

Date: Friday, May 22, 2009

Time: 9:00 a.m.

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



BOARD AGENDA

Orange County Transportation Authority Board Meeting
Orange County Transportation Authority Headquarters
First Floor - Room 154
600 South Main Street, Orange, California
Friday, May 22, 2009, at 9:00 a.m.

ACTIONS

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

Agenda Descriptions

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

Public Comments on Agenda Items

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

Public Availability of Agenda Materials

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

Call to Order

Invocation

Director Cavecche

Pledge of Allegiance

Chairman Buffa



BOARD AGENDA

ACTIONS

Special Matters

1. Presentation of Resolutions of Appreciation for Employees of the Month for May 2009

Present Orange County Transportation Authority Resolutions of Appreciation Nos. 2009-023, 2009-024, 2009-025 to Jack Huggett, Coach Operator; Miguel Madrigal, Maintenance; and Cindy Robles, Administration, as Employees of the Month for May 2009.

2. Public Hearing on Potential Bus Service Reductions
Scott Holmes/Beth McCormick

Overview

The purpose of the May 22, 2009, public hearing is to receive public comment and input regarding potential service reductions required in fiscal year 2009-10 starting with the September 2009 service change program. The reductions are needed to respond to a projected \$33 million shortfall in revenues supporting bus operations.

Recommendation

Direct staff to return to the Board of Directors on June 8, 2009, with results of the public hearing and staff recommendations.

Consent Calendar (Items 3 through 20)

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

Orange County Transportation Authority Consent Calendar Matters

3. Approval of Minutes - Special Meeting

Of the Orange County Transportation Authority and affiliated agencies' special meeting of May 11, 2009.



BOARD AGENDA

ACTIONS

4. Approval of Minutes - Regular Meeting

Of the Orange County Transportation Authority and affiliated agencies' regular meeting of May 11, 2009.

5. Approval of Board Member Travel

Approval is requested for Chairman Buffa to travel to Miami, FL, May 25-27, 2009, for discussions on goods movement and transportation reauthorization; Chairman Buffa, Vice Chair Amante, and Director Campbell to travel to New York, NY, in June 2009 to participate in the Annual Rating Agency Trip; Director Brown to travel to Chicago, IL, from June 13-18, 2009, to attend the American Public Transportation Association (APTA) Rail Conference;

6. State Legislative Status Report

Kristin Essner/P. Sue Zuhlke

Overview

A set of principles is recommended for consideration when analyzing proposed mechanisms to stabilize transit funding at the state and federal level.

Recommendation

Approve a set of principles that should be considered in evaluating potential mechanisms to secure existing transit funding sources and proposed new sources of transit funding at the state and federal levels.

7. Federal Legislative Status Report

Richard J. Bacigalupo

Overview

This Federal Legislative Status Report seeks support of a bill to extend the availability of the federal fuel excise tax credit program for the use of certain alternative fuels and provides information regarding the status of the federal budget process.



BOARD AGENDA

ACTIONS

7. (Continued)

Recommendation

Support the continuation of the fuel excise tax credit first made available in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users for compressed natural gas and liquefied natural gas, beyond the current expiration of the credit on December 31, 2009.

8. **2009 Commuter Bikeways Strategic Plan Final Draft**

Gregory Nord/Kia Mortazavi

Overview

The 2009 Commuter Bikeways Strategic Plan serves as a roadmap and a resource to Orange County's 35 local agencies for coordinating bikeway development efforts. It also provides direction regarding the roles and responsibilities of the Orange County Transportation Authority in the planning and implementation of bikeways. The final draft of the 2009 Commuter Bikeways Strategic Plan is presented for Board of Directors' review and approval.

Recommendation

Approve the 2009 Commuter Bikeways Strategic Plan.

9. **Credit Card Clearinghouse Services**

Rodney Johnson/Kenneth Phipps

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2008-09 Budget, the Board of Directors approved the procurement of a service provider to perform credit card clearinghouse services for the 91 Express Lanes and bus pass sales. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board of Directors' approval is requested to execute an agreement.



BOARD AGENDA

ACTIONS

9. (Continued)

Recommendation

Authorize the Interim Chief Executive Officer to execute Agreement No. C-9-0201, for a term of three-years plus two additional one-year option terms, between the Orange County Transportation Authority and Bank of America Merchant Services. The agreement is for electronically processing and authorizing the 91 Express Lanes' and bus pass sales' credit card transactions on a daily basis and settling the accounts into the Orange County Transportation Authority's designated bank account, currently at the Bank of the West, in a secure and timely manner.

10. **Fiscal Year 2008-09 Internal Audit Plan, Third Quarter Update**

Kathleen M. O'Connell

Overview

The Orange County Transportation Authority Board of Directors adopted the Orange County Transportation Authority Internal Audit Department Fiscal Year 2008-09 Internal Audit Plan on August 13, 2008. This update is for the third quarter of the fiscal year.

Recommendation

Receive and file the third quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2008-09 Internal Audit Plan.

Orange County Local Transportation Authority Consent Calendar Matters

11. **Adoption of Guiding Principles for High-Speed Rail Funding**

Darrell E. Johnson

Overview

With the passage of Proposition 1A by California voters in November 2008 and the signing of the American Recovery and Reinvestment Act in February 2009, significant funding has been made available for the development of high-speed rail corridors in California. Staff is presenting a set of guiding principles for high-speed rail funding for consideration by the Board of Directors.



BOARD AGENDA

ACTIONS

11. (Continued)

Recommendation

Adopt the guiding principles for the high-speed rail funding made available under the American Recovery and Reinvestment Act of 2009.

12. **Cooperative Agreement with the City of Fullerton for Go Local Step Two Bus/Shuttle Service Planning**

Kelly Long/Darrell E. Johnson

Overview

The Orange County Transportation Authority Board of Directors has approved 27 bus/shuttle proposals submitted under Go Local Step One to be advanced to Step Two. As part of Step Two, each bus/shuttle proposal will undergo detailed service planning. Cooperative agreements are needed to outline roles and responsibilities for the Step Two service planning effort. A cooperative agreement with the City of Fullerton for service planning of the city's bus/shuttle proposal is presented for review and approval.

Recommendation

Authorize the Interim Chief Executive Officer to execute Cooperative Agreement No. C-9-0307 between the Orange County Transportation Authority and the City of Fullerton to define each party's roles and responsibilities for service planning of the bus/shuttle proposal entitled, "California State University Fullerton Streetcar."



BOARD AGENDA

ACTIONS

13. **Selection of a Consultant for Preparation of a Project Study Report/Project Development Support for the Santa Ana Freeway (Interstate 5)/Avenida Pico Interchange**
Dan Phu/Kia Mortazavi

Overview

Renewed Measure M includes a project to update and improve local interchanges on the Santa Ana Freeway (Interstate 5) including the Avenida Pico interchange. Proposals and statements of qualifications for the preparation of a project study report/project development support document were solicited in accordance with the Orange County Transportation Authority's procurement procedures for the retention of consultants to perform architectural and engineering work.

Recommendations

- A. Select RMC, Inc., as the highest qualified firm to prepare the project study report for the Santa Ana Freeway (Interstate 5)/Avenida Pico interchange improvements.
- B. Authorize the Interim Chief Executive Officer to request a cost proposal from RMC, Inc., and negotiate an agreement for services.
- C. Authorize the Interim Chief Executive Officer to execute the final agreement.

Orange County Transit District Consent Calendar Matters

14. **Amendment to Agreement for Coach Operator, Operations Instructor, and Field Supervisor Uniforms**
Jorge Duran/Beth McCormick

Overview

On May 29, 2007, the Board of Directors approved a two-year agreement with three one-year option terms with Galls, an ARAMARK Company, LLC, in the amount of \$780,259, to provide uniforms for coach operators, operations instructors, and field supervisors. Galls, an ARAMARK Company, LLC, was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional services. An amendment is requested to exercise the first option term of the agreement.



BOARD AGENDA

ACTIONS

14. (Continued)

Recommendation

Authorize the Interim Chief Executive Officer to execute Amendment No. 2 to Agreement No. C-7-0614 between the Orange County Transportation Authority and Galls, An ARAMARK Company, LLC, to exercise the first option year, in an amount not to exceed \$307,166, for the provision of coach operator, operations instructor, and field supervisor uniforms through June 30, 2010, for a total contract amount of \$1,087,425.

15. **Cooperative Agreement with the City of Irvine Regarding iShuttle Vehicles**

Jorge Duran/Beth McCormick

Overview

With the termination of the CenterLine project, a substitute Transportation Control Measure package was approved by the Orange County Transportation Authority's Board of Directors in 2005. This package included the Irvine Business Complex shuttle, which included a commitment to fund capital equipment required for this project. A cooperative agreement with the City of Irvine has been developed to fulfill this commitment.

Recommendation

Authorize the Interim Chief Executive Officer to approve Cooperative Agreement No. C-9-0364 with the City of Irvine for consignment of 12, 27-foot compressed natural gas buses for the operation of the Irvine Business Complex shuttle.

16. **ACCESS Performance Measurements Update**

Curt Burlingame/Beth McCormick

Overview

At the January 22, 2009, meeting, the Transit Committee directed staff to provide quarterly updates regarding ACCESS service provided by Veolia Transportation Services, Inc. This report provides ACCESS performance measurement data for the three-month period from January 2009 through March 2009.



BOARD AGENDA

ACTIONS

16. (Continued)

Recommendation

Receive and file as an information item.

17. **Cooperative Agreements with the City of Laguna Beach for the Pass-Through of Local Funds for the Continued Operation of Public Transit Services**

Amanda Dorado/Kenneth Phipps

Overview

The Orange County Transportation Authority is a recipient of Federal Transit Administration Section 5307 Formula Capital Funds, American Recovery and Reinvestment Act Formula Funds, State Transit Assistance Funds, and Proposition 1B Funds. The City of Laguna Beach and its municipally-owned Laguna Beach Municipal Transit Lines are eligible to receive federal funds apportioned by Congress, and state funds which are subject to availability and appropriated by the State Legislature each year. Authorization is requested to file and execute cooperative agreements with the City of Laguna Beach for a pass through of local funds for the continued operation of public transit services in exchange for the Orange County Transportation Authority's use of the above described fund sources.

Recommendations

- A. Authorize the Interim Chief Executive Officer to execute Cooperative Agreement No. C-7-1197 between the Orange County Transportation Authority and the City of Laguna Beach, concerning federal funds in an amount not to exceed \$1,105,000, for the next five years commencing fiscal year 2008-09. These funds provide public transit services and operating assistance and are subject to the availability of federal funds.
- B. Authorize the Interim Chief Executive Officer to execute Cooperative Agreement No. C-7-1198 between the Orange County Transportation Authority and the City of Laguna Beach, concerning state funds in an amount not to exceed \$1,250,000, for the next five years commencing fiscal year 2008-09. These funds provide public transit services and operating assistance and are subject to the availability of state funds.



BOARD AGENDA

ACTIONS

18. Agreements for Printing Services for Bus Public Information
Stella Lin/Ellen S. Burton

Overview

The Orange County Transportation Authority provides bus service information through both printed materials and online. Printed materials include bus books, system maps and individual line timetables. Printing services are needed for the four bus service changes each year.

Recommendations

- A. Authorize the Interim Chief Executive Officer to execute Agreement No. C-8-1398 between the Orange County Transportation Authority and Clearwater Graphics, Inc., in an amount not to exceed \$290,000, for the initial term, with two one-year option terms, for printing, packaging and delivering the bus book through June 30, 2010.
- B. Authorize the Interim Chief Executive Officer to execute Amendment to Agreement No. C-8-0813 between the Orange County Transportation Authority and Pacific Litho, Inc., in an amount not to exceed \$130,000, for printing individual line timetables, bus system maps and service change communication materials through June 30, 2010.

19. Amendments to Agreements for Rideshare Database and Program Support Services
Stella Lin/Ellen S. Burton

Overview

As part of the regional rideshare program, the Orange County Transportation Authority Board of Directors has authorized agreements with the Riverside County Transportation Commission to provide software database services and with Inland Transportation Services to process carpool match lists, provide employer transportation information, and develop average vehicle ridership surveys.



BOARD AGENDA

ACTIONS

19. (Continued)

Recommendations

- A. Authorize the Interim Chief Executive Officer to execute Amendment No. 1 to Cooperative Agreement No. C-6-0678 between the Orange County Transportation Authority and the Riverside County Transportation Commission, in an amount not to exceed \$84,500, for rideshare support services from July 1, 2009 through June 30, 2010. This increases the total maximum cumulative contract obligation amount to \$311,998. This action is contingent upon approval of the Orange County Transportation Authority Fiscal Year 2009-10 Budget.

- B. Authorize the Interim Chief Executive Officer to execute Amendment No. 4 to Agreement No. C-6-0344 with Inland Transportation Services, in an amount not to exceed \$117,000, to process carpool match lists and develop employer transportation average vehicle ridership surveys to provide viable transportation information. This increases the total maximum cumulative contract obligation amount to \$447,000 for Inland Transportation Services. This action is contingent upon approval of the Orange County Transportation Authority Fiscal Year 2009-10 Budget.

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

Overview

The Customer Relations report is submitted to the Orange County Transportation Authority Board of Directors on a quarterly basis. The report provides an overview of customer communications received during the prior period of January through March 2009, as well as a review of the performance of Alta Resources, the contracted provider of the Customer Information Center.

Recommendation

Receive and file as an information item.



BOARD AGENDA

ACTIONS

Regular Calendar

Orange County Local Transportation Authority Regular Calendar Matters

21. **Funding Agreement Between the Orange County Transportation Authority and the City of Anaheim for Phase I of the Anaheim Regional Transportation Intermodal Center Project**
Abbe McClenahan/Kia Mortazavi

Overview

In April 2009, the Board of Directors approved the full funding plan for Phase I of the Anaheim Regional Transportation Intermodal Center Project and directed staff to return with a funding cooperative agreement. An agreement is presented for Board of Directors' review and approval.

Recommendation

Authorize the Interim Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-9-0448 with the City of Anaheim for Phase I of the Anaheim Regional Transportation Intermodal Center Project subject to approval by the California Transportation Commission and Renewed Measure M eligibility approval.

Discussion Items

22. **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.



BOARD AGENDA

ACTIONS

23. Interim Chief Executive Officer's Report

24. Directors' Reports

25. Closed Session

- A. Pursuant to Government Code Section 54957 to consider the appointment of a Chief Executive Officer.
- B. Pursuant to Government Code Section 54957.6, meet with designated representatives Chairman Buffa, Vice Chairman Amante, and Directors Campbell, Cavecche, Pringle, and Winterbottom to discuss the compensation of the Chief Executive Officer.

26. Consideration of Appointment of a Chief Executive Officer
Chairman Buffa

27. Adjournment

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, June 8, 2009**, at the OCTA Headquarters.



ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

JACK HUGGETT

WHEREAS, the Orange County Transportation Authority recognizes and commends Jack Huggett; and

WHEREAS, let it be known that Jack Huggett has earned a 30 year Safe Driving Award, and has been with the Authority since October 3, 1977. He has distinguished himself by maintaining an outstanding record for safety, attendance and customer relations; and

WHEREAS, Jack's dedication to his duties and desire to excel are duly noted, and he is recognized as an outstanding Authority employee who has consistently demonstrated a level of professionalism that is the embodiment of the Authority's core values; and

WHEREAS, be it known that Jack Huggett takes great pride in his driving skills and demonstrates true professionalism in his overall performance as an OCTA Coach Operator.

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Jack Huggett as the Orange County Transportation Authority Coach Operator Employee of the Month for May, 2009; and

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

Dated: May 22, 2009

Peter Buffa, Chairman
Orange County Transportation Authority

James S. Kenan, Interim CEO
Orange County Transportation Authority





ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

MIGUEL MADRIGAL

WHEREAS, the Orange County Transportation Authority recognizes and commends Miguel Madrigal; and

WHEREAS, be it known that Miguel is a valued member of the Maintenance Department. Miguel is proficient in all areas of bus vehicle trouble shooting and repair especially electrical systems and computerized controls; and

WHEREAS, be it known that Miguel is a principal player in our Maintenance Department with his innovative contributions, service and commitment. Miguel's high degree of technical expertise allowed his base to efficiently keep track with the Cummins Repower; and

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

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Miguel Madrigal as the Orange County Transportation Authority Maintenance Employee of the Month for May, 2009; and

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

Dated: May 22, 2009

Peter Buffa, Chairman
Orange County Transportation Authority

James S. Kenan, Interim CEO
Orange County Transportation Authority

OCTA Resolution No. 2009-024





ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

CINDY ROBLES

WHEREAS, the Orange County Transportation Authority recognizes and commends Cindy Robles; and

WHEREAS, be it known that Cindy Robles has been a principal player in our Maintenance Department and the Maintenance Resource Management Section who has performed her duties in an outstanding manner, demonstrating the highest level of integrity and professionalism in her commitment to the new Kronos Timekeeping and Attendance Tracking System; and

WHEREAS, Cindy has put in unbelievable efforts with regards to the Kronos transition. She has kept both the ETOS/ETA system running parallel with the Kronos system, maintaining both systems to ensure accuracy before turning off ETOS/ETA; and

WHEREAS, be it known that Cindy Robles has taken the lead role in registering all 300 union employees and coordinating training classes for all Maintenance Supervisors; and

WHEREAS, Cindy's dedication to her duties and desire to excel are duly noted, and she is recognized as an outstanding Authority employee..

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Cindy Robles as the Orange County Transportation Authority Administration Employee of the Month for May, 2009; and

BE IT FURTHER RESOLVED that the Orange County Transportation Authority Board of Directors recognizes Cindy Robles' valued service to the Authority.

Dated: May 22, 2009

Peter Buffa, Chairman
Orange County Transportation Authority

James S. Kenan, Interim CEO
Orange County Transportation Authority


OCTA Resolution No. 2009-025





May 22, 2009

To: Members of the Board of Directors

From:  James S. Kenan, Interim Chief Executive Officer

Subject: Public Hearing on Potential Bus Service Reductions

Overview

The purpose of the May 22, 2009, public hearing is to receive public comment and input regarding potential service reductions required in fiscal year 2009-10 starting with the September 2009 service change program. The reductions are needed to respond to a projected \$33 million shortfall in revenues supporting bus operations.

Recommendation

Direct staff to return to the Board of Directors on June 8, 2009, with results of the public hearing and staff recommendations.

Background

Bus service reductions in fiscal year 2009-10 are required due to the suspension of State Transit Assistance (STA) funds, and a major reduction in Transportation Development Act (TDA) sales tax revenue. Combined these reductions create a projected \$33 million shortfall in annual operating revenues of the Orange County Transportation Authority (OCTA) funding for bus operations. In order to balance operating expenses with available revenues, OCTA must reduce service levels starting with the September 2009 service change program.

Discussion

During the first quarter of fiscal year 2008-09, it became clear that institutional forecasts used to develop OCTA budget plans were overly optimistic. Declining sales tax revenues cut TDA funds and the deepening economic decline worsened the state budget crisis. In response, the state enacted a severe cut in STA financial support for public transit operators. Worse, as part of the

budget plan cobbled together in the fall, the state decided to suspend bus operations subsidies from the STA fund for the next five years.

In response to the actions taken by the state and declining local revenues, staff took action to begin a phased reduction in service to address the estimated operating shortfall forecast for the remainder of the current fiscal year. Three bus service reduction programs were developed for implementation in December 2008, March 2009, and June 2009. Totalling approximately 133,000 annual revenue vehicle hours, the three programs reduced annual service levels by about 7 percent from the July 2008 base of 1,927,000 annual revenue vehicle hours, saving an estimated \$11 million annually.

Staff briefed the Board of Directors (Board), the Citizens Advisory Committee, the Special Needs in Transit Advisory Committee, and conducted a customer roundtable regarding the reduction programs. The reductions through June 2009 have not required a public hearing as the individual line specific changes did not exceed thresholds set by the Board and the Federal Transit Administration (FTA).

Despite the reductions in service planned through June 2009, a fare increase implemented in January 2009, and \$76 million in federal stimulus funds redirected to support bus operations, the budget forecast for fiscal year 2009-10 projects revenues well under that needed to support the service base of 1,794,000 annual revenue vehicle hours the OCTA will start on July 1, 2009. Additional reductions in bus service of up to 22 percent will be needed to address a projected \$33 million operating revenue shortfall.

In response, the Board directed staff to develop the necessary service reduction plans to address the projected shortfall. The Board directed that reductions be spread over the four service change programs scheduled for fiscal year 2009-10.

Given the potential magnitude of the service changes required to close the revenue gap, a public hearing is required per Board policy (Attachment A).

Proposed September 2009 Bus Service Reduction Program

As the first step addressing the shortfall, it is proposed that service be reduced by approximately 100,000 annual revenue vehicle hours as part of the September 2009 service change program. This would be the first in a series of four reduction programs that collectively would yield a savings of approximately \$33 million in annual operating costs and up to 400,000 annual revenue vehicle hours of service.

The proposed program for September 2009 involves modifying the schedules of 22 OCTA bus routes on either weekdays, Saturday, and/or Sunday. Weekday changes are proposed for 17 bus routes; Saturday changes involve eight bus routes; and Sunday changes would be made to nine bus routes.

As shown in Attachment B, the service change proposals involve five strategies including: 1) making service less frequent on 11 routes; 2) reducing selected trips on eight routes; 3) reducing the length of the service day on four routes; 4) discontinuing Night Owl service on four routes; and 5) implementing intermediate or short-line terminals on two routes. Combined, the service reduction strategies would yield an estimated savings of approximately 100,000 annual revenue vehicle hours. At an estimated cost of approximately \$85 an hour, the annual savings would total approximately \$8.5 million.

Attachment C shows the bus routes proposed to be addressed in September 2009. While the amount of service operated by the 22 routes would be reduced, all OCTA weekday and weekend bus routes are proposed to remain in operation as part of the service reduction proposal.

Attachment D details the proposed service reduction techniques to be used for each of the 22 bus routes included in the proposed service reduction program. Details include the specific day of week targeted, the estimated annual revenue vehicle hour savings, a description of the change, an estimate of the number of riders affected by the proposed change, and the potential ACCESS rider impact.

The service reduction strategies applied are the same as those used in the December 2008, March 2009, and June 2009 programs, with the exception of the proposal to discontinue Night Owl service.

Community Outreach

OCTA staff have met with stakeholders to discuss and receive input on the service reduction strategies that can be applied, as well as the specific proposals comprising the September 2009 service reduction program. A roundtable with OCTA's Customer Information Center was conducted in April, and a meeting was conducted with the Citizens Advisory and the Special Needs in Transit Advisory committees at a special joint meeting on May 6. On May 12, staff briefed state and federal district staff. Additionally, OCTA hosted three community meetings on May 12, 13, and 14, in the cities of Anaheim, Orange, and Laguna Hills respectively, seeking rider input on the reduction program and strategies.

Other outreach efforts included a survey seeking rider input on the service reduction strategies. The survey was included in both the brochure notifying riders of the May 22 public hearing, and the OCTA's website where detailed information regarding the proposed September 2009 service changes is presented.

A Notice of Public Hearing (Attachment E) was advertised in Orange County newspapers on April 17, 2009. Notices regarding the public hearing were conveyed to public officials, colleges, and universities. Information regarding the public hearing was distributed on board OCTA buses as well.

Environmental Compliance

Public Resources Code Section 21080.32 provides actions that reduce or eliminate the availability of an existing publicly owned transit service, facility, program, or activity is exempt from review under the California Environmental Quality Act when the publicly-owned transit agency has made a finding that there is a fiscal emergency caused by the failure of agency revenues to adequately fund agency programs and facilities. For these purposes, as defined by Public Resources Code Section 21080.32, subdivision (d)(2), a "fiscal emergency" exists where the publicly-owned transit agency is projected to have negative working capital within one year from the date that the agency makes a finding that there is a fiscal emergency.

As discussed, the proposed service reductions are necessary because the State of California has suspended STA funds and there has been a significant reduction in TDA sales tax revenue. Adding together all unrestricted cash, unrestricted short-term investments, and unrestricted short-term accounts receivable and then subtracting unrestricted accounts payable, as specified by Public Resources Code Section 21080.32, subdivision (d)(2), OCTA is projected to have negative working capital within one year. Pursuant to Public Resources Code Section 21080.32, subdivision (d)(2), employee retirement funds, including Internal Revenue Code Section 457 deferred compensation plans and Section 401(k) plans, health insurance reserves, bond-payment reserves, workers' compensation reserves, and insurance reserves were not factored into the formula for working capital. OCTA has determined that a fiscal emergency exists pursuant to Public Resources Code Section 21080.32 caused by the failure of agency revenues to adequately fund agency programs and facilities. The analysis of working capital for fiscal year 2009-10 is outlined in Attachment F.

OCTA has scheduled a public hearing to be held on May 22, 2009, to consider the proposed reductions in service and the existing fiscal emergency as required by Public Resources Code Section 21080.32, subdivision (d)(1). Responses to suggestions made by the public at the hearing on May 22, 2009, shall be made by OCTA staff at the meeting of the Board on June 8, 2009.

Summary

A \$33 million bus operating revenue shortfall projected for fiscal year 2009-10 requires that bus service be reduced by up to 400,000 annual revenue vehicle hours. As the first step in this process, staff proposes reducing bus service by approximately 100,000 annual revenue vehicle hours effective with the September 2009 service change program. If adopted, the program would save approximately \$8.5 million annually.

Attachments

- A. Public Hearing Process for Service and Fare Changes Policy
- B. Proposed Service Reduction Strategies for September 2009
- C. Proposed Service Reduction Strategies for September 2009 by Route
- D. September 2009 Service Reduction Program Estimated Resource and Passenger Impacts
- E. OCTA Notice of Public Hearing
- F. Orange County Transportation Authority Bus Operations Cash Flow Statement

Prepared by:


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

Approved by:


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



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

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 Service Reduction Strategies for September 2009

STRATEGY	ESTIMATED ANNUAL SERVICE HOURS SAVED
Less frequency on 11 lines	37,650 hours
Selected trip reductions on 8 lines	24,700 hours
Reduction in length of service day on 4 lines	12,400 hours
Discontinuation of all Owl service on 4 lines	20,000 hours
Short-Line trip implementation on 2 lines	5,250 hours
Estimated Total Revenue Vehicle Hour Reduction	100,000 hours

PROPOSED SEPTEMBER 2009 SERVICE CHANGE

LINE		DAYS	DESCRIPTION
FREQUENCY REDUCTION - Increase interval between buses			
26	YORBA LINDA BOULEVARD / COMMONWEALTH AVENUE	MON - FRI	Morning and afternoon peak hours
29	BEACH BOULEVARD	MON - FRI	Increase from 15 to 18 minutes south of Artesia Increase from 45 to 54 minutes north of Artesia
33	MAGNOLIA STREET	SUNDAY	Increase from 60 to 65 minutes
38	LA PALMA AVENUE	SUNDAY	Increase from 30 to 45 minutes
43	HARBOR BOULEVARD	MON - FRI	Increase from 10 to 15 minutes during peak hours
		SAT/SUN	Increase from 15 to 18 minutes south of Fullerton Transportation Center Increase from 45 to 54 minutes north of Fullerton Transportation Center
55	SANTA ANA-COSTA MESA-NEWPORT CENTER	MON - FRI	Increase from 15-20 to 18-22 minutes
72	WARNER AVENUE	SATURDAY	Increase from 45 to 60 minutes
83	LAGUNA HILLS-DISNEYLAND	MON - FRI	Increase from 10 to 15 minutes during peak hours Increase from 15-25 to 20-30 minutes evenings
		SUNDAY	Increase from 30 to 45 minutes south of Santa Ana Decrease from 60 to 45 minutes north of Santa Ana
85	CROWN VALLEY PKWY / MARGUERITE PKWY	MON - FRI	Increase from 30 to 35 minutes
89	LAGUNA CANYON ROAD / EL TORO ROAD	MON - FRI	Increase from 30 to 40 minutes
91	PASEO DE VALENCIA / CAMINO CAPISTRANO	MON - FRI	Increase from 30 to 35 minutes
SELECTED TRIP REDUCTIONS - Some trips eliminated			
21	VALLEY VIEW STREET	MON - FRI	Cut trips in early AM & PM
37	EUCLID STREET	MON - FRI	Cut trips in late evening
46	BALL ROAD	SUNDAY	Cut last eastbound trip
56	GARDEN GROVE BOULEVARD	MON - FRI	Cut trips in early AM & PM
83	LAGUNA HILLS-DISNEYLAND	SATURDAY	Cut trips during selected PM hours
85	CROWN VALLEY / MARGUERITE PARKWAYS	MON - FRI	Cut trips throughout the day
187	LAGUNA HILLS-LAGUNA NIGUEL-DANA POINT	MON - FRI	Cut trips in AM peak hours
721	FULLERTON PARK AND RIDE-LOS ANGELES	MON - FRI	Cut trips in AM & PM peak hours
SERVICE HOURS REDUCTIONS			
Service may start later in the morning or end earlier in the evening			
38	LA PALMA AVENUE	MON - FRI	Trips start later and end earlier
54	CHAPMAN AVENUE	SATURDAY	Eastbound trips end earlier
76	TALBERT AVENUE / MACARTHUR BOULEVARD	MON - FRI	Westbound trips end earlier
83	LAGUNA HILLS-DISNEYLAND	SUNDAY	Trips start later and end earlier
DISCONTINUATION OF NIGHT OWL SERVICE - About midnight to 4:00 AM			
43	HARBOR BOULEVARD	EVERYDAY	No Owl service
50	KATELLA AVENUE	EVERYDAY	No Owl service
57	BRISTOL STREET / STATE COLLEGE BOULEVARD	EVERYDAY	No Owl service
60	17TH STREET/WESTMINSTER AVENUE	EVERYDAY	No Owl service
PARTIAL ROUTE ELIMINATION ON SOME TRIPS			
50	KATELLA AVENUE	EVERYDAY	No service westbound to Long Beach on some trips (Westbound at Bloomfield)
56	GARDEN GROVE BOULEVARD	MON - FRI	No service west of Beach Blvd. on some trips (Transportation Center to Beach)

SEPTEMBER 2009 PROPOSED SERVICE REDUCTION PROGRAM

Estimated Resource and Passenger Impacts

LINE	DAY OF WEEK	ANNUALIZED	PROPOSED CHANGE	PASSENGER		NOTES	ACCESS IMPACT
		REVENUE VEHICLE HOURS REDUCTIONS		IMPACT*			
20	Weekday	2,920	Headway 60" to 95"	404 daily		Approximately 404 daily riders will see frequency reduced from 60" to 95"	
21	Weekday	320	Delete last Southbound trip:				
21			810pm Southbound (span)	10		Approximately 10 daily riders will need to take an earlier trip	Yes
26	Weekday	590	Delete 3 trips:				
26			534am Eastbound (short) (not span)	6		Approximately 6 daily riders will need to take an earlier or later trip	
26			951pm Eastbound (long) (span)	8		Approximately 8 daily riders will need to take an earlier trip	Yes
26			505am Westbound (short) (span)	6		Approximately 6 daily riders will need to take a later trip	Yes
29	Weekday	13,650	Peak headway from 15" to 20"	9600 daily		Approximately 9600 daily riders will see frequency reduced from 15" to 20"	
29	Saturday	790	Headway 15" to 18" all day	6500 daily		Approximately 6500 daily riders will see frequency reduced from 15" to 18"	
29	Sunday	390	Headway 15" to 18" all day	4300 daily		Approximately 4300 daily riders will see frequency reduced from 15" to 18"	
33	Sunday	350	Headway 60" to 65"	1200 daily		Approximately 1200 daily riders will see frequency reduced from 60" to 65"	
37	Weekday	660	Delete 2 trips:				
37			1000pm Northbound (span)	8		Approximately 8 daily riders will need to take an earlier trip	Yes
37			1024pm Southbound (span)	12		Approximately 12 daily riders will need to take an earlier trip	Yes
38	Weekday	6,765	Peak headway from 8" to 15"/ Delete 4 Trips	2800 daily		Approximately 2800 daily riders will see frequency reduced from 8" to 15"	
38			333am Eastbound (short) (span)	5		Approximately 5 daily riders will need to take a later trip	Yes
38			404am Eastbound (short) (span)	6		Approximately 6 daily riders will need to take a later trip	Yes
38			1020pm Eastbound (long) (not span)	14		Approximately 14 daily riders will need to take an earlier trip	
38			1230pm Westbound (short) (span)	5		Approximately 5 daily riders will need to take an earlier trip	Yes
38	Saturday	640	Headway 30" to 45" all day	2900 daily		Approximately 2900 daily riders will see frequency reduced from 30" to 45"	
38	Sunday	720	Headway 30" to 45" all day	2400 daily		Approximately 2400 daily riders will see frequency reduced from 30" to 45"	
43	Weekday	7,500	Peak headway from 10" to 15"	1800 daily		Approximately 1800 daily riders will see frequency reduced from 10" to 15"	
43	Weekday	3,310	Discontinue OWL	106 daily		Approximately 106 daily riders will need to take earlier service	Yes
43	Saturday	2,200	Headway from 20/15 to 25/18	12300 daily		Approximately 12300 daily riders will see frequency reduced by 3" to 5"	
43	Saturday	500	Discontinue OWL	220 daily		Approximately 220 daily riders will need to take earlier service	Yes
43	Sunday	1,350	Headway 15" to 18" all day	9600 daily		Approximately 9600 daily riders will see frequency reduced by 3"	
43	Sunday	470	Discontinue OWL	86 daily		Approximately 86 daily riders will need to take earlier service	Yes
46	Sunday	110	Delete 1 trip:				
46	Sunday		659pm Eastbound (span)	10		Approximately 10 daily riders will need to take an earlier trip	Yes
50	Weekday	4,450	Short Line	6700 daily		Approximately 6700 daily riders may have to adjust their trip times by 30"	
50	Weekday		Discontinue OWL	174 daily		Approximately 174 daily riders will need to take earlier service	Yes
50	Saturday	410	Short Line	4300 daily		Approximately 4300 daily riders may have to adjust their trip times by 30"	
50	Saturday		Discontinue OWL	136 daily		Approximately 136 daily riders will need to take earlier service	Yes
50	Sunday	410	Short Line	3700 daily		Approximately 3700 daily riders may have to adjust their trip times by 30"	
50	Sunday		Discontinue OWL	170 daily		Approximately 170 daily riders will need to take earlier service	Yes
51	Saturday	830	Headway 40" to 60" all day	725 daily		Approximately 725 daily riders will see frequency reduced from 40" to 60"	
51	Sunday	930	Headway 40" to 60" all day	637 daily		Approximately 637 daily riders will see frequency reduced from 40" to 60"	

LINE	DAY OF WEEK	ANNUALIZED REVENUE VEHICLE HOURS REDUCTIONS	PROPOSED CHANGE	PASSENGER IMPACT*	NOTES	ACCESS IMPACT
54	Saturday	55	Delete 1 trip:			
54	Saturday		957pm Eastbound (span)	6	Approximately 6 daily riders will need to take an earlier trip	Yes
55	Weekday	3,700	Headway 15 to 18, 20 to 22, 30 to 35, 45 to 60	2500 daily	Approximately 2500 daily riders will see frequency reduced by 2' to 15"	
56	Weekday	3,770	Short Line/ Delete 3 trips:	2640 daily	Approximately 2640 daily riders may have to adjust their trip times by 30"	
56			431am Eastbound (short) (span)	8	Approximately 8 daily riders will need to take a later trip	Yes
56			1037pm Eastbound (long) (span)	3	Approximately 3 daily riders will need to take an earlier trip	Yes
56			1012pm Westbound (long) (span)	8	Approximately 8 daily riders will need to take an earlier trip	Yes
57	Weekday	3,200	Discontinue OWL	210 daily	Approximately 210 daily riders will need to take earlier service	Yes
57	Saturday	860	Discontinue OWL	190 daily	Approximately 190 daily riders will need to take earlier service	Yes
57	Sunday	890	Discontinue OWL	160 daily	Approximately 160 daily riders will need to take earlier service	Yes
60	Weekday	2,650	Discontinue OWL	210 daily	Approximately 210 daily riders will need to take earlier service	Yes
60	Saturday	530	Discontinue OWL	190 daily	Approximately 190 daily riders will need to take earlier service	Yes
60	Sunday	570	Discontinue OWL	140 daily	Approximately 140 daily riders will need to take earlier service	Yes
62	Weekday	790	Delete 3 trips:			
62			720pm Eastbound (span)	7	Approximately 7 daily riders will need to take an earlier trip	Yes
62			820pm Eastbound (span)	10	Approximately 10 daily riders will need to take an earlier trip	Yes
62			820pm Westbound (span)	8	Approximately 8 daily riders will need to take an earlier trip	Yes
71	Sunday	1,200	Headway 45" to 60" all day			
72	Saturday	540	Headway 45" to 60" all day	1050 daily	Approximately 1050 daily riders will see frequency reduced from 45" to 60"	
74	Weekday	2,390	Operate Peak Hours Only - 6 Round Trips	128 daily	Approximately 128 daily riders will be limited to service in the peak hours only	
76	Weekday	280	Delete 1 trip:			
76			1012pm Westbound (span)	6	Approximately 6 daily riders will need to take an earlier trip	Yes
76	Saturday	590	Headway 60" to 90" all day	453 daily	Approximately 453 daily riders will see frequency reduced from 60" to 90"	
76	Sunday	565	Headway 60" to 90" all day	257 daily	Approximately 257 daily riders will see frequency reduced from 60" to 90"	
83	Weekday	5,180	Headway stretch by 5" all day/ Delete 3 trips:	3270 daily	Approximately 3270 daily riders will see frequency reduced by Approximately, 5" all day	
83			535am Northbound (short) (not span)	5	Approximately 5 daily riders will need to take an earlier or later trip	
83			1110pm Northbound (span)	2	Approximately 2 daily riders will need to take an earlier trip	Yes
83			1111pm Southbound (span)	5	Approximately 5 daily riders will need to take an earlier trip	Yes
83	Saturday	305	Delete 4 trips:			
83			630pm Northbound (not span)	14	Approximately 14 daily riders will need to take an earlier or later trip	
83			1150pm Northbound (span)	11	Approximately 11 daily riders will need to take an earlier trip	Yes
83			724pm Southbound (not span)	9	Approximately 9 daily riders will need to take an earlier or later trip	
83			825pm Southbound (not span)	9	Approximately 9 daily riders will need to take an earlier or later trip	
83	Sunday	355	Headway 30" to 45" midday/ Delete 3 trips:	1360 daily	Approximately 1360 daily riders will see frequency reduced from 30" to 45"	
83			630am Northbound (span)	7	Approximately 7 daily riders will need to take a later trip	Yes
83			1050pm Northbound (span)	8	Approximately 8 daily riders will need to take an earlier trip	Yes
83			1150pm Northbound (span)	1	Approximately 1 daily rider will need to take an earlier trip	Yes
85	Weekday	3,820	Headway 30" to 35" all day/ Delete 9 trips:	1550 daily	Approximately 1550 daily riders will see frequency reduced from 30" to 35"	
85			506am Northbound (span)	3	Approximately 3 daily riders will need to take a later trip	Yes
85			531am Northbound (span)	5	Approximately 5 daily riders will need to take a later trip	Yes
85			831pm Northbound (span)	7	Approximately 7 daily riders will need to take an earlier trip	Yes
85			916pm Northbound (span)	5	Approximately 5 daily riders will need to take an earlier trip	Yes

LINE	DAY OF WEEK	ANNUALIZED REVENUE VEHICLE HOURS REDUCTIONS	PROPOSED CHANGE	PASSENGER IMPACT*	NOTES	ACCESS IMPACT
85			1008pm Northbound (span)	5	Approximately 5 daily riders will need to take an earlier trip	Yes
85			500am Southbound (span)	4	Approximately 4 daily riders will need to take a later trip	Yes
85			647pm Southbound (not span)	7	Approximately 7 daily riders will need to take an earlier or later trip	
85			848pm Southbound (not span)	8	Approximately 8 daily riders will need to take an earlier or later trip	
85			1018pm Southbound (span)	4	Approximately 4 daily riders will need to take an earlier trip	Yes
85	Saturday	605	Headway 45" to 60" all day	732 daily	Approximately 732 daily riders will see frequency reduced from 45" to 60"	
85	Sunday	675	Headway 45" to 60" all day	473 daily	Approximately 473 daily riders will see frequency reduced from 45" to 60"	
89	Weekday	3,205	Headway 30" to 40" all day	2590 daily	Approximately 2590 daily riders will see frequency reduced from 30" to 40"	
89	Saturday	895	Headway 30" to 45" all day	1670 daily	Approximately 1670 daily riders will see frequency reduced from 30" to 45"	
89	Sunday	1,000	Headway 30" to 45" all day	1350 daily	Approximately 1350 daily riders will see frequency reduced from 30" to 45"	
91	Weekday	7,855	Headway 30" to 45"/Delete 5 trips:	5400 daily	Approximately 5400 daily riders will see frequency reduced from 30" to 35"	
91			522am Northbound (not span)	6	Approximately 6 daily riders will need to take an earlier or later trip	
91			231pm Northbound (not span)	7	Approximately 7 daily riders will need to take an earlier or later trip	
91			1008pm Northbound (span)	8	Approximately 8 daily riders will need to take an earlier trip	Yes
91			250pm Southbound (not span)	7	Approximately 7 daily riders will need to take an earlier or later trip	
91			1013pm Southbound (span)	9	Approximately 9 daily riders will need to take an earlier trip	Yes
177	Saturday	380	Headway 45" to 90" all day	421 daily	Approximately 421 daily riders will see frequency reduced from 45" to 90"	
177	Sunday	420	Headway 45" to 90" all day	317 daily	Approximately 317 daily riders will see frequency reduced from 45" to 90"	
178	Weekday	1,130	Headway 30" to 45" am and pm peaks	950 daily	Approximately 950 daily riders will see frequency reduced from 30" to 45"	
178	Saturday	180	Delete 5 trips:			
178			432pm Eastbound (span)	9	Approximately 9 daily riders will need to take an earlier trip	Yes
178			517pm Eastbound (span)	6	Approximately 6 daily riders will need to take an earlier trip	Yes
178			820am Westbound (span)	7	Approximately 7 daily riders will need to take a later trip	Yes
178			435pm Westbound (span)	2	Approximately 2 daily riders will need to take an earlier trip	Yes
178			520pm Westbound (span)	6	Approximately 6 daily riders will need to take an earlier trip	Yes
187	Weekday	640	Delete 2 trips:			
187			540am Northbound (span)	11	Approximately 11 daily riders will need to take a later trip	Yes
187			530am Southbound (span)	5	Approximately 5 daily riders will need to take a later trip	Yes
721	Weekday	510	Delete 2 trips:			
721			500am Northbound (span)	4	Approximately 4 daily riders will need to take a later trip	Yes
721			600am Southbound (span)	4	Approximately 4 daily riders will need to take a later trip	Yes
Grand Total		100,000			*PASSENGER IMPACT: The daily average number of passengers directly affected by a trip deletion or during the affected period of a headway change	
Last update: 07 May 09						



Notice of Public Hearing

ORANGE COUNTY TRANSPORTATION AUTHORITY
RE: Bus Service Reduction Program
May 22, 2009

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 Friday, May 22, 2009 at the Orange County Transportation Authority, 600 South Main St., Orange, California. The public hearing shall be for the purpose of considering: major route changes and service reductions, and possible discontinuation of selected services, either in whole or in part, on either weekdays and/or weekend days. The service reduction programs is being considered to respond to severe reductions in operating assistance caused by the decline in the State and local economy that impacts sales tax revenues, and the reduction of State Transit Assistance (STA) funds that fund public transit operations.

Description of Potential Service Reductions: Night Owl Service on routes 43, 50, 57, and 60 may be eliminated.

On weekdays and weekends, there may be route adjustments and reductions of service hours and frequency on routes 26, 29, 37, 38, 42, 43, 47, 50, 53, 54, 55, 57, 60, 64, 66, 70, 71, 83, 89, 91, and 794.

On weekdays and weekends, there may be route adjustments and reductions of service hours and frequency including the possibility of discontinuation of one or more of the following routes 01, 20, 21, 24, 25, 30, 33, 35, 46, 51, 56, 59, 62, 72, 74, 75, 76, 79, 82, 85, 86, 87, 131, 145, 147, 164, 167, 172, 173, 175, 177, 178, 187, 188, 191, 193, 206, 211, 212, 213, 216, 410, 411, 430, 453, 454, 462, 463, 464, 472, 473, 480, 482, 490, 693, 701, 721, 757 and 758.

Approved changes will become effective September 13, 2009 or later.

The potential service changes fall under Section 5 (i)(3) of the Urban Mass Transportation Act of 1964 (Federal Transit Act, as amended), as well as the Orange County Transportation Authority's Public Hearing Process for Service and Fare Changes Policy, and thus require a public hearing.

Description of Service Area: The service areas affected by the potential bus service reduction program include Orange, Los Angeles, Riverside and San Bernardino counties.

Relocation: No persons, families or businesses will be displaced by the potential bus service reductions.

Comprehensive Planning: The necessity for the bus service reduction program is the result of state and local revenue declines and an analysis of feasible bus service conducted by OCTA.

Elderly and Persons with Disabilities: The service reduction program may affect public transit availability for the elderly and persons with disabilities who utilize bus service.

Public Participation: Interested persons may submit, orally or in writing, recommendations and evidence with respect to the potential bus service reductions. A description of the potential bus service reduction program will be available for public inspection between April 23, 2009 and May 22, 2009. Please contact the Clerk of the Board, Wendy Knowles, at the Administrative Offices, 550 South Main Street, P.O. Box 14184, Orange, California, 92863-1584. 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 potential bus service reductions.

ALL INTERESTED PARTIES are invited to submit, orally or in writing, evidence and recommendations with respect to the potential bus service reduction program. 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

Or call OCTA Customer Relations at (714) 636-RIDE, extension 2, or from South Orange County (800) 636-RIDE, extension 2. Or visit www.octa.net/servicefeedback to provide your comments online.



Aviso de Audiencia Pública

ORANGE COUNTY TRANSPORTATION AUTHORITY
RE: Program de Reducción al Servicio de Autobús
22 de mayo del 2009

AVISO POR LA PRESENTE ES DADO que la Junta Directiva de la Autoridad de Transportacion del Condado de Orange (OCTA) tendrá una audiencia pública a las 9:00 de la mañana el viernes, 22 de mayo del 2009, en el la Sede de la Autoridad de Transportacion del Condado de Orange, 600 South Main Street, Orange, CA. La audiencia pública será para el propósito de considerar: cambios mayores de rutas y reducciones de servicio, y posiblemente la discontinuación de algunos servicios, en su totalidad o en parte, durante los días de semana y/o los fines de semana. El programa de reducción de servicio está siendo considerado en respuesta a la severa reducción de asistencia para las operaciones causada por la economía estatal y local declinante que afecta la recaudación de impuestos y la reduccion de los fondos de la Asistencia Estatal de Tránsito (STA, pos sus siglas en inglés) para las operaciones de transporte público.

Descripción de la posible Reducción del Servicio : El servicio nocturno "Night Owl" en las rutas 43, 50, 57 y 60 podria ser eliminado.

Durante los días de semana y fines de semana, podrian haber ajustes en las rutas y reducciones en horas y frecuencia de servicios en las rutas 26, 29, 37, 38, 42, 43, 47, 50, 53, 54, 55, 57, 60, 64, 66, 70, 71, 83, 89, 91 y 794.

Durante los días de semana y fines de semana, podrian haber ajustes en las rutas y reducciones en horas y frecuencia de servicios incluyendo la posibilidad de eliminación de una o mas de las siguientes rutas 01, 20, 21, 24, 25, 30, 33, 35, 46, 51, 56, 59, 62, 72, 74, 75, 76, 79, 82, 85, 86, 87, 131, 145, 147, 164, 167, 172, 173, 175, 177, 178, 187, 188, 191, 193, 206, 211, 212, 213, 216, 410, 411, 430, 453, 454, 462, 463, 464, 472, 473, 480, 482, 490, 693, 701, 721, 757 y 758.

Los cambios aprovados entrarán en efecto empezando el 13 de septiembre del 2009.

El posible cambio en el servicio de autobús está bajo la Sección 5 (i)(3) del Urban Mass Transportation Act de 1964 (Federal Transit Act, emmendado), así como bajo el proceso de audiencia pública de la Autoridad de Transportación del Condado de Orange para cambios en la política de Servicios y Tarifas, y por tal requiere una audiencia pública.

Descripción del Area de Servicio: Las áreas de servicio afectadas por el programa de posibles reducciones de servicio incluyen los condados de Orange, Los Angeles, Riverside y San Bernardino.

Recolocación: Ninguna persona, familias ni negocios serán desplazados por las posibles reducciones de servicio.

Planificación Completa: La necesidad del programa de reducción de servicio es el resultado de reducción de ingresos estatales y locales y de un análisis de servicio de autobuses realizado por la OCTA.

Personas de Edad Avanzada y Personas con Discapacidades: La reducción al servicio puede afectar la disponibilidad de servicio de transporte público para las personas de edad avanzada y personas con discapacidades que utilizan el servicio de autobús.

Participación Pública: Las personas interesadas pueden someter, verbalmente o por escrito, las recomendaciones y evidencias con respecto a la posible reducción de servicio. Una descripción de la posible reducción de servicios estará disponible para la inspección pública entre el 23 de abril del 2009 al 22 de mayo del 2009. Sirvase contactar a la Secretaria de la Junta Directiva, Wendy Knowles, en las Oficinas Administrativas de la OCTA, 550 South Main Street, P.O. Box 14184, Orange, CA 92863-1584. Teléfono: (714) 560-5676.

Durante la Audiencia Pública: la Junta Directiva de la OCTA proporcionará a personas o agencias interesadas, la oportunidad de someter, verbalmente o por escrito, evidencia y recomendaciones con respecto a los efectos de la reducción de servicio.

TODAS LAS PARTES INTERESADAS en la audición pública son invitadas a someter, verbalmente o por escrito, evidencia y recomendaciones con respecto al programa de posibles reducciones de servicio. Los comentarios escritos pueden ser dirigidos al la Secretaria de la Junta Directiva:

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

O lláme al servicio de atención al Cliente de la OCTA al (714) 636-RIDE, extension 2, o desde el sur del Condado de Orange al (800) 636-RIDE, extension 2. O visite www.octa.net/servicefeedback para proporcionar sus comentarios en línea.

**Orange County Transportation Authority
Bus Operations Cash Flow Statement**

Orange County Transportation Authority Cash Balance and Working Capital Summary Fiscal Year 2009-10 In Millions \$						
	July	Aug	Sept	Oct	Nov	Dec
Cash balance	\$70.5	\$60.2	\$50.9	\$50.2	\$42.3	\$29.7
Working Capital Requirement	\$33.7	\$33.7	\$33.7	\$33.7	\$33.7	\$33.7
Working capital surplus/(deficit)	\$36.8	\$26.5	\$17.2	\$16.5	\$8.6	-\$3.9
	Jan	Feb	Mar	Apr	May	June
Cash balance	\$31.5	\$26.7	\$14.1	\$14.9	\$8.6	-\$0.2
Working Capital Requirement	\$33.7	\$33.7	\$33.7	\$33.7	\$33.7	\$33.7
Working capital surplus/(deficit)	-\$2.2	-\$7.0	-\$19.5	-\$18.8	-\$25.1	-\$33.9

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
May 11, 2009

Call to Order

The May 11, 2009, Special meeting of the Orange County Transportation Authority and affiliated agencies was called to order by Chairman Buffa at 8:30 a.m. at the Orange County Transportation Authority Headquarters, Orange, California.

Roll Call

Directors Present: Peter Buffa, Chairman
Jerry Amante, Vice Chairman
Patricia Bates
Arthur C. Brown
Carolyn Cavecche
William J. Dalton
Richard Dixon
Cathy Green
Allan Mansoor
John Moorlach
Janet Nguyen
Chris Norby
Gregory T. Winterbottom
Cindy Quon, Governor's Ex-Officio Member

Also Present: James S. Kenan, Interim 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: Bill Campbell
Paul Glaab
Curt Pringle
Miguel Pulido

Public Comments on Agenda Items

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

No public comments were received.

1. Closed Session

A Closed Session was held:

1. Pursuant to Government Code Section 54957 to consider the appointment of a Chief Executive Officer.
2. Pursuant to Government Code Section 54957.6, meet with designated representatives Chairman Buffa, Vice Chairman Amante, and Directors Cavecche and Winterbottom to discuss the compensation of the Chief Executive Officer.
3. Pursuant to Government Code Section 54956.9(a) to discuss Tellez et. al. v. the Orange County Transportation Authority; OCSC Case No. 30-2008-00106078.

2. Adjournment

The meeting adjourned at 8:57 a.m. Chairman Buffa announced the next regularly scheduled meeting of this Board will be held directly following this meeting at **9:00 a.m. on Monday, May 11, 2009**, at the OCTA Headquarters.

ATTEST

Wendy Knowles
Clerk of the Board

Peter Buffa
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
May 11, 2009

Call to Order

The May 11, 2009, regular meeting of the Orange County Transportation Authority and affiliated agencies was called to order by Chairman Buffa at 9:06 a.m. at the Orange County Transportation Authority Headquarters, Orange, California.

Roll Call

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

Also Present: James S. Kenan, Interim 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: Bill Campbell
Curt Pringle

Invocation

Director Green gave the invocation.

Pledge of Allegiance

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

Public Comments on Agenda Items

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

Special Matters

There were no Special Matters items.

Consent Calendar (Items 1 through 11)

Chairman Buffa 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

1. Approval of Minutes

A motion was made by Director Green, seconded by Director Pulido, and declared passed by those present, to approve the minutes of the Orange County Transportation Authority and affiliated agencies' regular meeting of April 27, 2009.

Director Glaab was not present to vote on this item.

2. State Legislative Status Report

Jane Reifer, a member of the public, pulled this item and expressed her concern regarding Assembly Bill 1403 and its potential impact to funds for transit. She indicated that these monies come from the same sales tax which funds buses. She suggested a modification to this in order that the funds are remitted to the Southern California Association of Governments (SCAG) from another source, not from the Local Transportation Fund, or tie this to a metric of sustainability for the bus system.

Director Cavecche, stated this was discussed at the Legislative and Communications Committee (which she chairs) and requested a staff member address how this has resulted with the requirement to meet air quality standards in regard to Senate Bill (SB) 375.

2. (Continued)

Vice Chairman Amante added that there are extensive costs related to meeting requirements imposed by SB 375, and this results in an unfunded mandate from Sacramento. He further stated that requests have been made to suspend SB 375 and SB 32 during the downturn of the economy.

Director Dixon, who is the immediate past-President of SCAG, stated that he agreed with comments made, and yet informed the Board that all of the transportation commissions have agreed to move forward, which will provide approximately \$4 million; however, this will not be sufficient, and results in this unfunded mandate being an unfortunate necessity.

Director Moorlach indicated that perhaps all the agencies should “band together” and show organized opposition in this situation.

Director Bates stated that she agreed and referred to the comments made by Ms. Reifer. She stated she feels communications with Sacramento and the bill’s author should include the points brought forward and the concerns shared in this discussion.

Director Mansoor agreed and stated there is good reason to “send a message” on this issue, and stated he cannot support Recommendation B at this time.

A motion was made by Director Cavecche, seconded by Director Dixon, and declared passed by those present, to adopt the following recommended positions on legislation:

- A. Continue discussion of AB 798 (Nava, D-Santa Barbara), to a future meeting in order for staff to provide additional information as requested by the Committee.
- B. Support AB 1403 (Eng, D-Monterey Park), which would eliminate the cap on the Southern California Association of Governments’ share of Transportation Development Act sales tax funds.
- C. Oppose SB 716 (Wolk, D-Davis), which would authorize various entities to claim Transportation Development Act funds for vanpool services.
- D. Documentation sent to Sacramento for support of AB 1403 shall include a transit budget dollar amount.

Director Mansoor voted in opposition to Recommendation B.

3. Selection of a Consultant for Preparation of a Project Study Report for Improvements to the Santa Ana Freeway (Interstate 5) from the Costa Mesa Freeway (State Route 55) to the El Toro "Y" Area

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

- A. Approve the selection of MTS Engineers, Inc., as the top ranked firm to prepare a project study report for improvements to the Santa Ana Freeway (Interstate 5) from the Costa Mesa Freeway (State Route 55) to the El Toro "Y" area.
- B. Authorize the Interim Chief Executive Officer to request a cost proposal from MTS Engineers, Inc., and negotiate an agreement for their services.
- C. Authorize the Interim Chief Executive Officer to execute final Agreement No. C-8-1374, in an amount up to \$1,100,000.

Chairman Buffa and Director Bates abstained from voting on this item.

Director Glaab was not present to vote on this item.

4. Amendment to the Master Plan of Arterial Highways

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

- A. Approve amendment to the Master Plan of Arterial Highways to reclassify Harbor Boulevard in the City of Garden Grove from Westminster Avenue to Chapman Avenue, from a major (six-lane, divided) arterial to a principal (eight-lane, divided) arterial.
- B. Approve amendment to the Master Plan of Arterial Highways to incorporate proposed changes to the circulation element of the City of Orange's general plan, as described in this staff report, subject to the approval by the City of Orange of the updated general plan reflecting these changes.
- C. Approve amendment to the Master Plan of Arterial Highways to reclassify Rose Drive in the City of Yorba Linda from Imperial Highway (State Route 90) to Yorba Linda Boulevard, from a major (six-lane, divided) arterial to a primary (four-lane, divided) arterial, subject to the approval by the City of Yorba Linda of a general plan amendment reflecting this change.

Director Cavecche abstained from voting on Recommendation B on this item due to the proximity of her home to the area involved.

Director Glaab was not present to vote on this item.

5. Authority to Acquire Right-of-Way for the West County Connectors Project and Provide Relocation Assistance and Benefits

Roy Shahbazian, member of the public, pulled this item and requested that the Board reconsider the funding sources for this project due to decisions having been made at a time when the economical situation was different than it is today, particularly in relation to funding for bus rapid transit.

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

- A. Authorize the Interim Chief Executive Officer to take all steps necessary to acquire the specified interests in the real property to construct the West County Connectors Project.
- B. Authorize relocation assistance and benefits for the relocation of persons, businesses, or personal property to be acquired.

6. Traffic Light Synchronization Program Consultant Selection for Contract Task Orders for Alicia Parkway, Beach Boulevard, and Chapman Avenue

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

- A. Authorize staff to negotiate firm-fixed price contract task orders for installation and implementation of traffic light synchronization on Alicia Parkway, Beach Boulevard, and Chapman Avenue.
- B. Authorize the Interim Chief Executive Officer to execute Contract Task Order No. 1 with RBF Consulting (Agreement No. C-8-1172) for Alicia Parkway, Contract Task Order No. 1 with Advantec Consulting Engineers (Agreement No. C-8-0612) for Beach Boulevard, and Contract Task Order No. 1 with Albert Grover and Associates (Agreement No. C-8-1166) for Chapman Avenue subject to allocation of state funds by the California Transportation Commission. The aggregate value of these services for the three corridors is estimated at \$3.1 million in the first year.

Chairman Buffa and Director Nguyen abstained from voting on this item; Director Bates abstained from voting on Recommendation B.

