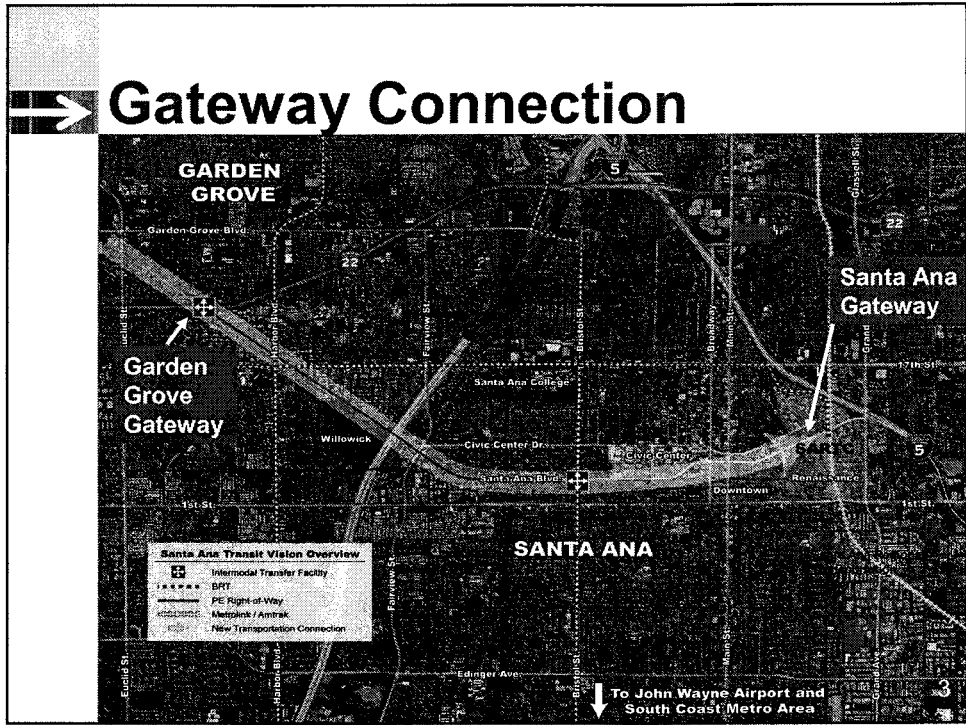
## Cities of Santa Ana and Garden Grove Transit Vision and Go Local Project Concept



*Santa Ana &  
Garden Grove Connect!*

## Go Local Program Partnership Santa Ana & Garden Grove





## → Go Local Project Concept

**Fixed Guideway:  
Modern Streetcar**



**Station Enhancements:  
Santa Ana Regional  
Transportation Center  
(SARTC) Expansion**



**Multi-Modal Use of  
Pacific Electric (PE)  
Right-of-Way**





## Fixed Guideway

### Modern Streetcar

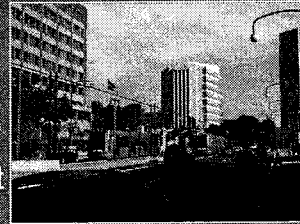
Metrolink  
SARTC

Downtown  
Civic Center

Garden Grove  
PE Right-of-Way/SR-22



- Extends Metrolink into Central Orange County
- Creates New 5-Mile Transportation Corridor
- Connects Directly to Santa Ana Civic Center
- Built Entirely Within Public Right-of-Way
- Links Garden Grove to Metrolink
- Connects with Bristol & Harbor Bus Rapid Transit
- Promotes Economic Development



5

## Station Improvements

### Santa Ana Regional Transportation Center Expansion

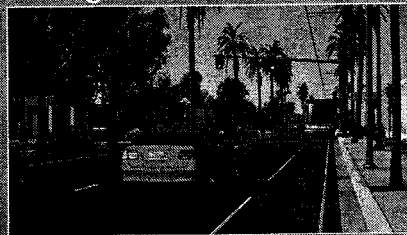


- Accommodates Metrolink Enhancements
- Integrates Streetcar Station
- Provides Bus Rapid Transit Facilities
- Expands Parking at Station
- Separates Santa Ana Blvd. from Tracks
- Facilitates Transit Oriented Development

6

## Multi-Modal Use of Pacific Electric Right-of-Way

- Maximizes Use of Public Right-of-Way
- Accommodates Expanded Multi-Modal Network
  - Streetcar
  - Bus Rapid Transit
  - Autos
  - Bikes
  - Pedestrians
- Improves Aesthetics of Existing Corridor
- Promotes Opportunities for Economic Development



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## Multi-Modal Use of Pacific Electric Right-of-Way

(continued)



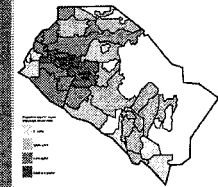
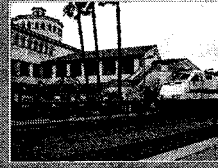
- Relieves Congestion at Orange Crush Interchange
- Opens Access to Garden Grove & Central Santa Ana
- Creates New Link in Orange County's Transportation System

8

## Why it Works

### Ridership Generation Potential

- Growing Rail Ridership
- High Existing Transit Ridership
- High Population & Employment Density
- Strong Travel Patterns
- Key Activity Centers
- Local & Regional Connections
- Access & Capacity Improvements
- Supporting Land Use, Plans & Policies



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## Santa Ana & Garden Grove

### Connect!

#### Summary

- Extends Reach of Metrolink to Central Orange County
- Promotes Metrolink & Transit System Ridership
- Builds on Existing SARTC Inter-modal Transportation Hub
- Links Key Activity/Employment Centers to Commuter Rail
- Offers Creative & Cost-Effective Use of Existing Public Right-of-Way
- Supports Planned Transit-Oriented Development

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# Santa Ana & Garden Grove Connect!

