

**Date:** Monday, April 11, 2005

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

**Where:** Orange County Transportation Authority Headquarters  
600 South Main Street, First Floor - Conference Room 154  
Orange, California 92863-1584



## AGENDA

Orange County Transportation Authority Board Meeting  
OCTA Headquarters  
First Floor - Room 154  
600 South Main Street, Orange, California  
**Monday, April 11, 2005, at 9:00 a.m.**

*ACTIONS*

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

### **Invocation**

Director Pringle

### **Pledge of Allegiance**

Director Wilson

### **Agenda Descriptions**

The agenda descriptions are intended to give notice to members of the public of 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.

### **Special Matters**

1. **Retiree Recognition**



## AGENDA

ACTIONS

### **Consent Calendar (Items 2 through 17)**

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

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

#### **2. Approval of Minutes**

Of the Orange County Transportation Authority and affiliated agencies' regular meeting of March 28, 2005.

#### **3. State Legislative Status Report**

Alex Esparza/Richard J. Bacigalupo

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

This item was approved by this committee on March 17, 2005. The Orange County Transportation Authority Board of Directors referred this item back to this committee at the March 28, 2005, Board Meeting, in order for the committee to further consider its positions on AB 697 and SCA 7. The Legislative Analyst's Office has presented recommendations for the 2005 2006 state budget. Over 3,000 Assembly and Senate bills have been introduced in Sacramento. Three bill positions are submitted for consideration.

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

Adopt the following recommended bill positions:

Support on AB 697 (Oropeza, D-Long Beach)

Support on SB 705 (Runner, R-Palmdale)

Support on SCA 7 (Torlakson, D-Antioch)

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

Alex Esparza/Richard J. Bacigalupo

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

Two key transportation appointments by the Governor still require Senate confirmation. The House of Representatives recently passed the Transportation Equity Act – A Legacy for Users by a vote of 417 9. Four bill positions are submitted for consideration. The "GoCalifornia" legislative proposals have been formally introduced as bills.



## AGENDA

ACTIONS

### 4. (Continued)

#### *Recommendations*

- A. Support the Senate confirmation of Marian Bergeson as Commissioner to the California Transportation Commission.
- B. Support the Senate confirmation of Will Kempton as Director of the California Department of Transportation.
- C. Support the appointment of Vice Chairman Art Brown to the California High Speed Rail Authority.
- D. Adopt the following recommended bill positions:
  - Support with Amendment AB 850 (Canciamilla, D-Pittsburg)
  - Support on AB 1067 (Frommer, D-Glendale)
  - Support on ACA 11 (Oropeza, D-Long Beach)
  - Support on SB 208 (Alquist, D-San Jose)

### 5. **Additional Assignments to Federal Advocacy and Consulting Services**

Richard J. Bacigalupo

#### *Overview*

The Orange County Transportation Authority Board of Directors at their March 28, 2005, meeting requested additional assignments and adjustments be made to the current Scopes of Work for its advocacy team in Washington, DC. In accordance with the Board's direction at that meeting, staff provides the following changes in the Scopes of Work in the contracts of its federal advocates and seeks further direction from the Legislative and Government Affairs/Public Communications Committee.

#### *Recommendations*

- A. Delete the CenterLine Project from all existing Scopes of Work and add "The Orange County Rapid Transit Project" to those Scopes of Work.
- B. Add the Anaheim Regional Transportation Intermodal Center to James McConnell's Scope of Work.



## AGENDA

ACTIONS

5. (Continued)

- C. Add the California-Nevada Super Speed Train (MAGLEV) to The Federalist Group's Scope of Work.
- D. Add legislation that authorizes funding for public transportation terrorism response and prevention to James McConnell's Scope of Work.
- E. Seek such further direction as the Board may desire regarding these contracts.

6. **Approval of Option Term to Extend Professional Services Agreement for Transportation Forecasting Activities**

Timothy Byrne/Paul C. Taylor

***Overview***

The Orange County Transportation Authority uses professional services to supplement its traffic-forecasting capabilities. Eight firms have been retained to perform these services as needed. The contract term expires on June 30, 2005, and staff requests exercising the "Second Option Term" to extend the contract to December 31, 2006.

***Recommendation***

Authorize the Chief Executive Officer to execute Amendment No. 2 to Agreements C-3-1124, C-3-1357, C-3-1358, C-3-1359, C-3-1360, C-3-1361, C 3-1362, and C-3-1363 between the Orange County Transportation Authority and Austin-Foust Associates, Inc., DKS Associates, Fehr and Peers Associates, Inc., Meyer Mohaddes Associates, Inc., Parsons Transportation Group, Inc., Parsons Brinckerhoff Quade and Douglas, Inc., Transcore, and Urban Crossroads, in an amount not to exceed \$410,000, for transportation-forecasting support services and extend all agreements to December 31, 2006.



## AGENDA

ACTIONS

### 7. **Freeway Service Patrol Tow Contracts**

Iain Fairweather/Paul C. Taylor

#### *Overview*

On June 30, 2005, several contracts for the provision of Freeway Service Patrol tow services will expire. To ensure the continuity of operations, offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board approval is requested to exercise the contracts. These agreements have no effect on the long-term viability of the Service Authority for Freeway Emergencies.

#### *Recommendations*

- A. Authorize the Chief Executive Officer to execute Agreement C-5-0081 between the Orange County Transportation Authority and California Coach Auto Body, Inc., in an amount not to exceed \$4,579,708, for the initial period of July 1, 2005, to June 30, 2008, and one option year from July 1, 2008, to June 30, 2009.
- B. Authorize the Chief Executive Officer to execute Agreement C-5-0737 between the Orange County Transportation Authority and Greater Southern California Towing, Inc., in an amount not to exceed \$2,250,960, for the initial period of July 1, 2005, to June 30, 2008, and one option year from July 1, 2008, to June 30, 2009.

### 8. **San Diego Freeway Major Investment Study Update**

Kurt Brotcke/Paul C. Taylor

#### *Overview*

The Orange County Transportation Authority is conducting an 18-month Major Investment Study for the San Diego Freeway corridor from the Corona Del Mar Freeway to the San Gabriel Freeway. On March 24, 2005, the I-405 Policy Committee directed staff to reconsider an elevated freeway option. Adding this alternative is presented for Committee review and approval.



## AGENDA

ACTIONS

8. (Continued)

*Recommendations*

- A. Approve the addition of conceptual elevated freeway Alternative 10 for more detailed engineering and environmental analysis and public input.
- B. Direct staff to return by June 2005 with a report on engineering and environmental analysis and public outreach.

9. **Adoption of the Revised Orange County Transportation Authority Administrative Code**

James S. Kenan

*Overview*

A revised Orange County Transportation Authority Administrative Code encompassing changes consistent with Assembly Bill 710 is being recommended for adoption by the Orange County Transportation Authority Board of Directors.

*Recommendation*

Adopt the revised Orange County Transportation Authority Administrative Code.

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

T. Rick Grebner/Stanley G. Phernambucq

*Overview*

On August 23, 2004, the Orange County Transportation Authority's Board of Directors awarded a design-build contract to improve 12 miles of the Garden Grove Freeway (State Route 22) from Valley View east to the Costa Mesa Freeway (State Route 55) interchange. Construction contingency has been budgeted to account for planned but unquantifiable items plus items of work not anticipated during time of bid. Two such items are presented for Board consideration.



## AGENDA

ACTIONS

### 10. (Continued)

#### *Recommendation (from Committee)*

- A. Authorize the Chief Executive Officer to execute Contract Change Order No. 2 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$855,000 for contractually defined extra maintenance work.

### 11. Agreement for Desktop and Notebook Personal Computers

Lloyd Sullivan/James S. Kenan

#### *Overview*

The Orange County Transportation Authority is seeking Board approval to execute an agreement with Hewlett Packard for the purchase of personal computers and related configuration services. The agreement is for a term of five years with an amount not to exceed \$1,400,000. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for equipment and technical services. Board approval is requested to execute an agreement.

#### *Recommendation*

Authorize the Chief Executive Officer to execute Agreement C-4-1209 between the Orange County Transportation Authority and Hewlett Packard for the purchase of personal computers and configuration services for a five-year term in an amount not to exceed \$1,400,000.

Committee Members Correa and Silva were not present to vote on this item.

### 12. Request for Authorization to Increase Designation in the Local Transportation Authority Fund for the Fare Stabilization Program

Jerome A. Diekmann/James S. Kenan

#### *Overview*

Measure M, the Traffic Improvement and Growth Management Plan, includes a program to stabilize fares for senior citizens and persons with disabilities on public transit through fiscal year 2010-11. In order to provide better management and control over funds for the fare stabilization program, staff requests authorization to increase the reserve by \$1,000,000.





## AGENDA

ACTIONS

### 12. (Continued)

#### *Recommendations*

- A. Authorize an increase in the fare stabilization cash reserve in the amount of \$1,000,000.
- B. Authorize the transfer of previously designated fare stabilization cash reserves to the Orange County Transit District to provide sufficient funding for the fare stabilization program for seniors and persons with disabilities through the end of the Measure M program.

### 13. **Amendment to Agreement for the Employee Assistance Program**

Grace Farmer/James S. Kenan

#### *Overview*

On April 22, 2002, the Board of Directors approved an agreement with PacifiCare Behavioral Health, in the amount of \$103,400, to provide Employee Assistance Program services. PacifiCare Behavioral Health was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional services.

#### *Recommendation*

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement C-2-0117 between the Orange County Transportation Authority and PacifiCare Behavioral Health, in an amount not to exceed \$112,000, for an Employee Assistance Program to all Orange County Transportation Authority employees and their families.



## AGENDA

ACTIONS

14. **Request to Conduct a Workshop and Public Hearing on the Orange County Transportation Authority Fiscal Year 2005-06 Proposed Budget**  
Andrew Oftelie/James S. Kenan

***Overview***

The Orange County Transportation Authority is developing the fiscal year 2005-06 proposed budget which identifies available revenues and the costs associated with providing transportation services and programs to the commuters of Orange County. As part of the budget process, the Board of Directors reviews the proposed budget in detail in an open workshop setting in May and invites public comment during a public hearing convened in June.

***Recommendation***

Authorize staff to schedule a two hour budget workshop for May 9, 2005, and conduct a public hearing on June 13, 2005, and proceed with all public noticing requirements.

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

15. **Agreement for Parking Lot Sweeping Services**  
Al Pierce/William L. Foster

***Overview***

As part of the Orange County Transportation Authority's Fiscal Year 2004-05 Budget, the Board approved the contracting of parking lot sweeping services.

***Recommendation***

Authorize the Chief Executive Officer to execute Agreement C-4-1103 between the Orange County Transportation Authority and Webco Sweeping, in an amount not to exceed \$50,000, for parking lot sweeping services for one year with four one-year options.



## AGENDA

ACTIONS

**16. Amendment to Agreement for Automotive Shop Supplies**  
Al Pierce/William L. Foster

***Overview***

On June 14, 2004, the Board of Directors approved an agreement with Industrial Specialty Maintenance Products in the amount of \$75,000, for the purchase of automotive shop supplies used by the Maintenance Department for a one-year period with two one-year options.

***Recommendation***

Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-4-0281 between the Orange County Transportation Authority and Industrial Specialty Maintenance Products, in an amount not to exceed \$75,000, to exercise the first option year for the purchase of automotive shop supplies used by the Maintenance Department.

**17. Amendment to Purchase Order for Communication Systems for Freeway Express Bus Service**  
Al Pierce/William L. Foster

***Overview***

Orange County Transportation Authority will provide Freeway Express Bus Service between Orange County and Riverside, and between Orange County and Diamond Bar. These buses require radio communication and voice annunciation systems.

***Recommendation***

Authorize the Chief Executive Officer to amend Purchase Order 04-70237 between the Orange County Transportation Authority and Creative Bus Sales, in an amount not to exceed \$424,751, for the purchase of 12 radio communication and voice annunciation systems.



## AGENDA

ACTIONS

### Regular Calendar

#### Orange County Transportation Authority Regular Calendar Matter

**18. Santa Ana Freeway (Interstate 5) Far North Cost Update and Funding Plan**

Darrell Johnson/Paul C. Taylor

***Overview***

On March 14, 2005, staff presented for Board approval a cooperative agreement between the Orange County Transportation Authority and the California Department of Transportation for design oversight and landscaping design and an agreement between the Orange County Transportation Authority and the Union Pacific Railroad for the relocation of storage tracks required for the widening of the freeway. The Board also directed staff to return with options for funding the project to address an increase in the project cost. This report details those options.

***Recommendations***

- A. Increase the Measure M portion of the Santa Ana Freeway (Interstate 5) Far North Project, estimate at completion by \$46.25 million.
- B. Authorize staff to process and execute any necessary amendments to the State Transportation Improvement Program, Federal Transportation Improvement Program, or cooperative agreements with the California Department of Transportation to facilitate this action.

### Other Matters

**19. Chief Executive Officer's Goals for 2005**

Arthur T. Leahy

The Board of Directors and the Chief Executive Officer agreed upon a set of goals for 2005.



## AGENDA

ACTIONS

- 20. **Chief Executive Officer's Report**
- 21. **Directors' Reports**
- 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.

- 23. **Closed Session**

None scheduled.

- 24. **Adjournment**

The next regularly scheduled meeting of the OCTA/OCTD/OCLTA/OCSAFE/OCSSAV Committee will be held at 9:00 a.m. on April 25, 2005, at OCTA Headquarters at 600 South Main Street, First Floor - Room 154, Orange, California.



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  
March 28, 2005

**Call to Order**

The March 28, 2005, regular meeting of the Orange County Transportation Authority and affiliated agencies was called to order at 9:01 a.m. at the Orange County Transportation Authority Headquarters, Orange, California; Chairman Campbell presided over the meeting.

**Roll Call**

Directors Present: Bill Campbell, Chairman  
Arthur C. Brown, Vice Chairman  
Marilyn Brewer  
Carolyn Cavecche  
Lou Correa  
Richard Dixon  
Michael Duvall  
Cathy Green  
Gary Monahan  
Chris Norby  
Curt Pringle  
Susan Ritschel  
Mark Rosen  
Thomas W. Wilson  
Gregory T. Winterbottom  
Cindy Quon, Governor's Ex Officio Member

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

Directors Absent: Miguel Pulido  
James W. Silva

## **Invocation**

Director Correa gave the invocation.

## **Pledge of Allegiance**

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

## **Public Comments on Agenda Items**

Chairman Campbell announced that 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 would be recognized at the time the agenda item was to be considered and comments would be limited to three (3) minutes.

## **Special Matters**

### **1. Presentation of Resolutions of Appreciation for Employees of the Month for March 2005**

Chairman Campbell presented Orange County Transportation Authority Resolutions of Appreciation Nos. 2005-81, 2005-82, and 2005-83 to Ted Johnson, Coach Operator, Minh Nguyen, Maintenance, and Christina Byrne, Administration, as Employees of the Month for March 2005.

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

Chairman Campbell presented Orange County Transportation Authority Resolution of Appreciation No. 2005-84 to Orange County Sheriff's Department Employee of the Quarter, Danny Mayer.

## **Consent Calendar (Items 3 through 24)**

The Chairman announced that 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 Resolutions of Appreciation for Employees of the Month for March 2005**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to approve Orange County Transportation Authority Resolutions of Appreciation Nos. 2005-81, 2005-82, and 2005-83 to Ted Johnson, Coach Operator, Minh Nguyen, Maintenance, and Christina Byrne, Administration, as Employees of the Month for March 2005.

Director Winterbottom was not present for the vote on this item.

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

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to adopt Orange County Transportation Authority Resolution of Appreciation No. 2005-84 to Orange County Sheriff's Department Employee of the Quarter, Danny Mayer.

Director Winterbottom was not present for the vote on this item.

### **5. Approval of Minutes**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to approve the minutes of the Orange County Transportation Authority and affiliated agencies' regular meeting of March 14, 2005.

Director Winterbottom was not present for the vote on this item.

### **6. Future Direction of Federal Legislative Advocacy and Consulting Services**

This item was pulled by Director Dixon.

Director Dixon stated that he has a concern with utilizing multiple firms and over \$27,000 per month being expended. He further stated that he does not feel it is necessary to have multiple firms doing advocacy in Washington, D.C., and feels the Board should evaluate this.

Chief Executive Officer (CEO), Arthur T. Leahy, stated that the lobbying team was interviewed by the Legislative Committee. Mr. Leahy indicated that the recommendation before the Board today is to reduce one of the lobbyist's fees; the others would remain as they are today.

Chairman Campbell asked that the new Manager of Federal Affairs come back to the Legislative Committee in 90 days with a recommendation on this lobbying effort and contracts. He would like the firm and fee information to be included.

Director Pringle stated that there may not be clear direction as to what we are asking the lobbyists to do, and feels that impending legislation needs to be considered.

Director Duvall stated that 90 days is too long; would prefer to have this item come back with a recommendation in 30 days.

CEO, Arthur T. Leahy, commented that OCTA is seeking to advance a broad set of projects as possible.

Director Dixon expressed a desire that a single advocacy group be found that can handle all aspects of the lobbying efforts.

Director Norby stated a look should be taken at the contract of James McConnell. Although Director Norby expressed confidence in Mr. McConnell, he noted that all six of our Orange County Congressional Members are close-by here in Orange County, and the Board should lobby them directly.

Director Cavecche indicated that there is a wide span of what is being dealt with, and noted that CenterLine is mentioned, and assumes this is a "placeholder" and was uncomfortable with that. She feels the lobbyists should report back who they are meeting with and the results.

CEO, Arthur T. Leahy, indicated those documents were prepared last year, and staff will bring a new set to the Legislative Committee for their review.

Director Correa stated that he wanted to be sure this phrase of "CenterLine" does not get in the way of what our lobbyists are doing in terms of securing funding for Orange County.

Motion was made by Director Pringle, seconded by Director Duvall, and declared passed by those present, that the Legislative Committee re-evaluate the lobbyists and report back within 90 days; further to provide in a quicker fashion a report on additional assignments and strike from the existing Scope of Work on every one of the four the word "CenterLine".

Director Winterbottom was not present for the vote on this item.

## **7. State Legislative Update**

This item was pulled by Director Pringle. He stated that the Board is being asked as a part of this to adopt position on three bills, and feels that the Torlakson bill is similar to one the Governor has proposed, and is not sure if they are in conflict with one another.

CEO, Arthur T. Leahy, indicated that information is not available at this meeting, if the Board would like to hold this item over, that can be done.

Director Correa indicated that if SCA 7 is similar to what the Governor is proposing, the answer won't be known until negotiations are done and the Governor's proposal is included in a later version of the bill. He suggested the Board hold off until further clarification is available.

Director Pringle moved to strike SCA 7 for a position of support at this time and if the Board chooses to include a support position on a Constitutional Amendment to protect transportation funding and not specify exactly which one that would be, he would like to include that in the motion. Director Norby seconded the motion, and it was declared passed by those present.

Chairman Campbell wished to be recorded as opposing AB 697 by reason he feels this is a bill that may benefit the Transportation Authority to have continuous funding if there is no budget, but he feels the pressure needs to be kept on the Legislators and, therefore, not have one more pass on why one should not vote for a budget. Director Norby seconded this amendment.

At this time, Director Pringle made a motion, seconded by Director Norby, and declared passed by those present, to have this item put over until a future meeting.

Director Winterbottom was not present for the vote on this item.

## **8. Selection of a Consultant for Preparation of an Environmental Impact Report on the 2006 Long Range Transportation Plan**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to:

- A. Authorize staff to request a cost proposal from LSA Associates, Inc. and negotiate an agreement for their services.
- B. Authorize the Chief Executive Officer to execute the final agreement.

Director Winterbottom was not present for the vote on this item.

**9. Amendment to Professional Services Agreement for Rapid Transit Options Analysis**

Director Brewer pulled this item for a question. She stated that she had mentioned previously that she does not see anything in the back-up information that directs staff or Carter & Burgess to look at express buses and is wondering if that is being excluded, and if it is part of the process or not.

CEO, Arthur T. Leahy, stated that the purpose of this was to look at options, specifically along Bristol, and stated that staff is moving forward on a review of bus rapid transit (BRT) options on Bristol as well as more generally around Orange County.

Paul Taylor, Executive Director of Planning, Development, and Motorist Services, stated that Attachment B addresses this issue and authorizes the money to look at the other options besides the BRT on Bristol. Mr. Taylor confirmed that express buses will be part of this study.

Director Norby stated that this is too much for the Bristol corridor and will not support it.

Chairman Campbell agreed, stating that this would be the addition of an extra \$300,000.

Mr. Taylor stated this is a request for additional authorization should it be necessary to go beyond the end of April.

Chairman Campbell motioned to approve using the \$400,000 previously appropriated and to reschedule it over this time, deleting the \$300,000, and get more visibility in April to add onto that, given what is being worked on. The motion was seconded by Director Monahan.

Director Cavecche stated that the money that was authorized at the last Board meeting was strictly to review the BRT on Bristol and asked confirmation of that. Mr. Taylor stated the money was for Parsons Brinckerhoff to study BRT on Bristol and for Carter & Burgess to study everything else on Attachment B. She also stated she has a concern keeping the same consultants that were used for a long time; she's hoping to get results with this work.

CEO, Arthur T. Leahy, indicated this could move one agenda cycle and come back to the Board with further information.

Director Rosen stated that on Attachment A, April 25 is the deadline for a progress report to the Board on selection of options, and the Board may select other options at that time. He stated this item ought to come back on that day and then decide whether to spend more money. This would tie into the earlier item regarding lobbying.

Director Dixon clarified that work on Attachment B and on the schedule in Attachment A. Mr. Taylor confirmed.

This motion was passed unanimously by all Members present; Director Winterbottom was not present for the vote on this item.

**10. 91 Express Lanes January 2005 Status Report**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to receive and file the 91 Express Lanes Status Report for the period ending January 31, 2005.

Director Winterbottom was not present for the vote on this item.

**11. Update on Taxicab Operations in Orange County**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to receive information for discussion and possible action as deemed appropriate by the Board.

Director Winterbottom was not present for the vote on this item.

**12. Special Needs in Transit Advisory Committee**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to:

- A. Approve the recommended Orange County Transportation Authority Special Needs in Transit Advisory Committee structure and direct staff to initiate recruitment of participants.
- B. Adopt Resolutions of Appreciation 2005-53 through 2005-80 for outgoing members of the Special Needs in Transit Advisory Committee.

Director Winterbottom was not present for the vote on this item.

**13. Fiscal Year 2005-06 Budget Overview, Approach and Assumptions**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to receive and file as an information item.

Director Winterbottom was not present for the vote on this item.

**14. Approval of Local Transportation Fund Fiscal Year 2005-06 Apportionment Estimates**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to approve the Local Transportation Fund fiscal year 2005-06 apportionment estimates and authorize the Chief Executive Officer to advise all prospective claimants of the amounts of all area apportionments from the Orange County Local Transportation Fund for the following fiscal year.

Director Winterbottom was not present for the vote on this item.

**Orange County Transit District Consent Calendar Matters**

**15. Amendment to Agreement for Test and Operation Gases for Liquefied Natural Gas Buses and Facilities**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement C-3-1228 between the Orange County Transportation Authority and Cameron Welding Supply, in an amount not to exceed \$70,000, for test and operation gases for the liquefied natural gas buses and facilities.

Director Winterbottom was not present for the vote on this item.

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

Director Norby pulled this item for comment. He stated he feels this is a good program and he would like to see it continue successfully – better than the gas card idea, and better than the idea to teach seniors to drive safer.

Motion was made by Director Norby, seconded by Director Dixon, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement C-2-1240 between the Orange County Transportation Authority and Transit Access, in an amount not to exceed \$63,000, for provision of Mobility Planning Services through June 30, 2006.

Director Winterbottom was not present for the vote on this item.

Chairman Campbell requested that in some cases, specific directives were given by the Board to bring items back before Members, but not in this case, it seems. He requested that staff come back to Finance and Administrative Committee with policy recommendations on these types of contracts.

He further stated that while he agrees with doing the training, he wonders if people are actually changing what service they use, and if there is data to support what has taken place.

Beth McCormick, Manager, Contract Transportation, stated that staff has anecdotal information, but funding has been obtained for interns to begin analyzing this information and other transportation issues and following up with individuals.

Director Brown at this time provided historical information as to the reasons these types of contracts come back before the Board.

**17. Agreement for In-Frame Engine Overhauls on General Motors Corporation, Model Number RTS II, 1980 Buses**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-4-1153 between the Orange County Transportation Authority and Valley Power Systems, in an amount not to exceed \$148,500, for the in-frame engine overhaul on 1980 RTS buses.

Director Winterbottom was not present for the vote on this item.

**18. Amendment to Agreement for Trapeze Software Support**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-3-1218 between the Orange County Transportation Authority and Trapeze Software Group, Inc., to exercise the first option term in an amount not to exceed \$20,000.

Director Winterbottom was not present for the vote on this item.

**19. Amendment to Cooperative Agreement with Regional Center of Orange County**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 2 to Cooperative Agreement C-3-0185 between the Orange County Transportation Authority and the Regional Center of Orange County, to share the cost of ACCESS transportation provided to Regional Center consumers, exercising the second option year and adjusting the trip rate as allowed in the agreement.

Director Winterbottom was not present for the vote on this item.

**20. Amendment to Purchase Order for Restroom Supplies**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 3 to Purchase Order D-3-0105 between the Orange County Transportation Authority and Unisource Worldwide, Inc., in an amount not to exceed \$75,000, to exercise the second option year to provide restroom supplies.

Director Winterbottom was not present for the vote on this item.

**21. Purchase Order for Liquefied Propane Gas Forklifts**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to authorize the Chief Executive Officer to issue Purchase Order 05-71047 between the Orange County Transportation Authority and Myers Forklift, Inc., in an amount not to exceed \$100,753, for the purchase of four liquefied propane gas forklifts.

Director Winterbottom was not present for the vote on this item.

**22. Amendment to Agreement for Provision of Senior Transportation to Congregate Meal Sites**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to execute Amendment No. 1 to Cooperative Agreement C-4-0348 between the Orange County Transportation Authority and the Orange County Office on Aging for the provision of senior transportation to congregate meal sites in an amount not to exceed \$431,727, through June 30, 2006.
- B. Authorize the Chief Executive Officer to execute amendments to agreements with eleven participating cities/centers for their share of the program expense through June 30, 2006, based on the Orange County Office on Aging allocation, for a total amount not to exceed \$120,000.

Director Winterbottom was not present for the vote on this item.



**23. Amendment to Agreement for Heating, Ventilation and Air Conditioning Services**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement C-2-1230 between the Orange County Transportation Authority and Yamas Controls Southern California, Inc., in an amount not to exceed \$103,500, to exercise the second option year for heating, ventilation, and air conditioning maintenance services.

Director Winterbottom was not present for the vote on this item.

**24. Local Transportation Fund Claims for Fiscal Year 2005-06**

Motion was made by Director Norby, seconded by Director Duvall, and declared passed by those present, to adopt Orange County Transit District Resolution No. 2005-01 authorizing the filing of Local Transportation Fund claims, in the amounts of \$84,444,155 to support public transportation, and \$4,444,429, for community transit services.

Director Winterbottom was not present for the vote on this item.

## **Regular Calendar**

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

**25. Excess Property Policy Regarding Bundling Multiple Parcels for Sale to a City**

This item was pulled prior to the meeting and will be brought back at a later date.

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

**26. Amendment to Agreement for Provision of ACCESS and Contracted Fixed Route Services**

CEO, Arthur T. Leahy, opened with comments regarding the policies that have been established for the management of the ACCESS services. Many of those actions were approved by the Board; however, do not go into effect until July 1.

Mr. Leahy explained that rapid growth has continued in this area, and cost increases have resulted. After July 1, this program will continue to be monitored as well.

Beth McCormick, Manager of Contract Transportation, addressed the Board and presented an overview of the services which are provided, and costs involved.

Motion was made by Vice Chairman Brown, seconded by Director Dixon, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to execute Amendment No. 4 to Agreement C-4-0301 between the Orange County Transportation Authority and Laidlaw Transit Services, Inc., in an amount not to exceed \$1,113,310, to adjust the maximum obligation to reflect approved operational and maintenance expenses.
- B. Increase the Orange County Transportation Authority's approved Fiscal Year 2004-05 Budget by \$3,083,246, to address increased fuel costs and an increase in the number of ACCESS vehicle service hours for operation through July 31, 2005.

Director Winterbottom was not present for the vote on this item.

## **Other Matters**

### **27. Real-Time Methods for Dynamic Pricing**

Paul Taylor, Executive Director of Planning, Communications, and Commuter Services, presented this progress report to the Board, which included an assessment of real-time pricing methods for the 91 Express Lanes.

Director Duvall stated that he would like this information to also come back through the Finance and Administration Committee. Director Duvall expressed concern for how much the sensors will cost for the test module, and the cost to operate the program afterward.

Mr. Taylor agreed to bring this information to the Finance and Administration Committee as well as the Regional Planning and Highways Committee.

Director Pringle requested that a policy be established that the pricing does not repeatedly change.

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

Chief Executive Officer, Arthur T. Leahy, informed the Board that the Garden Grove Freeway (State Route 22) project continues to be on-schedule.

Mr. Leahy informed the Board that the Metrolink 11<sup>th</sup> Birthday event will be on April 30 as an all-day event. More information to follow.

## 29. **Directors' Reports**

Director Norby requested OCTA staff member, Edmund Buckley, to address the Board regarding the Youth N Motion program. Director Norby distributed buttons and pictures promoting this program to the Board Members, and reminded Members that Mr. Buckley is available to them for promoting riding the bus using this program.

Director Correa stated he has received calls from constituents that possums are getting into some neighborhoods in a few areas surrounding the work on the Garden Grove Freeway.

CEO Arthur T. Leahy stated those individuals can call the project offices and someone will respond immediately to deal with the situation.

Chairman Campbell stated that the access to the northbound San Diego (Interstate 405) from the southbound Newport (State Route 55) fly-over HOV was to open March 31. However, due to rain delays and because the contractor has the rain delay option in the contract, the opening will be on May 6<sup>th</sup>.

Chairman Campbell stated he spoke to the Lincoln Club's Policy Advisory Committee last Friday and one of the items he spoke about was the extension of Measure M. At the end of the meeting, it was conveyed to Chairman Campbell that "if the CenterLine is not in there, the club was behind the effort on the extension."

### **Advertising on OCTA Buses**

Director Correa requested that this item be agendaized and stated that he thanks the City of Anaheim and Mayor Pringle for working on this issue. He feels it is important (the potential name change to Los Angeles Angels at Anaheim) and feels it is about the identify regarding the team and long-standing tradition.

Director Correa indicated he feels it is important for the Board to consider taking a position if the Angels advertise on the OCTA buses, it should be the Angels of Anaheim as opposed to another name. He feels this is an issue of advertising on the sides of the buses versus the computerized rolling head signs on the buses.

He requested the Board to consider adopting a policy or motion that when Viacom finds out whether the Angels are actually advertising on the buses, that the Board be notified of exactly what they are asking to do. Secondly, if the OCTA is going to advertise the Anaheim Angels, at least the rolling head signs say, "Go, Anaheim Angels" rather than anything else.

Director Duvall stated that he noted the decrease in advertising could be nearly \$4 million per year, and he would like to wait and see what the numbers are before making a decision.

Director Pringle gave a re-cap of what the City of Anaheim is doing on the legal issues and would like to continue this discussion after the outcome in court, and asked if this discussion could be put over until that time.