Director Glaab was not present to vote on this item.

7. Approval of the Fiscal Year 2009-10 Local Transportation Fund Claim for Public Transportation and Community Transit Services

A motion was made by Director Green, seconded by Director Pulido, and declared passed by those present, to approve the Orange County Transit District Fiscal Year 2009-10 Local Transportation Fund Claim for public transportation services in the amount of \$79,398,535, and for community transit services in the amount of \$4,228,583, for a total claim amount of \$83,627,118, and authorize the Interim Chief Executive Officer to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the full amount of the claims.

Director Glaab was not present to vote on this item.

8. 91 Express Lanes' Software

A motion was made by Director Green, seconded by Director Pulido, and declared passed by those present, to authorize the Interim Chief Executive Officer to execute Amendment No. 4 to Agreement No. C-5-0300 between the Orange County Transportation Authority and Cofiroute USA, LLC, in an amount not to exceed \$150,000, that will cover up to four months for maintenance and software license agreements during the initial term of the contract and authorize the addition of two five-year option periods from January 2011 through January 2021, bringing the total contract value to \$31,433,854.

Director Norby abstained from voting on this item.

Director Glaab was not present to vote on this item.

Orange County Transit District Consent Calendar Matters

9. Cooperative Agreement for Public Restrooms at the Santa Ana Transit Terminal

Director Norby pulled this item and asked for a discussion as to the plan is for this facility and the timeline for the property.

Director Moorlach expressed his appreciation to the Board for this agreement.

A motion was made by Director Norby, seconded by Director Winterbottom, and declared passed by those present, to authorize the Interim Chief Executive Officer to execute Cooperative Agreement No. C-9-0258 between the Orange County Transportation Authority, the County of Orange, and the City of Santa Ana, to provide public restrooms at the Santa Ana Transit Terminal.

Directors Brown and Glaab were not present to vote on this item.

10. Amendment to Cooperative Agreement with Riverside Transit Agency to Jointly Fund Intercounty Route 149 and Intercounty Express Bus Route 794

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

- A. Authorize the Interim Chief Executive Officer to execute Amendment No. 3 to Cooperative Agreement No. C-6-0283, between the Orange County Transportation Authority and Riverside Transit Agency, in an amount not to exceed \$204,327, to jointly fund intercounty Route 149 through June 30, 2010, bringing the total contract value to \$853,327.
- B. Authorize the Interim Chief Executive Officer to execute Amendment No. 3 to Cooperative Agreement No. C-6-0589, between the Orange County Transportation Authority and Riverside Transit Agency, receiving an amount not to exceed \$120,000, to jointly fund intercounty express bus Route 794 through August 31, 2010, bringing the total contract value to \$579,000.

Director Glaab was not present to vote on this item.

11. Amendment to Agreement for Provision of Same-Day Taxi Service

A motion was made by Director Green, seconded by Director Pulido, and declared passed by those present, to authorize the Interim Chief Executive Officer to execute Amendment No. 5 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 \$159,870, for the provision of same-day taxi service through June 30, 2010, bringing the total contract value to \$747,843.

Director Nguyen abstained from voting on this item.

Director Glaab was not present to vote on this item.

Regular Calendar

Orange County Local Transportation Authority Regular Calendar Matters

12. Measure M Quarterly Progress Report

Kia Mortazavi, Executive Director of Development, presented this report to the Board for the period ending March 2009 and highlighted the ongoing challenge of delivering the Measure M Program. Mr. Mortazavi also provided status on various projects funded with Measure M monies.

No action was taken on this receive and file item.

Discussion Items

13. Bus Service Reduction Program Update

Erin Rogers, Assistant General Manager, provided a presentation and proposal for the September service reduction, as well as an update as to what has taken place recently.

Ms. Rogers reported that a lay-off would not be necessary in June due to reductions being achieved through attrition.

Scott Holmes, Service Planning Manager, briefed the Board with detailed information regarding:

- Frequency reduction,
- Selected trip reductions,
- Service hours reductions,
- Discontinuation of Night Owl service, and
- Information on partial route elimination was provided to the Board.

Stella Lin, Marketing Manager, provided an update regarding ongoing public outreach related to the bus service reductions. Ms. Lin informed Members that bus route information has been provided to assist those who wish to attend the upcoming community meetings, and she confirmed that OCTA has staff on buses available for questions from riders regarding potential changes in service.

Public comment was heard from Jane Reifer, resident of Fullerton, who stressed the importance of advising the public regarding service changes/reductions, public meetings and hearings, and follow-up communications with schools. She also requested that e-mails with this information be sent to parking and transportation commissions as well as city councils in the County.

Vice Chairman Amante requested information on the impact to morale by lay-offs.

Director Cavecche requested the number of riders affected if Night Owl service is discontinued.

Director Green requested information regarding impacts service reductions have had on vacationers and summer school.

Director Glaab requested a report by route on load factors for regular season and summer ridership

Director Bates requested information on riders' purposes for week-end trips, whether for primarily getting to work, shopping, etc.

14. Public Comments

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

Patrick Kelly, representing Teamsters Local 952, provided the Clerk of the Board with a letter which the Union sent to various legislators and requested it be provided to Board Members. The letter encourages the use of capital funding for transit operations and suggests “flex’ing” of federal funds to transit operations.

15. Interim Chief Executive Officer’s Report

Interim Chief Executive Officer (CEO), James S. Kenan, reported:

- Lucy Dunn, President and CEO of the Orange County Business Council, was confirmed by the State Senate to serve on the California Transportation Commission;
- Mr. Kenan attended the SCAG General Assembly meeting along with Directors Dixon, Glaab, Green, and Norby. The main focus was on greenhouse gas policy and SB 375 implementation. It was noted that Director Dixon completed his term as President of SCAG and was honored at this event.

16. Directors’ Reports

Director Brown reported that last week in his position as Chairman of the Los Angeles San Diego-San Luis Obispo Rail Corridor Board, he spoke at the Steel Wheels Conference. He also met with Joe Boardman, the new Chairman/CEO of Amtrak.

Director Brown requested that today’s meeting be adjourned in honor of those peace officers killed in the line of duty last year.

Director Cavecche informed Members that this is National Police Week, and appreciated adjourning the meeting in honor of those lost in the line of duty.

Director Cavecche reported that she traveled to Sacramento last week to represent OCTA at the Regional Targets Advisory Committee on SB 375.

Vice Chair Amante thanked Ellen Burton and her staff, particularly Kristin Armstrong and Ryan Maloney, for attending the Tustin City Council meeting last week and presenting information on the new OCTA interactive website.

Vice Chair Amante congratulated Director Dixon on his work at SCAG this past year and the positive difference noted at the organization.

16. (Continued)

Chairman Buffa also congratulated Director Dixon for the changes he developed at SCAG during his term as President, as well as his tenure with the organization over the years.

Director Dixon stated that the incoming President, John Etney from Imperial Valley, has been part of the leadership at SCAG will continue the good work going on within the organization. He also stated that much of the positive changes at SCAG have been as a result of the new Executive Management put into place there.

17. Closed Session

A Closed Session was not held at this meeting.

18. Orange County Transportation Authority Fiscal Year 2009-10 Budget Workshop

Kenneth Phipps, Acting Executive Director of Finance and Administration, led this workshop and provided background, updates, and an overall perspective of the fiscal year 2009-10 OCTA budget.

Highlights included discussion on:

- Budget overview, sources, and uses;
- Revenue sources;
- Measure M1 and M2 Sales Tax;
- Planned use of reserves, expenditures, designations;
- Capital and services;
- Details of expenditures and challenges by individual program;
- Staff and service reductions;
- Major projects;
- Next steps and upcoming presentations at Committee meetings.

Vice Chairman Amante requested that another term for “reserves” be developed to better describe those monies and their availability.

Public comments were heard from Jane Reifer, resident of Fullerton, who requested that the Board re-visit past decisions made regarding expenditures to widen Bristol Street, how Corridor Mobility Improvement Account funds can be used, payment for police services with rail money, and asked for information on paratransit service cuts.

19. Adjournment

The meeting adjourned at 12:20 p.m. The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, May 22, 2009**, at the OCTA Headquarters.

ATTEST

Wendy Knowles
Clerk of the Board

Peter Buffa
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: Chairman Peter Buffa Job Title: Board Member

Department: Board of Directors Destination: Miami, Florida

Program Name: To meet with Congressman Diaz-Balert re: goods movement funding and transportation reauthorization bill

Description/Justification: Chairman Buffa will have meetings with Rep. Mario Diaz-Balert, Committee on Transportation & Infrastructure, and various ports officials regarding the inclusion of a goods movement funding line item in the 2009 transportation reauthorization bill.

COMMENTS

Meal Rate: \$59 - \$3 = \$56 per day
Other: Airport parking and ground transportation

Conference/Seminar Date:	Departure Date: 5/25/09	<input type="checkbox"/> Mail <input type="checkbox"/> Hand Carry
Payment Due Date:	Return Date: 5/27/09	Course Hours:

ESTIMATED EXPENDITURES

Transportation	\$475.00
Meals	\$168.00
Lodging	\$500.00
Registration	\$0.00
Other	\$200.00
Total	\$1,343.00

APPROVALS

Please Initial:

PW 5/15/09
 Finance* 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 #: May 2009	Board Date: May 22, 2009	T/A #: FY 08/09-324
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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: Director Bill Campbell **Job Title:** Board Member

Department: _____ **Destination:** New York, NY

Program Name: Annual Rating Agency Trip

Description/Justification: Each year, the OCTA conducts a series of meetings with rating agencies, financing institutions, and investors in New York. The economy has changed significantly since last year's meetings. Authority representatives will be updating the analysts on the most recent impacts of the slowdown in the local economy, FY 2010 proposed budget and action plan, Early Action Plan projects, the 91 Express Lanes travel statistics and debt, and sales tax collections. Meetings have been scheduled with Moody's Investor Service, Fitch Ratings, Standard and Poor's, and several letter of credit providers. The meetings will take place during the week of June 8, 2009.

COMMENTS

Meal Rate: \$64 - \$3 = \$61 per day
Other: Ground Transportation

Conference/Seminar Date:	Departure Date: 6/9/09	<input type="checkbox"/> Mail <input checked="" type="checkbox"/> Hand Carry
Payment Due Date:	Return Date: 6/14/09	Course Hours:

ESTIMATED EXPENDITURES	
Transportation	\$319.40
Meals	\$366.00
Lodging	\$1,000.00
Registration	\$0.00
Other	\$50.00
Total	\$1,735.40

APPROVALS

Please Initial:

rw
Finance*

5/8/09
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:** EV8

Ref #: May 2009 **Board Date:** May 22, 2009 **T/A #:** FY 08/09-312



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: Chairman Peter Buffa **Job Title:** Board Member

Department: _____ **Destination:** New York, NY

Program Name: Annual Rating Agency Trip

Description/Justification: Each year, the OCTA conducts a series of meetings with rating agencies, financing institutions, and investors in New York. The economy has changed significantly since last year's meetings. Authority representatives will be updating the analysts on the most recent impacts of the slowdown in the local economy, FY 2010 proposed budget and action plan, Early Action Plan projects, the 91 Express Lanes travel statistics and debt, and sales tax collections. Meetings have been scheduled with Moody's Investor Service, Fitch Ratings, Standard and Poor's, and several letter of credit providers. The meetings will take place during the week of June 8, 2009.

COMMENTS

Meal Rate: \$64 - \$3 = \$61 per day
Other: Ground transportation

Conference/Seminar Date: 6/8/09	Departure Date: 6/8/09	<input type="checkbox"/> Mail <input type="checkbox"/> Hand Carry
Payment Due Date:	Return Date: 6/13/09	Course Hours:

ESTIMATED EXPENDITURES	
Transportation	\$350.00
Meals	\$366.00
Lodging	\$1,250.00
Registration	\$0.00
Other	\$50.00
Total	\$2,016.00

APPROVALS	
Please Initial:	
<u>RV</u> Finance*	<u>5/8/09</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: EV8
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Ref #: May 2009	Board Date: May 22, 2009	T/A #: FY 08/09-310
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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: Vice-Chairman Jerry Amante **Job Title:** Board Member

Department: _____ **Destination:** New York, NY

Program Name: Annual Rating Agency Trip

Description/Justification: Each year, the OCTA conducts a series of meetings with rating agencies, financing institutions, and investors in New York. The economy has changed significantly since last year's meetings. Authority representatives will be updating the analysts on the most recent impacts of the slowdown in the local economy, FY 2010 proposed budget and action plan, Early Action Plan projects, the 91 Express Lanes travel statistics and debt, and sales tax collections. Meetings have been scheduled with Moody's Investor Service, Fitch Ratings, Standard and Poor's, and several letter of credit providers. The meetings will take place during the week of June 8, 2009.

COMMENTS

Meal Rate: \$64 - \$3 = \$61 per day
Other: Ground transportation

Conference/Seminar Date:	Departure Date: 6/9/09	<input type="checkbox"/> Mail <input checked="" type="checkbox"/> Hand Carry
Payment Due Date:	Return Date: 6/13/09	Course Hours:

ESTIMATED EXPENDITURES	
Transportation	\$350.00
Meals	\$305.00
Lodging	\$1,000.00
Registration	\$0.00
Other	\$50.00
Total	\$1,705.00

APPROVALS

Please Initial:

RV 5/8/09
 Finance* 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: EV8
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Ref #: May 2009	Board Date: May 22, 2009	T/A #: FY 08/09-313
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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: Arthur Brown **Job Title:** Board Member

Department: Board of Directors **Destination:** Chicago, IL

Program Name: The American Public Transportation Association (APTA) Rail Conference

Description/Justification: This conference offers an opportunity to attend technical sessions to increase knowledge and effectiveness in the operation, management and maintenance of rail and fixed guideway systems. Director Brown will also have the opportunity to share, learn and network with industry peers to get the latest information on critical topics and innovative ideas influencing the industry.

COMMENTS

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

Conference/Seminar Date:	Departure Date: 6/13/09	<input type="checkbox"/> Mail <input type="checkbox"/> Hand Carry
Payment Due Date:	Return Date: 6/18/09	Course Hours:

ESTIMATED EXPENDITURES	
Transportation	\$300.14
Meals	\$366.00
Lodging	\$1,295.00
Registration	\$525.00
Other	\$100.00
Total	\$2,586.14

APPROVALS

Please Initial:

AB
Finance*

5/17/09
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: K3Q
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Ref #: May 2009	Board Date: May 22, 2009	T/A #: FY 08/09- 316
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MEMO

May 19, 2009

To: Members of the Board of Directors
From: ^{WK} 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.



May 21, 2009

To: Legislative and Communications Committee
From: *JK* James S. Kenan, Interim Chief Executive Officer
Subject: State Legislative Status Report

Overview

A set of principles is recommended for consideration when analyzing proposed mechanisms to stabilize transit funding at the state and federal level.

Recommendation

Approve a set of principles that should be considered in evaluating potential mechanisms to secure existing transit funding sources and proposed new sources of transit funding at the state and federal levels.

Discussion

Proposed Principles for Stabilizing Transit Funding

In 2008, transit operators across the state experienced record levels of ridership due to a dramatic increase in gas prices. This new demand is likely not to be an anomaly, with expectations that demand will increase again as the economy starts to improve, gas prices continue to fluctuate, and regions develop environmental mitigation plans that depend on high levels of transit availability. However, if current funding mechanisms remain unchanged, transit operators will be unable to meet the increased demand. Because of the elimination of state funding for transit operations included in the fiscal year 2009-2010 state budget, as well as a decrease in local sales tax revenues, transit operators, rather than increasing service during this time period, are being forced to explore increased fares, decreased service, and potential layoffs. Without the stabilization of existing funding sources, or the creation of new funding sources, transit operators will be unable to take advantage of the unprecedented focus on the benefits of transit.

Contributing to this problem is a trend that has emerged at the state level over the last few years, whereby funding sources previously dedicated for transit

capital and operating expenses have been used to balance the state budget to pay for traditional general fund obligations. At the same time, fluctuations in gas prices, and newly created unfunded environmental mandates, such as that related to SB 375 (Chapter 728, Statutes of 2008) and AB 32 – the Global Warming Solutions Act of 2006 (Chapter 488, Statutes of 2006), are leading to unprecedented demands on the state's transit system.

Members of both the state Legislature and Congress have recognized the need to confront the issue of how to stabilize funding for transit to meet future challenges. Members of the state Legislature have discussed convening a Transit Funding Caucus soon to discuss this issue and related proposals. At the federal level, renewed interest in funding for transit was seen during discussions related to the American Recovery and Reinvestment Act of 2009, as well as during discussion related to the reauthorization process and proposed federal climate change policy. A variety of proposals at both the state and federal levels have been mentioned, including constitutional amendments to protect existing funding, increasing gas prices, and using a portion of revenues from regulations related to climate change laws.

Recognizing that this imminent conversation is of increasing importance, staff has developed the attached set of principles to help evaluate proposals to stabilize transit funding (Attachment A). Overall, the principles focus on the state and/or federal responsibility to provide funding to meet increased transit demand, rather than transferring the responsibility to the local level. Although local governments will and should continue to play a part in developing sustainable transit systems through local sales tax measures, the ultimate responsibility falls on the state and federal governments to provide funding to meet the demand resulting from unfunded mandates, as well as to ensure the economy is able to operate at peak performance, even when gas prices increase again.

The principles also attempt to create greater protection for existing state sources of transit funding. Included among the goals is the need for explicit safeguards protecting against the diversion of such funding, in addition to a clear definition of "mass transportation," to prevent the recurrence of past practices by the state to broaden the definition to include such things as home-to-school transportation. These protections each seek to ensure previously dedicated sources of transit funding, such as the State Transit Assistance fund, and "spillover" funding (a calculation of the difference between a portion of the state sales tax on all goods and the sales tax on gasoline) will continue to support transit. Furthermore, the principles seek to align current processes by creating more uniformity in the various funding sources in the regulations related to administration, qualifying exceptions, and farebox recovery requirements.

In addition, the proposed principles seek to address possible issues with proposed new sources of transit funding. Foremost amongst the principles is that any newly created fee should be locally controlled, with strong oversight over such funding, and safeguards to protect against diversions to prevent a similar situation as what occurred with existing funding streams. The principles also seek to ensure that any new funding source include flexibility for local agencies to dedicate such funding for either capital or operational expenses, and that recognition should be given to regions which have been able to assist in providing additional local sources of transit funding by passing local sales tax measures for transportation.

Lastly, provisions are included which address new costs that will be incurred to comply with climate change legislation. Both an adequate cost estimate is needed to know ultimately what these mandates will require of transit agencies, and consideration should be given to granting a portion of any new revenue streams created by these policies to transit.

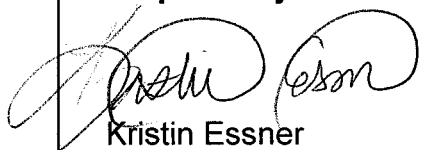
Summary

Proposed principles related to the stabilization of transit funding are recommended for consideration.

Attachments

- A. Draft Orange County Transportation Authority Principles for Stabilizing Transit Funding
- B. Orange County Transportation Authority Legislative Matrix

Prepared by:


Kristin Essner
Government Relations
Representative
(714) 560-5754

Approved by:


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

**Draft Orange County Transportation Authority
Principles for Stabilizing Transit Funding**

Over the last few years, transit agencies have experienced record levels of demand, with ridership increasing as transit agencies continually seek to make transit more convenient and attractive to a greater number of people. As gas prices continue to fluctuate and additional environmental mandates are created, it is expected that these demand levels will not only continue in the near future, but will likely increase. At the same time that transit is receiving renewed interest as one of the potential solutions to current economic and environmental issues, the state has eliminated its funding stream for transit operations. With local funding for transit also decreasing due to the poor economic climate, solutions will be needed to stabilize transit funding so demand can be met. As both the state and federal governments seek methods to either secure existing transit funding, or create new sources, the following principles should be followed:

- Existing state funding sources for transit should be preserved and strengthened to include explicit constitutional protection from diversions to non-traditional recipients, with safeguards included for expeditious repayment with interest if used for alternative short-term needs.
- The state should clearly define mass transportation to be limited to traditional transit bus and rail uses, with any state funds for transit to be limited to those purposes, protecting against the use of such funds for general fund obligations.
- Both the federal and state government should have a role in providing funding for transit operations.
- Transit funding provided by the federal and state government is to be supplemental to sources provided for other types of transportation infrastructure with nothing infringing on a local agency's ability to program projects for funding.
- Traditional federal and state funding responsibility for transit should not be shifted to local transportation entities, and no additional requirements should be created for the use or receipt of funding by local entities, or unfunded mandates requiring operations beyond existing capacity, unless agreed to by that entity.
- Any newly created federal or state fees for transit should allow for revenues to be locally controlled, and include specific safeguards to prevent the diversion of funding for non-transit purposes and ensure adequate oversight to provide accountability that funds are used as intended.
- Flexibility should be included in any state or federal transit funding source, allowing transit operators to use the funding for both operations and capital expenditures.
- Efforts should be undertaken to more clearly delineate the costs associated with operating transit compatible with meeting the state or nation's environmental goals,

with transit to be considered an eligible recipient of revenues from compliance mechanisms created under AB 32 – the Global Warming Solutions Act of 2006 (Chapter 488, Statutes of 2006), or similar mechanisms implemented by the federal government.

- Consideration should be given to creating incentives and recognition for counties that have passed local sales tax measures which can be used to fund transit projects.
- Any efforts at updating current state funding mechanisms for transit should give consideration to creating alignment in the administration, farebox recovery requirements, and exclusions provided under various programs.
- Federal transit funding efforts should give consideration to providing assistance for transit operations, such as funding for fuel and energy costs.



Orange County Transportation Authority Legislative Matrix

2009 State Legislation Session
May 21, 2009

SPONSORED BILL			
BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 454 (Lowenthal – D) Department of Transportation: Division of Rail	Serves as the legislative vehicle for any necessary policy modifications resulting from the Los Angeles-San Diego-San Luis Obispo (LOSSAN) rail integration study currently being completed by several Southern California regional transportation agencies	INTRODUCED: 2/26/2009 LOCATION: Senate Rules Committee STATUS: 03/12/2009 To SENATE Committee on RULES	SPONSOR
BILLS WITH POSITIONS			
BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
► AB 628 (Block - D) Vehicles: Toll Evasion Violations	Permits agencies to use pay-by-plate processing for toll roads and bridges. Provides that where the issuing agency permits pay-by-plate toll processing and payment of tolls and other charges, it is prima facie evidence of toll evasion violation for a person to enter the toll road or bridge without lawful money of the United States in the person's immediate possession, a transponder or other electronic payment device, or valid California vehicle plates properly affixed to the vehicle.	INTRODUCED: 02/25/2009 LAST AMENDED: 04/02/2009 LOCATION: Assembly Third Reading STATUS: 05/04/2009 In ASSEMBLY. Read second time. To third reading	SUPPORT Sponsor: South Bay Expressway (State Route 125) Support: Metropolitan Transportation Commission, Transportation Corridor Agencies

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 729 (Evans - D)</p> <p>Public Contracts: Transit Design-Build Contracts</p>	<p>Amends existing law to extend the January 1, 2011 sunset provision to allow transit operators to enter into design-build contracts for transit capital projects until January 1, 2015.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 04/22/2009 LOCATION: <i>Assembly Second Reading File</i></p> <p>STATUS: 05/06/2009 From ASSEMBLY Committee on APPROPRIATIONS: Do pass. To Consent Calendar</p>	<p>SUPPORT</p> <p>Sponsor: California Transit Association</p> <p>Support: Foothill Transit, San Diego Association of Governments, Santa Clara Valley Transportation Authority</p>
<p>► AB 1072 (Eng - D)</p> <p>Public Transportation Modernization, Improvement, and Service Enhancement Account</p>	<p>Clarifies that the formula used to calculate an agency's share of Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) is to be the same in future fiscal years (FY) as was used to appropriate funding in the FY 2009-2010 budget. Requires eligible project sponsors to provide the California Department of Transportation a list of projects that they plan to fund with PTMISEA funds that have not yet been appropriated.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 05/05/2009 LOCATION: <i>Assembly Appropriations Committee</i></p> <p>STATUS: 05/05/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS</p>	<p>SUPPORT</p> <p>Sponsor: California Transit Association</p> <p>Support: LAMTA, Foothill Transit, Santa Clara Valley Transportation Authority.</p>
<p>► AB 1403 (Eng - D)</p> <p>Local Transportation Fund: Planning</p>	<p>Relates to local transportation funds planning and programming in the Southern California Association of Governments (SCAG) area. In the multicounty region that is within SCAG, specified percentages of Transportation Development Act annual revenues may be allocated to the statutorily created county transportation commissions in five individual counties, and up to 3/4 of one percent of annual revenues, but not more than \$1,000,000, may be allocated by the commissions in Los Angeles, Orange, Riverside, and San Bernardino counties, proportionately, to SCAG for its transportation planning and programming functions. This bill would delete the \$1,000,000 limitation on allocations of these funds by the four county transportation commissions to SCAG.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/28/2009 LOCATION: <i>Senate</i></p> <p>STATUS: 05/11/2009 In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE</p>	<p>SUPPORT</p> <p>Sponsor: SCAG</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 372 (Kehoe – D) State Parks System</p>	<p>Prohibits the modification or adjustment of state park units, or the removal of state park units from within the state park system, without the State Park and Recreation Commission making that recommendation to the Legislature and the Legislature enacting legislation approving the recommendation.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 05/06/2009 LOCATION: Senate <i>Appropriations Committee</i></p> <p>STATUS: 05/06/2009 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS</p>	<p>OPPOSE</p> <p>(partial list) Support: California League of Conservation Voters, Bay Area Open Space Council</p> <p>Oppose: Orange County Board of Supervisors, Transportation Corridor Agencies of Orange County</p>
<p>SB 679 (Wolk - D) State Parks and Acquired Land</p>	<p>Prohibits land acquired for the state park system, through public funds or gifts, from being disbursed of or used for other than park purposes without the express authority of an act of the Legislature. Any request for such authority would be required to receive the certification of the State Parks and Recreation Commission, and provide for the substitution of other lands of equal environmental value or other value for which the park was established, fair market value, and reasonably equivalent usefulness and location to those to be disposed of or used for other than park purposes.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 05/05/2009 LOCATION: Senate <i>Appropriations Committee</i></p> <p>STATUS: 05/05/2009 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS</p>	<p>OPPOSE</p> <p>(partial list) Support: California State Parks Foundation, Sierra Club California</p> <p>Oppose: California Chamber of Commerce, Transportation Corridor Agencies of Orange County</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 716 (Wolk – D)</p> <p>Local Transportation Funds</p>	<p><i>Amends existing law that authorizes a specified portion of local sales and use taxes to be transferred to the local transportation fund. Authorizes, in those counties where local transportation funds may be allocated to local streets and roads, the use of those funds for specified farmworker vanpool purposes upon a finding by the transportation planning agency that there are no unmet transit needs or no unmet transit needs that are reasonable to meet.</i></p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/30/2009 LOCATION: Senate Transportation and Housing Committee</p> <p>STATUS: 04/30/2009 From SENATE Committee on TRANSPORTATION AND HOUSING with author's amendments 04/30/2009 In SENATE. Read second time and amended. Re-referred to Committee on TRANSPORTATION AND HOUSING HEARING: 05/12/2009 1:30 pm</p>	<p>OPPOSE</p> <p>Sponsor: California Rural Legal Assistance Foundation</p> <p>Support: Environmental Resources Defense Fund</p> <p>Oppose: California Transit Association</p>

BILLS BEING MONITORED

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>AB 26 (Hernandez – D)</p> <p>Public Contracts: Bid Preferences: Employee Health Care</p>	<p>Requires a state agency awarding a public works contract to provide a bid preference to a bidder whose employee health care expenditures, and those of its subcontractors, are a percentage of the aggregate Social Security Wages paid to its employees in the state. Requires a bidder and its subcontractors to submit statements certifying that they qualify for the bid preference. Requires the bidder and contractors to continue to make employee health care expenditures.</p>	<p>INTRODUCED: 12/01/2008 LOCATION: Assembly Appropriations Committee STATUS: 04/01/2009 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File</p>	<p>Sponsor: State Building and Construction Trades Council of California</p> <p>Support: American Federation of State, County and Municipal Employees(AFSCME)</p> <p>Oppose: Associated General Contractors National Federation of Independent Business California State University</p>
<p>AB 31 (Price – D)</p> <p>Public Contracts: Small Business Procurement Act</p>	<p>Relates to existing law which permits a state agency to award a contract to a certified small business without complying with competitive bidding requirements. Increases the maximum amount of the contracts from \$100,000 to \$250,000. Requires the contractor upon completion of a public contract for which a commitment to achieve small business or disabled veteran business enterprise participation goals was made, to report the actual percentage of participation that was achieved.</p>	<p>INTRODUCED: 12/01/2008 LOCATION: Assembly Appropriations Committee STATUS: 04/22/2009 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File</p>	<p>Sponsor: Department of General Services</p> <p>Support: National Federation of Independent Businesses</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 109 (Feuer – D) Outdoor Advertising</p>	<p>Amends the Outdoor Advertising Act; prohibits an advertising display that is visible from a state, county or city highway from being constructed as, or converted, enhanced, improved, modified, modernized or altered into a digital advertising display; prohibits an official highway changeable message sign from being constructed as or converted, enhanced, improved modified, modernized or altered into a digital advertising display for the purpose of displaying messages other than traffic operations.</p>	<p>INTRODUCED: 1/13/2009 LAST AMENDED: 04/23/2009 LOCATION: Assembly Governmental Organization Committee. STATUS: 04/30/2009 In ASSEMBLY Committee on GOVERNMENTAL ORGANIZATION: Failed passage 04/30/2009 In ASSEMBLY Committee on GOVERNMENTAL ORGANIZATION: Reconsideration granted</p>	<p>Support: Association of California Insurance Companies, City of Los Angeles, Scenic America Oppose: California Chamber of Commerce, Clear Channel Outdoor</p>
<p>AB 118 (Logue – R) California Global Warming Solutions Act of 2006</p>	<p>Repeals the California Global Warming Solutions Act of 2006, which requires the State Air Resources Board to adopt regulations to require the reporting of greenhouse gases and to adopt a statewide greenhouse gas emissions limit.</p>	<p>INTRODUCED: 01/15/2009 LOCATION: Assembly Natural Resources Committee STATUS: 02/26/2009 To ASSEMBLY Committee on NATURAL RESOURCES</p>	<p>None Listed</p>
<p>► AB 216 (Beall – D) Public Contracts: Claims</p>	<p>Provides for a mediation process and binding arbitration process for 3rd party claim disputes between a contractor and a local agency, charter city, or charter county that does not have an alternative dispute process, if those claims remain unresolved after a 105 day time period for review of the claim, 10 day period for a meet and confer conference to occur, and 30 day time period for mediation.</p>	<p>INTRODUCED: 02/03/2009 LAST AMENDED: 05/06/2009 LOCATION: Assembly Appropriations Committee STATUS: 05/06/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS</p>	<p>(partial list) Support: American Federation of State, County, and Municipal Employees, AFL-CIO Oppose: League of California Cities, American Council of Engineering Companies</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 231 (Huffman – D)</p> <p>Global Warming Solutions Act of 2006: Trust Fund</p>	<p>Requires the State Air Resources Board to adopt a schedule of fees to be paid by the sources of greenhouse emissions which would be deposited in the Climate Protection Trust Fund for purposes of carrying out the Global Warming Solutions Act of 2006.</p>	<p>INTRODUCED: 02/05/2009 LAST AMENDED: 04/29/2009 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 04/29/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS HEARING: 05/13/2009 9:00 am</p>	<p>(partial list) Support: Environmental Defense Fund, The Trust for Public Land, AFL-CIO</p> <p>Oppose: California Chamber of Commerce, Cal-Tax, California Retailers Association</p>
<p>AB 251 (Knight – R)</p> <p>L.A. County Metropolitan Transportation Authority</p>	<p>Provides for the appointment of one member of the Los Angeles County Metropolitan Transportation Authority by the city councils of the Cities of Palmdale, Lancaster, and Santa Clarita, and deletes one of the public members appointed by the Mayor of Los Angeles. Excludes the Cities of Palmdale, Lancaster, and Santa Clarita from the selection of the 4 members appointed from other cities in the county.</p>	<p>INTRODUCED: 02/10/2009 LOCATION: Assembly Local Government Committee</p> <p>STATUS: 04/22/2009 In ASSEMBLY Committee on LOCAL GOVERNMENT: Failed passage</p>	<p>Sponsor: L.A. County Supervisor Michael Antonovich</p> <p>Oppose: City of Los Angeles</p>
<p>► AB 254 (Jeffries – R)</p> <p>Emergency Vehicles: Payment of Tolls</p>	<p>Exempts emergency vehicles from the payment of a toll or any related charge on a vehicle crossing or toll highway while engaged in rescue operations. Includes when the vehicle is being driven while responding to an urgent or emergency call, participating in an urgent or emergency response, or engaging in a fire station coverage assignment directly related to an emergency response.</p>	<p>INTRODUCED: 02/11/2009 LAST AMENDED: 04/21/2009 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 04/27/2009 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS HEARING: 05/13/2009 9:00 am</p>	<p>Support: Fire Districts Association of California, San Bernardino County Fire Department</p> <p>Oppose: Orange County Fire Authority</p>
<p>AB 263 (Miller – R)</p> <p>Riverside County Transportation Commission</p>	<p>Authorizes the Riverside County Transportation Commission (RCTC) to approve and award one best-value design-build contract for transportation improvements on the State Highway Route 91 corridor based on criteria established by RCTC.</p>	<p>INTRODUCED: 02/11/2009 LOCATION: Assembly Transportation Committee</p> <p>STATUS: 03/04/2009 To ASSEMBLY Committee on TRANSPORTATION</p>	<p>Sponsor: Riverside County Transportation Commission</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 266 (Carter – D) Transportation Needs Assessment</p>	<p>Requires the California Transportation Commission to develop an assessment of the unfunded costs of programmed state projects and federally earmarked projects in the state, as well as an assessment of available funding for transportation purposes and unmet transportation needs on a statewide basis.</p>	<p>INTRODUCED: 02/11/2009 LAST AMENDED: 04/20/2009 LOCATION: Assembly Appropriations Committee STATUS: 04/29/2009 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File</p>	<p>Support: California Transit Association, AFL-CIO, American Federation of State, County, and Municipal Employees</p>
<p>► AB 282 (Assembly Transportation Committee) Transportation</p>	<p>Requires any interest or other return earned by a city or county from investment of bond funds from Proposition 1B - the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 to be expended or reimbursed under the same conditions as are applicable to the bond funds themselves. Extends the time period with which transit operators must file an annual report of their operation with transportation planning agencies having jurisdiction over them and the state Controller from 90 to 110 days after the close of the operator's fiscal year, if the report is filed electronically.</p>	<p>INTRODUCED: 02/12/2009 LOCATION: Assembly Consent Calendar STATUS: 05/04/2009 In ASSEMBLY. Read second time. To Consent Calendar</p>	<p>Support: California Municipal Utilities Association, California State Controller John Chiang , East Bay Municipal Utility District</p>
<p>► AB 309 (Price – D) Public Contracts: Small Business Participation</p>	<p>Requires state agencies, departments, boards, and commissions to establish and achieve a goal of small business participation in state procurements and contracts and to work with the Department of General Services to help small businesses market their products, goods and services to the state by providing access to information about current bid opportunities on their web sites. Requires the Office of Small Business Advocate to collaborate with the Department of General Services to enhance the states small business program.</p>	<p>INTRODUCED: 02/17/2009 LAST AMENDED: 04/23/2009 LOCATION: Assembly Appropriations Committee STATUS: 04/28/2009 From ASSEMBLY Committee on BUSINESS AND PROFESSIONS: Do pass to Committee on APPROPRIATIONS</p>	<p>Sponsor: National Federation of Independent Business California</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>AB 319 (Niello – R) Elections: Ballot Titles</p>	<p>Requires the Legislative Analyst, instead of the Attorney General, to prepare the ballot title and summary for all measures submitted to the voters of the state. Requires the Legislative Analyst, instead of the Department of Finance and the Joint Legislative Budget Committee, to prepare any fiscal estimate or opinion required by a proposed initiative measure.</p>	<p>INTRODUCED: 02/18/2009 LAST AMENDED: 04/13/2009 LOCATION: Assembly Elections and Redistricting Committee</p> <p>STATUS: 04/21/2009 In ASSEMBLY Committee on ELECTIONS AND REDISTRICTING: Failed passage</p> <p>04/21/2009 In ASSEMBLY Committee on ELECTIONS AND REDISTRICTING: Reconsideration granted</p>	<p>Oppose: California School Employees Association , AFL-CIO</p>
<p>► AB 338 (Ma – D) Transit Village Developments: Infrastructure Financing</p>	<p>Recasts the area included in a transit village plan to include all land within at least a half mile of the main entrance to a transit station. Provides that voter approval for the formation of an infrastructure financing district, adoption of a financing plan, and an issuance of bonds for developing and financing a transit facility would be eliminated. A transit village plan financed by these bonds would have to show affordable housing benefits, and include provisions dedicating at least 20 percent of revenues derived from the property tax increment to affordable housing in the transit village.</p>	<p>INTRODUCED: 02/18/2009 LOCATION: <i>Assembly Third Reading File</i></p> <p>STATUS: 04/27/2009 In ASSEMBLY. <i>Read second time. To third reading</i></p>	<p>Sponsor: San Francisco Bay Area Rapid Transit District</p> <p>Support: American Federation of State, County, and Municipal Employees</p> <p>Oppose: Howard Jarvis Taxpayers Association</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>AB 397 (Jeffries – R)</p> <p>South Coast Air Quality Management District Election</p>	<p>Requires the members of the South Coast Air Quality Management District governing board to be elected by the divisions commencing with the 2012 general election.</p>	<p>INTRODUCED: 02/23/2009 LOCATION: Assembly Local Government Committee</p> <p>STATUS: 03/12/2009 Withdrawn from ASSEMBLY Committee on NATURAL RESOURCES</p> <p>03/12/2009 Re-referred to ASSEMBLY Committees on LOCAL GOVERNMENT and NATURAL RESOURCES</p>	<p>None Listed</p>
<p>► AB 594 (Harkey – R)</p> <p>State Mandated Local Programs</p>	<p>Provides that legislation that mandates a new program or higher level of service on any local government shall include a provision to repeal the enactment within six years; requires the Legislative Analyst to report on the enactment, except for legislation that specifically makes this requirement inapplicable, contains a provision to repeal the enactment in less than six years/creates a new crime; changes the definition of a crime/changes the penalty for a crime.</p>	<p>INTRODUCED: 02/25/2009 LAST AMENDED: 04/20/2009 LOCATION: Assembly Local Government Committee</p> <p>STATUS: 04/27/2009 Re-referred to ASSEMBLY Committees on LOCAL GOVERNMENT and HOUSING AND COMMUNITY DEVELOPMENT</p>	<p>None Listed</p>
<p>► AB 619 (Blumenfield – D)</p> <p>Transportation Projects: Federal Funds</p>	<p>Requires the Department of Transportation to notify the Legislature when it is determined that a project, including a project designated in the National Corridor Infrastructure Improvement Program, will be delayed beyond its scheduled completion date due to state cashflow or other funding issues, if the places at risk federal funds.</p>	<p>INTRODUCED: 02/25/2009 LOCATION: Assembly Second Reading File</p> <p>STATUS: 05/06/2009 From ASSEMBLY Committee on APPROPRIATIONS: Do pass. To Consent Calendar</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 652 (Skinner – D) Vehicles: Vehicle Length Limitations</p>	<p>Permits a bus or trolley to possess a folding device that extends a maximum 40 inches from the front of the body and allows the transportation of a bicycle with handlebars that do not exceed 46 inches from the front of the vehicle. Requires that the total length of the bus, including the folding device not exceed 48.8 inches.</p>	<p>INTRODUCED: 02/25/2009 LAST AMENDED: 04/29/2009 LOCATION: Assembly Third Reading File STATUS: 04/30/2009 In ASSEMBLY. Read second time. To third reading</p>	<p>Sponsor: Alameda-Contra Costa Transit District Support: California Transit Association, Environmental Defense Fund</p>
<p>► AB 726 (Nielsen – R) Transportation Capital Improvement Projects</p>	<p>States that local road rehabilitation projects are eligible for transportation capital improvement under the State Transportation Improvement Program.</p>	<p>INTRODUCED: 02/26/2009 LOCATION: Senate STATUS: 04/27/2009 In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE</p>	<p>Co-Sponsors: California State Associations of Counties, Regional Council of Rural Counties</p>
<p>► AB 732 (Jeffries – R) Transportation Projects</p>	<p>Would extend the current sunset date which authorizes the State Department of Transportation to use phase two of the design-sequence construction method on 12 transportation projects until January 1, 2012.</p>	<p>INTRODUCED: 02/26/2009 LOCATION: Assembly Consent Calendar STATUS: 05/04/2009 In ASSEMBLY. Read second time. To Consent Calendar</p>	<p>Sponsor: California Department of Transportation Support: California Association of Council of Governments (Cal COG)</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 733 (Galgiani – D) High Speed Rail Authority</p>	<p>Authorizes the High Speed Rail Authority to consider the creation of jobs in the state when awarding major contracts or purchasing high speed trains.</p>	<p>INTRODUCED: 02/26/2009 LOCATION: Assembly Third Reading File STATUS: 05/04/2009 In ASSEMBLY. Read second time. To third reading</p>	<p>None Listed</p>
<p>► AB 744 (Torricono – D) Bay Area High Occupancy Transportation Network</p>	<p>Authorizes the Bay Area Toll Authority to acquire, construct, administer, and operate a Bay Area Express Lane Network on state highways within the Bay Area pursuant to recommendations by the Bay Area Express Lane Network Project Oversight Committee. Requires revenues from the lanes to be deposited in the Bay Area Express Lane Network Account. Authorizes revenue bond issuance. Transfers the rights and obligations of various Bay Area transportation entities relative to HOT lane projects to the Authority.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 04/21/2009 LOCATION: Assembly Appropriations Committee STATUS: 04/27/2009 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS HEARING: 05/13/2009 9:00 am</p>	<p>Sponsor: Metropolitan Transportation Commission Support: AAA of Northern California Oppose: Paul Thiebaut (individual)</p>
<p>AB 782 (Jeffries - R) Regional Transportation Plans: Sustainable Communities</p>	<p>Provides that upon the California Air Resources Board's (CARB) acceptance that the sustainable communities strategy or an alternative planning strategy, if implemented, will achieve the greenhouse gas emissions reduction targets established by CARB, that acceptance shall be final, and no person or entity may initiate or maintain any judicial proceeding to review the propriety of the CARB's acceptance. Expands the Regional Targets Advisory Committee membership to include commercial builders, the business community, and those involved in transportation funding. Exempts transportation projects funded by Proposition 1B, the American Recovery and Reinvestment Act of 2009, and expands the exemption related to sales tax projects to include measures passed until 2010. Expands California Environmental Quality Act (CEQA) streamlining provisions to additional projects consistent with a sustainable communities strategy or alternative planning scenario.</p>	<p>INTRODUCED: 02/26/2009 LOCATION: Assembly Natural Resources Committee STATUS: 04/27/2009 In ASSEMBLY Committee on NATURAL RESOURCES: Heard, remains in Committee</p>	<p>Support: California Chamber of Commerce, American Council of Engineering Companies Oppose: Breathe California</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 798 (Nava – D) Transportation Financing Authority: Toll Facilities</p>	<p>Creates the Transportation Financing Authority with specified powers and duties relative to the issuance of bonds to fund transportation projects. Bonds are proposed to be backed in whole or in part, by various revenues streams of transportation funds and toll revenues in order to increase the construction of new capacity or improvements for the state transportation system.</p>	<p>INTRODUCED: 02/26/2009 LOCATION: Assembly Appropriations Committee STATUS: 04/29/2009 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File</p>	<p>Sponsor: California State Treasurer Bill Lockyer Support: California Labor Federation, Cal COG, Associated General Contractors of California</p>
<p>► AB 815 (Ma – D) Public Contracts: Plans and Specifications</p>	<p>Requires a local public entity, charter city, or charter county, before entering into any contract for a project, to provide full, complete, and accurate plans and specifications and estimates of cost, giving such direction as will enable any competent mechanic or other builder to carry them out. Exempts from these provisions any clearly identified design-build projects or design-build portions thereof. Declares the intent of the Legislature to consider enacting legislation to address related issues raised in Los Angeles Unified School District v. Great American Ins. Co</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 05/06/2009 LOCATION: Assembly Local Government Committee STATUS: 05/06/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT HEARING: 05/13/2009 1:30 pm</p>	<p><i>Oppose: City of Costa Mesa, Governor's Office of Planning and Research, League of California Cities</i></p>
<p>AB 878 (Caballero – D) Infrastructure Financing</p>	<p>Authorizes a local governmental agency to enter into an agreement with a private entity for financing for specified types of revenue-generating infrastructure projects.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 04/20/2009 LOCATION: Assembly Local Government Committee STATUS: 04/20/2009 From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments 04/20/2009 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>► AB 881 (Huffman – D)</p> <p>Sonoma Transportation Authority: Greenhouse Gas Emissions</p>	<p>Authorizes the Sonoma County Transportation Authority to implement programs and projects to comply with statewide or federal greenhouse gas emission mandates, in cooperation with other local agencies that elect to participate. Makes legislative findings and declarations with respect to the exercise of that authority by the Authority.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 05/07/2009 LOCATION: <i>Assembly Local Government Committee</i></p> <p>STATUS: 05/07/2009 From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments</p> <p>05/07/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT HEARING: 05/13/2009 1:30 pm</p>	<p>Co-Sponsors: Sonoma County Transportation Authority, County of Sonoma</p> <p>Support: City of Healdsburg, City of Rohnert Park</p>
<p>► AB 892 (Furutani – D)</p> <p>Goods Movement Emission Reduction Program</p>	<p>Authorizes an applicant for Proposition 1B Air Quality funds to reallocate these funds to backup projects covered by the same grant agreement, or these funds revert to the state board for reallocation consistent with guidelines to be developed by the State Air Resources Board. Funds reallocated either by the applicant or the Air Resources Board must be liquidated within four years of the date of the award of the original contract, or the funds revert to the California Ports Infrastructure, Security, and Air Quality Improvement Account for allocation upon appropriation by the Legislature.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 04/15/2009 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 04/29/2009 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File</p>	<p>Sponsor: South Coast Air Quality Management District</p> <p>Support: Automobile Club of Southern California, Bay Area Air Quality Management District</p>
<p>► AB 978 (Perez – D)</p> <p>State Chief Information Officer: Duties</p>	<p><i>This bill was amended to now address issues related to the duties associated with the State Chief Information Officer.</i></p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 05/07/2009</p>	

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 1018 (Hill - D) State Finance	Requires the Governor's proposed budget to include estimates of revenues and expenditures for the three subsequent fiscal years. Requires the Director of Finance to submit revised estimates of revenue and expenditures for the current fiscal year and three subsequent fiscal years on or before May 14, July 15, and September 15 of each year. Requires the state Controller and Treasurer to review revised estimates and submit assessment to the fiscal committees of each house and the Director of Finance on or before May 31 of each year.	INTRODUCED: 02/27/2009 LOCATION: Assembly Appropriations Committee STATUS: 03/31/2009 To ASSEMBLY Committee on APPROPRIATIONS	None Listed
AB 1062 (Garrick - R) Design-build contracts	Revises the definition of skilled labor force availability for purposes of public works design-build contracting to mean a commitment to training the future construction workforce through apprenticeship and requires the design-build entity to provide specified information from which it intends to request the dispatch of apprentices for use on the design-build contract.	INTRODUCED: 02/27/2009 LOCATION: Assembly Business and Professions Committee STATUS: 03/31/2009 To ASSEMBLY Committees on BUSINESS AND PROFESSIONS and LABOR AND EMPLOYMENT	Support: Western Electrical Contractors Association Oppose: California Labor Federation, AFL-CIO
► AB 1085 (Mendoza - D) State Air Resources Board: Regulations	Requires CARB to make available to the public all methodologies, inputs, assumptions, and any other information used in the development of a proposed regulation and also disclosure of information before the comment period for any regulation proposed for adoption by CARB.	INTRODUCED: 02/27/2009 LAST AMENDED: 05/06/2009 LOCATION: Assembly Appropriations Committee STATUS: 05/06/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS	Support: California Chamber of Commerce, California Forestry Association, California Grocers Association

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 1086 (Miller - R)</p> <p>Public Contracts and Bids</p>	<p>Relates to existing law which prohibits a state or local governmental agency or entity responsible for letting a public works contract from drafting bid specifications for that contract in a manner that limits the bidding to any one concern or product unless the specification is followed by the words "or equal". Requires these bid requirements provide a period of time after the award of the contract to submit the data. Encourages new and ingenious material production.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 05/04/2009 LOCATION: Assembly Business and Professions Committee</p> <p>STATUS: 05/04/2009 From ASSEMBLY Committee on BUSINESS AND PROFESSIONS with author's amendments</p> <p>05/04/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on BUSINESS AND PROFESSIONS HEARING: 05/12/2009 10:00am</p>	<p>None Listed</p>
<p>► AB 1091 (Ruskin - D)</p> <p>Natural Resources: Climate Change</p>	<p><i>Authorizes the Natural Resources Agency to develop and amend as necessary a climate change adaptation strategy to assess the state's vulnerability to impacts of climate change, including the impacts of projected sea-level rise, on the state's physical and natural infrastructure. Permits the agency to develop or augment the strategy by region. Provides that the strategy is subject to a specified revenue process prior to adaptation or approval.</i></p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 05/06/2009 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 05/06/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS</p>	<p>Support: Trust for Public Land, Nature Conservancy, Planning and Conservation League</p>
<p>► AB 1135 (Skinner - D)</p> <p>Vehicles: Registration Renewal</p>	<p>Requires the owner of a vehicle, upon application for renewal of a vehicle registration, to report the current odometer reading of the vehicle. Requires the information, except for the name of the vehicle owner and the vehicle license plate number, to be public information. Requires the Department of Motor Vehicles to group the information into census blocks and post the data on the department's Internet web site.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/13/2009 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 04/29/2009 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File</p>	<p>Sponsor: TransFORM California</p> <p>Support: Breathe California, Bay Area Air Quality Management District</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 1212 (Ruskin - D) Air Resources: Clean Vehicle Incentive Program	Authorizes CARB to adopt and implement a clean vehicle incentive, or feebate, program consisting of one-time rebates and one-time surcharges on the sale of new passenger motor vehicles. CARB is only to establish this program if it funds that the implementation of the program would be beneficial to achieving AB 32 greenhouse gas emission reduction goals. This is to be implemented in such a way that does not result in a levying of a tax, and all revenues are to be deposited into the Air Pollution Control Fund.	INTRODUCED: 02/27/2009 LOCATION: Assembly Transportation Committee STATUS: 03/31/2009 To ASSEMBLY Committee on TRANSPORTATION	None Listed
AB 1229 (Evans - D) Public Contracts: Local Public Agencies	Requires the Contractors State License Board, rather than the Department of Industrial relations, in collaboration with impacted agencies and parties, to develop guidelines and a standardized questionnaire related to qualifying bidders and regulating local public works projects. Factors to be considered in qualifying bidders are to include the size and contract volume of a perspective bidder. Factors are to be used to determine qualifications of a bidder on a weighted basis. Specifies that a prequalifying questionnaire, if used by a public entity, shall remain valid for three years, rather than a year, as long as the public entity determines the information has not substantially changed for that three year period.	INTRODUCED: 02/27/2009 LOCATION: Assembly Business and Professions Committee STATUS: 03/31/2009 To ASSEMBLY Committees on BUSINESS AND PROFESSIONS and LOCAL GOVERNMENT	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 1277 (Harkey - R) State Bonds: Sale	Authorizes the Treasurer to delay the sale of state bonds that are subject to the approval under Article 16 of the state constitution if the Treasurer, in consultation with the state Controller and Director of Finance determine that making the principal and interest payments would result in payments from the general fund for total debt service on the bonds would exceed six percent of total general fund revenues for the fiscal year, or if the cost of commercial paper needed to find a start-up loan would be more than three times the normal costs of commercial paper experienced by the Treasurer over the last two fiscal years, or if the Treasurer determines the Pooled Money Investment Account does not have sufficient funds to loan an amount equal to the bond proceeds.	INTRODUCED: 02/27/2009 LOCATION: Assembly Appropriations Committee STATUS: 03/31/2009 To ASSEMBLY Committee on APPROPRIATIONS	None Listed
▶ AB 1278 (Harkey - R) Elections: Initiatives	Requires the Legislative Analyst to include additional information in the ballot pamphlet for each state initiative measure that proposes the issuance of a state bond. This information is to include the total amount of proposed bond indebtedness, the total amount of interest that would be paid over the term of the proposed bond, state that by approving this measure it is authorizing the state to incur debt, state whether tax revenue will be used to repay the bond, and state that repayment of the proposed bond may take priority over funding provided to local government or provided for public services.	INTRODUCED: 02/27/2009 LAST AMENDED: 04/14/2009 LOCATION: Assembly Elections and Redistricting Committee STATUS: 04/14/2009 From ASSEMBLY Committee on ELECTIONS AND REDISTRICTING with author's amendments 04/14/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on ELECTIONS AND REDISTRICTING	None Listed
AB 1299 (Coto - D) State Taxes: Vote Requirement	Clarifies the meaning of state taxes for purposes of the constitutional vote requirement to mean taxes that are imposed by state law, levied and collected by the state, and required by state law to be deposited in the state treasury.	INTRODUCED: 02/27/2009 LOCATION: Assembly STATUS: 02/27/2009 INTRODUCED	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 1321 (Eng – D)</p> <p>Advance Infrastructure Mitigation Program</p>	<p>Enacts the Advance Infrastructure Mitigation Program Act. Provides for effective mitigation and conservation of natural resources and natural processes on a landscape, regional, or statewide scale, to expedite the environmental review of planned infrastructure projects and to facilitate the implementation of measures to mitigate the impacts of those projects. Establishes and funds mitigation banks. Authorizes mitigation credits.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 05/06/2009 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 05/06/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS</p>	<p>(partial list) Support: California Council of Land Trust, California League of Conservation Voters, Nature Conservancy</p>
<p>► AB 1323 (Lowenthal – D)</p> <p>Workforce Development: Job Information</p>	<p>Requires the Employment Development Department to ensure that information is posted or otherwise made available at all state one-stop career centers regarding any jobs that have been or will be created in the state as result of economic stimulus funding provided to the state pursuant to the American Recovery and Reinvestment Act of 2009, or from the proceeds from the sale of state General Fund Infrastructure Bonds.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/14/2009 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 05/06/2009 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File</p>	<p>Support: California Workforce Association</p>
<p>► AB 1364 (Evans – D)</p> <p>Public Contracts</p>	<p>Provides that any state agency that has entered into a contract where the agency has or may be unable to comply with the terms of that contract because of the suspension of programs by the Pooled Money Investment Board shall have authority to either renegotiate the deadlines and timetables for the deliverables within the agreement that may not be met in order to preserve the validity of the agreement or to invalidate the agreement.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/29/2009 LOCATION: Assembly Business and Professions Committee</p> <p>STATUS: 04/29/2009 From ASSEMBLY Committee on BUSINESS AND PROFESSIONS with author's amendments</p> <p>04/29/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on BUSINESS AND PROFESSIONS HEARING: 05/12/2009 10:00 am</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 1375 (Galgiani – D) High-speed Rail	Revises and recasts provisions by repealing and reenacting the California High-Speed Train Act. Continues the High-Speed Rail Authority. Would also create the Department of High-Speed Trains within the Business, Transportation and Housing Agency to implement policies related to Proposition 1A (2008) and specifies its duties in relation to the High-Speed Rail Authority. Requires the newly formed department to have control over the annual submission of a six-year high-speed train capital improvement program and progress report to the Legislature.	INTRODUCED: 02/27/2009 LOCATION: Assembly Appropriations Committee STATUS: 04/27/2009 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS	None Listed
► AB 1381 (Perez – D) High-occupancy Toll Lanes	Requires the Los Angeles County Metropolitan Transportation Authority (MTA) high-occupancy toll lanes program to be implemented with the active participation of the Department of the California Highway patrol. Requires the Los Angeles County Metropolitan Transportation Authority to establish appropriate performance measures for the purpose of ensuring optimal use of the high-occupancy toll lanes without adversely affecting other traffic on the state highway system. States that MTA is not entitled to compensation for the adverse effects on toll revenue due to these facilities.	INTRODUCED: 02/27/2009 LAST AMENDED: 04/15/2009 LOCATION: <i>Assembly Third Reading File</i> STATUS: 05/04/2009 In ASSEMBLY. <i>Read second time. To third reading</i>	Co-Sponsors: California Department of Transportation, LAMTA Support: Professional Engineers in California Government
AB 1382 (Niello – R) State Budget	Requires that the state budget submitted by the Governor to the Legislature for the 2011-2012 fiscal year and each following year be developed pursuant to performance-based budgeting methods, for each state agency. Requires the Department of Finance to utilize the annual report on the measurements of performance-based budgeting methods prepared by the Joint Legislative Budget Committee.	INTRODUCED: 02/27/2009 LOCATION: Assembly Appropriations Committee STATUS: 03/31/2009 To ASSEMBLY Committee on APPROPRIATIONS	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 1411 (Torrico – D) Legislative Payments During a Delayed Budget	Prohibits payment to the Members of the Legislature of travel and living expenses if the budget is not passed by the legislature and sent to the Governor by midnight June 15 until the budget is passed and sent. Prohibits Members from engaging in campaign fundraising activities until the Budget Bill is passed.	INTRODUCED: 02/27/2009 LOCATION: Assembly Appropriations Committee STATUS: 04/02/2009 To ASSEMBLY Committee on APPROPRIATIONS	None Listed
► AB 1414 (Hill – D) Controlled Substances	<i>This bill was amended to now address issues related to controlled substances</i>	INTRODUCED: 02/27/2009 LAST AMENDED: 04/30/2009	
► AB 1471 (Eng – D) <i>Procurement: L.A. Metropolitan Transportation Authority</i>	<i>Deletes specified provisions relating to the Los Angeles County Metropolitan Transportation Authority. Authorizes the authority to purchase supplies, equipment, and materials from a public auction sale using the procedures established for all other participants in the auction. Authorizes the authority to participate in a cooperative procurement agreement with other public agencies under specified conditions.</i>	INTRODUCED: 02/27/2009 LAST AMENDED: 05/04/2009 LOCATION: Assembly Appropriations Committee STATUS: 05/04/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS HEARING: 05/13/2009 9:00 am	None Listed
► AB 1500 (Lieu – D) High Occupancy Lanes: Single Occupancy Vehicles	Authorizes the Department of Transportation to designate certain lanes for the exclusive use of high-occupancy vehicles, which may also be used by low-emission and hybrid vehicles. AB 1500 extends the date from January 1, 2011 to January 1, 2016 that these specified vehicles can use high-occupancy lanes.	INTRODUCED: 02/27/2009 LAST AMENDED: 04/29/2009 LOCATION: Assembly Appropriations Committee STATUS: 04/29/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS	<i>Support: California Natural Gas Vehicle Coalition</i>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 1502 (Eng – D) Vehicles: High-Occupancy Vehicle Lanes	Authorizes the Department of Transportation to designate certain lanes for the exclusive use of high-occupancy vehicles, which may also be used by certain low-emission, hybrid, or alternative fuel vehicles.	INTRODUCED: 02/27/2009 LOCATION: Assembly Transportation Committee STATUS: 04/02/2009 To ASSEMBLY Committee on TRANSPORTATION	None Listed
ACA 1 (Silva – R) Legislature	Proposes an amendment to the Constitution to provide that no bill that would result in more than \$150,000 of annual expenditure by the state may be passed unless, by roll call vote entered in the journal, two thirds of the membership of each house concurs.	INTRODUCED: 12/01/2008 LOCATION: Assembly Appropriations Committee STATUS: 04/20/2009 To ASSEMBLY Committee on APPROPRIATIONS	None Listed
ACA 3 (Blakeslee – R) Initiatives: Bond Funding Source	Requires an initiative measure that would authorize the issuance of state general obligation bonds in a total amount exceeding \$1 billion to either provide additional tax or fee revenues, the elimination of existing programs, or both, as necessary to fully fund the bonds, as determined by the Legislative Analyst, in order to be submitted to the voters or take effect.	INTRODUCED: 12/01/2008 LOCATION: Assembly Elections and Redistricting Committee STATUS: 04/20/2009 To ASSEMBLY Committee on ELECTIONS AND REDISTRICTING	None Listed
ACA 5 (Calderon – D) Initiatives: State General Obligation Bonds	Proposes an amendment to the State Constitution to require an initiative measure that would authorize the issuance of state general obligation bonds to either provide additional tax or fee revenues, the elimination of existing programs, or both, as necessary to fully fund the bonds, as determined by the Legislative Analyst, in order to be submitted to the voters or to take effect. Requires the Attorney General to identify the new revenue source. Requires at least 55 percent of voters approve an initiative authorizing the issuance of state general obligation bonds.	INTRODUCED: 12/15/2008 LOCATION: Assembly Elections and Redistricting Committee STATUS: 04/20/2009 To ASSEMBLY Committee on ELECTIONS AND REDISTRICTING	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► ACA 9 (Huffman – D)</p> <p>Local Government Bonds: Special Taxes: Voter Approval</p>	<p>Changes the two-thirds voter-approval requirement for special taxes to, instead, authorize a city, county, or special district to impose a special tax with the approval of 55 percent of its voters voting on the tax. Lowers the voter-approval threshold for a city, county, or city and county to incur general obligation bonded indebtedness for amounts exceeding in one year the income and revenue provided in that year to 55 percent.</p>	<p>INTRODUCED: 02/06/2009 LAST AMENDED: 04/27/2009 LOCATION: <i>Assembly Revenue and Taxation Committee</i></p> <p>STATUS: 05/06/2009 From ASSEMBLY Committee on LOCAL GOVERNMENT: <i>Be adopted to Committee on REVENUE AND TAXATION</i></p>	<p>(partial list) <i>Support: League of California Cities, California State Association of Counties, CALCOG</i></p> <p><i>Oppose: Cal-Tax, California Association of Realtors, Howard Jarvis Taxpayers Association</i></p>
<p>► ACR 14 (Niello – R)</p> <p>Global Warming Solutions Act of 2006</p>	<p>Calls upon the State Air Resources Board, prior to any regulatory action being taken consistent with the scoping plan for the implementation of the Global Warming Solutions act of 2006, to perform an economic analysis that will give the State a more complete picture of costs and benefits of the implementation. Calls upon the Governor to use the authority granted by the act to adjust any applicable deadlines.</p>	<p>INTRODUCED: 01/27/2009 LAST AMENDED: 03/27/2009 LOCATION: <i>Assembly Natural Resources Committee</i></p> <p>STATUS: 04/27/2009 In ASSEMBLY Committee on NATURAL RESOURCES: <i>Failed passage</i></p>	<p><i>Support: California Grocers Association, California Council for Environmental and Economic Balance, California Manufacturers and Technology Association</i></p> <p><i>Oppose: Planning and Conservation League</i></p>
<p>ACR 16 (Silva – R)</p> <p>Joint Rules: Fiscal Committee</p>	<p>Provides that whenever a bill that would result in net costs for a program is referred or re-referred to the fiscal committee of either house, the bill shall not be heard or acted upon by the committee or either house until the bill either provides for an appropriation or other funding source in an amount that meets or exceeds the net costs.</p>	<p>INTRODUCED: 02/02/2009 LOCATION: <i>Assembly</i></p> <p>STATUS: 02/02/2009 INTRODUCED</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 27 (Hancock – D)</p> <p>Local Agencies: Sales and Use Tax: Reallocation</p>	<p>Prohibits a local agency from entering into any agreement with a retailer, or any other person that would involve the payment, transfer, diversion or rebate of any amount of local tax proceeds if the agreement results in a reduction in the amount of revenue received by another agency from a retailer located within the jurisdiction of that other agency, and the retailer continues to maintain a physical presence within the territorial jurisdiction of the other local agency. Provides exceptions.</p>	<p>INTRODUCED: 12/02/2008 LAST AMENDED: 02/23/2009 LOCATION: <i>Assembly Local Government Committee</i></p> <p>STATUS: 04/30/2009 To ASSEMBLY Committee on LOCAL GOVERNMENT HEARING: 05/13/2009 1:30 pm</p>	<p>(partial list) Support : City of Livermore (sponsor), American Federation of State, County, and Municipal Employees; California State Association of Counties; City of Industry; League of Cities; California Peace Officers Association; California Professional Firefighters</p>
<p>► SB 31 (Pavley – D)</p> <p>Global Warming Solutions Act</p>	<p>Relates to the Global Warming Solutions Act of 2006. Requires that revenues collected pursuant to compliance mechanisms adopted by the State Air Resources Board be deposited in the Air Pollution Control Fund. Specifies that uses of the revenues collected pursuant to the fee and the compliance mechanisms are to include such things as renewable energy and energy efficiency programs, investments in technologies to reduce greenhouse gas emissions, green jobs development and training, and for administrative costs related to implementing the Act.</p>	<p>INTRODUCED: 12/02/2008 LAST AMENDED: 05/05/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 05/05/2009 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS</p>	<p>Co-Sponsors: Environmental Entrepreneurs, Natural Resources Defense Council</p> <p>(partial list) Support: South Coast Air Quality Management District, Environmental Defense Fund</p> <p>Oppose: California Chamber of Commerce, Southern California Edison</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 104 (Oropeza – D)</p> <p>Global Warming Solutions Act of 2006: Greenhouse Gases</p>	<p>Amends the Global Warming Solutions Act of 2006 to include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride. Includes nitrogen trifluoride and any other anthropogenic gas, one metric ton of which makes the same or greater contribution to global warming as one metric ton of carbon dioxide. Includes a procedure by which any person could petition for a designation. Requires the State Air Resources Board to adopt appropriate regulations.</p>	<p>INTRODUCED: 01/27/2009 LAST AMENDED: 04/30/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 04/30/2009 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS HEARING: 05/18/2009 11:00 am</p>	<p>Support: American Federation of State, County, and Municipal Employees, AFL-CIO, Sierra Club California</p>
<p>► SB 136 (Huff - R)</p> <p>Surplus State Real Property: Exemption from CEQA</p>	<p>Exempts the sale of surplus state real property made on an "as is" basis from designated provisions of the California Environmental Quality Act (CEQA). Exempts from those provisions of CEQA the execution of the disposition agreement for surplus state real property when the disposition is not made on an "as is" basis and the close of escrow is contingent on specified conditions.</p>	<p>INTRODUCED: 02/10/2009 LAST AMENDED: 04/13/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 04/28/2009 From SENATE Committee on GOVERNMENTAL ORGANIZATION: Do pass to Committee on APPROPRIATIONS</p>	<p><i>Sponsor: California Department of General Services</i></p> <p><i>Support: Howard Jarvis Taxpayers Association</i></p>
<p>SB 205 (Hancock – D)</p> <p>Traffic Congestion: Motor Vehicle Registration Fees</p>	<p>Authorizes a countywide transportation planning agency to impose an annual fee on motor vehicles registered within the county for programs and projects for certain purposes; requires voter approval; requires the Department of Motor Vehicles to collect the additional fee and distribute the net revenues to the agency. Requires that fees be used only to pay for programs and projects which are consistent with a regional transportation plan.</p>	<p>INTRODUCED: 02/23/2009 LAST AMENDED: 04/14/2009 LOCATION: Senate Third Reading File</p> <p>STATUS: 04/28/2009 In SENATE. Read second time. To third reading</p>	<p>(partial list) Sponsor; Alameda County Congestion Management Agency</p> <p>Support: Santa Clara Valley Transportation Authority</p> <p>Oppose: Automobile Club of Southern California</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 225 (Flores – D)</p> <p>Emission Reduction Credits</p>	<p>Authorizes an air quality management district and an air pollution control district to create an emission reduction credit from the emission reductions resulting from a project that is funded from both public and private moneys if specified requirements are met.</p>	<p>INTRODUCED: 02/23/2009 LAST AMENDED: 04/29/2009 LOCATION: Senate Environmental Quality Committee</p> <p>STATUS: 04/29/2009 From SENATE Committee on ENVIRONMENTAL QUALITY with author's amendments</p> <p>04/29/2009 In SENATE. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL QUALITY</p>	<p>None Listed</p>
<p>► SB 295 (Dutton - R)</p> <p>California Global Warming Solutions Act of 2006</p>	<p><i>Relates to the Global Warming Solutions Act of 2006 that requires reporting and verification of emissions of greenhouse gases and to enforce compliance with reporting and verification. Requires the State Air Resources Board to report on whether the revised analysis regarding greenhouse gas emission reductions has led, or will lead, to any changes to the scoping plan, and whether any changes should be made to the act's timelines. Requires the Legislative Analyst to review the state board's implementation.</i></p>	<p>INTRODUCED: 02/25/2009 LAST AMENDED: 04/27/2009 LOCATION: Senate Environmental Quality Committee</p> <p>STATUS: 04/27/2009 From SENATE Committee on ENVIRONMENTAL QUALITY with author's amendments</p> <p>04/27/2009 In SENATE. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL QUALITY</p>	<p>(partial list)</p> <p>Support: Cal-Tax, Greater Riverside Chamber of Commerce, Inland Empire Division of the League of California Cities</p> <p>Oppose: California Teachers Association, Planning and Conservation League.</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 333 (Handcock – D)</p> <p>Voluntary Greenhouse Gas Emission Offset Program</p>	<p>Creates the Voluntary Greenhouse Gas Emission Offset Program Fund, and provides that funds received by the state on a voluntary basis from the federal government, individuals, or other sources for the mitigation of climate change impacts related to greenhouse gas emissions be deposited in this fund. Requires that moneys from the fund be directed to the California Conservation Corps and local conservation corps for specified projects.</p>	<p>INTRODUCED: 02/25/2009 LAST AMENDED: 05/04/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 05/04/2009 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS HEARING: 05/18/2009 11:00 am</p>	<p>None Listed</p>
<p>► SB 391 (Liu – D)</p> <p>California Transportation Plan</p>	<p>Requires the California Transportation Plan to be updated to address how the state will achieve maximum feasible emission reductions in order to attain a statewide reduction of greenhouse gas emissions to 1990 levels by 2020 and 80 percent below 1990 levels by 2050. Also requires the plan to identify a statewide integrated multimodal transportation system needed to achieve greenhouse gas reductions.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 05/04/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 05/04/2009 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS HEARING: 05/18/2009 11:00 am</p>	<p>None Listed</p>
<p>► SB 406 (DeSaulnier – D)</p> <p>Land Use: Environmental Quality</p>	<p>Proposes changes to the membership of the Planning Advisory and Assistance Council and requires that the Council work with the State Strategic Growth Council. Authorizes a municipal planning organization or council of governments to levy a motor vehicle registration surcharge on vehicles registered to be used to develop and implement a regional blueprint plan.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 04/30/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 04/30/2009 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS HEARING: 05/18/2009 11:00 pm</p>	<p>Support: CALCOG, American Federation of State, County, and Municipal Employees, AFL-CIO, ABAG</p> <p>Oppose: California New Car Dealer's Association, California Taxpayers' Association, San Diego Association of Governments</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 409 (Ducheny – D) Department of Railroads	Creates the Department of Railroads within the Business, Transportation, and Housing Agency. Transfers responsibilities for various state railroad programs currently administered by other agencies to the Department. Provides that the Department shall be the only state agency eligible to apply for and receive grant and loan funds from the federal government for intercity rail, high speed rail, or freight rail purposes.	INTRODUCED: 02/26/2009 LOCATION: Senate Transportation and Housing Committee STATUS: 04/14/2009 In SENATE Committee on TRANSPORTATION AND HOUSING: Heard, remains in Committee	Oppose: California Public Utilities Commission
SB 414 (Correa – D) County Employee Retirement: Boards	Requires a County retirement Board to appoint a replacing alternate member in the same manner as prescribed for the initial appointment of an alternate retired member who shall serve out the remaining term of the leaving member.	INTRODUCED: 02/26/2009 LOCATION: Senate Public Employment and Retirement Committee STATUS: 03/12/2009 To SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT	None Listed
► SB 425 (Simitian – D) Personal and corporate income taxes: ridesharing	Disallows an income tax deduction for expenses of specified employers for parking subsidies unless all employees provided with a parking subsidy are offered a parking cash-out program. Authorizes a personal and corporate income tax credit for qualified commute reduction expenditures for specified small-business taxpayers.	INTRODUCED: 02/26/2009 LAST AMENDED: 05/04/2009 LOCATION: Senate Revenue and Taxation Committee STATUS: 05/07/2009 Withdrawn from SENATE Committee on RULES 05/07/2009 Re-referred to SENATE Committee on REVENUE AND TAXATION HEARING: 05/13/2009 1:30 pm	<i>Support: Natural Resources Defense Council, Los Angeles Chamber of Commerce, San Mateo County Transit District</i>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 455 (Lowenthal – D) High Speed Rail	Would require the Governor’s appointments to the California High Speed Rail Authority to be based on the advice and consent of the Senate. Requires the Authority to ensure the selected projects, including right-of-way acquisition are consistent with the criteria as specified in the approved high speed rail bond. Waives specific state approval processes for capital outlay purchases by the Authority.	INTRODUCED: 02/26/2009 LAST AMENDED: 04/16/2009 LOCATION: Senate Appropriations Committee STATUS: 04/21/2009 From SENATE Committee on TRANSPORTATION AND HOUSING: Do pass to Committee on APPROPRIATIONS	None Listed
► SB 474 (Ducheny – D) Transportation: Reporting Requirements	Relates to the State Department of Transportation authority to enter into agreements for transportation projects under pilot programs using public-private partnerships, design-build, and design sequencing and makes the Department responsible for environmental coordination. Requires the Department to provide an annual consolidated report to the Legislature on the progress of and savings resulting from such programs.	INTRODUCED: 02/26/2009 LAST AMENDED: 04/27/2009 LOCATION: Senate Transportation and Housing Committee STATUS: 04/30/2009 <i>Withdrawn from SENATE Committee on RULES</i> <i>04/30/2009 To SENATE Committee on TRANSPORTATION AND HOUSING</i>	None Listed
► SB 476 (Correa – D) Environmental Quality Act: Noncompliance Allegations	Prohibits an action for noncompliance under CEQA from being brought forward unless the alleged grounds for noncompliance were raised either orally or in writing during the public comment period, prior to the close of the public hearing on the project, before the filing, rather than issuance, of the notice of determination.	INTRODUCED: 02/26/2009 LAST AMENDED: 04/30/2009 LOCATION: Assembly STATUS: 05/06/2009 <i>In SENATE. Read third time. Passed SENATE. *****To ASSEMBLY</i>	Sponsor: California Business Properties Association Oppose: Planning and Conservation League

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 518 (Lowenthal – D)</p> <p>Vehicles: Parking Services and Fees</p>	<p>Requires state funds not be used to subsidize parking services for students, employees, and other persons on and after a specified date, and to directly or indirectly subsidize the construction or operations of parking. Authorizes a community college district to exempt specified students who receive financial assistance, who rideshare, or who carpool from paying parking fees. Authorizes the expenditure of any moneys apportioned to cities or counties from the Highway Users Tax Account for transportation demand management measures. Relates to parking meter rate zones</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 05/06/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 05/06/2009 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS HEARING: 05/18/2009 11:00 am</p>	<p>(partial list) Sponsor: Natural Resources Defense Council</p> <p>Support: American Lung Association, California League of Conservation Voters, Genentech</p>
<p>► SB 527 (Ashburn – R)</p> <p>High Speed Rail</p>	<p><i>This bill was amended to now address issues related to bicycles. This bill also changes author's to Kehoe (D – San Diego).</i></p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 05/06/2009</p>	<p>None Listed</p>
<p>► SB 528 (Negrete McLeod – D)</p> <p>Toll Facilities: Lease Agreements</p>	<p>Relates to existing law that authorizes the Department of Transportation and regional transportation agencies to enter into comprehensive development lease agreements with public and private entities. Prohibits a lease agreement entered into after a certain date from providing for compensation for adverse effects of competing projects.</p>	<p>INTRODUCED: 02/27/2009 LOCATION: Senate Transportation and Housing Committee</p> <p>STATUS: 03/12/2009 To SENATE Committee on TRANSPORTATION AND HOUSING HEARING: 05/12/2009 1:30 pm</p>	<p><i>Support: Professional Engineers of California Government.</i></p>
<p>► SB 545 (Cedillo – D)</p> <p>Freeway Construction</p>	<p>Amends existing law which exempts the Department of Transportation from entering into an agreement prior to closure of a city street or county highway due to construction of a freeway segment within the jurisdiction of the Los Angeles County Metropolitan Transportation Authority. Limits this exception to construction of a segment that consists solely of a subsurface transportation facility. Requires that an agreement is not possible because an impasse has existed after an initial route was adopted.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/20/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 05/11/2009 From SENATE Committee on APPROPRIATIONS: Do pass</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 553 (Wiggins – D)</p> <p>Payment of State Claims: Nonprofit Corporations</p>	<p>Relates to the Prompt Payment Act which requires timely payment of grants between any state agency and a local government agency or organization authorized to accept grant funding. Provides that, in the event a state agency fails to make timely payment because no Budget Act has been enacted, penalties shall continue to accrue. Provides that nonprofit public benefit corporations are eligible for late payment penalties.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/22/2009 LOCATION: Senate <i>Appropriations Committee</i></p> <p>STATUS: 05/11/2009 In <i>SENATE Committee on</i> APPROPRIATIONS: Not heard</p>	<p>(partial list) Co-Sponsors: California Council of Land Trusts, California State Parks Foundation, Planning and Conservation League</p> <p>Support: Land Trust Council, California Association of Nonprofits, Central Valley Land Trust Council</p>
<p>► SB 555 (Kehoe – D)</p> <p>Public Lands: Condemnation of Conservation Easement</p>	<p>Prohibits a governmental entity from condemning a conservation easement acquired by a state agency or nonprofit land trust, unless specified procedures are followed. The bill would require the governmental entity to give the holder of the easement notice and an opportunity to state any objections to the condemnation. The bill would also require the governmental entity to prove by clear and convincing evidence that its proposed use. Satisfies statutory requirements that the condemnation be for compatible use and necessary for public use.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/28/2009 LOCATION: Senate <i>Appropriations Committee</i></p> <p>STATUS: 04/28/2009 In <i>SENATE. Read second time and amended. Re-referred to</i> <i>Committee on</i> APPROPRIATIONS HEARING: 05/18/2009 11:00 am</p>	<p>(partial list) Sponsor: California Council of Land Trusts</p> <p>Support: California State Parks Foundation, NRDC, Sierra Club California</p> <p>Oppose: Orange County Board of Supervisors, OC TAX, California Chamber of Commerce</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 560 (Ashburn - R) Regional Transportation Plans: Sustainable Communities	Relates to transportation planning. Provides that greenhouse gas emission credits for counties and cities that permit commercial wind, solar, and biomass projects may be used as credit in the formulation of the sustainable communities strategy or an alternative planning strategy. Excludes transportation trips related to a military installation.	INTRODUCED: 02/27/2009 LOCATION: Senate Environmental Quality Committee STATUS: 03/12/2009 To SENATE Committees on ENVIRONMENTAL QUALITY and TRANSPORTATION AND HOUSING	None Listed
► SB 575 (Steinberg -- D) Local Planning: Housing Element	Provides that transportation projects that are funded solely by a local sales tax measure are exempt from certain provisions of the Planning and Zoning Law relative to development of a regional transportation plan and adoption of a sustainable communities strategy if those projects were specifically listed in a ballot measure, prior to a specified date, approving a sales tax increase for transportation projects. Relates to the implementation of SB 375 (Chapter 728, Statutes of 2008).	INTRODUCED: 02/27/2009 LAST AMENDED: 05/04/2009 LOCATION: Senate Appropriations Committee STATUS: 05/04/2009 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS HEARING: 05/18/2009 11:00 am	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 632 (Lowenthal – D)</p> <p>Ports: Congestion Relief: Air Pollution Mitigation</p>	<p>Requires the Ports of Los Angeles, Long Beach, and Oakland beginning January 1, 2010, to assess their infrastructure and air quality improvement needs, including but not limited to, projects that improve the efficiency of the movement of cargo, reduce congestion impacts associated with movement of cargo, and reduce pollution associated with the movement of cargo. Requires the Ports to provide this assessment to the Legislature by July 1, 2010 and to include in the assessment the total costs of infrastructure and air quality improvements, possible funding options for these projects, and estimated timelines for implementation.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/30/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 04/30/2009 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS HEARING: 05/18/2009 11:00 am</p>	<p>Support: Bay Area Air Quality Management District, Breathe California</p>
<p>SB 711 (Leno - D)</p> <p>Public Meetings: Sessions: Labor Negotiations</p>	<p>Amends the Ralph M. Brown Act. Requires a local agency, before holding a closed session regarding employee compensation to identify the employee(s) subject to the negotiations, the representatives of the employees, all known negotiation matters, and to make public written proposals. In addition, before an agency commences negotiations for a new collective bargaining agreement or initial proposal for an unrepresented employee, to present, in an open and public session, a new collective bargaining agreement or initial proposal. Requires any vote on the collective bargaining agreement or initial proposal to be taken at an open and public session.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/13/2009 LOCATION: Senate Local Government Committee</p> <p>STATUS: 04/13/2009 From SENATE Committee on LOCAL GOVERNMENT with author's amendments</p> <p>04/13/2009 In SENATE. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT</p> <p>04/13/2009 Hearing canceled at request of author.</p>	<p>Support: California Newspaper Publishers Association, California Aware.</p> <p>Oppose: County of San Bernardino, California Association of Clerks and Elections Officials, American Federation of State, County, and Municipal Employees</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 721 (Steinberg –D) Energy: Greenhouse Gas Emissions</p>	<p><i>Creates the Climate Action Team responsible for coordinating the state's overall climate policy and preparing, adopting, and presenting to the Legislature on or before January 1, 2011 and annually thereafter, a strategic research, development, demonstration, and development plan that establishes priorities and identifies key expenditure categories for research, development, demonstration, and development funds to be expended by the state agencies represented on the team.</i></p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/23/2009 LOCATION: Senate Appropriations Committee STATUS: 05/04/2009 In SENATE Committee on APPROPRIATIONS: To Suspense File.</p>	<p>Sponsor: Audubon California, Defenders of Wildlife, The Nature Conservancy Support: Clean Water Action, National Parks Conservation Association, Sierra Club California</p>
<p>► SB 734 (Lowenthal – D) Transportation</p>	<p>Relates to the \$2 billion Proposition 1B dollars allocated to cities and counties for specified street and road improvements. The act requires a city or county to reimburse the state for funds it receives if it fails to comply with certain conditions applicable to the expenditure of the bond funds. SB 734 requires any interest or other return earned by a city or county from investment of bond funds received under these provisions to be expended or reimbursed under the same conditions as are applicable to the bond funds themselves.</p>	<p>INTRODUCED: 02/27/2009 LOCATION: Senate Appropriations Committee STATUS: 04/28/2009 From SENATE Committee on APPROPRIATIONS: To second reading without further hearing pursuant to Senate Rule 28.8</p>	<p>None Listed</p>
<p>SB 777 (Wolk – D) State Budget</p>	<p>Requires the budget of a state agency submitted to the Department of Finance to utilize a performance based budgeting method. Establishes a task force comprised of the Director of Finance, the Controller, and the Chairperson of the Joint Legislative Budget Committee to develop performance based budgeting guidelines and procedures and in addition, develop a training and education program for state agency personnel involved in the budget process.</p>	<p>INTRODUCED: 02/27/2009 LOCATION: Senate Budget and Fiscal Review Committee STATUS: 03/19/2009 To SENATE Committee on BUDGET AND FISCAL REVIEW</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 802 (Leno – D)</p> <p>Public Contracts: Retention Proceeds</p>	<p>Relates to public contracts and retention proceeds. Prohibits retention proceeds from exceeding five percent of the payment for all contracts entered into after January 1, 2010 between a public entity and an original contractor, between an original contractor and a subcontractor, and between all subcontractors thereunder. Requires the Department of General Services to withhold not more than five percent of the contract price until final completion and acceptance of a public work or improvement.</p>	<p>INTRODUCED: 02/27/2009 LOCATION: <i>Assembly</i></p> <p>STATUS: 05/06/2009 <i>In SENATE. Read third time. Passed SENATE. *****To ASSEMBLY</i></p>	<p>(Partial List) Sponsor: CA Association of Sheet Metal & Air Conditioning Contractors</p> <p>Support: State Building and Construction Trades Council, California State Association of Electrical Workers, California State Pipe Trades Council</p> <p>Oppose: California State Association of Counties, California Special Districts Association, California Association of Sanitation Agencies</p>
<p>SCA 1 (Walters – R)</p> <p>State Budget</p>	<p>Proposes an amendment to the State Constitution. Provides, that if the total amount of General Fund appropriations in a Budget Bill for the ensuing fiscal year combined with all other General Fund appropriations for that fiscal year on the date of passage does not exceed by five percent or more the amount of the General Fund appropriations for the immediately preceding fiscal year, the budget bill may be passed by a simple majority.</p>	<p>INTRODUCED: 12/01/2008 LOCATION: Senate Rules Committee</p> <p>STATUS: 01/29/2009 To SENATE Committees on RULES and ELECTIONS, REAPPORTIONMENT AND CONSTITUTIONAL AMENDMENTS</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SCA 3 (Wyland – R) Transportation Investment Fund	Proposes an amendment to the State Constitution. Deletes current provisions authorizing the transfer of revenues to the Transportation Investment Fund to be suspended during a fiscal emergency. Prohibits a loan of fund revenues under any circumstances. Prohibits any statute that would reduce the extent to which these tax revenues are deposited into the General Fund for transfer to the fund for transportation purposes.	INTRODUCED: 12/01/2008 LOCATION: Senate Revenue and Taxation Committee STATUS: 01/29/2009 To SENATE Committees on REVENUE AND TAXATION; ELECTIONS, REAPPORTIONMENT AND COSTITUTIONAL AMENDMENTS; and APPROPRIATIONS	None Listed
SCA 5 (Hancock – D) State Budget	Exempts General Fund appropriations in the Budget Bill from the two-thirds vote requirement.	INTRODUCED: 12/02/2008 LOCATION: Senate Rules Committee STATUS: 01/29/2009 To SENATE Committees on RULES; and ELECTIONS, REAPPORTIONMENT AND CONSTITUTIONAL AMENDMENTS	None Listed
SCA 7 (Maldonado – R) 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 or per diem until the Budget Bill is passed and sent to the Governor.	INTRODUCED: 01/15/2009 LOCATION: Senate Rules Committee STATUS: 02/24/2009 Re-referred to SENATE Committee on RULES	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>SCA 9 (Ducheny – D)</p> <p>Finance: State Budget: Taxes</p>	<p>Proposes an amendment to the Constitution that exempts from the two-thirds vote requirement appropriations made in a Budget Bill, and appropriations made in a bill identified in the Budget Bill containing only changes in law necessary to implement the Budget Bill, and instead be passed by a 55 percent vote in each house.</p>	<p>INTRODUCED: 01/26/2009 LOCATION: Senate Budget & Fiscal Review Committee</p> <p>STATUS: 02/05/2009 To SENATE Committees on BUDGET AND FISCAL REVIEW; and ELECTIONS, REAPPORTIONMENT, AND CONSTITUTIONAL AMENDMENTS</p>	<p>None Listed</p>
<p>SCA 14 (Ducheny – D)</p> <p>Initiative Measures: Funding Source</p>	<p>Proposes an amendment to the Constitution to prohibit an initiative measure that would result in a net increase in state government cost from being submitted to the electors or having any effect unless and until the Legislative Analyst and the Director of Finance jointly determine that the initiative provides for additional revenues in an amount that meets or exceeds the net increase in costs.</p>	<p>INTRODUCED: 02/27/2009 LOCATION: Senate Elections, Reapportionment, and Constitutional Amendments Committee</p> <p>STATUS: 03/19/2009 To SENATE Committee on ELECTIONS, REAPPORTIONMENT AND CONSTITUTIONAL AMENDMENTS</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SCA 15 (Calderon – D)</p> <p>State Budget</p>	<p>Proposes an amendment to the Constitution to exempt General Fund appropriations in the Budget Bill for the ensuing fiscal year from the 2/3 vote requirement of the Legislation if the total amount of General Fund revenues estimated by the Legislative Analyst after a certain date for the current fiscal year is a certain percentage below the estimate of General Fund revenues set forth in the Budget Bill enacted for the current fiscal year</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/13/2009 LOCATION: Senate Budget and Fiscal Review Committee</p> <p>STATUS: 04/13/2009 From SENATE Committee on BUDGET AND FISCAL REVIEW with author's amendments</p> <p>04/13/2009 In SENATE. Read second time and amended. Re-referred to Committee on BUDGET AND FISCAL REVIEW</p>	<p>None Listed</p>



MEMO

May 19, 2009

To: Members of the Board of Directors
From: ^{WK} 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.



May 21, 2009

To: Legislative and Communications Committee

From: ~~DK~~ James S. Kenan, Interim Chief Executive Officer

Subject: Federal Legislative Status Report

Overview

This Federal Legislative Status Report seeks support of a bill to extend the availability of the federal fuel excise tax credit program for the use of certain alternative fuels and provides information regarding the status of the federal budget process.

Recommendation

Support the continuation of the fuel excise tax credit first made available in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users for compressed natural gas and liquefied natural gas, beyond the current expiration of the credit on December 31, 2009.

Background

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.

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

Each month OCTA files a claim form with the IRS to receive this credit. In the current fiscal year OCTA expects to receive approximately \$5 million as a result of this credit program. These funds go to transit operations as revenues.

The fuel tax credit provision was set to expire with the expiration of SEFETEA-LU on September 30, 2009. It was given a brief extension to December 31, 2009, by the Emergency Economic Stabilization Act of 2008 which was signed into law on October 3, 2008.

Discussion

The most recent attempt for a long-term extension of the fuel tax credit provision is contained in H.R. 1835, introduced on April 1 by Representative Boren (D-OK) and co-sponsored by thirty nine other congressmen, including Representative Ken Calvert (R-CA). The bill, entitled the New Alternative Transportation to Give Americans Solutions Act of 2009 (NATGAS Act) proposes to make several changes to the Internal Revenue Code to encourage alternative energy investments and job creation.

Section 101 of the NATGAS Act would extend the current fuel tax credit for use of CNG and LNG until December 31, 2027. The bill has been referred to the House Ways and Means Committee, Committee on Oversight and Reform and the Science and Technology Committee. While the bill is unlikely to proceed on its own in the House, its provisions could be included in other bills such as the upcoming transportation authorization legislation.

For this reason staff is proposing to support the extension provisions of the NATGAS Act or similar extension provisions which may arise in legislation before the expiration of the current fuel tax credit.

Federal Fiscal Year 2009-2010 Budget

On May 7, the Obama Administration released its annual budget recommendation for federal fiscal year (FY) 2009-2010 as a supplement and expansion of the FY 2009-2010 budget outline which was issued in late February.

The budget calls for slight increases in highway and transit funding for next year, but also highlights the significant challenge of financing future highway and transit investment. The Administration has determined that existing Highway Trust Fund (HTF) revenues will only support FY 2009-2010 investments of \$5 billion for highways (current funding is \$40.7 billion) and \$6.9 billion for public transportation (current funding is \$10.2 billion). Absent any congressional action to supplement the HTF revenue stream, the budget calls for a general fund contribution of \$36.1 billion, for highways (for a FY 2009-2010 total of \$41.1 billion) and a general fund contribution of \$3.4 billion for transit (for a FY 2009-2010 total of \$10.3 billion). These general fund

contributions are necessary to prevent cuts in the programs solely due to the lack of HTF balances at the expiration of SAFETEA-LU. Also, as previously announced, the Administration is requesting general funds for \$1 billion for high-speed rail as the first installment of its commitment to add \$5 billion over the next five years to the \$8 billion high-speed rail implementation program enacted in February as a part of the American Recovery and Reinvestment Act.

Although the House and Senate have already approved an FY 2009-2010 budget resolution, the specifics of the Administration's proposal will serve as a foundation for the funding decisions that still must be made in the upcoming annual appropriations process.

Summary

Support is sought to extend the fuel tax credit for LNG and CNG fuel which provides 50 cents per gallon or GGE directly to OCTA for the alternative fuel used in its bus fleets. The March and April monthly reports from Potomac Partners (Attachments A and C) and Smith, Dawson and Andrews, (Attachments B and D) and the quarterly report from Scott Baugh (Attachment E) are included.

Attachments

- A. Report to the Orange County Transportation Authority from Potomac Partners DC March 2009
- B. Report to the Orange County Transportation Authority from Smith Dawson & Andrews March 2009
- C. Report to the Orange County Transportation Authority from Potomac Partners DC April 2009
- D. Report to the Orange County Transportation Authority from Smith Dawson & Andrews April 2009
- E. Scott Baugh Quarterly Report February 1 to April 30, 2009

Prepared by:

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

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

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

1. American Recovery and Reinvestment Act of 2009 (ARRA) Update

The administration has begun the task of spending over a trillion dollars in stimulus money and FY09 appropriations. This unprecedented level of spending for a new Administration to manage poses a daunting challenge, which is further complicated by the desire to include maximum transparency and accountability for ARRA funds while still maintaining the original timetable outlined in the legislation. The Transportation and Infrastructure (T&I) Committee is also committed to ensuring transparency for the \$7.6B ARRA transit formula funding. To aid in that accountability, Chairman Oberstar has requested that Transit Agencies that receive Transit Capital Assistance and Fixed Guideway Infrastructure Investment funding through ARRA provide the Committee with certification of the amount and use for those transit funds. This certification should be submitted to the Committee before April 4th. This reporting requirement is separate from the other reporting requirements included in ARRA. Potomac Partners DC has been in contact with the T&I Committee and confirmed that the OCTA should provide this certification directly to the committee as well as report other stimulus funding received through the normal State channels, which in turn will be reported to DOT.

An update for the implementation of the spending in the Stimulus bill and other key dates is as follows:

February 17, 2009: ARRA (Pub. L. 111-5) signed into law by President Obama

March 3, 2009: DOT to begin reporting use of funds.

March 5, 2009: Apportionment and Allocation of formula funds published in the Federal Register.

April 4, 2009: Deadline for providing the House Transportation & Infrastructure Committee with certification of any federal formula Transit Capital Assistance and Fixed Guideway Infrastructure Investment funding.

April 18, 2009: DOT will submit a strategic plan regarding High Speed Rail to Congress.

- April-May 2009: Possible T&I oversight hearings on the use of ARRA transit funds.
- May 3, 2009: DOT and TIGER Team to make "Performance Plans" publicly available.
- May 20, 2009: DOT to begin reporting their competitive grants and contracts.
- June:** **Chairman Oberstar has indicated his intention to bring a Surface Transportation Reauthorization Bill to the House Floor**
- June 17, 2009: Deadline for DOT to release guidance on grant applications for High Speed Rail projects.
- July:** **Possible Consideration of FY10 Appropriations Bills**
- July 1, 2009: Deadline for getting TEAM grant number to ensure obligation within 180 days of March 5, 2009 Apportionment.
- July 15, 2009: Recipients of Federal funding to begin reporting on the use of funds.
- Sept. 1, 2009: 180 days from March 5, 2009, apportionment, triggering reallocation requirement.
- Sept. 16, 2009: Apportionment Notice of reallocation of formula funds published in the Federal Register.
- Sept. 30, 2009: Expiration of SAFETEA-LU.
- March 5, 2010: 365 days from March 5, 2009, apportionment, triggering second reallocation of unobligated funds
- March 31, 2010: FTA reallocates funds to UZAs and States that have not had funds withdrawn
- Sept. 30, 2010: Unobligated balances to the Treasury

2. FY 09 Omnibus Appropriations Bill

On March 11th, President Barack Obama signed the FY 09 Omnibus spending bill into law. Key earmarks for the OCTA and the requesting members include the following:

Account	Project	Amount	Members
Interstate Maint'/ Discretionary & Surface Transportation Priorities	State Route 91 in Orange County	\$237,500 \$475,000	Miller (\$237,500) Calvert (\$475,000)
Interstate Maint'/ Discretionary	San Diego Freeway (Interstate 405) Widening	\$380,000	Rohrabacher
Interstate Maint'/ Discretionary	San Diego Freeway (Interstate 5) Segment Improvements	\$237,500	Calvert
Bus, Bus Facility	Anaheim Regional Transportation Intermodal Center (ARTIC)	\$2,612,500	Royce, Sanchez, Feinstein

3. FY 10 Budget Resolutions and Appropriations Update

The House of Representatives passed a \$3.55 trillion budget for fiscal year 2010 on April 2, capping off weeks of debate and a long day of voting marked by the defeat of several alternative plans. The Senate quickly followed and passed its resolution late Thursday night. The House Resolution provides a base allocation of \$324 billion for highway, highway safety, and transit programs, including \$312 billion of contract authority. This allocation restores \$82 billion over the six-year period of highway contract authority that had been cut from the Congressional Budget Office baseline, which assumed fiscal year 2009 rescissions would recur in all future years. In addition, the Resolution establishes a Reserve Fund to allow this base allocation of \$324 billion to be adjusted upward as necessary to accommodate higher funding levels to the extent they can be supported by the Highway Trust Fund.

In speaking with the House Budget Committee staff after the markup, Potomac Partners DC confirmed that the Resolution **did not include** the proposal to change how programs funded by contract authority are treated for budget scoring purposes thus maintaining the status quo for the next Transportation re-authorization. This proposal, had it been adopted, would have converted the mandatory contract authority that currently funds our highway, highway safety, transit and airport grant programs to a simple authorization of appropriations for budget scoring purposes. Chairman Oberstar and Ranking Member Mica were adamantly opposed to any provision that would have eliminated contract authority. The budget resolution that emerges from the Conference negotiation between the House and Senate will serve as major

milestone in enacting the ambitious agenda of President Obama and be the legislative outline for the rest of the year.

In conjunction with the budget process, the Appropriations committee is moving forward with the FY10 appropriations process. Before the Easter recess the Members' offices will be submitting their priority requests to the Committee. Due to a computer system malfunction the Committee deadline was extended to Saturday, April 4th. During the last month we have met with the OC delegation and re-iterated all of OCTA's requests. Specifically we discussed key projects like the ARTIC and SR 91 with Rep. Calvert and Rep. Miller. We also met with Congresswoman Sanchez staff and discussed the ARTIC project and its applicability to future High Speed Rail projects in the region.

4. LNG/CNG Alternative Fuel Tax Credit Extension

Reps. Dan Boren (D-OK) and John Larson (D-CT) on April 1st introduced the "New Alternative Transportation to Give Americans Solutions Act of 2009" (NAT GAS Act). Many of the same natural gas vehicle incentives were included in the legislation that was introduced in the last Congress by Rep. Boren and now White House Chief of staff, Rahm Emanuel.

The basic provisions of the NAT GAS Act are as follows:

I. Extend for 18 years the alternative fuel credit for natural gas, the natural gas fueled vehicle credit, and the natural gas vehicle refueling property credit:

Currently, the credits would expire as follows:

Alternative fuel credit: 12/31/09

Natural gas fueled vehicle credit: 12/31/2010

Natural gas vehicle refueling property credit: 12/31/2010

II. Expand and modify the alternative fueled vehicle and refueling property tax credits as follows:

a. Make all *dedicated* natural gas-fueled vehicles eligible for a credit equal to 80% of the vehicle's incremental cost.

b. Make all *bi-fuel* natural gas-fueled vehicles eligible for a credit equal to 50% of the vehicle's incremental cost. This is the first time bi-fuel vehicles would be eligible for a federal tax credit.

c. Increases the allowable incremental cost limits to more accurately reflect the cost of producing or converting natural gas vehicles:

- For light-duty vehicle, the purchase tax credit cap would be increased by 150% (from \$5,000 to \$12,500).
- For all other vehicle weight classes, the purchase tax credit cap would be doubled.

d. Increases the refueling property tax credit from 30% or \$30,000 credit to \$100,000 per CNG or LNG station.

e. Extend the \$2,000 refueling property tax credit for a residential home refueling unit.

III. Allow the vehicle credits to count against the AMT provisions and makes them transferable:

These two changes are critical to making the credits more useful since many initial users of such vehicles often do not have sufficient tax liability to benefit from these tax credits.

IV. Create a new tax credit for OEMs that produce dedicated and bi-fuel NGVs:

The tax credit is equal to the lesser of 10 percent of basis of the vehicle or \$4,000 (whichever is less), and limits the aggregate credits per manufacturer to \$200 million

V. Require that no later than 12/31/2014 that at least 50 percent of the new vehicles purchased and placed into service by the federal government must be capable of operating on CNG or LNG.

VI. Provide for grants for light- and heavy-duty natural gas vehicle and engine development.

5. High Speed Rail (HSR)

Potomac Partners DC has been communicating with several key Congressional offices in the Southern California delegation regarding the two High-speed rail alignments: Anaheim- LA and Anaheim-Las Vegas. We have facilitated discussions with OCTA and the Californian-Nevada Superspeed Train Commission for the purpose of helping coordinate advocacy efforts with the Department of Transportation. We have also helped secure letters of support from San Bernardino County and the City of Ontario for the California-Nevada Interstate Maglev project.

We are also tracking the Department's progress of identifying and vetting key High-speed rail projects. FRA is developing a strategic plan for high-speed

rail, which it plans to submit to Congress by April 18, 2009. We believe that the Anaheim-LA and Anaheim-Las Vegas alignments are well positioned to receive a portions of the \$8B stimulus funding and follow up funding provided in President Obama's budget.

6. Transportation Reauthorization & "Goods Movement"

One of key debates of the Surface Transportation re-authorization is the possible increase in the federal motor fuels tax. Many Republicans including Ranking Member Mica and Rep. Shuster believe that an increase in the gas tax may be politically difficult for most Members to support during this recession. However, with a continuing projected shortfall in the Highway Trust Fund (HTF), Congress may see no alternative than to consider the increase. A stop gap approach is to plan for additional legislation that transfers funds from the General Treasury to the dwindling HTF to make up for any shortfalls as was done last September. This incremental approach to maintaining the HTF's solvency is not ideal, since any delays may place key highway projects in jeopardy. Despite the revenue challenges the T&I committee plans on developing a progressive and forward looking bill that invests over \$500B in our transportation infrastructure.

Congressional offices are preparing to solicit project requests for the Transportation re-authorization. The Committee anticipates receiving Member requests in May. Possible timing of the re-authorization legislation includes a draft bill without projects prepared for Committee markup as early as May. The Members' earmarked projects would be added just prior to the full committee markup or in a Manger's amendment to the bill at the markup. Preceding that markup both the full committee and sub-committee may hold hearings on various policy proposals like pilot programs to expand the Vehicle Miles Traveled (VMT) user fee, Federal infrastructure bank, and increase use of public-private partnerships (P3s). The Railroad subcommittee may also hold additional hearings on the possibility of expanding the Rail title of the bill and ways to create funding mechanisms for much needed grade-separations.

To bolster the "goods movement" funding concept we have met with the Committee staff and discussed the likely sections of the bill that it will be addressed. We have also met with key groups like the Coalition for America's Gateways and Trade Corridors (CAGTC). In discussion with the Executive Director of the CAGTC we have learned that their legislative approach to provide "goods movement" funding is to eliminate any earmarked "Projects of National Significance" and direct that pool of money to the Department of Transportation to spend on key projects that enhance goods movement, relieve congestion, and reduce green house gas emissions.

Potomac Partners DC alternatively is working to enhance the strategy of maintaining tight control of the potential "goods movement" funding for targeted regions that must endure the impacts of massive truck and freight rail. We

believe that maintaining that control is best done through Congress and not DOT. With that focus, Potomac Partners DC has met with Congresswoman Laura Richardson, who is staunch advocate for protecting that funding stream for regional projects. In conversation with Rep. Richardson she has indicated that she would be willing to support extending the funding for the impacted region beyond the port area. We have also met with Congressman Lipinski (D-IL) whose district is similarly impacted by the massive amount of freight cargo from Chicago. Congressman Lipinski is similarly inclined to support a regional goods movement approach that does not spread the funding thinly across the Country.

7. Other Activities on Behalf of OCTA

- During the Month of March Potomac Partners facilitated meetings for the Mobility 21 coalition with Congressman Shuster, Chairman Oberstar's Chief of Staff, and the House T&I Staff.
- In addition to the meetings scheduled for Mobility 21 members, Potomac Partners DC secured Congressman Shuster's participation in the "Goods Movement Briefing" held on March 11th.
- Potomac Partners is following up on potential visits to Orange County by Congressman Oberstar, Congressman Shuster, and Congressman Duncan. We are also working with Congressman Miller's and Congressman Calvert's offices to coordinate the potential visit of Secretary LaHood to the region in April.

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

Focus: Presidential, Congressional & DOT Action regarding ARRA, Budget & Appropriations

April 2009

Highlights

To keep momentum and positive communications flowing regarding the distribution of \$789 billion in the American Recovery and Reinvestment Act, Transportation Secretary Ray LaHood made presentations at the APTA Washington meeting and the California Transportation Congressional reception. And President Barack Obama travelled to Orange County on March 18 to discuss the ARRA at a town hall event in Costa Mesa, where he mentioned how recovery dollars would boost the economy because of the SR 91.

Much attention is also on California regarding the distribution of the \$8 billion for high speed and intercity rail.. By April 18, the Federal Railroad Administration is required to submit a strategic plan on deployment of the ARRA funds to House and Senate Appropriations Committees. Action on how to apply for these monies is expected to follow soon after that.

The President released an executive order on March 26 that requires documentation of all discussions related to ARRA funds, and limits the role of lobbyists and other federal advocates in discussing ARRA programs and potential projects. It requires federal officials to report all conversations regarding the topic.

The Fiscal 2010 budget and appropriations processes are moving at record speed. The President supports the earmark reforms being conducted in the House, which call for vetting earmarks with the respective agency staff before submitting to the Committee for consideration, as well as limiting 2010 earmark levels to 50 percent below the fiscal 2006 levels. All earmark requests are due to respective House subcommittees by April 3, 2009. The Senate Appropriations committee has not set due dates as yet.

Both House and Senate are expected to complete final deliberations on the 2010 Budget resolution in April after the Congressional break, scheduled for April 4 through 17. The House Budget Committee version is package of \$3.55 trillion; the Senate comes in at \$3.53 trillion. The President's original request totaled \$3.6 billion. Both chambers passed their respective versions before the Congressional recess (April 4 through 17) and will convene a conference committee to reconcile differences when they return. . Key controversies include:

Committee action along straight party lines—the use of the reconciliation parliamentary procedure; the cost of health care; the inclusion of climate change action; and most importantly, the increase to the federal deficit.

House Transportation and Infrastructure leadership distributed a “Dear Colleague” letter to underscore their concern about the economy’s impact on the highway trust fund and to pledge their goal to have a new transportation bill on the House floor by June 2009. Without a long term strategy for funding surface transportation in this country, the shortfall in the Highway Trust Fund and the lack of direction from federal decision makers would be a catalyst for construction stoppages across the states, according to the March 18 letter signed by Committee Chairman Jim Oberstar and Subcommittee Chairman Pete DeFazio. The House Transportation and Infrastructure Committee released a letter and a project questionnaire on April 2, 2009. Member-designated High Priority Projects (HPP) are due to the Committee beginning on April 27, 2009 and ending on May 8, 2009.

The House and Senate committees with jurisdiction on reauthorization of transportation law continued hearings. The Senate banking, Housing and Urban Affairs committee held a March 12 hearing surface transportation programs; it can be viewed at

http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=9f06604e-7705-4977-b8e1-aa04490e379d . The House Transportation & Infrastructure Committee held a hearing about the successes and failures of the disadvantage business programs in transportation; the March 26 hearing can be viewed at

<http://transportation.house.gov/hearings/hearingDetail.aspx?NewsID=859> .

Movement of U.S. DOT appointments continues slowly: Roy Kienitz (Office of Pennsylvania Governor Ed Rendell) for undersecretary of policy; Peter Rogoff (Senate Appropriations Committee) for Federal Transit Administrator; Joel Szabo (Legislative Director for the UTU and a small town mayor in Illinois) for Federal Railroad Administrator; Randy Babbit (former President of the Airline Pilots Association) for Federal Aviation Administrator, Peter Appel, a principal with A.T. Kearney for Administrator of the Research and Innovative Technology Administration and Victor M. Mendez, director of Arizona DOT for Federal Highway Administration.. No current updates on the Deputy Secretary, but it is rumored that John Pocari, Maryland DOT is under consideration..

SDA Outreach

Contact on Capitol Hill on behalf of OCTA

-Smith, Andrews, Gaines and Garson with *Sen. Barbara Boxer, Sen. Dianne Feinstein, Sen. Chris Dodd, Sen. Dick Durbin, Rep. Jim Oberstar, Rep. Peter DeFazio, Rep. Loretta Sanchez* and appropriations and authorizing committee staff on recovery funding distributions, 2010 appropriations as well as schedule for reauthorization. Senator Durbin indicated to us that it was very

doubtful that the Senate would take up the Highway Transit Reauthorization bill this year because of a tight calendar with Energy, Climate Change, Health Care and normal Appropriations bill order.

-Andrews with *Sen. Patty Murray and Rep. John Olver* staff on status on fiscal 2010 and appropriations process

Contact with relevant organizations on behalf of OCTA

-Burrell—attended March 10 California Congressional reception

-Garson and Lopez--US Conference of Mayors update meetings on ARRA

-SDA group--outreach to Republican and Democratic leadership and Administration officials regarding activities related to ARRA funds distribution, appropriations preparations and reauthorization discussions

-SDA group--review of important Congressional hearings and press conferences related to OCTA goals; information about Administration official travel and other events to grow awareness of OCTA solutions, opportunities and challenges to providing 21st century mobility options.

Miscellaneous

-Burrell & Gaines: March 9 breakfast with Art Leahy, Rick Bacigalupo and Rick Alcade. .

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

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

1. Transportation Reauthorization & “Goods Movement”

Chairman Oberstar intends to have a Transportation Reauthorization bill that provides over \$500B for transportation infrastructure passed by the House of Representatives in June and signed into law before SAFETEA-LU expires on September 30th of this year. This aggressive schedule may face possible delays, but Mr. Oberstar and Mr. Mica share a sense of urgency to complete the drafting of the bill’s key titles. The challenge will be identifying the funding sources to ensure the Highway Trust Fund (HTF) can remain solvent. The Chairman believes the HTF will not need to be shored up with additional money from the government’s general fund before those additional funding sources can be identified and this reauthorization becomes law. It is also a goal for the Committee to use this re-authorization as an opportunity to streamline processes at the Department of Transportation to speed up the delivery of projects and help reduce costs. Another theme that will be addressed in several titles of the bill is the interconnectivity of multimodal systems. To meet this deadline the Transportation and Infrastructure Committee anticipates a full Committee markup before the Memorial Day recess begins on May 22nd, or very early in June.

Member-designated Surface Transportation High Priority Project (HPP) requests are due to the Transportation and Infrastructure Committee on May 8th. Earlier in April, the committee released its principles for these HPPs. As stated by Chairman DeFazio at a recent Highway subcommittee hearing, the Committee is taking a different approach to member-designated projects than in past authorizations, and they intend to provide a high level of transparency similar to what was done with the FY 09 and FY 10 appropriations process. For example, the T&I Committee will require Members to make HPP requests publicly available on their Congressional websites.

The total funding allocation for HPPs in the reauthorization bill, however, has not yet been released by the Committee. This allocation should be released once the Committee has reviewed the complete list of submitted projects. The vetting process for these projects will include a Committee review that projects are eligible under Title 23 (Highways) or Chapter 53 of Title 49 (Public Transit) of the United States Code. The Committee is specifically prohibiting HPP funding for non-surface transportation projects, such as funding of transportation museums, horse trails, and historic battlefields.

Another important principle that the committee will advance in this bill includes ensuring that the member designated projects have strong local support and regional impact. For specific earmarked projects, members are required to provide at least one letter of support for the project from the state Department of Transportation or affected local government or governmental agency. Additional letters of support are also encouraged. The Committee also requires that the entities requesting the funds identify other Federal, state, local, or private funding sources that may be used to advance the project. The committee hopes that many of the projects like with the American Recovery and Reinvestment Act of 2009 (stimulus bill) will be near term projects, and that funds can be quickly utilized in order to sustain or create new employment opportunities. The committee staff is advising us to continuing working with the Orange County members to help ensure that the Committee's principles are highlighted in the request applications and to help demonstrate a wide range of support.

The “**Goods Movement**” initiative is a policy position and potential funding mechanism for the Authority that Potomac Partners DC is advancing in this re-authorization. We have met with Congresswoman Laura Richardson a member of the T&I committee, who has told us she would like to establish a “walled-off” fund for goods movement. It would be our goal to include the initial start-up funding for this Goods Movement fund as project of “national significance” in the legislation. Congressman Dan Lipinski, another member of the Committee, who represents parts of Chicago, is also a supporter of this goods movement funding concept and Potomac Partners DC had met with him to identify this support. Rep. Lipinski is also a co-chair of the Goods Movement Caucus in the House.

We are continuing to engage other potential supporters of the Goods Movement initiative like Chicago's O'Hare airport and the Florida Ports Council. We have stressed the importance of a segregated funding stream for Goods Movement that is not thinly spread across the Country as was done with Congestion Mitigation and Air Quality (CMAQ) Improvement Program, but rather directed to highly affected areas and communities that must endure the impacts of goods movement.

We have also discussed in meetings with Chairman Oberstar and committee members like Congressman Gary Miller the possibility of creating legislatively a new high-level position at DOT to help manage and facilitate intermodal and goods movement programs as a way to reduce the amount of time it takes to get projects authorized and funded. Chairman Oberstar believes that a sub-agency at DOT that has an intermodal focus may be possible. We intend however to not give DOT sole discretion in funding decisions for the goods movement program, but rather have Congress direct the funding legislatively to the highly affected areas.

2. FY 10 Budget Resolutions and Appropriations Update

On April 29th, the House passed the \$3.5 trillion **FY10 budget resolution**, 233-193, with no Republican support but with broad backing from Blue Dog Democrats. The Senate passed the same measure 53 to 43. All Republicans and three Democrat Senators voted against it, as did Sen. Arlen Specter of Pennsylvania the newest Democrat Senator. For transportation, the Resolution assumes a base allocation of \$324 billion for highway, highway safety, and transit programs, including \$312 billion of contract authority. With the budget resolution in place the Appropriation subcommittees will begin crafting their bills based on the budget allocations.

FY 10 Appropriations process is underway with an initial THUD subcommittee hearing held in April to discuss general spending priorities. A subcommittee markup of the THUD appropriation bill can be expected early this summer. Chairman Obey is also still expected to move these bill regular order after the Defense Supplemental (that will provide additional funding for operations in Iraq and Afghanistan) is passed. President Obama had submitted his request of \$83.4B for this Defense Supplemental to Congress on April 9th. On April 28th he amended his request with an additional \$1.5B in emergency funds to combat the possibility of pandemic flu. The House Appropriations Committee will likely have the Supplemental Appropriations bill ready for the floor before the Memorial Day recess.

For the FY 10 request, we recommend following up with the Orange County delegation and providing additional support letters to the Appropriations committee from a diverse group of project supporters. These supporters may include construction unions, other cities or municipalities, and environmental groups or coalitions. These letters of support should emphasize the positive regional impacts of the federal investment and other key themes like the ability to reduce traffic congestion, impact on air quality, and creation of jobs.

3. High Speed Rail (HSR)

The potential for High Speed Rail is an exciting opportunity for the Authority and can help bring additional funding for multimodal projects like ARTIC. The FRA and Department of Transportation are now working to formulate criteria for HSR corridors and related projects to compete for the \$8B of ARRA (stimulus) funding. We believe this competition will prioritize corridors that can demonstrate ridership and have the ability to begin construction in the near term. Mr. Mica, who has been one of the strongest advocates for HSR, would also like to identify projects that can garner significant private investment.

Our strategy has been to highlight the viability of California High Speed Rail and demonstrate the capability to quickly begin construction on segments in

the Southern California region. It has also been our objective to have the Maglev Anaheim-Ontario segment (of the Anaheim-Las Vegas Corridor) identified as one of the HSR corridors by the Department of Transportation.

4. Other Activities on Behalf of OCTA

- PPDC is facilitating a visit to Orange County by Congressman Bill Shuster. Possible dates for this visit are May 27-28, during the Memorial Day recess.
- PPDC is working with coalitions like the Natural Gas Vehicle Association to build Congressional support for the extension of the Alternative Fuel Credit. Currently the “New Alternative Transportation to Give Americans Solutions Act of 2009” that will extend this tax credit to 2027 has 26 cosponsors. The bill has been referred to Committees on Ways and Means, Oversight and Government Reform, and Science and Technology.

**Report to the Orange County Transportation Authority From
Smith, Dawson & Andrews
April 2009**

Focus: Presidential, Congressional & DOT Action regarding ARRA, Budget & Appropriations
May 2009

Highlights

The Fiscal 2010 budget completed House and Senate action on April 28, which coincided with the President's 100th day in office. Support for the President's \$3.56 trillion spending plan was drawn along party lines with no Republican support and 17 House Democrats in opposition to the approach. The total amount of discretionary spending was \$1.086 trillion. Of the \$1.086, \$529.8 billion was allocated for non-defense spending and \$556.1 billion was allocated for defense spending. Non-defense discretionary spending totals were approved at \$10 billion less than the President requested, but substantial funding goals for transportation remained: \$324 billion for surface transportation, including one billion for high speed rail. However, language was incorporated into the budget, which allows the funding for surface transportation to increase as long as a financing mechanism can provide for the additional spending levels.

Some key controversies related to Senate approval of federal health care changes and education loan programs by a simple majority (reconciliation), increasing the deficit, and approval of a tax increase for individuals making more than \$200,000 a year were left unchanged in the final version.