Director Correa stated that the revenue has to do with the current market, and requested that every bus that has the rolling sign say, "Go, Anaheim Angels".

Chairman Campbell suggested that this discussion be put over and asked that the Legislative and Government Affairs/Public Communications Committee look at the implications of the rolling advertising and actual advertising.

### **30. Public Comments**

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

No requests were received from the public to address the Board.

### **31. Closed Session**

General Counsel, Kennard R. Smart, Jr., stated that a Closed Session was necessary:

1. Pursuant to Government Code Section 54956.9(c).
2. Pursuant to Government Code Section 54956.9(a) to discuss Ahmad Kourehchian v. Orange County Transportation Authority; OCSC No. 04CC02826.

At this time, Members entered into Closed Session. General Counsel indicated he did not expect a report out of this session.

**32. Adjournment**

The meeting adjourned at 11:15 a.m. The Chairman announced that the next regularly scheduled meeting of the OCTA/OCTD/OCLTA/OCSAFE/OCSAAV Committee will be held at 9:00 a.m. on April 25, 2005, at OCTA Headquarters, 600 South Main Street, First Floor - Room 154, Orange, California.

ATTEST

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Wendy Knowles  
Clerk of the Board

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Bill Campbell  
OCTA Chairman



BOARD COMMITTEE TRANSMITTAL



**April 11, 2005**

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

This item will be considered by the Legislative and Government Affairs/Public Communications Committee on April 7, 2005. Following Committee consideration of this matter, staff will provide you with a summary of the discussion and action taken by the Committee.

Please call me if you have any comments or questions concerning this correspondence. I can be reached at (714) 560-5676.



**April 7, 2005**

**To:** Legislative and Government Affairs/Public Communications Committee

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

**Subject:** State Legislative Status Report

### **Overview**

This item was approved by this committee on March 17, 2005. The Orange County Transportation Authority Board of Directors referred this item back to this committee at the March 28, 2005, Board Meeting, in order for the committee to further consider its positions on AB 697 and SCA 7. The Legislative Analyst's Office has presented recommendations for the 2005-2006 state budget. Over 3,000 Assembly and Senate bills have been introduced in Sacramento. Three bill positions are submitted for consideration.

### **Recommendation**

Adopt the following recommended bill positions:

- Support on AB 697 (Oropeza, D-Long Beach)
- Support on SB 705 (Runner, R-Palmdale)
- Support on SCA 7 (Torlakson, D-Antioch)

### **Discussion**

Legislative Analyst's Office Releases Analysis of the 2005-2006 State Budget

On February 24, 2005, the Legislative Analyst's Office (LAO) released its 2005-2006 state budget perspectives and issues report. This report highlights crucial budgetary issues and provides possible recommendations to ameliorate existing conditions. The LAO report points out that an \$8.1 billion fiscal shortfall continues to persist in this year's budget. Conversely, the report predicts \$2.2 billion in additional revenue, resulting in a \$2.9 billion reserve in 2005-2006. This reserve, attributed to higher than anticipated revenues and lower than expected expenditures, would only be possible if ongoing savings similar in magnitude to the Governor's budget proposal are adopted.



Not surprisingly, the LAO report also points out that balancing the 2005-2006 proposed state budget is heavily dependent upon borrowing, deficit bonds, Proposition 42, and local government revenues. Consequently, the LAO stresses the importance of pursuing proposals aimed at eliminating the state's long-term structural problem and recommends possibly utilizing \$2.4 billion in anticipated reserves against outstanding obligations. Orange County Transportation Authority (OCTA) staff will advocate for the surplus revenues to be used to fund Proposition 42, in order to maintain existing projects and avoid costs incurred by halting projects.

This report also makes several observations related to transportation. Specifically, the report points out that although the proposal to remove the ability to suspend Proposition 42 beginning in 2007-2008 would remove the primary source of uncertainty for transportation funding, it may not be a panacea. The state budget reform proposal would authorize automatic across-the-board reductions in General Fund expenditures and would also result in unplanned fluctuation in Proposition 42 transfers. Thus, the LAO suggests that unanticipated volatility in the funding of transportation projects could make long-term planning more difficult. Similar to its recommendation presented last year, the LAO suggests that Proposition 42 should be repealed, with those revenues replaced by raising the gas tax by six cents per gallon and adjusted annually for inflation.

#### Bill Introductions

The deadline to submit bills for the 2005-2006 state legislative session was February 22, 2005. Over 3,000 Assembly and Senate bills were introduced. OCTA staff has identified more than 300 bills of interest. These bills will be examined and monitored and relevant bills will be brought forth for OCTA Board of Directors action in the upcoming weeks.

#### Newly Analyzed State Legislation

AB 697 (Oropeza, D-Long Beach) provides for a continuous appropriation of transportation funds, which would prevent shutdown of projects in the event of a late state budget. Staff recommends: SUPPORT. Attachment A is the bill analysis.

SB 705 (Runner, R-Palmdale) authorizes the use of design-build process for the design and construction of transportation projects. Staff recommends: SUPPORT. Attachment B is the bill analysis.

SCA 7 (Torlakson, D-Antioch) amends the California constitution to require transportation funds loaned to the state General Fund or other state funds be repaid with interest. Staff recommends: SUPPORT. Attachment C is the bill analysis.


**Summary**

The Legislative Analyst's Office has issued its recommendations for the 2005-2006 state budget. Staff has identified more than 300 bills of interest.

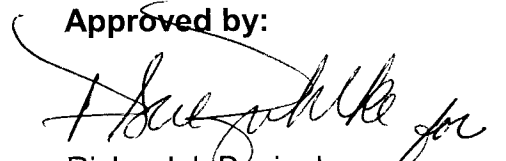
**Attachments**

- A. Analysis of AB 697 (Oropeza, D-Long Beach)
- B. Analysis of SB 705 (Runner, R-Palmdale)
- C. Analysis of SCA 7 (Torlakson, D-Antioch)

**Prepared by:**

  
Alejandro Esparza  
Government Relations  
Representative  
(714) 560-5393

**Approved by:**

  
Richard J. Bacigalupo  
Deputy Chief Executive Officer  
(714) 560-5901

**BILL:** AB 697 (Oropeza, D-Long Beach)  
Introduced February 17, 2005

**SUBJECT:** Provides for a Continuous Appropriation of Transportation Funds, which would Prevent Shutdown of Projects in the Event of a Late State Budget.

**STATUS:** Referred to Assembly Transportation Committee

**SUMMARY AS OF MARCH 7, 2005:**

AB 697 provides that gas tax revenues deposited in the Highway User Tax Account (HUTA) and in the State Highway Account (SHA) shall be continuously appropriated regardless of whether the Legislature has passed a budget for the new fiscal year.

Existing law provides for formula apportionment of specified amounts of gas tax revenues in the HUTA to cities and counties for transportation purposes authorized by Article XIX of the California Constitution. The remaining funds must generally be transferred and deposited in the SHA in the State Transportation Fund. Existing law provides that money in the HUTA is continuously appropriated for transportation purposes but money in the SHA cannot be expended until appropriated by the Legislature.

In 2003, the State Budget Act was enacted 33 days after the statutory deadline (August 2, 2003). This created a severe cash flow problem, jeopardizing payments to 369 projects totaling more than \$2.8 billion. Additionally, bid openings for 20 projects totaling more than \$184 million had to be put on hold. Throughout July, gasoline tax revenues already collected and deposited in state transportation funding accounts remained unused due to the lack of budget authority to spend the existing revenue.

The lack of funding for transportation projects resulted in warnings from the state to contracting firms that they were not assured of being paid for completed work or that projects might have to be suspended. In response, contractors, cities, and "self-help counties" (those with a local transportation sales tax measure) offered to advance loans of more than \$100 million to keep work going. Although these loans prevented the California Department of Transportation (Caltrans) from being forced to shut down contracts at a cost of \$50 million, contractors and other local agencies have strongly indicated that they will not be able to advance their own funds again, if faced with similar budget delays in the future.

AB 697 would provide a continuous appropriation of these funds and would address the cash flow problems to prevent transportation projects from being halted, resulting in less delays and penalties.

**EFFECTS ON ORANGE COUNTY:**

In 2003, Orange County had 47 contracts totaling over \$254 million that could have been affected by the budget impasse. Estimated progress payments for July through September exceeded \$18.8 million. On July 21, 2003, the Orange County Transportation Authority (OCTA) Board of Directors approved a loan of up to \$6 million for the re-stripping project, on the Riverside Freeway. Had the budget not been signed on August 2, 2003, the OCTA Board may have been asked to consider a loan to Caltrans of \$4 million to cover the cost of the August progress payments for 22 higher-priority projects. To avoid project shut downs or loans in the future, staff recommends a Support position on AB 697 to ensure continuous appropriations of dedicated transportation funds.

**OCTA POSITION:**

Staff recommends: SUPPORT

**ASSEMBLY BILL**

**No. 697**

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**Introduced by Assembly Member Oropeza**

February 17, 2005

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An act to amend Section 2101 of, and to amend the heading of Chapter 3 (commencing with Section 2100) of Division 3 of, the Streets and Highways Code, relating to transportation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 697, as introduced, Oropeza. Highway Users Tax Account: appropriation of funds.

Article XIX of the California Constitution requires revenues from state excise taxes on motor vehicle fuels for use in motor vehicles upon public streets and highways, over and above the cost of collection and any refunds authorized by law, to be used for various street and highway purposes and for certain mass transit guideway purposes. Existing law requires state excise fuel tax revenues to be deposited in various accounts and to be allocated, in part, for various purposes, including the cost of collection and authorized refunds. Existing law requires the balance of these funds remaining after authorized deductions to be transferred to and deposited monthly in the Highway Users Tax Account in the Transportation Tax Fund. Existing law provides for formula apportionment of specified revenues in the Highway Users Tax Account to cities and counties for the transportation purposes authorized by Article XIX of the California Constitution, and generally requires the remaining revenues to be transferred to and deposited in the State Highway Account in the State Transportation Fund. Existing law provides that the money in

the Highway Users Tax Account is appropriated for the above-described transportation purposes, but also generally provides that the money in the State Highway Account may not be expended until appropriated by the Legislature.

This bill, in any year in which the Budget Act has not been enacted by July 1, would provide that all moneys in the Highway Users Tax Account in the Transportation Tax Fund from the prior fiscal year are continuously appropriated and may be encumbered for certain purposes until the Budget Act is enacted. The bill would thereby make an appropriation. The bill would authorize the Controller to make estimates in order to implement these provisions.

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

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. The heading of Chapter 3 (commencing with  
2 Section 2100) of Division 3 of the Streets and Highways Code is  
3 amended to read:

4  
5 CHAPTER 3. HIGHWAY USERS TAX ~~FUND~~ ACCOUNT  
6

7 SEC. 2. Section 2101 of the Streets and Highways Code is  
8 amended to read:

9 2101. (a) All moneys in the Highway Users Tax Account in  
10 the Transportation Tax Fund and hereafter received in the  
11 account are appropriated for all of the following:

12 ~~(a)~~  
13 (1) The research, planning, construction, improvement,  
14 maintenance, and operation of public streets and highways (and  
15 their related public facilities for nonmotorized traffic), including  
16 the mitigation of their environmental effects, the payment for  
17 property taken or damaged for ~~such~~ those purposes, and the  
18 administrative costs necessarily incurred in the foregoing  
19 purposes.

20 ~~(b)~~  
21 (2) The research and planning for exclusive public mass transit  
22 guideways (and their related fixed facilities), the payment for

1 property taken or damaged for ~~such~~ those purposes, and the  
2 administrative costs necessarily incurred in the foregoing  
3 purposes.

4 ~~(e)~~

5 (3) The construction and improvement of exclusive public  
6 mass transit guideways (and their related fixed facilities),  
7 including the mitigation of their environmental effects, the  
8 payment for property taken or damaged for ~~such~~ those purposes,  
9 the administrative costs necessarily incurred in the foregoing  
10 purposes, and the maintenance of the structures and the  
11 immediate right-of-way for the public mass transit guideways,  
12 but excluding the maintenance and operating costs for mass  
13 transit power systems and mass transit passenger facilities,  
14 vehicles, equipment, and services, in any area where the voters  
15 thereof have approved a proposition pursuant to Section 4 of  
16 Article XIX of the California Constitution.

17 ~~(d)~~

18 (4) The payment of principal and interest on voter-approved  
19 bonds issued for the purposes specified in ~~subdivision (e)~~  
20 *paragraph (3)*.

21 *(e) Notwithstanding Section 13340 of the Government Code or*  
22 *any other provision of law, in any year in which a Budget Act has*  
23 *not been enacted by July 1 for the fiscal year beginning on July*  
24 *1, all moneys in the Highway Users Tax Account in the*  
25 *Transportation Tax Fund from the prior fiscal year are hereby*  
26 *continuously appropriated and may be encumbered for the prior*  
27 *fiscal year appropriations and for the purposes specified in this*  
28 *section until the Budget Act for the fiscal year beginning July 1 is*  
29 *enacted. To the extent necessary to implement this subdivision,*  
30 *the Controller may make estimates of appropriations and*  
31 *apportionments, as the case may be, for the purpose of making*  
32 *apportionments or transfers specified in this chapter. Upon*  
33 *enactment of a Budget Act for the fiscal year beginning July 1,*  
34 *the Controller shall make necessary adjustments to reflect actual*  
35 *appropriations and apportionments.*

36 SEC. 3. This act is an urgency statute necessary for the  
37 immediate preservation of the public peace, health, or safety  
38 within the meaning of Article IV of the Constitution and shall go  
39 into immediate effect. The facts constituting the necessity are:

1 In order to provide a continued flow of funds for previously  
2 authorized transportation projects and purposes in the event  
3 enactment of a Budget Act is delayed beyond July 1, it is  
4 necessary that this act take effect immediately.

O



**BILL:** SB 705 (Runner, R-Palmdale)  
Introduced February 22, 2005

**SUBJECT:** Authorizes the use of the Design-Build Process for Design and Construction of Transportation Projects.

**STATUS:** Pending Committee Assignment

**SUMMARY AS OF MARCH 8, 2005:**

SB 705 would authorize the California Department of Transportation (Caltrans) to contract using the design-build process for the design and construction of transportation projects. SB 705 would also require the Director of Caltrans to establish a prequalification and selection process.

Existing law sets forth the requirements for the solicitation and evaluation of bids and the awarding of contracts by public entities for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement.

Typically, the awarding of contracts for public projects is done once the design is complete, through the process of competitive bidding, also known as design-bid-build. Under the competitive bidding process, the contracting agency advertises a bid request for a project phase that is technically specific, and which precisely defines the product or service to be purchased, and describes any terms, conditions and specifications that must be met. Interested and qualified firms submit a cost figure under seal reflecting cost amount at which the firm will provide the service or product. The contracting agency then awards the contract to the lowest qualified bidder.

With design-build, the project is bid with about 30 percent of the design completed. The bid is awarded to a single design-build entity that is responsible for completing the design and construction of the project. The selected firm then arranges all architectural, engineering, and construction services. The design-build entity is responsible for delivering the project at a guaranteed price and schedule based upon performance criteria.

The use of the design-build process has been authorized on a limited basis for specific public entities. Design-build can improve the project delivery process by accelerating delivery schedules. Cost savings may be recognized based on delivering the project earlier and through value-engineering because the engineers and the contractor are working together through the design phase.

**EFFECTS ON ORANGE COUNTY:**

The Orange County Transportation Authority (OCTA) is authorized to use the design-build process, in accordance with the Public Utilities Code. The Public Utilities

Code permits OCTA to use the design-build process for construction of facilities on real property owned or to be owned by OCTA, and for the delivery of transit systems. This authority, however, requires the bid to be awarded to the lowest responsible bidder.

OCTA has selected the use of the design-build method for constructing a transit way, or high occupancy vehicle lanes, on the Garden Grove Freeway (State Route 22) and has complied with all applicable sections of the Public Contracts Code, including the prequalification of contractors. It is through the use of design-build that OCTA has managed to reduce the projected completion time of State Route 22 by three to five years.

Although SB 705 does not provide any additional authority to OCTA to complete projects using design-build, it would provide Caltrans an additional delivery mechanism which could shorten delivery time on freeway improvements in Orange County. Therefore, OCTA staff recommends a support position on SB 705.

**OCTA POSITION:**

Staff recommends: SUPPORT

**Introduced by Senator Runner**

(Coauthors: Assembly Members Benoit and Sharon Runner)

February 22, 2005

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An act to add Article 8 (commencing with Section 228) to Chapter 1 of Division 1 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 705, as introduced, Runner. Design-build contracts.

Existing law makes the Department of Transportation responsible for improving and maintaining the state highway system. Under existing law, until January 1, 2010, the department is authorized to utilize design-sequencing as an alternative contracting method for the design and construction of not more than 12 transportation projects, as defined.

This bill would authorize the department to contract using the design-build process, as defined, for the design and construction of transportation projects. The bill would require the director of the department to establish a prequalification and selection process. Because the bill would make it a crime for a person to certify as true any fact on the declaration known by him or her to be false, it would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

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

1 SECTION 1. The Legislature finds and declares the  
2 following:

3 (a) Various public agencies throughout the country have been  
4 considering, and in some cases experimenting with, innovative  
5 contracting practices for public works with the goal of improving  
6 and reducing the cost of the public works contract process and  
7 reducing highway user delays, to the benefit of the public  
8 interest.

9 (b) The Federal Highway Administration has established an  
10 experimental project for the purpose of evaluating certain  
11 innovative contracting practices, including the use of  
12 design-build contracts, and has provided funding for the  
13 documentation, evaluation, and reporting of these activities.

14 SEC. 2. Article 8 (commencing with Section 228) is added to  
15 Chapter 1 of Division 1 of the Streets and Highways Code, to  
16 read:

17

18 Article 8. Design-Build Contracting Program

19

20 228. Notwithstanding any provision of the Public Contract  
21 Code or any other provision of law, the department may let  
22 design-build contracts for the design and construction of  
23 transportation projects selected by the director. For the purpose  
24 of this article, these projects shall be deemed public works.

25 228.1. The following definitions apply for purposes of this  
26 article:

27 (a) "Best value" means a value determined by objective  
28 criteria and may include, but is not limited to, price, features,  
29 functions, life-cycle costs, and other criteria deemed appropriate  
30 by the department.

31 (b) "Design-build" means a procurement process in which  
32 both the design and construction of a project are procured from a  
33 single entity.

34 (c) "Design-build entity" means a partnership, corporation, or  
35 other legal entity that is able to provide appropriately licensed  
36 contracting, architectural, and engineering services as needed.

1 228.2. Prior to contracting for the procurement of state  
2 transportation projects, the director shall take all of the following  
3 actions:

4 (a) Prepare a program setting forth the scope of the project that  
5 may include, but is not limited to, the size, type, and desired  
6 design character of the transportation project and site and  
7 performance specifications covering the quality of materials,  
8 equipment, and workmanship, or any other information deemed  
9 necessary to describe adequately the state's needs. The  
10 performance specifications shall be prepared by a design  
11 professional licensed and registered in the State of California.

12 (b) (1) Establish a competitive prequalification and selection  
13 process for design-build entities, including any subcontractors  
14 listed at the time of bid, that clearly specifies the prequalification  
15 criteria and the manner in which the winning entity will be  
16 selected.

17 (2) Prequalification shall be limited to the following criteria:

18 (A) Possession of all required licenses, registration, and  
19 credentials in good standing that are required to design and  
20 construct the project.

21 (B) Submission of evidence that establishes that the  
22 design-build entity members have completed, or demonstrated  
23 the capability to complete, projects of similar size, scope, or  
24 complexity and that proposed key personnel have sufficient  
25 experience and training to competently manage and complete the  
26 design and construction of the project.

27 (C) Submission of a proposed project management plan that  
28 establishes that the design-build entity has the experience,  
29 competence, and capacity needed to effectively complete the  
30 project.

31 (D) Submission of evidence that establishes that the  
32 design-build entity has the capacity to obtain all required  
33 payment and performance bonding, liability insurance, and errors  
34 and omissions insurance.

35 (E) Submission of a financial statement that assures the  
36 department that the design-build entity has the capacity to  
37 complete the project.

38 (F) Provision of a declaration certifying that the design-build  
39 entity members have not had a surety company finish work on  
40 any project within the last five years.

- 1 (G) Provision of information and a declaration providing  
2 details concerning all of the following:
- 3 (i) Any settlement or judgment in a construction or design  
4 claim or litigation totaling more than five hundred thousand  
5 dollars (\$500,000) or 5 percent of the annual value of work  
6 performed, whichever is less, against any member of the  
7 design-build entity within the last five years.
- 8 (ii) Any serious violation of the Occupational Safety and  
9 Health Act, as provided in Part 1 (commencing with Section  
10 6300) of Division 5 of the Labor Code, committed by any  
11 member of the design-build entity.
- 12 (iii) Any violation of federal or state law, including, but not  
13 limited to, those laws governing the payment of wages or  
14 benefits or personal income tax, Federal Insurance Contributions  
15 Act withholding, or state disability insurance withholding or  
16 unemployment insurance payment requirements against any  
17 member of the design-build entity within the last five years. For  
18 the purposes of this clause, only violations committed by a  
19 design-build member as an employer shall be included in the  
20 declaration. A violation by a subcontractor of the provisions of  
21 subdivision (b) of Section 1775 of the Labor Code shall be  
22 included in the declaration if the design-build member had  
23 knowledge of the violation.
- 24 (iv) Any violations of the Contractors' State License Law  
25 (Chapter 9 (commencing with Section 7000) of Division 3 of the  
26 Business and Professions Code), excluding complaints the  
27 registrar found unsubstantiated.
- 28 (v) Any conviction of any member of the design-build entity  
29 for submitting a false or fraudulent claim to a public agency over  
30 the last five years.
- 31 (H) Submission of the questionnaire required by Section  
32 10162 of the Public Contract Code under penalty of perjury.
- 33 (I) Provision of a declaration that the design-build entity will  
34 comply with all other provisions of law applicable to the project,  
35 including, but not limited to, the requirements of Chapter 1  
36 (commencing with Section 1720) of Part 7 of Division 2 of the  
37 Labor Code.
- 38 (3) Any declaration required under paragraph (2) shall state  
39 that reasonable diligence has been used in its preparation and that  
40 it is true and complete to the best of the signer's knowledge. A

1 person who certifies as true any material matter that he or she  
2 knows to be false is guilty of a misdemeanor and shall be  
3 punished by not more than one year in a county jail, by a fine of  
4 not more than five thousand dollars (\$5,000), or by both the fine  
5 and imprisonment.

6 228.3. (a) The department, in each design-build request for  
7 proposal, may identify types of subcontractors by subcontractor  
8 license classification, that will be listed by the design-build entity  
9 at the time of the bid. In selecting the subcontractors that will be  
10 listed by the design-build entity, the department shall limit the  
11 identification to only those license classifications deemed  
12 essential for proper completion of the project. The department  
13 shall not specify more than five licensed subcontractor  
14 classifications.

15 (b) At its discretion, the design-build entity may list an  
16 additional two subcontractors, identified by subcontractor license  
17 classification, that will perform design or construction work, or  
18 both, on the project. The design-build entity shall not list at the  
19 time of bid, a total of more than seven subcontractor license  
20 classifications on a project.

21 (c) All subcontractors that are listed at the time of bid shall be  
22 afforded all of the protection contained in Chapter 4  
23 (commencing with Section 4100) of Part 1 of Division 2 of the  
24 Public Contract Code.

25 228.4. (a) All subcontracts that are not to be performed by the  
26 design-build entity shall be competitively bid and awarded by the  
27 design-build entity, in accordance with the design-build process  
28 set forth by the department in the design-build package.

29 (b) The design-build entity shall do all of the following in  
30 bidding and awarding the subcontractors:

31 (1) Provide public notice of the availability of work to be  
32 subcontracted in accordance with Section 10140 of the Public  
33 Contract Code.

34 (2) Provide a fixed date and time at which the subcontracted  
35 work will be awarded in accordance with Section 10141 of the  
36 Public Contract Code.

37 (3) As authorized by the department, establish reasonable  
38 prequalification criteria and standards, limited in scope to those  
39 described in Section 228.2.

1 (4) Provide that the subcontracted work shall be awarded to  
2 the lowest responsible bidder.

3 228.5. The department shall establish technical criteria and  
4 methodology, including price, to evaluate proposals and shall  
5 describe the criteria and methodology in the request for  
6 design-build proposals. The award shall be made to the  
7 design-build entity whose proposal is judged as providing the  
8 best value in meeting the interest of the department and meeting  
9 the objectives of the project.

10 228.6. (a) Any design-build entity that is selected to design  
11 and build a project pursuant to this section shall possess or obtain  
12 sufficient bonding as required by applicable provisions of the  
13 Public Contract Code or the California Toll Bridge Authority Act  
14 (Chapter 1 (commencing with Section 30000) of Division 17).  
15 Nothing in this section shall prohibit a general or engineering  
16 contractor from being designated the lead entity on a  
17 design-build entity for the purposes of purchasing necessary  
18 bonding to cover the activities of the design-build entity.

19 (b) Any payment or performance bond written for the  
20 purposes of this section shall use a bond form developed by the  
21 Department of General Services. In developing the bond form,  
22 the department shall consult with the surety industry to achieve a  
23 bond form that is consistent with surety industry standards, while  
24 protecting the interests of the state.

25 SEC. 3. No reimbursement is required by this act pursuant to  
26 Section 6 of Article XIII B of the California Constitution because  
27 the only costs that may be incurred by a local agency or school  
28 district will be incurred because this act creates a new crime or  
29 infraction, eliminates a crime or infraction, or changes the  
30 penalty for a crime or infraction, within the meaning of Section  
31 17556 of the Government Code, or changes the definition of a  
32 crime within the meaning of Section 6 of Article XIII B of the  
33 California Constitution.

O



**BILL:** SCA 7 (Torlakson, D-Antioch)  
Introduced February 15, 2005

**SUBJECT:** Amends the California Constitution to Require Transportation Funds Loaned to the State General Fund or other State Funds be Repaid with Interest.

**STATUS:** Referred to Senate Transportation and Housing Committee

**SUMMARY AS OF MARCH 7, 2005:**

SCA 7 would provide, upon voter approval, that transportation funds loaned to the state General Fund or other state funds be repaid with interest at the same rate as the State Pooled Money Investment Account (2.37 percent in February 2005). This bill also contains provisions that would allow transportation revenues to be loaned to any other state fund or account following the same rules established for the General Fund.

State funds for transportation programs come from three major sources: a gas tax (18 cents per gallon of motor vehicle fuel), sales tax on gasoline and diesel fuel, and taxes and fees on motor vehicles and their use (including truck weight fees, vehicle registration fees, and driver's license fees). The State Constitution restricts the use of these revenues for transportation purposes, but allows for them to be loaned temporarily to the General Fund with the condition that they must be repaid.

SCA 7 is meant to close the loopholes built into Proposition 2 (ACA 30 by Murray, D-Culver City), which was enacted in November 1998, to restrict the conditions under which state transportation funds could be loaned to the General Fund. Specifically, loans to the General Fund in any fiscal year must be repaid within that fiscal year or delayed up to 30 days after a state budget is enacted for the subsequent fiscal year. Loans extending over a fiscal year may be made only if the Governor declares a state of emergency which would result in a significant negative impact to the General Fund or if there is a decrease in General Fund revenues from the previous year's level. Loans extending over a fiscal year must be repaid in full within three years. No interest payments were imposed on these loans regardless of the length of the loan.

Proposition 2 also authorized the Legislature to loan state transportation funds to local agencies, but provided that these loans were to be repaid with interest no later than four years after the loans were made. Interest was defined as the rate paid on money in the State Pooled Money Investment Account. This account is overseen by the State Treasurer's office and invests monies on behalf of the state government and more than 3,000 jurisdictions. Past annual returns ranged from 2.31 percent (July 2002-March 2003) to 2.01 percent (October-December 2004).

As a Constitutional amendment, SCA 7 requires a two-thirds approval in both the Senate and the Assembly.

## **EFFECTS ON ORANGE COUNTY:**

Prior to Proposition 2, during the early and mid 1990s, several hundred millions of dollars were transferred from transportation accounts for use on other state purposes and not repaid.

Since fiscal year (FY) 2001-2002, over \$3.6 billion in transportation funding has been loaned to the General Fund with only \$356 million repaid. An additional \$1.2 billion was proposed to be repaid in FY 2004-2005 with bonds backed by tribal gaming revenue. This payment has been postponed until FY 2005-2006 and even then may not be realized due to pending litigation associated with the tribal gaming compacts. This Constitutional amendment would require repayment with interest. Because construction costs generally increase 3 percent each year a project is delayed, loans that threaten to cancel a project simply make worse an already bad situation. Without payment of interest, transportation suffers when funds are loaned to the General Fund.

Although continued loans to the General Fund will seriously hamper the ability of the state and local transportation authorities to keep pace with the growth and continued maintenance of highways, streets, and public transit projects, SCA 7 corrects a serious loophole and inequity in Proposition 2. If the state continues to have the authority to borrow transportation funding, repayment to the fund should be at the same interest rate as is currently charged to local entities which borrow these funds.

For these reasons, Orange County Transportation Authority staff recommends the Board of Directors adopt a Support position on SCA 7.

## **OCTA POSITION:**

Staff recommends: SUPPORT

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**Introduced by Senator Torlakson**

February 15, 2005

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Senate Constitutional Amendment No. 7— A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 6 of Article XIX thereof, and by amending Section 1 of Article XIX A thereof, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SCA 7, as introduced, Torlakson. Loans of transportation revenues and funds.

The California Constitution restricts the expenditure of certain motor vehicle fuel and vehicle-related revenues to specified transportation purposes, but authorizes these revenues to be loaned to the General Fund under certain conditions. The California Constitution further provides that the trust funds in the Public Transportation Account in the State Transportation Fund may be loaned to the General Fund under certain conditions.

This measure would require any loan of these motor vehicle fuel and vehicle-related revenues or trust funds that is not repaid within the same fiscal year in which the loan was made, or by a date not more than 30 days after the enactment date of the Budget Bill for the subsequent fiscal year, to be repaid with interest at a specified rate. The measure would provide that a loan of these funds may also be made to other state funds or accounts under the conditions applicable to loans to the General Fund.

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

1     *Resolved by the Senate, the Assembly concurring,* That the  
2 Legislature of the State of California at its 2005–06 Regular  
3 Session commencing on the sixth day of December 2004,  
4 two-thirds of the membership of each house concurring, hereby  
5 proposes to the people of the State of California that the  
6 Constitution of the State be amended as follows:

7     First—That Section 6 of Article XIX is amended to read:

8     SEC. 6. The tax revenues designated under this article may be  
9 loaned to the General Fund *or any other state fund or account*  
10 only if one of the following conditions is imposed:

11     (a) That any amount loaned is to be repaid in full to the fund  
12 from which it was borrowed during the same fiscal year in which  
13 the loan was made, except that repayment may be delayed until a  
14 date not more than 30 days after the date of enactment of the  
15 budget bill for the subsequent fiscal year.

16     (b) That any amount loaned is to be repaid in full, *with interest*  
17 *at the rate paid on money in the Pooled Money Investment*  
18 *Account, or any successor to that account, during the period of*  
19 *time that the money is loaned,* to the fund from which it was  
20 borrowed within three fiscal years from the date on which the  
21 loan was made and one of the following has occurred:

22     (1) The Governor has proclaimed a state of emergency and  
23 declares that the emergency will result in a significant negative  
24 fiscal impact to the General Fund.

25     (2) The aggregate amount of General Fund revenues for the  
26 current fiscal year, as projected by the Governor in a report to the  
27 Legislature in May of the current fiscal year, is less than the  
28 aggregate amount of General Fund revenues for the previous  
29 fiscal year, adjusted for the change in the cost of living and the  
30 change in population, as specified in the budget submitted by the  
31 Governor pursuant to Section 12 of Article IV in the current  
32 fiscal year.

33     (c) Nothing in this section prohibits the Legislature from  
34 authorizing, by statute, loans to local transportation agencies,  
35 cities, counties, or cities and counties, from funds that are subject  
36 to this article, for the purposes authorized under this article. Any  
37 loan authorized as described by this subdivision shall be repaid *in*  
38 *full,* with interest at the rate paid on money in the Pooled Money  
39 Investment Account, or any successor to that account, during the  
40 period of time that the money is loaned, to the fund from which it

1 was borrowed, not later than four years after the date on which  
2 the loan was made.

3 Second—That Section 1 of Article XIX A is amended to read:

4 SECTION 1. The funds in the Public Transportation Account  
5 in the State Transportation Fund, or any successor to that  
6 account, may be loaned to the General Fund *or any other state*  
7 *fund or account* only if one of the following conditions is  
8 imposed:

9 (a) That any amount loaned is to be repaid in full to the  
10 account during the same fiscal year in which the loan was made,  
11 except that repayment may be delayed until a date not more than  
12 30 days after the date of enactment of the budget bill for the  
13 subsequent fiscal year.

14 (b) That any amount loaned is to be repaid in full, *with interest*  
15 *at the rate paid on money in the Pooled Money Investment*  
16 *Account, or any successor to that account, during the period of*  
17 *time that the money is loaned*, to the account within three fiscal  
18 years from the date on which the loan was made and one of the  
19 following has occurred:

20 (1) The Governor has proclaimed a state of emergency and  
21 declares that the emergency will result in a significant negative  
22 fiscal impact to the General Fund.

23 (2) The aggregate amount of General Fund revenues for the  
24 current fiscal year, as projected by the Governor in a report to the  
25 Legislature in May of the current fiscal year, is less than the  
26 aggregate amount of General Fund revenues for the previous  
27 fiscal year, as specified in the budget submitted by the Governor  
28 pursuant to Section 12 of Article IV in the current fiscal year.



BOARD COMMITTEE TRANSMITTAL



*April 11, 2005*

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

This item will be considered by the Legislative and Government Affairs/Public Communications Committee on April 7, 2005. Following Committee consideration of this matter, staff will provide you with a summary of the discussion and action taken by the Committee.

Please call me if you have any comments or questions concerning this correspondence. I can be reached at (714) 560-5676.



**April 7, 2005**

**To:** Legislative and Government Affairs/Public Communications Committee

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

**Subject:** State and Federal Legislative Status Report

**Overview**

Two key transportation appointments by the Governor still require Senate confirmation. The House of Representatives recently passed the Transportation Equity Act – A Legacy for Users by a vote of 417-9. Four bill positions are submitted for consideration. The “GoCalifornia” legislative proposals have been formally introduced as bills.

**Recommendations**

- A. Support the Senate confirmation of Marian Bergeson as Commissioner to the California Transportation Commission.
- B. Support the Senate confirmation of Will Kempton as Director of the California Department of Transportation.
- C. Support the appointment of Vice Chairman Art Brown to the California High-Speed Rail Authority.
- D. Adopt the following recommended bill positions:
  - Support with Amendment AB 850 (Canciamilla, D-Pittsburg)
  - Support on AB 1067 (Frommer, D-Glendale)
  - Support on ACA 11 (Oropeza, D-Long Beach)
  - Support on SB 208 (Alquist, D-San Jose)

**Discussion**

Sloat Higgins Jensen & Associates' Sacramento Report

Chris Kahn's monthly report from the State Capitol (Attachment A) provides a status update on the Orange County Transportation Authority (OCTA) sponsored and co-sponsored legislation and their respective committee



hearing dates. The report also highlights the latest budget discussions, and reviews initiatives that are in circulation or pending with the Attorney General's office.

#### Governor's Appointments Pending Senate Confirmation

##### Marian Bergeson

On December 2, 2004, Marian Bergeson was appointed to the nine-member California Transportation Commission (CTC), by Governor Arnold Schwarzenegger. Confirmation by the California State Senate is required no later than one year from the Governor's appointment date.

Ms. Bergeson has more than 22 years of experience in the government sector, including serving as Secretary of Education under Governor Pete Wilson, and serving in the California Legislature, as an Assembly Member (1978-1984) and a Senator (1984-1995). She also served on the Orange County Board of Supervisors, representing south Orange County. Throughout her career, Ms. Bergeson has focused on infrastructure, land-use, and transportation issues.

##### Will Kempton

In November 2004, Governor Schwarzenegger appointed Will Kempton as Director of the California Department of Transportation (Caltrans), responsible for managing the day-to-day operations of California's state transportation system, including more than 50,000 lane miles of state highways. Confirmation by the California State Senate is required no later than one year from the Governor's appointment date.

Mr. Kempton began his career in transportation with Caltrans in 1973. He held management positions in the area of finance and the director's office prior to being appointed as assistant director in charge of Legislative and Congressional Affairs. Mr. Kempton translated his knowledge of transportation programs into the production arena during his employment as executive director of the Santa Clara County Traffic Authority and mobilized California's sales tax programs into an effective coalition of "self-help" counties.

It is important to note that the pending approval of both of these appointments may be faced with opposition during upcoming Senate confirmation hearings. Lack of accord between the Governor and members of the State Legislature over proposed budget cuts, legislative redistricting proposals, and greater use of the initiative process to circumvent the legislative process, have led to increased political battles.

It is expected that possible Democratic opposition to the confirmation of both Bergeson and Kempton will center on their past support of such issues as contracting out of government services and the design-build process for transportation projects. OCTA staff will remain informed on this matter and will update the Board as it progresses.

#### High Speed Rail Authority Board Appointment

The California High Speed Rail Authority (CHSRA) is comprised of a nine-member board that is appointed by the Governor (five members), the Senate Committee on Rules (two members), and the Speaker of the Assembly (two members). For the purposes of making appointments to the CHSRA, geographical diversity is considered to ensure that all regions of the state are adequately represented.

Previously, the Governor proposed to eliminate 88 boards and commissions, including the CHSRA. Since that time, the Governor has placed on hold the proposal and has been making appointments to these boards and commissions. Vice Chairman Brown has submitted an application for an appointment to the CHSRA.

Over the last fifteen years, Vice Chairman Brown has served city government in multiple roles, including service as a councilmember, Mayor Pro Tem and Mayor. In addition to his current capacity as Mayor Pro Tem for the City of Buena Park, Vice Chairman Brown is also the chairman of the Southern California Regional Rail Authority (Metrolink) Board of Directors, vice chairman of the Orange County Transportation Authority Board of Directors, and is a member of the Executive Committee for the Southern California Association of Governments (SCAG).

Vice Chairman Brown's extensive experience and involvement in transportation issues through his participation at Metrolink, OCTA, and SCAG have thoroughly prepared him to meet the challenges of representing Orange County on the CHSRA. There is no doubt that Vice Chairman Brown would be a knowledgeable representative of Orange County rail issues and an asset to the CHSRA.

#### Newly Analyzed State Legislation

AB 850 (Canciamilla, D-Pittsburg) authorizes Caltrans to enter into comprehensive agreements with public and private entities for specified transportation projects. Staff recommends: SUPPORT WITH AMENDMENTS. Attachment B is the bill analysis.

AB 1067 (Frommer, D-Glendale) imposes specific rail transit safety related penalties for persons who fail to stop at a limit line or attempt to proceed through a rail crossing when there is insufficient space on the other side. Staff recommends: SUPPORT. Attachment C is the bill analysis.

ACA 11 (Oropeza, D-Long Beach) would eliminate the ability to suspend Proposition 42 and instead allow loans under specified conditions. Staff recommends: SUPPORT. Attachment D is the bill analysis.

SB 208 (Alquist, D-San Jose) requires Caltrans and the State Controller to develop and implement an electronic funds transfer system by June 30, 2006. Staff recommends: SUPPORT. Attachment E is the bill analysis.

#### Update on GoCalifornia Proposals and a Related Budget Reform Proposal

On February 25, 2005, Secretary Sunne Wright McPeak introduced a three-bill legislative package for "GoCalifornia", the Administration's comprehensive initiative to finance and construct transportation infrastructure. The following bills are contained in that package:

- AB 850 (Canciamilla, D- Pittsburg), a measure that authorizes Caltrans to enter into public private partnership agreements to develop transportation projects. This bill is being brought forth for a position and is discussed in the "Newly Analyzed State Legislation" portion of this staff report. AB 850 is pending in the Assembly Transportation Committee.
- AB 1266 (Niello, R-Fair Oaks), a measure that enables Caltrans to use design-sequencing. Under this design-sequencing proposal, Caltrans would design each phase of a construction project. Construction would begin immediately after each design phase has been completed. Staff has not made a recommendation on this proposal. AB 1266 is pending in the Assembly Transportation Committee. OCTA staff has not brought forth this proposal because more time is needed to evaluate ongoing design sequencing projects such as the project on the Riverside freeway (State Route-91).
- SB 705 (Runner, R-Antelope Valley), a measure that permits Caltrans to use design-build. An analysis of this proposal was presented at the March 17, 2005, Legislative and Government Affairs/Public Communications Committee (LGA/PCC). Although LGA/PCC adopted the staff recommendation to support this proposal, the OCTA Board, at the March 28, 2005, Board of Directors meeting, requested the staff report containing this proposal be re-reviewed by the LGA/PCC at their next meeting. SB 705 is scheduled to be heard in the Senate Transportation Committee on April 5, 2005.

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A related piece of legislation, not a part of the GoCalifornia package but rather part of the Governor's budget reform proposals, would protect transportation funds in the future by forbidding suspension of Proposition 42. ACAX4 (Keene, R-Chico) proposes to place a Constitutional Amendment before the voters that would provide ongoing spending authority when the budget is late, impose across the board spending cuts, make changes to the Proposition 98 minimum guarantee of funding for education, prevent suspension of transfers of Proposition 42 revenues after fiscal year 2006-2007, and require all past loans of transportation funds be repaid over 15 years.

Staff has not brought ACAX4 forward for a position given its overarching reach. Instead, staff forwarded and the Board approved a support position on ACA 4 (Plescia, R-San Diego and Harman, R-Huntington Beach), a proposal to put a measure on the ballot that would delete the suspension provisions of Proposition 42.

#### Federal Legislative Report

The House of Representatives recently passed the Transportation Equity Act – A Legacy for Users (TEA-LU) by a vote of 417-9. The \$283.9 billion reauthorization bill sets federal transportation priorities and funding over the next six years. The White House has threatened to veto any bill that exceeds \$283.9 billion.

Issues such as the relationship between “donor” and “done” states and the final overall spending level will be debated in conference committee. Currently, California receives a return of about 90 percent of its federal gas tax revenues from the Highway Trust Fund. The state's congressional delegation wants to increase it to 95 percent.

A preliminary review of Orange County projects in the bill reveals an estimated total of \$65,063,890 in highway-related projects and \$8,640,000 for transit for a total of \$73,703,890. A major section of the bill, “Projects of Regional and National Significance,” has yet to be earmarked. When completely earmarked, this section could contain additional Orange County projects.

Language is also included to authorize a project that would qualify for rapid transit new starts funding if the Board decides to pursue such a project.

The Senate Environment and Public Works Committee (EPW), by a vote of 17-1, approved a five-year highway bill, the Safe, Accountable, Flexible, and Efficient Transportation Equity Act (SAFETEA). According to the committee's chairman, Senator James Inhofe (R-Oklahoma), when the transit and safety components are added, the legislation will total \$283.9 billion, reflecting the

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overall funding level in the House bill. While the bill passed overwhelmingly out of committee, many members of both parties expressed their concern that the funding level was still too low.

The legislation includes \$191.9 billion for fiscal year 2005 through fiscal year 2009 for highways. The percentage of highway funds returned to the states via formula would rise to 92.5 percent from the current level of 90.5 percent. According to preliminary estimates, using the proposed formula, overall highway funding for California would rise from an average of \$2.6 billion per year to an average of \$3.3 billion, a 27 percent increase.

Separately, in an action that saw limited policy changes, the Senate Banking, Housing and Urban Affairs Committee marked up the transit sections of the transportation bill, with a funding level of \$51.6 billion. This represents a \$1.7 billion decrease in funding from the Senate-approved 2004 bill.

Unlike the House transportation bill, the Senate bill did not propose earmarks for highway or transit programs. Any earmarks will likely be added in conference committee. The Senate is expected to take action on the bill during the later part of April.

### **Summary**

The Governor's appointments face pending Senate confirmation. The U.S. Senate passed a bill that would rise to 92.5 percent the percentage of highway funds returned to the states via formula. Four bill positions are submitted for consideration.

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**Attachments**

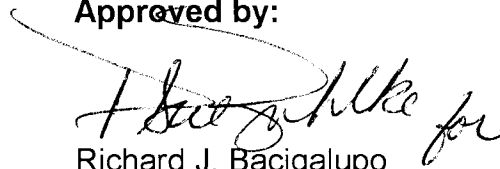
- A. Sloat Higgins Jensen & Associates' Sacramento Report
- B. Analysis of AB 850 (Canciamilla, D-Pittsburg)
- C. Analysis of AB 1067 (Frommer, D-Glendale)
- D. Analysis of ACA 11 (Oropeza, D-Long Beach)
- E. Analysis of SB 208 (Alquist, D-San Jose)
- F. Legislative Matrix

**Prepared by:**



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## MEMORANDUM

**TO:** OCTA Board of Directors

**FROM:** Kevin Sloat  
Chris Kahn  
Sloat Higgins Jensen & Associates

**RE:** Sacramento Report

**DATE:** March 23, 2005

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The Legislature is currently on their spring recess. They return on March 29<sup>th</sup>. All bills introduced are now eligible for committee hearings. The next month will be filled with long hearings as the Legislature dispenses with the thousands of bills introduced this year. As a reminder, the deadline in the Assembly for fiscal bills to pass through policy committee is April 29<sup>th</sup>. The last day to hear non-fiscal bills is May 6<sup>th</sup>. In the Senate, the deadline for fiscal bills is April 22<sup>nd</sup> and for non-fiscal bills is April 29<sup>th</sup>.

OCTA's three sponsor bills have been set for hearing:

**AB 267 (Daucher):** would increase from 12 months to 36 months the period to receive an allocation for STIP projects advanced with local funds. It will be heard in Assembly Transportation Committee on April 4.

**AB 462 (Tran):** authorizes Caltrans to review and approve disability accessibility standards for projects located in the state highway system rights-of-way. This bill will be heard in the Assembly Transportation Committee on April 18<sup>th</sup>.

**AB 1173 (Tran):** extends the initial operating segment of the California high-speed train to Anaheim. This bill will also be heard in Assembly Transportation Committee on April 18<sup>th</sup>.

We are working with our authors and reaching out to interested parties to gain support for these measures. We presented AB 267 and AB 462 to the League of California cities and lobbyists for the majority of cities in the State. We hope to get a number of groups to support both bills.

### **OCTA Legislative Day:**

We are in the process of organizing meetings for those board members participating in the OCTA Legislative Day and Orange County Legislative Delegation dinner. Meetings are being scheduled for the afternoon of April 5<sup>th</sup> and the morning of April 6<sup>th</sup>. An unprecedented number of board members are taking part in these meetings. Rather than walking the halls of the capitol, we have reserved the Governor's counsel room for April 5<sup>th</sup> and a legislative meeting room on April 6<sup>th</sup> and will have our speakers come to us. Since you will be spending the evening with Orange County Legislators at the dinner, we are trying to dedicate the meetings to members of the Schwarzenegger Administration, Republican and Democrat leadership, and budget and committee chairs. We look forward to two very productive days for OCTA.

On Tuesday March 15<sup>th</sup>, the California Transit Association (CTA) held its annual Transit Lobby Day. CTA scheduled meetings with over 100 members of the Legislature. We joined OCTA staff and met with Assembly Members Harman and Tran, staff from the offices of Senators Ackerman, Campbell, and Dunn, and Assembly Members Daucher, DeVore, Spitzer, and Umberg. The issue of protection of Proposition 42 dominated the discussions.

### **Budget**

Senate and Assembly Budget sub-Committees have begun meeting to discuss the Governor's proposed transportation budget. It is clear that Legislators from both sides of the aisle would like to avert or minimize a Proposition 42 suspension. To date they have not taken any action.

The Assembly and Senate have also been holding informational hearings in Sacramento and around the State to discuss all aspects of the Governor's budget. No major actions have been taken and it appears that the Legislature is going to take its time as they wait to see what qualifies for a special election ballot.



## **Initiative Update**

A record number of initiatives have made their way through the Attorney General's office and into the public for signature collection. There are several issues at the top of the Governor's agenda. The Governor supports a budget reform initiative that would automatically extend spending at the prior year's levels if the Legislature fails to enact a new budget by the July 1 deadline, incur across the board cuts when revenues exceed expenditures, and abolish the maintenance factor. Governor Schwarzenegger also supports changing benefits for state workers from a defined benefit to a defined contribution plan, allowing retired judges -- not lawmakers -- to draw boundaries for political districts, and establishing increased time for tenure and merit-based pay for teachers. The attached spreadsheet highlights several of the initiatives that are in circulation or pending with the Attorney General's office.

**Highlighted Initiatives in Circulation and Pending with Attorney General**  
*Revised March 23, 2005*

<b>Topic</b>	<b>Title</b>	<b>Proponent</b>	<b>Summary</b>	<b>Status</b>
Budget Reform	<u>Vote Requirement for Fees/Charges. State and Local Appropriation Limits. School Funding. State Mandates. Bonds. Initiative Constitutional Amendment</u>	Senator John Campbell, Jon Coupal, and Larry McCarthy	Would require that certain state fees/charges be enacted by two-thirds vote of Legislature, not the current majority vote and requires that certain local fees/charges be approved by two-thirds of electorate. The initiative amends state and local appropriation limits and provides procedure if the state exceeds appropriation limits. The initiative would also repeal Proposition 98 revenue transfers above the appropriation limit to community college and school districts and allocates General Fund revenue above appropriation limits to specific purposes. Furthermore, the initiative specifies requirements for reimbursement of local government mandates and restricts state bond issuances. (Rumored to revive Prop. 37, the "Polluter Protection Act". Need to verify.)	Signature Deadline - 5/23/05
Budget Reform	<u>State/Local Spending Limits. Vote Requirement for Fees/Charges. School Funding. State Mandates. Bonds</u>	Senator John Campbell, Jon Coupal, and Larry McCarthy	Would limit the annual growth in CA spending to no more than inflation plus population and would create a permanent Reserve Fund equal to 5% of the state budget. Would also pay off the "Davis Deficit" bonds and reduces overall state debt. The initiative dedicates extra funds to "pay as you go" school and highway infrastructure construction and provides tax relief through temporary sales tax reductions. Requires certain state fees/charges be enacted by 2/3 vote of Legislature. Protects California's bond rating by limiting general obligation debt service at 6% of General Fund spending. Holds the Legislature accountable by withholding their pay if they attempt to break the spending limit. The initiative includes all state funds, including special funds, which is meant to include those taxes labeled as fees according to the Sinclair decision.	Signature Deadline - 8/08/05
Budget Reform	<u>State Mandates. State/Local Spending Limits. Vote Requirement for Fees/Charges. Bonds</u>	Senator John Campbell, Jon Coupal, and Larry McCarthy	Would limit state and expands local spending limits. Provides procedure if state exceeds spending limit. Requires certain state fees/charges be enacted by 2/3 vote of Legislature; currently, majority vote required. Requires certain local fees/charges be approved by vote of electorate; currently, not vote required. Reallocates General Fund revenue above spending limit. Prohibits issuance of general obligation/revenue lease bonds if annual debt service exceeds 6% of General Fund. Specifies state reimbursement requirements for local government mandates; prohibits use of certain taxes for reimbursement.	Signature Deadline - 8/08/05
Budget Reform	<u>Fiscal Emergency. State Budget. State/Local Spending Limits. Vote Requirement for Fees/Charges. Bonds.</u>	Senator John Campbell, Jon Coupal, and Larry McCarthy	Empowers Governor to make across-the-board reductions in state spending (with exceptions) upon declaration of fiscal emergency if Legislature doesn't address emergency within 45 days. Continues prior fiscal year's budget if new state budget delayed. Effectively	Signature Deadline - 8/08/05

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			restricts state and expands local government spending limits. Requires certain state fees/charges be enacted by 2/3 vote of the Legislature. Requires certain local fees/charges be approved by vote of electorate. Specifies requirements for state reimbursement of local government mandates. Restricts state bond issuances.	
Budget Reform	<u>School Funding. Fiscal Emergency. State/Local Spending Limits. Vote Requirement for Fees/Charges</u>	Senator John Campbell, Jon Coupal, and Larry McCarthy	Amends minimum funding requirement for schools/community colleges, expands opportunities to suspend funding and eliminates reimbursement requirement. Permits Governor to reduce state spending (with certain exceptions) proportionally during declared fiscal emergency. Restricts state/expands local government spending limits. Provides procedure if state exceeds spending limit. Requires certain state charges be enacted by 2/3 vote of Legislature. Requires certain local charges be approved by local electorate vote. Specifies requirements for state reimbursement of local government mandates. Restricts state bonds issuance.	Signature Deadline – 8/08/05
Budget Reform	<u>State Budget. School Funding. Fiscal Emergency. State/Local Spending Limits. Vote Requirement for Fees/Charges. Bonds</u>	Senator John Campbell, Jon Coupal, and Larry McCarthy	Continues previous fiscal year's budget if new state budget is delayed. Amends the minimum-funding requirement for schools/community colleges; increases opportunity to suspend funding and eliminates reimbursement obligation. Permits Governor to reduce state spending proportionally, with certain exceptions during fiscal emergency. Effectively restricts state and expands local government spending limits. Reallocates revenue above spending limit. Requires certain state fees/charges be enacted by 2/3 vote of Legislature. Restricts state bonds.	Signature Deadline – 8/08/05
Budget Reform	<u>Appropriation Limits. School Funding. Class Size Requirement</u>	Roberta B. Johansen James C. Harrison	Provides that no new spending limit may be imposed on CA spending unless expenditures per student in the state is at least equal to the average per pupil expenditure of the top 10 states and that California's average class size is equal to or less than the average of the 10 states with the smallest classes. Would also impose a commercial property tax rate of 1.3%.	Signature Deadline – 8/01/05
Budget Reform	<u>Fees. Appropriation Limits. Public School Funding. Class Size Requirements.</u>	Roberta B. Johansen James C. Harrison	Differs from version I in that the commercial property tax rate would be 1.5% instead of 1.3%.	Signature Deadline – 8/01/05
Budget Reform	<u>Government Spending Limits</u>	Lewis Uhler	Would restore the Gann Limit, which limited state and local government spending growth to population growth and inflation. Would cap state bond indebtedness to 5% and make adjustments for Prop 1A, Prop 57, and Prop 58. Shifts 50% of excess state revenues from schools to transportation fund until repaid, then to taxpayer rebates and credits. (Seems to attack Sinclair decision.)	Signature Deadline – 08/12/05
Budget Reform	<u>California Live Within Our Means Act</u>	Allan Zarembeg and	Supported by the Chamber of Commerce, this initiative would	Pending Title,

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	<u>(Version 3)</u>	Bill Hauck	strengthen Prop 58 to deal with budget emergencies when the Legislature fails to act. Would allow the Governor to make mid-year across the board cuts when expenditures exceed revenues by one and one half percent or \$250,000. Would eliminate the maintenance factor, but pay back existing maintenance factor balance over 15 years.	Summary, and Circulation
Budget Reform	<u>School Employment Decisions. Employee Performance</u>	Tony Strickland	Addresses tenure and would implement merit-based pay for teachers. This initiative is supported by the Chamber of Commerce.	Signature Deadline – 8/15/05
Energy	<u>The Re-Regulation of Electricity Act (Version 1)</u>	Robert Finkelstein and Michel Peter Florio	Would ensure that all rates, terms, and conditions of retail electric service are regulated by the Public Utilities Commission.	Pending Title, Summary, and Circulation
Energy	<u>Electric Service Providers. Regulation</u>	Robert Finkelstein and Michel Peter Florio	Subjects electric service providers to control and regulation by the PUC. Imposes restrictions on electricity customers' ability to switch from private utilities to other electric providers. Requires all retail electric sellers, instead of just private utilities, to increase renewable energy resource procurement by at least 1% each year, with 20% of retail sales procured from renewable energy by 2010, instead of current requirement of 2017.	Signature Deadline – 8/15/05
General Business	<u>Public Service Contracts with Private Parties</u>	Tony Strickland and Shawn Steel	Written in response to the passage of SB 1419 in 2002, this initiative would allow governmental decision makers to have public entities contract with the private sector for cost savings benefit.	Signature Deadline – 7/25/05
Indian Gaming	<u>Responsible Gaming &amp; Population Segment Investment</u>	David Johnson	n/a	Pending Title, Summary, and Circulation
Indian Gaming	<u>The No Urban Casino Act</u>	Thomas Davidoff and Norman La Force	Clarifies that Prop 1A does not authorize tribal casinos in or near urban areas and that Indian lands under Prop 1A do not include land in or near urban areas. Additionally, repeals the State's statutory waiver of its sovereign immunity from suit in cases involving urban tribal casinos.	Pending Title, Summary, and Circulation
Indian Gaming	<u>Compacts Allowing Tribal Casinos. Urban Areas</u>	Thomas Davidoff and Norman La Force	Amends the California Constitution to prohibit tribal casinos in urban areas, as defined. Excludes from urban casino ban tribal lands eligible for gaming and held by tribe with state-tribal gaming compact in effect as of January 1, 2005. Retains Governor's authority to negotiate tribal compacts for other casinos. Repeals legislation enacted after January 1, 2005, ratifying any compact allowing casinos in urban areas.	Signature Deadline – 8/15/05
Indian Gaming	<u>Urban Areas. Tribal Casino Compacts</u>	Thomas Davidoff Norman La Force	Amends the California Constitution to prohibit tribal casinos in urban areas, as defined, without a two-thirds vote of Legislature. Excludes from urban casino ban tribal lands eligible for gaming and held by tribe with state-tribal gaming compact in effect as of January	Signature Deadline – 8/15/05

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			1, 2005. Retains Governor's authority to negotiate tribal compacts for other casinos. Repeals legislation enacted after January 1, 2005, ratifying any compact allowing tribal casinos in urban areas. Makes State's waiver of sovereign immunity inapplicable to compacts, negotiations, and disputes concerning urban tribal casinos.	
Minimum Wage	<u>Minimum Wage. Increases and Future Adjustments.</u>	Lance Olson	Would increase the minimum wage from \$6.75 to \$7.25 after 1/1/06 and \$7.75 after 1/1/07, and then index for future cost of living increases.	Signature Deadline - 8/08/05
Minimum Wage	<u>Minimum Wage Increase</u>	Lance Olson	Would increase the minimum wage to \$7.40 in 2006, \$7.90 in 2007, and then index for future cost of living increases.	Signature Deadline - 8/18/05
Minimum Wage	<u>Increase In Minimum Wage</u>	Lance Olson	Would increase minimum wage to \$7.25 in 2006, \$7.75 in 2007, and then index for future cost of living increases.	Pending Title, Summary, and Circulation
Pension Reform	<u>Prohibition on Defined Benefit Public Pensions. Alternative Plans.</u>	Jon Coupal	Supported by the Governor and the Chamber of Commerce, this initiative would create defined contribution, 401(k) type plans for all state and local government employees. Employees hired by public agencies on or after July 1, 200 would switch from defined benefits to defined contributions plans. After that time, a public agency's contribution to the contribution plan would be limited to 6% of an employee's base salary, not including overtime, vacation, or sick leave. However, a contribution of up to 9% would be allowed for sworn police officers and full-time fire fighters.	Signature Deadline - 7/28/05
Pension Reform	<u>The Portable Retirement Security Act of 2005</u>	Richard Holober	Would propose a retirement program to be managed by PERS, in which individuals who work on a seasonal basis, for multiple employers, or multiple jobs for the same employer would have the same retirement as those who work full-time for a single employer. Most employers, except for the smallest businesses and those that already offer a pension plan, would be required to contribute to the plan. Employers would be required to make contributions, but employees could opt out of taking deductions from their paychecks and would receive smaller retirement benefits in the end.	Pending Title, Summary, and Circulation
Pension Reform	<u>The California Public Employee Pension Reform Act</u>	Dwight Read	Would have any new employees enroll in a defined contribution plan in which the contribution of a public agency shall not exceed 6 % of an employee's base salary, not including overtime, vacation of sick leave, and 9% for sworn police officers and full-time firefighters. In the event that an employee is not matching the contribution, the agency may contribute 3% or 4.5% for sworn police officers and full-time firefighters. However, this measure would exempt the University of California, allowing its employees to remain on a traditional pension plan.	Pending Title, Summary, and Circulation

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Pharmaceutical	<u>State-Negotiated Prescription Drug Rebates, Discounts</u>	Anthony Wright	Would establish the California Rx Plus State Pharmacy Assistance Program, or Cal Rx, which would be administered by the Department of Health Services (DHS) to use manufacturer rebates and pharmacy discounts to reduce prescription drug prices for residents whose total unreimbursed medical expenses equal 5% or more of family income, are enrolled in Medicare whose prescription drugs are not covered by Medicare, or who has a family income equal to or less than 400% of the federal poverty guidelines, not covered by the Medi-Cal program or Healthy Families Program. At least 95% of rebates must go to fund discounts. Prohibits new Medi-Cal contracts with manufacturers who will not provide the Medicaid best price to this program, except for drugs without therapeutic equivalent.	Signature Deadline - 8/08/05
Pharmaceutical	<u>Prescription Drug Discounts, State-Negotiated Rebates</u>	Anthony Wright	Would establish the Cheaper Prescription Drugs for California Program, or Cal Rx Plus, which would be administered by DHS to use manufacturer rebates and pharmacy discounts to reduce prescription drug prices. At least 95% of rebates must go to fund discounts. Prohibits new Medi-Cal contracts with manufacturers who will not provide the Medicaid best price to this program, except for drugs without therapeutic equivalent.	Signature Deadline - 8/08/05
Pharmaceutical	<u>California State Pharmacy Assistance Program (CAL Rx)</u>	Ashlee N. Brown	Would establish the California State Pharmacy Assistance Program or Cal Rx under which recipients would pay the pharmacy contract rate for prescription drugs dispensed to non-inpatient recipients plus a dispensing fee, less manufacturers' rebates.	Pending Title, Summary, and Circulation
Reapportionment	<u>State Government Reorganization Plans, Legislative Vote Requirement</u>	Joel Fox	Endorsed by Schwarzenegger and the CSC, this initiative would amend state law to require a 2/3 vote in both houses of the legislature rather than a simple majority in either house in order to block reorganization plans submitted by the Governor.	Signature Deadline - 7/25/05
Reapportionment	<u>Redistricting, Initiative Constitutional Amendment</u>	Ted Costa	Would amend state constitutional provisions governing redistricting of California's Senate, Assembly, Congressional and Board of Equalization districts. Would require a panel of three retired judges, selected by legislative leaders, to adopt a new redistricting plan to take place within 20 days of passage and again after each national census. The plan includes nesting, in which each Senate district is to be comprised of two contiguous Assembly districts. The redistricting plan would be effective upon unanimous adoption by the judges' panel and filing with Secretary of State. The plan requires voter approval or the process would repeat. The Legislative Analyst and Director of Finance estimate the following fiscal impacts on state and local governments: One-time state redistricting costs,	Signature Deadline - 04/29/05