In parallel action, Congressional offices are compiling requests for appropriations earmarks and projects that can be called "High Priority Projects" to be included in the next transportation reauthorization bill. The process for submitting these projects requires total transparency with all requests sent forward also posted on the sponsoring Member's individual Web site. Once the President releases his budget during the first week of May, appropriators will begin their legislative deliberations.

Regarding reauthorization, House Transportation & Infrastructure Chairman James Oberstar (MN) and Subcommittee on Highways and Transit Chairman Peter DeFazio (OR) both agree on moving a bill forward to the House floor by June. The bill is now in draft circulation among Members. Several meetings were called to discuss the reauthorization process and schedule. One over the last month included House and Senate leadership. Another brought stakeholders such as state and local government Washington representatives together. The two chairmen are openly calling for support for their reauthorization bill schedule and completing hearings on all its subject matter. .

On April 28, a Highways & Transit Subcommittee hearing was held to discuss HPPs. A summary of the hearing can be found at <http://transportation.house.gov/hearings/hearingDetail.aspx?NewsID=883> .

In addition, the Senate conducted a hearing on the nation's future surface transportation policy in the Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety and Security of the Committee on Commerce Science & Transportation. Committee Chairman Frank Lautenberg welcomed input from DOT Secretary Ray LaHood. Summary of the hearing can be found at http://commerce.senate.gov/public/index.cfm?FuseAction=Hearings.LiveStream&Hearing_id=9aa6998e-e216-44a0-9fa9-a90527bb98b4 .

Another hearing of note took place on April 29 before the House T&I Committee. It focused on a 10-week progress report regarding transportation and infrastructure funds in American Reinvestment & Recovery Act. DOT Secretary LaHood presented and made mention for the first time that guidance regarding the \$1.5 discretionary program for projects of national significance would be released, once cleared by OMB. He indicated his suggestion that these funds be used for port and intermodal projects. A summary of this hearing can be found at <http://transportation.house.gov/hearings/hearingDetail.aspx?NewsID=881> .

Several ARRA grant programs are now moving towards application phase. The Federal Railroad Administration delivered its plan for the \$8 billion high speed rail program on April 17; this can be accessed at <http://www.fra.dot.gov/Downloads/RRdev/hsrstrategicplan.pdf> . Briefly, the plan calls for proposal guidelines to be released on June 17 and suggests there will be three "tracks" of funding. The first will seek applications that are "ready to go" projects with environmental review, engineering and design virtually completed. The second will seek "cooperative agreements" for the development of phases or geographic sections of a corridor that have completed environmental review and can identify specific projects but are not near construction phase yet. And the third would seek "cooperative agreements" that demonstrate the beginning of the process for planning a high speed rail corridor.

The American Clean Energy and Security Act continues to move towards a vote, as mark up in the House Energy Committee is expected in May. The two sponsors of the legislation Committee Chairman Henry Waxman (CA) are calling for final action before Memorial Day. However the language does not yet include an allowance or allocation section, which is slated for circulation in the first week of May. Negotiations continue over how credits for CO2 and methane emissions will be quantified and disseminated. Other questions remain about how revenues from these credits will be collected and then directed. For example, the transit industry has called for a portion of the revenues to fund energy efficiencies in public transportation, while the nation's mayors seek a portion to annually fund the Energy Efficiency Block Grant. A bill summary can be accessed at

http://energycommerce.house.gov/Press_111/20090331/acesa_sectionsummary.pdf

Movement of U.S. DOT appointments picked up speed as well with the following confirmations concluded by Senate voice vote the last week of April: Federal Railroad Administrator Joe Szabo; DOT Under Secretary for Policy Roy Kienitz; DOT General Counsel Robert Rivkin; DOT Assistant Secretary for Governmental Affairs Dana Gresham; and Research and Innovative Technology Administrator Peter Appel.

SDA Outreach

Contact on Capitol Hill on behalf of OCTA

-Gaines with *Sens. Feinstein and Boxer, Congresswoman Sanchez* on appropriations and authorizing committee staff on recovery funding distributions, 2010 appropriations as well as schedule for reauthorization;

-Andrews with *Sen. Patty Murray and Rep. John Olver* staff on status on fiscal 2010 and appropriations process;

- Smith with T&I Committee--*Reps. Dan Lipinski, Pete DeFazio; and Jim Oberstar* staff--to discuss timing and direction of reauthorization.

-Garson—attended April 28th hearing on High Priority Projects and April 29th hearing on the 10-week progress report regarding transportation and infrastructure funds in ARRA.

Contact with relevant organizations on behalf of OCTA

-Burrell—attended April 7 conference on Investing in a Strong and Better Democracy (sponsored by Economic Policy Institute) about infrastructure funding and green jobs

-Burrell—met with Leslie Wollack, senior transportation policy advisor, at the National League of Cities regarding ARRA and reauthorization

-Garson and Lopez--US Conference of Mayors and National Association of Counties update meetings

-SDA group--outreach to Republican and Democratic leadership and Administration officials regarding activities related to ARRA funds distribution, appropriations preparations and reauthorization discussions

-SDA group--review of important Congressional hearings and press conferences related to OCTA goals; information about Administration official travel and other events to grow awareness of OCTA solutions, opportunities and challenges to providing 21st century mobility options.

**Scott Baugh
Quarterly Report
February 1 to April 30, 2009**

Pursuant to discussions with members of the Legislative and Communications Committee and Orange County Transportation Authority staff, I undertook the following activities on behalf of the OCTA during this period:

1. Regarding Senate Bill 375: Redesigning Communities to Reduce Greenhouse Gases:
 - a. Working with Senator Steinberg on possible follow-up legislation;
 - b. Working on strategies with conservative congressional Democrats in Congress to mitigate the adoption of SB 375 as a model for national greenhouse gas legislation;
 - c. Working with Los Angeles County representatives to develop strategies for calculating compliance impacts of SB 375

2. Regarding the American Recovery and Reinvestment Act (ARRA) passed by Congress on February 17 2009:
 - a. Worked with the Auto Club and State and local officials on a coordinated campaign to advocate for a fair distribution of ARRA funding to Orange County;
 - b. Worked with USDOT to provide input from Orange County regarding the status and eligibility of OCTA projects for ARRA funding;
 - c. Secured Deputy Assistant Secretary for a meeting in Orange County with the Orange County delegation to provide a forum for insights and discussion regarding funding for Orange County projects;
 - d. Worked with local officials regarding High Speed Rail and coordinated with State High Speed Rail Authority regarding ARRA funding for High Speed Rail in Anaheim to Los Angeles corridor.

3. Orange County Business Counsel (OCBC) coordinated transportation policies:
 - a. Worked with Senator Ackerman's office to promote transportation policies;
 - b. Worked with OCBC on a coordinated campaign to ensure the fair distribution of ARRA funding to Orange County



BOARD COMMITTEE TRANSMITTAL

May 22, 2009

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: 2009 Commuter Bikeways Strategic Plan Final Draft

Transit Committee Meeting of May 14, 2009

Present: Directors Brown, Dalton, Dixon, Green, Nguyen, Pulido, and Winterbottom
Absent: None

Committee Vote

This item was passed by all Committee Members present.

Director Pulido was not present to vote on this item.


Committee Recommendation

Approve the 2009 Commuter Bikeways Strategic Plan.



May 14, 2009

To: Transit Committee

From:  James S. Kenan, Interim Chief Executive Officer

Subject: 2009 Commuter Bikeways Strategic Plan

Overview

The 2009 Commuter Bikeways Strategic Plan serves as a roadmap and a resource to Orange County's 35 local agencies for coordinating bikeway development efforts. It also provides direction regarding the roles and responsibilities of the Orange County Transportation Authority in the planning and implementation of bikeways. The final draft of the 2009 Commuter Bikeways Strategic Plan is presented for Board of Directors' review and approval.

Recommendation

Approve the 2009 Commuter Bikeways Strategic Plan.

Background

The last complete update of the Commuter Bikeways Strategic Plan (CBSP) was in 2001. The CBSP is a countywide master plan of the regional bikeway network and it is also used to meet the eligibility requirements for state Bicycle Transportation Account (BTA) funds. The BTA is a competitive fund source that is managed by the California Department of Transportation (Caltrans) for bicycle projects throughout the state.

Discussion

The 2009 CBSP was developed in close consultation with local jurisdictions and the public. The Citizen Advisory Committee's (CAC) Bicycle Ad Hoc Committee provided oversight and guidance throughout the development of the 2009 CBSP. The Bicycle Ad Hoc Committee endorsed the 2009 CBSP at its April 7, 2009, meeting and the CAC voted at its April 22, 2009, meeting to recommend approval of the 2009 CBSP by the Board of Directors (Board). Furthermore, two advisory groups were formed with one consisting of staff from

local jurisdictions and the other of public stakeholder representatives including Bicycle Ad Hoc Committee members. The former provided technical input from the perspective of local jurisdictions while the latter identified issues and concerns as users of the bikeway facilities.

A three-week public review ended on March 16, 2009. Over 30 sets of comments were submitted, 14 of which came from local jurisdictions. The majority of comments from the public expressed support for expansion of the bikeways network; whereas, the local jurisdictions' comments generally focused on map refinements and corrections to project lists. All of the comments were carefully reviewed and incorporated, as appropriate, into the final draft document. The efforts put forward by all who participated have resulted in a 2009 CBSP that will be a valuable tool for the Orange County Transportation Authority (OCTA), Orange County local agencies, and Caltrans to use in the planning, coordinating, and funding of bikeways.

The primary goal of the 2009 CBSP is to facilitate bicycle commuting through the expansion of the regional bikeways system. There are four main objectives in the 2009 CBSP that work towards achieving this goal:

- Inventory the existing facilities and projects planned by Orange County local jurisdictions;
- Provide a strategy for implementing the proposed projects, discuss best bikeway planning practices, and external funding opportunities for optional use by local jurisdictions;
- Identify the roles and responsibilities of OCTA and local agencies regarding the implementation of the strategy; and
- Simplify state BTA funding eligibility for local jurisdictions that choose to adopt the CBSP.

Local jurisdictions provided data to update the existing and planned bikeways dataset (Attachment B). Based on this input, there are roughly 1000 miles of bikeways currently implemented and 700 miles planned.

The estimated cost to complete the planned system is about \$440 million. Since these projects must compete for limited funding there is a need to set priorities in order for the available resources to be applied towards the most beneficial projects. Although it is the responsibility of local jurisdictions to plan, implement, and maintain the bikeways, the CBSP provides a strategy and resources that local jurisdictions can consider when planning, coordinating, and prioritizing bicycle projects.

Performance criteria were defined using input collected through surveys, a public workshop, and OCTA committees and advisory groups. The performance criteria can be utilized by OCTA and local jurisdictions for prioritizing projects for funding (Attachment C).

Additionally, modeled trip generation data and input from the technical and stakeholder advisory groups were used to identify regional destinations, including transit stations, colleges, universities, and key employment centers (Attachment D). The model data showed the highest concentrations of work trips were generated within a few miles of the employment centers, which in part defined the priority zones depicted on Attachment D. Another factor in defining the priority zones was the National Personal Transportation Survey, which found that the average bicycle work trip is nearly three miles.

The 2009 CBSP also provides bicycle facility design guidelines and innovative solutions as well as information regarding potential local, state, and federal funding sources. Local jurisdictions may refer to these resources when planning and implementing bikeway projects. OCTA also encourages local jurisdictions to use the 2009 CBSP in coordinating planning efforts with each other by referring to the maps and project lists which include bikeway data from all Orange County local agencies.

The bikeway planning roles and responsibilities for OCTA are identified within the 2009 CBSP through the OCTA Bikeways Action Plan (Attachment E). Through this action plan OCTA will work to collaborate with local jurisdictions and encourage each to address the regional needs identified within the 2009 CBSP.

Finally, the 2009 CBSP addresses the Caltrans BTA requirements. This makes local jurisdictions who choose to adopt the 2009 CBSP as the jurisdictions' own bicycle transportation plan eligible to apply for state BTA funding grants. Currently, the state provides an average annual funding level of \$7 million statewide to eligible applicants.

In addition to the BTA funds, the 2009 CBSP provides information about a number of additional potential funding sources that local jurisdictions can tap in to fund bicycle projects. These sources include programs such as Transportation Enhancement Activities and Safe Routes to School.

Next Steps

Upon approval by the Board, Orange County local jurisdictions will be able to adopt the 2009 CBSP as the jurisdictions' own bicycle transportation plan and be eligible to apply for BTA funding from Caltrans.

Summary

The 2009 CBSP has been developed using input from Orange County local jurisdictions, the general public, OCTA committees and advisory groups, and staff analysis. The plan addresses all the elements related to state BTA eligibility and provides a regional strategy for improving commuter bicycling in Orange County. Upon approval by the OCTA Board, the 2009 CBSP will be made available to all Orange County local jurisdictions. These jurisdictions may then choose to adopt the CBSP as the jurisdiction's own bicycle transportation plan and be eligible to apply for state BTA funds

Attachments

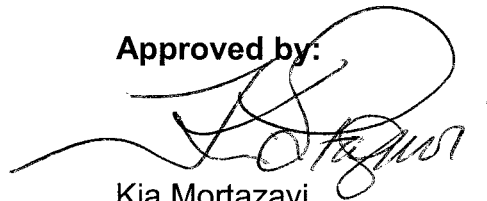
- A. 2009 OCTA Commuter Bikeways Strategic Plan - Final Draft
- B. Orange County Existing & Proposed Bikeway Maps
- C. Performance Criteria
- D. Regional Commuter Bikeway Priorities
- E. Orange County Transportation Authority Bikeways Action Plan

Prepared by:



Gregory Nord
Transportation Analyst
(714) 560-5885

Approved by:



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

2009 OCTA COMMUTER BIKEWAYS STRATEGIC PLAN – FINAL DRAFT

IS AVAILABLE ON THE OCTA WEBSITE (www.OCTA.net)

AND AVAILABLE UPON REQUEST

FROM THE CLERK OF THE BOARD'S OFFICE

Orange County Existing & Proposed Bikeway Maps













The proposed bikeways map reflects current, locally-adopted plans and programs and does not consider concurrent and future planning efforts. The City of Fullerton is currently in the process of updating General Plans and other policy programs that will influence future amendments in this Section.

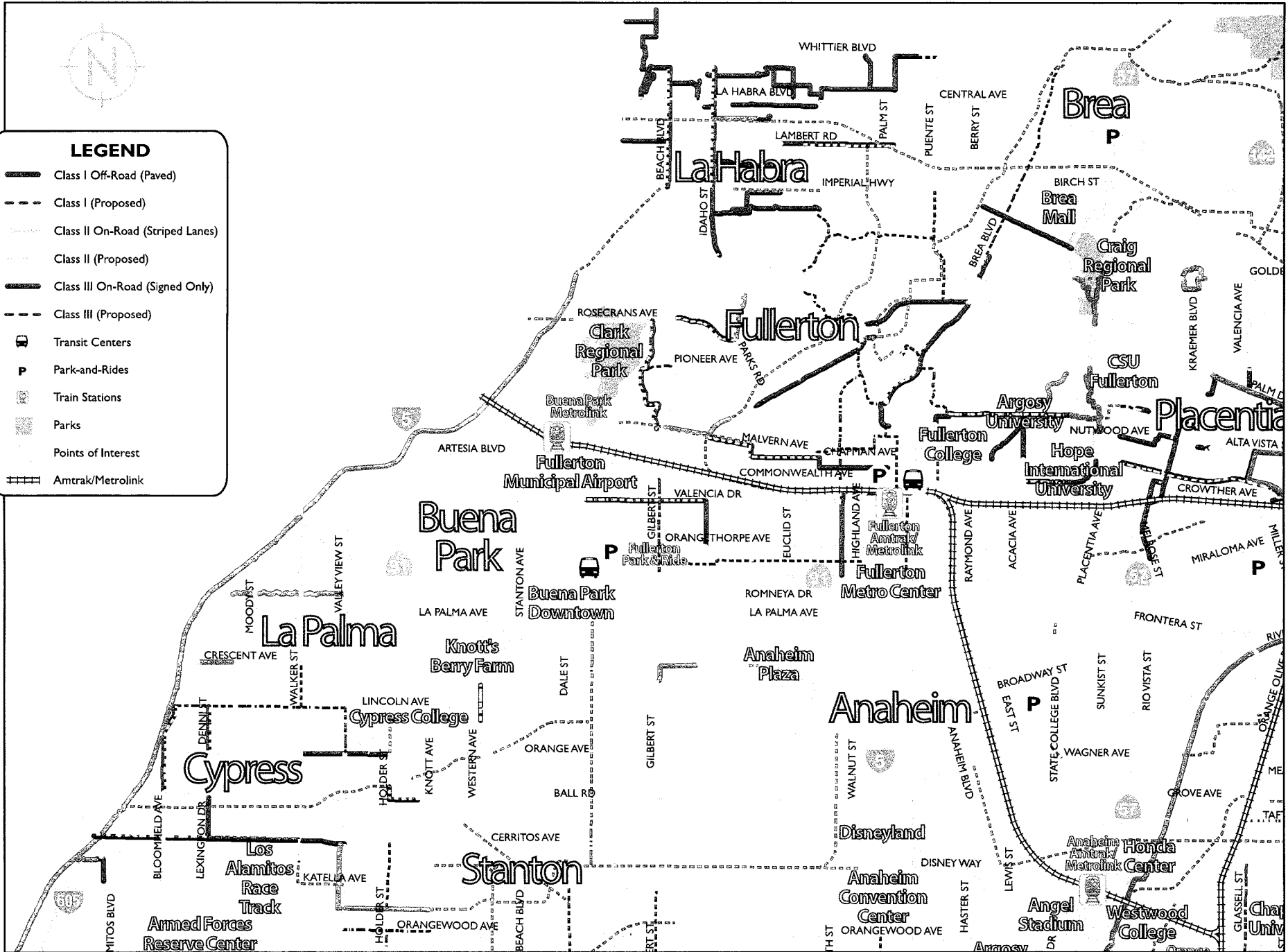


Orange County Bikeways Map / Section I



LEGEND

-  Class I Off-Road (Paved)
-  Class I (Proposed)
-  Class II On-Road (Striped Lanes)
-  Class II (Proposed)
-  Class III On-Road (Signed Only)
-  Class III (Proposed)
-  Transit Centers
-  Park-and-Rides
-  Train Stations
-  Parks
-  Points of Interest
-  Amtrak/Metrolink



(to section 3 & 4)

(to section 2)

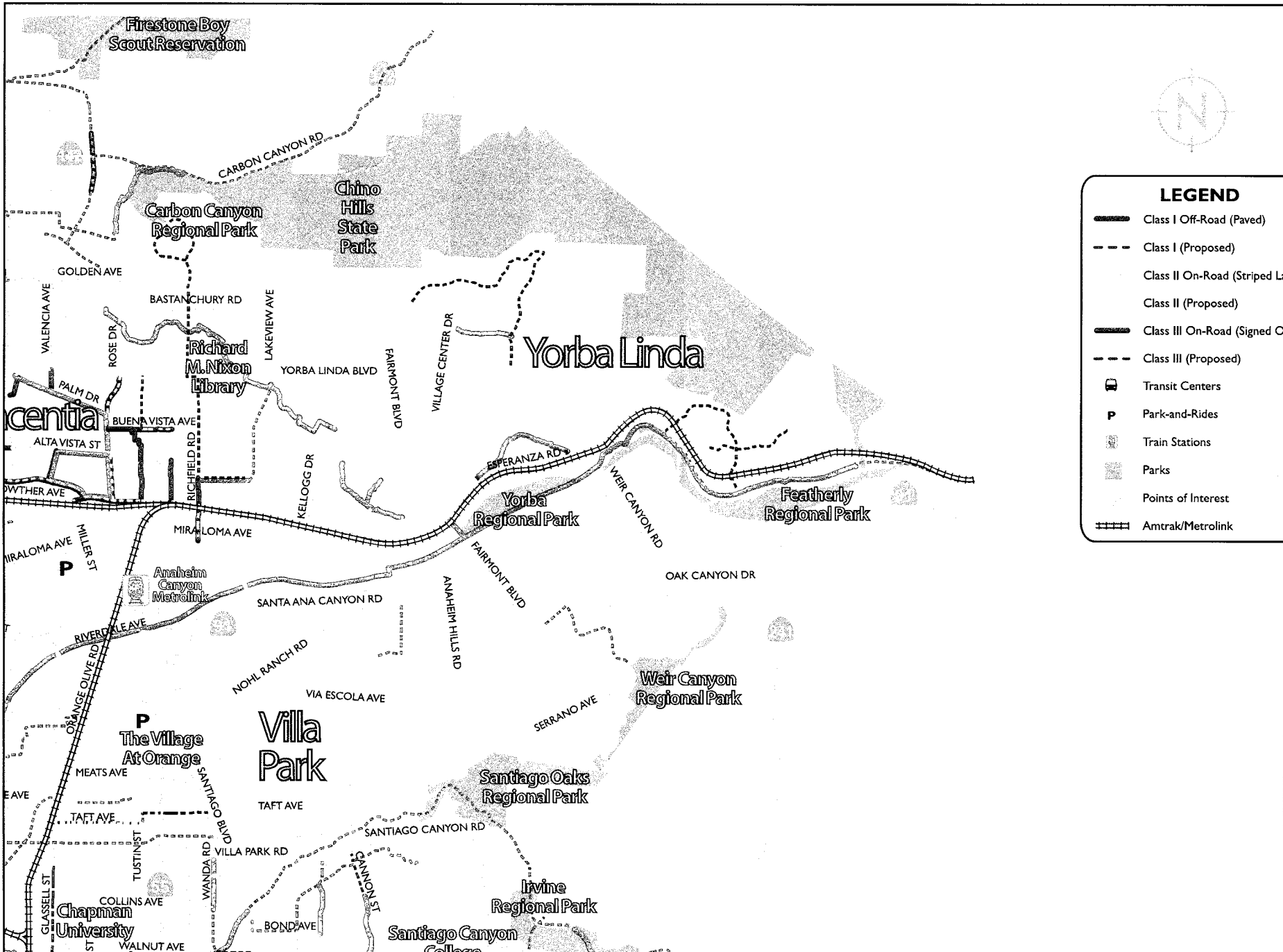


Orange County Bikeways Map / Section 2



LEGEND

- Class I Off-Road (Paved)
- Class I (Proposed)
- Class II On-Road (Striped Lanes)
- Class II (Proposed)
- Class III On-Road (Signed Only)
- Class III (Proposed)
- Transit Centers
- Park-and-Rides
- Train Stations
- Parks
- Points of Interest
- Amtrak/Metrolink



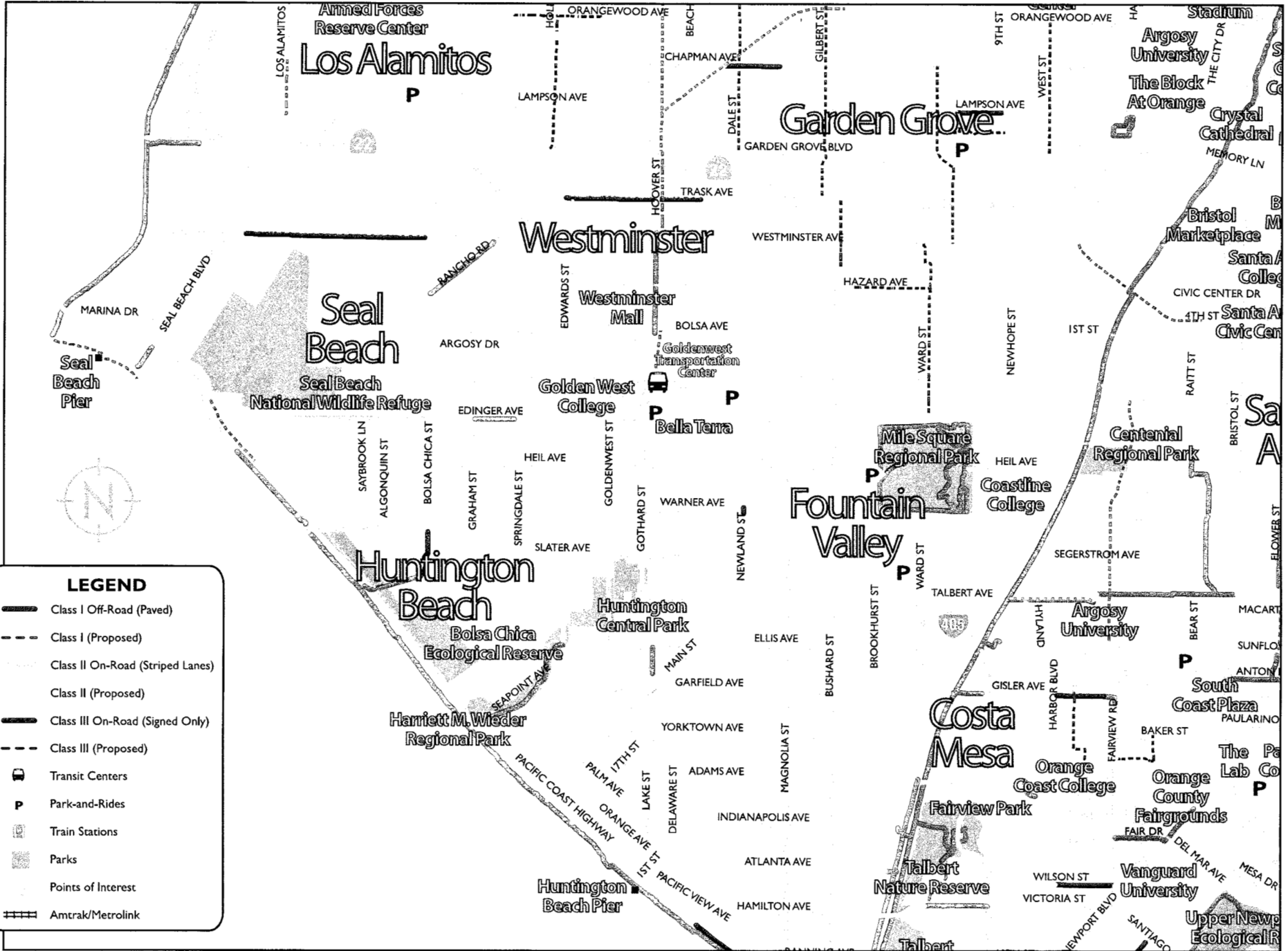
(to section 1)

(to section 4 & 5)



Orange County Bikeways Map / Section 3

(to section 1)



LEGEND

- Class I Off-Road (Paved)
- Class I (Proposed)
- Class II On-Road (Striped Lanes)
- Class II (Proposed)
- Class III On-Road (Signed Only)
- Class III (Proposed)
- Transit Centers
- Park-and-Rides
- Train Stations
- Parks
- Points of Interest
- Amtrak/Metrolink

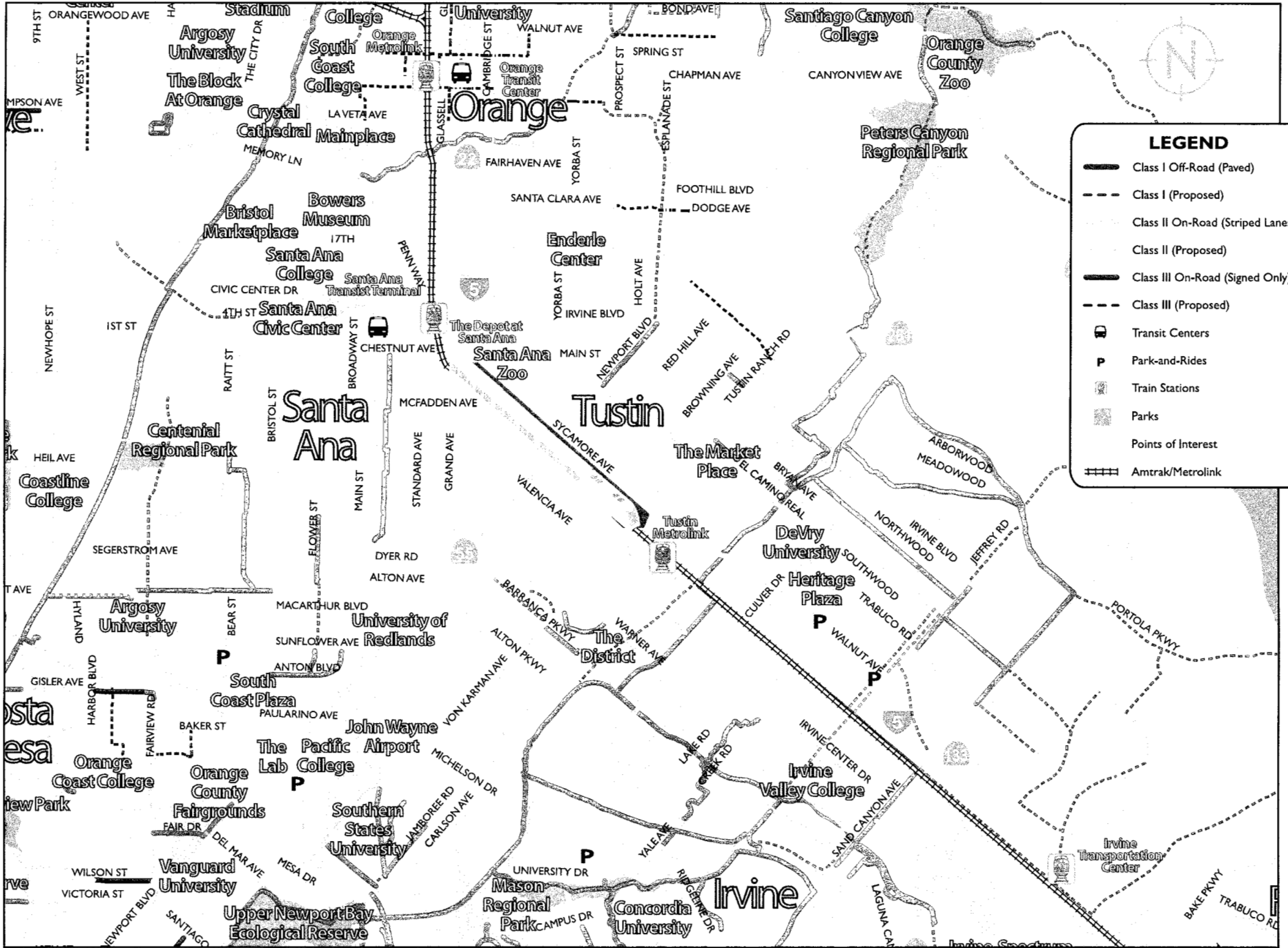
(to section 6)

(to section 4)



Orange County Bikeways Map / Section 4

(to section 1 & 2)



LEGEND

- Class I Off-Road (Paved)
- Class I (Proposed)
- Class II On-Road (Striped Lanes)
- Class II (Proposed)
- Class III On-Road (Signed Only)
- Class III (Proposed)
- Transit Centers
- Park-and-Rides
- Train Stations
- Parks
- Points of Interest
- Amtrak/Metrolink













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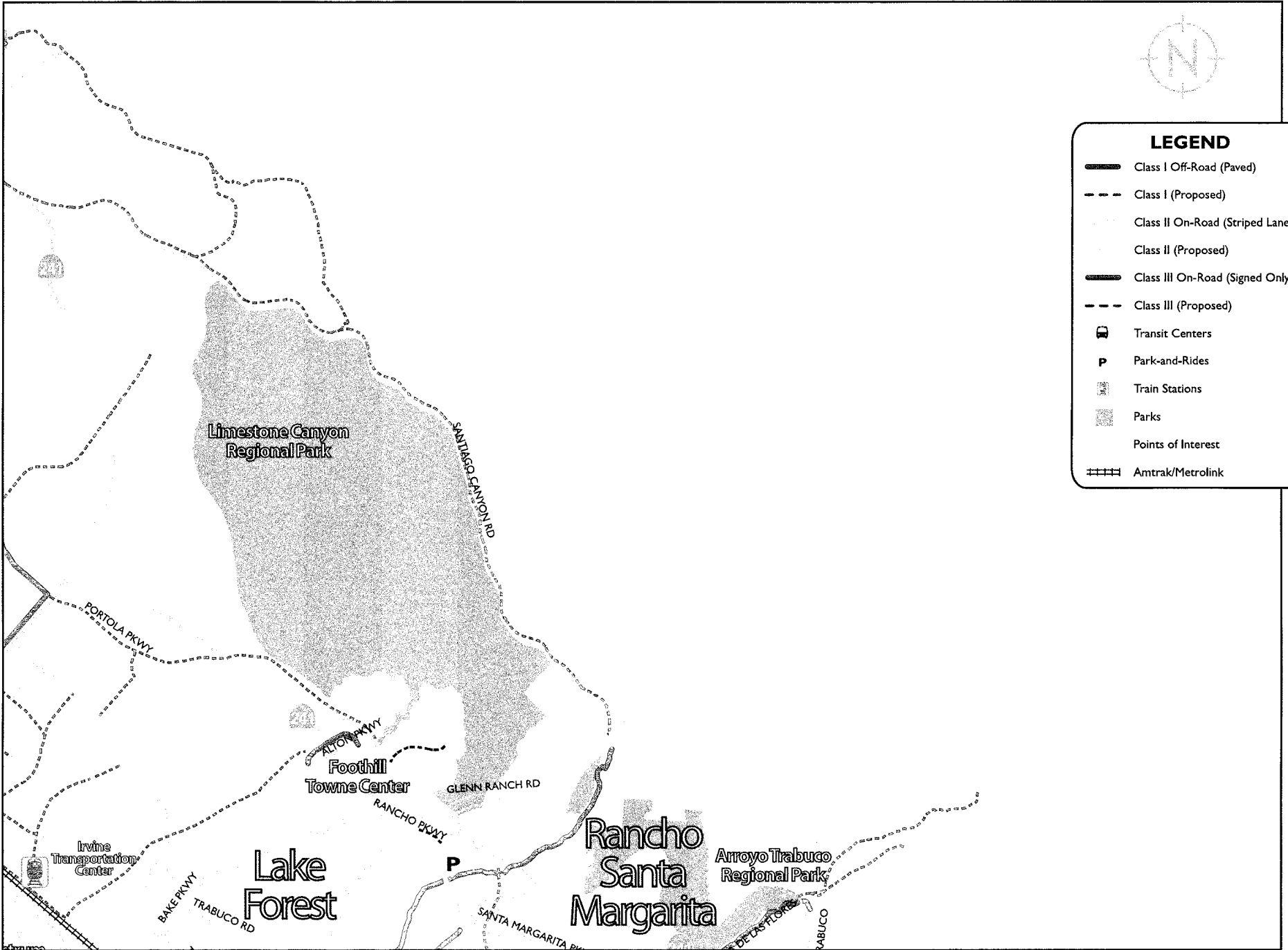
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LEGEND

-  Class I Off-Road (Paved)
-  Class I (Proposed)
-  Class II On-Road (Striped Lanes)
-  Class II (Proposed)
-  Class III On-Road (Signed Only)
-  Class III (Proposed)
-  Transit Centers
-  Park-and-Rides
-  Train Stations
-  Parks
-  Points of Interest
-  Amtrak/Metrolink



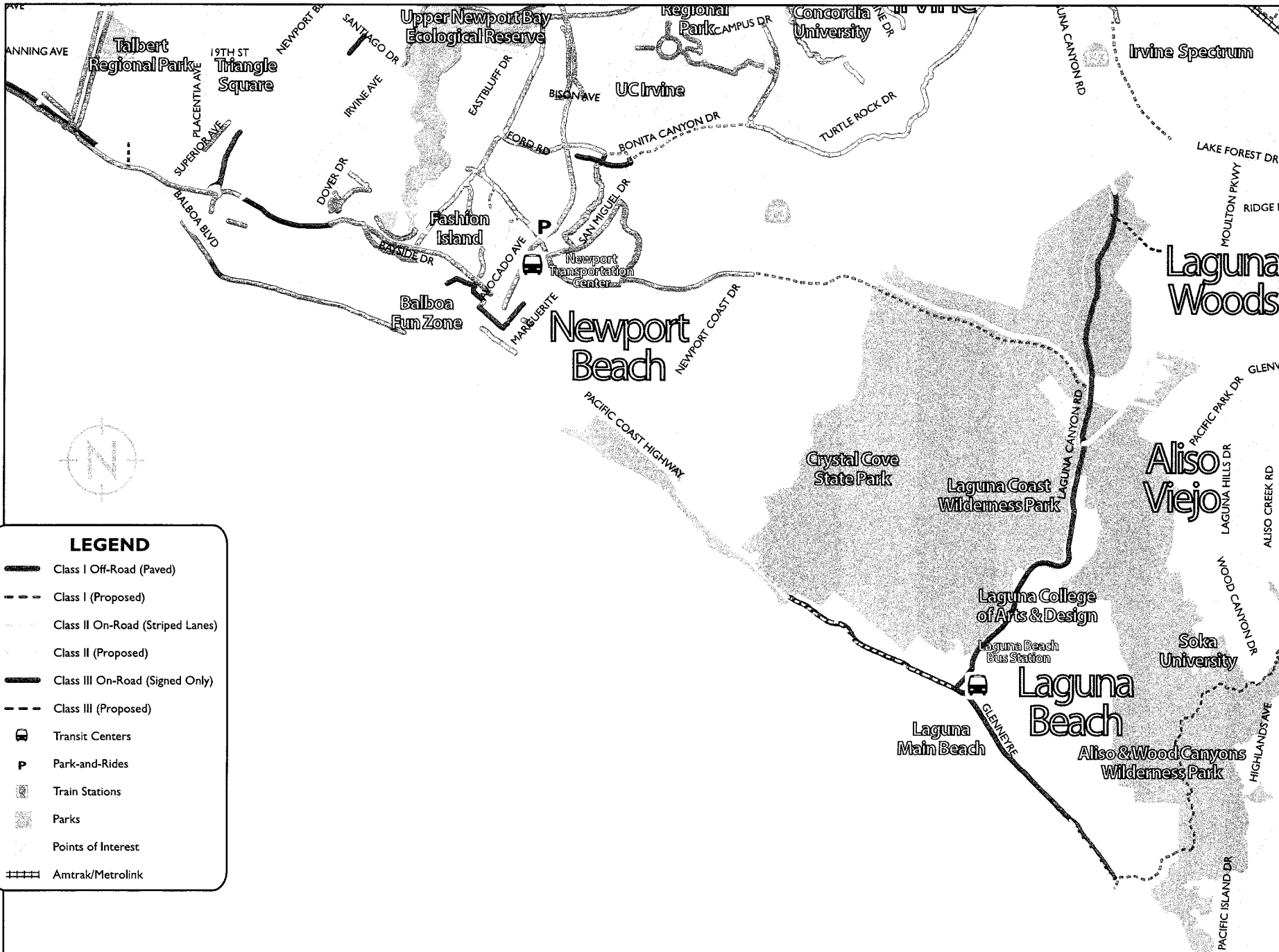
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Orange County Bikeways Map / Section 6

(to section 3 & 4)



(to section 7)



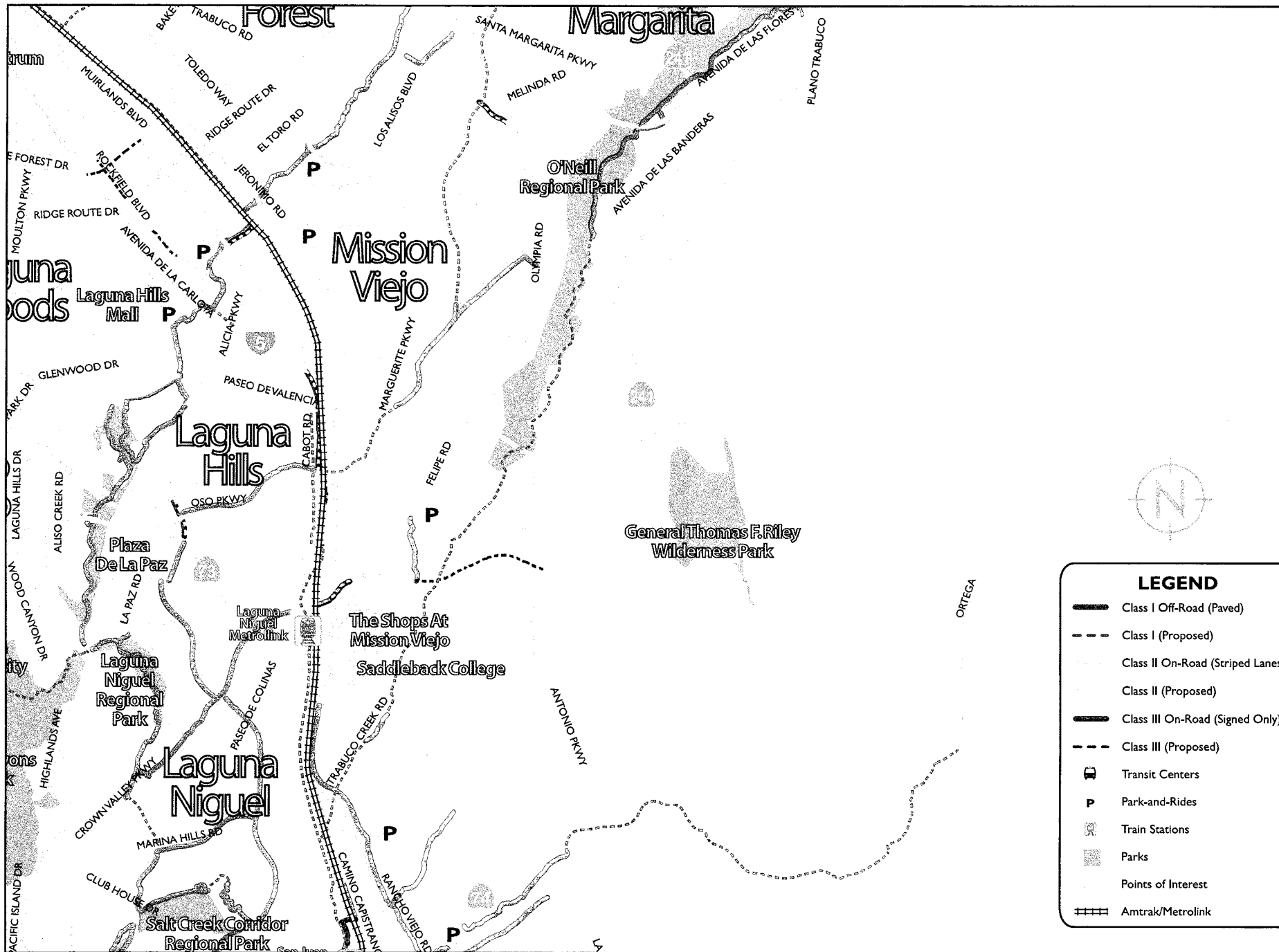
LEGEND

- Class I Off-Road (Paved)
- Class I (Proposed)
- Class II On-Road (Striped Lanes)
- Class II (Proposed)
- Class III On-Road (Signed Only)
- Class III (Proposed)
- Transit Centers
- Park-and-Rides
- Train Stations
- Parks
- Points of Interest
- Amtrak/Metrolink



Orange County Bikeways Map / Section 7

(to section 5)



(to section 6)

(to section 8)



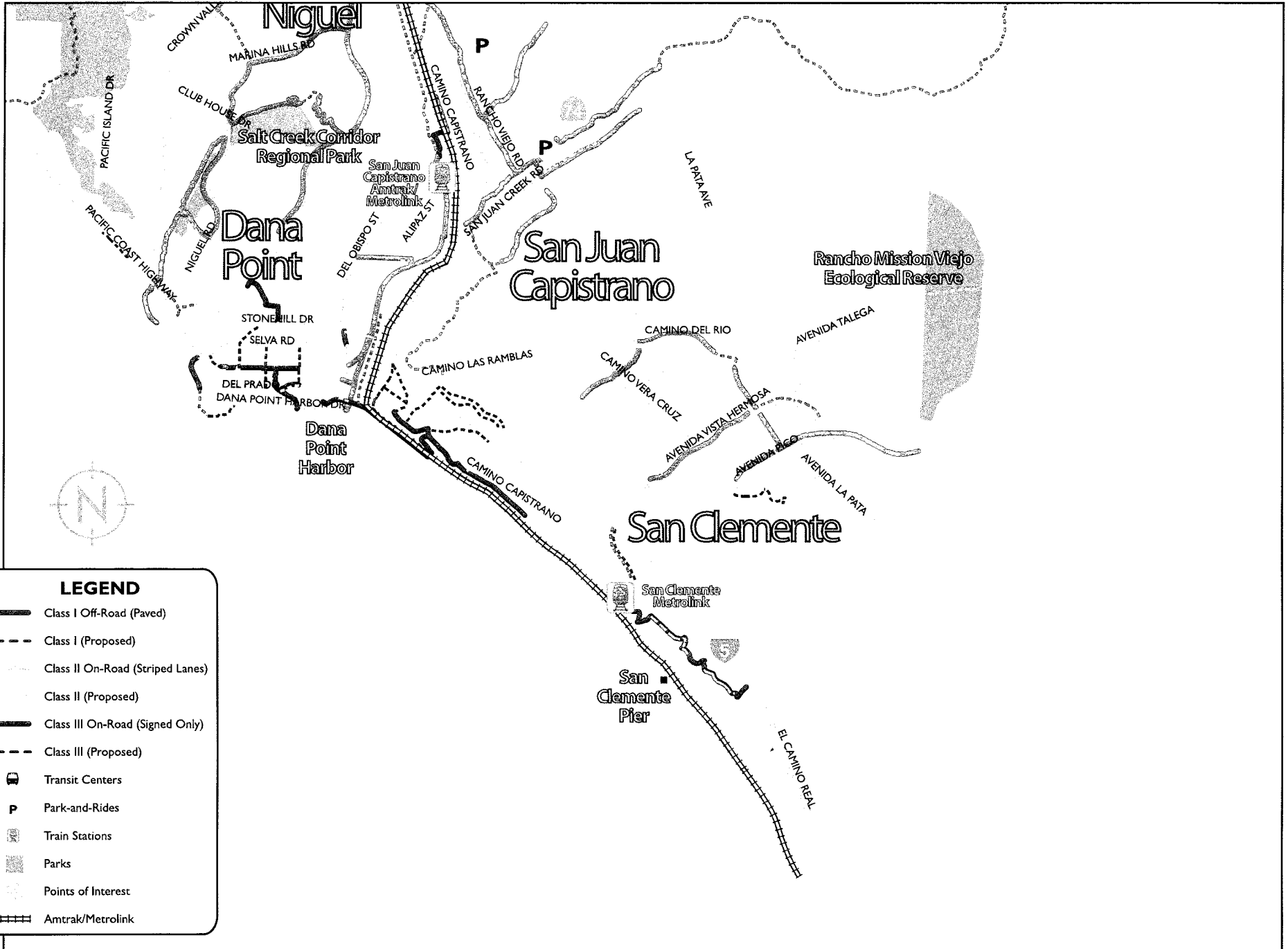
LEGEND

- Class I Off-Road (Paved)
- Class I (Proposed)
- Class II On-Road (Striped Lanes)
- Class II (Proposed)
- Class III On-Road (Signed Only)
- Class III (Proposed)
- Transit Centers
- Park-and-Rides
- Train Stations
- Parks
- Points of Interest
- Amtrak/Metrolink



Orange County Bikeways Map / Section 8

(to section 7)



Niguel

Dana Point

San Juan Capistrano

San Clemente

Salt Creek Corridor Regional Park

Rancho Mission Viejo Ecological Reserve

Dana Point Harbor

San Clemente Pier

San Clemente Metrolink

San Juan Capistrano Amtrak/Metrolink

CROWN VALLEY
MARINA HILLS RD

CLUB HOUSE DR

PACIFIC ISLAND DR
PACIFIC COAST HIGHWAY

STONE HILL DR
SELVA RD

DEL PRADO
DANA POINT HARBOR DR

CAMINO CARISTRANO
RANCHO VIEJO RD
SAN JUAN CREEK RD

DEL OBISPO ST
ALIPAZ ST

CAMINO LAS RAMBLAS

CAMINO CAPISTRANO

LA PATAVE

CAMINO DEL RIO

CAMINO VERA CRUZ

AVENIDA VISTA HERMOSA
AVENIDA DEL RIO

AVENIDA TALEGA

AVENIDA LA PATA

EL CAMINO REAL



Performance Criteria

The input received through the outreach process also served to identify project performance criteria that can be used by local jurisdictions to prioritize their projects listed in this plan, as well as future projects. The following criteria should be considered in the order of the Tiers in which they are listed:

Tier 1:

Safety – Projects that reduce conflicts between motorists and cyclists, and address other safety concerns.

Ease of implementation – Projects with an anticipated low difficulty for implementation, based on available rights-of-way, existing traffic operations, and other similar factors.

Continuity – Projects that improve continuity within the route, or between routes.

Tier 2:

Regional significance – Projects that will benefit the overall region by addressing regional priorities identified within this plan.

Accessibility – Projects that provide one or more points of access to regional destinations.

Support facilities and programs – Projects that include any of the following support facilities or programs:

- bicycle parking (including lockers)
- signage/street markings
- signal detection (buttons and/or in-ground)
- lighting
- bicycle sharing programs
- restrooms/drinking fountains
- other similar facilities

Tier 3:

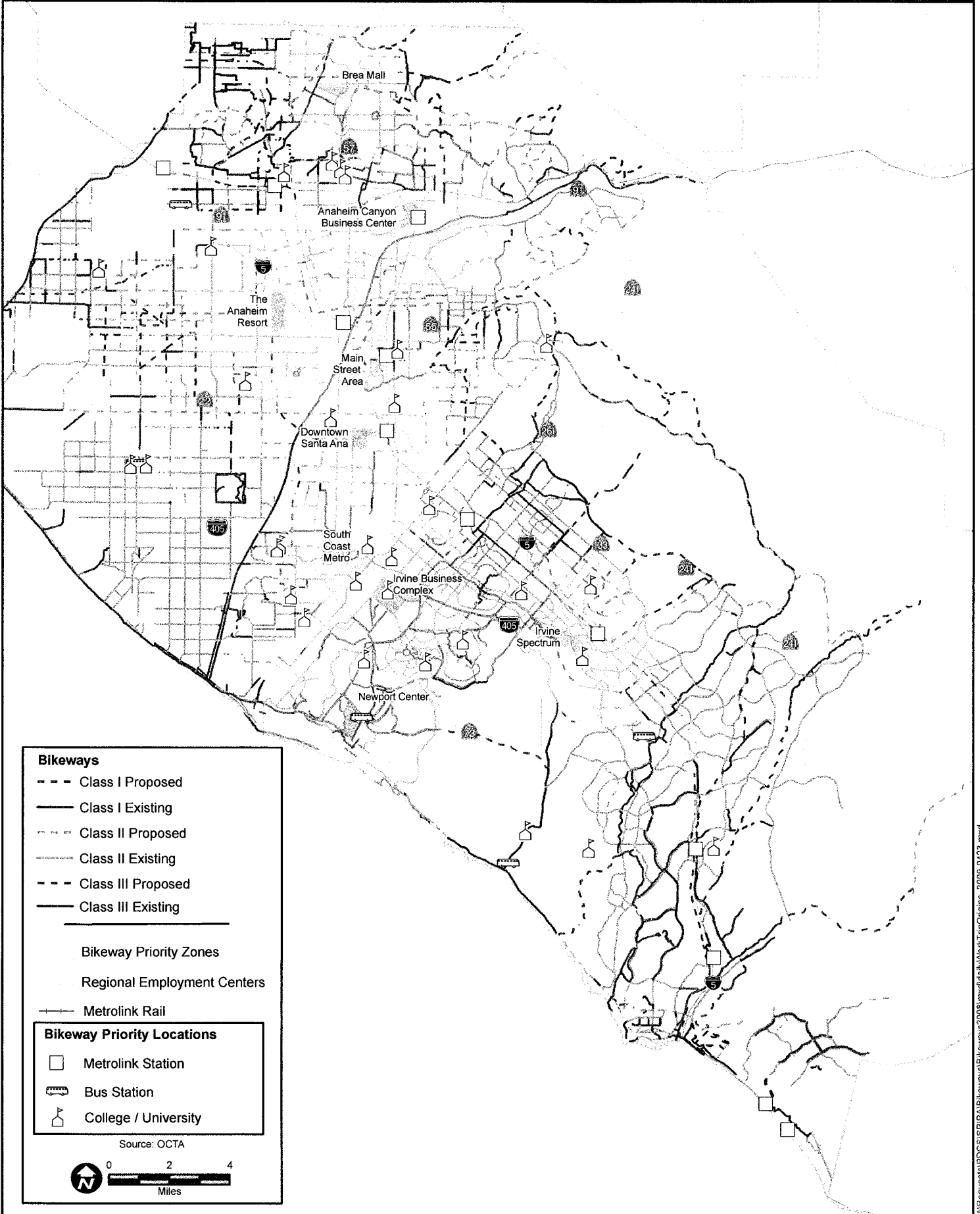
Directness – Projects that provide the most direct route between origins and destinations.

Route aesthetics – Projects that provide for visual aesthetics, increased comfort, a sense of personal safety, and/or other similar factors along the facility.

Public Support – Projects that appear to be supported by the public input received in the development of this plan, through letters of support, or other means of public input.



Regional Commuter Bikeway Priorities



Bikeways

- - - Class I Proposed
- Class I Existing
- - - Class II Proposed
- Class II Existing
- - - Class III Proposed
- Class III Existing

Bikeway Priority Zones

Regional Employment Centers

Metrolink Rail

Bikeway Priority Locations

- Metrolink Station
- Bus Station
- College / University

Source: OCTA



Orange County Transportation Authority Bikeways Action Plan

Input received during the outreach process indicated that OCTA needed to clearly establish its roles and responsibilities regarding bikeway planning in Orange County. The following Action Plan identifies the tasks OCTA will undertake to ensure the implementation of the CBSP, as well as OCTA's support for bicycle commuting:

Improve the regional bikeways network

- * Provide funding, when feasible, for capital bikeway improvements through a competitive call-for-projects
- * Support efforts by local jurisdictions to seek funding, such as state Bicycle Transportation Account funds
- * Promote that local jurisdictions to consider their consideration of bicyclists within environmental and planning documents

External coordination

- * Designate an OCTA bicycle coordinator
- * Maintain the countywide bicycle transportation plan, ensure it remains compliant with the Bicycle Transportation Account requirements, and make it available for adoption by local jurisdictions
- * Facilitate bikeway planning coordination efforts between jurisdictions and other involved entities
- * Encourage local jurisdictions to coordinate local planning efforts with the CBSP
- * Encourage each local jurisdiction to designate a bicycle coordinator
- * Update and work with bicycle coordinators, Employee Transportation Coordinators, and other stakeholders, on issues relating to bicycling, such as funding opportunities
- * Provide technical support to local jurisdictions

Internal coordination

- * Ensure that the needs for bicyclists and bikeways are considered in the development of projects and programs within OCTA
- * Plan and participate in events that promote bicycling, such as Bike-to-Work Week and Rideshare Week
- * Provide bikeway outreach and support through internet resources, including a countywide commuter bikeways map
- * Communicate with OCTA committees as necessary

Address the regional priorities

- * Lead the implementation efforts of projects within OCTA owned rights-of-way
- * Review development plans and environmental documents and provide comments, 1) to ensure that developers and local jurisdictions are complying with the CBSP, and 2) to encourage these entities to add local supplemental routes that may not be on the regional bikeways plan, but would enhance the overall connectivity of the bikeway system.
- * Advise local jurisdictions to submit projects that address the regional priorities when state or federal funds become available
- * Provide incentives to local jurisdictions for submitting projects that address the regional priorities during calls-for-projects for funds controlled by OCTA



BOARD COMMITTEE TRANSMITTAL

May 22, 2009

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Credit Card Clearinghouse Services

Finance and Administration Committee meeting of May 13, 2009

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

Committee Vote

This item was passed by all Committee Members present.


Committee Recommendation

Authorize the Interim Chief Executive Officer to execute Agreement No. C-9-0201, for a term of three-years plus two additional one-year option terms, between the Orange County Transportation Authority and Bank of America Merchant Services. The agreement is for electronically processing and authorizing the 91 Express Lanes' and bus pass sales' credit card transactions on a daily basis and settling the accounts into the Orange County Transportation Authority's designated bank account, currently at the Bank of the West, in a secure and timely manner.



May 13, 2009

To: Finance and Administration Committee

From:  James S. Kenan, Interim Chief Executive Officer

Subject: Credit Card Clearinghouse Services

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2008-09 Budget, the Board of Directors approved the procurement of a service provider to perform credit card clearinghouse services for the 91 Express Lanes and bus pass sales. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board of Directors' approval is requested to execute an agreement.

Recommendation

Authorize the Interim Chief Executive Officer to execute Agreement No. C-9-0201, for a term of three-years plus two additional one-year option terms, between the Orange County Transportation Authority and Bank of America Merchant Services. The agreement is for electronically processing and authorizing the 91 Express Lanes' and bus pass sales' credit card transactions on a daily basis and settling the accounts into the Orange County Transportation Authority's designated bank account, currently at the Bank of the West, in a secure and timely manner.

Discussion

The 91 Express Lanes is a cash-free operation. Motorists must obtain an electronic tolling transponder that is "read" during travel on the toll lanes. The amount of the toll varies by time of day which reflects the congestion level of traffic. Motorists must complete an application and make either a cash or credit card deposit to secure use of the transponders. The vast majority of transponders are secured by credit cards that automatically charge for additional amounts as the motorist's balance falls below a predetermined minimum balance. A third-party contractor prepares these customer statements based on transaction records provided by the toll road operator.

During calendar year 2008, there were approximately 648,000 credit card transactions with sales of \$34.8 million for the 91 Express Lanes.

It is the intent to combine credit card processing service for the 91 Express Lanes, bus pass sales, and the Orange County Transportation Authority (OCTA) Store to achieve greater efficiency, lower costs, and consolidated reporting. Currently OCTA has a separate agreement for processing bus pass sales and purchases through the OCTA Store. Orders are received online through the OCTA website, by mail and telephone, and in person at the store. For fiscal year 2008, there were approximately 26,000 credit card transactions with sales of \$1.6 million.

Procurement Approach

Request for Proposals (RFP) 9-0201 was released on February 20, 2009, as a time and expense solicitation in accordance with current OCTA policies and procedures for professional and technical services. The budget of \$600,000 did not require the Board of Directors' (Board) approval of the RFP prior to release. The competitive solicitation was sent electronically to 126 firms registered on CAMM NET. A pre-proposal conference was held on February 24, 2009.

The following evaluation criteria and weights were used to evaluate the proposals received:

- | | |
|-------------------------------------|------------|
| • Qualifications of the Firm | 30 percent |
| • Work Plan | 30 percent |
| • Staffing and Project Organization | 20 percent |
| • Cost and Price | 20 percent |

The standard 25 percent for each criterion was not used for this procurement. The qualifications of the financial institution and its technical process for meeting the project requirements are the most important factors. Therefore, each was weighted at 30 percent. Pricing for the 91 Express Lanes/pass sales credit card services is variable. Pricing is based on a percentage of each transaction. Each credit card has an interchange rate that is charged on each transaction plus a bank processing fee. Monthly charges vary with the increase or decrease in the number of transactions and the dollar volume.