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			totaling a few million dollars, with comparable savings for each redistricting effort after 2010 (once every ten years). These costs and savings would be accommodated within the Legislature's existing spending limit.	
Reapportionment	<u>Reapportionment Initiative Constitutional Amendment</u>	Ted Costa	Also proposed by Ted Costa, the initiative is essentially the same as the previous version, but includes language that would preempt various legal challenges. It specifies time for judicial review of the adopted redistricting plan and that if the plan fails to conform to requirements, the court may order new plan.	Signature Deadline - 7/05/05
Reapportionment	<u>District Boundary Changes</u>	Robert Harris	Would allow, within 20 days, the Legislature to appoint a panel of four retired judges to adopt a plan of redistricting on or before January 15 following a national census. The members of the Senate, Assembly, and Board of Equalization would be elected from a single-member district in which the population is as nearly equal as practicable and must attempt to preserve ethnic, cultural, economic communities of interest within districts. The Legislature will adjust Congressional district boundaries. The panel's redistricting plan would be subject to voter approval. If panel fails to unanimously approve the redistricting plan, or if voters reject the plan, the Legislature will adjust the Senate, Assembly, and Board of Equalization districts.	Signature Deadline - 7/25/05
Reapportionment	<u>Changing District Boundaries</u>	Robert Harris	Would allow, within 20 days, the Legislature to appoint a three-member panel of retired judges to adjust the Senate, Assembly, and Board of Equalization districts. The Legislature will adjust Congressional district boundaries. The panel's redistricting plan would be subject to voter approval. If panel fails to unanimously approve the redistricting plan, or if voters reject the plan, the Legislature will adjust the Senate, Assembly, and Board of Equalization districts.	Signature Deadline - 7/25/05
Reapportionment	<u>Reapportioning District Boundaries</u>	Robert Harris	Differs from "Changing District Boundaries" initiative in that a <i>four</i> -member panel of retired judges will adjust the boundaries.	Signature Deadline - 7/25/05
Reapportionment	<u>Reapportionment of Districts</u>	Robert Harris	Would allow that after the next national census, or in 2011, the Legislature shall appoint a bipartisan advisory committee composed of non-State legislators, with equal representation of Republicans and Democrats, to produce a redistricting plan that would not be subject to voter approval.	Signature Deadline - 7/25/05
Reapportionment	<u>District Reapportionment</u>	Allan Zaremborg	Would allow that on or before January 15 in the year after a national census is taken (2011), the Legislature shall appoint a panel of Special Masters composed of twenty four (24) retired judges to adjust boundary lines. The maximum population deviation is 1% or	Signature Deadline - 7/28/05

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			the federal standard – whichever is stricter. Before adoption of the redistricting plan, the plan would be submitted to the Legislature for comment and possible amendment. The plan is subject to voter approval.	
Reapportionment	<u>Reapportioning Election Districts. Congressional Exception</u>	Dave Gilliard	Would allow, within 20 days, the Legislature to appoint three-member panel of retired judges to adjust the Senate, Assembly, and Board of Equalization districts. Congressional redistricting would take place in 2011. The plan is not subject to voter approval. Determines that the gap between Republicans and Democrats is not to exceed 7% in competitive districts.	Signature Deadline – 8/08/05
Reapportionment	<u>Mid-Decade District Reapportionment. Congressional Exception</u>	Dave Gilliard	Differs from initiative above in that it deletes the 7% gap requirement.	Signature Deadline – 8/15/05
Tax	<u>Corporate Tax Preferences. Same Percent Vote Requirements</u>	Roberta Johansen James Harrison	Would allow Legislature to repeal corporate tax preferences based on same vote requirement that applies to their enactment and to review preferences annually as part of budget process. Dept. of Finance would calculate amount of additional revenues that result from every repeal or amendment or any tax preference enacted after January 1, 1985, and the amount would be deposited in the Prudent State Reserve Fund.	Signature Deadline – 8/08/05
Tax	<u>Economic Recovery Tax Relief</u>	Roberta Johansen James Harrison	Would establish that the gross premiums tax paid by insurers for any premiums collected on or after January 1, 2006 shall be 2.46% percent, rather than the current 2.35%. Also includes a split roll tax proposal and oil severance tax of 3% gross value.	Pending Title, Summary, and Circulation
Tax	<u>The Economic Recovery Tax Relief Act (Version 2)</u>	Roberta Johansen James Harrison	Would establish that the gross premiums tax paid by insurers for any premiums collected on or after January 1, 2006 shall be 2.46%. Also includes a split roll tax proposal and oil severance tax of 3% gross value.	Pending Title, Summary, and Circulation
Tax	<u>The Economic Recovery Tax Relief Act (Version 3)</u>	Roberta Johansen James Harrison	Would establish that the gross premiums tax paid by insurers for any premiums collected on or after January 1, 2006 shall be 2.46%. Also includes an oil severance tax of 3% gross value. Establishes that, at the conclusion of the 2006 fiscal year, the Dept. of Finance shall calculate the amount of additional revenues from ERAF changes to be deposited in the Transportation Investment Fund.	Pending Title, Summary, and Circulation
Tax	<u>Tax Fairness for Homeowners Act of 2005</u>	Lenny Goldberg	Split Roll Tax Initiative - Would provide periodic reassessment of non-residential property to market value.	Pending Title, Summary, and Circulation
Tax	<u>The Tax Reduction and Taxpayer Equity Act of 2005</u>	Ken Heredia	In addition to providing an increase in the property tax exemption for homeowners, as well as extending additional tax exemptions to active and retired military personnel, the elderly, the disabled, and	Pending Title, Summary, and Circulation



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			those who move close to work, this measure would establish that the gross premiums tax paid by insurers for any premiums collected on or after January 1, 2006 shall be increased from 2.35 % to 7%.	
Tax	<u>Tax Fairness Act of 2005</u>	Wayne Ordos	Split Roll Tax Initiative – Would provide periodic reassessment of non-residential property to market value.	Pending Title, Summary, and Circulation
Tax/Voter Requirement	<u>Two-Thirds Vote Preservation Act of 2005</u>	Allan S. Zarembeg	Supported by the Chamber of Commerce, this initiative would clearly define that a two-thirds vote is required to pass a state and local statute that results in any taxpayer paying a higher tax or charge imposed for regulatory costs to the state of issuing licenses or permits, performing inspections or audits, and administrative adjudication.	Pending Title, Summary, and Circulation
Voter Requirement	<u>Vote Requirement for Fees/Charges, State and Local Appropriation Limits, School Funding, State Mandates, Bonds, Initiative Constitutional Amendment.</u>	John Campbell, Jon Coupal, Larry McCarthy	Would require certain state fees/charges be enacted by two-thirds vote of Legislature, not by current majority vote. Requires certain local fees/charges be approved by two-thirds of electorate. (Currently no vote required.) Amends state and local appropriation limits. Provides procedure if state exceeds appropriation limit. Repeals Proposition 98 revenue transfers above appropriation limit to community college and school districts. Allocates General Fund revenue above appropriation limit to specific funds/purposes. Specifies requirements for reimbursement of local government mandates. Restricts state bond issuances	Signature Deadline - 5/23/05
Voter Requirement	<u>Same Percent Vote Requirement for Ballot Measures</u>	Lance Olson	Would require a ballot measure that imposes a two-thirds vote requirement be passed by a two-thirds vote. Applies to measures on the current ballot and on future ballots.	Signature Deadline - 8/04/05
Voter Requirement	<u>Ballot Measures, Same percent Vote Requirement</u>	Lance Olson	Differs from version I in that the Legislature may amend or repeal referendum statutes. Does not apply to vote requirements imposed by voters on the Legislature to amend a ballot measure. Applies to measures on current and future ballots, to creation of new vote requirements, and increase of existing vote requirements.	Signature Deadline - 8/04/05

**BILL:** AB 850 (Canciamilla, D-Pittsburg)  
Introduced February 18, 2005

**SUBJECT:** Authorizes the California Department of Transportation to Enter into Comprehensive Development Franchise Agreements with Public and Private Entities for Specified Transportation Projects

**STATUS:** Referred to Assembly Transportation Committee

**SUMMARY AS OF MARCH 25, 2005:**

AB 850 would authorize the California Department of Transportation (Caltrans) to enter into comprehensive development franchise toll agreements with public and private entities or consortia for construction of high occupancy lanes, dedicated truck lanes, mixed flow toll lanes and toll lanes. This bill requires that each franchise agreement include a provision that authorizes Caltrans to open a competing facility within the corridor of the toll facility. Caltrans would be required to negotiate for the net fair market value of the toll franchise period equal to the projected loss of annual income. Annual payments would be calculated based on increases of average income during the previous five years. In the event that the projected net loss is less than calculated based on actual toll revenue collected, the annual payment by Caltrans would be decreased accordingly.

All facilities constructed pursuant to this bill would be owned by Caltrans and considered part of the state highway system. Agreements for maintenances and police service by Caltrans or other state agencies may provide for some form of negotiated reimbursement. Under current law, reimbursement is required. At the end of the franchise agreement, not to exceed 35 years, the California Transportation Commission is authorized to extend the collection of tolls.

AB 680 enacted in 1989, authorized Caltrans to enter into an agreement with private entities for the development, construction, and operation of four demonstration projects that could be leased to those entities for up to 35 years. The private entities were authorized to charge a toll to pay the cost of the private investment, including a reasonable profit, operations, administration, toll collection, policing of the facility, maintenance, retirement of outstanding bonds, and lease payments to the state. AB 1010 (Correa) enacted in 2002 prohibited the department from entering into new franchise agreements after January 1, 2003.

**EFFECTS ON ORANGE COUNTY:**

Currently, the only such facilities that have utilized the existing authority granted under AB 680, include the 91 Express Lanes facility on the Riverside Freeway (State Route 91) and the toll facility on State Route 125 in San Diego County.

The 91 Express Lanes is a 10-mile Orange County toll road, (two lanes in each direction), located in the freeway median between Route 55 and the Riverside County line were opened in 1995. Built and originally operated by the California Private Transportation Corporation (CPTC), it was constructed at a cost of \$139 million from private debt and equity investment.

The original legislation authorizing these toll projects did not contain provisions for competitive facilities. Under the agreement to construct the 91 Express Lanes, CPTC had an exclusive franchise to develop, acquire, construct, lease and operate the toll facility. In order to protect the exclusivity of the contract, property, and franchise rights, the franchise agreement provided that Caltrans may not grant similar franchise rights to third parties or develop any public transportation facility within an "Absolute Protection Zone." The Absolute Protection Zone was comprised of the area 1-1/2 miles on either side of the centerline of the toll road facility from Interstate 15 in Riverside County westward to the Los Angeles/Orange county line.

This restriction, commonly referred to as the "non-compete clause," was deemed necessary to protect the venture's profitability. The practical effect, however, had been to preclude Caltrans from making improvements to increase the capacity of the "free" lanes on the State Route 91 (SR-91), causing intolerable traffic congestion on those lanes. In 1999, when Caltrans went to build east and westbound auxiliary lanes on the SR-91 between the Foothill Transportation Corridor (SR-241) and the Corona Freeway (SR-71), CPTC invoked its "Exclusivity of Rights," and thus deferred Caltrans construction.

Due to the CPTC non-compete clause that did not permit planned freeway improvements on the 91 Express Lanes, the Orange County Transportation Authority (OCTA) in 2002, through AB 1010 (Correa-D, Santa Ana) was allowed to "buy out" the toll lanes from CPTC, effectively repealing the non-compete clause and facilitating improvements on the SR-91. Under the agreement, OCTA acquired the franchise agreement for the 91 Express Lanes for \$207.5 million, assuming the existing debt of \$135 million and a one-time payment of \$72.5 million to acquire the facility.

Unlike the non-compete agreement that existed with the 91 Express Lanes, the SR-125 in San Diego County franchise agreement included a non-compete clause under which the state agreed not to build any highway or make any improvement that would compete with the toll road that were not already contained in the state's 20-year plan. The non-compete agreement contains a provision allowing the state to build a competing road but requires, the private sponsor, the California Transportation Venture (CTV), to be reimbursed for the lost revenue caused by the new road.

Similar to the non-compete agreement with the SR-125, is the non-compete clause utilized by the Transportation Corridor Agencies (TCA) with the Foothill/ Eastern and the San Joaquin Hills corridors in Orange County. Although the TCA agreement is similar to the provisions contained in AB 850, which allows for the financial negotiation of lost revenue if a competing state facility is placed in the same corridor, the TCA agreement

differs in that it also specifies exceptions to the non-compete agreement. Among the exceptions outlined in the TCA non-compete clause is the ability to include any state projects included in the 1992 State Transportation Improvement Program (STIP), OCTA's revised Improvement and Growth Management Plan included in Measure M, projects identified in the Congestion Management Plan adopted by OCTA, and any intercity, commuter, urban and/or high speed rail projects supported by the state.

AB 850 encourages public/private partnerships to construct transportation projects, while addressing non-compete provisions that have previously reduced the ability to make improvements within the non-compete zone.

To ensure that planned transportation facilities will not be limited by these franchise agreements, staff would recommend that the bill be amended to prohibit the buy-out of toll revenues for projects included in the latest regional transportation plan in effect when the franchise agreement is executed.

**OCTA POSITION:**

Staff recommends: SUPPORT WITH AMENDMENTS

**ASSEMBLY BILL**

**No. 850**

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**Introduced by Assembly Member Canciamilla  
(Principal coauthor: Assembly Member Benoit)  
(Principal coauthor: Senator Runner)**

February 18, 2005

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An act to amend Section 143 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 850, as introduced, Canciamilla. Toll road agreements.

Existing law, until January 1, 2003, authorized the Department of Transportation to solicit proposals and enter into agreements with private entities or consortia for the construction and lease of no more than 2 toll road projects, and specified the terms and requirements applicable to those projects.

This bill would instead authorize the department to enter into comprehensive development franchise agreements with public and private entities or consortia for specified types of transportation projects, as defined, subject to certain requirements and conditions. The bill would authorize tolls to be collected after the termination of a franchise agreement period, subject to approval of the California Transportation Commission. The bill would require a franchise agreement to allow the department to acquire by condemnation or negotiation the financial value of a competing toll facility if the department opens a competitive state facility in the same corridor. The bill would enact other related provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

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

1 SECTION 1. Section 143 of the Streets and Highways Code  
2 is amended to read:

3 143. (a) ~~The Pursuant to Chapter 3 (commencing with~~  
4 ~~Section 30800) of Division 17, the department may solicit~~  
5 ~~proposals, negotiate, and enter into comprehensive development~~  
6 ~~franchise agreements with public and private entities, or~~  
7 ~~consortia thereof, for the construction by, and lease to, private~~  
8 ~~entities of two public transportation demonstration projects. The~~  
9 ~~department shall not enter into an agreement for any new~~  
10 ~~proposals under this authority after January 1, 2003~~ *As used in*  
11 *this section, "transportation projects" means (1) shared*  
12 *high-occupancy vehicle (HOV) lanes where HOVs are permitted*  
13 *free passage, (2) dedicated exclusive truck lanes, (3) mixed-flow*  
14 *toll lanes and free lanes, and (4) toll lanes for all vehicles other*  
15 *than HOVs.*

16 (b) For the purpose of facilitating those *transportation*  
17 *projects, the agreements between the parties may include*  
18 *provisions for limiting the department from initiating the opening*  
19 *to traffic of new competing state highway facilities within the*  
20 *same transportation corridor, for the lease of rights-of-way in,*  
21 *and airspace over or under, these state highways, for the granting*  
22 *of necessary easements, and for the issuance of permits or other*  
23 *authorizations to enable the private entity to construct the*  
24 *construction of transportation facilities supplemental to existing*  
25 *state-owned and operated transportation facilities. Facilities*  
26 *constructed by a private an entity pursuant to an agreement*  
27 *under this section shall, at all times, be owned by the state*  
28 *department as an operational part of the state highway system.*  
29 *The agreement shall provide for the lease of those facilities to the*  
30 *private franchised entity for up to 35 years to recover private*  
31 *investments in the form of expended funds together with a*  
32 *reasonable rate of return on those funds, negotiated by the*  
33 *department with the contracting entity. In consideration therefor,*  
34 *the agreement shall provide for complete reversion of the*  
35 *privately constructed facility and the right to collect tolls to the*  
36 *state department and any other government entity participating*  
37 *in the funding of the project, if any, at the expiration of the lease*  
38 *at no charge to the state department or other governmental entity.*

1 (c) The department may exercise any power possessed by it  
2 with respect to the development and construction of state  
3 transportation projects to facilitate the development and  
4 construction of transportation *toll* projects *initiated* pursuant to  
5 this section. Agreements for maintenance and police services  
6 entered into pursuant to this section ~~shall~~ *may* provide for ~~full~~  
7 *some form of negotiated* reimbursement for services rendered by  
8 the department ~~or~~ *and* other state agencies. The department may  
9 provide services for which it is reimbursed with respect to  
10 preliminary planning, environmental certification *and review*,  
11 ~~and~~ preliminary design, *design, right-of-way acquisition, and*  
12 *construction of the demonstration* these transportation projects.

13 (d) (1) Agreements entered into pursuant to this section shall  
14 authorize the ~~private contracting~~ entity to impose tolls for use of  
15 a facility constructed by it, and shall require that over the term of  
16 the ~~lease franchise~~, that the toll revenues *will* be applied to  
17 payment of *some or all of the private entity's* capital outlay costs  
18 for the project, the costs associated with operations, toll  
19 collection, administration of the facility, reimbursement to the  
20 *state department or other governmental entity* for the costs of  
21 ~~maintenance and services to develop and maintain the project~~,  
22 police services, and a reasonable return on investment to the  
23 private entity. The agreement shall require that any excess toll  
24 revenue either be applied to any indebtedness incurred by the  
25 private entity with respect to the project or be paid into the State  
26 Highway Account, or both.

27 (2) The ~~authority to collect~~ *collection of* tolls for the use of  
28 these facilities ~~shall terminate~~ *may be extended by the*  
29 *commission* at the expiration of the franchise agreement.

30 (e) The plans and specifications for each *transportation*  
31 project constructed pursuant to this section shall comply with the  
32 department's *then-existing* standards for *similar* state  
33 transportation projects. A facility constructed by and leased to a  
34 ~~private another~~ entity shall, during the term of the lease, be  
35 deemed to be a part of the state highway system for purposes of  
36 identification, maintenance, enforcement of traffic laws, and for  
37 the purposes of Division 3.6 (commencing with Section 810) of  
38 Title 1 of the Government Code.

1 (f) The assignment authorized by subdivision (c) of Section  
2 130240 of the Public Utilities Code is consistent with this  
3 section.

4 (g) *Each franchise agreement entered into by the department*  
5 *shall include provisions authorizing the department to open*  
6 *competitive facilities to traffic within the designated corridor*  
7 *subject to the department exercising its police power to either*  
8 *acquire by condemnation or negotiation the remaining net fair*  
9 *market capitalized value of the toll franchise period equivalent to*  
10 *the projected lost annual income for the remaining term of the*  
11 *competition protection afforded by that agreement. The annual*  
12 *payments shall be determined by a projection of the average*  
13 *increase of net income over the previous five years of tolled*  
14 *operations, or less than five years if there have not been a full*  
15 *five years of consecutive operations of the facility. To the extent*  
16 *that the toll facility does not suffer a loss of net income*  
17 *equivalent to that projected in each year, the sum paid at the end*  
18 *of that fiscal year on June 30 shall be adjusted so that the*  
19 *department's payments are reduced accordingly.*



**BILL:** AB 1067 (Frommer D-Glendale)  
Introduced February 22, 2005

**SUBJECT:** Imposes Specific Rail Transit Safety Related Penalties for Persons who Fail to Stop at a Limit Line or Attempt to Proceed through a Rail Crossing When There is Insufficient Space on Other Side

**STATUS:** Referred to Assembly Transportation Committee

**SUMMARY AS OF MARCH 29, 2005:**

AB 1067 would impose specific rail transit safety related penalties upon individuals, when there are no warning bells or alarms, who fail to stop or proceed across railroad crossings despite insufficient room on the other side

Current law imposes specific penalties for failing to stop at a rail grade crossing when the signal sounds or the crossing arm is lowered. A first time offender may be fined up to \$100 and required to attend a traffic school offering a rail transit safety film prepared by a county transportation. Individuals convicted of second and subsequent offenses shall be required to pay an additional fine of up to \$250 and attend traffic schools offering the rail transit safety films. Thirty percent of the imposed penalties are allocated to county transportation agencies that provide rail transit for rail transit public education and public safety purposes.

AB 1067 would also impose these penalties upon individuals who fail to stop at the limit line at a grade crossing or who attempt to cross the tracks when there is insufficient room on the other side when the alarm has not been sounded or the crossing arm lowered.

The Southern California Regional Rail Authority (Metrolink), sponsors of AB 1067, sponsored identical legislation last year, AB 2085 (Montañez, D-Mission Hills). Governor Arnold Schwarzenegger vetoed AB 2085 stating that although the goal of reducing rail-crossing accidents was laudable, expanding the list of violations and thereby increasing the pool of funds for rail safety education programs would not achieve that goal.

Since AB 2085 was vetoed last August, there have been a number of accidents and near misses involving commuter trains and vehicles. There have been eight grade crossing incidents involving Metrolink trains and 12 deaths including the 11 people killed during the January incident. Metrolink staff has indicated that the bill will soon be amended to increase penalties and add jail time for violations that result in obstructing trains or causing derailments. The bill will also be amended to include additional funding for grade separations and railroad crossing improvements.

The most effective way to prevent accidents at railroad crossings is to separate rail and vehicle traffic. Unfortunately, at more than \$20 million per crossing, this is also the most

expensive way. Metrolink staff has indicated that education has been scientifically demonstrated to be the second most effective deterrent, behind changes in grade crossings. AB 1067, as proposed to be amended, would provide funding for both education and grade separations.

**EFFECTS ON ORANGE COUNTY:**

Orange County has over 64 grade crossings. As rail traffic increases throughout the county, due to increases in commuter and cargo trains, the likelihood of drivers proceeding through the rail grade crossings in an unsafe manner in order to save time also increases. AB 1067 serves as both a deterrent and education to drivers who try to save time in such an unsafe manner. Additionally, the proposed amendments to increase funding for grade separations will help make more crossings safer by separating the rail traffic from the foot and vehicle traffic.

**OCTA POSITION:**

Staff recommends: SUPPORT

**ASSEMBLY BILL**

**No. 1067**

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**Introduced by Assembly Member Frommer**

February 22, 2005

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An act to amend Section 369b of the Penal Code, and to amend Sections 22526 and 42001.16 of the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 1067, as introduced, Frommer. Vehicles: railroad grade crossings: violations: penalties.

(1) Existing law authorizes a court in a county with a population greater than 500,000 persons to order a person convicted of certain traffic violations relating to rail transit to attend a traffic school that offers, as a part of its curriculum, a film on rail transit safety, and to pay certain fines in addition to the fines regularly imposed for a violation.

This bill would permit a court described above to order attendance, instead, at a traffic safety school that includes a rail safety presentation or Internet rail safety test. The bill would add additional rail transit-related violations to the existing list of rail transit-related violations that are subject to the above described law.

(2) Existing law prohibits certain actions by the drivers of a motor vehicle if those actions would create certain vehicular obstructions, and provides that violations of these provisions are parking violations, or stopping violations dependent upon the authority of the peace officer who issued the notice to appear.

This bill would provide that violations of these provisions issued by the Bay Area Rapid Transit police are stopping violations.

(3) Existing law imposes a fine of \$100 for a first offense, \$200 for a second offense occurring within one year of a prior offense, and \$250 for a third or subsequent offense occurring within one year of 2 or more prior offenses, for a violation of certain provisions relating to failure to stop a vehicle at a railroad grade crossing.

This bill would add certain railroad grade crossing violations to the list of provisions that are subject to the fines specified above.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

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

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) Both failing to stop at a stop sign located near a railroad  
4 grade crossing and stopping on the railroad track as a result of  
5 gridlock or congestion are serious offenses that cause death,  
6 injury, and destruction of property and more importantly,  
7 endanger the lives of people riding in the vehicle and the train,  
8 and pedestrians.

9 (b) The horrific accidents caused by drivers who fail to stop at  
10 a stop sign or cause gridlock on the tracks contribute to  
11 California's dubious honor of ranking in the top tier of highway  
12 grade crossing injury and deaths nationwide.

13 (c) The fines authorized under existing law are insufficient for  
14 these serious and potentially life threatening traffic offenses and  
15 should be consistent with the fine for attempting to maneuver  
16 around an active grade crossing gate arm.

17 (d) Increasing the fines for these offenses and dedicating a  
18 significant portion of the fines to railroad crossing education will  
19 permit local agencies to increase awareness of rail safety.  
20 Education programs have been demonstrated to reduce the  
21 number of accidents on the railroad, thereby saving lives and  
22 reducing personal injury and property damage.

23 SEC. 2. Section 369b of the Penal Code is amended to read:

24 369b. (a) This section shall only apply to counties with a  
25 population greater than 500,000.

26 (b) The court may order any person convicted of a rail transit  
27 related traffic violation, as listed in subdivision (c), to attend a  
28 traffic school ~~which~~ that offers, as a part of its curriculum, a film

1 developed or caused to be developed by a transportation  
2 commission or authority on rail transit safety.

3 (c) For a first offense, a court ~~may~~, at its discretion, *may* order  
4 any person cited for any of the following violations to attend a  
5 traffic school offering a *rail safety presentation, Internet rail*  
6 *safety test, or* rail transit safety film prepared by a county  
7 transportation commission or authority, pay an additional fine of  
8 one hundred dollars (\$100), or both:

9 (1) Section 369g.

10 (2) Section 369i.

11 (3) Subdivision (c) of Section ~~21752 of 21752, Section 22450,~~  
12 ~~22451, or 22452, or subdivision (c) of Section 22526, of the~~  
13 ~~Vehicle Code, involving railroad grade crossings, or Section~~  
14 ~~22451 or 22452 of that code.~~

15 (d) For a second or subsequent violation as provided in  
16 subdivision (c), a court shall order a person to pay an additional  
17 fine of up to two hundred dollars (\$200) and to attend a traffic  
18 school offering a *rail safety presentation, Internet rail safety test,*  
19 *or* rail safety film prepared by a county transportation  
20 commission or authority.

21 (e) All fines collected according to this section shall be  
22 distributed pursuant to ~~Section 1463 of the Penal Code Sections~~  
23 ~~1463 and 1463.12, as applicable.~~

24 SEC. 3. Section 22526 of the Vehicle Code is amended to  
25 read:

26 22526. (a) Notwithstanding any official traffic control signal  
27 indication to proceed, a driver of a vehicle shall not enter an  
28 intersection or marked crosswalk unless there is sufficient space  
29 on the other side of the intersection or marked crosswalk to  
30 accommodate the vehicle driven without obstructing the through  
31 passage of vehicles from either side.

32 (b) A driver of a vehicle which is making a turn at an  
33 intersection who is facing a steady circular yellow or yellow  
34 arrow signal shall not enter the intersection or marked crosswalk  
35 unless there is sufficient space on the other side of the  
36 intersection or marked crosswalk to accommodate the vehicle  
37 driven without obstructing the through passage of vehicles from  
38 either side.

39 (c) A driver of a vehicle shall not enter a railroad or rail transit  
40 crossing, notwithstanding any official traffic control device or

1 signal indication to proceed, unless there is sufficient space on  
2 the other side of the railroad or rail transit crossing to  
3 accommodate the vehicle driven or there is sufficient  
4 undercarriage clearance to cross the intersection without  
5 obstructing the through passage of a railway vehicle, including,  
6 but not limited to, a train, trolley, or city transit vehicle.

7 (d) A local authority may post appropriate signs at the  
8 entrance to intersections indicating the prohibition in  
9 subdivisions (a), (b), and (c).

10 (e) A violation of this section is not a violation of a law  
11 relating to the safe operation of vehicles and is the following:

12 (1) A stopping violation when a notice to appear has been  
13 issued by a peace officer described in Section 830.1-~~or~~, 830.2, *or*  
14 830.33 of the Penal Code.

15 (2) A parking violation when a notice of parking violation is  
16 issued by a person, other than a peace officer described in  
17 paragraph (1), who is authorized to enforce parking statutes and  
18 regulations.

19 (f) This section shall be known and may be cited as the  
20 Anti-Gridlock Act of 1987.

21 SEC. 4. Section 42001.16 of the Vehicle Code is amended to  
22 read:

23 42001.16. (a) Every person convicted of an infraction for a  
24 violation of subdivision (c) of Section 21752, *subdivision (c) of*  
25 *Section 22526, or Section 22450*, involving railroad grade  
26 crossings, or Section 22451 or 22452 shall be punished as  
27 follows:

28 (1) For the first infraction, by a fine of one hundred dollars  
29 (\$100).

30 (2) For a second infraction of any of the offenses described in  
31 this subdivision occurring within one year of a prior infraction  
32 that resulted in a conviction, by a fine not exceeding two hundred  
33 dollars (\$200).

34 (3) For a third or any subsequent infraction of any of the  
35 offenses described in this subdivision occurring within one year  
36 of two or more prior infractions that resulted in convictions, by a  
37 fine not exceeding two hundred fifty dollars (\$250).

38 (b) In addition to the fine imposed pursuant to subdivision (a),  
39 a court, in a county in which Section 369b of the Penal Code

- 1 applies, may require the person to attend a traffic school as
- 2 described in Section 369b of the Penal Code.

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**BILL:** ACA 11 (Oropeza, D-Long Beach)  
Introduced February 16, 2005

**SUBJECT:** Would Eliminate the Ability to Suspend Proposition 42 and Instead Allow Loans under Specified Conditions.

**STATUS:** Pending Committee Assignment

**SUMMARY AS OF MARCH 24, 2005:**

ACA 11 would, upon voter approval, delete the provisions in Proposition 42 that authorizes its suspension and instead would permit these funds to be loaned to the General Fund. This bill would permit loans during two fiscal years (FY) within any consecutive 10-year period, providing the first loan is repaid prior to initiating the second loan. ACA 11 would also require that all loans not repaid within the fiscal year borrowed be repaid with interest. This provision is similar to that provided in SCA 7 (Torlakson, D-Antioch) for which the Orange County Transportation Authority (OCTA) has a support position.

With passage of Proposition 42 in 2002, sales taxes on motor vehicle fuel that are deposited in the General Fund are required to be transferred to the Transportation Investment Fund (TIF) for allocation to various transportation purposes, including projects contained in the Transportation Congestion Relief Program (TCRP).

For FY 2003-2004 through FY 2008-2009, \$678 million annually from the TIF is to be allocated to pay for projects adopted in the TCRP. The balance of the funds in the TIF is to be allocated as follows: 40 percent to the State Transportation Improvement Program (STIP), 20 percent to the Public Transportation Account (PTA), 20 percent for county street and road improvements, and 20 percent for city street and road improvements. After FY 2008-2009, the funds would be allocated based on these same percentages with no funds transferred to the TCRP.

Proposition 42 allows the transfer of these revenues to the TIF to be suspended, if a proclamation of fiscal emergency is issued by the Governor and enacted by a two-thirds vote of both houses of the Legislature. Since FY 2003-2004, over \$3.6 billion in Proposition 42 funds have been loaned to the General Fund with only \$356 million repaid. An additional \$1.2 billion was proposed to be repaid in FY 2004-2005 with bonds backed by tribal gaming revenue. This payment has been postponed until FY 2005-2006 and may not be realized due to pending litigation associated with the tribal gaming compacts.

**EFFECTS ON ORANGE COUNTY:**

The following table illustrates the direct loss of funds to Orange County, as a result of the proposed suspension of Proposition 42 in FY 2005-2006, and highlights the



projected revenues that Proposition 42 would provide OCTA, Orange County, and cities in Orange County, assuming the completion of the TRCP in 2007-2008.

**Orange County Estimated Proposition 42 Funding**

	<b>FY 2005-2006*</b> <b>(Proposed to be Suspended)</b>	<b>FY 2007-2008 and After</b> <b>(Upon Completion of TCRP Projects)</b>
STIP	\$15.2 million	\$28.1 million
Cities	\$12.5 million	\$27.8 million
County	\$7.9 million	\$17.6 million
PTA	\$3.3 million	\$7.3 million
<b>Total</b>	<b>\$44.9 million</b>	<b>\$80.8 million</b>

- For FY 2005-2006, since funding is proposed to be suspended, allocations for Orange County's two TCRP projects, \$123.7 million for the widening of the Garden Grove Freeway (State Route 22) and \$11.8 million for the OnTrac grade separation project, would not be made by the California Transportation Commission.

Continued loans to the General Fund and increased construction costs of 3 percent each year a project is delayed have severely hampered the state's ability to keep pace with the growth and maintenance of highways, streets, and public transit projects. Consequently, ACA 11 will allow for greater consistency in transportation planning and project delivery by removing the unpredictability associated with General Fund demands.

The OCTA Board of Directors has taken a Support position on ACA 4 (Plescia, R-San Diego), that would completely protect Proposition 42 from any suspensions, thus providing a stable source of transportation funding. Since this is a Governor backed proposal that will receive strong opposition from the California Teacher's Association, it is possible that a compromise on complete protection will be negotiated. In the event that complete protection is not successful, OCTA staff recommends that the Board Support ACA 11.

**OCTA POSITION:**

Staff recommends: SUPPORT

**Assembly Constitutional Amendment**

**No. 11**

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**Introduced by Assembly Member Oropeza**

February 16, 2005

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Assembly Constitutional Amendment No. 11— A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 6 of Article XIX thereof, by amending Section 1 of Article XIX A thereof, and by amending Section 1 of, and adding Section 2 to, Article XIX B thereof, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

ACA 11, as introduced, Oropeza. Transportation funds: loans.

(1) Article XIX of the California Constitution requires excise taxes on motor vehicle fuel and certain fees imposed on motor vehicles to be used only for specified transportation and vehicle-related purposes, but authorizes these excise tax revenues to be loaned to the General Fund under certain conditions, including a requirement that the funds be repaid within 3 years. Article XIX A of the California Constitution provides that funds in the Public Transportation Account, which are derived from certain sales taxes on motor vehicle fuels, may be loaned to the General Fund or any other state fund or account under certain conditions, including a requirement that the funds be repaid within 3 years.

This measure would require interest to be paid on a loan of revenues subject to either Article XIX or XIX A if the loan is not repaid during the same fiscal year in which it was made. The measure would require a loan made pursuant to Article XIX or XIX A to be made pursuant to a statute establishing the terms for repayment and would prohibit the enactment of a statute making a new loan pursuant to Article XIX or

XIX A prior to the full repayment of each previous loan under Article XIX or XIX A, respectively. The measure would also prohibit a loan from being authorized by a statute during more than 2 fiscal years within any period of 10 consecutive fiscal years. The measure would also authorize tax revenues subject to Article XIX or XIX A to be loaned to other state funds or accounts in addition to the General Fund.

(2) Article XIX B of the California Constitution requires, commencing with the 2003–04 fiscal year, sales taxes on motor vehicle fuel that are deposited in the General Fund to be transferred to the Transportation Investment Fund for allocation to various transportation purposes. Article XIX B authorizes the transfer of these revenues to the Transportation Investment Fund to be suspended in whole or in part for a fiscal year during a fiscal emergency pursuant to a proclamation issued by the Governor and the enactment of a statute by a 2/3 vote in each house of the Legislature if the statute does not contain any unrelated provision.

This measure would delete the provisions authorizing the transfer of revenues from the General Fund to the Transportation Investment Fund to be suspended. The measure would instead authorize the Legislature to loan funds in the Transportation Investment Fund to the General Fund or any other state fund or account, or to local agencies, under conditions that are similar to conditions applicable to loans of revenues under Article XIX of the California Constitution, and would require interest to be paid on a loan that is not repaid within the same fiscal year as it was made. The measure would require that a loan of this type be made pursuant to a statute establishing the terms for repayment and would prohibit enactment of a statute to make a new loan pursuant to Article XIX B prior to the full repayment of each previous loan under that article. The measure would also prohibit a loan from being authorized by a statute during more than 2 fiscal years within any period of 10 consecutive fiscal years. The measure would make other related changes.

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

- 1 *Resolved by the Assembly, the Senate concurring,* That the
- 2 Legislature of the State of California at its 2005–06 Regular
- 3 Session commencing on the sixth day of December 2004,
- 4 two-thirds of the membership of each house concurring, hereby

1 proposes to the people of the State of California that the  
2 Constitution of the State be amended as follows:

3 First—That Section 6 of Article XIX thereof is amended to  
4 read:

5 SEC. 6. (a) The tax revenues designated under this article  
6 may be loaned to the General Fund *or any other state fund or*  
7 *account* only if one of the following conditions is imposed:

8 ~~(a)~~

9 (1) That any amount loaned is to be repaid in full to the fund  
10 from which it was borrowed during the same fiscal year in which  
11 the loan was made, except that repayment may be delayed until a  
12 date not more than 30 days after the date of enactment of the  
13 budget bill for the subsequent fiscal year.

14 ~~(b)~~

15 (2) That any amount loaned is to be repaid in full, *with interest*  
16 *at the rate paid on money in the Pooled Money Investment*  
17 *Account, or any successor to that account, during the period of*  
18 *time that the money is loaned*, to the fund from which it was  
19 borrowed within three fiscal years from the date on which the  
20 loan was made and one of the following has occurred:

21 ~~(1)~~

22 (A) The Governor has proclaimed a state of emergency and  
23 declares that the emergency will result in a significant negative  
24 fiscal impact to the General Fund.

25 ~~(2)~~

26 (B) The aggregate amount of General Fund revenues for the  
27 current fiscal year, as projected by the Governor in a report to the  
28 Legislature in May of the current fiscal year, is less than the  
29 aggregate amount of General Fund revenues for the previous  
30 fiscal year, adjusted for the change in the cost of living and the  
31 change in population, as specified in the budget submitted by the  
32 Governor pursuant to Section 12 of Article IV in the current  
33 fiscal year.

34 ~~(e)~~

35 (b) Nothing in this section prohibits the Legislature from  
36 authorizing, by statute, loans to local transportation agencies,  
37 cities, counties, or cities and counties, from funds that are subject  
38 to this article, for the purposes authorized under this article. Any  
39 loan authorized as described by this subdivision shall be repaid *in*  
40 *full*, with interest at the rate paid on money in the Pooled Money

1 Investment Account, or any successor to that account, during the  
2 period of time that the money is loaned, to the fund from which it  
3 was borrowed, not later than four years after the date on which  
4 the loan was made.

5 *(c) A loan made under the provisions of this section shall be*  
6 *made pursuant to a statute that establishes the terms for*  
7 *repayment. A statute to make any new loan under this section*  
8 *shall not be enacted prior to the date upon which each previous*  
9 *loan made under this section has been fully repaid. A loan shall*  
10 *not be authorized by a statute during more than two fiscal years*  
11 *within any period of 10 consecutive fiscal years, which period*  
12 *begins with the first fiscal year for which a loan is authorized*  
13 *pursuant to this section that occurs on or after the effective date*  
14 *of this subdivision.*

15 Second—That Section 1 of Article XIX A thereof is amended  
16 to read:

17 SECTION 1. The funds in the Public Transportation Account  
18 in the State Transportation Fund, or any successor to that  
19 account, may be loaned to the General Fund *or any other state*  
20 *fund or account only if ~~one~~ the following requirements are met:*

21 *(a) One of the following conditions is imposed:*

22 ~~(a)~~

23 *(1) That any amount loaned is to be repaid in full to the*  
24 *account during the same fiscal year in which the loan was made,*  
25 *except that repayment may be delayed until a date not more than*  
26 *30 days after the date of enactment of the budget bill for the*  
27 *subsequent fiscal year.*

28 ~~(b)~~

29 *(2) That any amount loaned is to be repaid in full, with interest*  
30 *at the rate paid on money in the Pooled Money Investment*  
31 *Account, or any successor to that account, during the period of*  
32 *time that the money is loaned, to the account within three fiscal*  
33 *years from the date on which the loan was made and one of the*  
34 *following has occurred:*

35 ~~(1)~~

36 *(A) The Governor has proclaimed a state of emergency and*  
37 *declares that the emergency will result in a significant negative*  
38 *fiscal impact to the General Fund.*

39 ~~(2)~~

1 (B) The aggregate amount of General Fund revenues for the  
2 current fiscal year, as projected by the Governor in a report to the  
3 Legislature in May of the current fiscal year, is less than the  
4 aggregate amount of General Fund revenues for the previous  
5 fiscal year, as specified in the budget submitted by the Governor  
6 pursuant to Section 12 of Article IV in the current fiscal year.

7 (b) A loan made under the provisions of this section shall be  
8 made pursuant to a statute that establishes the terms for  
9 repayment. A statute to make any new loan under this section  
10 shall not be enacted prior to the date upon which each previous  
11 loan made under this section has been fully repaid. A loan shall  
12 not be authorized by a statute during more than two fiscal years  
13 within any period of 10 consecutive fiscal years, which period  
14 begins with the first fiscal year for which a loan is authorized  
15 pursuant to this section that occurs on or after the effective date  
16 of this subdivision.

17 Third—That Section 1 of Article XIX B thereof is amended to  
18 read:

19 SECTION 1. (a) For the 2003–04 fiscal year and each fiscal  
20 year thereafter, all moneys that are collected during the fiscal  
21 year from taxes under the Sales and Use Tax Law (Part 1  
22 (commencing with Section 6001) of Division 2 of the Revenue  
23 and Taxation Code), or any successor to that law, upon the sale,  
24 storage, use, or other consumption in this State of motor vehicle  
25 fuel, and that are deposited in the General Fund of the State  
26 pursuant to that law, shall be transferred to the Transportation  
27 Investment Fund, which is hereby created in the State Treasury.

28 (b) (1) For the 2003–04 to 2007–08 fiscal years, inclusive,  
29 moneys in the Transportation Investment Fund shall be allocated,  
30 upon appropriation by the Legislature, in accordance with  
31 Section 7104 of the Revenue and Taxation Code as that section  
32 read on ~~the operative date of this article~~ *March 6, 2002*.

33 (2) For the 2008–09 fiscal year and each fiscal year thereafter,  
34 moneys in the Transportation Investment Fund shall be allocated  
35 solely for the following purposes:

36 (A) Public transit and mass transportation.

37 (B) Transportation capital improvement projects, subject to the  
38 laws governing the State Transportation Improvement Program,  
39 or any successor to that program.

1 (C) Street and highway maintenance, rehabilitation,  
2 reconstruction, or storm damage repair conducted by cities,  
3 including a city and county.

4 (D) Street and highway maintenance, rehabilitation,  
5 reconstruction, or storm damage repair conducted by counties,  
6 including a city and county.

7 (c) For the 2008–09 fiscal year and each fiscal year thereafter,  
8 moneys in the Transportation Investment Fund shall be allocated,  
9 upon appropriation by the Legislature, as follows:

10 (A) Twenty percent of the moneys for the purposes set forth in  
11 subparagraph (A) of paragraph (2) of subdivision (b).

12 (B) Forty percent of the moneys for the purposes set forth in  
13 subparagraph (B) of paragraph (2) of subdivision (b).

14 (C) Twenty percent of the moneys for the purposes set forth in  
15 subparagraph (C) of paragraph (2) of subdivision (b).

16 (D) Twenty percent of the moneys for the purpose set forth in  
17 subparagraph (D) of paragraph (2) of subdivision (b).

18 ~~(d) The transfer of revenues from the General Fund of the~~  
19 ~~State to the Transportation Investment Fund pursuant to~~  
20 ~~subdivision (a) may be suspended, in whole or in part, for a fiscal~~  
21 ~~year if both of the following conditions are met:~~

22 ~~(1) The Governor has issued a proclamation that declares that~~  
23 ~~the transfer of revenues pursuant to subdivision (a) will result in~~  
24 ~~a significant negative fiscal impact on the range of functions of~~  
25 ~~government funded by the General Fund of the State.~~

26 ~~(2) The Legislature enacts by statute, pursuant to a bill passed~~  
27 ~~in each house of the Legislature by rollcall vote entered in the~~  
28 ~~journal, two-thirds of the membership concurring, a suspension~~  
29 ~~for that fiscal year of the transfer of revenues pursuant to~~  
30 ~~subdivision (a), provided that the bill does not contain any other~~  
31 ~~unrelated provision.~~

32 ~~(e) The Legislature may enact a statute that modifies the~~  
33 ~~percentage shares set forth in subdivision (c) by a bill passed in~~  
34 ~~each house of the Legislature by rollcall vote entered in the~~  
35 ~~journal, two-thirds of the membership concurring, provided that~~  
36 ~~the bill does not contain any other unrelated provision and that~~  
37 ~~the moneys described in subdivision (a) are expended solely for~~  
38 ~~the purposes set forth in paragraph (2) of subdivision (b).~~

39 Fourth—That Section 2 is added to Article XIX B thereof, to  
40 read:

1 SEC. 2. (a) Money transferred to the Transportation  
2 Investment Fund pursuant to Section 1 may be loaned to the  
3 General Fund of the state or any other state fund or account only  
4 under one of the following conditions:

5 (1) That any amount loaned is to be repaid in full to the  
6 Transportation Investment Fund during the same fiscal year in  
7 which the loan was made, except that repayment may be delayed  
8 until a date not more than 30 days after the date of enactment of  
9 the budget bill for the subsequent fiscal year.

10 (2) That any amount loaned is to be repaid in full, with interest  
11 at the rate paid on money in the Pooled Money Investment  
12 Account, or any successor to that account, during the period of  
13 time that the money is loaned, to the Transportation Investment  
14 Fund, within three fiscal years from the date on which the loan  
15 was made and one of the following has occurred:

16 (A) The Governor has proclaimed a state of emergency and  
17 declares that the emergency will result in a significant negative  
18 fiscal impact to the General Fund of the state.

19 (B) The aggregate amount of General Fund revenues for the  
20 current fiscal year, as projected by the Governor in a report to the  
21 Legislature in May of the current fiscal year, is less than the  
22 aggregate amount of General Fund revenues for the previous  
23 fiscal year, adjusted for the change in the cost of living and the  
24 change in population, as specified in the budget submitted by the  
25 Governor pursuant to Section 12 of Article IV in the current  
26 fiscal year.

27 (b) A loan made under the provisions of this section shall be  
28 made pursuant to a statute that establishes the terms for  
29 repayment. A statute to make any new loan under this section  
30 shall not be enacted prior to the date upon which each previous  
31 loan made under this section has been fully repaid. A loan shall  
32 not be authorized by a statute during more than two fiscal years  
33 within any period of 10 consecutive fiscal years, which period  
34 begins with the first fiscal year for which a loan is authorized  
35 pursuant to this section that occurs on or after the effective date  
36 of this subdivision.

37 (c) Nothing in this article prohibits the Legislature from  
38 authorizing, by statute, loans to local transportation agencies,  
39 cities, counties, or cities and counties from the Transportation  
40 Investment Fund for the purposes authorized under this article.



1 Any loan authorized as described by this subdivision shall be  
2 repaid, with interest at the rate paid on money in the Pooled  
3 Money Investment Account, or any successor to that account,  
4 during the period of time that the money is loaned, to the  
5 Transportation Investment Fund, within four years after the date  
6 on which the loan was made.

7 (d) Any funds deposited in the Transportation Investment  
8 Fund as repayment of a loan that is authorized pursuant to this  
9 section shall be transferred and apportioned in the same manner  
10 and amounts as would otherwise have been made had the loan  
11 not been made, but taking into account and deducting therefrom  
12 any transfers and apportionments that were actually made from  
13 the Transportation Investment Fund for the applicable fiscal year.

14 (e) Notwithstanding paragraph (2) of subdivision (a), no  
15 interest shall be payable on the portion of any loan made under  
16 this section that would otherwise have been transferred to the  
17 Traffic Congestion Relief Fund, or a successor to that fund, if the  
18 loan had not been made.

## **ATTACHMENT E**

**BILL:** SB 208 (Alquist, D-San Jose)  
Introduced February 10, 2005

**SUBJECT:** Requires the California Department of Transportation and the State Controller to Develop and Implement an Electronic Funds Transfer System by June 30, 2006.

**STATUS:** Set for Hearing in Senate Housing & Transportation Committee on April 5, 2005.

### **SUMMARY AS OF MARCH 29, 2005:**

SB 208 would require the California Department of Transportation (Caltrans) and the State Controller to develop and implement an electronic funds transfer system to provide rapid access to State Transportation Improvement Program (STIP) funds by no later than June 30, 2006.

Current law, enacted by AB 872 (Alquist) in 1999, requires Caltrans and the Controller to develop and implement a system to provide rapid access to STIP funds. This law did not establish a deadline for implementing a rapid access system. More than five years have passed since the passage of AB 872 and Caltrans does not appear to be any closer to providing the rapid access called for in AB 872. SB 208 addresses this lack of progress by establishing a firm deadline of June 30, 2006.

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

Although Caltrans has not been in the position to forward significant amount of STIP funds due to the budget deficits over the past few years, it has typically taken Caltrans at least 60 days to remit funds to the Orange County Transportation Authority (OCTA). SB 208 would ensure that OCTA receives funds in a timelier manner.

### **OCTA POSITION:**

Staff recommends: SUPPORT

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Introduced by Senator Alquist

February 10, 2005

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An act to amend Section 14529.23 of the Government Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 208, as introduced, Alquist. Transportation projects: electronic fund transfers.

Existing law authorizes regional or local agencies to spend their own funds on certain regional or local transportation projects included in the State Transportation Improvement Program. Existing law provides for reimbursement of those agencies by the state when the California Transportation Commission allocates funds to the project, subject to certain financial controls. Existing law requires the Department of Transportation to implement systems that allow rapid access to funds made available under executed agreements to transfer funds to those agencies, and requires the Controller to develop a system that provides access to those funds by electronic transfer.

This bill would require the department to implement those systems on or before June 30, 2006.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

- 1 SECTION 1. Section 14529.23 of the Government Code is
- 2 amended to read:
- 3 14529.23. ~~The~~*On or before June 30, 2006, the* department
- 4 shall implement systems that allow rapid access to funds made
- 5 available under executed agreements to transfer funds. The

1 Controller shall develop a system that provides access to those  
2 funds by electronic transfer of funds. Upon the development of  
3 that system by the Controller, the department shall utilize that  
4 system to comply with Section 14529.19 to the maximum extent  
5 feasible.  
6

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**ORANGE COUNTY TRANSPORTATION AUTHORITY  
POSITIONS ON KEY STATE LEGISLATION**

April 7, 2005

BILL/AUTHOR	SUBJECT	POSITION	STATUS
SB 267 Daucher	Extends the period for which local or regional agencies may be reimbursed for local funds expended on projects in the State Transportation Improvement Program.	SPONSOR	Set for Hearing in Assembly Transportation Committee on April 4, 2005.
AB 462 Tran	Authorizes the Department of Transportation to certify facilities located in the state highway system rights-of-way in compliance with disability accessibility standards.	CO-SPONSOR	Set for Hearing in Assembly Transportation Committee on April 18, 2005.
AB 697 Oropeza	Provides for a continuous appropriation of transportation funds, which would prevent shutdown of projects in the event of a late state budget.	Staff Recommends: SUPPORT	Referred to Assembly Transportation Committee.
AB 850 Canciamilla	Authorizes the California Department of Transportation to enter into comprehensive development franchise agreements with public and private entities for specified transportation projects.	Staff Recommends: SUPPORT WITH AMENDMENTS	Set for Hearing in Assembly Transportation Committee on April 18, 2005.

ATTACHMENT F

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
POSITIONS ON KEY STATE LEGISLATION**

April 7, 2005

BILL/AUTHOR	SUBJECT	POSITION	STATUS
AB 1067 Frommer	Imposes specific rail transit safety related penalties for persons who fail to stop at a limit line or attempt to proceed through a rail crossing when there is sufficient space on other side.	Staff Recommends: SUPPORT	Referred to Assembly Transportation Committee.
AB 1173 Tran	Extends the initial operating segment of the California high-speed train to the City of Anaheim.	CO-SPONSOR	Set for Hearing in Assembly Transportation Committee on April 18, 2005.
ACA 4 Plescia & Harman	Places a constitutional amendment before voters to delete provisions of Proposition 42 permitting the suspension of transfers to the Transportation Investment Fund.	SUPPORT	Pending Committee Assignment.
ACA 11 Oropeza	Would eliminate the ability to suspend Proposition 42 and instead allow loans under specified conditions.	Staff Recommends: SUPPORT	Pending Committee Assignment.

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
POSITIONS ON KEY STATE LEGISLATION**

April 7, 2005

BILL/AUTHOR	SUBJECT	POSITION	STATUS
SB 208 Alquist	Requires Caltrans and the State Controller to develop and implement an electronic funds transfer system by June 30,2006.	Staff Recommends: SUPPORT	Set for hearing in Senate Housing & Transportation Committee on April 5, 2005.
SB 705 Runner	Authorizes the use of the design-build process for design and construction of transportation projects.	Staff Recommends: SUPPORT	Set for hearing in Senate Housing & Transportation Committee on April 5, 2005.
SCA 7 Torlakson	Amends the California Constitution to require transportation funds loaned to the state general fund or other state funds be repaid with interest.	Staff Recommends: SUPPORT	Set for hearing in Senate Housing & Transportation Committee on April 5, 2005.





BOARD COMMITTEE TRANSMITTAL



*April 11, 2005*

**To:** Members of the Board of Directors  
**From:** Wendy Knowles<sup>WK</sup>, Clerk of the Board  
**Subject:** Additional Assignments to Federal Advocacy and Consulting Services

This item will be considered by the Legislative and Government Affairs/Public Communications Committee on April 7, 2005. Following Committee consideration of this matter, staff will provide you with a summary of the discussion and action taken by the Committee.

Please call me if you have any comments or questions concerning this correspondence. I can be reached at (714) 560-5676.



*April 7, 2005*

**To:** Legislative and Government Affairs/Public Communications Committee

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

**Subject:** Additional Assignments to Federal Advocacy and Consulting Services

**Overview**

The Orange County Transportation Authority Board of Directors at their March 28, 2005, meeting requested additional assignments and adjustments be made to the current Scopes of Work for its advocacy team in Washington, DC. In accordance with the Board's direction at that meeting, staff provides the following changes in the Scopes of Work in the contracts of its federal advocates and seeks further direction from the Legislative and Government Affairs/Public Communications Committee.

**Recommendations**

- A. Delete the CenterLine Project from all existing Scopes of Work and add "The Orange County Rapid Transit Project" to those Scopes of Work
- B. Add the Anaheim Regional Transportation Intermodal Center to James McConnell's Scope of Work
- C. Add the California-Nevada Super Speed Train (MAGLEV) to The Federalist Group's Scope of Work
- D. Add legislation that authorizes funding for public transportation terrorism response and prevention to James McConnell's Scope of Work
- E. Seek such further direction as the Board may desire regarding these contracts.

***Background***

In November 2004, the Board authorized the Chief Executive Officer to exercise two-year options for federal legislative advocacy and consulting services for Peyser Associates, Inc., James F. McConnell Attorney at Law, and Mayer, Brown, Rowe & Maw. These contracts all contain a provision for termination for convenience. The Board also authorized the Chief Executive Officer to extend the term of the contract between OCTA and The Federalist Group, LLC for an additional six months. The terms and amounts of these contracts are provided in the table below:

	<b>Term (Starting January 1, 2005)</b>	<b>Term Amount</b>	<b>Monthly Amount</b>
Peyser & Associates	2 years	\$300,000	\$12,500
James F. McConnell	2 years	\$240,000	\$10,000
The Federalist Group, LLC	6 months	\$45,000	\$7,500
Mayer, Brown, Rowe and Maw LLP	2 years	\$120,000	\$5,000

At that time, the Board also requested that the Legislative and Government Affairs/Public Communications Committee review and make changes, where necessary, to the individual Scopes of Work for the firms that provide legislative advocacy in Washington, DC. The proposed changes in the firms' Scopes of Work were approved by the Committee in November 2004, and are outlined in Attachment A. (At its March 28, 2005 meeting, the Board approved the Legislative and Government Affairs/Communications Committee recommendation to limit Peyser Associates' contract to \$5,000 a month.)

***Discussion***

The Orange County Transportation Authority's (OCTA) 2005 Federal Legislative Program states that the Board of Directors may want to consider supporting the following projects:

- the Anaheim Regional Transportation Inter-modal Center (ARTIC) project
- the California – Nevada Super Speed Train (MAGLEV) project
- legislation which authorizes funding for public transportation terrorism response and prevention

While during the debate over surface transportation reauthorizing legislation, OCTA staff and its legislative advocates have discussed the status of the above-mentioned projects and legislation, there have not been any explicit assignments given to OCTA's advocates in Washington, DC regarding them.

Separately, the Board also raised the question of the continued inclusion of the term "CenterLine" in the legislative advocates' Scopes of Work, in view of the fact that the Board is currently undertaking a reassessment of the project. During a February trip to Washington, DC, Vice Chairman Brown met with members of the Orange County Congressional Delegation, their staffs, House, and Senate authorizing committee staffs, to brief them on the current status of the Board's reconsideration of a rapid transit project in the county. Therefore, it is appropriate that this project be referred to as the "Orange County Rapid Transit Project" in the event that the Board's subsequent decision should qualify it for New Starts funding. As a result of the February discussions in Washington, language to that affect is included in the House-passed version of its surface transportation reauthorization legislation.

**Summary**

The Board may consider approval of the changes in the Scopes of Work of the federal legislative advocates.

**Attachment**

- A. Revised Scope of Work for Federal Legislative Advocates (as recommended by the Board of Directors at its March 28, 2005 meeting)

**Prepared by:**



Richard J. Baicalupo  
Deputy Chief Executive Officer  
(714) 560-5901

Revised Scope of Work for Federal Legislative Advocates

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(Peyser Associates, Inc.)

1.0 Description of Services

1.1 General

The federal legislative advocate team is organized around the federal goals and objectives of the Orange County Transportation Authority's (OCTA) legislative program. The primary focus of the OCTA's legislative program is to ensure the inclusion of OCTA projects, programs and policies in surface transportation reauthorization and appropriations legislation.

1.2 Detailed Tasks

1.2.1 Contractor shall inform, report on activities and develop advocacy strategies in order to build and sustain a strong coalition in support of OCTA programs and projects including, but not limited to the following:

- Interstate 405 Widening
- SR-91 Widening
- SR-91 Chokepoint
- SR-91 Truck Storage Lane
- SR-91/SR-241 High Occupancy Toll Connector
- I-5 South HOV Lane Phase I
- I-5/Ortega Highway Interchange
- I-5/SR-55 Chokepoint
- ~~CenterLine Orange County Rapid Transit Project~~

1.2.2 Contractor shall provide overall political and legislative strategy and coordination for OCTA's Washington advocacy effort.

1.2.3 Contractor shall provide representation and advocate OCTA policies, positions, projects and programs before the following:

- Minority Members and Staff of the House Transportation and Infrastructure Subcommittee on Highways, Transit and Pipelines
- Majority staff of the House Appropriations Subcommittee on Transportation and Treasury
- Minority Members and staff of the House Appropriations Subcommittee on Transportation and Treasury

- Majority staff of the Senate Banking, Housing and Urban Affairs Subcommittee on Transportation and Treasury
  - Minority Members and staff of the Senate Banking, Housing and Urban Affairs Subcommittee on Transportation and Treasury
  - Minority Members and staff of the Senate Committee on Environment and Public Works Subcommittee on Transportation and Infrastructure
  - United States Department of Transportation, including, but not limited to the Federal Transit Administration (FTA), the Federal Highway Administration (FHWA), the Federal Railroad Administration, other departments and agencies.
- 1.2.4 Contractor shall provide strategy advice and advocacy support with Senators Feinstein, Boxer and their staffs.
- 1.2.5 Contractor shall monitor all relevant federal legislative and administrative transportation actions and provide OCTA with timely legislative analysis on how such actions affect the interests of the agency.
- 1.2.6 Contractor shall assist in the drafting of legislative language and other written material of interest to OCTA.
- 1.2.7 Contractor shall, in coordination with other members of the advocacy team, conduct an annual workshop with the OCTA Board of Directors regarding federal legislation.
- 1.2.8 Contractor shall coordinate the overall schedule for OCTA Board Members and staff during trips to Washington, DC.
- 1.2.9 Contractor shall undertake additional assignments that have been mutually agreed upon by both parties.

## 2.0 Project Management

### 2.1 Bi-weekly Conference Calls

- 2.1.1 Contractor shall participate in bi-weekly conference calls with the Project Manager and OCTA staff.
- 2.1.2 Contractor shall participate in monthly telephone conference calls with members of the OCTA Legislative and Government Affairs/Public Communications Committee.

2.1.3 Contractor shall make monthly written reports to the OCTA Legislative and Government Affairs/Public Communications Committee updating members on the status of federal legislation.

2.1.4 Contractor shall make six in-person presentations to the OCTA Board of Directors.

## 2.2 Monthly Status Reports

2.2.1 Contractor shall provide a written report which outlines activities on behalf of the OCTA.

## Revised Scope of Work for Federal Legislative Advocates

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(James McConnell)

### 1.0 Description of Services

#### 1.1 General

The federal legislative advocate team is organized around the federal goals and objectives of the Orange County Transportation Authority's (OCTA) legislative program. The primary focus of the OCTA's legislative program is to ensure the inclusion of OCTA projects, programs and policies in surface transportation reauthorization and appropriations legislation.

#### 1.2 Detailed Tasks

1.2.1. Contractor shall inform, report on activities and develop advocacy strategies in order to build and sustain a strong coalition in support of OCTA programs and projects including, but not limited to the following:

- Interstate 405 Widening
- SR-91 Widening
- SR-91 Chokepoint
- SR-91 Truck Storage Lane
- SR-91/SR-241 High Occupancy Toll Connector
- I-5 South HOV Lane Phase I
- I-5/Ortega Highway Interchange
- I-5/SR-55 Chokepoint
- *CenterLine-Orange County Rapid Transit Project*
- *Anaheim Regional Transportation Inter-Model Center (ARTIC)*
- *Public Transportation Terrorism Response and Prevention Legislation*
  
- Contractor shall provide strategy advice and advocacy support with the Orange County Congressional Delegation and staffs as follows:
  - Representative Christopher Cox
  - Representative Gary Miller
  - Representative Loretta Sanchez
  - Representative Ed Royce
  - Representative Dana Rohrabacher



- Representative Ken Calvert
- Contractor shall assist in the preparation of testimony and correspondence for the Orange County Congressional Delegation in support of OCTA projects, policies and programs in surface transportation reauthorization and appropriations legislation.
- Contractor shall recommend timing and nature of contacts with the members of Orange County Congressional Delegation.
- Contractor shall arrange logistical support for meetings for OCTA Board members and staff in Washington, DC with the Orange County Congressional Delegation.
- Contractor shall participate with other members of the advocacy team at annual workshop with OCTA Board of Directors regarding federal legislation.
- Contractor shall undertake additional assignments that have been mutually agreed upon by both parties.