The evaluation committee was comprised of staff from Treasury/Public Finance, Accounting and Financial Reporting, Customer Relations, and Contracts Administration and Materials Management. Ten proposals were received and evaluated. Two firms, Bank of America Merchant Services and

Wells Fargo Merchant Services, LLC, were in the competitive range and were short-listed for interviews as follows:

Firm and Location

Bank of America Merchant Services
Chino, California

Wells Fargo Merchant Services
Walnut Creek, California

Qualifications of the Firm

Bank of America has extensive experience with credit card processing. The bank was the first to issue a bank product, the BankAmericard, and has provided credit card solutions for over 50 years. Bank of America is the incumbent on this procurement. Wells Fargo has over 30-years experience processing electronic payments. In 1993, Wells Fargo and First Data Merchant Services formed an equity partnership to provide electronic payment services. Bank of America has more experience in banking and providing merchant services to the government sector.

Staffing and Project Organization

Bank of America's key staff include a manager with 25 years of banking experience, including 20 years focus on public sector clients and other staff with 10 to 19 years, focusing on government and public sector clients, that include cities, counties, and transportation agencies.

Wells Fargo's key staff has 11 to 18 years experience in the bankcard payment, interchange and merchant services industry.

Bank of America's staff has more years of experience in banking and providing merchant services to the government sector.

Work Plan

Both firms provided work plans demonstrating a good understanding of the projects requirements. Bank of America addressed every point in the scope of work with an excellent understanding of the 91 Express Lanes and the bus pass sales process. The firm provided good details of the conversion process and good samples of reports. Transfer of bus pass sales to the firm will take little time with no set-up costs and minimal reconfiguration costs. A detailed sample implementation plan schedule was included.

Wells Fargo also addressed every point in the scope of work; however, the firm did not provide an implementation plan. The firm did, however, provide good sample reports.

Cost and Price

Pricing scores were determined by a formula which multiplied the average value of the transactions, times the processing fee, times the number of transactions per month (approximately 54,000), by the percentage of usage for each of the three most frequently used credit cards (Visa, Mastercard, and American Express) on the 91 Express Lanes. The bus pass sales formula combined the two cards (Visa and Mastercard) times the processing fee times the number of transactions per month (approximately 2,167). Using this formula, Wells Fargo's price was the lowest, so it were awarded the highest score in this category. Bank of America's pricing was slightly higher, as a result its score in this category was lower.

Overall, Bank of America provided a more thorough proposal addressing project requirements and has extensive experience with credit card processing. The pass sales component requires conversion to the selected vendor, Bank of America demonstrated they have a clear and thorough understanding of the requirements needed in order to facilitate a smooth transition from the current merchant services provider. The current proposal from Bank of America reduces the cost per transaction by 11 basis points, just over half the discount rate in the current contract, for Visa and Mastercard transactions and reduces the rate for American Express and Discover from \$0.15 to \$0.10 per transaction.

Fiscal Impact

The project was approved in the Orange County Transportation Authority's Fiscal Year 2009 Budget, Finance and Administration, Accounts 0036-7520-B0001-AC2 for the 91 Express Lanes and 1240-7629-A5110-F01 for bus pass sales, and is funded through toll and bus pass sales revenue.

Summary

Based on the information provided, staff recommends award of Agreement No. C-9-0201 to Bank of America, in the amount of \$600,000, for credit card clearinghouse services.

Attachments

- A. Request For Proposals 9-0201 "Credit Card Clearinghouse Services" Review of Proposals
- B. Request For Proposals 9-0201 "Credit Card Clearinghouse Services" Proposal Evaluation Criteria Matrix
- C. Request For Proposals 9-0201 "Credit Card Clearinghouse Services" Contract History for the Past Two Years

Prepared by:

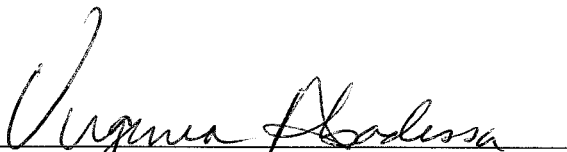


Rodney Johnson
Deputy Treasurer
Treasury and Public Finance
(714) 560-5675

Approved by:



Kenneth Phipps
Acting Executive Director,
Finance and Administration
(714) 560-5637



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

REQUEST FOR PROPOSALS 9-0201 "CREDIT CARD CLEARINGHOUSE SERVICES"

Review of Proposals

PRESENTED TO THE FINANCE AND ADMINISTRATION COMMITTEE MEETING MAY 13, 2009

10 proposals were received, 2 firms were interviewed

Overall Ranking	Overall Score	Firm & Location	Sub-Contractors	Evaluation Committee Comments	Monthly Fees
1	90	Bank of America Merchant Services Chino, California	TSYS Acquiring Solutions	Over 50 years experience providing credit card solutions. Excellent staff experience in banking and government sector. Comprehensive understanding of program requirements. Very detailed work plan which included an implementation schedule. Very good presentation and answers to interview questions. Higher processing fee of .001 per transaction.	\$3,459
2	87	Wells Fargo Merchant Services Walnut Creek, California	None	Over 30 years experience processing electronic payments. Very good staffing experience in banking and government sector. Very good work plan, but did not include an implementation schedule. Good presentation and answers to interview questions. Lower processing fee of .0008 per transaction.	\$2,875

Evaluation Panel

Proposal Criteria

Weight Factor

Orange County Transportation Authority
 Treasury/Public Finance (2)
 Accounting and Financial Reporting (1)
 Customer Relations (1)
 Contracts Administration and Materials Management (1)

Qualifications of the Firm
 Work Plan
 Staffing/Project Organization
 Cost and Price

30%
 30%
 20%
 20%

REQUEST FOR PROPOSALS 9-0201 "CREDIT CARD CLEARINGHOUSE SERVICES"									
PROPOSAL EVALUATION CRITERIA MATRIX									
Bank of America Merchant Services								Weights	Overall Score
Evaluation Number	1	2	3	4	5				
Qualifications of Firm	5.00	5.00	5.00	4.50	4.00			6	28.20
Staffing/Project Organization	5.00	5.00	5.00	4.00	4.00			4	18.40
Work Plan	5.00	5.00	4.00	4.50	4.00			6	27.00
Cost and Price	4.20	4.20	4.20	4.20	4.20			4	16.80
	96.80	96.80	90.80	86.80	80.80				90
Wells Fargo Merchant Services									
Evaluation Number	1	2	3	4	5				
Qualifications of Firm	4.00	5.00	4.00	5.00	4.00			6	26.40
Staffing/Project Organization	4.00	5.00	4.00	4.00	4.00			4	16.80
Work Plan	4.00	4.00	4.00	4.00	4.00			6	24.00
Cost and Price	5.00	5.00	5.00	5.00	5.00			4	20.00
	84.00	94.00	84.00	90.00	84.00				87
Scores for non-shortlisted firms ranged from 39 to 67.									

**REQUEST FOR PROPOSALS 9-0201 "CREDIT CARD CLEARINGHOUSE SERVICES"
CONTRACT HISTORY FOR THE PAST TWO YEARS**

Firm - Prime Only	Contract No.	Description	Contract Start Date	Contract Completion Date	Contract Amount
Bank of America Merchant Services	C-3-1274	Credit Card Clearinghouse Services	4/9/2004	10/31/2009	\$ 812,000
Sub Total					\$ 812,000
Wells Fargo Merchant Services	None	No Contracts Awarded	NA	NA	\$0
Sub Total					\$0



BOARD COMMITTEE TRANSMITTAL

May 22, 2009

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Fiscal Year 2008-09 Internal Audit Plan, Third Quarter Update

Finance and Administration Committee meeting of May 13, 2009

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

Committee Vote

This item was passed by all Committee Members present.


Committee Recommendation

Receive and file the third quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2008-09 Internal Audit Plan.



May 13, 2009

To: Finance and Administration Committee

From:  James S. Kenan, Interim Chief Executive Officer

Subject: Fiscal Year 2008-09 Internal Audit Plan, Third Quarter Update

Overview

The Orange County Transportation Authority Board of Directors adopted the Orange County Transportation Authority Internal Audit Department Fiscal Year 2008-09 Internal Audit Plan on August 13, 2008. This update is for the third quarter of the fiscal year.

Recommendation

Receive and file the third quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2008-09 Internal Audit Plan.

Background

The Internal Audit Department (Internal Audit) is an independent appraisal function, the purpose of which is to examine and evaluate the Orange County Transportation Authority's (OCTA) operations and activities to assist management in the discharge of its duties and responsibilities.

Internal Audit performs a wide range of auditing services that include overseeing the annual financial and compliance audits, conducting operational reviews, contract compliance reviews, internal control assessments, investigations, pre-award price reviews, and Buy America reviews. Internal Audit also monitors and provides guidance in computer software system implementation to help ensure that proper controls are built into systems prior to implementation. All audits initiated by entities outside of OCTA are coordinated through Internal Audit.

Discussion

The Orange County Transportation Authority Internal Audit Department Fiscal Year 2008-09 Internal Audit Plan (Plan) (Attachment A) reflects the status of each of the projects. As indicated in Attachment A, numerous projects were completed or are underway.

Audits completed during the third quarter of the year included a review of OCTA's purchasing card program. The purpose of the review was to determine that internal controls over purchasing cards were adequate to ensure that transactions were valid, authorized, and in compliance with OCTA policies and procedures. Internal Audit found exceptions related to fuel purchases by one employee and recommended heightened supervisory oversight of this employee. Internal Audit also noted several minor exceptions to policy. Recommendations were made to improve management review of purchasing card activity, to monitor infrequently used cards, to conduct semi-annual inventories of cards, and to implement automated restrictions on cards for certain types of merchants.

Internal Audit also completed a review of OCTA's compliance with Assembly Bill (AB) 1234 (which amends Articles 2.3 and 2.4 of Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code enacted in October 2005) related to compensation and ethics training for governing bodies. Internal Audit found that OCTA materially complied with the requirements, but made recommendations to enhance internal controls over compensation and expense reimbursement by requiring signatures of members of the Board of Directors (Board) for all such payments. Internal Audit also recommended that management develop procedures for timely follow-up of evidence of ethics training, and provide directors, annually, with available training information as required by AB 1234.

At the request of the Board, Internal Audit conducted a review of drug and alcohol monitoring performed by OCTA for its paratransit provider, Veolia Transportations Services, Inc. (Veolia). Internal Audit found that the Community Transportation Services Department has a well-developed program for monitoring the drug and alcohol provisions of this contract but made recommendations to enhance the program. Internal Audit also recommended that management consider centralizing OCTA's drug and alcohol monitoring for this and other transportation services. Presently, numerous transportation programs and contracts are managed throughout OCTA by various program managers. There has been no central point for drug and alcohol program training or the collection and escalation of unresolved contractor violations. Management proposed forming a committee to meet quarterly to address these issues.

Internal Audit completed three Buy America reviews during the third quarter. One of these was a pre-award review designed to ensure that the vehicle manufacturer would assemble OCTA vehicles in the United States (U.S.) using components with at least 60 percent U.S.-produced content. Two of the reviews were post-delivery reviews conducted to ensure that the vehicles

delivered to OCTA included the required U.S. content and were assembled in the U.S. The reviews identified concerns about OCTA's compliance with federal Buy America requirements, particularly as it relates to the timely completion of Buy America reviews. The Contracts Administration and Materials Management (CAMM) Department, together with the Maintenance Department, have agreed to work cooperatively to develop policies and procedures to ensure OCTA is compliant with these requirements.

Internal Audit completed a review of investment activities for the period January 1 through June 30, 2009, and found that the investment portfolio, as reported to the Board, was overstated by \$332,109 due to a custodial bank error. Internal Audit recommended that the Treasury Department investigate anomalies in custodial bank statements during the preparation of periodic reports to the Board. Internal Audit made additional recommendations concerning the Debt and Investment Management Manual and paid invoice retention.

Internal Audit managed the external financial statement and compliance audits of OCTA that were conducted by external auditor Mayer Hoffman McCann (MHM). All reports were delivered to the Board on January 28, 2009, including the external auditor's management letter. The management letter identified five deficiencies and included management's planned corrective action. Internal Audit will include these findings on the Unresolved Audit Findings and Recommendations (Attachment B) until resolved.

The external auditors also completed audits of ten Orange County cities receiving Measure M turnback funding. These audits are conducted annually, with the Audit Subcommittee of the Taxpayers Oversight Committee selecting the sample of cities and designing the auditor's procedures. The audits identified instances in which cities had not included projects in their Capital Improvement Program (CIP) plans. The audits also raised questions about cities' ability to lend city funds to their Measure M Fund to advance projects. OCTA management indicated that they will, at the direction of the Board, include in the next Measure M ordinance an amendment clarifying language concerning these issues.

Internal Audit Initiatives

Internal Audit assists the CAMM Department in the evaluation of cost and price proposals for architectural and engineering (A&E) contracts. With the implementation of the Measure M Early Action Plan and numerous other federal and state funded projects, Internal Audit has committed a great deal of resources to conducting these price reviews during the first three quarters of the fiscal year. During this time, Internal Audit has completed 25 price reviews

of over 100 professional services firms. Internal Audit also worked with CAMM to streamline the process and improve the timeliness of these reviews while ensuring the highest level of price protection to OCTA on A&E contracts.

Fraud Hotline

The Board recently authorized the outsourcing of a fraud hotline and Internal Audit will be releasing a request for proposals during the fourth quarter. The purpose of the fraud hotline is to provide an anonymous reporting mechanism for employees, contractors, and the public to report waste, abuse, or fraud. As part of the procurement for these services, qualified vendors will be asked to assist the Internal Audit Department in developing a marketing plan to maximize outreach and awareness of the hotline.

American Reinvestment and Recovery Act

As a member of the Association of Local Government Auditors, Internal Audit has been monitoring the development of accountability and transparency safeguards related to the American Reinvestment and Recovery Act (Recovery Act). The United States Government Accountability Office (GAO), together with the inspector generals of each federal agency and the Office of Management and Budget, are soliciting input at the state and local government level to ensure adequate audit oversight while minimizing duplication of effort. Using a risk-based approach, the GAO has selected 16 states and is examining the steps these states are using to monitor the receipt and expenditure of Recovery Act funds. The GAO will also select local agencies for in-depth review. Internal Audit will continue to participate in the GAO's periodic conference calls and monitor the accountability measures proposed and implemented to ensure effective and efficient oversight of Recover Act funds.

Findings and Recommendations Tracking

At the request of the Finance and Administration Committee, unresolved audit recommendations are included with the quarterly updates to the Plan as Attachment B. Internal Audit includes both findings and recommendations generated internally, as well as those provided by regulatory auditors and OCTA's independent financial statement auditors, Mayer Hoffman McCann P.C.

Summary

The Internal Audit Department will continue to implement the Plan and report to the Board of Directors on a quarterly basis the status of the Plan.

Attachments

- A. Orange County Transportation Authority Internal Audit Department
FY 2008-09 Internal Audit Plan Third Quarter Update
- B. Unresolved Audit Findings and Recommendations (Audit Reports Issued up
to and including March 2009)

Prepared by:



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

**Orange County Transportation Authority
Internal Audit Department
FY 2008-09 Internal Audit Plan
Third Quarter Update**

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours to Date	Under (Over)	Cost / Estimate to Complete (E)	Status (Date to F&A)	Notes (Contract Auditor)
Mandatory External Independent Audits									
Annual Financial Audit	FY09-001-4	Annual contracted financial audit for fiscal year 2007-08	Financial	325	446	(121)	\$ 307,490	Complete (01/28/09)	(Mayer Hoffman McCann)
Annual Transportation Development Act Audits	FY09-005	Coordination of legally required annual audits of the recipients of Local Transportation Fund for fiscal year 2007-08.	Compliance	100	73	28	\$ 59,900	Complete (01/28/09)	(Mayer Hoffman McCann)
Triennial Performance Audits	FY09-027	Initiate procurement of external auditors to conduct the state triennial performance audit and Renewed Measure M performance assessment for fiscal years 2007, 2008, and 2009	Compliance	50	8	43		Scope of Work under development	
Internal Audit Initiatives									
Risk Assessment and Annual Audit Plan	FY09-006	Annual preparation of the audit plan for next fiscal year; periodic assessment of risk throughout the year.	Risk Assessment	100	65	35		In Process	
Quality Assurance and Self-Assessment	FY09-007	Self assessment of Internal Audit's compliance with Government Auditing Standards.	Quality Assurance	175	180	(5)		In Process	
Peer Review Participation	FY09-008	Participation as a review committee member for reciprocal credit.	Peer Review	80	-	80			
Service Efforts & Accomplishments	FY09-025	Evaluation and summarization of the value of Internal Audit activities.	Service Efforts Report	100	-	100			
Internal Audits									
Authority-Wide									
Price Reviews	PR09-300	Cost and price analyses as required by OCTA procurement policies and procedures.	Price Review	500	900	(400)	\$ 94,821	25 completed	(Four on-call audit firms)
Unscheduled Reviews and Special Requests	FY09-100	Time allowed for unplanned audits and requests from the Board of Directors and management.	Varies	250	76	175			
Executive									
Safety Monitoring	FY08-031	Review and follow-up on any American Public Transportation Association (APTA) Safety Review conducted in FY 2008.	Internal Controls	100		100			
AB1234 Compliance	FY09-021	Review of Authority recordkeeping evidencing compliance with AB1234 requirements.	Compliance	150	130	20		Complete (02/25/09)	
Planning and Development									
Metrolink	FY08-010	Inventory and review of audit activities and results thereof for the Southern California Regional Rail Authority.	Operational	200	83	117		In process	

**Orange County Transportation Authority
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FY 2008-09 Internal Audit Plan
Third Quarter Update**

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours to Date	Under (Over)	Cost / Estimate to Complete (E)	Status (Date to F&A)	Notes (Contract Auditor)
SR-22 Contract Close-out	FY08-022	Review to ensure contract stipulations were complied with and to verify the propriety of payments.	Compliance	25	59	(34)	\$ 45,102	Report in Draft	(GCAP Services)
I-5 Gateway Contract	FY08-014	Review to ensure contract stipulations are being complied with and to verify the propriety of payments.	Compliance	50	137	(87)	\$ 27,470	In process	(Wang Professional Corp.)
CalTrans Cooperative Agreement for I-405/SR-55	FY08-011	Review to ensure contract stipulations were complied with and to verify the propriety of payments.	Compliance	50	86	(36)	\$ 19,790	Complete (01/28/09)	(Mayer Hoffman McCann)
Combined Transportation Funding Program (CTFP) Project Audits/CTFP System	FY08-019	Evaluation of program process and review of a sample of projects funded by the CTFP.	Compliance	100	72	29	\$ 53,360	In process	(Mayer Hoffman McCann)
Buena Park Metrolink Station Closeout Audit	FY08-007	Closeout audit of construction of Metrolink station.	Compliance	25	19	6	\$ 23,700	Report in Draft	(Mayer Hoffman McCann)
On-Call Service Contracts	FY09-012	Review of on-call contracts for contract compliance and 2008 compliance with procurement policies and procedures.	Compliance	300		300			
Irvine Transportation Center	FY09-013	Review to ensure contract stipulations are being complied with and to verify the propriety of payments.	Compliance	75		75	(E) \$ 20,000		
Real Estate and Right-of-Way Administration	FY09-015	Review of right-of-way and other real estate operations and contracts.	Operational	300		300			
Transit Operations									
Buy America	FY08-027	Pre-award and post-delivery reviews to ensure vendor is in compliance with federal Buy America requirements.	Compliance	100	231	(131)		3 complete (04/22/09) 1 in Process	
Vehicle Maintenance	FY08-020	Review of policies, procedures, management reporting, and regulatory compliance.	Operational	250	9	241		In process	
Government Relations									
Grant Close-outs	FY09-026	As needed financial and compliance audits of grants at close-out to ensure propriety of expenditures.	Compliance	75	19	57	\$ 12,275	One Complete (10/08/08)	(Thompson Cobb, Bazilio & Associates)
Finance									
Treasury	FY09-019	Biannual financial and compliance reviews of the treasury function, including investment and bond compliance.	Compliance	200	109	91		1 Complete (03/25/09)	
Revenue Accounting	FY08-024	Review of controls over the collection and processing of sales tax receipts.	Operational	275	43	232		In process	
Grants Management and Accounting	FY08-018	Review of policies, procedures and regulatory compliance with grant requirements.	Operational	150	243	(93)		Report in Draft	

**Orange County Transportation Authority
Internal Audit Department
FY 2008-09 Internal Audit Plan
Third Quarter Update**

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours to Date	Under (Over)	Cost / Estimate to Complete (E)	Status (Date to F&A)	Notes (Contract Auditor)
Capital Assets	FY08-017	Review of policies and procedures for capital assets, including capitalization policy, classifications, depreciation, disposal.	Internal Controls	75	125	(50)		Complete (10/08/08)	
91 Express Lanes Collections	FY08-016	Review of contractual compliance and performance of collections contractor L.E.S.	Compliance	200	116	85		In process	
Purchasing Cards	FY09-029	Review of internal controls over purchasing cards	Internal Controls	120	173	(53)		Complete (02/25/09)	
Investment Management & Service Fees	FY09-011	Review of services and invoices for investment and debt advisory and management services	Compliance	250		250			
Human Resources									
Payroll	FY08-001	Audit of the payroll function including internal controls and analytics.	Operational	155	160	(5)		Complete (10/22/08)	
Payroll Information Systems	FY08-001	Information Systems Audit of Lawson payroll system	Operational				\$ 48,790	Complete (12/10//08)	(Thompson Cobb, Bazilio & Associates)
Medical Examinations	FY08-006	Review of contracted services for medical examinations and programs.	Compliance	75	318	(243)		Complete (11/12/08)	
Veolia Drug and Alcohol Program Monitoring (Unscheduled)		Board initiated unscheduled review of monitoring of Veolia's drug and alcohol program and that of other transportation contracts and programs.	Operational	0	171	(171)		Complete (04/22/09)	
Employment Division	FY09-017	Review of controls and efficiency of candidate recruitment, selection and hiring.	Operational	350		350			
Contracts & Materials									
Contract Administration	FY08-015	Operational review to identify efficiencies and determine compliance with established policies and procedures. Scope to be further refined.	Operational	200	16	184			
Southern Counties Oil Company	FY08-026	Contract compliance review of C50467 - diesel and unleaded fuel supply.	Compliance	95	153	(58)		Complete (11/26/08)	
Bridgestone/Firestone Tire Lease	FY09-014	Review of lease of bus tires.	Compliance	175		175			
Maintenance Inventory Management	FY09-022	Review of inventory management policies, procedures, controls, and operational efficiency.	Operational	300		300		In Process	
Warranty Administration	FY09-023	Review of internal controls over warranted equipment.	Internal Control	175		175			
Fuel Controls	FY09-024	Review of controls over dispensing of petroleum products.	Internal Control	150		150			
Information Systems									

**Orange County Transportation Authority
Internal Audit Department
FY 2008-09 Internal Audit Plan
Third Quarter Update**

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours to Date	Under (Over)	Cost / Estimate to Complete (E)	Status (Date to F&A)	Notes (Contract Auditor)
Business Resumption Planning	FY09-009	Review of information systems recovery policies and procedures, testing, and post-event review.	Operational	75		75	(E) \$20,000		
Telecommunications Equipment	FY09-020	Review of telecommunications equipment usage and internal controls.	Internal Control	175	8	168			
External Affairs									
Vanpool Program	FY08-023	Review of first year operations and contract compliance.	Operational	175	364	(189)		Report in Draft	
Customer Information Center (Alta Resources)	FY09-018	Review of contractually required service levels and contractor billing.	Contract Compliance	225	45	180	(E) \$25,000	In process	
Motorist Services									
Call Box Maintenance Services	FY09-028	Review of contract for call box maintenance	Contract Compliance	150		150			
Monitoring Activities									
Measure M COC and Administrative Issues	FY09-401	Coordination of audit activities with the Audit Committee of the Measure M Citizens Oversight Committee.	Monitoring	25	31	(6)			
91 Express Lanes	FY09-402	Ongoing monitoring of 91 Express Lanes activities and participation in roundtables.	Monitoring	25	5	20			
I-5 Gateway Project	FY09-403	Ongoing monitoring to keep apprised of activities and significant issues.	Monitoring	25	8	18			
Compressed Natural Gas (CNG) Station Project	FY09-404	Ongoing monitoring to keep apprised of activities and significant issues.	Monitoring	100	24	76			
Bus Rapid Transit (BRT)	FY09-405	Ongoing monitoring to keep apprised of activities and significant issues.	Monitoring	25	12	13			
Records Management	FY09-406	Ongoing participation on Records Management Task Force.	Monitoring	25		25			
Follow-up Reviews									
Follow-up reviews and reporting	FY09-200	Follow-up on audit findings and recommendations.		250	267	(17)			
Total Audit Hours				7,700	4,977	2,724			

UNRESOLVED AUDIT FINDINGS AND RECOMMENDATIONS

(Audit Reports Issued Through March 2009)

Audit Issue Date	Report Number	Division / Department / Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Auditor	Notes
8/2/2006	06-021	Finance and Administration	Cofiroute Contract Compliance and Operational Audit	The contract with the California Highway Patrol (CHP) should be updated to reflect current billing rates, level of service, responsibilities of each party, and other factors as necessary.	Jun-09	Management concurs. Contract Administration and Materials Management (CAMM) will meet with the CHP to obtain current rates, level of service, responsibilities of each party and incorporate those items into a new contract.	Ng	A contract amendment will take place which will incorporate the contract changes. Not yet executed as of January 2009.
8/2/2006	06-021	Finance and Administration	Cofiroute Contract Compliance and Operational Audit	In addition to Cofiroute's review of CHP invoices for accuracy, the invoices should be reviewed by OCTA staff for propriety with contract terms.	Jun-09	Management concurs. Management will review all CHP invoices for propriety with contract terms.	Ng	CHP invoice review process will begin once the CHP contract is amended.
6/15/2007	07-032	Finance and Administration	Liquified Natural Gas (LNG) Contract Review	CAMM should revise its policies and procedures to require formal Chief Executive Officer (CEO) approval for substantial changes to terms of inventory contracts.	Jun-09	CAMM agrees to review the procurement policies and procedures as they relate to inventory and to update the Procurement Manual as needed. Funds have been budgeted in the fiscal year 2008 budget for this activity. It is anticipated that this effort will start in the September time frame and will include a procedure for handling inventory purchases as well as amendments to inventory contracts.	Bonelli	A request for proposal (RFP) has been issued for a consultant to assist with updating the procurement manual. Revised procurement policy will be completed in June 2009. Internal Audit will follow up with this item at that time.
6/25/2007	07-031	Deputy Chief Executive Officer	Records Management Assessment	OCTA should develop a plan for the implementation of a comprehensive program to manage records organization-wide. Policies and procedures for the systematic and orderly accumulation and storage of active records should be developed to provide a foundation upon which better records retention and destruction can be controlled.	Aug-09	Audit findings for this assessment were referred to the Deputy Chief Executive Officer (CEO) and a Records Management Task Force.	O'Connell	As of March 2009, a contractor has been hired to review records management and document controls system for OCTA. Internal Audit will monitor progress in August 2009
6/25/2007	07-031	Deputy Chief Executive Officer	Records Management Assessment	Employee awareness of their roles and responsibilities with regard to records management should be strengthened. A formal training program should be developed to drive greater accountability.	Aug-09	Audit findings for this assessment were referred to the Deputy Chief Executive Officer and a Records Management Task Force.	O'Connell	As of March 2009, a contractor has been hired to review records management and document controls system for OCTA. Internal Audit will monitor progress in August 2009

UNRESOLVED AUDIT FINDINGS AND RECOMMENDATIONS

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Audit Issue Date	Report Number	Division / Department / Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Auditor	Notes
6/25/2007	07-031	Deputy Chief Executive Officer	Records Management Assessment	OCTA should provide the technological resources necessary to allow consistent, organization-wide records retention, management, and retrieval. Electronic data and mail should be consistently classified, filed, sorted, and purged.	Aug-09	Audit findings for this assessment were referred to the Deputy CEO and a Records Management Task Force.	O'Connell	As of March 2009, a contractor has been hired to review records management and document controls system for OCTA. Internal Audit will monitor progress in August 2009
6/25/2007	07-031	Deputy Chief Executive Officer	Records Management Assessment	The current policy and records retention schedules should be updated to include security, third party, and electronic document considerations.	Aug-09	Audit findings for this assessment were referred to the Deputy CEO and a Records Management Task Force.	O'Connell	As of March 2009, a contractor has been hired to review records management and document controls system for OCTA. Internal Audit will monitor progress in August 2009
10/27/2007	07-024	Human Resources and Organizational Development	Summary Report of Findings, Health Insurance Portability and Accountability Act (HIPAA) Privacy and Data Security Compliance Assessment	OCTA should finalize and implement HIPAA record retention policies for the Human Resources Department.	May-09	Management agrees with the recommendation. We will finalize and implement the HIPAA record retention policies after review with legal counsel. OCTA, under the guidance of the IS Department manager and Deputy CEO, is in the process of developing an enterprise-wide data retention and classification process, that will ensure that any protected health information (PHI) is properly protected and archived.	Dunning and Aon Consulting (Aon)	
10/27/2007	07-024	Human Resources and Organizational Development	Summary Report of Findings, HIPAA Privacy and Data Security Compliance Assessment	In future negotiations with the unions, OCTA should consider obtaining certification that the unions are in compliance with HIPAA's rules and regulations.	May-09	Management agrees with the recommendation. We will address this recommendation with the Employee Relations Department and legal counsel.	Dunning and Aon	

UNRESOLVED AUDIT FINDINGS AND RECOMMENDATIONS

(Audit Reports Issued Through March 2009)

Audit Issue Date	Report Number	Division / Department / Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Auditor	Notes
4/24/2008	08-005	Transit	Review of Agreement No. C-5-3021 with Veolia Transportation Services, Inc.	The Community Transportation Services (CTS) Department should clarify the maximum trips specified in the contract or the contract should be amended to be consistent with the terms of the Yellow Cab contract.	May-09	The maximum obligation of the contract with Yellow Cab of North Orange County for the provision of same day taxi service was developed using a maximum number of trips per day. There have been few occasions that the maximum number has been exceeded. There are many occasions that the number of trips requested under this program fall far below the maximum, particularly on weekends. Because of this, trips in excess of the maximum are generally accommodated because this can be done without exceeding the maximum obligation of the contract. The contract language could be clarified to specify that the maximum number of trips is an estimate.	Dunning	
8/1/2008	08-008	Finance and Administration	Review of Agreement No. C-4-0793 Darrel Cohoon & Associates and Other Related Agreements	Internal Audit recommends that the Accounting Department monitor the use of payment requests and report any suspected misuse to the appropriate department manager and CAMM. Internal Audit also recommends that OCTA develop a more formal and organization-wide procurement training program.	Mar-09	CAMM has assisted the Accounting Department in developing a policy that details the appropriate use of payment requests. The Accounting Department is conducting quarterly analyses of one-time or multiple payments to one vendor exceeding \$2,500. The report is delivered to CAMM for review and follow up with the user department. The Plan-Buy-Pay training program will be expanded to address procurement and payment concerns.	Ng	Follow-up in process as of March 2009.
8/1/2008	08-008	Finance and Administration	Review of Agreement No. C-4-0793 Darrel Cohoon & Associates and Other Related Agreements	Internal Audit recommends that all subcontractors be incorporated into the Motorist Services contract or these services be separately procured.	Mar-09	CAMM will ensure that future contracts include all subcontractors. All project managers will be instructed to work with CAMM to amend a contract any time there is a change in the subcontractor status.	Ng	Follow-up in process as of March 2009.
8/1/2008	08-008	Finance and Administration	Review of Agreement No. C-4-0793 Darrel Cohoon & Associates and Other Related Agreements	The program manager for Motorist Services should ensure that contract payments are limited to the services identified in the scope of work.	Mar-09	Management agrees. The Orange County Taxicab Administration Program was transferred to Motorist Services in June 2005 after the contract was approved.	Ng	Follow-up in process as of March 2009.
8/1/2008	08-008	Finance and Administration	Review of Agreement No. C-4-0793 Darrel Cohoon & Associates and Other Related Agreements	Internal Audit recommends that the program manager for Motorist Services more thoroughly review contract invoices and ensure that all billed services are properly supported.	Mar-09	Management agrees. The program manager for Motorist Services has been counseled to follow this recommendation.	Ng	Follow-up in process as of March 2009.

UNRESOLVED AUDIT FINDINGS AND RECOMMENDATIONS

(Audit Reports Issued Through March 2009)

Audit Issue Date	Report Number	Division / Department / Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Auditor	Notes
8/1/2008	08-008	Finance and Administration	Review of Agreement No. C-4-0793 Darrel Cohoon & Associates and Other Related Agreements	OCTA contract language should be amended to prohibit contractors from billing for local meals with OCTA employees.	Mar-09	Management agrees. The contractor has refunded the \$175.16 payment. As a matter of practice, CAMM is incorporating this prohibition into all new contracts executed by OCTA.	Ng	Follow-up in process as of March 2009.
8/1/2008	08-008	Finance and Administration	Review of Agreement No. C-4-0793 Darrel Cohoon & Associates and Other Related Agreements	Internal Audit recommends that policies governing on-call contracts be refined. The CAMM Department should enforce the competitive or sequential award of contract task orders (CTO). CAMM should also ensure that CTO's are consistent with the scope of work. Scopes of work for on-call contracts should, if applicable, reflect the multi-disciplinary nature of the work and greater outreach should be done.	Mar-09	Management agrees that policies governing on-call contracts should be refined to clarify ambiguity where competitive or sequential awards are not practical. Some level of flexibility will be required and this will need to be articulated in the scope of work and allowed by the Board of Directors. Management agrees that greater circulation of on-call solicitations can be achieved through CAMM NET. Management agrees that the CAMM Department has primary responsibility for enforcing procurement policy with regard to CTOs.	Ng	Follow-up in process as of March 2009.
8/1/2008	08-008	Finance and Administration	Review of Agreement No. C-4-0793 Darrel Cohoon & Associates and Other Related Agreements	Internal Audit recommends that CAMM communicate the expectation to contractors during the procurement process that they remain free from conflicts of interest during the conduct of their work for OCTA.	Mar-09	Management agrees that CAMM is in the best position to identify potential conflicts of interest, or perceptions of a conflict of interest with contractors that are doing business with OCTA. CAMM will take responsibility for communicating with the contractor as appropriate.	Ng	Follow-up in process as of March 2009.
8/1/2008	08-008	Finance and Administration	Review of Agreement No. C-4-0793 Darrel Cohoon & Associates and Other Related Agreements	Only approved subcontractors should be paid and only at rates specified in the contract.	Mar-09	Management concurs with the recommendation. The project manager authorized to approve an invoice for payment has responsibility for the accuracy of the invoice that he or she approves.	Ng	Follow-up in process as of March 2009.
8/1/2008	08-008	Finance and Administration	Review of Agreement No. C-4-0793 Darrel Cohoon & Associates and Other Related Agreements	OCTA should conduct a review and seek a legal opinion as to the tax status of OCTA contractors. Appropriate and necessary steps should be taken to maintain independent contractor status for all contractors. Access to OCTA facilities should be restricted as appropriate given contractor tasks.	Mar-09	Legal counsel has reviewed the tax status of OCTA contractors and the Authority's access card policy. In addition, legal counsel now signs off on all Authority agreements with independent contractors. The General Services Department conducts a bimonthly review of contractor access cards to determine that access is still appropriate given contractor work duties.	Ng	Follow-up in process as of March 2009.

UNRESOLVED AUDIT FINDINGS AND RECOMMENDATIONS

(Audit Reports Issued Through March 2009)

Audit Issue Date	Report Number	Division / Department / Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Auditor	Notes
8/1/2008	08-008	Finance and Administration	Review of Agreement No. C-4-0793 Darrel Cohoon & Associates and Other Related Agreements	Internal Audit recommends that OCTA develop an organization-wide ethics policy, and employees be trained on it. Internal Audit also recommends that CAMM revise its Standards of Conduct to include conflicts that may arise beyond financial conflicts.	Mar-09	Management agrees that an organization-wide ethics policy should be developed, appropriate training sessions should be conducted, and that the Standards of Conduct for procurement activities should be expanded beyond financial conflicts of interest.	Ng	Follow-up in process as of March 2009.
10/13/2008	08-006	Human Resources and Organizational Development	Medical Examinations and Services Contract Compliance Review	OCTA should ensure that clinical laboratories are submitting semi-annual reports as required by the contracts. The summary reports should then be reconciled to OCTA data and exceptions should be documented and investigated.	Apr-09	Phamatech, the clinical laboratory used by Pacific Medical Clinic for specimen analysis has provided OCTA with the semi-annual statistical summaries as required by the contracts. The last report received was for the period 1/1/08 through 6/30/08. This report was reviewed and verified by Human Resources. We are in the process of establishing this process with Golden West Medical Center. We will have this in place by November 15, 2008.	Dunning	
10/13/2008	08-006	Human Resources and Organizational Development	Medical Examinations and Services Contract Compliance Review	Human Resources should work with Pacific Medical Clinic and Golden West Medical Center to develop a method for obtaining and processing blind urine specimens as required by the contracts. OCTA staff should document the results of the blind urine specimens and investigate any exceptions.	Apr-09	OCTA's contracts with Pacific Medical Clinic (PMC) and Golden West Medical Center (GWMC) require they submit three blind specimens for every 100 OCTA employee specimens tested. PMC had performed 497 drug tests for OCTA for the period of 1/1/08 through 6/30/08. They submitted 15 blind quality control samples and the reported result was the same as the expected result. GWMC has purchased the blind specimens and is in the process of submitting them to the laboratory. GWMC will provide the results to us by November 1, 2008.	Dunning	

UNRESOLVED AUDIT FINDINGS AND RECOMMENDATIONS

(Audit Reports Issued Through March 2009)

Audit Issue Date	Report Number	Division / Department / Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Auditor	Notes
10/13/2008	08-006	Human Resources and Organizational Development	Medical Examinations and Services Contract Compliance Review	Human Resources should exercise the contract provision allowing for independent quality assurance (QA) inspections of the medical services and specimen collection requirements of OCTA's contract. Furthermore, due to the safety implications of the Department of Transportation standards and protocols, Internal Audit recommends that the Safety Department monitor the results of such a quality assurance program to ensure all safety issues are addressed in a timely and effective manner.	Apr-09	Management agrees. It is an acceptable practice in the industry for the Human Resources staff to conduct such inspections. Periodically we have conducted inspections of the clinics. Our next inspections which will take place in January 2009 will be conducted without prior notice to the clinics.	Dunning	
10/13/2008	08-006	Human Resources	Medical Examinations and Services Contract Compliance Review	OCTA should work with the contractors to ensure that contract terms related to invoice submittals are followed.	Apr-09	Invoices from PMC do include certifications. We are in the process of establishing this process with GWMC. They will have this in place for the next billing cycle. We will also make some changes to the invoicing procedure. We have requested that PMC and GWMC send duplicate invoices to OCTA. The invoice to Accounts Payable will contain only the total amount due. The invoice to Human Resources will have the total amount due along with the itemized charges. Human Resources made this request to change the procedure due to the confidential information contained in the invoices.	Dunning	
10/13/2008	08-006	Human Resources and Organizational Development	Medical Examinations and Services Contract Compliance Review	Internal Audit recommends that OCTA work with the contractor to ensure that only the last four digits of the social security number are included on the invoice.	Apr-09	This has been corrected and is in place as of May 1, 2008. The invoices for Agreement No. C-6-0135 with GWMC no longer include the employee social security numbers. Employees are identified by their badge number.	Dunning	

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(Audit Reports Issued Through March 2009)

Audit Issue Date	Report Number	Division / Department / Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Auditor	Notes
10/13/2008	08-006	Human Resources and Organizational Development	Medical Examinations and Services Contract Compliance Review	Internal Audit recommends that Human Resources include the contract number on all patient authorization forms in order to expedite the process and reduce the possibility of the wrong service being provided or the wrong contract being invoiced.	Apr-09	Through our invoice reconciliation process, all charges are reviewed and verified to be correct before being processed to accounts payable. Any charges which appear on the invoice that do not pertain to services rendered under Agreement No. C-6-0339 with PMC are first reviewed and verified with the clinic and then removed from the invoice. Human Resources will prepare a separate patient authorization form that the Employment Section will use for pre-employment (post offer) exams and drug/alcohol testing when applicable.	Dunning	
10/24/2008		General Manager of the 91 Toll Roads	2008 Management Letter / Single Audit Report of Federal Awards, Year Ended 2006-07	The third-party contractor should establish procedures to strengthen information systems controls associated with the OCTA contract.	Jun-09	Staff agrees with the auditors' recommendation regarding backup tapes, which are now being stored at a secure, offsite location. Staff agrees with the auditors recommendation regarding password controls. The system developer of TollPro will be modifying the password complexity to match industry best practices. Staff agrees with the auditors' recommendation of removing user access to systems immediately following termination. Cofiroute will implement a policy to ensure all terminated employees are removed by the close of the following business day.	Sutter and Mayer Hoffman McCann LLC (MHM)	
10/24/2008		Development	2008 Management Letter / Single Audit Report of Federal Awards, Year Ended 2006-07	The Project Delivery Department should ensure proper documentation is maintained regarding any withholding or delay of payments resulting from a lack of documentation provided by the entity awarded Combined Transportation Funding Program (CTFP) funds.	Jun-09	Staff is currently developing an electronic tracking system that will address this recommendation. This effort was in process prior to the audit report. Once completed, the system will provide an electronic log of invoice issues, missing documentation, correspondence with the cities, and will track the dates missing documentation is both requested and received.	Sutter and MHM	
10/24/2008		Development	2008 Management Letter / Single Audit Report of Federal Awards, Year Ended 2006-07	OCTA should establish procedures or protocols to ensure that all information of a financial nature is communicated to the Financial Planning and Analysis Department or Accounting Department, as appropriate.	Jun-09	This unique situation resulted from revisions to a standard Caltrans funding agreement. Had an amendment been executed to the original cooperative agreement, a copy would have been transmitted to the Financial Planning & Analysis Department (FP&A). The normal processing and transmittal of agreements and amendments by CAMM should provide the required financial information needed by FP&A.	Sutter and MHM	

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(Audit Reports Issued Through March 2009)

Audit Issue Date	Report Number	Division / Department / Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Auditor	Notes
10/30/2008	08-026	CAMM	Southern Counties Oil Company Contract Compliance Review	Future procurements of inventory products priced on indexes should be limited to quotes on discounts, premiums, mark-ups, or mark-downs. CAMM should implement a review process to ensure that the language and requirements in invitations for bid (IFB) are clear, concise, and relevant to better enhance bidding and the subsequent evaluation processes. CAMM should also immediately solicit bids for fuel.	May-09	CAMM is currently preparing a new solicitation for unleaded and diesel fuels. The invitation for bid (IFB) is scheduled for release on November 14, 2008, with the bids being submitted on December 11, 2008. The bidders will be required to quote only their discounts, delivery charges and any applicable taxes. CAMM management will also ensure that the IFB package is thoroughly reviewed prior to being released and that the recommended bid is inspected to ensure compliance with all IFB requirements.	Bonelli	
10/30/2008	08-026	CAMM	Southern Counties Oil Company Contract Compliance Review	Procurement policies and procedures should be enhanced to require independent verification of inconsistencies in bids. They should also require CAMM management review and approval for awards of contracts of this magnitude and nature.	May-09	CAMM agrees to strengthen the procurement procedures for all types of purchases to require an independent verification of all bids received to ensure that there are no inconsistencies in the bids and that the lowest responsive bidder has met all requirements. Currently a CAMM section manager is required to review the IFB package before it is released. CAMM will formalize this procedure.	Bonelli	
10/30/2008	08-026	Accounting and Financial Reporting Department	Southern Counties Oil Company Contract Compliance Review	The Accounting Department should develop policies and procedures to ensure that supporting documentation for payments is properly retained and safeguarded.	May-09	Effective July 1, 2008, access to accounts payable payment documents was restricted to Accounting Department personnel only. All other departments must check-out and check-in documents. A written log is maintained of all payment records that are checked out. Additionally, a pending upgrade of the financial accounting system includes document imaging. A contract for the upgrade has been signed and the project is scheduled to begin before the end of calendar year 2009.	Bonelli	
10/30/2008	08-026	CAMM	Southern Counties Oil Company Contract Compliance Review	Contract provisions related to temperature control should be enforced. Unnecessary or inapplicable provisions should be amended out of the contract.	May-09	The requirement was originally placed in the contract as a safeguard. However, OCTA's experience is that only full loads of fuel are delivered and accepted. In the solicitation being developed to reprocur the fuel, this requirement has been removed.	Bonelli	

UNRESOLVED AUDIT FINDINGS AND RECOMMENDATIONS

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Audit Issue Date	Report Number	Division / Department / Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Auditor	Notes
11/19/2008	08-001A	Information Systems	Payroll Systems Controls Review	Management should develop and implement password administration controls to address weaknesses.	Jun-09	Information Systems (IS) staff is recommending that we bind passwords to the Lightweight Directory Access Protocol (LDAP) with our Windows Active Directory, requiring the implementation of Lawson's new security model. The project is currently not scheduled but will be considered in next fiscal year's budget request.	Bonelli and Thompson Cobb Bazilio and Associates (TCBA)	
11/19/2008	08-001A	Information Systems	Payroll Systems Controls Review	Management should ensure that adequate controls exist within the payroll and human resources process, including policies restricting pay rate changes and personnel data changes to only authorized personnel and establishing an audit trail and independent reviews of edits made to data.	Jun-09	Management will implement mitigating controls in the form of new variance reports and review processes. A "Variance Audit Report" will be developed and provided to Human Resources, a "Rate Change Personnel Action Form Audit" report will be provided to Payroll, and a "Dollars Only Payments" report will be provided to Human Resources.	Bonelli and TCBA	
11/19/2008	08-001A	Information Systems	Payroll Systems Controls Review	Timesheets should be completed in ink, changes should be properly authorized and Payroll should maintain documentation in the file authorizing any changes made.	Jun-09	Management will require that all timesheets be completed in ink and that all corrections be initiated by the person making the change. If the change is made by Payroll staff, the basis of the change will be noted and communicated back to the employee. Once on-line entry of timesheets is implemented, manual timesheets will no longer be required.	Bonelli and TCBA	
11/19/2008	08-001A	Information Systems	Payroll Systems Controls Review	Payroll should ensure that all changes made to employee records are independently reviewed and verified as authorized. Changes to employee files that are accepted verbally should be properly documented.	Jun-09	Payroll will ensure that all changes in direct deposit status for active employees are fully documented and that verbal requests are verified. Payroll will also change the direct deposit flag to NO for terminated employees.	Bonelli and TCBA	
11/19/2008	08-001A	Information Systems	Payroll Systems Controls Review	The IS Department is dependent on one employee for all critical Lawson administration functions. Management should develop and implement a knowledge transfer and training program.	Jun-09	OCTA maintains an annual service agreement with Hitachi Consulting, the original developer of many of the data interfaces involving Lawson. They are capable of providing programming services and this is the planned means of providing backup support for interfaces in the absence of this employee. However, IS may also implement one of five other strategies to address this issue.	Bonelli and TCBA	

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(Audit Reports Issued Through March 2009)

Audit Issue Date	Report Number	Division / Department / Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Auditor	Notes
11/19/2008	08-001A	Information Systems	Payroll Systems Controls Review	Management should strengthen access controls to the lawson databases to ensure that unauthorized access and modification of data in the databases is prevented or detected.	Jun-09	For those passwords for which IS staff has control, strengthened controls will be implemented. However, some of these parameters are imbedded in the application and IS staff will be unable to modify.	Bonelli and TCBA	
11/19/2008	08-001A	Information Systems	Payroll Systems Controls Review	IS Help Desk service level agreements should be developed and documented.	Jun-09	Management concurs with the concept, however, management believes that current service levels meet business unit requirements. If they do not, Information Systems will meet with the affected business units to develop such agreements.	Bonelli and TCBA	
11/19/2008	08-001A	Information Systems	Payroll Systems Controls Review	Management should ensure that all requests for service go through the IS Help Desk.	Jun-09	Current policies and procedures require that all requests go through the IS Help Desk for proper logging, documentation and problem resolution. IS management will reinforce this through communication with staff.	Bonelli and TCBA	
11/19/2008	08-001A	Information Systems	Payroll Systems Controls Review	Management should adopt security measures for laptops including hard drive encryption and Bios passwords.	Jun-09	Staff is currently developing a new user policy which outlines OCTA's current security policies, standards and processes for securing laptops and smart phones. IS staff will review current laptop hard drive encryption technologies as well as other security measures and, if feasible, may implement these on select or all laptops.	Bonelli and TCBA	
11/19/2008	08-001A	Information Systems	Payroll Systems Controls Review	Management should prioritize the development of a comprehensive business continuity plan.	Jun-09	OCTA's business continuity plan will be updated in 2009.	Bonelli and TCBA	
10/31/2007 and 10/24/08	07-030	Deputy Chief Executive Officer	2007 and 2008 Management Letters / Single Audit Reports of Federal Awards	OCTA should develop and implement a policy on misconduct. Once developed, the policy should be acknowledged and signed by each employee on an annual basis as evidence of their reaffirmation that they understand the policy and have complied with its provisions.	Jun-09	Management will develop and implement a policy on misconduct; each new hire will be asked to acknowledge and sign the policy upon starting work at OCTA.	Sutter	Repeat finding from FY2007 audit by MHM
10/31/2007 and 10/24/2008	07-030	Transit	2007 and 2008 Management Letters / Single Audit Reports of Federal Awards	MHM recommends that OCTA adhere to the Buy America requirements and ensure that all documentation is contained in the procurement files to support OCTA's compliance.	Jun-09	OCTA Transit Division Maintenance Department will follow the Buy America guideline. OCTA will ensure that contract administration has the necessary paperwork on file for the closing of contracts for the post filings.	Sutter and MHM	Repeat finding from FY2007 audit by MHM

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Audit Issue Date	Report Number	Division / Department / Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Auditor	Notes
10/31/2008	08-011	Development	Close-Out Audit of Joint Powers Agreement No. 12-281, San Diego Fwy I405/SR55 Interchange HOV Connectors	OCTA should recover \$200,079 from California Department of Transportation (Caltrans) for costs claimed that were not supported by documentation. Caltrans should retain records as required by the Agreement.	Jun-09	OCTA will meet with Caltrans to modify future cooperative agreements (with regard to records retention) in alignment with policies and procedures of both agencies.	Bonelli	Audit conducted by MHM
10/31/2008	08-011	Development	Close-Out Audit of Joint Powers Agreement No. 12-281, San Diego Fwy I405/SR55 Interchange HOV Connectors	Future agreements should include reasonable and enforceable provisions related to funding advances and expenditure reporting	Jun-09	OCTA's Development Division believes that Article 15 of the agreement was not necessary because the electronic fund transfer (EFT) method detailed elsewhere in the agreement precluded the need for Articles 12, 13 and 15. Future cooperative agreements will exclude the advanced payment provisions when it is known the EFT payment method will be used.	Bonelli	
2/18/2009	09-021	Clerk of the Board	Assembly Bill 1234 Review	Management should revise procedures to ensure Director's are requested to review, sign and return these forms to the Clerk of the Board's (COB) office and that timely follow-up for receipt of these forms is performed and documented.	Aug-09	In January 2009, the COB's office will implement follow-up procedures to ensure all forms are signed and returned in a timely manner.	Sutter	
2/18/2009	09-021	Clerk of the Board	Assembly Bill 1234 Review	Management should develop and document written procedures outlining the requirements for submission and approval of expense reimbursements.	Aug-09	The COB will revise practices to require expense reimbursement forms to be signed by Directors and will develop desk procedures whereby the forms are signed by the COB or a designee to evidence verification of receipts provided and compliance with policies. Any concerns will be escalated to the CEO for resolution.	Sutter	
2/18/2009	09-021	Clerk of the Board	Assembly Bill 1234 Review	Internal Audit recommends that management develop and document procedures for timely follow-up to ensure training records are on file. Management should also ensure that required communications related to available ethics training be provided annual to the directors.	Aug-09	The COB will develop and implement more detailed procedures for the tracking and monitoring of training requirements to ensure compliance. The COB will also provide training material to Directors annually as required by Assembly Bill 1234.	Sutter	

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Audit Issue Date	Report Number	Division / Department / Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Auditor	Notes
2/18/2009	09-021	Clerk of the Board	Assembly Bill 1234 Review	Internal Audit recommends that the Board of Directors clarify the policy with regard to ethics training for Directors who do not receive or accept compensation or reimbursement of expenses.	Aug-09	Upon direction from the Board of Directors, legal counsel will recommend revisions to the policy with regard to Directors who do not receive or accept compensation or reimbursement of expenses.	Sutter	
2/9/2009	09-029	Development	Purchasing Card Program Review	Internal Audit recommends management take appropriate action with an employee and supervisor related to inappropriate purchasing card activity and work schedule.	Aug-09	Management has taken corrective action with regard to vehicle usage and will take appropriate disciplinary action with both the employee and supervisor.	Sutter	
2/9/2009	09-029	CAMM	Purchasing Card Program Review	Internal Audit recommends that the purchasing card administrator develop procedures to review selected transaction and examine related documentation in an effort to determine whether transactions are valid, allowable, and properly supported.	Aug-09	CAMM will revise the current policies and procedures relative to reviewing monthly transactions, selecting only a sample of transactions for in-depth audit. A form will be developed that requires the cardholder's manager to sign confirming the the transaction being approved are consistent with policy. The revised policies will also address action to be taken in the event of non-compliance.	Sutter	
2/9/2009	09-029	CAMM	Purchasing Card Program Review	CAMM management should review the due dates assigned for submitting monthly purchasing card packages to determine whether additional time is required or take appropriate action to enforce due dates.	Aug-09	CAMM will review the due date requirement and determine if enough time is being given to submit purchasing card packages on time and will revise the current policies and procedures along with enforcing appropriate action.		

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Audit Issue Date	Report Number	Division / Department / Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Auditor	Notes
2/9/2009	09-029	CAMM	Purchasing Card Program Review	Internal Audit recommends that management enhance procedures to include a specific review of cardholder activity so that cards that are not used or needed can be closed. The purchasing card administrator should forward activity reports on a periodic basis to department managers for their review. The purchasing card administrator should require positive confirmation from department managers that cardholder assignments are appropriate and necessary.	Aug-09	CAMM will revise the policies and procedures to include a semi-annual review of cardholder activity so that cards that are not used or needed can be closed. The purchasing card administrator will forward activity reports on a periodic basis to department managers for their review and will require positive confirmation from department managers that cardholder assignments are appropriate and necessary.	Sutter	
2/9/2009	09-029	CAMM	Purchasing Card Program Review	Internal Audit recommends that management revise procedures to include a semi-annual inventory of cards.	Aug-09	CAMM has been performing card inventory informally. CAMM will revise the current procedure to allow for a formal written review of cardholder activity levels and assignments.	Sutter	
2/9/2009	09-029	CAMM	Purchasing Card Program Review	Internal Audit recommends that management implement available automated restrictions to enhance the control environment and prevent purchasing card misuse or abuse.	Aug-09	CAMM and the Accounting Department are currently working with Bank of America to enhance and automate the purchasing card system. These available automated restrictions will be implemented to control the environment and prevent purchasing care misuse.	Sutter	
3/25/2009		Special Projects	Measure M Agreed-Upon Procedures Reports, year ended 06/30/08	Staff should clarify, through an ordinance amendment, the requirement that Measure M projects be included in cities' Capital Improvement Program plans, and additional clarification on lending activity related to Measure M turnback funds.	Sep-09	The Board of Directors has directed staff to clarify the ordinance through amendment.	Sutter	
3/3/2009	09-019	Treasury Department	Investment Activities January 1 through June 30, 2008	While the misstatement of OCTA's total investment portfolio value resulted from a custodial bank error, Internal Audit recommends that the Treasury Department investigate anomalies in the custodial bank statements prior to preparing the quarterly debt and investment reports.	Sep-09	The Treasury Department notified the bank of the error. Upon investigation by the bank, it was determined that the bank had not properly cleared a security. Moving forward, the Treasury Department shall make every effort to thoroughly investigate anomalies in the bank statements during the report-writing process to ensure an accurate and timely debt and investment report.	Ng	

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3/3/2009	09-019	Treasury Department	Investment Activities January 1 through June 30, 2008	Internal Audit recommends that the Treasury Department update the Debt & Investment Management Manual with all individuals authorized to initiate and approve wire transfers.	Sep-09	Staff is currently updating the manual to reflect recent changes. The changes will include the addition of the Principal Transportation Analyst within the Treasury/Public Finance Department, updated vendor relationships as well as any other relevant changes.	Ng	
3/3/2009	09-019	Treasury Department	Investment Activities January 1 through June 30, 2008	Internal Audit recommends that Accounts Payable require the CTS Department to submit complete invoice packages for payment and file these complete packages.	Sep-09	Accounting is working with the CTS Department to ensure that payment packages include original invoices and other relevant documentation prior to disbursement of funds.	Ng	
4/1/2009	09-032	CAMM and Maintenance	New Flyer of America, Inc. Post-Delivery Buy America Review	Internal Audit recommends that the CAMM Department develop policies and procedures to ensure that OCTA complies with pre-award and post-delivery requirements with respect to the purchase of vehicles.	Oct-09	CAMM and Maintenance are working cooperatively to develop a procedure that fully complies with the audit findings and ensure that the FTA requirements are met. This corrective action will be implemented to ensure that FTA Buy America standards are adhered to in all future procurements. Any amendment change in parts will trigger a request for a post-award Buy America audit prior to the amendment being initiated.	Bonelli	
3/4/2009	09-104	Human Resources and Organizational Development	Review of Contractor Drug and Alcohol Program Monitoring	Internal Audit recommends that OCTA develop a centralized and coordinated approach to oversight of drug and alcohol programs. Furthermore, Internal Audit recommends that management evaluate all transportation programs and related contracts for drug and alcohol program components to ensure there is adequate OCTA monitoring and oversight.	Sep-09	Human Resources recommends that OCTA create a Contractor Drug and Alcohol Program Monitoring Committee. Under direction of the Executive Director of Human Resources and Organizational Development, he will chair the committee. The committee members would include representatives from Human Resources, CAMM, Health, Safety, and Environmental Compliance, Risk Management, Transit, and OCTA's legal counsel. This committee would meet on a quarterly basis or more frequently is necessary. It would be the committee's responsibility to monitor contractors drug and alcohol programs.	Dunning	

UNRESOLVED AUDIT FINDINGS AND RECOMMENDATIONS


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3/4/2009	09-104	CAMM Department	Review of Contractor Drug and Alcohol Program Monitoring	Internal Audit recommends that the Human Resources and Organizational Development and CAMM, together with legal counsel, evaluate the necessity and appropriateness of contract boiler plates related to drug and alcohol, and then establish monitoring or follow-up procedures as appropriate.	Sep-09	Human Resources recommends the evaluation of the necessity and appropriateness of contract boiler plates related to drugs and alcohol be reviewed by the newly created Contractor's Drug and Alcohol Program Monitoring Committee.	Dunning	
3/4/2009	09-104	CTS Department	Review of Contractor Drug and Alcohol Program Monitoring	Internal Audit recommends that the CTS Department enhance formal monitoring procedures of Veolia's compliance with its drug and alcohol policy and related regulatory requirements.	Sep-09	The Transit Division in CTS has established a Drug and Alcohol Instruction Manual intended to clarify the instructions for administering the drug and alcohol audit process.	Dunning	



May 22, 2009

To: Members of the Board of Directors

From:  James S. Kenan, Interim Chief Executive Officer

Subject: Adoption of Guiding Principles for High-Speed Rail Funding

Overview

With the passage of Proposition 1A by California voters in November 2008 and the signing of the American Recovery and Reinvestment Act in February 2009, significant funding has been made available for the development of high-speed rail corridors in California. Staff is presenting a set of guiding principles for high-speed rail funding for consideration by the Board of Directors.

Recommendation

Adopt the guiding principles for the high-speed rail funding made available under the American Recovery and Reinvestment Act of 2009.

Background

Commencing with passage of proposition 1A by California voters in November 2008 and the signing into law of the American Recovery and Reinvestment Act (ARRA) in February of this year, significant funding has been made available for the development of high-speed rail corridors in California (Attachment A).

Proposition 1A provides a total \$9.95 billion for development of high-speed rail in California. Of the total, \$9 billion is dedicated to the development of the project currently being developed by the California High-Speed Rail Authority (CHSRA). The remaining \$.95 billion will be distributed on a formula basis to existing rail operators in California for the improvement and development of rail connections to the high-speed rail line. Proposition 1A also defines phase 1 as Anaheim – Los Angeles – San Francisco; however, it does not define which segment or segments of the planned system will be implemented first.

The ARRA provides \$8 billion for the development of federally designated high-speed rail corridors across the United States. In California, the Anaheim – Los Angeles – San Francisco route identified under Proposition 1A is a federally designated high-speed rail corridor, as well as the three existing intercity passenger rail corridors, the Capitol Corridor (San Jose – Oakland – Sacramento), the San Joaquin Corridor (Bakersfield – Stockton – Sacramento/Oakland), and the San Diego – Los Angeles – San Luis Obispo Corridor.

Discussion

Eligible applicants for the federal high-speed rail ARRA funds are states, groups of states, public high-speed rail agencies, and Amtrak. Local transportation agencies and joint powers authorities such as the Orange County Transportation Authority (OCTA) and Metrolink are not eligible applicants. Due to the manner in which intercity rail planning is structured in California, this means both the CHSRA and the California Department of Transportation (Caltrans) can be applicants for these funds. On April 16, 2009, the United States Department of Transportation released the high-speed rail strategic plan as required by ARRA. This strategic plan provided the federal definitions of high-speed rail (Attachment B) as well as a proposed funding approach for the ARRA funds (Attachment C).

Governor Arnold Schwarzenegger has recently directed that California will submit only one application for ARRA high-speed rail funding and that the application will be developed by Caltrans. As a railroad right-of-way owner, a member of Metrolink's joint powers authority, and a significant regional funding partner, OCTA can provide a significant level of input as this application is developed.

In order to guide OCTA's participation in the development of a statewide high-speed rail funding application, staff has developed a set of guiding principles (Attachment D) to guide OCTA's participation in the development of the statewide application for federal high-speed rail funds. These guiding principles have been developed in manner that will assist OCTA in the nominations of projects and programs to advance the development and implementation of high-speed rail between Anaheim and Los Angeles as well as significantly improve conventional passenger rail between Anaheim and San Diego.

Summary

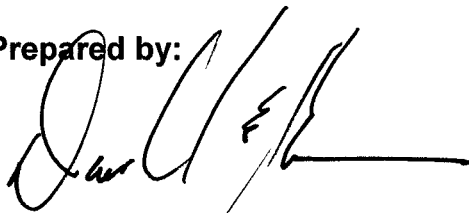
With the passage of Proposition 1A by California voters in November 2008 and the signing of the American Recovery and Reinvestment Act in February 2009,

significant funding has been made available for the development of high-speed rail corridors in California. Staff is presenting a set of guiding principles to guide OCTA's participation in the development of a statewide application for high-speed rail funding made available under ARRA.

Attachments

- A. High-Speed Rail Funding Programs
- B. High-Speed Rail (HSR) and Intercity Passenger Rail (IPR) Definitions
- C. American Recovery and Reinvestment Act (ARRA) – High-Speed Rail
- D. Orange County Transportation Authority Guiding Principles for Project and Program Nominations – American Recovery and Reinvestment Act (ARRA) High-Speed Rail, May 22, 2009

Prepared by:

A handwritten signature in black ink, appearing to read 'Darrell Johnson', with a long horizontal line extending to the right.

Darrell Johnson
Executive Director, Rail Programs
(714) 560-5343

High-Speed Rail Funding Programs

Eligible Rail Programs	American Recovery and Reinvestment Act \$8 Billion	Presidents Proposed Five-Year Budget \$ 5 Billion	California Proposition 1A \$ 9 Billion	California Proposition 1A* \$.95 Billion
High-Speed Rail Express	X	X	X	
High-Speed Rail Regional	X	X	X	
Emerging High-Speed Rail	X	X	X	X
Conventional Rail	X	X	X	X
Commuter Rail				X
Light Rail/Fixed Guideway				X

**Proposition 1A made available \$.95 billion available to existing rail operators to be used for connectivity with the high-speed train system.*

High-Speed Rail (HSR) and Intercity Passenger Rail (IPR)* Definitions¹

HSR – Express. Frequent express service between major population centers 200-600 miles apart, with few intermediate stops. Top speeds of at least 150 miles per hour (mph) on completely grade-separated, dedicated rights-of-way (with the possible exception of some shared track in terminal areas). Intended to relieve air and highway capacity constraints.

HSR – Regional. Relatively frequent service between major and moderate population centers 100-500 miles apart, with some intermediate stops. Top speeds of 110-150 mph, grade-separated, with some dedicated and shared track (using positive train control technology). Intended to relieve highway and, to some extent, air capacity constraints.

Emerging HSR. Developing corridors of 100-500 miles, with strong potential for future HSR Regional and/or Express service. Top speeds of up to 90-110 mph on primarily shared track (eventually using positive train control technology), with advanced grade crossing protection or separation. Intended to develop the passenger rail market and provide relief to other modes.

Conventional Rail. Traditional intercity passenger rail services of more than 100 miles with as little as one to as many as 7-12 daily frequencies; may or may not have strong potential for future high-speed rail service. Top speeds of up to 79 mph to as high as 90 mph generally on shared track. Intended to provide travel options and to develop the passenger rail market for further development in the future.

*Corridor lengths are approximate; slightly shorter or longer intercity services may still help meet strategic goals in a cost-effective manner.

¹ High-Speed Rail Strategic Plan – American Recovery and Reinvestment Act – April 2009

American Recovery and Reinvestment Act (ARRA) High-Speed Rail

Proposed Funding Approach

In order to meet the goals of the ARRA while initiating a transformational new program, the high-speed rail plan released on April 16, 2009, proposes to advance three funding “tracks”:

- *Projects.* Provide grants to complete individual projects that are “ready to go” with preliminary engineering and environmental work completed.
- *Corridor Programs.* Enter into cooperative agreements to develop entire phases or geographic sections of corridor programs that have completed corridor plans and environmental documentation, and have a prioritized list of projects to meet the corridor objectives; this approach would involve additional federal oversight and support.
- *Planning.* Enter into cooperative agreements for planning activities using non-ARRA appropriations funds, in order to create the corridor program and project pipeline needed to fully develop a high-speed rail network.

**Orange County Transportation Authority
Guiding Principles for Project and Program Nominations**

**American Recovery and Reinvestment Act (ARRA)
High Speed Rail
May 22, 2009**

Goals

- Maximize federal and state funding for passenger rail improvements within the Orange County segment of the LOSSAN Corridor
 - Emphasis should be placed on the development of the Anaheim to Los Angeles segment of the corridor for both dedicated high-speed rail and conventional passenger rail improvements
 - Conventional passenger rail improvements between Anaheim and the San Diego County line should build upon the existing rail infrastructure and focus on reducing trip times and connecting to the high-speed rail system at the Anaheim Regional Transportation Intermodal Center.
- Support a multi-county approach for corridor-wide improvements between Los Angeles, Orange, and San Diego counties
 - Direct support for projects outside of Orange County provided that they provide a direct and measurable improvement of rail service for Orange County residents and employers.
- Seek to identify and nominate projects that focus on near-term job creation and passenger rail improvements, while also strategically preparing for future implementation of high-speed rail service and connecting conventional rail service.
- Seek to maximize overall funding levels by leveraging of ARRA funds with Proposition 1A funds approved for both high-speed rail service and connecting conventional rail service.

Criteria

- Project and program selection should focus on achieving trip time reductions on key operational segments of the LOSSAN Corridor, as well as reducing overall trip time between Los Angeles and San Diego.
- Los Angeles – Anaheim: 20 minutes (current 40 minutes) – 50 percent reduction
- Los Angeles – San Diego: 2 hours or less (current 2 hours 51 minutes) – 42 percent reduction

Other Criteria

- Federal economic recovery funds should not be used to supplant existing resources and recipients should be required to provide a certification of maintenance of effort.

State Issues

- Stimulus funds should be permitted to accelerate planned projects provided reallocated transportation funding commitments to local agencies are retained for new projects within a reasonable time frame.
- If federal economic recovery funds are used on existing Proposition 1B projects in the LOSSAN Corridor, the previous Proposition 1B commitments for that project should remain within the LOSSAN Corridor for reallocation to another eligible passenger rail project.
- Allocation of funds should be streamlined to ensure timely implementation of projects and programs.

Orange County Transportation Authority Priorities

Priorities for the use of ARRA High-Speed Rail Program funds:

1. All nominated projects and programs must meet all readiness criteria as established by the ARRA.
2. Ensure safe operation of all current and future rail services, including the required implementation of positive train control on the LOSSAN Corridor in Orange County.
3. Emphasis should be placed on the accelerated development of the Anaheim to Los Angeles segment of the LOSSAN Corridor.
4. Support projects that improve mainline capacity, increase trains speeds, and reduce overall trip times on the LOSSAN Corridor in Orange County.
5. Support LOSSAN Corridor trip time reduction and capacity improvement projects as identified in the LOSSAN Corridor Strategic Plan (October 2003) and the California State Rail Plan (March 2008).
6. All projects, programs and planning should be consistent with the effort to further integrate all passenger rail services on the LOSSAN Corridor between San Diego, Orange County, and Los Angeles.
7. Off-corridor supporting facilities projects such as station, parking, and grade separations not required for train speed increases and trip time reductions.



BOARD COMMITTEE TRANSMITTAL

May 22, 2009

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Cooperative Agreement with the City of Fullerton for Go Local Step Two Bus/Shuttle Service Planning

Transit Committee Meeting of May 14, 2009

Present: Directors Brown, Dalton, Dixon, Green, Nguyen, Pulido, and Winterbottom
Absent: None

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 Interim Chief Executive Officer to execute Cooperative Agreement No. C-9-0307 between the Orange County Transportation Authority and the City of Fullerton to define each party's roles and responsibilities for service planning of the bus/shuttle proposal entitled, "California State University Fullerton Streetcar."



May 14, 2009

To: Transit Committee

From: *James S. Kenan* James S. Kenan, Interim Chief Executive Officer

Subject: Cooperative Agreement with the City of Fullerton for Go Local Step Two Bus/Shuttle Service Planning

Overview

The Orange County Transportation Authority Board of Directors has approved 27 bus/shuttle proposals submitted under Go Local Step One to be advanced to Step Two. As part of Step Two, each bus/shuttle proposal will undergo detailed service planning. Cooperative agreements are needed to outline roles and responsibilities for the Step Two service planning effort. A cooperative agreement with the City of Fullerton for service planning of the city's bus/shuttle proposal is presented for review and approval.

Recommendation

Authorize the Interim Chief Executive Officer to execute Cooperative Agreement No. C-9-0307 between the Orange County Transportation Authority and the City of Fullerton to define each party's roles and responsibilities for service planning of the bus/shuttle proposal entitled, "California State University Fullerton Streetcar."

Background

On January 12, 2009, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved the City of Fullerton's Go Local bus/shuttle concept, "California State University Fullerton Streetcar," to advance to Step Two to undergo detailed service planning. For the service planning, OCTA will utilize a bench of consultants that were retained through a competitive procurement process. The four firms will assist OCTA staff in assessing the feasibility of the proposals by evaluating areas such as, but not limited to, potential demand and customer needs, route segment and system performance, potential impacts to existing OCTA fixed-route bus and paratransit service, boarding/revenue vehicle hours, resources, budgets, policies, and technical aspects of the proposed service. Using OCTA's pre-selected bench of consultants is intended

to ensure consistency and standardization in the evaluation process for all participating cities.

As part of Go Local Step One, cooperative agreements were executed with participating cities to specify the roles and responsibilities of the initial needs assessment phase. OCTA encouraged cities to partner with neighboring cities in an effort to develop optimal regional connections to Metrolink stations. When the cities came together as a team, a lead agency was identified as the point of contact to OCTA. Prior to initiation of the Step Two service planning work, cooperative agreements with the lead agencies are needed as a result of the expiration of the Step One cooperative agreements and to identify any modifications to team arrangements.

Discussion

Currently there are 13 cities/teams participating in the Go Local Step Two bus/shuttle service planning effort. In the coming months, staff will be bringing forward cooperative agreements with each of the lead agencies for Board consideration. The order in which the agreements are brought to the Board is dependent upon when the lead agency is scheduled to consider and approve the agreement as shown in Attachment A. Cooperative agreements with the cities of Aliso Viejo and Irvine were approved by the Board on April 13, 2009, and with the cities of Anaheim, Lake Forest, and San Clemente on April 27, 2009. Subsequently, the City of Fullerton has approved its cooperative agreement and is being presented to the Board for consideration. A brief summary of the Board-approved bus/shuttle proposal submitted by the City of Fullerton is included in Attachment B.

The general purpose and content of the Go Local Step Two cooperative agreement is to identify the roles and responsibilities of both OCTA and the City of Fullerton for the service planning effort. The cooperative agreements have been similar for each lead agency, except for a few minor differences in language to meet city-specific requirements.

OCTA's principal responsibilities described in the cooperative agreement include:

- Procure and manage consultant support to work directly with the lead agency to develop comprehensive service plans for the bus/shuttle proposals as identified in the respective Go Local Step One final reports.

- Participate in service planning team meetings with consultant and city/teams and provide transit planning data and support.
- Evaluate final Go Local Step Two reports summarizing service planning activities and funding plans for each of the bus/shuttle proposals that have been approved by the city council.

The lead agency's principal responsibilities described in the cooperative agreement include:

- Work collaboratively with consultant selected by OCTA and supply all requested data necessary to support the service planning.
- Participate in the development of a comprehensive service planning report, which will be led by the consultant for each bus/shuttle proposal that addresses all the service planning activities. The report must be accompanied by a city council resolution indicating support and approving the final service planning report and funding plan for each bus/shuttle proposal.
- Provide eligible local matching funds, excluding in-kind sources, for the city's proportionate share. Consistent with previous Board action, cities are required to provide a local funding match of 10 percent of the actual service planning activities cost, up to \$100,000, for each bus/shuttle proposal.

Next Steps

Upon the Board's approval of the subject cooperative agreement, a contract task order will be issued to the bench of consultants and competitively awarded to provide service planning for the City of Fullerton's approved bus/shuttle proposal. Staff will return to the Board in June 2009 with additional cooperative agreements that have been approved by the participating lead agencies.

Fiscal Impact

Funding for this project is currently included in OCTA's Fiscal Year 2008-09 Budget, Account 0010-6062-T5410-3SB. This is a reimbursable agreement as cities are responsible for reimbursing OCTA 10 percent of consultant work for this phase of study.

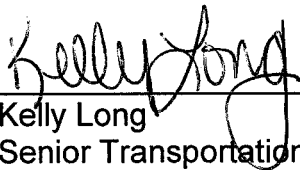
Summary

Staff is seeking Board authorization to execute Cooperative Agreement No. C-9-0307 with the City of Fullerton to initiate service planning for the city's Board-approved bus/shuttle proposal.

Attachments

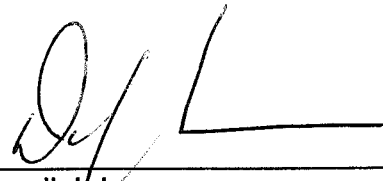
- A. Status of Go Local Step Two Bus/Shuttle Cooperative Agreements
- B. Summary of Go Local Bus/Shuttle Proposal: City of Fullerton
- C. Cooperative Agreement No. C-9-0307 Between Orange County Transportation Authority and City of Fullerton for Go Local Bus/Shuttle Service Planning

Prepared by:

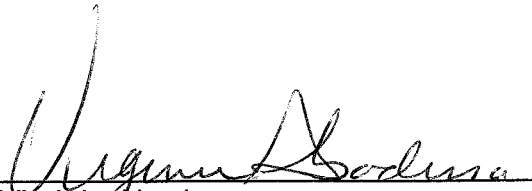


Kelly Long
Senior Transportation Analyst
(714) 560-5725

Approved by:



Darrell Johnson
Executive Director, Rail Programs
(714) 560- 5343



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

Status of Go Local Step Two Bus/Shuttle Cooperative Agreements

Current as of April 27, 2009

Lead Agency	City Confirmed Step Two Participation	City Received Cooperative Agreement	City Council/Staff Consideration	OCTA Transit Committee Consideration	OCTA Board Consideration
Aliso Viejo	√	√	3/4	3/26	4/13
Irvine	√	√	3/15	3/26	4/13
Anaheim	√	√	3/31	4/23	4/27
Lake Forest*	√	√	4/7	4/23	4/27
San Clemente	√	√	4/7	4/23	4/27
Fullerton	√	√	4/21	5/14	5/22
Westminster	√	√	5/13	5/28	6/8
Buena Park	√	√	5/26	6/11	6/22
Tustin	√	√		TBD**	
Mission Viejo	√	√		TBD**	
Laguna Beach	√	√		TBD**	
Brea***					

NOTES:

* City of Lake Forest is acting as lead agency for two separate bus/shuttle proposals. One on its own and the other in partnership with the City of Laguna Hills.

** Pending notification of city council consideration

*** Pending lead agency's confirmation of Step Two participation

**Summary of Go Local Bus/Shuttle Proposal:
City of Fullerton**

Approved by the Board January 12, 2009

CITY/TEAM	PROJECT DESCRIPTION	TARGET STATION	KEY STOPS
FULLERTON	California State University, Fullerton (CSUF) Street Car: Implementing rubber-tire system serving areas between CSUF and traveling along Commonwealth Avenue to the Fullerton Transportation Center.	Fullerton	Fullerton Station Downtown Fullerton Fullerton College Hope International University CSUF
Source: City of Fullerton Go Local Program - Project Concept Report - August 27, 2008			

COOPERATIVE AGREEMENT NO. C-9-0307

BETWEEN

ORANGE COUNTY TRANSPORTATION AUTHORITY

AND

CITY OF FULLERTON

FOR

GO LOCAL BUS/SHUTTLE SERVICE PLANNING

THIS AGREEMENT is effective on this _____ day of _____

2009, 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 the City of Fullerton, 303 W. Commonwealth, Fullerton, CA 92832, a municipal corporation duly organized and existing under the constitution and laws of the State of California (hereinafter referred to as "CITY").

RECITALS:

WHEREAS, the AUTHORITY's Go Local Program is a four-step program to plan and implement city-initiated transit extensions to the Metrolink commuter rail line in Orange County; and

WHEREAS, AUTHORITY and CITY wish to work as partners to further develop a community-based transit vision that increases the use of Metrolink by CITY residents, visitors and employees; and

WHEREAS, the AUTHORITY's Board of Directors directed that Step One mixed-flow bus/shuttle proposals that met the Go Local evaluation criteria would be advanced to Step Two to undergo detailed service planning; and

WHEREAS, the AUTHORITY's Board of Directors, on January 12, 2009 approved the bus/shuttle proposal dated August 2008 submitted by the CITY to advance to Step Two for further study entitled (1) "California State University, Fullerton (CSUF) Street Car" (hereinafter referred to as "BUS/SHUTTLE PROPOSAL"); and

/

1 **WHEREAS**, the AUTHORITY will evaluate bus/shuttle proposals that undergo Step Two
2 detailed service planning for Step Three implementation; and

3 **WHEREAS**, the AUTHORITY has agreed to contract directly with a bench of consultants, which
4 the AUTHORITY has retained, to perform Step Two detailed service planning for the BUS/SHUTTLE
5 PROPOSAL; and

6 **WHEREAS**, this Cooperative Agreement (hereinafter referred to as "AGREEMENT") defines
7 the specific terms, conditions, and roles and responsibilities between the AUTHORITY and CITY only
8 as they may relate to the evaluation of the BUS/SHUTTLE PROPOSAL for Step Two of the
9 AUTHORITY'S Go Local Program and no other purpose; and

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

12 **ARTICLE 1. COMPLETE AGREEMENT**

13 AGREEMENT, including any exhibits and documents incorporated herein and made applicable
14 by reference, constitutes the complete and exclusive statement of the terms and conditions of the
15 Agreement between AUTHORITY and CITY concerning the BUS/SHUTTLE PROPOSAL and
16 supersedes all prior representations, understandings, and communications between the parties. The
17 above-referenced Recitals are true and correct and are incorporated by reference herein.

18 **ARTICLE 2. RESPONSIBILITIES OF AUTHORITY**

19 AUTHORITY agrees to the following responsibilities for the BUS/SHUTTLE PROPOSAL:

20 A. Procure and manage consultant of the AUTHORITY to work directly with the CITY to
21 develop comprehensive service plans for the BUS/SHUTTLE PROPOSAL to include an analysis of
22 Passenger Demands and Needs, Route Segment Performance; System Performance; Analysis of
23 Impacts to Existing Fixed Route Service, including transit centers and transfer points; Compliance with
24 American Disabilities Act (ADA) and Impacts to Paratransit Service; Boardings/Revenue Vehicle Hour
25 and Passenger Loads; Market Research and Segmentation Analysis; and Resource Requirements and
26 Financial Parameters, including fare type and farebox recovery estimate, operating and capital costs

1 and service cost-benefit analysis (hereinafter, referred to as "SERVICE PLANNING ACTIVITIES"); and

2 B. Participate in service planning team meetings with CITY and consultant for
3 BUS/SHUTTLE PROPOSAL and provide AUTHORITY-generated transit planning data and transit
4 planning support where AUTHORITY deems necessary; and

5 C. Receive and evaluate final Go Local Step Two Report summarizing SERVICE
6 PLANNING ACTIVITIES and funding plans for the CITY's BUS/SHUTTLE PROPOSAL upon approval
7 by a CITY Council resolution and in anticipation of CITY's request to advance the BUS/SHUTTLE
8 PROPOSAL to Step Three of the Go Local Program; and

9 D. Invoice CITY on a quarterly basis for proportionate share, ten percent (10%), of actual
10 SERVICE PLANNING ACTIVITIES cost for the CITY's BUS/SHUTTLE PROPOSAL; and

11 E. AUTHORITY does not guarantee that the BUS/SHUTTLE PROPOSAL will be selected
12 to advance to Step Three of the Go Local Program; and

13 F. AUTHORITY shall indemnify, defend and hold harmless CITY, its officers, directors,
14 employees, and agents from and against any and all claims (including attorney's fees and reasonable
15 expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage
16 to or loss of use of property caused by the negligent acts, omissions, or willful misconduct by
17 AUTHORITY, its officers, directors, employees, or agents in connection with or arising out of the
18 performance of this Agreement.

19 **ARTICLE 3. RESPONSIBILITIES OF CITY**

20 CITY agrees to the following responsibilities for the BUS/SHUTTLE PROPOSAL:

21 A. Work collaboratively with the AUTHORITY's consultant to perform the SERVICE
22 PLANNING ACTIVITIES for the BUS/SHUTTLE PROPOSAL; and

23 B. Supply all requested data, reports and plans to support service planning of
24 BUS/SHUTTLE PROPOSAL in a timely manner; and

25 C. Participate in service planning team meetings for BUS/SHUTTLE PROPOSAL with
26 AUTHORITY and consultant; and

1 D. Participate in the development of a comprehensive service planning report, which will be
2 led by the consultant, for the BUS/SHUTTLE PROPOSAL that addresses all the SERVICE PLANNING
3 ACTIVITIES and is accompanied by a CITY Council resolution indicating support and approving the
4 final service planning report and funding plan for the BUS/SHUTTLE PROPOSAL; and

5 E. Provide eligible local matching funds, excluding in-kind sources, for CITY's proportionate
6 share (ten percent (10%) of actual SERVICE PLANNING ACTIVITIES cost for the BUS/SHUTTLE
7 PROPOSAL); and

8 F. Pay AUTHORITY, on a quarterly basis, within 30 days of receipt of invoice for CITY's
9 proportionate share (ten percent (10%) of actual SERVICE PLANNING ACTIVITIES cost for the
10 BUS/SHUTTLE PROPOSAL); and

11 G. CITY shall indemnify, defend and hold harmless AUTHORITY, its officers, directors,
12 employees, and agents from and against any and all claims (including attorney's fees and reasonable
13 expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage
14 to or loss of use of property caused by the negligent acts, omissions, or willful misconduct by CITY, its
15 officers, directors, employees, or agents in connection with or arising out of the performance of this
16 Agreement.

17 **ARTICLE 4. IT IS MUTUALLY UNDERSTOOD AND AGREED:**

18 All parties agree to the following mutual responsibilities regarding BUS/SHUTTLE PROPOSAL:

19 A. This Agreement shall continue in full force and effect through acceptance of final service
20 planning report for the BUS/SHUTTLE PROPOSAL or 18 months from effective date of this Agreement,
21 whichever is sooner. This Agreement may only be extended upon written mutual agreement by both
22 parties.

23 B. This Agreement may be amended in writing at any time by the mutual consent of both
24 parties. No amendment shall have any force or effect unless executed in writing by both parties.

25 C. The persons executing this Agreement on behalf of the parties hereto warrant that they
26 are duly authorized to execute this Agreement on behalf of said parties and that, by so executing this

1 Agreement, the parties hereto are formally bound to the provisions of this Agreement.

2 D. All notices hereunder and communications regarding the interpretation of the terms of
3 this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by
4 depositing said notices in the U.S. mail, registered, or certified mail and addressed as follows:

5 To CITY:	To AUTHORITY:
6 Redevelopment and Economic Development	Orange County Transportation Authority
7 City of Fullerton	550 South Main Street
8 303 W. Commonwealth Ave., 3rd Floor	P. O. Box 14184
9 Fullerton, CA 92832	Orange, CA 92863-1584
10 Attention: Nicole Coats	Attention: Jennifer Bergener
11 Project Manager	Manager, Local Initiatives
12 Telephone: (714) 738-4102	Telephone: (714) 560-5462
13 e-mail: NicoleC@CI.Fullerton.CA.US	e-mail: Jbergener@octa.net

15 E. The headings of all sections of this Agreement are inserted solely for the convenience of
16 reference and are not part of and not intended to govern, limit, or aid in the construction or interpretation
17 of any terms or provision thereof.

18 F. The provision of this Agreement shall bind and insure to the benefit of each of the
19 parties hereto and all successors or assigns of the parties hereto.

20 G. If any term, provision, covenant, or condition of this Agreement is held to be invalid, void
21 or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder to this
22 Agreement shall not be affected thereby, and each term, provision, covenant or condition of this
23 Agreement shall be valid and enforceable to the fullest extent permitted by law.

24 H. This Agreement may be executed and delivered in any number of counterparts, each of
25 which, when executed and delivered shall be deemed an original and all of which together shall
26 constitute the same agreement. Facsimile signatures will be permitted.

1 I. Neither this Agreement, nor any of a Party's rights, obligations, duties, or authority
2 hereunder may be assigned in whole or in part by either Party without the prior written consent of the
3 other Party. Any such attempt of assignment shall be deemed void and of no force and effect. Consent
4 to one assignment shall not be deemed consent to any subsequent assignment, nor the waiver of any
5 right to consent to such subsequent assignment.

6 J. Either party shall be excused from performing its obligations under this Agreement
7 during the time and to the extent that it is prevented from performing by an unforeseeable cause
8 beyond its control, including but not limited to: any incidence of fire, flood, acts of God, commandeering
9 of material, products, plants or facilities by the federal, state or local government, national fuel shortage,
10 or a material act or omission by the other party, when satisfactory evidence of such cause is presented
11 to the other party, and provided further that such nonperformance is unforeseeable, beyond the control
12 and is not due to the fault or negligence of the party not performing.

13 /
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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-9-0307 to be executed on the date first above written.

CITY OF FULLERTON

ORANGE COUNTY TRANSPORTATION AUTHORITY

By: _____

By: _____

Chris Meyer
City Manager

James S. Kenan
Interim Chief Executive Officer

ATTEST:

APPROVED AS TO FORM

By: _____

By: _____

Beverley White
City Clerk

Kennard R. Smart, Jr.
General Counsel

APPROVED AS TO FORM:

APPROVAL RECOMMENDED:

By: _____

By: _____

Richard D. Jones
City Attorney

Darrell Johnson
Executive Director, Rail Programs

Dated: _____

Dated: _____



BOARD COMMITTEE TRANSMITTAL

May 22, 2009

To: Members of the Board of Directors

From: Wendy Knowles, Clerk of the Board

Subject: Selection of a Consultant for Preparation of a Project Study Report/Project Development Support for the Santa Ana Freeway (Interstate 5)/Avenida Pico Interchange

Highways Committee Meeting of May 18, 2009

Present: Directors Amante, Cavecche, Glaab, Green, Mansoor, Norby, and Pringle

Absent: Director Dixon

Committee Vote

This item was passed by all Committee Members present.

Director Norby was not present for this vote.


Committee Recommendations

- A. Select RMC, Inc., as the highest qualified firm to prepare the project study report for the Santa Ana Freeway (Interstate 5)/Avenida Pico interchange improvements.
- B. Authorize the Interim Chief Executive Officer to request a cost proposal from RMC, Inc., and negotiate an agreement for services.
- C. Authorize the Interim Chief Executive Officer to execute the final agreement.



May 18, 2009

To: Highways Committee

From:  James S. Kenan, Interim Chief Executive Officer

Subject: Selection of a Consultant for Preparation of a Project Study Report/
Project Development Support for the Santa Ana Freeway (Interstate 5)/
Avenida Pico Interchange

Overview

Renewed Measure M includes a project to update and improve local interchanges on the Santa Ana Freeway (Interstate 5) including the Avenida Pico interchange. Proposals and statements of qualifications for the preparation of a project study report/project development support document were solicited in accordance with the Orange County Transportation Authority's procurement procedures for the retention of consultants to perform architectural and engineering work.

Recommendations

- A. Select RMC, Inc., as the highest qualified firm to prepare the project study report for the Santa Ana Freeway (Interstate 5)/Avenida Pico interchange improvements.
- B. Authorize the Interim Chief Executive Officer to request a cost proposal from RMC, Inc., and negotiate an agreement for services.
- C. Authorize the Interim Chief Executive Officer to execute the final agreement.

Discussion

Renewed Measure M includes a project to update and improve local interchanges on the Santa Ana Freeway (Interstate 5). The next step in the project development process is the preparation of a project study report (PSR), which analyzes alternatives and determines project feasibility and preliminary costs.

The Orange County Transportation Authority (Authority) is seeking consultant assistance for the preparation of a PSR for this project.

Procurement Approach

This procurement was handled in accordance with the Authority procedures for architectural and engineering requirements that conform to both federal and state law. Proposals are evaluated without consideration of cost and are ranked in accordance with the qualifications of the firm, staffing, and the work plan. The highest ranked firm is requested to submit a cost proposal and the final agreement is negotiated. Should negotiations fail with the highest ranked firm, a cost proposal will be solicited from the second ranked firm in accordance with the procurement policies previously adopted by the Authority's Board of Directors (Board).

On February 19, 2009, Request for Proposals (RFP) 9-0205 was released and sent electronically to 1378 firms registered on CAMM NET. The project was advertised on February 23, 2009, and March 3, 2009, in a newspaper of general circulation. A pre-proposal conference was held on March 4, 2009, with 53 attendees representing 40 firms.

Addendum No. 1 to RFP 9-0205 was issued on March 5, 2009, to post the pre-proposal conference registration sheet.

On March 25, 2009, ten proposals were received. An evaluation committee consisting of staff from the Strategic Planning Department, Highway Project Delivery Department, Contracts Administration and Materials Management Department, and the California Department of Transportation met to review all proposals submitted. The proposals were evaluated on the following evaluation criteria and weights.

- Qualifications of the Firm 25 percent
- Staffing and Project Organization 35 percent
- Work Plan 40 percent

The evaluation criteria are consistent with the weightings developed for similar architectural and engineering services. In developing the weightings, several factors are considered. The weightings gave the greatest importance to the work plan because the project area has some specific technical issues that must be addressed. Likewise, a high level of importance was placed on staffing and project organization as the qualifications of the project manager and other key task leaders and sub-consultants are very important to successful completion of the project. As this is an architectural and

engineering procurement price is not an evaluation criteria pursuant to state and federal law.

The evaluation committee reviewed all proposals received and found four of the firms most qualified to perform the work. The four most qualified firms are presented below in ranked order:

Firm and Location

RMC, Inc.
Santa Ana, California

CH2M HILL
Santa Ana, California

T.Y. Lin International
Irvine, California

Huitt-Zollars, Inc.
Irvine, California

On April 21, 2009, the evaluation committee interviewed each of the four firms. Questions were asked relative to the firms' proposed staffing, understanding of the project issues, and each firms' approach to the scope of work and proposed schedules. Based upon the proposal evaluation and interviews, staff recommends RMC, Inc. (RMC), as the top ranked firm to prepare the PSR/project development support (PDS) for improvements to the Interstate 5 (I-5)/Avenida Pico interchange.

Qualifications of Firm

All four firms have relevant experience in relation to the type of services required. RMC was ranked higher as the firm has demonstrated specific experience which includes work in San Clemente with the I-5/El Camino Real ramp modification and soundwall implementation project. CH2M HILL showed a good variety of experience on highway projects but not as much at the PSR/PDS stage. T.Y Lin International and Huitt-Zollars, Inc., provided good experience at the PSR stage.

Staffing and Project Organization

All four firms proposed solid key staff that are well qualified. The RMC team demonstrated significant experience and understanding of the corridor and

proposed creative solutions to increase the traffic flow on Avenida Pico and minimize the impact to right-of-way.

Work Plan

The RMC work plan clearly demonstrated a high degree of understanding of the scope of work and understanding of potential issues that may be encountered and the firm offered a specific approach on how to address each problem with appropriate resolutions.

Recommendation

Based on the evaluation of the written proposals, the team qualifications, and information obtained from the interviews, the evaluation committee recommends the selection of RMC as the top-ranked firm. RMC submitted an outstanding detailed technical proposal that was responsive to all requirements of the RFP. RMC's written technical proposal and approach to the project demonstrated the most thorough understanding of project issues.

Fiscal Impact

This project was approved in the Authority's proposed Fiscal Year 2008-09 Budget, Development Division, Account 0017-7519-FC002-N2N, and is funded through local funds and Renewed Measure M Tax Exempt Commercial Paper Funds.

Summary

The evaluation committee met and reviewed all proposals received. Based on the proposals and interviews, the committee recommends the selection of RMC as the most qualified firm to prepare the PSR for the I-5/Avenida Pico interchange improvements.

Staff is requesting authorization to request a cost proposal from RMC and negotiate an agreement within the approved budget for this project which is \$450,000.

Attachments

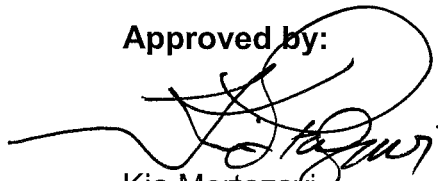
- A. Project Study Report/Project Development Support for the Santa Ana Freeway (Interstate 5)/Avenida Pico Interchange - Review of Proposals - RFP 9-0205
- B. Proposal Evaluation Criteria Matrix (Short-Listed Firms) - RFP 9-0205 - Project Study Report/Project Development Support for the Santa Ana Freeway (Interstate 5)/Avenida Pico Interchange
- C. Contract History for the Past Two Years - RFP 9-0205 - Project Study Report/Project Development Support for the Santa Ana Freeway (Interstate 5)/Avenida Pico Interchange

Prepared by:



Dan Phu
Section Manager
(714) 560-5907

Approved by:



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



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

Project Study Report/Project Development Support for the
Santa Ana Freeway (Interstate 5)/Avenida Pico Interchange
Review of Proposals - RFP 9-0205

(Presented to Highways Committee - 5/18/09)
10 proposals received, 4 firms were interviewed

Overall Ranking	Overall Score	Firm & Location	Sub-Contractors	Evaluation Committee Comments	Price
1	89	RMC, Inc. Santa Ana, CA	RBF Consulting Austin-Foust Associates, Inc. LSA Associates Kleinfelder	Highest ranked overall proposal. Team demonstrated an excellent understanding of the traffic flow concerns and minimizing right-of-way impacts. The work plan gave a very detailed review of the project traffic issues and provided a variety of solutions. Each team member has experience with other projects in the project area. Outstanding proposed key staff has ample availability. Team provided detailed answers to the interview questions.	Architectural and engineering contract. In accordance with state law, selection is based on technical qualifications, price is not an evaluation factor.
2	83	CH2M HILL Santa Ana, CA	Coast Surveying Minagar & Associates Utility Specialists California, Inc.	Second ranked proposal. Firm has a good understanding of the project area. Work plan identifies existing deficiencies in traffic flow and proposed good solutions. Key staff has experience with other projects in the area. Outlined how team would involve the stakeholders in the process. Team gave in depth responses to the questions during the interview.	
3	82	T.Y. Lin International Irvine, CA	KOA Corporation ICF Jones & Stokes Overland, Pacific & Cutler, Inc. Leighton Consulting, Inc. Towill, Inc. Sweeny & Associates	Third ranked proposal. Firm has a good understanding of the project area. Detailed work plan that identified traffic concerns and presented unique solutions. Good approach to involving all stakeholders early in the process. Team gave detailed response to questions during the interview. Firm has experience in performing this type of work.	
4	80	Huitt-Zollars, Inc. Irvine, CA	CNS Engineering, Inc. Austin-Foust Associates, Inc. BonTerra Consulting, LLC Group Delta Consultants, Inc. Overland, Pacific Cutler, Inc.	Fourth ranked proposal. Firm has an understanding of the project area. Good work plan that identified the under crossing needs of Avenida Pico. Key staff has experience with other projects in the area. Team responded well to interview questions.	

Evaluation Panel: (5)

OCTA:

- CAMM (1)
- Development (2)

Outside:

- Caltrans (2)
- City of San Clemente (1)

Proposal Criteria

- Qualifications of Firm
- Staffing and Project Organization
- Work Plan

Weight Factor

- 25%
- 35%
- 40%

Proposal Evaluation Criteria Matrix (Short-Listed Firms) RFP 9-0205 - Project Study Report/Project Development Support for the Santa Ana Freeway (Interstate 5)/Avenida Pico Interchange								
Firm: RMC, Inc.							Weights	Criteria Score
Evaluator Number	1	2	3	4	5	6		
Qualifications of Firm	4.5	4.5	4.5	4.0	4.5	4.0	5	21.7
Staffing/Project Organization	4.5	4.5	4.5	4.0	4.5	4.5	7	30.9
Work Plan	4.5	4.5	4.5	4.5	4.5	4.5	8	36.0
Overall Score	90.0	90.0	90.0	84.0	90.0	87.5		89
Firm: CH2M HILL							Weights	Criteria Score
Evaluator Number	1	2	3	4	5	6		
Qualifications of Firm	4.5	4.5	4.0	4.0	4.0	4.0	5	20.8
Staffing/Project Organization	4.0	4.0	4.0	4.0	4.0	4.0	7	28.0
Work Plan	4.5	4.5	4.0	4.0	4.0	4.5	8	34.0
Overall Score	86.5	86.5	80.0	80.0	80.0	84.0		83
Firm: T.Y. Lin International							Weights	Criteria Score
Evaluator Number	1	2	3	4	5	6		
Qualifications of Firm	4.0	4.0	4.0	4.0	4.0	4.0	5	20.0
Staffing/Project Organization	4.0	4.0	4.5	4.0	4.5	4.0	7	29.2
Work Plan	4.0	4.5	4.0	4.0	4.0	4.0	8	32.7
Overall Score	80.0	84.0	83.5	80.0	83.5	80.0		82
Firm: Huitt-Zollars, Inc.							Weights	Criteria Score
Evaluator Number	1	2	3	4	5	6		
Qualifications of Firm	4.0	4.0	4.0	4.0	4.0	4.0	5	20.0
Staffing/Project Organization	4.0	4.0	4.0	4.0	4.0	4.0	7	28.0
Work Plan	4.0	4.5	3.5	4.0	4.0	4.0	8	32.0
Overall Score	80.0	84.0	76.0	80.0	80.0	80.0		80
<p>The range of scores for the non-short-listed firms was 58 to 74.</p> <p>Evaluation Committee: (6) OCTA: Camm (1) DEVELOPMENT (2) Caltrans (2) City of San Clemente (1)</p>								

Contract History For The Past Two Years
RFP 9-0205 - Project Study Report/Project Development Report for the
Santa Ana Freeway (Interstate 5)/Avenida Pico Interchange

Firm - Prime Only	Contract Number	Description	Contract Start Date	Contract End Date	Contract Amount
RMC, Inc.	C-7-0995	Plans, specifications, and estimates for soundwalls in the City of San Clemente	1/15/2008	8/31/2010	\$ 897,017
	C-7-1360	Feasibility study for the Riverside Freeway (State Route 91) from the Orange Freeway (State Route 57) to the Costa Mesa Freeway (State Route 55)	5/12/2008	3/31/2009	\$ 297,021
	C-8-0897	Project management consulting services for strategic planning	6/11/2008	12/31/2009	\$ 50,000
	C-8-1238	Project report for the Interstate 5 (I-5) high-occupancy vehicle lane widening	Awarded not yet executed		\$ -
Sub Total					\$ 1,244,038
Firm - Prime Only	Contract Number	Description	Contract Start Date	Contract End Date	Contract Amount
CH2M HILL	C-5-2712	Plans, specifications, and estimates for Oso Parkway at I-5	12/12/2005	12/31/2010	\$ 1,819,709
	C-7-0612	91 Express Lanes Extension/Foothill Transportation Corridor (State Route 241) connector studies	6/28/2007	6/30/2009	\$ 510,883
	C-7-1247	Design effort for widening the northbound State Route 57 (SR-57) between Yorba Linda Boulevard to Lambert Avenue	2/19/2008	7/31/2014	\$ 5,759,057
		Design services for Lakeview Avenue railroad grade separation project	3/4/2009	6/30/2009	\$ 349,593
Sub Total					\$ 8,439,242
Firm - Prime Only	Contract Number	Description	Contract Start Date	Contract End Date	Contract Amount
Huitt-Zollars, Inc.	C-3-1383	On-call right-of-way engineering and surveying	11/10/2003	12/31/2009	\$ 153,755
	C-6-0670	Development, management, and coordinate freeway chokepoints and retrofit soundwalls	11/27/2006	6/6/2008	\$ 195,000
Sub Total					\$ 348,755
Firm - Prime Only	Contract Number	Description	Contract Start Date	Contract End Date	Contract Amount
T.Y. Lin International	NONE	No contracts have been awarded			
Sub Total					\$ -



BOARD COMMITTEE TRANSMITTAL

May 22, 2009

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board ^{WK}
Subject: Amendment to Agreement for Coach Operator, Operations Instructor, and Field Supervisor Uniforms

Transit Committee Meeting of May 14, 2009

Present: Directors Brown, Dalton, Dixon, Green, Nguyen, Pulido, and Winterbottom
Absent: None

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 Interim Chief Executive Officer to execute Amendment No. 2 to Agreement No. C-7-0614 between the Orange County Transportation Authority and Galls, an ARAMARK Company, LLC, to exercise the first option year, in an amount not to exceed \$307,166, for the provision of coach operator, operations instructor, and field supervisor uniforms through June 30, 2010, for a total contract amount of \$1,087,425.



May 14, 2009

To: Transit Committee

From:  James S. Kenan, Interim Chief Executive Officer

Subject: Amendment to Agreement for Coach Operator, Operations Instructor, and Field Supervisor Uniforms

Overview

On May 29, 2007, the Board of Directors approved a two-year agreement with three one-year option terms with Galls, an ARAMARK Company, LLC, in the amount of \$780,259, to provide uniforms for coach operators, operations instructors, and field supervisors. Galls, an ARAMARK Company, LLC, was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional services. An amendment is requested to exercise the first option term of the agreement.

Recommendation

Authorize the Interim Chief Executive Officer to execute Amendment No. 2 to Agreement No. C-7-0614 between the Orange County Transportation Authority and Galls, An ARAMARK Company, LLC, to exercise the first option year, in an amount not to exceed \$307,166, for the provision of coach operator, operations instructor, and field supervisor uniforms through June 30, 2010, for a total contract amount of \$1,087,425.

Discussion

The Orange County Transportation Authority (Authority) requires certain employees to wear a uniform during work hours. The Bus Operations Department's uniform program provides transit employees operating buses and supporting bus operations as trainers and field supervisors with uniforms as per the Collective Bargaining Agreement and the Personnel and Salary Resolution. The program operates as an allowance system to purchase uniforms from the selected vendor. The uniform allowance for a coach operator is \$280 for the first year and \$245 per year thereafter, while operations instructor and field supervisor receive \$500 per year. Additional purchases over the uniform allowance are paid by the employee. Project administration is

shared between the Bus Operations and Operations Analysis Departments along with the supplier.

Procurement Approach

This procurement was originally handled in accordance with the Authority's procedures for professional services and was awarded on a competitive basis. On May 29, 2007, the Board of Directors (Board) approved a two-year agreement with three one-year option terms with Galls, An ARAMARK Company, LLC (Galls), in the amount of \$780,259. Option year pricing was negotiated in the original agreement based on fixed prices for specific quantity of ordered garments. The projected cost for the first option term in the amount of \$307,166 also reflects the expected reduction in workforce as a result of the service cuts approved by the Board. Galls and its representatives have offered excellent customer service and support with the Bus Operations' uniform program for the initial term of the agreement. Amending this contract will allow the Authority to continue supplying uniforms to transit employees.

Fiscal Impact

The additional work described in Amendment No. 2 to Agreement No. C-7-0614 is pending approval in the Authority's Fiscal Year 2009-10 Budget, Bus Operations, Account 2121-7287-D1123-JWP, and will be funded through the Local Transportation Fund.

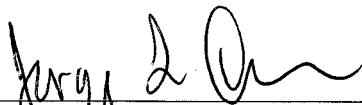
Summary

Staff recommends approval of Amendment No. 2, to Agreement No. C-7-0614 with Galls, An ARAMARK Company, LLC, in the amount of \$307,166, to exercise the first option term from July 1, 2009 to June 30, 2010, for the provision of coach operator, operations instructor, and field supervisor uniforms.

Attachment

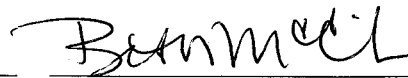
- A. Galls, An ARAMARK Company, LLC Agreement No. C-7-0614 Fact Sheet

Prepared by:



Jorge L. Duran
Project Manager
714-560-5765

Approved by:



Beth McCormick
General Manager, Transit
714-560-5964



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

**Galls, An ARAMARK Company, LLC
Agreement No. C-7-0614 Fact Sheet**

1. May 29, 2007, Agreement No. C-7-0614, \$780,259, with three one-year option terms, approved by Board of Directors.
 - Galls, An ARAMARK Company, LLC, provides uniforms for the Authority's coach operators, operations instructors, and field supervisors.
2. December 13, 2007, Amendment No. 1 to Agreement No. C-7-0614, \$0.00 approved by purchasing agent.
 - Amendment to revise Exhibit B, "Price Summary Sheet" to include field supervisor jackets.
3. May 22, 2009, Amendment No. 2 to Agreement No. C-7-0614, \$307,166, pending approval by Board of Directors.
 - Amendment to exercise the first option term and extend the agreement through June 30, 2010.

Total committed to Galls, An ARAMARK Company, LLC, Agreement No. C-7-0614:
\$1,087,425.



BOARD COMMITTEE TRANSMITTAL

May 22, 2009

To: Members of the Board of Directors
WK
From: Wendy Knowles, Clerk of the Board
Subject: Cooperative Agreement with the City of Irvine Regarding
iShuttle Vehicles

Transit Committee Meeting of May 14, 2009

Present: Directors Brown, Dalton, Dixon, Green, Nguyen, Pulido, and
Winterbottom
Absent: None

Committee Vote

This item was passed by all Committee Members present.


Committee Recommendation

Authorize the Interim Chief Executive Officer to approve Cooperative Agreement No. C-9-0364 with the City of Irvine for consignment of twelve, 27-foot compressed natural gas buses for the operation of the Irvine Business Complex shuttle.



May 14, 2009

To: Transit Committee

From:  James S. Kenan, Interim Chief Executive Officer

Subject: Cooperative Agreement with the City of Irvine Regarding the iShuttle Vehicles

Overview

With the termination of The CenterLine Project, a substitute Transportation Control Measure package was approved by the Orange County Transportation Authority's Board of Directors in 2005. This package included the Irvine Business Complex shuttle, which included a commitment to fund capital equipment required for this project. A cooperative agreement with the City of Irvine has been developed to fulfill this commitment.

Recommendation

Authorize the Interim Chief Executive Officer to approve Cooperative Agreement No. C-9-0364 with the City of Irvine for consignment of twelve, 27-foot compressed natural gas buses for the operation of the Irvine Business Complex shuttle.

Discussion

The Orange County Transportation Authority (OCTA) developed alternative transit solutions when the decision to terminate The CenterLine Project was made by the Board of Directors (Board) in 2005 due to lack of federal funding. The alternatives were known as the Transportation Control Measures (TCM) package and satisfied requirements to achieve mandated air quality goals. The TCM package was included in the amended Regional Transportation Plan and the Regional Transportation Improvement Program as the TCM package in place of the CenterLine TCM. The Authority and the City of Irvine successfully worked together to develop and include the Irvine Business Complex shuttle (the iShuttle) in the TCM package.

The iShuttle project was an element included in the TCM package that was approved by the Board in October 2005. The approval included a commitment

to fund the start-up and capital costs of The iShuttle. The shuttle was developed to provide transit service primarily in the Irvine Business Complex (IBC) area, a major employment center, with a key link to the proposed CenterLine project and the Metrolink station in Tustin. With the termination of the CenterLine, a bus rapid transit (BRT) line was developed for implementation in December 2010 and the iShuttle is expected to link with the OCTA future BRT service.

The iShuttle began operations in March 2008 with two shuttle routes during peak hours, connecting the IBC area with the Metrolink station in Tustin. In June 2008, a midday shuttle route was added, consistent with the original plan of this project. A map of the shuttle route is included as Attachment A and a graphic of the existing shuttle buses is included as Attachment B. Irvine began operating the shuttle with leased vehicles under contract with MV Transportation, Inc., a private company. The vehicle lease will expire this summer, on June 29, 2009. As a result, the OCTA and the City of Irvine staff worked closely to develop a cooperative agreement that provides the city with twelve, 27-foot compressed natural gas (CNG) vehicles to put into service when the current lease expires (Attachment C). OCTA will retain ownership, and the vehicles will be returned to OCTA at the end of the seven-year term. OCTA will conduct quarterly inspections to ensure vehicles are properly maintained. The city will be required to submit monthly operating summary reports, and the shuttle will be evaluated based on OCTA's bus service guidelines and performance goals.

Procurement Approach

In lieu of beginning a new procurement to purchase these buses, OCTA will consign new vehicles from a recent delivery. Due to the current service reduction plan for the fixed-route system, the OCTA faces overcapitalization, meaning the fixed-route vehicle fleet will be greater than the service requirements, exceeding a 20 percent spare ratio. After evaluating the various new vehicles recently received by OCTA, it was determined that these vehicles would be the most appropriate given the operating plan for the iShuttle, and OCTA could redeploy 40-foot transit vehicles on the routes where these vehicles would have been deployed. This approach is a win-win situation for both agencies, in that it provides the city with attractive new CNG transit vehicles to meet the city's schedule and saves the OCTA resources by not having to purchase a new fleet of buses for the city.

Fiscal Impact

There is no fiscal impact for this agreement.


Summary

The OCTA and Irvine developed a cooperative agreement to allow Irvine to utilize on consignment twelve, 27-foot CNG vehicles for the operation of the iShuttle. This agreement fulfills the original commitment made by the OCTA Board to fund the capital requirements of this project.

Attachments

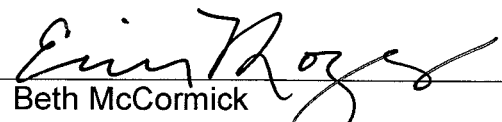
- A. The iShuttle Map
- B. The iShuttle Bus Graphics
- C. Cooperative Agreement No. C-9-0364 between Orange County Transportation Authority and City of Irvine for Vehicle Consignment

Prepared by:




Jorge Duran
Analysis Project Manager, Transit
714-560-5765

Approved by:

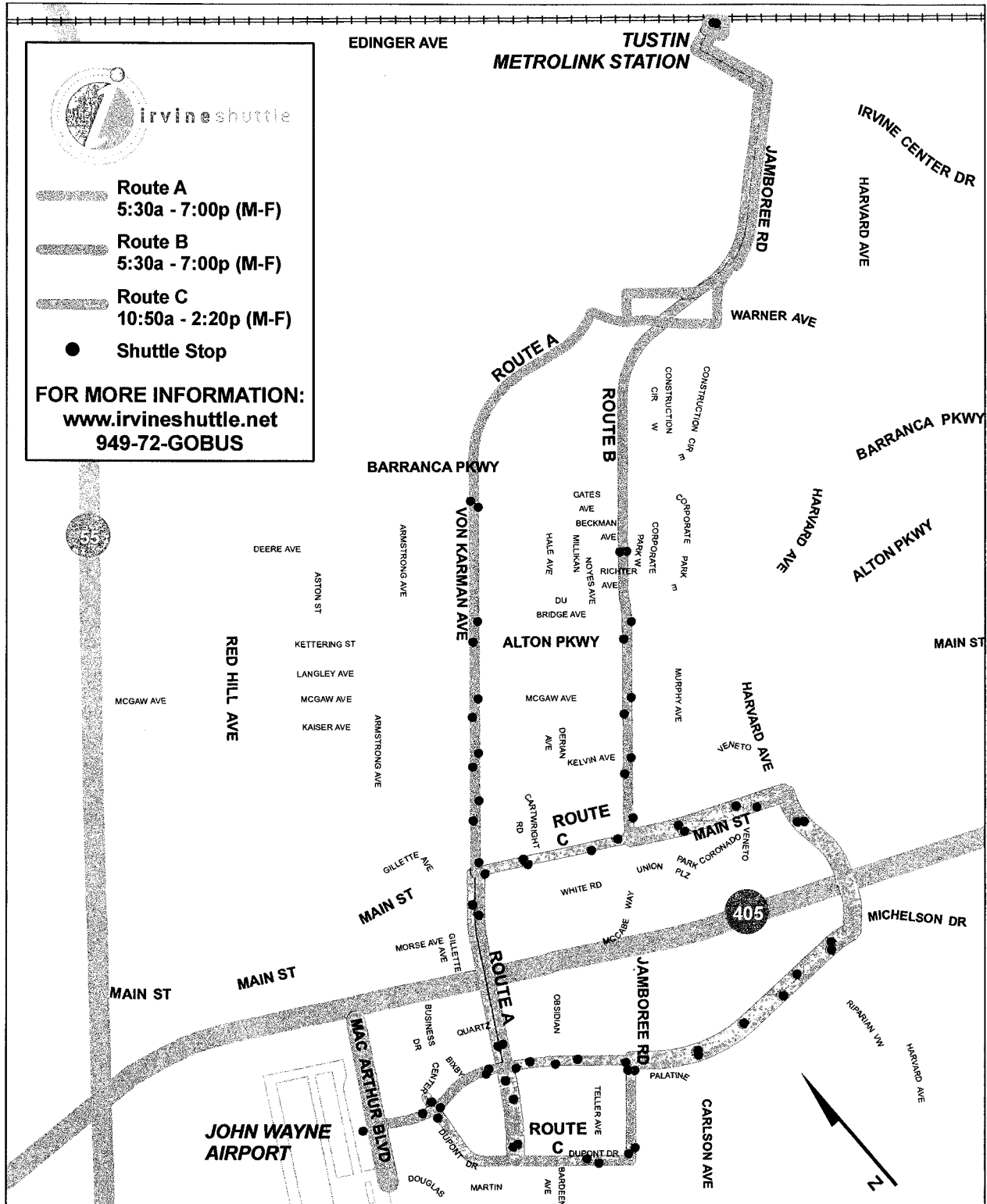


Beth McCormick
General Manager, Transit
714-560-5964



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

The iShuttle Map



The iShuttle Bus
Graphics



THE REQUEST FOR COOPERATIVE AGREEMENT NO. C-9-0364

BETWEEN ORANGE COUNTY TRANSPORTATION AUTHORITY AND

CITY OF IRVINE

FOR VEHICLE CONSIGNMENT

IS AVAILABLE ON THE OCTA WEBSITE (www.OCTA.net)

AND AVAILABLE UPON REQUEST

FROM THE CLERK OF THE BOARD'S OFFICE



BOARD COMMITTEE TRANSMITTAL

May 22, 2009

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: ACCESS Performance Measurements Update

Transit Committee Meeting of May 14, 2009

Present: Directors Brown, Dalton, Dixon, Green, Nguyen, Pulido, and Winterbottom
Absent: None

Committee Vote

This item was passed by all Committee Members present.

Directors Dixon and Pulido were not present to vote on this item.


Committee Recommendation

Receive and file as an information item.



May 14, 2009

To: Transit Committee

From:  James S. Kenan, Interim Chief Executive Officer

Subject: ACCESS Performance Measurements Update

Overview

At the January 22, 2009, meeting, the Transit Committee directed staff to provide quarterly updates regarding ACCESS service provided by Veolia Transportation Services, Inc. This report provides ACCESS performance measurement data for the three-month period from January 2009 through March 2009.

Recommendation

Receive and file as an information item.

Background

Veolia Transportation Services, Inc., (Veolia) assumed management and operation of the Orange County Transportation Authority's (Authority) ACCESS service in July 2006. The agreement has an initial term of three years, ending on June 30, 2009. During the first two years, Authority staff provided monthly performance updates to the Transit Committee and the Board of Directors (Board). On January 22, 2009, staff was directed to provide the Transit Committee with performance updates on a quarterly basis.

Discussion

Veolia and Community Transportation Services (CTS) staff have continued to work closely to monitor ACCESS service quality and address issues that cause the quality of service to fall below contractual performance standards. The standards monitored on a daily basis include on-time performance, service delivery failure, and customer comments.

Overall, the quality of the ACCESS service showed consistent improvement during the period of January through March 2009, continuing a trend which

began in November 2008. Ridership levels during this reporting period were comparable to the same period in prior years, with the exception of March, which showed a growth in ridership of nearly 7 percent over March 2008 (Attachment A). However, even with this increase in ridership, performance standards either remained stable or improved, particularly in the areas of on-time performance and service delivery failures.