## 2.0 Project Management

### 2.1 Bi-weekly Conference Calls

- Contractor shall participate in bi-weekly conference calls with the Project Manager and OCTA staff.

### 2.2 Monthly Status Reports

- 2.2.1 Contractor shall provide a written report which outlines activities on behalf of the OCTA.

## Revised Scope of Work for Federal Legislative Advocates

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(The Federalist Group LLC)

### 1.0 Description of Services

#### 1.1 General

The federal legislative advocate team is organized around the federal goals and objectives of the Orange County Transportation Authority's (OCTA) legislative program. The primary focus of the OCTA's legislative program is to ensure the inclusion of OCTA projects, programs and policies in surface transportation reauthorization and appropriations legislation.

#### 1.2 Detailed Tasks

1.2.1. Contractor shall inform, report on activities and develop advocacy strategies in order to build and sustain a strong coalition in support of OCTA programs and projects including, but not limited to the following:

- Interstate 405 Widening
- SR-91 Widening
- SR-91 Chokepoint
- SR-91 Truck Storage Lane
- SR-91/SR-241 High Occupancy Toll Connector
- I-5 South HOV Lane Phase I
- I-5/Ortega Highway Interchange
- I-5/SR-55 Chokepoint
- ~~CenterLine Orange County Rapid Transit Project~~
- *California-Nevada Super Speed Train (MAGLEV)*

1.2.1 Contractor shall provide representation and advocate OCTA policies, positions, projects and programs before the following:

- Representative Don Young (R-AK), Chairman of the House Transportation and Infrastructure Committee
- Majority Members and staff of the House Transportation and Infrastructure, Subcommittee on Highways, Transit, and Pipelines
- Majority Members of the House Appropriations Subcommittee on Transportation and Treasury

- Senator Richard Shelby (R-AL), Chairman of the Senate Banking, Housing and Urban Affairs Committee, Chairman Senate Appropriations Subcommittee on Transportation and Treasury
- Majority Members and staff of Senate Appropriations Subcommittee on Transportation and Treasury
- Majority Members of the Senate Banking, Housing and Urban Affairs Committee, Subcommittee on Transportation and Treasury
- Majority Members and staff of the Senate Committee on Environment and Public Works, Subcommittee on Transportation and Infrastructure
- The office of Representative Gary Miller
- The office of Representative Jerry Lewis
- The office of Senate Minority Leader Harry Reid (D-NV)

- 1.2.2 Contractor shall assist in drafting of legislative language and other written material of interest to OCTA.
- 1.2.3 Contractor shall participate with other members of the advocacy team at annual workshop with the OCTA Board of Directors regarding federal legislation.
- 1.2.4 Contractor shall undertake additional assignments that have mutually agreed upon by both parties.

## 2.0 Project Management

### 2.1 Bi-weekly Conference Calls

- 2.1.1 Contractor shall participate in bi-weekly conference calls with the Project Manager and OCTA staff.

### 2.2 Monthly Status Reports

- 2.2.1 Contractor shall provide a written report which outlines activities on behalf of the OCTA.

## Revised Scope of Work for Legislative Advocates

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(Mayer, Brown, Rowe and Maw LLP)

### 1.0 Description of Services

#### 1.1 General

- 1.1.1 The federal legislative advocate team is organized around the federal goals and objectives of the Orange County Transportation's (OCTA) legislative program. The primary focus of the OCTA's legislative program is to ensure the inclusion of OCTA projects, programs and policies in surface transportation reauthorization and appropriations legislation.

#### 1.2 Detailed Tasks

Contractor shall inform, report on activities and develop advocacy strategies in order to build and sustain a strong coalition in support of OCTA programs and projects including, but not limited to the following:

- Interstate 405 Widening
- SR-91 Widening
- SR-91 Chokepoint
- SR-91 Truck Storage Lane
- SR-91/SR-241 High Occupancy Toll Connector
- I-5 South HOV Lane Phase I
- I-5/Ortega Highway Interchange
- I-5/SR-55 Chokepoint
- ~~CenterLine-Orange County Rapid Transit Project~~

- 1.2.1 Contractor shall provide strategic advice based on research that analyzes local political climate and its affects on OCTA legislative goals.
- 1.2.2 Contractor shall provide strategic advice regarding the Orange County Congressional Delegation from a local perspective.
- 1.2.3 Contractor shall recommend timing and nature of contacts with the Orange County Congressional Delegation.
- 1.2.4 Contractor shall participate with other members of the advocacy team at annual workshop with the OCTA Board of Directors regarding federal legislation.
- 1.2.5 Contractor shall undertake additional assignments that have mutually been agreed upon by both parties.

## 2.0 Project Management

### 2.1 Monthly presentations

- 2.1.1 Contractor shall make monthly presentations either in person or by phone to the Legislative and Government Affairs/Public Communications Committee outlining his activities.
- 2.1.2 Contractor shall advise the OCTA Chief Executive Officer on a monthly basis, of his activities.





BOARD COMMITTEE TRANSMITTAL

*April 11, 2005*

**To:** Members of the Board of Directors  
**From:** Wendy Knowles<sup>WK</sup>, Clerk of the Board  
**Subject:** Approval of Option Term to Extend Professional Services Agreement for Transportation Forecasting Activities

Regional Planning and Highways Committee

April 4, 2005

**Present:** Directors Norby, Cavecche, Rosen, Dixon, Brown, Green, Monahan, Pringle, and Ritschel  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 2 to Agreements C-3-1124, C-3-1357, C-3-1358, C-3-1359, C-3-1360, C-3-1361, C 3-1362, and C-3-1363 between the Orange County Transportation Authority and Austin-Foust Associates, Inc., DKS Associates, Fehr and Peers Associates, Inc., Meyer Mohaddes Associates, Inc., Parsons Transportation Group, Inc., Parsons Brinckerhoff Quade and Douglas, Inc., Transcore, and Urban Crossroads, in an amount not to exceed \$410,000, for transportation-forecasting support services and extend all agreements to December 31, 2006.



*April 4, 2005*

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Approval of Option Term to Extend Professional Services Agreement for Transportation Forecasting Activities

### **Overview**

The Orange County Transportation Authority uses professional services to supplement its traffic-forecasting capabilities. Eight firms have been retained to perform these services as needed. The contract term expires on June 30, 2005, and staff requests exercising the "Second Option Term" to extend the contract to December 31, 2006.

### **Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 2 to Agreements C-3-1124, C-3-1357, C-3-1358, C-3-1359, C-3-1360, C-3-1361, C-3-1362, and C-3-1363 between the Orange County Transportation Authority and Austin-Foust Associates, Inc., DKS Associates, Fehr and Peers Associates, Inc., Meyer Mohaddes Associates, Inc., Parsons Transportation Group, Inc., Parsons Brinckerhoff Quade and Douglas, Inc., Transcore, and Urban Crossroads, in an amount not to exceed \$410,000, for transportation-forecasting support services and extend all agreements to December 31, 2006.

### **Background**

Consultant services are required to supplement staff resources for transportation-forecasting activities on an as needed basis. On January 12, 2004, the Orange County Transportation Authority (Authority) awarded on-call service contracts to eight qualified consulting firms, in an amount not to exceed \$275,000, to provide these services for fiscal year (FY) 2003-04. As the need for these services arise, task orders are issued to one of the eight on-call firms.



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***Discussion***

The agreements provide for two additional option years. On April 5, 2004, the "First Option Term" was exercised by the Board of Directors in an amount not to exceed \$420,000, for FY 2004-05. The firms have provided valuable services to the Authority and continued services are necessary to supplement staff resources to accommodate transportation forecasting activities planned for FY 2005-06. Staff proposes to exercise the "Second Option Term" in an amount not to exceed \$410,000.

Primary work tasks in FY 2005-06 will include transportation forecasting for projects such as the Riverside-Orange County Major Investment Study, the Long-Range Transportation Plan, the Freeway Master Plan, the Transit Master Plan, the South Orange County Major Investment Study, Chokepoint Program, rapid transit evaluation, and support of cities' sub-area model development. In addition, task orders may be awarded to expand the Orange County Transportation Analysis Model technical capabilities. Task orders are awarded on a competitive basis between firms that submit proposals based on detailed work plans developed by staff.

The original agreements, awarded on January 12, 2004, to the eight on-call firms, were in the amount of \$275,000. The "First Option Term", Amendment No. 1, in the amount not to exceed \$420,000, was exercised on April 5, 2004.

**Fiscal Impact**

The additional forecasting support services described in Amendment No. 2 to Agreements C-3-1124, C-3-1357, C-3-1358, C-3-1359, C-3-1360, C-3-1361, C-3-1362, and C-3-1363 are planned in the Authority's FY 2005-06 Budget, Strategic Planning Division/Transportation Analysis Department, Account 0010-7519 and funded through Measure M.

***Summary***

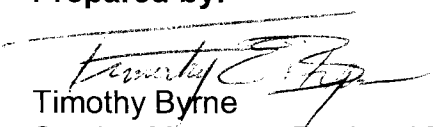
Staff recommends approval of Amendment No. 2, in the not to exceed amount of \$410,000, to Agreements C-3-1124, C-3-1357, C-3-1358, C-3-1359, C-3-1360, C-3-1361, C-3-1362, and C-3-1363 between the Authority and Austin-Foust Associates, Inc., DKS Associates, Fehr & Peers Associates, Inc., Meyer Mohaddes Associates, Inc., Parsons Transportation Group, Inc., Parsons Brinckerhoff Quade and Douglas, Inc., Transcore, and Urban Crossroads for transportation-forecasting support services.

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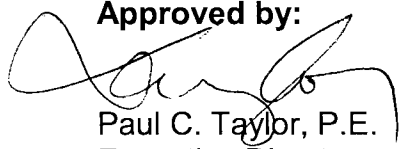
***Attachment***

- A. Agreements Fact Sheet.

**Prepared by:**

  
Timothy Byrne  
Section Manager, Regional Modeling  
(714) 560-5726

**Approved by:**

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

**Agreements Fact Sheet**

**Austin-Foust Associates, Inc.  
Agreement C-3-1124 Fact Sheet**

1. January 12, 2004, Agreement C-3-1124, \$275,000, approved by Board of Directors. One of eight firms with a cumulative contract amount of \$275,000.
  - On-call service contract to provide transportation modeling support services for the Transportation Analysis Department.
2. April 5, 2004, Amendment No. 1 to Agreement C-3-1124, not to exceed a cumulative amount of \$420,000, approved by Board of Directors, in conjunction with seven other on-call firms.
  - Modeling support services needed to support staff for Fiscal Year 2004-05 transportation planning projects.
3. April 4, 2005, Amendment No. 2 to Agreement C-3-1124, not to exceed a cumulative amount of \$410,000, in conjunction with seven other on-call firms pending approval by Board of Directors.
  - Modeling support services needed to support staff for Fiscal Year 2005-06 transportation planning projects.

Total committed to Austin-Foust Associates, Inc., Agreement C-3-1124, a cumulative total of \$1,105,000 in conjunction with seven other on-call firms.

**DKS Associates  
Agreement C-3-1359 Fact Sheet**

1. January 12, 2004, Agreement C-3-1359, \$275,000, approved by Board of Directors. One of eight firms with a cumulative contract amount of \$275,000.
  - On-call service contract to provide transportation modeling support services for the Transportation Analysis Department.
2. April 5, 2004, Amendment No. 1, to Agreement C-3-1359, not to exceed a cumulative amount of \$420,000, approved by Board of Directors, in conjunction with seven other on-call firms.
  - Modeling support services needed to support staff for Fiscal Year 2004-05 transportation planning projects.

3. April 4, 2005, Amendment No. 2, to Agreement C-3-1359, not to exceed a cumulative amount of \$410,000, in conjunction with seven other on-call firms pending approval by Board of Directors.

- Modeling support services needed to support staff for Fiscal Year 2005-06 transportation planning projects.

Total committed to DKS Associates, Agreement C-3-1359, a cumulative total of \$1,105,000 in conjunction with seven other on-call firms.

**Fehr & Peers Associates, Inc  
Agreement C-3-1357 Fact Sheet**

1. January 12, 2004, Agreement C-3-1357, \$275,000, approved by Board of Directors. One of eight firms with a cumulative contract amount of \$275,000.

- On-call service contract to provide transportation modeling support services for the Transportation Analysis Department.

2. April 5, 2004, Amendment No. 1, to Agreement C-3-1357, not to exceed a cumulative amount of \$420,000, approved by Board of Directors, in conjunction with seven other on-call firms.

- Modeling support services needed to support staff for Fiscal Year 2004-05 transportation planning projects.

3. April 4, 2005, Amendment No. 2, to Agreement C-3-1357, not to exceed a cumulative amount of \$410,000, in conjunction with seven other on-call firms pending approval by Board of Directors.

- Modeling support services needed to support staff for Fiscal Year 2005-06 transportation planning projects.

Total committed to Fehr & Peers Associates, Inc., Agreement C-3-1357, a cumulative total of \$1,105,000 in conjunction with seven other on-call firms.

**Meyer Mohaddes Associates, Inc.  
Agreement C-3-1358 Fact Sheet**

1. January 12, 2004, Agreement C-3-1358, \$275,000, approved by Board of Directors. One of eight firms with a cumulative contract amount of \$275,000.

- On-call service contract to provide transportation modeling support services for the Transportation Analysis Department.

2. April 5, 2004, Amendment No. 1, to Agreement C-3-1358, not to exceed a cumulative amount of \$420,000, approved by Board of Directors, in conjunction with seven other on-call firms.
  - Modeling support services needed to support staff for Fiscal Year 2004-05 transportation planning projects.
3. April 4, 2005, Amendment No. 2, to Agreement C-3-1358, not to exceed a cumulative amount of \$410,000, in conjunction with seven other on-call firms pending approval by Board of Directors.
  - Modeling support services needed to support staff for Fiscal Year 2005-06 transportation planning projects.

Total committed to Meyer Mohaddes Associates, Inc., Agreement C-3-1358, a cumulative total of \$1,105,000 in conjunction with seven other on-call firms.

**Parsons Brinckerhoff Quade and Douglas, Inc.**  
**Agreement C-3-1363 Fact Sheet**

1. January 12, 2004, Agreement C-3-1363, \$275,000, approved by Board of Directors. One of eight firms with a cumulative contract amount of \$275,000.
  - On-call service contract to provide transportation modeling support services for the Transportation Analysis Department.
2. April 5, 2004, Amendment No. 1, to Agreement C-3-1363, not to exceed a cumulative amount of \$420,000, approved by Board of Directors, in conjunction with seven other on-call firms pending.
  - Modeling support services needed to support staff for Fiscal Year 2004-05 transportation planning projects.
3. April 4, 2005, Amendment No. 2, to Agreement C-3-1363, not to exceed a cumulative amount of \$410,000, in conjunction with seven other on-call firms pending approval by Board of Directors.
  - Modeling support services needed to support staff for Fiscal Year 2005-06 transportation planning projects.

Total committed to Parsons Brinckerhoff Quade and Douglas, Inc., Agreement C-3-1363, a cumulative total of \$1,105,000 in conjunction with seven other on-call firms.

**Parsons Transportation Group, Inc.**  
**Agreement C-3-1362 Fact Sheet**

1. January 12, 2004, Agreement C-3-1362, \$275,000, approved by Board of Directors. One of eight firms with a cumulative contract amount of \$275,000.
  - On-call service contract to provide transportation modeling support services for the Transportation Analysis Department.
2. April 5, 2004, Amendment No. 1, to Agreement C-3-1362, not to exceed a cumulative amount of \$420,000, approved by Board of Directors, in conjunction with seven other on-call firms.
  - Modeling support services needed to support staff for Fiscal Year 2004-05 transportation planning projects.
3. April 4, 2005, Amendment No. 2, to Agreement C-3-1362, not to exceed a cumulative amount of \$410,000, in conjunction with seven other on-call firms pending approval by Board of Directors.
  - Modeling support services needed to support staff for Fiscal Year 2005-06 transportation planning projects.

Total committed to Parsons Transportation Group, Inc., Agreement C-3-1362, a cumulative total of \$1,105,000 in conjunction with seven other on-call firms.

**Transcore**  
**Agreement C-3-1361 Fact Sheet**

1. January 12, 2004, Agreement C-3-1361, \$275,000, approved by Board of Directors. One of eight firms with a cumulative contract amount of \$275,000.
  - On-call service contract to provide transportation modeling support services for the Transportation Analysis Department.
2. April 5, 2004, Amendment No. 1, to Agreement C-3-1361, not to exceed a cumulative amount of \$420,000, approved by Board of Directors, in conjunction with seven other on-call firms.
  - Modeling support services needed to support staff for Fiscal Year 2004-05 transportation planning projects.
  -
3. April 4, 2005, Amendment No. 2, to Agreement C-3-1361, not to exceed a cumulative amount of \$410,000, in conjunction with seven other on-call firms pending approval by Board of Directors.

- Modeling support services needed to support staff for Fiscal Year 2005-06 transportation planning projects.

Total committed to Transcore, Agreement C-3-1361, a cumulative total of \$1,105,000 in conjunction with seven other on-call firms.

**Urban Crossroads  
Agreement C-3-1360 Fact Sheet**

1. January 12, 2004, Agreement C-3-1360, \$275,000, approved by Board of Directors. One of eight firms with a cumulative contract amount of \$275,000.
  - On-call service contract to provide transportation modeling support services for the Transportation Analysis Department.
2. April 5, 2004, Amendment No. 1, to Agreement C-3-1360, not to exceed a cumulative amount of \$420,000, approved by Board of Directors, in conjunction with seven other on-call firms.
  - Modeling support services needed to support staff for Fiscal Year 2004-05 transportation planning projects.
3. April 4, 2005, Amendment No. 2, to Agreement C-3-1360, not to exceed a cumulative amount of \$410,000, in conjunction with seven other on-call firms pending approval by Board of Directors.
  - Modeling support services needed to support staff for Fiscal Year 2005-06 transportation planning projects.

Total committed to Urban Crossroads, Agreement C-3-1360, a cumulative total of \$1,105,000 in conjunction with seven other on-call firms.







BOARD COMMITTEE TRANSMITTAL

April 11, 2005

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board *WK*  
**Subject:** Freeway Service Patrol Tow Contracts

Regional Planning and Highways Committee

April 4, 2005

**Present:** Directors Norby, Cavecche, Rosen, Dixon, Brown, Green, Monahan, Pringle, and Ritschel  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendations**

- A. Authorize the Chief Executive Officer to execute Agreement C-5-0081 between the Orange County Transportation Authority and California Coach Auto Body, Inc., in an amount not to exceed \$4,579,708, for the initial period of July 1, 2005, to June 30, 2008, and one option year from July 1, 2008 to June 30, 2009.
- B. Authorize the Chief Executive Officer to execute Agreement C-5-0737 between the Orange County Transportation Authority and Greater Southern California Towing, Inc., in an amount not to exceed \$2,250,960, for the initial period of July 1, 2005, to June 30, 2008, and one option year from July 1, 2008 to June 30, 2009.



*April 4, 2005*

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, <sup>ATL</sup> Chief Executive Officer  
**Subject:** Freeway Service Patrol Tow Contracts

**Overview**

On June 30, 2005, several contracts for the provision of Freeway Service Patrol tow services will expire. To ensure the continuity of operations, offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board approval is requested to exercise the contracts. These agreements have no effect on the long-term viability of the Service Authority for Freeway Emergencies.

**Recommendations**

- A. Authorize the Chief Executive Officer to execute Agreement C-5-0081 between the Orange County Transportation Authority and California Coach Auto Body, Inc., in an amount not to exceed \$4,579,708, for the initial period of July 1, 2005, to June 30, 2008, and one option year from July 1, 2008, to June 30, 2009.
- B. Authorize the Chief Executive Officer to execute Agreement C-5-0737 between the Orange County Transportation Authority and Greater Southern California Towing, Inc., in an amount not to exceed \$2,250,960, for the initial period of July 1, 2005, to June 30, 2008, and one option year from July 1, 2008, to June 30, 2009.

**Background**

In November 1992, the Orange County Freeway Service Patrol (FSP) began providing peak hour assistance to stranded motorists along Orange County freeways. The FSP is a public/private partnership between the California Department of Transportation (Caltrans), the California Highway Patrol (CHP), the Orange County Transportation Authority (OCTA), and the FSP tow truck operators. This program is a traffic management and motorist aid program designed for timely response to accidents and other incidents leaving debris on

the freeways, as well as providing rapid removal of disabled vehicles and other necessary services to stranded motorists (Attachment A). The FSP service on Orange County's freeway system is divided into 12 geographic areas, called beats. Each contract for FSP service covers one beat. Beats are further divided into segments. There are from two to four segments per beat for a total of 35 segments. One truck is assigned to each segment, along with one back-up truck per beat. The FSP now includes service to all major freeways in the County during peak commute hours (Attachment B).

**Discussion**

This procurement was handled in accordance with OCTA's procedures for professional and technical services, Request for Proposals (RFP) were sent to 24 firms registered on CAMMnet on January 14, 2005. The project was advertised on January 17, 2005, and January 21, 2005, in the Orange County Register. A pre-proposal conference was held on January 24, 2005.

Five offers were received. An evaluation committee, comprised of OCTA staff from the Contracts Administration & Materials Management Department and the Toll Road and Motorist Services Department, an OCTA consultant, and representatives from the CHP and Caltrans, was established to review all offers submitted. The offers were evaluated based on firm qualifications, management approach, technical approach/work plan and cost as established in the RFP. Based on evaluation committee scoring of the proposals, the committee interviewed the following two firms:

Firm and Location

Greater Southern California Towing, Inc.  
Santa Ana, California

California Coach Auto Body, Inc.  
Walnut, California

Based upon the proposal evaluation and the interviews, it is recommended that the following contracts be awarded:

C-5-0081 - California Coach Auto Body, Inc. This contract is in the amount not to exceed \$4,579,708, for the initial period of July 1, 2005, to June 30, 2008, and one option year from July 1, 2008, to June 30, 2009.

- Beat 1 – the Riverside Freeway (State Route 91) from State College Boulevard to the Riverside County Line – two tow trucks plus one back-up truck.

- Beat 4 – the Orange Freeway (State Route 57) from the Los Angeles County Line to Euclid Avenue - three tow trucks plus one back-up truck.
- Beat 5 – the Santa Ana Freeway (Interstate 5) from Tustin Ranch Road to Avery Parkway – two tow trucks and one back-up truck.
- Beat 10 – the Costa Mesa Freeway (State Route 55) from Lincoln Avenue to the San Diego Freeway (Interstate 405) - two tow trucks plus one back-up truck.

C-5-0737 – Greater Southern California Towing, Inc. This contract is in the amount not to exceed \$2,250,960, for the initial period of July 1, 2005, to June 30, 2008, and one option year from July 1, 2008, to June 30, 2009.

- Beat 2 – Interstate 5 (I-5) from Chapman Avenue to Tustin Ranch Road - two tow trucks and one back-up truck.
- Beat 3 - Interstate 405 (I-405) between the Los Angeles County Line and Euclid Avenue - three tow trucks plus one back-up truck,.

The total cost of both agreements is an amount not to exceed \$6,830,668, for the initial three-year terms with one option year.

#### **Fiscal Impact**

Funds for the operation of FSP service have been included in the Orange County Transportation Authority Fiscal Year 2005-06 Budget - Service Authority for Freeway Emergencies Fund 0013. The FSP program is funded by the State of California. OCTA provides a 25 percent match from local Department of Motor Vehicle registration funding.

#### **Summary**

The evaluation committee met and reviewed this item, and, based on the material provided and criteria established, the committee recommends that OCTA select California Coach Auto Body, Inc. for Beats 1, 4, 5, and 10, and Greater Southern California Towing, Inc., for Beats 2 and 3 to provide FSP operations.

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**Attachments**

- A. Freeway Service Patrol Contracting Background
- B. Freeway Service Patrol Area Locations Map
- C. California Coach Auto Body & Towing Agreement C-5-0081
- D. Greater Southern California Towing, Inc. Agreement C-5-0737

**Prepared by:**



Iain C. Fairweather  
Motorist Services Program Administrator  
(714) 560-5858

**Approved by:**



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

**FREEWAY SERVICE PATROL CONTRACTING BACKGROUND**

FSP operates on all Orange County freeways, five days a week during peak traffic hours. The eight-hour-per-day service is divided into morning and afternoon shifts. The morning shift is from 5:30 to 9:30 a.m. The afternoon shift is from 3:00 to 7:00 p.m.

The purpose of FSP is to reduce freeway congestion by removing disabled vehicles from traffic lanes and shoulders. Each tow truck driver patrols his assigned freeway segment during service hours, stopping to assist motorists. The driver offers assistance, such as changing a flat tire, offering a free gallon of gas or taping a coolant hose. Any such assistance is to be completed within ten minutes. If it cannot be completed within that time, the tow truck driver tows the vehicle off the freeway to a drop zone. All FSP services are provided without charge to the motorist.

Private tow truck companies operate the service under contract to OCTA. For FSP service, Orange County's freeway system is divided into 12 areas, which are called beats. Each contract for FSP service covers one beat. Beats are further divided into segments. There are from two to four segments per beat for a total of 35 segments. One truck is assigned to each segment, along with one back-up truck per beat.

Terms for the 12 FSP tow truck contracts are for three years with an option year. The contracts are staggered. The term for the six beats covered in this report (Beats 1, 2, 3, 4, 5, and 10) start July 1, 2005. Their three-year terms expire on June 30, 2008, and are followed by an option year that may be awarded depending on contractor performance and the needs of OCTA. The terms for the second group of six beats (Beats 6, 7, 8, 9, 12, and 13) began December 1, 2003, and will expire on November 30, 2006, again with a one-year option. The terms are staggered to avoid all or a large number of the beats turning over at one time, as well as availability of equipment.

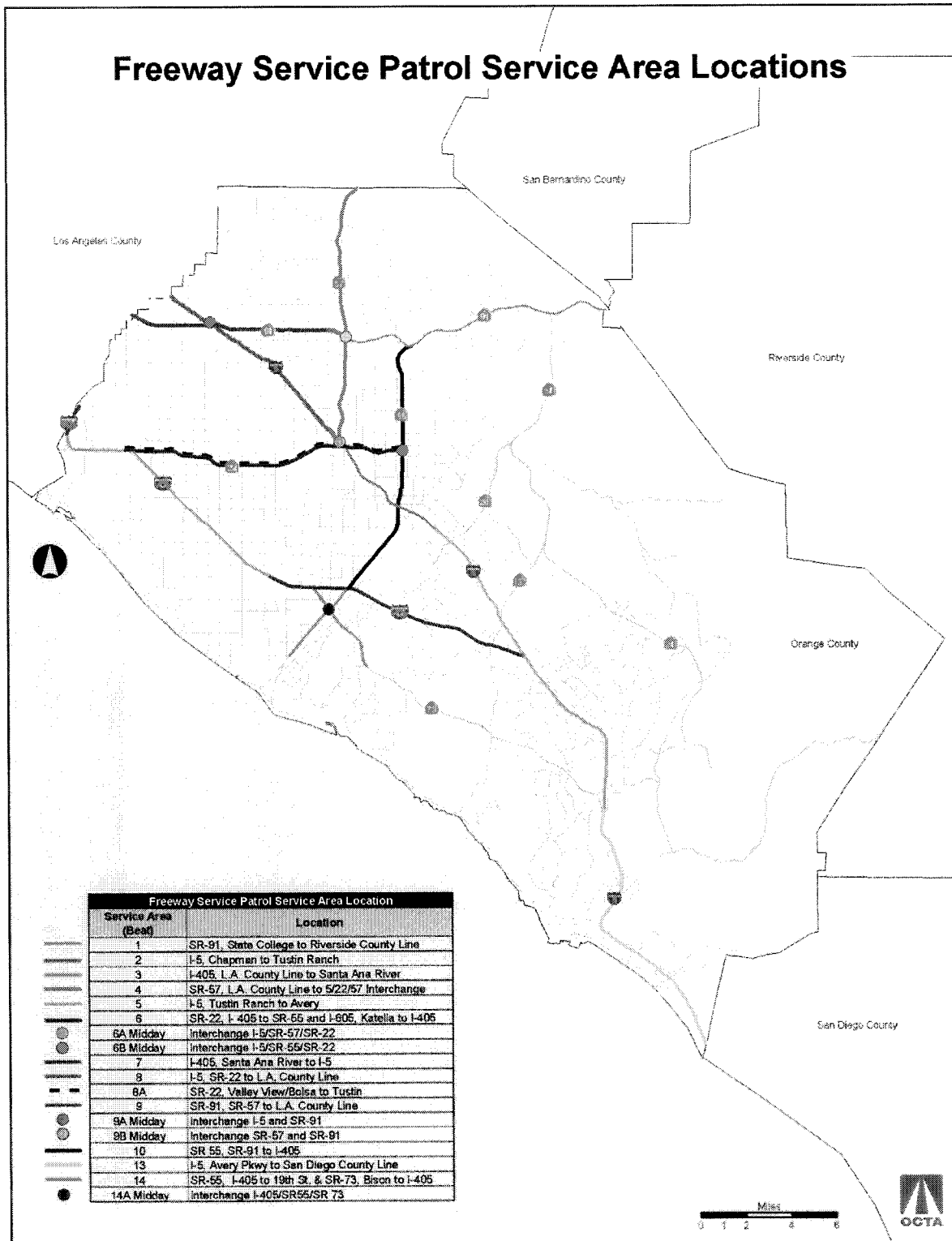
OCTA limits the number of segments that may be assigned to any one tow truck contractor to nine of the 35 total. This limitation helps ensure that several companies have the resources and expertise to provide FSP service.

The following table shows the hourly service rates proposed by the selected contractors for the six beats being awarded. The table also shows the existing hourly rates for those beats. For the sake of brevity, only the proposed rates for the base three-year term are shown. That is, option-year rates are not shown.

Beat Number	Current-Term Hourly Rate	Proposed Hourly Rate	3-Year Increase	Average Annual Increase
1	\$44.75	\$63.50	42%	14%
2	\$46.14	\$56.50	22%	7%
3	\$46.48	\$56.50	22%	7%
4	\$44.75	\$63.50	42%	14%
5	\$42.00	\$63.50	51%	17%
10	\$44.75	\$63.50	42%	14%

The average annual increases in rates, ranging from seven to 17 percent, clearly exceed increases in general inflation. The increases appear to be due to the higher-than-average cost increases for some of the major components making up tow service costs. These include fuel, vehicle insurance, and workers compensation insurance.

# Freeway Service Patrol Service Area Locations





## ATTACHMENT C

### **California Coach Auto Body, Inc. Agreement C-5-0081**

Beat 1 - State Route 91 (SR-91) from State College Boulevard to the Riverside County Line – two tow trucks plus one back-up truck. In the amount not to exceed \$758,952 for this beat for the contract period of July 1, 2005, to June 30, 2008. In the amount not to exceed \$258,761 for this beat for the option contract period of July 1, 2008, to June 30, 2009.

Beat 4- State Route 57 (SR-57) from the Los Angeles County Line to Euclid Avenue - three tow trucks plus one back-up truck. In the amount not to exceed \$1,138,428 for this beat for the contract period of July 1, 2005, to June 30, 2008. In the amount not to exceed \$388,141 for this beat for the option contract period of July 1, 2008, to June 30, 2009.