During this reporting period, on-time performance improved during each month. On-time performance for the months of January and February exceeded all previous months at 95 percent, reporting levels of 95.60 percent and 95.64 percent, respectively. In March 2009 an on-time performance level of 96.13 percent was achieved, not only recording a new record high, but also resulting in a \$5,000 incentive payment to Veolia for exceeding the 96 percent level (Attachment B).

Service delivery failures, or trips in excess of 120 minutes late, also showed continued improvement during each month of this period. Service delivery failures decreased from a total of 11 during the month of January to a total of 8 for the month of March, which represents a record low for Veolia with this standard. (Attachment C).

The trend for customer comments also improved during the reporting period. Although ridership for the month of March increased nearly 14 percent over the previous month, customer comments increased by only 5 percent, totaling 149 during March, compared to 141 in February. (Attachment D).

The five most common customer comments remained consistent during January through March, without noticeable increases in any specific area. Authority staff will continue to work with Veolia staff to address specific issues that impact service quality. (Attachment E).

Bus Service Reduction Plan

Authority staff is currently developing a service reduction strategy in an effort to address the reduced revenues available to support all bus operations. Included in the service reduction analysis is the corresponding impact on the current level of service provided to ACCESS riders. As a result, staff is evaluating any possible changes to the current method of ACCESS service delivery which may play a role in the Authority's overall service delivery strategy. Items under consideration include the elimination of both the provision of door to door service and the designation of "do not leave alone" for selected ACCESS passengers. Door to door service is provided for passengers who request to be escorted to and/or from the door. Door service requests are provided but

require an additional charge, which is currently \$2.70 per occurrence. The “do not leave alone” designation requires drivers to release the passenger to the care and custody of another individual; they may not leave the passenger unattended at the curb or door of the destination. Staff will continue to evaluate these and other service standards which exceed the service level required under the Americans with Disabilities Act (ADA) and report any findings and recommendations to the Board in the coming months.

Summary

Service quality continued to show improvement during the months of January, February, and March 2009. Notable accomplishments during this period included a record low for service delivery failures (8), along with a record high for on-time performance (96.13 percent), both achieved during March 2009. Staff will continue to monitor service quality and report to the Transit Committee quarterly. In addition, staff is evaluating possible modifications to the current method of providing ACCESS service, in conjunction with the Authority’s bus service reduction plan.

Attachments

- A. ACCESS Ridership
- B. On-Time Performance
- C. Service Delivery Failure
- D. Valid Customer Comments
- E. Top Five (Valid) Comments Areas

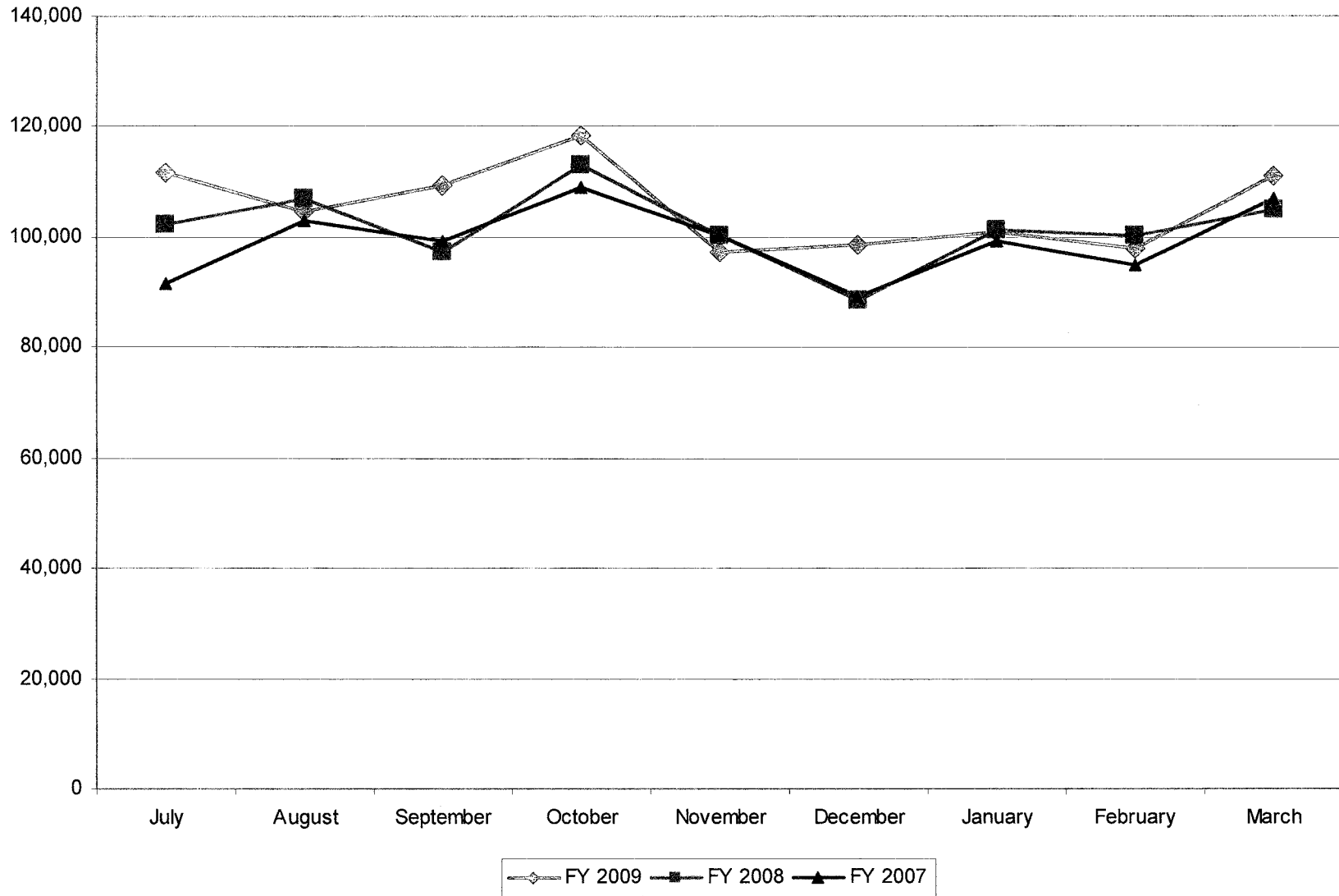
Prepared by:

Curt Burlingame
Section Manager,
Community Transportation Services
714-560-5921

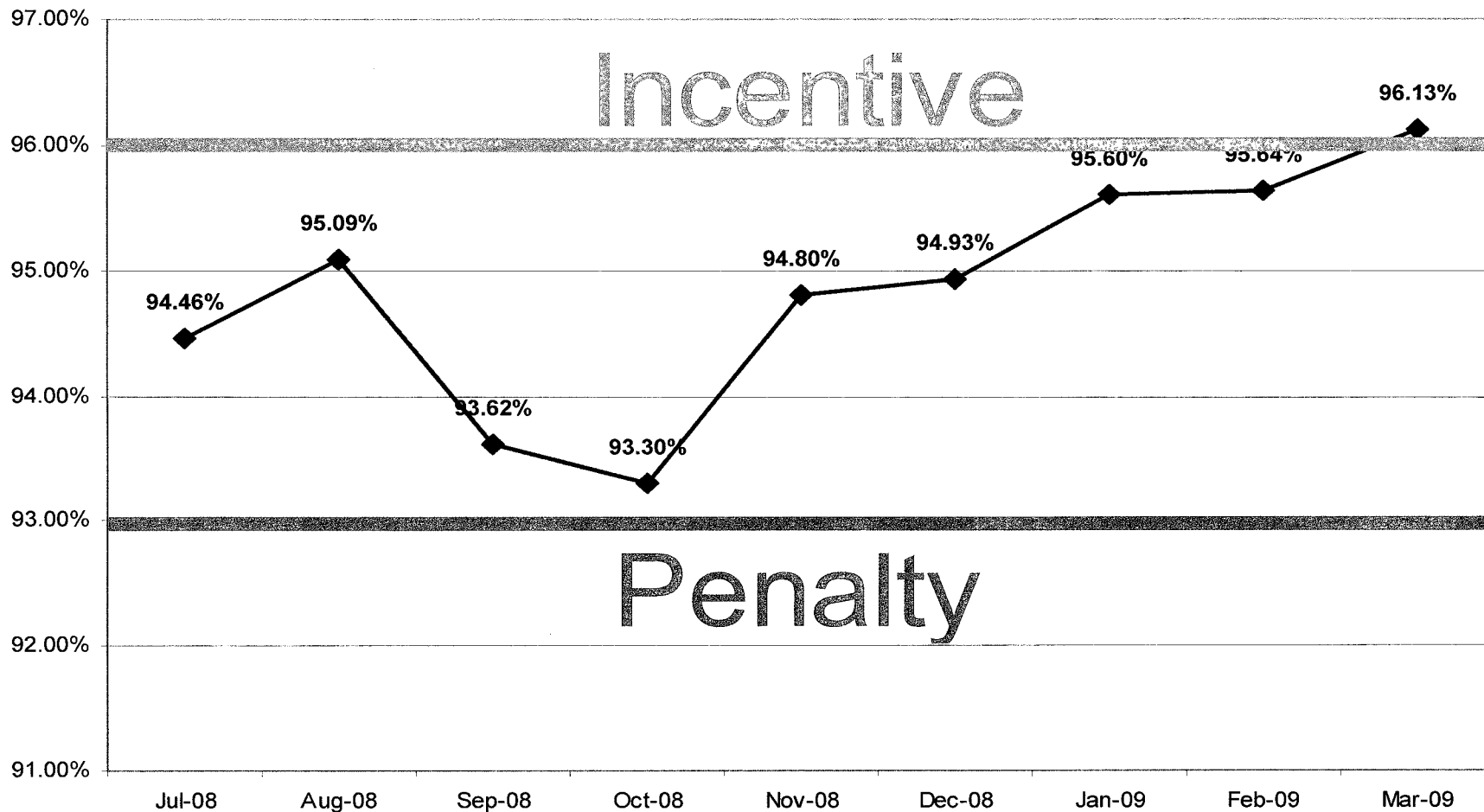
Approved by:

Beth McCormick
General Manager, Transit
714-560-5964

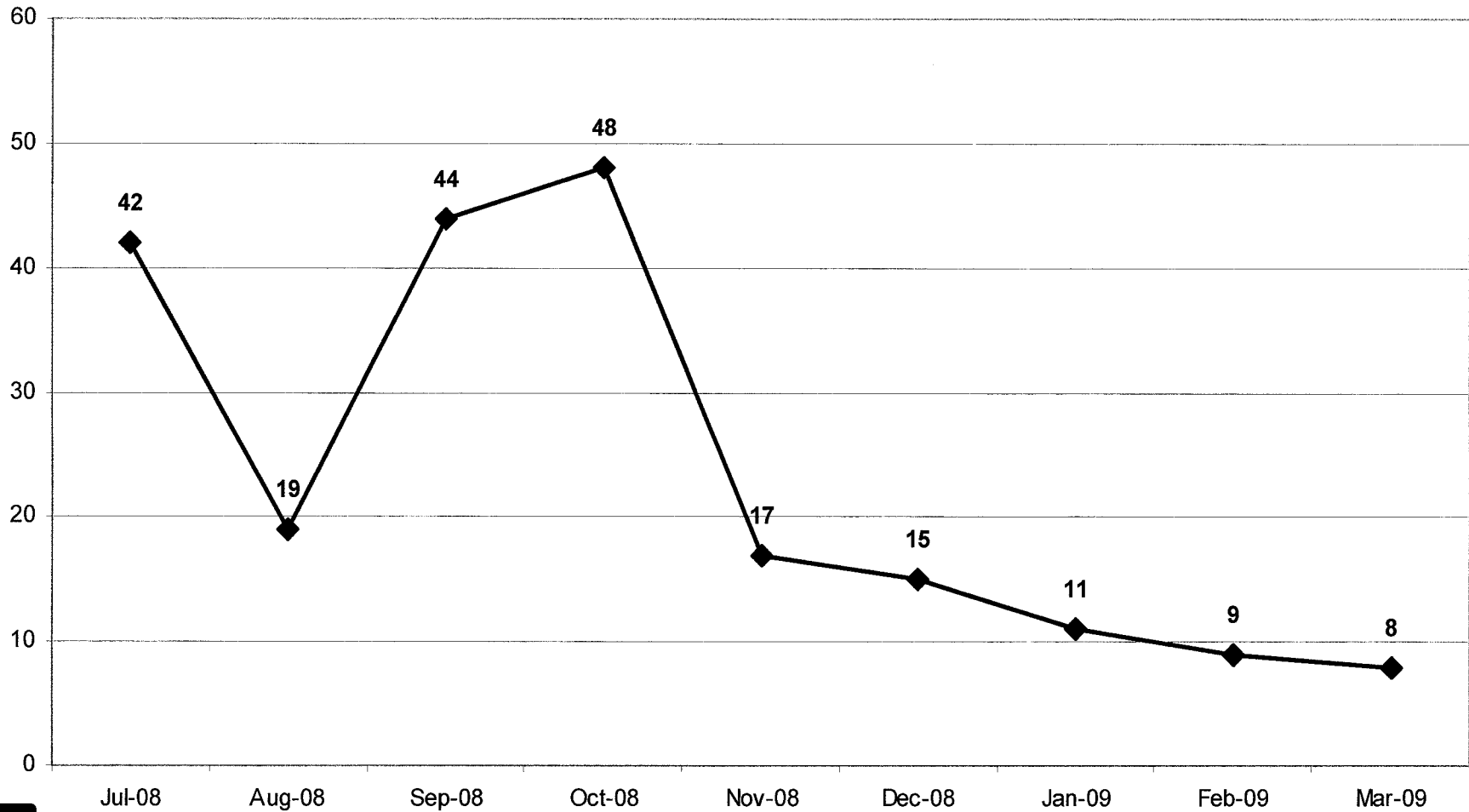
ACCESS Ridership



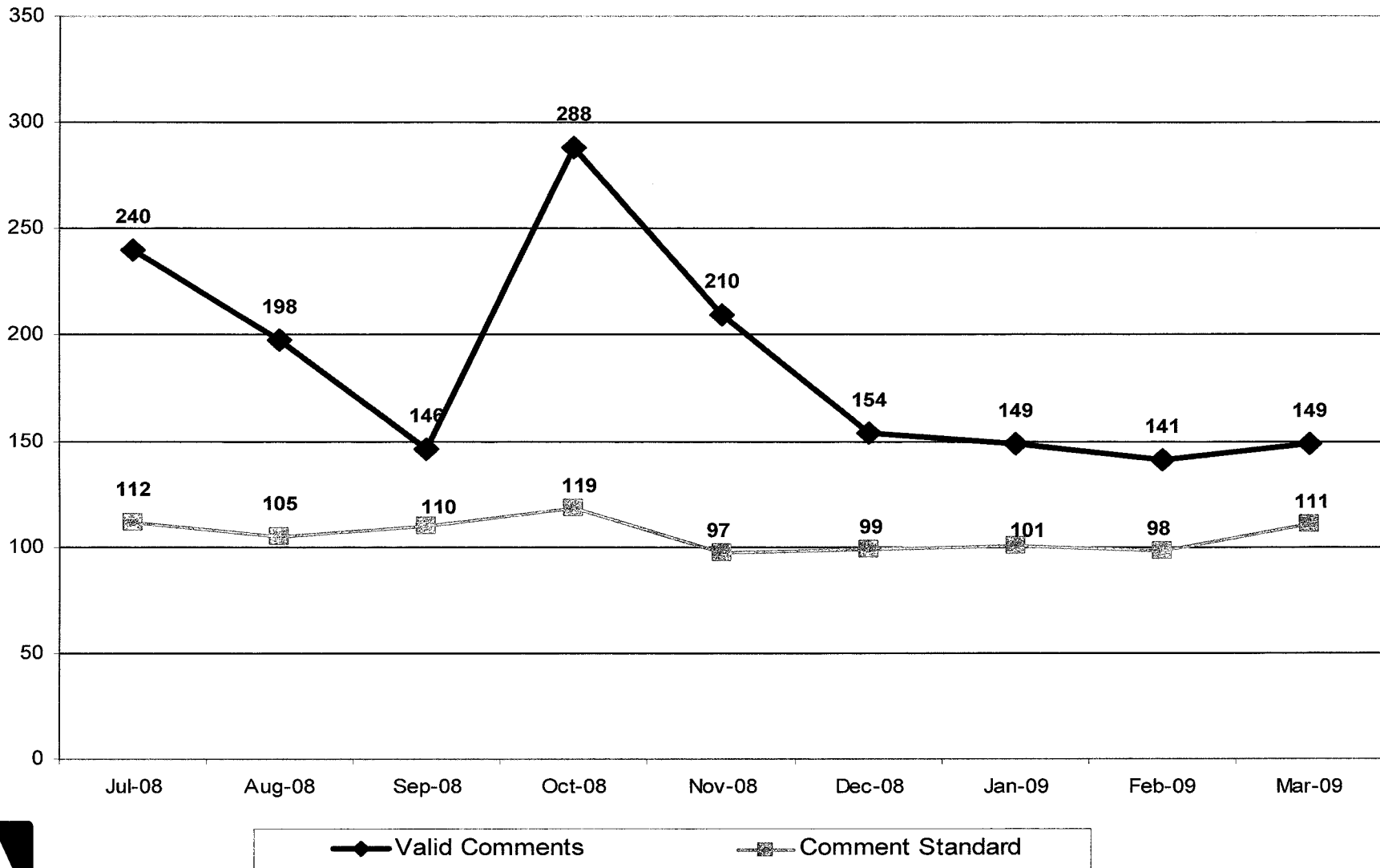
On-Time Performance



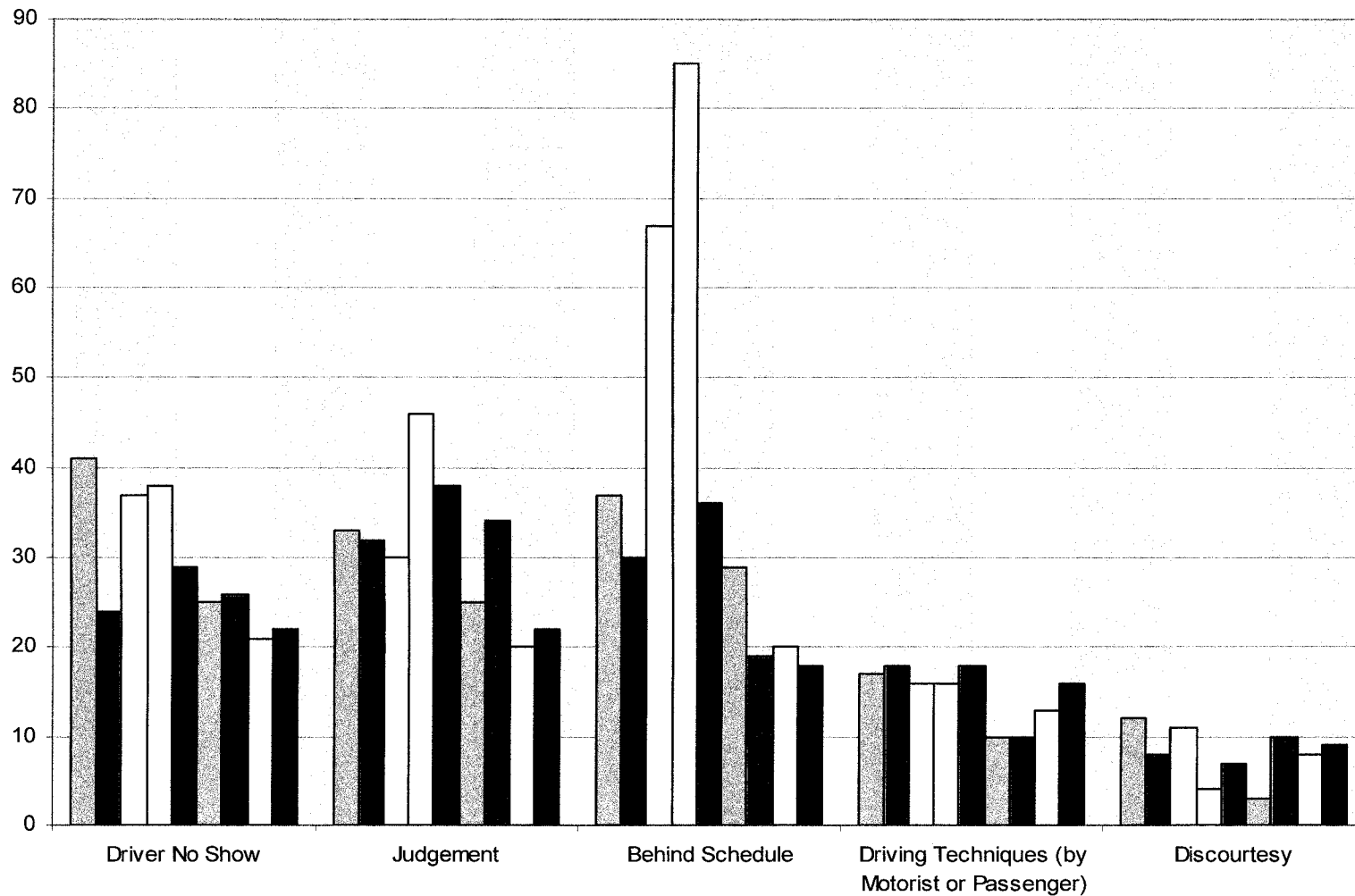
Service Delivery Failure



Valid Customer Comments



Top Five (Valid) Comment Areas



Jul-08
 Aug-08
 Sep-08
 Oct-08
 Nov-08
 Dec-08
 Jan-09
 Feb-09
 Mar-09



BOARD COMMITTEE TRANSMITTAL

May 22, 2009

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Cooperative Agreements with the City of Laguna Beach for the Pass Through of Local Funds for the Continued Operation of Public Transit Services

Finance and Administration Committee meeting of May 13, 2009

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

Committee Vote

This item was passed by all Committee Members present.


Committee Recommendations

- A. Authorize the Interim Chief Executive Officer to execute Cooperative Agreement No. C-7-1197 between the Orange County Transportation Authority and the City of Laguna Beach, concerning federal funds in an amount not to exceed \$1,105,000, for the next five years commencing fiscal year 2008-09. These funds provide public transit services and operating assistance and are subject to the availability of federal funds.
- B. Authorize the Interim Chief Executive Officer to execute Cooperative Agreement No. C-7-1198 between the Orange County Transportation Authority and the City of Laguna Beach, concerning state funds in an amount not to exceed \$1,250,000, for the next five years commencing fiscal year 2008-09. These funds provide public transit services and operating assistance and are subject to the availability of state funds.



May 13, 2009

To: Finance and Administration Committee

From:  James S. Kenan, Interim Chief Executive Officer

Subject: Cooperative Agreements with the City of Laguna Beach for the Pass Through of Local Funds for the Continued Operation of Public Transit Services

Overview

The Orange County Transportation Authority is a recipient of Federal Transit Administration Section 5307 Formula Capital Funds, American Recovery and Reinvestment Act Formula Funds, State Transit Assistance Funds, and Proposition 1B Funds. The City of Laguna Beach and its municipally-owned Laguna Beach Municipal Transit Lines are eligible to receive federal funds apportioned by Congress, and state funds which are subject to availability and appropriated by the State Legislature each year. Authorization is requested to file and execute cooperative agreements with the City of Laguna Beach for a pass through of local funds for the continued operation of public transit services in exchange for the Orange County Transportation Authority's use of the above described fund sources.

Recommendations

- A. Authorize the Interim Chief Executive Officer to execute Cooperative Agreement No. C-7-1197 between the Orange County Transportation Authority and the City of Laguna Beach, concerning federal funds in an amount not to exceed \$1,105,000, for the next five years commencing fiscal year 2008-09. These funds provide public transit services and operating assistance and are subject to the availability of federal funds.

- B. Authorize the Interim Chief Executive Officer to execute Cooperative Agreement No. C-7-1198 between the Orange County Transportation Authority and the City of Laguna Beach, concerning state funds in an amount not to exceed \$1,250,000, for the next five years commencing fiscal year 2008-09. These funds provide public transit services and operating assistance and are subject to the availability of state funds.

Discussion

The City of Laguna Beach has provided public transportation services through the Laguna Beach Municipal Transit Lines (LBMTL), an enterprise fund within the city, throughout the city limits since 1970. The Orange County Transportation Authority (OCTA) provides unrestricted local funding for transit operations to the LBMTL in an amount approximately equal to the city's proportional share of the Federal Transit Administration (FTA) and American Recovery and Reinvestment Act (ARRA) Formula Funds based on submittals to the National Transit Database.

OCTA also provides unrestricted local funding for transit operations to the LBMTL in an amount approximately equal to the city's proportional share of the State Transit Assistance (STA) and Proposition 1B Funds. OCTA is responsible for distributing to the City of Laguna Beach an amount determined annually based on formulas and provisions from the state. The Proposition 1B Funds include the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) and the Transit System Safety, Security, and Disaster Response Account (TSSSDRA). The city's share of funds made available to Orange County is based on the provisions of Sections 99313 and 99314 of the Public Utilities Code (PUC) given for both STA and Proposition 1B funding. PUC Section 99313 is given for STA funds only, which OCTA distributes a share of available funds in the proportion of the population of Laguna Beach to the population of the County of Orange as a whole. In addition, PUC Section 99314 is given for STA and Proposition 1B funds; OCTA distributes a share of available funds in accordance with the amount determined and reported by the California State Controller.

The current amount of FTA funding that would be available to the city is a maximum cumulative obligation that shall not exceed \$200,000 per fiscal year, for the next five years commencing with fiscal year 2008-09. In addition, ARRA funding would be a one-time disbursement of a maximum cumulative obligation that shall not exceed \$105,000, for fiscal year 2008-09.

The city is also eligible to receive STA funds, which are appropriated by the state legislature each year. The current amount of state funding that would be available to the city is a maximum cumulative obligation that shall not exceed \$175,000 per fiscal year, for the next five years commencing with fiscal year 2008-09. The amount of STA funds can vary from year to year as program levels are determined by the State Legislature as part of the annual state budget process. The receipt of STA funds for operating purposes requires that

claimants meet certain performance standards relating to increases in costs per service hour.

In addition, the city is also eligible to receive Proposition 1B funding that is based upon PTMISEA and TSSSDRA accounts and have a total maximum cumulative obligation that shall not exceed \$75,000 per fiscal year, for the next five years commencing with fiscal year 2008-09.

Fiscal Impact

OCTA is the recipient of the FTA Funds, ARRA Formula Funds, STA, and Proposition 1B State funds and would pass through the equivalent of 100 percent of these funds to the City of Laguna Beach. These annual payments will occur through the Orange County Transit District Fund and will be included in the OCTA's fiscal year 2008-09 through 2013-14 budgets.

Summary

Staff requests the Board of Directors approval to execute these cooperative agreements between the City of Laguna Beach and the Orange County Transportation Authority for the pass through of local funds. This pass through allows for a more efficient means of providing operating assistance to the city in continuing its public transit services.

Attachments

- A. Cooperative Agreement No. C-7-1197 Between Orange County Transportation Authority and City of Laguna Beach For Public Transit Services
- B. Cooperative Agreement No. C-7-1198 Between Orange County Transportation Authority and City of Laguna Beach For Public Transit Services State Funds

Prepared by:

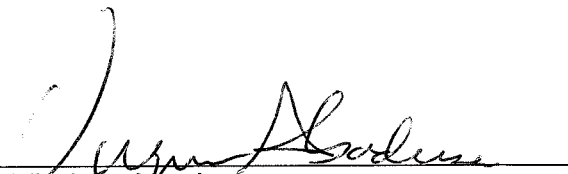


William Dineen, Jr.
Financial Planning and Analysis
Section Manager III
(714) 560-5917

Approved by:



Kenneth Phipps
Acting Executive Director,
Finance and Administration
(714) 560-5637



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

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

3 **ARTICLE 1. COMPLETE AGREEMENT**

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

10 **ARTICLE 2. RESPONSIBILITIES OF CITY**

11 CITY agrees to the following responsibilities for PROJECT:

12 A. CITY shall not apply to the federal government for any grants for financial
13 assistance for capital projects related to CITY's public transit services.

14 B. CITY shall use the operating funds to pay for costs of operating its public transit
15 services. CITY shall not use the operating funds to pay for CITY's charter transit services,
16 capital expenditures, or any other purposes or expenses.

17 C. CITY agrees to maintain at least the current level of public transit services
18 operated by CITY.

19 D. CITY shall provide on or before November 1st of each year a fiscal year-end
20 report to AUTHORITY. The fiscal year-end report shall include actual expenses versus
21 budgeted expenses, including: revenue, expenditures, vehicle services hours, vehicle service
22 miles, population, passenger boardings, and farebox recovery ratio. In addition to the fiscal
23 year-end report, CITY shall provide AUTHORITY with the budget for the current fiscal year.

24 E. CITY shall provide, on or before October 28th of each year, a fiscal year-end
25 National Transit Database (NTD) report as required by the Federal Department of
26 Transportation (DOT) to the DOT and the AUTHORITY. In the event that the CITY fails to

1 submit the NTD report in a timely manner, AUTHORITY has the option to withhold the
2 maximum cumulative obligation that shall not exceed the amount of Two Hundred Thousand
3 Dollars (\$200,000.00) for each year in which the NTD report has not been submitted.

4 F. CITY shall provide invoice for one time payment of ARRA funds provided for one
5 (1) fiscal year commencing Fiscal Year 2009. The AUTHORITY and CITY mutually agree that
6 AUTHORITY's maximum cumulative obligation shall not exceed the amount of One Hundred
7 Five Thousand Dollars (\$105,000.00) given for ARRA funds.

8 G. CITY agrees to cooperate fully with AUTHORITY staff and its representatives
9 during the PROJECT.

10 H. CITY shall provide invoices for all work performed on PROJECT on an annual
11 basis and shall be submitted in duplicate to AUTHORITY's Accounts Payable department.
12 Each CITY invoice shall include the following information:

- 13 1. Agreement Number C-7-1197;
- 14 2. The time period covered by the invoice;
- 15 3. Annual Progress Report which includes a detailed description of the progress of
16 the PROJECT;
- 17 4. Total annual invoice amount; and
- 18 5. Such other information as requested by AUTHORITY.

19 I. If CITY contracts for consultant services to perform any or all portion of
20 PROJECT then CITY shall be responsible for payment to consultant for services rendered and
21 then seek reimbursement from AUTHORITY as part of this Agreement. CITY shall be
22 responsible for reviewing consultant's invoice for accuracy, terms, and completeness.

23 J. CITY shall indemnify, defend and hold harmless AUTHORITY, its officers,
24 directors, employees and agents from and against any and all claims (including attorney's fees
25 and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries,
26 including death, damage to or loss of use of property caused by the negligent acts, omissions

1 or willful misconduct by CITY, its officers, directors, employees or agents in connection with or
2 arising out of the performance of this Agreement.

3 **ARTICLE 3. RESPONSIBILITES OF AUTHORITY**

4 AUTHORITY agrees to the following responsibilities for PROJECT:

5 A. To pay CITY a sum determined by a formula based on the National Transit
6 Database (NTD) report provided for each fiscal year for five (5) fiscal years commencing Fiscal
7 Year 2009 and continuing through Fiscal Year 2013. The AUTHORITY and CITY mutually
8 agree that AUTHORITY's maximum cumulative obligation shall not exceed the amount of Two
9 Hundred Thousand Dollars (\$200,000.00) given for FTA Section 5307 funds.

10 B. To pay CITY a sum determined by a formula based on the National Transit
11 Database (NTD) report provided for one (1) fiscal year commencing Fiscal Year 2009. The
12 AUTHORITY and CITY mutually agree that AUTHORITY's maximum cumulative obligation
13 shall not exceed the amount of One Hundred Five Thousand Dollars (\$105,000.00) given for
14 ARRA funds.

15 C. To pay CITY within 30 calendar days of receipt of an acceptable invoice.

16 D. AUTHORITY shall indemnify, defend and hold harmless CITY, its officers,
17 directors, employees and agents from and against any and all claims (including attorney's fees
18 and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries,
19 including death, damage to or loss of use of property caused by the negligent acts, omissions
20 or willful misconduct by CITY, its officers, directors, employees or agents in connection with or
21 arising out of the performance of this Agreement.

22 **ARTICLE 4. IT IS MUTUALLY UNDERSTOOD AND AGREED:**

23 All parties agree to the following mutual responsibilities regarding PROJECT:

24 A. This Agreement shall continue in full force and effect through June 30, 2013.
25 This Agreement may only be extended upon mutual agreement by both parties. The amount
26 of local funding assistance to be provided by AUTHORITY will be based on the amount of

1 Federal capital grants available to Orange County at the time a new cooperative agreement is
2 negotiated.

3 B. This Agreement may be terminated by either party after giving ninety (90) days
4 written notice. This Agreement shall not be terminated without mutual agreement of both
5 parties.

6 C. This Agreement may be amended in writing at any time by the mutual consent of
7 both parties. No amendment shall have any force or effect unless executed in writing by both
8 parties.

9 D. The persons executing this Agreement on behalf of the parties hereto warrant
10 that they are duly authorized to execute this Agreement on behalf of said parties and that, by
11 so executing this Agreement, the parties hereto are formally bound to the provisions of this
12 Agreement.

13 E. All notices hereunder and communications regarding the interpretation of the
14 terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in
15 person or by depositing said notices in the U.S. mail, registered, or certified mail and
16 addressed as follows:

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To CITY:	To AUTHORITY:
City of Laguna Beach	Orange County Transportation Authority
505 Forest Avenue Laguna Beach, CA 92651	550 South Main Street P. O. Box 14184 Orange, CA 92863-1584
Attention: Kenneth Frank City Manager (949) 497-0704; kfrank@lagunabeachcity.net	Attention: Kathy Peale Senior Contract Administrator (714) 560-5609 kpeale@pcta.net
	C: William Dineen, Section Manager, Finance Planning and Analysis

F. The headings of all sections of this Agreement are inserted solely for the convenience of reference and are not part of and not intended to govern, limit or aid in the construction or interpretation of any terms or provision thereof.

G. The provision of this Agreement shall bind and inure to the benefit of each of the parties hereto and all successors or assigns of the parties hereto.

H. If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder to this Agreement shall not be affected thereby, and each term, provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

I. This Agreement may be executed and delivered in any number of counterparts, each of which, when executed and delivered shall be deemed an original and all of which together shall constitute the same agreement. Facsimile signatures will be permitted.

1 J. Either party shall be excused from performing its obligations under this
2 Agreement during the time and to the extent that it is prevented from performing by an
3 unforeseeable cause beyond its control, including but not limited to: any incidence of fire, flood;
4 acts of God; commandeering of material, products, plants or facilities by the federal, state or
5 local government; national fuel shortage; or a material act or omission by the other party; when
6 satisfactory evidence of such cause is presented to the other party, and provided further that
7 such nonperformance is unforeseeable, beyond the control and is not due to the fault or
8 negligence of the party not performing.

9 This Agreement shall be made effective upon execution by both parties.

10 **IN WITNESS WHEREOF**, the parties hereto have caused this Agreement
11 No. C-7-1197 to be executed on the date first above written.

12 **CITY OF LAGUNA BEACH**

**ORANGE COUNTY TRANSPORTATION
AUTHORITY**

13 By: _____

By: _____

14 Kenneth Frank
15 City Manager

James S. Kenan
Interim Chief Executive Officer

16 **ATTEST:**

APPROVED AS TO FORM

17 By: _____

By: _____

18 Martha Anderson
19 City Clerk

Kennard R. Smart, Jr.
General Counsel

20 **APPROVED AS TO FORM:**

APPROVED:

21 By: _____

By: _____

22 Phillip D. Kohn
23 City Attorney

Kenneth Phipps
Acting Executive Director
Finance and Administration

1 **COOPERATIVE AGREEMENT NO. C-7-1198**

2 **BETWEEN**

3 **ORANGE COUNTY TRANSPORTATION AUTHORITY**

4 **AND**

5 **CITY OF LAGUNA BEACH**

6 **FOR**

7 **PUBLIC TRANSIT SERVICES STATE FUNDS**

8 **THIS AGREEMENT**, is effective this ____day of _____, 2009, by and between the
9 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 Laguna Beach, 505 Forest Avenue, Laguna Beach, California
12 92651, a municipal corporation (hereinafter referred to as "CITY").

13 **RECITALS:**

14 **WHEREAS**, CITY has provided public transit services (PROJECT) in the City of
15 Laguna Beach since 1970, funded with passenger fare, federal, state and local funds; and

16 **WHEREAS**, CITY is eligible to receive state funds through the STATE Transit
17 Assistance (STA) Fund and Proposition 1B Fund which entails the Public Transportation
18 Modernization, Improvement, and Service Enhancement Account (PTMISEA) and the Transit
19 System Safety, Security, and Disaster Response Account (TSSSDRA); and

20 **WHEREAS**, CITY now requires additional funding to maintain the current level of its
21 public transit services; and

22 **WHEREAS**, CITY's share of funds made available to Orange County is based on the
23 provisions of Sections 99313 and 99314 of the Public Utilities Code; and

24 **WHEREAS**, CITY now requires additional funding to maintain the current level of its
25 public transit services; and

1 **WHEREAS**, CITY desires to maximize the use of STA funds and Proposition 1B funds
2 in providing public transit services; and

3 **WHEREAS**, CITY has requested and AUTHORITY has agreed to provide CITY with
4 local funding assistance for the continued operation of public services by CITY; and

5 **WHEREAS**, AUTHORITY's Board of Directors has reviewed and approved the
6 execution of this Cooperative Agreement on _____, 2009.

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

9 **ARTICLE 1. COMPLETE AGREEMENT**

10 This Agreement, including all exhibits and documents incorporated herein and made
11 applicable by reference, constitutes the complete and exclusive statement of the terms and
12 conditions of the Agreement between AUTHORITY and CITY concerning the PROJECT and
13 supersedes all prior representations, understandings and communications between the
14 parties. The above-referenced Recitals are true and correct and are incorporated by reference
15 herein.

16 **ARTICLE 2. RESPONSIBILITES OF AUTHORITY**

17 AUTHORITY agrees to the following responsibilities for PROJECT:

18 A. To pay CITY a sum determined annually according to the following formula for
19 each fiscal year for five (5) fiscal years commencing Fiscal Year 2009 and continuing through
20 Fiscal Year 2013. The AUTHORITY and CITY mutually agree that AUTHORITY's maximum
21 cumulative obligation shall not exceed the amount of One Hundred Seventy Five Thousand
22 Dollars (\$175,000.00) given for STA funds and a maximum cumulative obligation shall not
23 exceed the amount of Seventy Five Thousand Dollars (\$75,000.00) given for Proposition 1B
24 funds.

25 1. Based on the provisions of Section 99313 of the Public Utilities Code
26 given for STA funds only, AUTHORITY shall pay CITY its share of available funds in the

1 proportion that the population of the CITY is to the population of the County of Orange as a
2 whole.

3 2. Based on the provisions of Section code 99314 of the Public Utilities
4 Code given for both STA funds and Proposition 1B funds, AUTHORITY shall pay to the CITY
5 its share of available funds in accordance with the amount determined and reported by the
6 California State Controller.

7 B. To pay CITY within 30 calendar days of receipt of an acceptable invoice.

8 C. AUTHORITY shall indemnify, defend and hold harmless CITY, its officers,
9 directors, employees and agents from and against any and all claims (including attorney's fees
10 and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries,
11 including death, damage to or loss of use of property caused by the negligent acts, omissions
12 or willful misconduct by CITY, its officers, directors, employees or agents in connection with or
13 arising out of the performance of this Agreement.

14 **ARTICLE 3. RESPONSIBILITIES OF CITY**

15 CITY agrees to the following responsibilities for PROJECT:

16 A. CITY acknowledges that the application of the aforementioned formula may
17 result in the CITY receiving differing amounts of funds each year during this agreement.

18 B. CITY shall use these funds to pay for costs of operating its public transit
19 services. CITY shall not use the operating funds to pay for CITY's charter transit services.

20 C. CITY agrees to maintain at least the current level of public transit services
21 operated by CITY.

22 D. CITY shall provide, on or before November 1 of each year, a fiscal year-end
23 report to AUTHORITY. The fiscal year-end report shall include actual expenses and revenues
24 versus budgeted expenses and revenues, including: expenditures, vehicle services hours,
25 vehicle service miles, population, passenger boardings, and farebox recovery ratio. In addition
26

1 to the fiscal year-end report, CITY shall provide AUTHORITY with the budget for the current
2 fiscal year.

3 F. CITY agrees to cooperate fully with AUTHORITY staff and its representatives
4 during the PROJECT.

5 G. CITY shall provide invoices for all work performed on PROJECT on an annual
6 basis and shall be submitted in duplicate to AUTHORITY's Accounts Payable department.

7 Each CITY invoice shall include the following information:

- 8 1. Agreement Number C-7-1198;
- 9 2. The time period covered by the invoice;
- 10 3. AnnualProgress Report which includes a detailed description of the progress of
11 the PROJECT;
- 12 4. Total annual invoice amount; and
- 13 5. Such other information as requested by AUTHORITY.

14 H. If CITY contracts for consultant services to perform any or all portion of
15 PROJECT then CITY shall be responsible for payment to consultant for services rendered and
16 then seek reimbursement from AUTHORITY as part of this Agreement. CITY shall be
17 responsible for reviewing consultant's invoice for accuracy, terms, and completeness.

18 I. CITY shall indemnify, defend and hold harmless AUTHORITY, its officers,
19 directors, employees and agents from and against any and all claims (including attorney's fees
20 and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries,
21 including death, damage to or loss of use of property caused by the negligent acts, omissions
22 or willful misconduct by CITY, its officers, directors, employees or agents in connection with or
23 arising out of the performance of this Agreement.

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ARTICLE 4. IT IS MUTUALLY UNDERSTOOD AND AGREED:

All parties agree to the following mutual responsibilities regarding PROJECT:

A. This Agreement shall continue in full force and effect through June 30, 2013. This Agreement may only be extended upon mutual agreement by both parties. The amount of STA funding and Proposition 1B funding to be provided by AUTHORITY will be based on the amount of these funds appropriated for this program by the California State Legislature and administered by the California Auditor-Controller.

B. This Agreement may be terminated by either party after giving ninety (90) days written notice. This Agreement shall not be terminated without mutual agreement of both parties.

C. 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.

D. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that, by so executing this Agreement, the parties hereto are formally bound to the provisions of this Agreement.

E. 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 and addressed as follows:

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To CITY:	To AUTHORITY:
City of Laguna Beach	Orange County Transportation Authority
505 Forest Avenue Laguna Beach, CA 92651	550 South Main Street P. O. Box 14184 Orange, CA 92863-1584
Attention: Kenneth Frank City Manager (949) 497-0704; kfrank@lagunabeachcity.net	Attention: Kathy Peale Senior Contract Administrator (714) 560-5609; kpeale@octa.net
	C: William Dineen, Section Manager, Finance Planning and Analysis

F. The headings of all sections of this Agreement are inserted solely for the convenience of reference and are not part of and not intended to govern, limit or aid in the construction or interpretation of any terms or provision thereof.

G. The provision of this Agreement shall bind and inure to the benefit of each of the parties hereto and all successors or assigns of the parties hereto.

H. If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder to this Agreement shall not be affected thereby, and each term, provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

I. This Agreement may be executed and delivered in any number of counterparts, each of which, when executed and delivered shall be deemed an original and all of which together shall constitute the same agreement. Facsimile signatures will be permitted.

J. Either party shall be excused from performing its obligations under this

1 Agreement during the time and to the extent that it is prevented from performing by an
2 unforeseeable cause beyond its control, including but not limited to: any incidence of fire, flood;
3 acts of God; commandeering of material, products, plants or facilities by the federal, state or
4 local government; national fuel shortage; or a material act or omission by the other party; when
5 satisfactory evidence of such cause is presented to the other party, and provided further that
6 such nonperformance is unforeseeable, beyond the control and is not due to the fault or
7 negligence of the party not performing.

8 This Agreement shall be made effective upon execution by both parties.

9 **IN WITNESS WHEREOF**, the parties hereto have caused this Agreement
10 No. C-7-1198 to be executed on the date first above written.

11 **CITY OF LAGUNA BEACH**

**ORANGE COUNTY TRANSPORTATION
AUTHORITY**

12 By: _____

By: _____

13 James S. Kenan
14 Interim Chief Executive Officer

15
16 **ATTEST:**

APPROVED AS TO FORM

17 By: _____

By: _____

18 Kennard R. Smart, Jr.
19 General Counsel

20 **APPROVED AS TO FORM:**

APPROVED:

21 By: _____

By: _____

22 Kenneth Phipps
23 Acting Executive Director
24 Finance and Administration



BOARD COMMITTEE TRANSMITTAL

May 22, 2009

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Agreements for Printing Services for Bus Public Information

Legislative and Communications Committee Meeting of May 7, 2009

Present: Directors Bates, Buffa, Cavecche, Dalton, Glaab, and Mansoor
Absent: Director Brown

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Authorize the Interim Chief Executive Officer to execute Agreement No. C-8-1398 between the Orange County Transportation Authority and Clearwater Graphics, Inc., in an amount not to exceed \$290,000, for the initial term, with two one-year option terms, for printing, packaging and delivering the bus book through June 30, 2010.
- B. Authorize the Interim Chief Executive Officer to execute Amendment to Agreement No. C-8-0813 between the Orange County Transportation Authority and Pacific Litho, Inc., in an amount not to exceed \$130,000, for printing individual line timetables, bus system maps and service change communication materials through June 30, 2010.



May 7, 2009

To: Legislative and Communications Committee
From:  James S. Kenan, Interim Chief Executive Officer
Subject: Agreements for Printing Services for Bus Public Information

Overview

The Orange County Transportation Authority provides bus service information through both printed materials and online. Printed materials include bus books, system maps and individual line timetables. Printing services are needed for the four bus service changes each year.

Recommendations

- A. Authorize the Interim Chief Executive Officer to execute Agreement No. C-8-1398 between the Orange County Transportation Authority and Clearwater Graphics, Inc., in an amount not to exceed \$290,000, for the initial term, with two one-year option terms, for printing, packaging and delivering the bus book through June 30, 2010.
- B. Authorize the Interim Chief Executive Officer to execute Amendment No. 1 to Agreement No. C-8-0813 between the Orange County Transportation Authority and Pacific Litho, Inc., in an amount not to exceed \$130,000, for printing individual line timetables, bus system maps and service change communication materials through June 30, 2010.

Discussion

The Orange County Transportation Authority (OCTA) currently operates 80 fixed-route bus lines, with average weekday boardings of approximately 220,000. OCTA provides bus service information online and through printed materials, which mainly are bus books, individual line timetables and system maps.

To manage cost and avoid waste, the bus book print quantity has been reduced gradually over the past few years from approximately 1 million copies

to 500,000 copies per year. Due to the current budget shortfall, the bus book quantity was reduced to 75,000 copies per service change during fiscal year (FY) 2008-09. However, due to the magnitude of current bus service changes and the increased importance of communicating the changes, staff is recommending OCTA maintain a modest level of bus books – 120,000 copies per service change for FY 2009-10.

The system map and individual line timetable procurement was originally handled in accordance with OCTA's procedures for professional and technical services and was awarded on a competitive basis. On August 11, 2008, the Board of Directors (Board) approved an agreement with Pacific Litho, Inc., in the amount of \$68,292, to provide printing for bus system maps and individual line timetables from August 11, 2008 to June 30, 2009.

Individual timetables are a cost-effective way in providing bus route information. They are updated quarterly and distributed countywide to locations such as major transportation centers, libraries, city halls, schools, senior centers, outreach events, and other public information locations. Individual timetables are available for all bus routes.

Efforts to increase communications regarding proposed service changes are underway. The service change brochures and public meeting notices will be produced and distributed to inform customers on the potential changes and scheduled community meetings for receiving comments on those changes.

Procurement Approach

The bus book procurement was conducted and managed in accordance with OCTA's procedures for professional and technical services. On January 19, 2009, OCTA issued a request for proposals for printing, packaging and delivering bus books. The notice for this project was sent to 817 firms registered on CAMM NET, and advertised in a newspaper of general circulation on January 19, 2009 and January 22, 2009. A pre-proposal meeting, held on January 27, 2009, was attended by four firms. One addendum was issued to respond to written questions from the firms.

On February 11, 2009, a total of nine proposals were received. An evaluation committee composed of OCTA's staff from Marketing, Bus Operations, Customer Relations, and Contracts Administration and Materials Management (CAMM) met to review all proposals submitted. The proposals were evaluated consistent with Board-adopted policies and procedures using the following criteria:

-
- Qualifications of the Firm 30 percent
 - Staffing and Project Organization 20 percent
 - Work Plan 20 percent
 - Cost and Price 30 percent

The weighting deviated from the 25 percent norm for each criterion. The qualifications of the firm performing the work and cost and price were deemed to be the most important factors when evaluating the proposals. Staff felt the best firm would have the strongest qualifications as a printing agency while also having a very competitive price, which is why the extra weight was given to these two criterions.

On February 23, 2009, the evaluation committee short-listed the top three firms which were the most technically qualified. The scores of the other proposing firms ranged from 32 to 69 points. Interviews with the short-listed firms were held on March 2, 2009. The evaluation committee requested the three top firms to submit an initial best and final offer (BAFO) for 30,000 copies per service change. After completion of that BAFO, CAMM was advised that the quantity had been changed to 120,000 copies. Therefore, a second BAFO was requested on April 16, 2009, for 120,000 copies per service change. The three top firms were:

Firm and Location

Bowne & Co.
Carson, California

Clearwater Graphics, Inc.
Rancho Cucamonga, California

Handbill Printers
Garden Grove, California

Based on evaluations of the proposals, interviews, and responses to the BAFO, the evaluation committee recommends Clearwater Graphics, Inc. (Clearwater) for consideration of an award. Clearwater currently holds this contract and has done outstanding print production of the bus books.

Qualifications of Firm

Clearwater was founded in 2001 and incorporated in 2006. It is a fully qualified printing firm and has provided services for several governmental agencies including the City of Rancho Cucamonga, San Bernardino Association of Governments, and Foothill Transit Agency. The other two short-listed firms also have extensive printing experience and are qualified to do the work.

Staffing and Project Organization

Clearwater's project manager and its staff have had significant experience in the printing industry. Both Clearwater and its subcontractor, Southwest Offset Printing, are available 24 hours a day, seven days a week. Clearwater has dedicated a project manager to OCTA, which will provide continuity and a single point of contact for projects.

Work Plan

Clearwater demonstrated its knowledge and experience in printing OCTA's bus book. The work plan was detailed, yet easy to understand, and followed a logical sequence of tasks. The quality of its sample work products was also exceptional and clearly showed the firm's ability to produce first-rate products. The other two short-listed firms also demonstrate a thorough understanding of the process.

Cost and Price

Clearwater proposed the lowest of all the short-listed firms in their response to the BAFO. Combining this with its exceptional staffing and technically superior work plan make it the best value for OCTA.

The contract is time and expense and will be a one-year contract in a not-to-exceed amount of \$290,000, with two one-year option terms. The total maximum cumulative contract obligation, if both option terms are exercised, is expected to be \$870,000, but will depend on quantities ordered for each of the four annual service changes.

Amendment to Existing Contract for Timetables

The agreement for printing services of individual line timetables and bus system maps with Pacific Litho, Inc. consists of a one-year initial term and two one-year option terms. Option year pricing was negotiated in the original agreement based on fixed prices for specific quantity of ordered materials. The increased budget for the first option term is due to OCTA's plan to increase communications regarding proposed service changes. Approval is required because the total maximum cumulative contract obligation for the initial term and both option terms, if exercised, is expected to exceed \$250,000. Pacific Litho, Inc. has provided excellent service for the initial term of the agreement. Amending this contract will allow OCTA to continue to print individual line timetables and bus system maps, as well as printing service change communication materials.

Fiscal Impact

Both projects are awaiting approval in OCTA's Fiscal Year 2009-10 Budget, External Affairs, Marketing, Account 1837-7661-A3311-JGL, and will be funded through the Orange County Transit District Fund 30.

Summary

Based on the information provided, staff recommends awarding a time and expense contract, Agreement No. C-8-1398 to Clearwater, in an amount not to exceed \$290,000, for an initial one-year term, with two one-year option terms for printing, packaging, and delivering the bus books through June 30, 2010.

Staff recommends approval of Amendment No. 1 to Agreement No. C-8-0813, in an amount not to exceed \$130,000, with Pacific Litho, Inc., to exercise the first option term for printing of system maps, individual line timetables, and service change materials through June 30, 2010.

Attachments

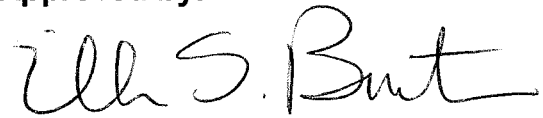
- A. Evaluation Matrix – RFP No. C-8-1398 “Print, Package, and Deliver Bus Books” – Review of Proposals
- B. Proposal Evaluation Criteria Matrix (“Short-Listed Firms”) – RFP No. C-8-1398 “Print, Package, and Deliver Bus Books”
- C. Contract History for the Past Two Years RFP No. C-8-1398 – “Print, Package, and Deliver Bus Books”
- D. Pacific Litho, Inc. Agreement No. C-8-0813 Fact Sheet

Prepared by:

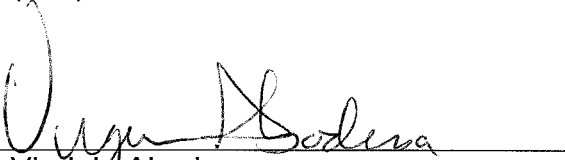


Stella Lin
Marketing Manager
(714) 560-5342

Approved by:



Ellen S. Burton
Executive Director, External Affairs
(714) 560-5923



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

EVALUATION MATRIX
RFP No. C-8-1398 "Print, Package, and Deliver Bus Books"
Review of Proposals
Presented to Legislative and Communications Committee - May 7, 2009

9 proposals were received, 3 firms were short-listed, 1 firm recommended for award.

Overall	Proposal	Firm & Location	Sub-Contractors	Evaluation Committee Comments	Cost per year based on 120,000 (196 pages) bus books per service change (4x/year)
1	89	Clearwater Graphics, Inc. Rancho Cucamonga, California	Southwest Offset Printing	Extensive experience with bus book printing. Demonstrated a thorough understanding of project requirements. Provided excellent samples of similar print projects. Thorough explanation of print process and software technology. Excellent interview. Proposed lowest price of short-listed firms.	\$211,123.00 for 120,000 copies \$440.00 per additional 1,000 copies
2	83	Bowne & Co. Carson, California	None	Extensive experience in general printing. Demonstrated a thorough and concise understanding of project requirements. Good technical proposal. Provided very good printing samples. Very good interview. Proposed higher price.	\$284,040.00 for 120,000 copies \$592.00 per additional 1,000 copies
3	81	Handbill Printers Garden Grove, California	None	Experienced with bus book printing for OCTA. Demonstrated a thorough understanding of project requirements. Provided excellent samples of similar print projects. Good explanation of print process. Excellent interview. Proposed highest price of short-listed firms.	\$287,960.00 for 120,000 copies \$600.00 per additional 1,000 copies

Evaluation Panel:

Contracts Administration and Materials Management
Bus Operations (2)
Marketing
Customer Relations

Proposal Criteria

Qualifications of the Firm
Staffing and Project Organization
Work Plan
Cost and Price

Weight Factors

30%
20%
20%
30%

**PROPOSAL EVALUATION CRITERIA MATRIX ("Short-Listed Firms")
RFP No. C-8-1398 "PRINT, PACKAGE, AND DELIVER BUS BOOKS"**

FIRM: Clearwater Graphics, Inc.						Weights	Criteria Score
Evaluator Number	1	2	3	4	5		
Qualifications of Firm	5.0	4.5	4.0	4.0	4.0	6	25.8
Staffing/Project Organization	4.5	4.0	4.0	4.0	4.0	4	16.4
Work Plan	4.5	4.0	4.0	4.0	5.0	4	17.2
Cost and Price	5.0	5.0	5.0	5.0	5.0	6	30.0
Overall Score (Max = 100)	96.0	89.0	86.0	86.0	90.0		89
FIRM: Bowne & Co.							
Evaluator Number	1	2	3	4	5		
Qualifications of Firm	4.0	4.5	4.0	5.0	4.0	6	25.8
Staffing/Project Organization	4.0	4.5	4.0	4.0	4.0	4	16.4
Work Plan	4.0	5.0	4.0	5.0	5.0	4	18.4
Cost and Price	3.7	3.7	3.7	3.7	3.7	6	22.2
Overall Score (Max = 100)	78.2	87.2	78.2	88.2	82.2		83
FIRM: Handbill Printers							
Evaluator Number	1	2	3	4	5		
Qualifications of Firm	4.0	4.0	4.0	4.5	5.0	6	25.8
Staffing/Project Organization	4.0	4.5	4.0	4.5	4.0	4	16.8
Work Plan	4.0	4.5	4.0	5.0	4.0	4	17.2
Cost and Price	3.5	3.5	3.5	3.5	3.5	6	21.0
Overall Score (Max = 100)	77.0	81.0	77.0	86.0	83.0		81

Scores of non-interviewed offerors ranged from 32 to 69.

CONTRACT HISTORY FOR THE PAST TWO YEARS
RFP No. C-8-1398 - "Print, Package, and Deliver Bus Books"

Firm - Prime Only	Contract No.	Description	Contract Start Date	Contract Completion Date	Contract Amount
Clearwater Graphics, Inc.	C-4-0520	Print, Package, and Deliver the Bus Book	9/24/2004	6/30/2007	\$ 1,195,000
	C-7-0078	Printing of Destination and Discount Guide	3/7/2007	6/30/2007	\$ 30,000
	C-7-0434	Print, Package, and Deliver the Bus Book	7/1/2007	6/30/2009	\$ 625,000
Sub Total					\$ 1,850,000
Handbill Printers	None	No Contracts Awarded	NA	NA	\$0
Sub Total					\$0
Bowne & Co.	None	No Contracts Awarded	NA	NA	\$0
Sub Total					\$0

ATTACHMENT D

**Pacific Litho, Inc.
Agreement No. C-8-0813 Fact Sheet**

1. August 11, 2008, Agreement No. C-8-0813, \$68,292, approved by Board of Directors
 - Agreement for the provision of printing services of bus system maps and individual line timetables
 - Initial term of the agreement is August 11, 2008 through June 30, 2009
2. May 22, 2009, Amendment No. 1 to Agreement No. C-8-0813, \$130,000, pending approval by Board of Directors
 - Amendment to exercise the first option term and extend the agreement through June 30, 2010

Total committed to Pacific Litho, Inc., Agreement No. C-8-0813: \$198,292



BOARD COMMITTEE TRANSMITTAL

May 22, 2009

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Amendments to Agreements for Rideshare Database and Program Support Services

Legislative and Communications Committee Meeting of May 7, 2009

Present: Directors Bates, Buffa, Cavecche, Dalton, Glaab, and Mansoor
Absent: Director Brown

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Authorize the Interim Chief Executive Officer to execute Amendment No. 1 to Cooperative Agreement No. C-6-0678 between the Orange County Transportation Authority and the Riverside County Transportation Commission, in an amount not to exceed \$84,500, for rideshare support services from July 1, 2009 through June 30, 2010. This increases the total maximum cumulative contract obligation amount to \$311,998. This action is contingent upon approval of the Orange County Transportation Authority Fiscal Year 2009-10 Budget.