Beat 5 – I-5 from Tustin Ranch Road to Avery Parkway – two tow trucks and one back-up truck. In the amount not to exceed \$758,952 for this beat for the contract period of July 1, 2005, to June 30, 2008. In the amount not to exceed \$258,761 for this beat for the option contract period of July 1, 2008, to June 30, 2009.

Beat 10 - State Route 55 (SR-55) from Lincoln Avenue to I-405 - two tow trucks plus one back-up truck. In the amount not to exceed \$758,952 for this beat for the contract period of July 1, 2005, to June 30, 2008. In the amount not to exceed \$258,761 for this beat for the option contract period of July 1, 2008, to June 30, 2009.

Total amount committed to California Coach Auto Body, Inc., Agreement C-5-0081, \$4,579,708.

**ATTACHMENT D**

**Greater Southern California Towing, Inc.  
Agreement C-5-0737**

Beat 2 – I-5 from Chapman Avenue to Tustin Ranch Road - two tow trucks and one back-up truck. In the amount not to exceed \$675,288 for this beat for the contract period of July 1, 2005, to June 30, 2008. In the amount not to exceed \$225,096 for this beat for the option contract period of July 1, 2008, to June 30, 2009.

Beat 3 – I-405 from the Los Angeles County Line to Euclid Avenue - three tow trucks plus one back-up truck. In the amount not to exceed \$1,012,932 for this beat for the contract period of July 1, 2005, to June 30, 2008. In the amount not to exceed \$337,644 for this beat for the option contract period of July 1, 2008, to June 30, 2009

Total committed to Greater Southern California Towing, Inc., Agreement C-5-0737,  
\$2,250,960.





*BOARD COMMITTEE TRANSMITTAL*

***April 11, 2005***

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board  
**Subject:** San Diego Freeway Major Investment Study Update

**Regional Planning and Highways Committee**

April 4, 2005

**Present:** Directors Norby, Cavecche, Rosen, Dixon, Brown, Green, Monahan, Pringle, and Ritschel  
**Absent:** None

***Committee Vote***

This item was passed by all Committee Members present.

***Committee Recommendations***

- A. Approve the addition of conceptual elevated freeway Alternative 10 for more detailed engineering and environmental analysis and public input.
- B. Direct staff to return by June 2005 with a report on engineering and environmental analysis and public outreach.



**April 4, 2005**

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, <sup>AV</sup> Chief Executive Officer  
**Subject:** San Diego Freeway Major Investment Study Update

**Overview**

The Orange County Transportation Authority is conducting an 18-month Major Investment Study for the San Diego Freeway corridor from the Corona Del Mar Freeway to the San Gabriel Freeway. On March 24, 2005, the I-405 Policy Committee directed staff to reconsider an elevated freeway option. Adding this alternative is presented for Committee review and approval.

**Recommendations**

- A. Approve the addition of conceptual elevated freeway Alternative 10 for more detailed engineering and environmental analysis and public input.
- B. Direct staff to return by June 2005 with a report on engineering and environmental analysis and public outreach.

**Background**

In fall 2003, the Orange County Transportation Authority (OCTA) launched the San Diego Freeway (Interstate 405) Major Investment Study (MIS) in response to the Board's direction to develop an improvement plan for Interstate 405 (I-405). The study will produce a corridor transportation plan addressing the 13.5-mile section of the I-405 corridor from the Corona Del Mar Freeway (State Route 73) to the San Gabriel Freeway (Interstate 605).

In March 2004, the Board approved the Mobility Problem Definition and Purpose and Need Statement. The Purpose and Need Statement formed the basis for defining conceptual alternatives for I-405. In June 2004, the Board approved 12 conceptual alternatives that can be categorized as follows: (1) build within the existing right-of-way; (2) build out and maximize the number of new lanes and transit improvements along the freeway; and (3) build up and make improvements within the existing right-of-way by using elevated structures.

Between June 2004 and November of 2004, staff and the consultant team worked with the project committees to develop a recommendation to reduce the 12 alternatives to the three alternatives most likely to address the mobility problem. These alternatives included conceptual alternatives 4, 6, and 8 and are further described in Attachment A. The Board approved this "reduced set" of alternatives in November 2004.

### ***Discussion***

On February 22, 2005, and March 24, 2005, the newly-formed I-405 Policy Committee (Policy), chaired by Director Silva, held meetings to review the background and progress of the I-405 MIS. The Policy Committee members were interested in revisiting the scope of the improvements and the process used to select the subset of alternatives for more detailed analysis.

Specifically, the participants requested reconsideration of options that add freeway capacity by building elevated freeway lanes. While elevated freeway options were screened out in November 2004 due to potential environmental and technical issues, the Policy Committee believed the potential right-of-way impacts of major at-grade widening warranted further consideration of an elevated option. As a result, Policy Committee directed staff to add the elevated Alternative 10 to the reduced set of conceptual alternatives, as described in Attachment B, for further technical analysis and public input.

With Board direction to further study Alternative 10, staff will work with the technical consultant, cities, and Caltrans to refine the specific "footprint" of this option, quantify costs, identify potential impacts, and prepare renderings for public review. Staff is currently developing a cost estimate for the additional work, and a preliminary review indicates the current fiscal year 2004-05 budget includes sufficient budget authority to complete the added work. Further public outreach on the I-405 MIS is also recommended given policy direction on Alternative 10. Staff is currently developing a revised public outreach strategy on this issue and will return with specific public outreach recommendations at a later date.

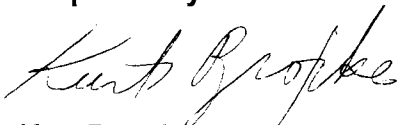
### ***Summary***

An elevated freeway option has been recommended by the Policy Committee to address potential right-of-way impacts of conventional freeway widening options. Staff recommends adding this option for further technical study and public outreach.

**Attachments**

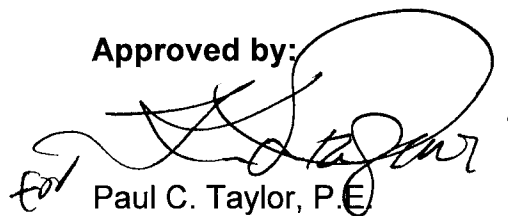
- A. Initial Screening Report PWG Summary
- B. Revised Reduced Set of Conceptual Alternatives

**Prepared by:**



Kurt Brotcke  
Section Manager II  
(714) 560-5742

**Approved by:**



Paul C. Taylor, P.E.  
Executive Director  
Planning, Development and Commuter  
Services  
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**Interstate 405  
Major Investment Study**

**Initial Screening Report  
PWG Summary**



**PARSONS**

**IBI Group • URS Corporation • Albert Grover & Associates**

**November 2004**





# Initial Screening Report PWG Summary

This summary report documents the evaluation and screening of the I-405 MIS Conceptual Alternatives against a set of measures that allow a comparison of how well each alternative meets the project objectives. From the 13 Conceptual Alternatives, three were recommended for more detailed definition and evaluation.

## 1 Project Background

### PURPOSE AND NEED

The *Corridor Mobility Problem and Purpose and Need Statement* (February 2004) explained the need for future transportation improvements along the Interstate 405 (I-405) corridor in the 13.5-mile segment from I-605 to SR-73. The four major transportation issues driving the need for corridor improvements are:

- **Demand already exceeds current capacity** resulting in significant travel delays during peak and some off-peak periods.
- **Diversion of traffic is taking place onto arterials** because the freeway is too congested during peak periods.
- **Operational problems occur on the freeway** because of physical bottlenecks.
- **The corridor has a lack of convenient public transportation options** and members of the public have expressed interest in seeing these studied.

### CONCEPTUAL ALTERNATIVES

The *Conceptual Alternatives Report* (May 2004) documented the development of the three conceptual themes and within them 13 Conceptual Alternatives:

1. **Minimal Right-of-Way Widening.** Conceptual Alternatives 1 through 4 have fewer impacts to the corridor, by adding up to one lane in each direction along the I-405 corridor, and staying mostly within the existing right-of-way.
2. **Horizontal Widening.** Conceptual Alternatives 5 through 9 added several freeway (or transit) lanes, by expanding the freeway outwards. Some of these alternatives add more than one type of freeway lane, to address the needs of multiple travel markets. A major impact of these alternatives will be displacement of adjacent land uses.
3. **Vertical Expansion.** Conceptual Alternatives 10 through 13 increased the freeway capacity through construction of elevated structures (viaducts). The expansion would be similar in scale to the widening alternatives, but with potential visual and noise impacts from the viaduct instead of additional right-of-way.

Within these 13 alternatives, five basic elements were combined to create a variety of potential solutions to the mobility problem: general purpose lanes, High Occupancy Vehicle (HOV) lanes, auxiliary lanes, express lanes, and fixed guideway transit. In conjunction with these, interchange area improvements and transit enhancements were also considered.

## 2 Screening Evaluation Measures

A set of criteria was developed to evaluate the 13 Conceptual Alternatives. The criteria determined the degree to which the project objectives were addressed by each alternative. **Table 2-1** lists the screening measures that were used in the screening evaluation. The criteria and measures identified in the table provided an evaluation of vehicle and passenger travel within the I-405 study corridor. The initial screening used a set of criteria and measures sufficient to differentiate between the 13 Conceptual Alternatives.



**Table 2-1  
Screening Evaluation Measures**

Issue	Measure
Freeway Mobility	<ul style="list-style-type: none"> <li>▪ Person (in vehicle) hours of delay in study area</li> <li>▪ Percent change in peak period travel times on I-405</li> <li>▪ Volume-to-Capacity Ratios on I-405</li> </ul>
Arterial Mobility	<ul style="list-style-type: none"> <li>▪ Reduction in Arterial Vehicle Miles of Travel (VMT)</li> </ul>
Travel Choices	<ul style="list-style-type: none"> <li>▪ Daily transit trips</li> <li>▪ Daily HOV trips</li> </ul>
Land Use / Economic Development	<ul style="list-style-type: none"> <li>▪ Value of time saved by commercial vehicles</li> </ul>
Implementation	<ul style="list-style-type: none"> <li>▪ Total capital cost (of project)</li> <li>▪ Cost-effectiveness (cost per person hour of travel saved)</li> <li>▪ Right of Way impacted</li> <li>▪ Visual impacts (from elevated viaduct)</li> </ul>

### **3 Screening Evaluation Findings**

During the development of layouts for the Conceptual Alternatives, a pre-screening evaluation resulted in Conceptual Alternative 12 being dropped from the full evaluation due to minor differences from three other alternatives (9, 11 & 13) and expected high costs per travel lane to construct the elevated HOV lanes and access to them.

The remaining Conceptual Alternatives underwent technical evaluation and comparison with the Baseline condition, to assess the relative benefits and impacts of each. In considering the cost-effectiveness and the mobility impacts together, these were the overall findings:

- Alternatives with LRT (3, 9 & 13) are relatively expensive (due to the length and right-of-way needs) and result in low cost-effectiveness;
- Minimal Widening Alternatives (1, 2 & 4) are very cost-effective but do not provide congestion relief;
- Horizontal Widening Alternatives (5, 6, 7 & 8) have high right-of-way costs but provide congestion relief; and
- Vertical Expansion Alternatives (10 & 11) have high construction costs but provide congestion relief.

### **4 Screening Recommendations**

The screening evaluation findings were reviewed by the Project Technical Advisory Committee (PTAC). Based on the findings and comments received from other project committees including the Policy Working Group, the PTAC developed the following guidelines to assist in the selection of alternatives for Final Evaluation:

- Retain a Minimal Widening Alternative with a freeway capacity increase;
- Retain some major Horizontal Widening Alternatives;
- Retain the express lane concept and/or a High Occupancy Toll (HOT) option;
- Retain Bus Rapid Transit (BRT) in conjunction with HOV (or HOT) Lanes;

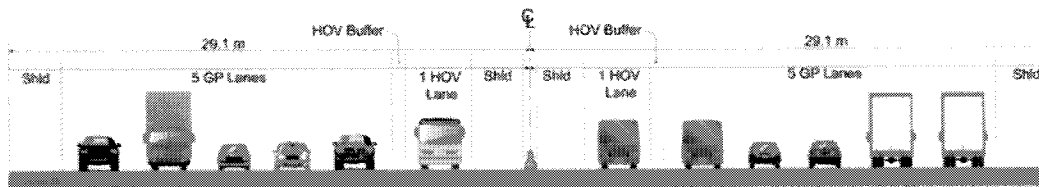
- Eliminate LRT from further consideration in this study and address future guideway options on I-405 through regional planning efforts ;
- Shift the centerline of I-405 to reduce right-of-way impacts;
- Reserve elevated viaduct options (based on Vertical Expansion Alternatives) to address longer term capacity enhancements.

These guidelines led to the identification by the PTAC of three Conceptual Alternatives to be carried forward into Final Screening.

## ALTERNATIVES FOR FINAL SCREENING

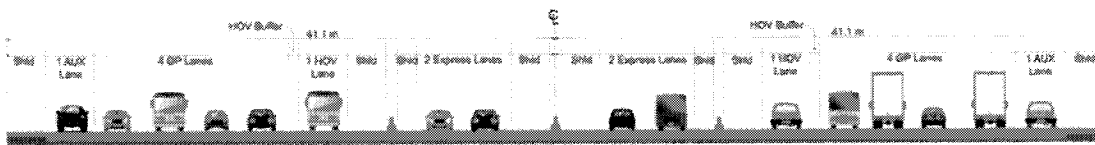
The following alternatives were recommended to be carried forward in this study:

- **Baseline Alternative.** This alternative incorporates all the environmentally approved and funded transportation improvements outlined for the I-405 corridor as of March 1, 2004.
- **TSM/TDM Alternative.** This alternative builds upon the Baseline by incorporating Transportation Systems Management (TSM) and Transportation Demand Management (TDM) initiatives, including Intelligent Transportation Systems (ITS), transit and alternative modes, goods movement, and interchange and arterial improvements.



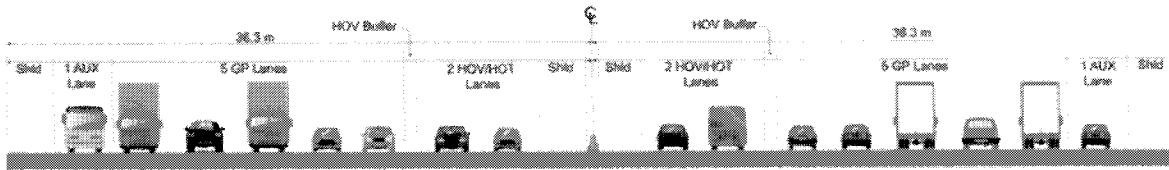
Alternative 4 Cross Section

- **Conceptual Alternative 4.** This alternative adds an additional general purpose lane in each direction between Brookhurst Street and the I-605 Freeway. It would be supplemented by expanded auxiliary lanes, TSM/TDM elements, new park-and-ride facilities, and express bus service. This alternative was recommended because it is highly cost-effective and removes a capacity bottleneck.



Alternative 6 Cross Section

- **Conceptual Alternative 6.** This alternative adds two express lanes in each direction (from SR-73 to I-605) and completes the auxiliary lanes throughout the study corridor. In locations where right-of-way acquisition is problematic, the centerline could be shifted. The alternative would also include TSM/TDM elements such as new park-and-ride facilities and express bus service. This alternative was recommended because the express lanes and auxiliary lanes improved operations and added capacity. The express lanes could include the use of tolls for congestion management.



**Alternative 8 Cross Section**

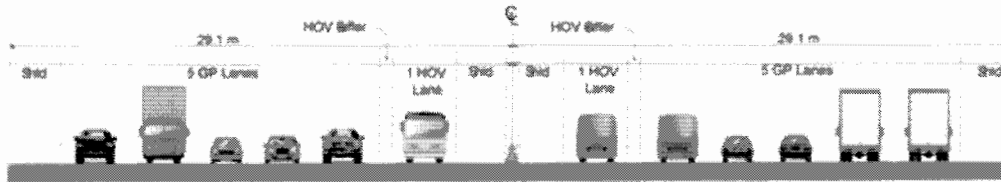
- Conceptual Alternative 8.** This alternative adds a general purpose lane in each direction between Brookhurst Street and the I-605 Freeway, adds an additional HOV lane between SR-73 and just north of Valley View Street (resulting in two each way throughout the corridor), and completes the auxiliary lanes. In locations where right-of-way acquisition is problematic, the centerline could be shifted. The alternative would also include TSM/TDM elements, new park-and-ride facilities, Bus Rapid Transit operating in the HOV lanes and enhanced local bus service. This alternative was recommended because capacity is added to all existing lane types and a transit travel choice is provided. The HOV lanes could possibly be used as a congestion management system if tolls were charged to single occupant vehicles to use them.

**ALTERNATIVES NOT RECOMMENDED FOR FURTHER STUDY**

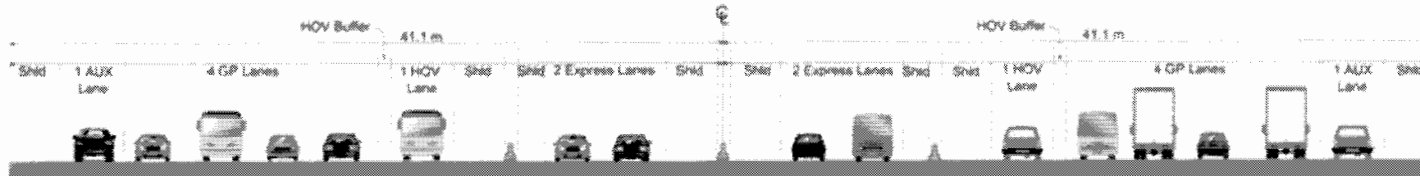
The other Conceptual Alternatives were not recommended for a variety of reasons, outlined in the table below.

Alternative	Reasons for Not Recommending
1	<ul style="list-style-type: none"> <li>Did not relieve mobility problems or provide flexibility for future improvements</li> </ul>
2	<ul style="list-style-type: none"> <li>Did not relieve mobility problems</li> </ul>
3	<ul style="list-style-type: none"> <li>Low cost-effectiveness due to high cost of LRT line and extensive right-of-way beyond either end of the MIS corridor. Regional guideway connections require future study and coordination beyond the scope of the I-405 MIS.</li> </ul>
5	<ul style="list-style-type: none"> <li>Dual HOV lanes provided excess capacity and auxiliary lane in Alternative 6 (which was recommended) was considered a better use of the right-of-way</li> </ul>
7	<ul style="list-style-type: none"> <li>Lacked flexibility for future improvements and did not expand alternative modes, necessary in conforming to State and Federal air quality requirements</li> </ul>
9	<ul style="list-style-type: none"> <li>Low cost-effectiveness due to high cost of LRT line and extensive right-of-way beyond either end of the MIS corridor. Regional guideway connections require future study and coordination beyond the scope of the I-405 MIS.</li> </ul>
10	<ul style="list-style-type: none"> <li>Viaduct component reserved to address longer term capacity enhancements.</li> </ul>
11	<ul style="list-style-type: none"> <li>Viaduct component reserved to address longer term capacity enhancements.</li> </ul>
12	<ul style="list-style-type: none"> <li>Similarities to Alternatives 9, 11, and 13 (none recommended) and high costs</li> </ul>
13	<ul style="list-style-type: none"> <li>Low cost-effectiveness due to high cost of LRT line and extensive right-of-way beyond either end of the MIS corridor. Regional guideway connections require future study and coordination beyond the scope of the I-405 MIS.</li> </ul>

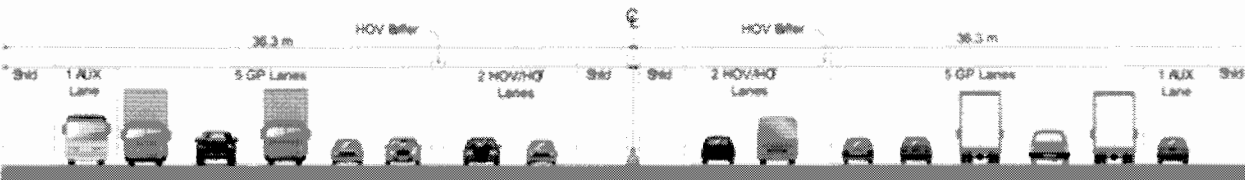
# Revised Reduced Set of Conceptual Alternatives



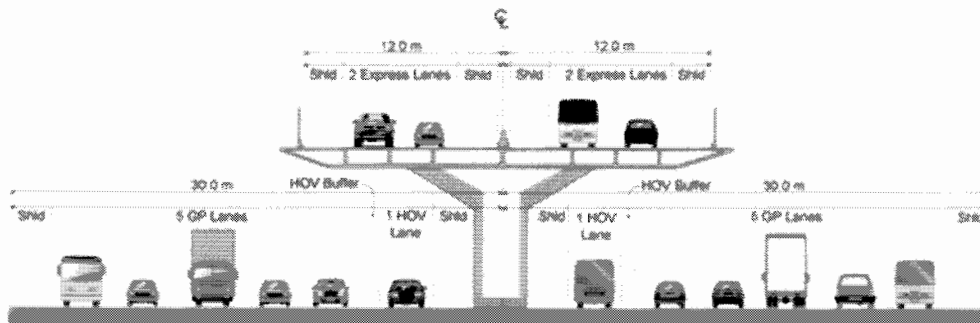
Alternative 4



Alternative 6



Alternative 8



Recommended for Reconsideration By  
Policy Committee:

Alternative 10





BOARD COMMITTEE TRANSMITTAL

**April 11, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board <sup>WK</sup>  
**Subject:** **Adoption of the Revised Orange County Transportation Authority Administrative Code**

Executive Committee

April 4, 2005

**Present:** Chairman Campbell, Vice Chairman Brown, Directors Cavecche, Norby, Pringle, Ritschel, Wilson, and Winterbottom  
**Absent:** Director Silva

**Committee Vote**

The item was passed unanimously by those present to incorporate the recommendations of the Committee members and forward to Board with those changes.

**Committee Recommendations**

1. Add provision regarding the desirability of staggered terms of office for the two public members of the Board. (See Attachment A)
2. Clarify that agendas are to be delivered to Board members four days prior to a meeting. (See Attachment A)
3. Clarify that when a regular Board meeting is on a holiday, it shall be rescheduled as approved by the Board. (See Attachment A)
4. Add provision requiring a person to request addressing the Board regarding an item prior to the Board considering the item. (See Attachment A)



*BOARD COMMITTEE TRANSMITTAL*

**Attachments**

- A. Ordinance No. 1, An ordinance of the Orange County Transportation Authority providing the Administrative Code for the Orange County Transportation Authority, and its affiliated agencies, including the Service Authority for Freeway Emergencies, Orange County Local Transportation Authority, Orange County Transit District, Consolidated Transportation Service Agency, Congestions Management Agency, and Service Authority for Abandoned Vehicles, Administrative Code, Adopted: June 27, 1994, Amended \_\_\_\_\_, 2005, blue lined version.
  
- B. Ordinance No. 1, An ordinance of the Orange County Transportation Authority providing the Administrative Code for the Orange County Transportation Authority, and its affiliated agencies, including the Service Authority for Freeway Emergencies, Orange County Local Transportation Authority, Orange County Transit District, Consolidated Transportation Service Agency, Congestions Management Agency, and Service Authority for Abandoned Vehicles, Administrative Code, Adopted: June 27, 1994, Amended \_\_\_\_\_, 2005, clean version.



**ORDINANCE NO. 1**

**AN ORDINANCE OF THE ORANGE COUNTY  
TRANSPORTATION AUTHORITY PROVIDING  
THE ADMINISTRATIVE CODE FOR THE  
ORANGE COUNTY TRANSPORTATION AUTHORITY,  
AND ITS AFFILIATED AGENCIES, INCLUDING THE  
SERVICE AUTHORITY FOR FREEWAY EMERGENCIES,  
ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY,  
ORANGE COUNTY TRANSIT DISTRICT,  
CONSOLIDATED TRANSPORTATION SERVICE AGENCY,  
CONGESTION MANAGEMENT AGENCY, AND  
SERVICE AUTHORITY FOR ABANDONED VEHICLES**

**ADMINISTRATIVE CODE**

Adopted: JUNE 27, 1994

Amended: \_\_\_\_\_, 2005

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**ADMINISTRATIVE CODE FOR THE  
ORANGE COUNTY TRANSPORTATION AUTHORITY  
AND ITS AFFILIATED AGENCIES**

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**ORDINANCE NO. 1**

**AN ORDINANCE OF THE ORANGE COUNTY  
TRANSPORTATION AUTHORITY PROVIDING  
THE ADMINISTRATIVE CODE FOR THE  
ORANGE COUNTY TRANSPORTATION AUTHORITY,  
AND ITS AFFILIATED AGENCIES, INCLUDING THE  
SERVICE AUTHORITY FOR FREEWAY EMERGENCIES,  
ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY,  
ORANGE COUNTY TRANSIT DISTRICT,  
CONSOLIDATED TRANSPORTATION SERVICE AGENCY,  
CONGESTION MANAGEMENT AGENCY, AND  
SERVICE AUTHORITY FOR ABANDONED VEHICLES**

The Orange County Transportation Authority does ordain as follows:

Article 1. Purpose

The provisions of this Administrative Code shall govern the conduct of the affairs of the Orange County Transportation Authority (Public Utilities Code Sections 130000, et seq.), and its affiliated agencies, including the Service Authority for Freeway Emergencies (Streets and Highways Code Sections 2551, et seq.), the Orange County Local Transportation Authority (Public Utilities Code Sections 180000, et seq.), the Orange County Transit District (Public Utilities Code Sections 40000, et seq.), the Consolidated Transportation Service Agency (Government Code Sections 15900, et seq.), the Congestion Management Agency (Government Code Sections 65088, et seq.), and the Service Authority for Abandoned Vehicles (Vehicle Code Section 22710). All references to Authority in this Administrative Code shall apply with equal force and effect to each of the referenced affiliated agencies.

Article 2. Board of Directors

A. Members - The membership shall consist of ~~eleven~~seventeen (~~11~~17) voting members, and one (1) nonvoting member who is the Director of Transportation District ~~12~~, ~~and three~~

~~(3) nonvoting alternate members who may vote as authorized by Public Utilities Code Section 130052.~~ 12. All members shall be appointed and serve pursuant to the provisions of Public Utilities Code Section 130052.

B. Compensation - Each member shall be compensated at the maximum rate permitted by law and as provided in the Authority's Travel and Conference Expense Policy, for attending Board meetings and for performing other services for the Authority.

C. Board Committees - The Board may have committees of its members to study and make recommendations to the Board as a whole. Each committee may select such methods for study of the matters under its jurisdiction as it determines appropriate. The members of each committee and the Chairman of each committee shall be appointed by the Chairman of the Board of Directors, subject to the approval of the Board of Directors. ~~The members of each committee shall select a committee chairman, who shall not be an alternate member~~

D. Public Members - It is desirable for purposes of continuity and effective representation of the public that the two public members of the Board serve staggered terms of office that commence approximately two years apart.

Article 3. Administration

A. In General - The Officers of the Authority shall consist of the Chairman and Vice-Chairman, each of whom shall be a member of the Board of Directors; a Chief Executive Officer, ~~and~~ General Counsel, Treasurer, and other such officers as the Board of Directors may deem necessary and provide for.

B. Election of Chairman and Vice-Chairman - The

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Board of Directors annually, at its first meeting in January, and such other time as there may be a vacancy in either office, shall elect a Chairman who shall preside at all meetings, and a Vice-Chairman who shall preside in ~~his~~the Chairman's absence.

C. Appointment of Chief Executive Officer~~and, General Counsel and Treasurer~~ - The Chief Executive Officer, General Counsel, Treasurer and other such officers as the Board of Directors may deem necessary and provide for, shall be appointed by the affirmative votes of a majority of the members.

D. Removal of Officers - Officers may be removed by the affirmative vote of a majority of the members.

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\_\_\_\_\_ E. Duties of Various Officers

1. ~~Duties of Chairman~~ - The Chairman shall, if present, preside at all meetings of the Board of Directors and shall exercise and perform such other powers and duties as may be from time to time assigned to ~~him~~the Chairman by the Board of Directors or prescribed herein. The Chairman shall decide all questions of order at all meetings of the Board of Directors, subject to the action of a majority of the members. In any case in which the execution of a document or the performance of an act is directed, the Chairman, unless the act of the Board of Directors otherwise provides, is empowered to execute such document or perform such act.

2. ~~Duties of the Vice-Chairman~~ - The Vice-Chairman shall perform the duties of the Chairman in ~~his~~the Chairman's absence and when so acting, shall have all the power of and be subject to all the restrictions upon the Chairman.

3. Chairman Pro Tempore - In the event of the absence or inability to act, of the Chairman and Vice-Chairman, the members present at any meeting of the Board of Directors, by order entered in the minutes, shall select one of their members to act as Chairman Pro Tempore, who, while so acting, shall have all of the authority of the Chairman.

4. ~~Duties of Chief Executive Officer~~ - The Chief Executive Officer shall be a full-time officer of the Authority. The powers and duties of the Chief Executive Officer are:

- a. To administer the personnel system of the Authority.

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b. To cause to be prepared by a Certified Public Accountant and submit to the Board of Directors as soon as practical after the end of each fiscal year, a post-audit of the financial transactions and records of the Authority for the preceding fiscal year.

c. To keep the Board of Directors advised as to the needs of the Authority.

d. To have full charge of the administration of the business affairs of the Authority.

e. To see that all ordinances, rules and regulations, motions and resolutions are enforced.

f. To provide for the ~~secretarial services required by the Authority including~~ keeping of a book of minutes of all meetings of the Board of Directors, giving notice of all meetings as may be required by law or action of the Board of Directors, and such other duties as may be prescribed by the Board of Directors.

g. The Chief Executive Officer shall have such other duties, powers and responsibilities as may from time to time be assigned ~~to~~ ~~him~~ by the Board of Directors. The compensation of the Chief Executive Officer shall be provided for from time to time by the Board of Directors.

5. Duties of General Counsel - The General Counsel shall be a person admitted to practice law in



1 the ~~Superior Court~~ State of California and shall have been  
2 actively engaged in the practice of law for not less than five (5)  
3 years ~~next preceding his appointment.~~ ~~He.~~ The  
4 General Counsel shall represent and advise the Authority in all  
5 matters pertaining to its duties. He shall represent the Authority  
6 in all matters, actions or proceedings in which the Authority is  
7 concerned, or interested, or is a party, unless otherwise  
8 provided. ~~He~~ The General Counsel shall have such other duties  
9 and responsibilities as may from time to time be assigned ~~to~~  
10 ~~him~~ by the Board of Directors. The compensation of the  
11 General Counsel shall be as provided from time to time by the  
12 Board of Directors.

13 6. Treasurer - The Treasurer shall be responsible for the  
14 management of the Authority's investment program. On an  
15 annual basis, the Board of Directors is required to renew the  
16 authority of Treasurer to invest or reinvest Authority funds. The  
17 Treasurer shall administer the investment portfolio to ensure  
18 safety of principal, sufficient liquidity to meet cash needs, and  
19 earn a market-average rate of return on investment. The  
20 Treasurer shall ensure that all investments comply with  
21 Authority's Investment Policy and the requirements stipulated in  
22 the California Government Code, Sections 53600, et. seq. The  
23 Treasurer shall make a quarterly report summarizing the  
24 Authority's investment activities to the Board of Directors in  
25 accordance with Section 53646(b) of the California Government  
26 Code and shall be responsible for having an annual  
27 independent audit performed on these investment activities.