- B. Authorize the Interim Chief Executive Officer to execute Amendment No. 4 to Agreement No. C-6-0344 with Inland Transportation Services, in an amount not to exceed \$117,000, to process carpool match lists and develop employer transportation average vehicle ridership surveys to provide viable transportation information. This increases the total maximum cumulative contract obligation amount to \$447,000 for Inland Transportation Services. This action is contingent upon approval of the Orange County Transportation Authority Fiscal Year 2009-10 Budget.



May 7, 2009

To: Legislative and Communications Committee

From: *PCF* for James S. Kenan, Interim Chief Executive Officer

Subject: Amendments to Agreements for Rideshare Database and Program Support Services

Overview

As part of the regional rideshare program, the Orange County Transportation Authority Board of Directors has authorized agreements with the Riverside County Transportation Commission to provide software database services and with Inland Transportation Services to process carpool match lists, provide employer transportation information, and develop average vehicle ridership surveys.

Recommendations

- A. Authorize the Interim Chief Executive Officer to execute Amendment No. 1 to Cooperative Agreement No. C-6-0678 between the Orange County Transportation Authority and the Riverside County Transportation Commission, in an amount not to exceed \$84,500, for rideshare support services from July 1, 2009 through June 30, 2010. This increases the total maximum cumulative contract obligation amount to \$311,998. This action is contingent upon approval of the Orange County Transportation Authority Fiscal Year 2009-10 Budget.

- B. Authorize the Interim Chief Executive Officer to execute Amendment No. 4 to Agreement No. C-6-0344 with Inland Transportation Services, in an amount not to exceed \$117,000, to process carpool match lists and develop employer transportation average vehicle ridership surveys to provide viable transportation information from July 1, 2009 through June 30, 2010. This increases the total maximum cumulative contract obligation amount to \$447,000 for Inland Transportation Services. This action is contingent upon approval of the Orange County Transportation Authority Fiscal Year 2009-10 Budget.

Discussion

The regional rideshare program is a collaboration among county transportation commissions (CTCs), including the Orange County Transportation Authority (OCTA), Los Angeles County Metropolitan Transportation Authority (LACMTA), Riverside County Transportation Commission (RCTC), San Bernardino Association of Governments (SANBAG), and Ventura County Transportation Commission (VCTC), and is a transportation control measure included in the Southern California Association of Governments' Regional Transportation Plan. To implement the regional rideshare program for Southern California, the CTCs have a need to develop and maintain a database which includes commuters travel information for matching commuters to transportation modes such as vanpool, carpool, and transit. RCTC agreed to perform these services for the CTCs. The total cost is shared among these CTCs based on the 2000 Census population data as as noted in the chart below.

Agency / County:	2000 Census Population	5-Way Split	Total Costs per CTC
LACMTA - Los Angeles	9,519,338	58.14%	\$ 236,431
OCTA - Orange	2,846,289	17.38%	\$ 83,199
SANBAG - San Bernardino	1,709,434	10.44%	\$ 47,283
RCTC - Riverside	1,545,387	9.44%	\$ 43,740
VCTC - Ventura	753,197	4.60%	\$ 33,298
Total	16,373,645	100.00%	\$ 443,951

OCTA receives Congestion Mitigation and Air Quality (CMAQ) funds to implement rideshare programs in Orange County. OCTA uses a portion of these funds to participate in the joint effort of the CTCs.

The current database contains information for 483,284 individuals who are ridesharing or are interested in ridesharing. It contains origin and destination information useful in ridematching and vanpool formation. Utilizing the travel data from the regional database, OCTA is able to offer rideshare services to Orange County employers and commuters to provide carpool, vanpool, and transit information, and to assist large employers in meeting mandates of the South Coast Air Quality Management District (SCAQMD) Rule 2202. This rule requires large employers with 250 or more employees to annually survey its employees and submit average vehicle ridership (AVR) reports. There are 347 employers in Orange County that employ more than 250 people each. OCTA

provides employers with AVR service and uses the AVR data to identify and suggest appropriate transportation programs to be implemented by employers such as employer bus pass, Metrolink corporate pass, vanpool, carpool, biking, and walking programs.

Inland Transportation Services (ITS) produces SCAQMD-certified AVR calculations and generates supporting reports and rideguides for Orange County employers. ITS also provides personalized rideshare matching assistance to individual commuters who call 1-800-COMMUTE and 714-636-RIDE. The following table shows the volume of rideshare support services provided to the employers and employees over the past few years.

Service Provided	Fiscal Year		
	2006-2007	2007-2008	2008-2009*
Rideshare Call Services	2,365	2,054	2,036
Individual RideGuides	6,025	10,083	14,944
Employer AVR Surveys	108	97	110
Employee Surveys Processed	32,260	40,387	39,051

* Through March 2009

Funding for the ITS contract is also paid from CMAQ funds for rideshare programs in Orange County.

Procurement Approach

On September 25, 2006, the OCTA Board of Directors (Board) approved a cooperative agreement with the RCTC, in an amount of \$227,498, to provide regional ridematching software and database maintenance services for OCTA's rideshare program for an initial term effective October 1, 2006 through June 30, 2009, with two one-year option terms. The current term of the cooperative agreement will expire June 30, 2009, requiring the first option term to be exercised and extend the term through June 30, 2010, in an amount not to exceed \$84,500, bringing the total contract to \$311,998.

The agreement for rideshare support services with ITS was executed on July 24, 2006, for a one-year initial term with three one-year option terms. ITS has provided excellent service to OCTA throughout the term of the agreement. This procurement was originally handled in accordance with OCTA's procedures for technical and professional services. The original agreement was awarded on a competitive basis. The second option term will expire on June 30, 2009, requiring the third option term be exercised and extending the

term through June 30, 2010, in an amount not to exceed \$117,000, bringing the total contract value to \$447,000. Extending the term of the agreement will allow ITS to continue to provide rideshare support services, which includes processing carpool match lists, developing employer AVR surveys, and producing personalized RideGuides. Collectively, this offers employees information about a wide-range of transportation options.

Fiscal Impact

Pending approval of OCTA's Fiscal Year 2009-10 Budget, the work described in Amendment No. 1 to Agreement No. C-6-0678 and Amendment No. 4 to Agreement No. C-6-0344 will be included in the External Affairs Division, Account 1841-7519-G1013-L75, and will be funded through the CMAQ.

Summary

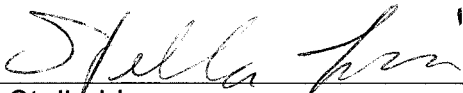
To support regional rideshare initiatives, it is recommended the Board approve Amendment No. 1 to Cooperative Agreement No. C-6-0678, in the amount of \$84,500, with RCTC. The maximum cumulative obligation for this agreement is increased to \$311,998 through June 30, 2010.

It is also recommended the Board approve Amendment No. 4 to Agreement No. C-6-0344, in the amount of \$117,000, with ITS, increasing the maximum cumulative obligation for this agreement to \$447,000, and extending the term through June 30, 2010.

Attachments

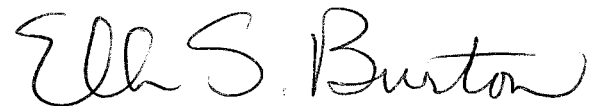
- A. Riverside County Transportation Commission Cooperative Agreement No. C-6-0678 Fact Sheet
- B. Inland Transportation Services Agreement No. C-6-0344 Fact Sheet

Prepared by:

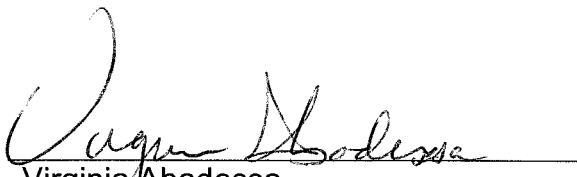


Stella Lin
Manager, Marketing
(714) 560-5342

Approved by:



Ellen S. Burton
Executive Director, External Affairs
(714) 560-5923



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

**Riverside County Transportation Commission
Cooperative Agreement No. C-6-0678 Fact Sheet**

1. September 25, 2006, Cooperative Agreement No. C-6-0678, \$227,498, with two one-year option terms, approved by Board of Directors
 - Riverside County Transportation Commission provides regional ridematching software and database maintenance services for OCTA's rideshare program
 - The initial term is effective October 1, 2006 through June 30, 2009
2. May 22, 2009, Amendment No. 1 to Cooperative Agreement No. C-6-0678, \$84,500, pending approval by Board of Directors
 - Amendment to exercise the first option term and extend the agreement through June 30, 2010

Total committed to Riverside County Transportation Commission, Cooperative Agreement No. C-6-0678, including pending amendment: \$311,998

**Inland Transportation Services
Agreement No. C-6-0344 Fact Sheet**

1. July 24, 2006, Agreement No. C-6-0344, \$100,000, with three option years, approved by Board of Directors
 - Inland Transportation Services provides the average vehicle ridership survey and call-taking services for Orange County Transportation Authority's rideshare program
 - The initial term is effective July 24, 2006 through June 30, 2007
2. March 12, 2007, Amendment No. 1 to Agreement No. C-6-0344, \$100,000, was approved by the Board of Directors
 - Amendment to exercise the first option term and extend the agreement through June 30, 2008
3. June 8, 2007, Amendment No. 2 to Agreement No. C-6-0344, \$15,000, by purchasing agent
 - Amendment to increase the maximum cumulative obligation by \$15,000
4. May 12, 2008, Amendment No. 3 to Agreement No. C-6-0344, \$115,000, was approved by Board of Directors
 - Amendment to exercise the second option term, extend the agreement through June 30, 2009, and increase the maximum cumulative obligation to \$330,000
5. May 22, 2009, Amendment No. 4 to Agreement No. C-6-0344, \$117,000, pending approval by the Board of Directors
 - Amendment to exercise the third option term, extend the agreement through June 30, 2010, and increase the maximum cumulative obligation to \$447,000

Total committed to Inland Transportation Services, Agreement No. C-6-0344, including pending amendment: \$447,000



BOARD COMMITTEE TRANSMITTAL

May 22, 2009

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Customer Relations Report for Third Quarter Fiscal Year 2008-09

Transit Committee Meeting of May 14, 2009

Present: Directors Brown, Dalton, Dixon, Green, Nguyen, Pulido, and Winterbottom
Absent: None

Committee Vote

This item was passed by all Committee Members present.

Director Pulido was not present to vote on this item.

Committee Recommendation

Receive and file as an information item.



May 14, 2009

To: Transit Committee

From: *John* James S. Kenan, Interim Chief Executive Officer

Subject: Customer Relations Report for Third Quarter Fiscal Year 2008-09

Overview

The Customer Relations report is submitted to the Orange County Transportation Authority Board of Directors on a quarterly basis. The report provides an overview of customer communications received during the prior period of January through March 2009, as well as a review of the performance of Alta Resources, the contracted provider of the Customer Information Center.

Recommendation

Receive and file as an information item.

Background

The Customer Relations Department is responsible for identifying and resolving service issues through the use of proactive and responsive methods. Customer Relations disseminates information about the Orange County Transportation Authority (OCTA) services and policies and serves as a channel through which customers' opinions about those services and policies are transmitted to OCTA.

Discussion

Responsibilities within the Customer Relations Department are varied. As its primary function, Customer Relations takes written, verbal, and e-mailed comments and complaints and facilitates OCTA responses. Staff interacts closely with numerous departments to obtain resolution to customers' concerns. Customer Relations participates in monthly meetings with members of OCTA's Transit Division, as well as with the contractor responsible for providing ACCESS service and contracted fixed-route service to ensure customer concerns are heard and problems are resolved. Staff also interacts

closely with the bus Service Planning and Customer Advocacy staff to ensure there is a forum to listen to the needs of riders.

The department also oversees the Customer Information Center (CIC) which provides trip routing information to bus riders; the issuance of Reduced Fare Identification (RFID) cards to seniors and persons with disabilities; and the sale of bus passes and ACCESS coupons to the public via mail, phone, and online. Customer Relations is also responsible for coordinating responses to customer service calls about the 91 Express Lanes Toll Road (91 Express Lanes); administration of the OCTA Store; production of Riders' Alerts to notify customers of changes to bus routes and schedules; and oversight of the Special Needs in Transit Advisory Committee. Below are highlights of Customer Relations activities during the period of January 1 through March 31, 2009.

Customer Communications

Customer Relations receives and processes communications from customers on a variety of topics including local bus service, intracounty and intercounty express routes, rail feeder routes, and ACCESS service. Listed below is a breakdown of the communications that Customer Relations received during the quarter.

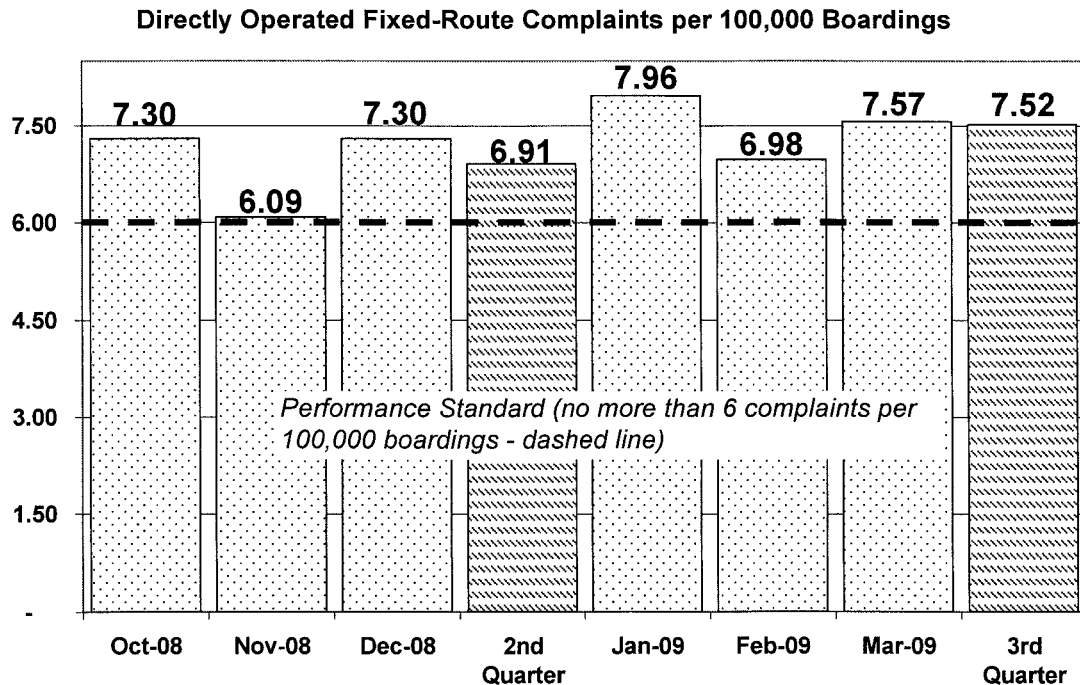
Total Communications

Fiscal Year 2008-09	Phone Calls	E-mails	Letters	Totals
1 st Quarter (July – September)	12,525	982	81	13,588
2 nd Quarter (October - December)	10,813	806	68	11,687
3 rd Quarter (January – March)	10,620	760	65	11,445

Fixed-Route Bus Operations

During this quarter, there were 14,457,033 fixed-route boardings. This represents a 12.3 percent decrease compared to the 16,497,476 boardings in the previous quarter. Based on the customer communications received, there were a total of 1,087 complaints received, equaling 7.52 complaints per 100,000 boardings, which exceeds the Transit Division's goal of no more than six complaints per 100,000 boardings. Attachment A delineates the total number of fixed-route complaints received this quarter compared to previous

fiscal years. The following chart provides a monthly breakdown of the complaints per 100,000 boardings.



The concern most often expressed by customers of OCTA's fixed-route service during the third quarter was being passed by while waiting for a bus, with an average of 87 monthly pass-by complaints received during the quarter. Also, there were 327 compliments for the quarter compared to 319 for the previous quarter, representing a 2 percent increase in coach operator compliments.

Of the aforementioned 1,087 complaints received, the following complaints were the three most frequently reported during this quarter:

1. Pass-bys

A total of 262 complaints were received from passengers who reported being passed by OCTA buses compared to 286 complaints received last quarter, representing an 8 percent decrease for the quarter.

2. Coach Operator Judgment (any questionable decision, action, or omission on the part of a coach operator)

An example of a judgment complaint is when a coach operator fails to call for medical or security assistance when warranted by circumstances.

There were 191 complaints received about the judgment displayed by OCTA coach operators versus 213 complaints received last quarter, a 10 percent decrease.

3. Buses Running Behind Schedule

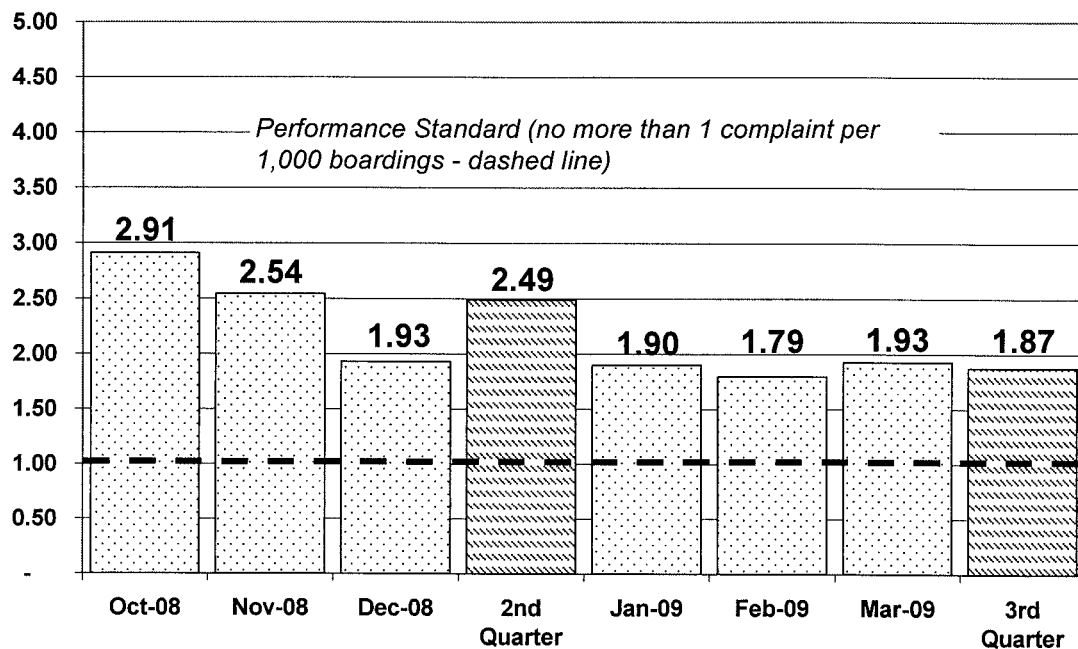
There were 147 complaints from riders about buses not arriving on time compared to the 169 complaints reported in the previous quarter. This is a 13 percent decrease in the number of complaints about buses running behind schedule.

ACCESS Service

Veolia Transportation, Inc. (Veolia) operates ACCESS service. During this quarter, there were 319,403 ACCESS boardings compared to 337,603 in the previous quarter.

The complaint standard for ACCESS service is no more than one complaint for every 1,000 boardings. There were 598 complaints received about ACCESS representing 1.87 complaints per 1,000 boardings in the third quarter of fiscal year 2009. During the previous quarter, a total of 841 complaints were received equaling 2.49 complaints per 1,000 boardings.

ACCESS Complaints per 1,000 Boardings



Attachment B and the above chart depict the ACCESS complaints received this quarter. Identified in the following section are the most frequently occurring ACCESS complaints for the third quarter:

1. Vehicles Not Arriving

From January 1, 2009 to March 31, 2009, there were 137 complaints about ACCESS vehicles not arriving to pick up passengers versus 184 in the previous quarter. This is a 25.5 percent decrease in complaints about ACCESS vehicles not arriving.

2. Driver Judgment (any questionable decision, action, or omission on the part of the ACCESS driver)

Examples of judgment complaints include, but are not limited to, loading/unloading customers under unsafe conditions, conducting personal business while in service, failure to call medical or security assistance when warranted by circumstances, etc. A total of 99 complaints were received from riders about the judgment displayed by contracted ACCESS drivers compared to 143 received last quarter. This represents a 30 percent decrease in complaints about driver judgment.

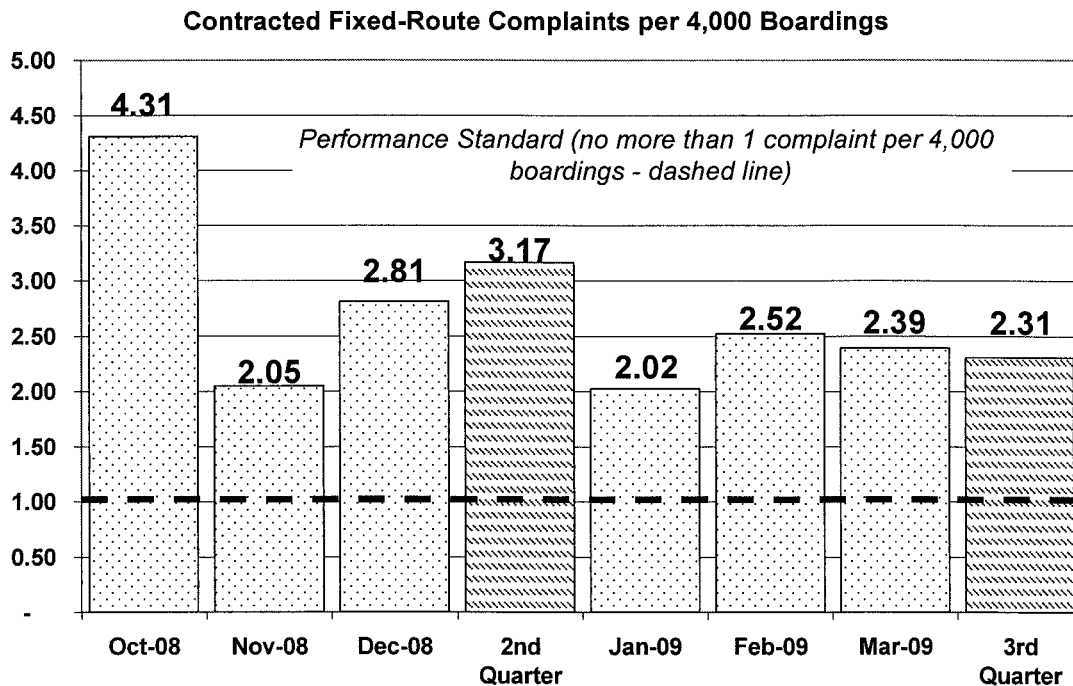
3. Vehicles Running Behind Schedule

Customer Relations received 68 complaints from riders about ACCESS drivers running behind schedule compared to the 184 complaints reported in the previous quarter, representing a 63 percent decrease.

Contracted Fixed-Route Service

In addition to ACCESS service, Veolia operates contracted fixed-route service, which includes OCTA's community fixed routes, approximately half of the StationLink routes, and the OC Express routes 757, 758, and 794. During this quarter, there were 232,214 boardings compared to 262,766 boardings in the previous quarter, an 11.6 percent decrease.

The contractual complaint standard for contracted fixed route is no more than one complaint per 4,000 boardings. Veolia finished the quarter at 2.31 complaints per 4,000 boardings. There were 3.17 complaints per 4,000 boardings in the previous quarter. Attachment C and the following chart lay out the contracted fixed-route complaints by month for this quarter.



The most frequently occurring contracted fixed-route complaints for this quarter are listed below:

1. Vehicles Running Behind Schedule

There were 23 complaints about contracted drivers running late versus 17 complaints in the previous quarter, a 35 percent increase.

2. Vehicles Not Arriving

Customer Relations received 14 complaints from riders about contracted vehicles not arriving to pick them up compared to the 42 complaints reported in the previous quarter, representing a 67 percent decrease.

3. Driver Judgment (any questionable decision, action, or omission on the part of the contracted service driver)

A total of 13 complaints were received from riders about the judgment displayed by contracted drivers compared to 19 received last quarter. This is a 32 percent decrease in complaints about driver judgment.

Customer Information Center

The CIC is operated by Alta Resources. Alta Resources handled 196,719 calls during the quarter, compared to 178,096 in the previous quarter, representing a 10.5 percent increase in call volume. The average monthly call volume for this quarter was 65,573 versus 59,365 in the previous quarter.

During the third quarter of the fiscal year, a total of 15 complaints and 46 compliments were received about Alta Resources compared to eight complaints and 24 compliments during the previous quarter.

Fiscal Year 2008-09

	Phone Calls	Compliments	Complaints
July	73,285	13	7
August	69,780	5	1
September	65,106	8	3
October	63,876	6	9
November	58,088	9	2
December	56,132	9	1
January	60,864	13	4
February	55,256	13	6
March**	80,599	20	5

**The increase in March phone calls was partially attributable to the March service change as well as the removal of arrival/departure times from bus stop cassettes.

Customer Relations Activities

- Coach Operator Training

Customer Relations conducted three customer relations training (CRT) sessions during the quarter. The purpose of these classes is to improve and enhance the customer service that is provided to passengers by coach operators. All of the training sessions include a presentation on the customer comment process, interactive discussions, and a question and answer session with coach operators.

- 91 Express Lanes

The OCTA Store established 113 new accounts for the 91 Express Lanes compared to 90 in the previous quarter.

- **Veolia Visit**

During the quarter, Customer Relations staff toured the Veolia facilities at Sand Canyon and Construction Circle in order to gain better insight about ACCESS and contracted fixed-route operations.

- **OCTA Store Sales and Pass Sales**

The OCTA Store had total sales of \$327,000 during the quarter compared to \$285,227 in the previous quarter and \$281,129 in the third quarter of the previous fiscal year. These sales figures include the sale of passes, merchandise, and Employee Recreation Association (ERA) tickets.

In addition to the OCTA Store sales, there was a total of \$509,389 in passes sold within the Pass Sales Section compared to \$454,587 in the previous quarter and \$521,720 in the third quarter of the previous fiscal year. The sales within this section are processed by Alta Resources, the contracted provider of the CIC.

The combined sales between the OCTA Store and the Pass Sales Section totaled \$836,390 for the third quarter compared to \$739,814 in the previous quarter and \$802,849 in the third quarter of the previous fiscal year.

- **Special Needs in Transit Advisory Committee**

During this quarter, the committee presented the Exceptional Service Award to three ACCESS drivers for outstanding service to ACCESS customers.

Summary

Throughout the quarter, Customer Relations continued to address customer service issues. Customer comments for OCTA-operated fixed-route bus service, as well as ACCESS and contracted fixed route service, operated by Veolia, did not meet established performance standards during the third quarter. Alta Resources, the contractor responsible for the CIC, continued to operate within the performance standards established in the contract.

Attachments

- A. OCTA Operated Fixed-Route Complaints Fiscal Years 2007-2009
- B. ACCESS Complaints Fiscal Years 2007-2009
- C. Contracted Fixed-Route Complaints Fiscal Years 2007-2009

Prepared by:

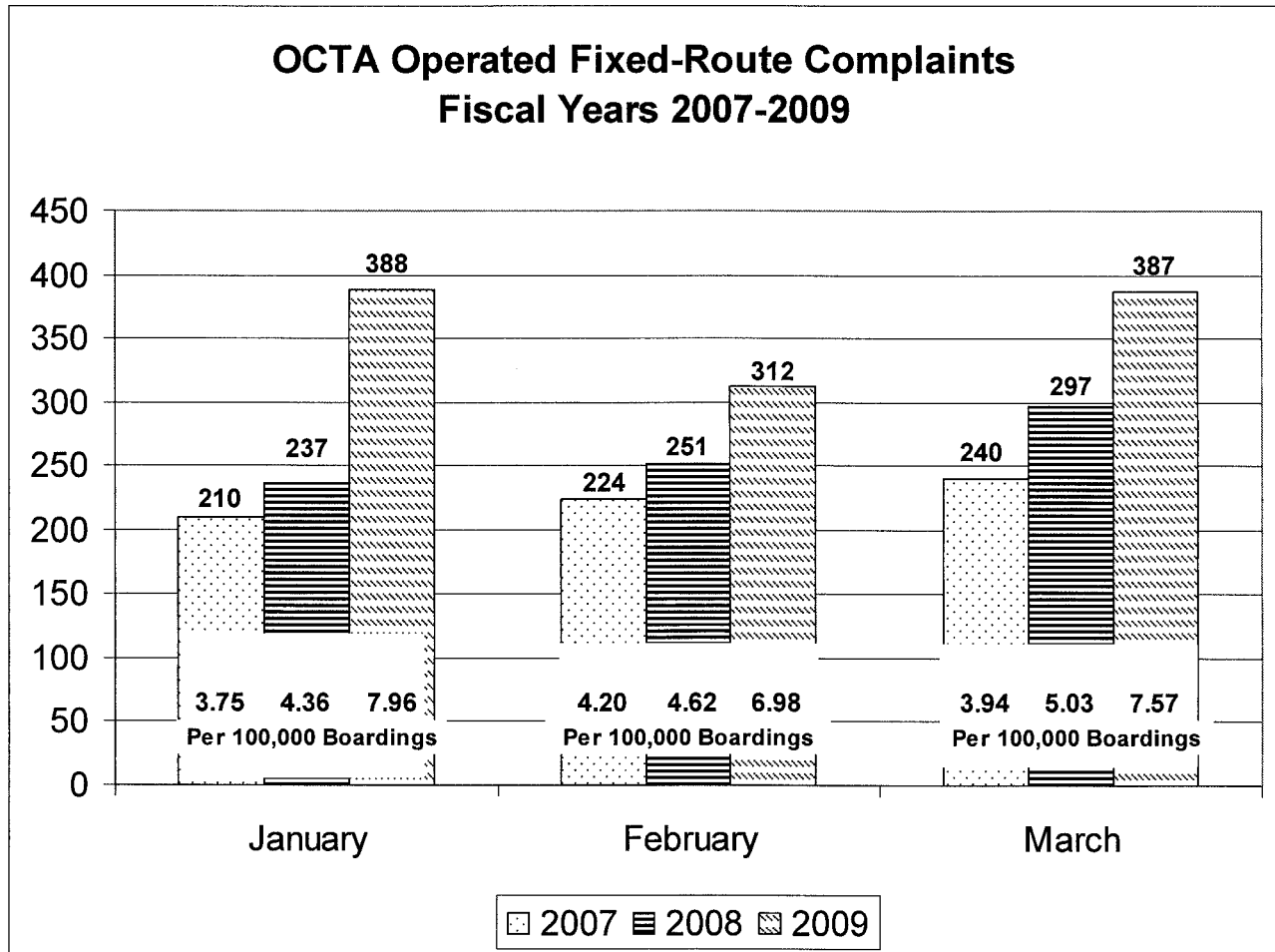


Adam D. Raley
Senior Customer Relations
Specialist
(714) 560-5510

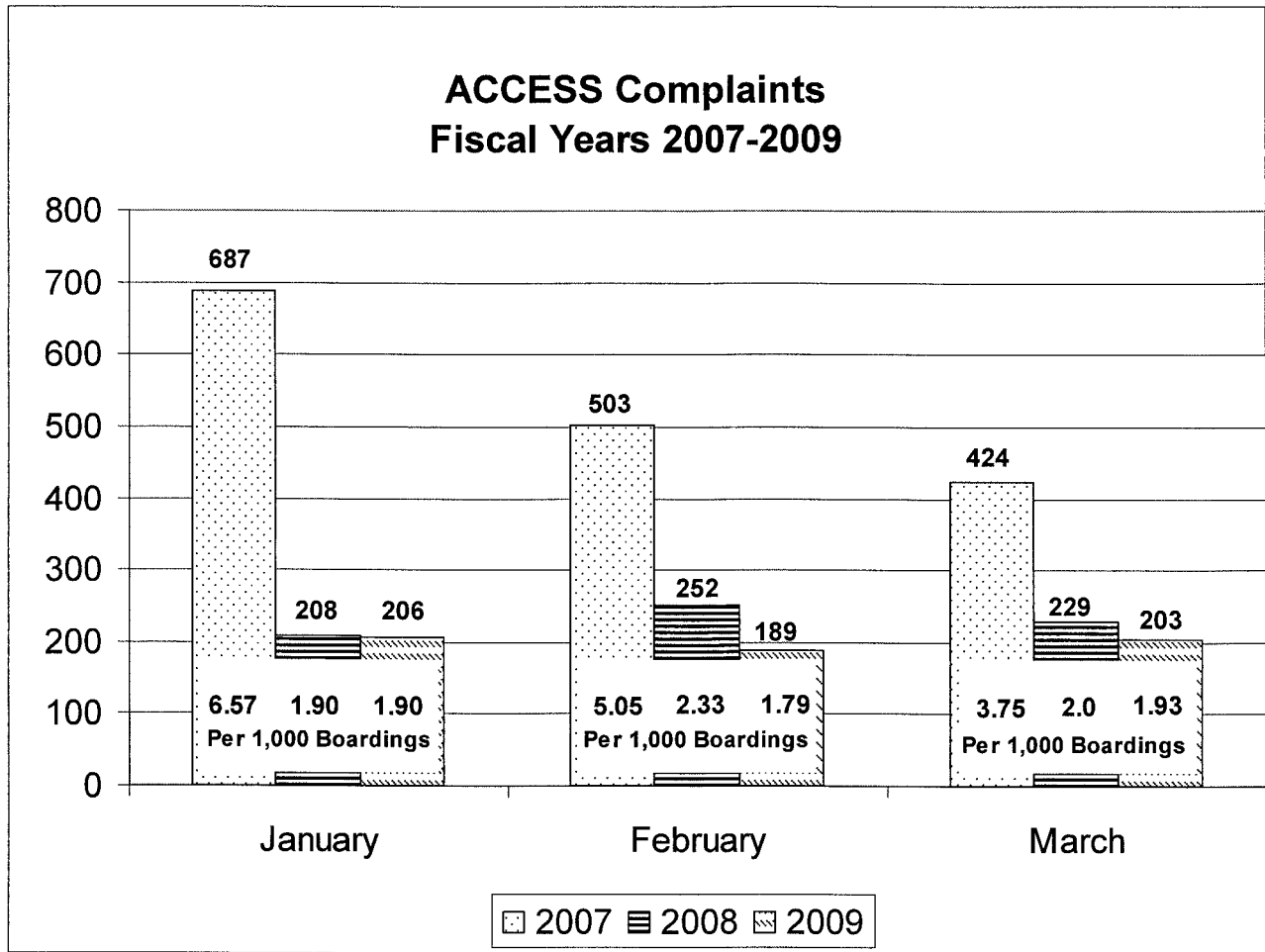
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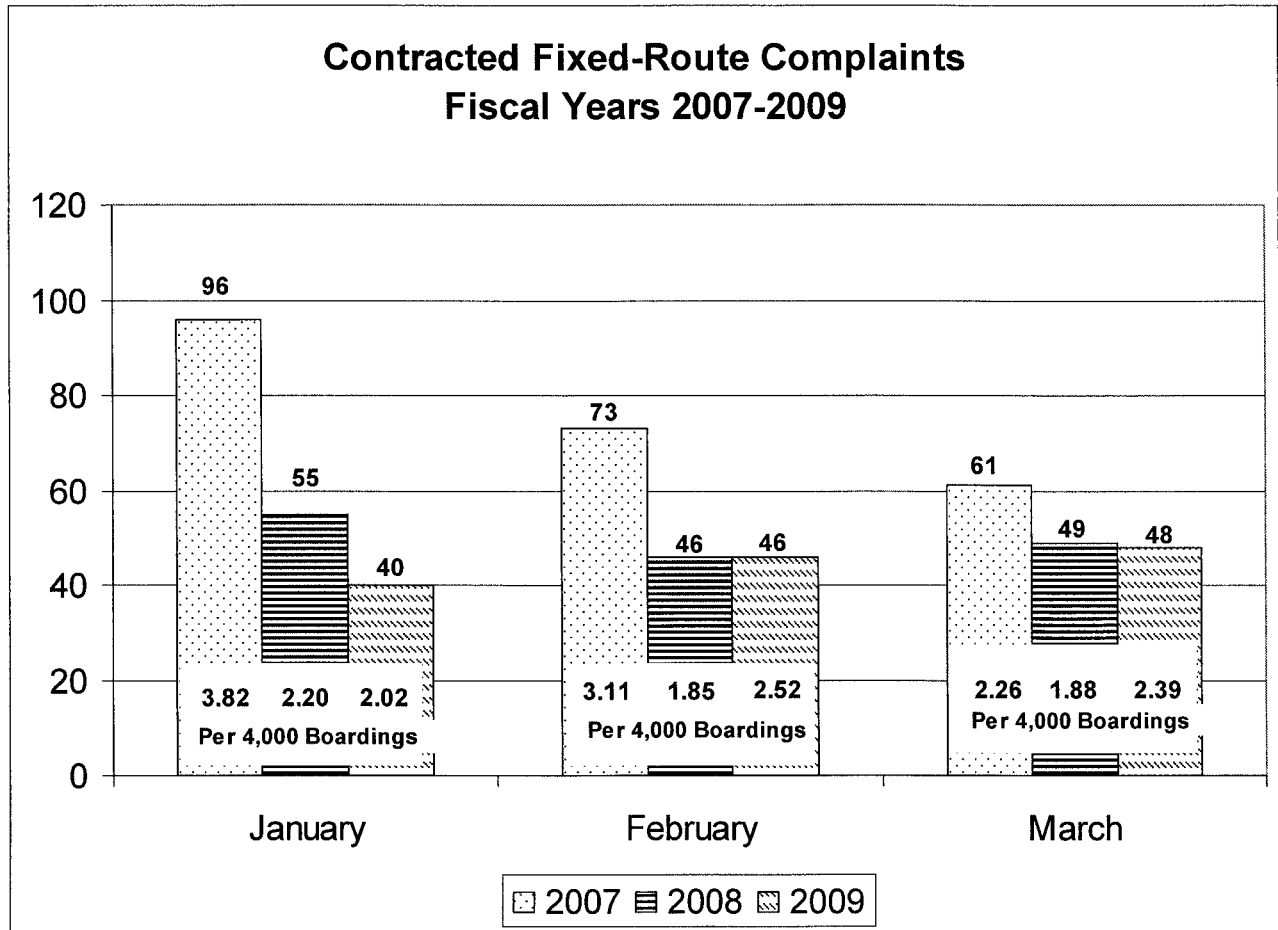
Ellen S. Burton
Executive Director, External Affairs
(714) 560-5923



* The complaint standard for fixed-route service is no more than six complaints for every 100,000 boardings.



* The contractual complaint standard for ACCESS service is no more than one complaint for every 1,000 boardings.




* The complaint standard for contracted fixed-route service is no more than one complaint for every 4,000 boardings.



May 22, 2009

To: Members of the Board of Directors

From:  James S. Kenan, Interim Chief Executive Officer

Subject: Funding Agreement Between the Orange County Transportation Authority and the City of Anaheim for Phase I of the Anaheim Regional Transportation Intermodal Center Project

Overview

In April 2009, the Board of Directors approved the full funding plan for Phase I of the Anaheim Regional Transportation Intermodal Center Project and directed staff to return with a funding cooperative agreement. An agreement is presented for Board of Directors' review and approval.

Recommendation

Authorize the Interim Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-9-0448 with the City of Anaheim for Phase I of the Anaheim Regional Transportation Intermodal Center Project subject to approval by the California Transportation Commission and Renewed Measure M eligibility approval.

Background

In November 2006, Orange County voters approved Renewed Measure M (M2), providing revenue for countywide transit programs including conversion of Metrolink stations to regional gateways that connect Orange County with high-speed rail systems (Project T). The Board of Directors (Board) established Project T as an early priority for the first call for projects under the M2 transit program.

The Project T call for projects was issued in January 2009, resulting in four funding applications from the cities of Anaheim, Fullerton, Irvine, and Santa Ana. The applications were reviewed and scored in accordance with the Board-approved criteria. After review of the Project T recommendation, the Transportation 2020 Committee (Committee) determined that the

Funding Agreement Between the Orange County Transportation Authority and the City of Anaheim for Phase I of the Anaheim Regional Transportation Intermodal Center Project **Page 2**

Anaheim Regional Transportation Intermodal Center (ARTIC) Project was the only project that met the intent of the program and therefore, recommended Board approval of Project T funding. It was also the consensus of the Committee that there were regional benefits to all of the projects submitted. On March 23, 2009, the Board approved all of the project funding requests and directed staff to return with a plan that would fully fund the ARTIC Project application request using Project T funding as well as other sources, and to find alternate funding for the cities of Fullerton, Irvine, and Santa Ana.

On April 27, 2009, staff returned to the Board for approval of the full funding plan for the ARTIC Project as well as alternate funding sources for the cities of Fullerton, Irvine, and Santa Ana. The Board approved Regional Surface Transportation Program funds with a local match requirement for the cities of Fullerton, Irvine, and Santa Ana funding requests. The Board further directed staff to return with funding agreements for each local agency. The ARTIC cooperative agreement is the first of the four funding agreements.

Discussion

The ARTIC cooperative agreement outlines the roles and responsibilities of the parties including identification of the funding sources, amounts for each funding source, fiscal year (FY) availability of funds, and subsequent approvals required for use of the funds (Attachment A). The funding allocation plan for the ARTIC Project consist of five funding sources and each funding source must adhere to eligibility guidelines, programming requirements, and timely use of fund provisions. The ARTIC cooperative agreement includes the following sources and funds availability schedule:

Funding Source	Phase	FY Funding Availability	Funding Amount
Measure M (M1) Transit Funds	Design	FY 2009-10	\$6,000,000
M2 Project T Bond Proceeds	Design Right-of-Way and Construction	FY 2010-11	\$81,598,722
2008 State Transportation Improvement Program (STIP)	Construction	FY 2010-11	\$29,219,000
Proposition 116	Construction	FY 2009-10	\$58,841,778
Federal Earmark	Design Right-of-Way and Construction	FY 2009-10	\$3,200,500
Total			\$178,860,000

M1 transit funds (\$6 million) are available and will fund the initial stages of the design phase currently underway with the City of Anaheim (City). Project T funds allocation (\$81.6 million) will be available in FY 2010-11 and are subject to the City meeting M2 eligibility requirements. STIP funds (\$29.2 million) are currently programmed in the 2008 STIP and require California Transportation Commission (CTC) action to reprogram the funds to the ARTIC Project. The STIP funds are available in FY 2010-11. Proposition 116 funds (\$58.8 million) are available for construction and are subject to CTC allocation and bond sales by the Pooled Money Investment Board. Proposition 116 funds should be expended or encumbered prior to July 1, 2010, otherwise the Legislature could reallocate the funds for any other passenger project in the state.

The ARTIC Project was recently awarded a federal funding earmark in the amount of \$588,000 and is waiting final allocation of an additional \$2.6 million. The funding amounts for Project T and the federal earmark have been adjusted slightly since the Board action on April 27, 2009, to account for the exact amount of the federal earmark, which includes the \$2.6 million and the \$588,000, for a total of \$3.2 million.

Fiscal Impact

The M1 funding for design services is included in the Orange County Transportation Authority's FY 2009-10 Budget, Transit Project Delivery Division, Local Initiatives, Account 0010 7831 T5420 P3Y. All other funding sources will be budgeted in subsequent years to align with the project delivery schedule.

Summary

A funding cooperative agreement to identify funding roles and responsibilities for Phase 1 of the ARTIC Project is presented for review and approval. The funding allocations are subject to CTC approval and M2 eligibility. The total project cost shall not exceed \$178.86 million and shall consist of five funding sources including M1, M2, Proposition 116, Project T, and federally earmarked funds.

Attachment

- A. Cooperative Agreement No. C-9-0448 Between Orange County Transportation Authority and City of Anaheim for Phase One of the Anaheim Regional Transportation Intermodal Center Project

Prepared by:



Abbe McClenahan
Capital Programs Manager
(714) 560-5673

Approved by:



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



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

COOPERATIVE AGREEMENT NO. C-9-0448

BETWEEN

ORANGE COUNTY TRANSPORTATION AUTHORITY

AND

CITY OF ANAHEIM

FOR

**ARTIC PHASE I OF THE ANAHEIM REGIONAL TRANSPORTATION INTERMODAL CENTER
PROJECT**

THIS AGREEMENT is effective this _____ day of _____ 2009, 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 the City of Anaheim, 200 S. Anaheim Boulevard Anaheim, California 92805, a municipal corporation (hereinafter referred to as "CITY").

RECITALS:

WHEREAS, AUTHORITY and the CITY entered into a Cooperative Agreement C-8-1118 on November 18, 2008, to define their general roles and responsibilities between the AUTHORITY and the CITY for the Anaheim Regional Transportation Intermodal Center (ARTIC); and

WHEREAS, AUTHORITY and the CITY desire to enter into a Cooperative Agreement to define the roles and responsibilities related to funding between the AUTHORITY and CITY for right-of-way acquisition, final design and construction of the Initial Transportation Facility, Phase 1 (which is detailed in the Project "T" application, received by the AUTHORITY dated February 20, 2009 and revised March 17, 2009 for the Anaheim Regional Transportation Intermodal Center (ARTIC); (hereinafter referred to as "ARTIC PHASE I "); and

WHEREAS, the AUTHORITY's Board of Directors approved the Project T funding application for ARTIC PHASE I on March 23, 2009; and

1 **WHEREAS**, the purpose of this Cooperative Agreement is to identify sources of funding for
2 the ARTIC PHASE I and does not supersede any provisions of Agreement C-8-1118 dated
3 November 18, 2008; and

4 **WHEREAS**, the AUTHORITY's Board of Directors, on April 27, 2009, approved a funding
5 plan providing: \$6 million dollars of Measure M1 transit funds, \$58.8 million of Proposition 116 funds,
6 \$29.2 million of State Transportation Improvement Program ("STIP") funds, \$81.6 million of
7 Renewed Measure (M2) funds, and \$3.2 million of federal transportation earmarks for the ARTIC
8 PHASE I for a total of \$178.9 million; and

9 **WHEREAS**, AUTHORITY and CITY agree that the California Transportation Commission's
10 (CTC's) approval is required for AUTHORITY's programming request to amend the STIP, allocate
11 STIP funds and Proposition 116 funds for performance under this Agreement; and

12 **WHEREAS**, AUTHORITY shall seek alternative funding sources to replace Proposition 116
13 funds that may be reallocated by the Legislature, and subject to AUTHORITY's Board approval; and

14 **WHEREAS**, AUTHORITY and CITY agree that M2 funding is subject to CITY fulfilling M2
15 eligibility requirements; and

16 **WHEREAS**, AUTHORITY has agreed to designate the CITY as the direct recipient for
17 Proposition 116 and STIP funds; and

18 **WHEREAS**, CITY and AUTHORITY agree that the total full funding for the ARTIC PHASE I
19 including right-of-way acquisition, final design and construction shall be One Hundred Seventy Eight
20 Million and Eight Hundred Sixty Thousand Dollars (\$178,860,000) in accordance with the funding
21 schedule shown as Exhibit 1, which is attached herein and incorporated by reference; and

22 **WHEREAS**, CITY agrees to act as lead agency for final design, right-of-way acquisition,
23 construction management and construction of said ARTIC PHASE I; and

24 **WHEREAS**, this Cooperative Agreement defines the specific terms and conditions and
25 funding responsibilities between AUTHORITY and CITY for completion of the ARTIC PHASE I.

26 /

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

3 **ARTICLE 1. COMPLETE AGREEMENT**

4 A. This Agreement, including any exhibits and documents incorporated herein and made
5 applicable by reference, constitute the complete and exclusive statement of the terms and conditions
6 of this Agreement between AUTHORITY and CITY concerning funding of ARTIC PHASE I. The
7 above-referenced Recitals are true and correct and are incorporated by reference herein.

8 B. AUTHORITY'S failure to insist on any instance(s) of CITY's performance of any
9 term(s) or condition(s) of this Agreement shall not be construed as a waiver or relinquishment of
10 AUTHORITY's right to such performance or to future performance of such term(s) or condition(s),
11 and CITY's obligation in respect thereto shall continue in full force and effect. Changes to any
12 portion of this Agreement shall not be binding upon AUTHORITY except when specifically confirmed
13 in writing by an authorized representative of AUTHORITY by way of a written amendment to this
14 Agreement and issued in accordance with the provisions of this Agreement.

15 **ARTICLE 2. RESPONSIBILITIES OF AUTHORITY**

16 AUTHORITY agrees to the following responsibilities for ARTIC PHASE I:

17 A. AUTHORITY shall formally request on behalf of the CITY that the CTC amend the STIP
18 to re-program \$29,219,000 dollars and to support an allocation request for construction funds for
19 ARTIC PHASE I in fiscal year (FY) 2010-11, whereby AUTHORITY's performance under this
20 Agreement is contingent upon CTC approval.

21 B. AUTHORITY shall provide guidance and oversight of the M1, M2 and federal funds in
22 compliance with Measure M eligibility guidelines and Federal Transit Administration (FTA) funding
23 requirements.

24 C. AUTHORITY shall remit to CITY within thirty (30) days of receipt of an acceptable
25 invoice, reimbursement for design, right-of-way and construction work up to one hundred (100%)
26 percent of eligible M1 and M2 ARTIC PHASE I costs in accordance with funding schedule Exhibit 1.

1 Such ARTIC PHASE I costs shall not exceed the sum of Six Million Dollars (\$6,000,000) of M1 funds
2 for the final design phase; and upon M2 eligibility, Eighty One Million, Five Hundred Ninety Eight and
3 Seven Hundred Twenty Two Dollars (\$81,598,722) of M2 funds, and Three Million Two Hundred
4 Thousand and Five Hundred Dollars (\$3,200,500) of federal transportation ear marked funds,
5 subject to federal appropriations for the design, right-of-way and construction phase of the ARTIC
6 PHASE I. AUTHORITY shall not be obligated to pay for any amount beyond what has been
7 identified in this Article.

8 D. AUTHORITY shall seek alternative funding sources to replace Proposition 116 funds that
9 may be reallocated by the Legislature, and subject to AUTHORITY's Board approval.

10 E. AUTHORITY agrees to provide CITY with necessary assistance in requesting the
11 allocation of STIP and Proposition 116 funds from CTC.

12 F. AUTHORITY shall process any required Regional Transportation Improvement Program
13 (RTIP) amendments.

14 G. AUTHORITY shall process any required amendments through the CTC.

15 H. AUTHORITY shall process any documents through the CTC that the AUTHORITY would
16 be required to process as the Regional Transportation Planning Agency.

17 I. AUTHORITY shall be responsible for immediately notifying the CITY in writing of any
18 changes that would jeopardize the full funding of the ARTIC PHASE I.

19 J. AUTHORITY shall indemnify, defend and hold harmless CITY, its officers, directors,
20 employees and agents from and against any and all claims (including attorney's fees and reasonable
21 expenses for litigation or settlement) for any loss or damages, bodily injuries, including death,
22 worker's compensation subrogation claims, damage to or loss of use of property alleged to be
23 caused by the negligent acts, omissions or willful misconduct by AUTHORITY, its officers, directors,
24 employees or agents in connection with or arising out of the performance of this Agreement.

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1 **ARTICLE 3 RESPONSIBILITIES OF CITY**

2 CITY agrees to the following responsibilities for ARTIC PHASE I:

3 A. CITY will act as the lead agency for the final design, right-of-way, construction and
4 construction management of the ARTIC PHASE I.

5 B. CITY agrees that M2 funding is subject to CITY meeting M2 eligibility requirements.

6 C. CITY agrees to accept funds recipient designation for Proposition 116 and STIP funds.

7 D. City is responsible for completing the ARTIC PHASE I in accordance with the funding
8 schedule (Exhibit 1), timely use of funds requirements, and to abide by all STIP and Proposition
9 116 programming guidelines and any and all other requirements of the federal, state, Caltrans
10 and the CTC related to these funding programs.

11 E. CITY agrees to process the allocation request for State Proposition 116 funds
12 through the AUTHORITY and the CTC in order to receive a Proposition 116 allocation no later
13 than the 2010 CTC meeting and whereby performance of this Agreement is subject to CTC
14 approval and bond sales by the state Pooled Money Investment Board.

15 F. CITY is responsible for immediately notifying the AUTHORITY in writing of any
16 changes to the ARTIC PHASE I schedule that would jeopardize funding of the ARTIC PHASE I.

17 G. CITY agrees that the overall budget for this ARTIC PHASE I is a not-to-exceed amount of
18 One Hundred Seventy Eight Million and Eight Hundred Sixty Thousand Dollars (\$178,860,000);
19 contingent on full funding from the AUTHORITY.

20 H. CITY will comply with all federal, state and local laws and regulations.

21 I. CITY agrees to comply with all FTA third party contracting laws and regulations pursuant
22 to FTA Circular 4220.1F, including but not limited to federal, state, and local laws.

23 J. Invoices for all work performed on ARTIC PHASE I shall be submitted by CITY on a
24 monthly basis and shall be submitted in duplicate to AUTHORITY's Accounts Payable
25 department. Each CITY invoice shall include the following information:

26 /

- 1 a. Agreement Number C-9-0448;
- 2 b. The time period covered by the invoice;
- 3 c. Monthly Progress Report which includes a detailed description of the progress of
- 4 the ARTIC PHASE I;
- 5 d. Total monthly invoice amount; and
- 6 e. Such other information as requested by AUTHORITY.

7 K. CITY shall indemnify, defend and hold harmless AUTHORITY, its officers, directors,
 8 employees and agents from and against any and all claims (including attorney's fees and
 9 reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, including
 10 death, worker's compensation subrogation claims, damage to or loss of use of property caused by
 11 the negligent acts, omissions or willful misconduct by CITY, its officers, directors, employees or
 12 agents in connection with or arising out of the performance of this Agreement.

13 **ARTICLE 4. DELEGATED AUTHORITY**

14 The actions required to be taken by CITY in the implementation of this Agreement are
 15 delegated to its _____ or his designee and the actions required to be taken by
 16 AUTHORITY in the implementation of this Agreement are delegated to its Chief Executive Officer.

17 **ARTICLE 5. AUDIT AND INSPECTION**

18 CITY shall maintain a complete set of records in accordance with generally accepted
 19 accounting principles. Upon reasonable notice, CITY shall permit the authorized representatives of
 20 AUTHORITY to inspect and audit all work, materials, payroll, books, accounts and other data and
 21 records of CITY for a period of four (4) years after final payment, or until any on-going audit is
 22 completed. AUTHORITY shall also have the right to reproduce any such books, records and
 23 accounts. Contracts with CITY's contractors shall include the above provision with respect to audits.

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ARTICLE 6. AGREEMENT

All parties agree to the following mutual responsibilities regarding ARTIC PHASE I:

A. This Agreement shall continue in full force and effect through final acceptance of ARTIC PHASE I by AUTHORITY or, whichever is later. This Agreement may only be extended upon mutual agreement by both parties.

B. This Agreement may be terminated by either party after giving thirty (30) days written notice. This Agreement shall not be terminated without mutual agreement of both parties.

C. 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.

D. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that, by so executing this Agreement, the parties hereto are formally bound to the provisions of this Agreement.

E. 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 and addressed as follows:

To CITY:	To AUTHORITY:
City of Anaheim	Orange County Transportation Authority
200 S. Anaheim Boulevard, Ste. 276 Anaheim, CA 92805	550 South Main Street P. O. Box 14184 Orange, CA 92863-1584
Attention: Natalie Meeks Director of Public Works cc. Jamie Lai, Transit Manager	Attention: Meena Katakia Principal Contract Administrator cc: Jennifer Bergener, Project Manager Abbe McClenahan, Capital Programs Manager
Tel: (714) 765-4530	Tel: (714) 560-5694; Fax: (714) 560-5792
Email: NMeeks@anaheim.net	Email: mkatakia@octa.net

1 F. The headings of all sections of this Agreement are inserted solely for the convenience
2 of reference and are not part of and not intended to govern, limit or aid in the construction or
3 interpretation of any terms or provision thereof.

4 G. The provision of this Agreement shall bind and inure to the benefit of each of the
5 parties hereto and all successors or assigns of the parties hereto.

6 H. If any term, provision, covenant or condition of this Agreement is held to be invalid,
7 void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder
8 to this Agreement shall not be affected thereby, and each term, provision, covenant or condition of
9 this Agreement shall be valid and enforceable to the fullest extent permitted by law.

10 I. This Agreement may be executed and delivered in any number of counterparts, each
11 of which, when executed and delivered shall be deemed an original and all of which together shall
12 constitute the same agreement. Facsimile signatures will be permitted.

13 J. Either party shall be excused from performing its obligations under this Agreement
14 during the time and to the extent that it is prevented from performing by an unforeseeable cause
15 beyond its control, including but not limited to: any incidence of fire, flood; acts of God; commandeering
16 of material, products, plants or facilities by the federal, state or local government; national fuel shortage;
17 or a material act or omission by the other party; when satisfactory evidence of such cause is presented
18 to the other party, and provided further that such nonperformance is unforeseeable, beyond the control
19 and is not due to the fault or negligence of the party not performing.

20 **ARTICLE 7. IT IS MUTUALLY UNDERSTOOD AND AGREED:**

21 This Agreement shall be effective upon execution by both parties.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement No. C-9-0448 to be executed on the date first above written.

CITY OF ANAHEIM

ORANGE COUNTY TRANSPORTATION AUTHORITY

By: _____
Curt Pringle
Mayor

By: _____
James S. Kenan
Interim Chief Executive Officer

ATTEST:

APPROVED AS TO FORM:

By: _____
Lindal Andal
City Clerk

By: _____
Kennard R. Smart, Jr.
General Counsel

APPROVED AS TO FORM:
Cristina L. Talley, City Attorney

APPROVAL RECOMMENDED:

By: _____
Bryn M. Morley-
Deputy City Attorney

By: _____
Kia Mortazavi
Executive Director, Development

Dated: _____

Dated: _____

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Funding Schedule

AGREEMENT NO. C-9-0448
Exhibit 1

Funding Source	Fiscal Year Funding Available	Funding Amount	Phase	State and Federal Funds Recipient
M1 Transit ¹	09/10	\$ 6,000,000	Design	
Prop 116 ²	09/10	\$ 58,841,778	Construction	City direct recipient
M2 (Project T) ³	10/11	\$ 81,598,722	Design, ROW and Construction	
STIP ⁴	10/11	\$ 29,219,000	Construction	City direct recipient
Federal Earmark ⁵	09/10	\$ 3,200,500	Design, ROW and Construction	OCTA direct recipient
Total		\$ 178,860,000		

1 Design funding

2 Construction funding subject to CTC allocation, funds expire 2010

3 City subject to M2 Eligibility

4 Subject to CTC approval

5 Subject to federal appropriations