28 F. Employees - All employees shall be employed by

1 the Authority subject to the terms and conditions of the collective  
2 bargaining agreement or personnel and salary resolution, which may  
3 be changed from time to time, as applicable to their position of  
4 employment.

5 G. Policies and Procedures - The Authority may from  
6 time to time adopt policies and procedures for the administration of its  
7 affairs and to carry out the purpose and directives of the County  
8 Transportation Commissions Act.

9 Article 4. Meetings of Board of Directors

10 A. Agenda - Matters to be placed on the agenda for  
11 any regular meeting may be filed with the Chief Executive Officer by  
12 any member of the Board of Directors. The agenda for each regular  
13 meeting shall be prepared by the Chief Executive Officer. The Chief  
14 Executive Officer shall cause copies of the agenda to be mailed or  
15 delivered ~~on the Wednesday~~ four (4) days prior to the regularly  
16 scheduled meeting to each member and the General Counsel. The  
17 Chief Executive Officer or designee shall post, at least 72 hours before  
18 a regular meeting, an agenda containing a brief description of each  
19 item of business to be transacted or discussed at the meeting. The  
20 agenda shall specify the time and location of the regular meeting and  
21 shall be posted in a location that is freely accessible to members of the  
22 public. No action or discussion shall be undertaken on any item not  
23 appearing on the posted agenda except under any of the following  
24 conditions:

- 25 1. Upon a determination by a majority  
26 of the Board of Directors that an emergency situation exists as  
27 defined in the Ralph M. Brown Act at Government Code Section  
28 54956.5.

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2. Upon a determination by two-thirds vote of the Board of Directors, or if less than two-thirds of the members are present, unanimous vote of those present, that there is a need to take immediate action and the need for action came to the attention of the Authority subsequent to the agenda being posted.

3. The item was timely posted for a prior meeting of the Board of Directors occurring not more than five (5) calendar days prior to the date action is taken, and at the prior meeting the item was continued to the meeting at which action is being taken.

The agenda for a meeting shall provide an opportunity for members of the public to directly address the Board of Directors on items of interest to the public that are within the subject-matter jurisdiction of the Authority, provided that no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three (3) minutes per person.

B. Regular Meetings - Regular meetings shall be held on the second and fourth Monday of each month at 9:00 a.m., unless such Monday is a holiday, in which case the meeting shall be ~~held on the next appropriate business day,~~ rescheduled as approved by the Board of Directors.

C. Special Meetings - A special meeting may be called at any time pursuant to Section 54956 of the Government Code. The notice and call for a special meeting shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public.

D. Quorum - A majority of the voting membership of

1 the Board of Directors shall constitute a quorum for the transaction of  
2 business, and all official acts of the Board of Directors shall require the  
3 affirmative vote of a majority of the voting membership of the Board of  
4 Directors.

5 E. Ralph M. Brown Act - All meetings shall be called,  
6 noticed, and conducted in the manner prescribed by the Ralph M.  
7 Brown Act (commencing with Section 54950 of the Government Code).

8 F. Persons Addressing Board ~~on Agenda Items~~ -  
9 No person shall address the Board of Directors at any meeting until he  
10 or she has first been recognized by the Chairman. ~~The Chairman~~  
11 ~~may, in the interest of facilitating the business of~~  
12 ~~the Board of Directors, limit the amount of time~~  
13 ~~which a person may use in addressing the Board of~~  
14 ~~Director~~time for a speaker's comments shall be limited to three  
15 minutes, except as permitted by the Chairman. A person shall request  
16 to address the Board regarding an item on the agenda prior to  
17 consideration of the item by the Board.

18 G. Committee of the Whole - At any regular meeting  
19 not held because of lack of a quorum, the members present, if less  
20 than a quorum of the Board of Directors, may constitute themselves a  
21 "Committee of the Whole," for the purposes of discussing agenda  
22 matters or any other matters of interest to the members present. The  
23 committee shall automatically cease to exist if a quorum of the Board  
24 of Directors is present at the meeting.

25 H. Board Committee Meetings - All meetings of  
26 Board Committees shall be public meetings called, noticed, and  
27 conducted in the manner prescribed by the Ralph M. Brown Act.

28 Article 5. Corporate Powers

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A. Succession - The Authority has perpetual succession and may adopt a seal and alter it at its pleasure.

B. Litigation - The Authority may sue and be sued, except as otherwise provided by law, in all actions and proceedings, in all courts and tribunals of competent jurisdiction.

C. Claims - All claims for money or damages against the Authority are governed by Division 3.6 (commencing with Section 810) of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

D. Motions, Resolutions, and Ordinances - The acts of the Board of Directors shall be expressed by motion, resolution, or ordinance. An ordinance may be adopted at the time of its introduction and shall take effect upon adoption, unless otherwise provided. All ordinances shall be signed by the Chairman or, in ~~his~~ the Chairman's absence, by the Vice-Chairman.

E. Miscellaneous - The Board of Directors shall have the power and authority to do any or all things necessary to carry out the purposes of Division 12 (commencing with Section 130000) of the Public Utilities Code, and the statutory enabling acts for each of the Authority's affiliated agencies.

Article 6. Contracts - Contract activities of the Authority shall be governed by the provisions of the Procurement Policies and Procedures approved by the Board of Directors, and as it may be amended from time to time.

Article 7. Budget

A. Annual Budget - The Board of Directors, after holding a public hearing, shall annually, on or before June 30th of each year, adopt a budget for the succeeding fiscal year.

B. Public Inspection - The proposed annual budget

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shall be available for public inspection at least fifteen (15) days prior to the public hearing.

Article 8. Audit

The Authority shall make, or cause to be made annually as soon as practical after the end of each fiscal year, a post-audit of the financial transactions and records of the Authority for the preceding year. Such post-audit shall be made by a Certified Public Accountant.

ORANGE COUNTY TRANSPORTATION  
AUTHORITY

By: \_\_\_\_\_  
~~Gaddi H. Vasquez~~ Bill Campbell, Chairman

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

1 Approved as to form:

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3 By: \_\_\_\_\_

4 Kennard R. Smart, Jr.  
General Counsel

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

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9 ~~KRS.lw(D19.lw)~~

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**ORDINANCE NO. 1**

**AN ORDINANCE OF THE ORANGE COUNTY  
TRANSPORTATION AUTHORITY PROVIDING  
THE ADMINISTRATIVE CODE FOR THE  
ORANGE COUNTY TRANSPORTATION AUTHORITY,  
AND ITS AFFILIATED AGENCIES, INCLUDING THE  
SERVICE AUTHORITY FOR FREEWAY EMERGENCIES,  
ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY,  
ORANGE COUNTY TRANSIT DISTRICT,  
CONSOLIDATED TRANSPORTATION SERVICE AGENCY,  
CONGESTION MANAGEMENT AGENCY, AND  
SERVICE AUTHORITY FOR ABANDONED VEHICLES**

**ADMINISTRATIVE CODE**

Adopted: JUNE 27, 1994

Amended: \_\_\_\_\_, 2005



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**ADMINISTRATIVE CODE FOR THE  
ORANGE COUNTY TRANSPORTATION AUTHORITY  
AND ITS AFFILIATED AGENCIES**

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**ORDINANCE NO. 1**

**AN ORDINANCE OF THE ORANGE COUNTY  
TRANSPORTATION AUTHORITY PROVIDING  
THE ADMINISTRATIVE CODE FOR THE  
ORANGE COUNTY TRANSPORTATION AUTHORITY,  
AND ITS AFFILIATED AGENCIES, INCLUDING THE  
SERVICE AUTHORITY FOR FREEWAY EMERGENCIES,  
ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY,  
ORANGE COUNTY TRANSIT DISTRICT,  
CONSOLIDATED TRANSPORTATION SERVICE AGENCY,  
CONGESTION MANAGEMENT AGENCY, AND  
SERVICE AUTHORITY FOR ABANDONED VEHICLES**

The Orange County Transportation Authority does ordain as follows:

**Article 1. Purpose**

The provisions of this Administrative Code shall govern the conduct of the affairs of the Orange County Transportation Authority (Public Utilities Code Sections 130000, et seq.), and its affiliated agencies, including the Service Authority for Freeway Emergencies (Streets and Highways Code Sections 2551, et seq.), the Orange County Local Transportation Authority (Public Utilities Code Sections 180000, et seq.), the Orange County Transit District (Public Utilities Code Sections 40000, et seq.), the Consolidated Transportation Service Agency (Government Code Sections 15900, et seq.), the Congestion Management Agency (Government Code Sections 65088, et seq.), and the Service Authority for Abandoned Vehicles (Vehicle Code Section 22710). All references to Authority in this Administrative Code shall apply with equal force and effect to each of the referenced affiliated agencies.

**Article 2. Board of Directors**

A. Members - The membership shall consist of seventeen (17) voting members and one (1) nonvoting member who is the Director of Transportation District 12. All members shall be appointed and serve pursuant to the provisions of Public Utilities Code Section 130052.

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- B. Compensation - Each member shall be compensated at the maximum rate permitted by law and as provided in the Authority's Travel and Conference Expense Policy, for attending Board meetings and for performing other services for the Authority.
- C. Board Committees - The Board may have committees of its members to study and make recommendations to the Board as a whole. Each committee may select such methods for study of the matters under its jurisdiction as it determines appropriate. The members of each committee and the Chairman of each committee shall be appointed by the Chairman of the Board of Directors, subject to the approval of the Board of Directors.
- D. Public Members - It is desirable for purposes of continuity and effective representation of the public that the two public members of the Board serve staggered terms of office that commence approximately two years apart.

Article 3. Administration

- A. In General - The Officers of the Authority shall consist of the Chairman and Vice-Chairman, each of whom shall be a member of the Board of Directors; a Chief Executive Officer, General Counsel, Treasurer, and other such officers as the Board of Directors may deem necessary and provide for.
- B. Election of Chairman and Vice-Chairman - The Board of Directors annually, at its first meeting in January, and such other time as there may be a vacancy in either office, shall elect a Chairman who shall preside at all meetings, and a Vice-Chairman who shall preside in the Chairman's absence.
- C. Appointment of Chief Executive Officer, General Counsel and Treasurer - The Chief Executive Officer, General Counsel, Treasurer

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and other such officers as the Board of Directors may deem necessary and provide for, shall be appointed by the affirmative votes of a majority of the members.

D. Removal of Officers - Officers may be removed by the affirmative vote of a majority of the members.

E. Duties of Various Officers

1. Chairman - The Chairman shall, if present, preside at all meetings of the Board of Directors and shall exercise and perform such other powers and duties as may be from time to time assigned to the Chairman by the Board of Directors or prescribed herein. The Chairman shall decide all questions of order at all meetings of the Board of Directors, subject to the action of a majority of the members. In any case in which the execution of a document or the performance of an act is directed, the Chairman, unless the act of the Board of Directors otherwise provides, is empowered to execute such document or perform such act.

2. Vice-Chairman - The Vice-Chairman shall perform the duties of the Chairman in the Chairman's absence and when so acting, shall have all the power of and be subject to all the restrictions upon the Chairman.

3. Chairman Pro Tempore - In the event of the absence or inability to act, of the Chairman and Vice-Chairman, the members present at any meeting of the Board of Directors, by order entered in the minutes, shall select one of their members to act as Chairman Pro Tempore, who, while so acting, shall have all of the authority of the Chairman.

4. Chief Executive Officer - The Chief Executive Officer shall be a

1 full-time officer of the Authority. The powers and duties of the  
2 Chief Executive Officer are:

- 3 a. To administer the personnel system of the Authority.
- 4 b. To cause to be prepared by a Certified Public Accountant  
5 and submit to the Board of Directors as soon as practical  
6 after the end of each fiscal year, a post-audit of the  
7 financial transactions and records of the Authority for the  
8 preceding fiscal year.
- 9 c. To keep the Board of Directors advised as to the needs  
10 of the Authority.
- 11 d. To have full charge of the administration of the business  
12 affairs of the Authority.
- 13 e. To see that all ordinances, rules and regulations, motions  
14 and resolutions are enforced.
- 15 f. To provide for the keeping of a book of minutes of all  
16 meetings of the Board of Directors, giving notice of all  
17 meetings as may be required by law or action of the  
18 Board of Directors, and such other duties as may be  
19 prescribed by the Board of Directors.
- 20 g. The Chief Executive Officer shall have such other duties,  
21 powers and responsibilities as may from time to time be  
22 assigned by the Board of Directors. The compensation  
23 of the Chief Executive Officer shall be provided for from  
24 time to time by the Board of Directors.

- 25 5. General Counsel - The General Counsel shall be a person  
26 admitted to practice law in the State of California and shall have  
27 been actively engaged in the practice of law for not less than  
28 five (5) years. The General Counsel shall represent and advise

1 the Authority in all matters pertaining to its duties. He shall  
2 represent the Authority in all matters, actions or proceedings in  
3 which the Authority is concerned, or interested, or is a party,  
4 unless otherwise provided. The General Counsel shall have  
5 such other duties and responsibilities as may from time to time  
6 be assigned by the Board of Directors. The compensation of  
7 the General Counsel shall be as provided from time to time by  
8 the Board of Directors.

9 6. Treasurer - The Treasurer shall be responsible for the  
10 management of the Authority's investment program. On an  
11 annual basis, the Board of Directors is required to renew the  
12 authority of Treasurer to invest or reinvest Authority funds. The  
13 Treasurer shall administer the investment portfolio to ensure  
14 safety of principal, sufficient liquidity to meet cash needs, and  
15 earn a market-average rate of return on investment. The  
16 Treasurer shall ensure that all investments comply with  
17 Authority's Investment Policy and the requirements stipulated in  
18 the California Government Code, Sections 53600, et. seq. The  
19 Treasurer shall make a quarterly report summarizing the  
20 Authority's investment activities to the Board of Directors in  
21 accordance with Section 53646(b) of the California Government  
22 Code and shall be responsible for having an annual  
23 independent audit performed on these investment activities.

24 F. Employees - All employees shall be employed by the Authority subject  
25 to the terms and conditions of the collective bargaining agreement or  
26 personnel and salary resolution, which may be changed from time to  
27 time, as applicable to their position of employment.

28 G. Policies and Procedures - The Authority may from time to time adopt

1 policies and procedures for the administration of its affairs and to carry  
2 out the purpose and directives of the County Transportation  
3 Commissions Act.

4 Article 4. Meetings of Board of Directors

5 A. Agenda - Matters to be placed on the agenda for any regular meeting  
6 may be filed with the Chief Executive Officer by any member of the  
7 Board of Directors. The agenda for each regular meeting shall be  
8 prepared by the Chief Executive Officer. The Chief Executive Officer  
9 shall cause copies of the agenda to be mailed or delivered four (4)  
10 days prior to the regularly scheduled meeting to each member and the  
11 General Counsel. The Chief Executive Officer or designee shall post,  
12 at least 72 hours before a regular meeting, an agenda containing a  
13 brief description of each item of business to be transacted or discussed  
14 at the meeting. The agenda shall specify the time and location of the  
15 regular meeting and shall be posted in a location that is freely  
16 accessible to members of the public. No action or discussion shall be  
17 undertaken on any item not appearing on the posted agenda except  
18 under any of the following conditions:

- 19 1. Upon a determination by a majority of the Board of Directors  
20 that an emergency situation exists as defined in the Ralph M.  
21 Brown Act at Government Code Section 54956.5.
- 22 2. Upon a determination by two-thirds vote of the Board of  
23 Directors, or if less than two-thirds of the members are present,  
24 unanimous vote of those present, that there is a need to take  
25 immediate action and the need for action came to the attention  
26 of the Authority subsequent to the agenda being posted.
- 27 3. The item was timely posted for a prior meeting of the Board of  
28 Directors occurring not more than five (5) calendar days prior to



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the date action is taken, and at the prior meeting the item was continued to the meeting at which action is being taken.

The agenda for a meeting shall provide an opportunity for members of the public to directly address the Board of Directors on items of interest to the public that are within the subject-matter jurisdiction of the Authority, provided that no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three (3) minutes per person.

B. Regular Meetings - Regular meetings shall be held on the second and fourth Monday of each month at 9:00 a.m., unless such Monday is a holiday, in which case the meeting shall be rescheduled as approved by the Board of Directors.

C. Special Meetings - A special meeting may be called at any time pursuant to Section 54956 of the Government Code. The notice and call for a special meeting shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public.

D. Quorum - A majority of the voting membership of the Board of Directors shall constitute a quorum for the transaction of business, and all official acts of the Board of Directors shall require the affirmative vote of a majority of the voting membership of the Board of Directors.

E. Ralph M. Brown Act - All meetings shall be called, noticed, and conducted in the manner prescribed by the Ralph M. Brown Act (commencing with Section 54950 of the Government Code).

F. Persons Addressing Board - No person shall address the Board of Directors at any meeting until he or she has first been recognized by the Chairman. The time for a speaker's comments shall be limited to three minutes, except as permitted by the Chairman. A person shall

1 request to address the Board regarding an item on the agenda prior to  
2 consideration of the item by the Board.

3 G. Committee of the Whole - At any regular meeting not held because of  
4 lack of a quorum, the members present, if less than a quorum of the  
5 Board of Directors, may constitute themselves a "Committee of the  
6 Whole," for the purposes of discussing agenda matters or any other  
7 matters of interest to the members present. The committee shall  
8 automatically cease to exist if a quorum of the Board of Directors is  
9 present at the meeting.

10 H. Board Committee Meetings - All meetings of Board Committees shall  
11 be public meetings called, noticed, and conducted in the manner  
12 prescribed by the Ralph M. Brown Act.

13 Article 5. Corporate Powers

14 A. Succession - The Authority has perpetual succession and may adopt a  
15 seal and alter it at its pleasure.

16 B. Litigation - The Authority may sue and be sued, except as otherwise  
17 provided by law, in all actions and proceedings, in all courts and  
18 tribunals of competent jurisdiction.

19 C. Claims - All claims for money or damages against the Authority are  
20 governed by Division 3.6 (commencing with Section 810) of Title 1 of  
21 the Government Code except as provided therein, or by other statutes  
22 or regulations expressly applicable thereto.

23 D. Motions, Resolutions, and Ordinances - The acts of the Board of  
24 Directors shall be expressed by motion, resolution, or ordinance. An  
25 ordinance may be adopted at the time of its introduction and shall take  
26 effect upon adoption, unless otherwise provided. All ordinances shall  
27 be signed by the Chairman or, in the Chairman's absence, by the Vice-  
28 Chairman.

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E. Miscellaneous - The Board of Directors shall have the power and authority to do any or all things necessary to carry out the purposes of Division 12 (commencing with Section 130000) of the Public Utilities Code, and the statutory enabling acts for each of the Authority's affiliated agencies.

Article 6. Contracts - Contract activities of the Authority shall be governed by the provisions of the Procurement Policies and Procedures approved by the Board of Directors, and as it may be amended from time to time.

Article 7. Budget

A. Annual Budget - The Board of Directors, after holding a public hearing, shall annually, on or before June 30th of each year, adopt a budget for the succeeding fiscal year.

B. Public Inspection - The proposed annual budget shall be available for public inspection at least fifteen (15) days prior to the public hearing.

Article 8. Audit

The Authority shall make, or cause to be made annually as soon as practical after the end of each fiscal year, a post-audit of the financial transactions and records of the Authority for the preceding year. Such post-audit shall be made by a Certified Public Accountant.

ORANGE COUNTY TRANSPORTATION  
AUTHORITY

By: \_\_\_\_\_  
Bill Campbell, Chairman

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

1 Approved as to form:

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3 By: \_\_\_\_\_

4 Kennard R. Smart, Jr.

5 General Counsel

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

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*April 4, 2005*

**To:** Executive Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Adoption of the Orange County Transportation Authority Administrative Code

### ***Overview***

A revised Orange County Transportation Authority Administrative Code encompassing changes consistent with Assembly Bill 710 is being recommended for adoption by the Orange County Transportation Authority Board of Directors.

### ***Recommendation***

Adopt the revised Orange County Transportation Authority Administrative Code.

### ***Background***

The Orange County Transportation Authority (OCTA) adopted an Administrative Code that details the administration of the OCTA and its affiliated agencies on June 27, 1994. Revisions to the code are being recommended consistent with the changes made to the Board composition per Assembly Bill 710 that was approved by the State Legislation last year.

### ***Discussion***

The primary focus of the OCTA Administrative Code is to meet state law requirements to effectively govern the administration of OCTA's business and to insure that the public is well served. The key provisions of the Administrative Code are:

The formation and operational procedures for the Board of Directors, including election and duties of Board officers, conduct the meetings, and structure of

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Board Committees. Provisions are included to ensure compliance with the Ralph M. Brown Act, the California Public Meeting Law.

The appointment and duties of the Chief Executive Officer, General Counsel, and the Treasurer.

The methods, procedures, systems of operation and management of the OCTA, including an annual budget and audit, contracting, employing personnel, and exercising the OCTA's corporate power.

More specific policies and procedures applicable to limited subject matter, such as the Personnel and Salary Resolution, the Travel Policy and the Procurement Policies and Procedures have been approved by the Board of Directors and are referenced in the proposed Administrative Code.

***Summary***


The Executive Committee is requested to support Legal Counsel and staff's request that the Orange County Transportation Authority Board of Directors adopt the revised Orange County Transportation Authority Administrative Code.

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***Attachments***

- A. Ordinance No. 1, An ordinance of the Orange County Transportation Authority providing the Administrative Code for the Orange County Transportation Authority, and its affiliated agencies, including the Service Authority for Freeway Emergencies, Orange County Local Transportation Authority, Orange County Transit District, Consolidated Transportation Service Agency, Congestions Management Agency, and Service Authority for Abandoned Vehicles, Administrative Code, Adopted: June 27, 1994, Amended \_\_\_\_\_, 2005, blue lined version.
- B. Ordinance No. 1, An ordinance of the Orange County Transportation Authority providing the Administrative Code for the Orange County Transportation Authority, and its affiliated agencies, including the Service Authority for Freeway Emergencies, Orange County Local Transportation Authority, Orange County Transit District, Consolidated Transportation Service Agency, Congestions Management Agency, and Service Authority for Abandoned Vehicles, Administrative Code, Adopted: June 27, 1994, Amended \_\_\_\_\_, 2005, clean version.

**Prepared by:**

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

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**AN ORDINANCE OF THE ORANGE COUNTY  
TRANSPORTATION AUTHORITY PROVIDING  
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The Orange County Transportation Authority does ordain as follows:

Article 1. Purpose

The provisions of this Administrative Code shall govern the conduct of the affairs of the Orange County Transportation Authority (Public Utilities Code Sections 130000, et seq.), and its affiliated agencies, including the Service Authority for Freeway Emergencies (Streets and Highways Code Sections 2551, et seq.), the Orange County Local Transportation Authority (Public Utilities Code Sections 180000, et seq.), the Orange County Transit District (Public Utilities Code Sections 40000, et seq.), the Consolidated Transportation Service Agency (Government Code Sections 15900, et seq.), the Congestion Management Agency (Government Code Sections 65088, et seq.), and the Service Authority for Abandoned Vehicles (Vehicle Code Section 22710). All references to Authority in this Administrative Code shall apply with equal force and effect to each of the referenced affiliated agencies.

Article 2. Board of Directors

A. Members - The membership shall consist of ~~eleven~~seventeen (~~±±17~~) voting members, and one (1) nonvoting member who is the Director of Transportation District ~~±2, and three~~

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~~(3) nonvoting alternate members who may vote as authorized by Public Utilities Code Section 130052.12.~~ All members shall be appointed and serve pursuant to the provisions of Public Utilities Code Section 130052.

B. Compensation - Each member shall be compensated at the maximum rate permitted by law and as provided in the Authority's Travel and Conference Expense Policy, for attending Board meetings and for performing other services for the Authority.

C. Board Committees - The Board may have committees of its members to study and make recommendations to the Board as a whole. Each committee may select such methods for study of the matters under its jurisdiction as it determines appropriate. The members of each committee and the Chairman of each committee shall be appointed by the Chairman. ~~The members of each committee shall select a committee chairman, who shall not be an alternate member~~ of the Board of Directors, subject to the approval of the Board of Directors.

Article 3. Administration

A. In General - The Officers of the Authority shall consist of the Chairman and Vice-Chairman, each of whom shall be a member of the Board of Directors; a Chief Executive Officer, ~~and~~ General Counsel, Treasurer, and other such officers as the Board of Directors may deem necessary and provide for.

B. Election of Chairman and Vice-Chairman - The Board of Directors annually, at its first meeting in January, and such other time as there may be a vacancy in either office, shall elect a Chairman who shall preside at all meetings, and a Vice-Chairman who shall preside in ~~his~~ the Chairman's absence.

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C. Appointment of Chief Executive Officer—and  
General Counsel and Treasurer - The Chief Executive Officer, General  
Counsel, Treasurer and other such officers as the Board of Directors  
may deem necessary and provide for, shall be appointed by the  
affirmative votes of a majority of the members.

D. Removal of Officers - Officers may be removed by  
the affirmative vote of a majority of the members.

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E. Duties of Various Officers

1. ~~Duties of Chairman~~ - The Chairman shall, if present, preside at all meetings of the Board of Directors and shall exercise and perform such other powers and duties as may be from time to time assigned to ~~him~~the Chairman by the Board of Directors or prescribed herein. The Chairman shall decide all questions of order at all meetings of the Board of Directors, subject to the action of a majority of the members. In any case in which the execution of a document or the performance of an act is directed, the Chairman, unless the act of the Board of Directors otherwise provides, is empowered to execute such document or perform such act.

2. ~~Duties of the Vice-Chairman~~ - The Vice-Chairman shall perform the duties of the Chairman in ~~his~~the Chairman's absence and when so acting, shall have all the power of and be subject to all the restrictions upon the Chairman.

3. Chairman Pro Tempore - In the event of the absence or inability to act, of the Chairman and Vice-Chairman, the members present at any meeting of the Board of Directors, by order entered in the minutes, shall select one of their members to act as Chairman Pro Tempore, who, while so acting, shall have all of the authority of the Chairman.

4. ~~Duties of Chief Executive Officer~~ - The Chief Executive Officer shall be a full-time officer of the Authority. The powers and duties of the Chief Executive Officer are:

- a. To administer the personnel system of the Authority.

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b. To cause to be prepared by a Certified Public Accountant and submit to the Board of Directors as soon as practical after the end of each fiscal year, a post-audit of the financial transactions and records of the Authority for the preceding fiscal year.

c. To keep the Board of Directors advised as to the needs of the Authority.

d. To have full charge of the administration of the business affairs of the Authority.

e. To see that all ordinances, rules and regulations, motions and resolutions are enforced.

f. To provide for the ~~secretarial services required by the Authority including~~ keeping of a book of minutes of all meetings of the Board of Directors, giving notice of all meetings as may be required by law or action of the Board of Directors, and such other duties as may be prescribed by the Board of Directors.

g. The Chief Executive Officer shall have such other duties, powers and responsibilities as may from time to time be assigned ~~to~~ ~~him~~ by the Board of Directors. The compensation of the Chief Executive Officer shall be provided for from time to time by the Board of Directors.

5. Duties of General Counsel - The General Counsel shall be a person admitted to practice law in

1 the ~~Superior Court~~ State of California and shall have been  
2 actively engaged in the practice of law for not less than five (5)  
3 years ~~next preceding his appointment.~~ ~~He.~~ The  
4 General Counsel shall represent and advise the Authority in all  
5 matters pertaining to its duties. He shall represent the Authority  
6 in all matters, actions or proceedings in which the Authority is  
7 concerned, or interested, or is a party, unless otherwise  
8 provided. ~~He~~ The General Counsel shall have such other duties  
9 and responsibilities as may from time to time be assigned ~~to~~  
10 ~~him~~ by the Board of Directors. The compensation of the  
11 General Counsel shall be as provided from time to time by the  
12 Board of Directors.

13 6. Treasurer - The Treasurer shall be responsible for the  
14 management of the Authority's investment program. On an  
15 annual basis, the Board of Directors is required to renew the  
16 authority of Treasurer to invest or reinvest Authority funds. The  
17 Treasurer shall administer the investment portfolio to ensure  
18 safety of principal, sufficient liquidity to meet cash needs, and  
19 earn a market-average rate of return on investment. The  
20 Treasurer shall ensure that all investments comply with  
21 Authority's Investment Policy and the requirements stipulated in  
22 the California Government Code, Sections 53600, et. seq. The  
23 Treasurer shall make a quarterly report summarizing the  
24 Authority's investment activities to the Board of Directors in  
25 accordance with Section 53646(b) of the California Government  
26 Code and shall be responsible for having an annual  
27 independent audit performed on these investment activities.

28 F. Employees - All employees shall be employed by



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the Authority subject to the terms and conditions of the collective bargaining agreement or personnel and salary resolution, which may be changed from time to time, as applicable to their position of employment.

G. Policies and Procedures - The Authority may from time to time adopt policies and procedures for the administration of its affairs and to carry out the purpose and directives of the County Transportation Commissions Act.

1 Article 4. Meetings of Board of Directors

2 A. Agenda - Matters to be placed on the agenda for  
3 any regular meeting may be filed with the Chief Executive Officer by  
4 any member of the Board of Directors. The agenda for each regular  
5 meeting shall be prepared by the Chief Executive Officer. The Chief  
6 Executive Officer shall cause copies of the agenda to be mailed or  
7 delivered ~~on the Wednesday~~ approximately four (4) days prior to the  
8 regularly scheduled meeting to each member and the General  
9 Counsel. The Chief Executive Officer or designee shall post, at least  
10 72 hours before a regular meeting, an agenda containing a brief  
11 description of each item of business to be transacted or discussed at  
12 the meeting. The agenda shall specify the time and location of the  
13 regular meeting and shall be posted in a location that is freely  
14 accessible to members of the public. No action or discussion shall be  
15 undertaken on any item not appearing on the posted agenda except  
16 under any of the following conditions:

17 1. Upon a determination by a majority  
18 of the Board of Directors that an emergency situation exists as  
19 defined in the Ralph M. Brown Act at Government Code Section  
20 54956.5.

21 2. Upon a determination by two-thirds  
22 vote of the Board of Directors, or if less than two-thirds of the  
23 members are present, unanimous vote of those present, that  
24 there is a need to take immediate action and the need for action  
25 came to the attention of the Authority subsequent to the agenda  
26 being posted.

27 3. The item was timely posted for a  
28 prior meeting of the Board of Directors occurring not more than

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five (5) calendar days prior to the date action is taken, and at the prior meeting the item was continued to the meeting at which action is being taken.

The agenda for a meeting shall provide an opportunity for members of the public to directly address the Board of Directors on items of interest to the public that are within the subject-matter jurisdiction of the Authority, provided that no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three (3) minutes per person.

B. Regular Meetings - Regular meetings shall be held on the second and fourth Monday of each month at 9:00 a.m., unless such Monday is a holiday, in which case the meeting shall be held on the next appropriate business day, as approved by the Board of Directors.

C. Special Meetings - A special meeting may be called at any time pursuant to Section 54956 of the Government Code. The notice and call for a special meeting shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public.

D. Quorum - A majority of the voting membership of the Board of Directors shall constitute a quorum for the transaction of business, and all official acts of the Board of Directors shall require the affirmative vote of a majority of the voting membership of the Board of Directors.

E. Ralph M. Brown Act - All meetings shall be called, noticed, and conducted in the manner prescribed by the Ralph M. Brown Act (commencing with Section 54950 of the Government Code).

F. Persons Addressing Board on Agenda Items -

1 No person shall address the Board of Directors at any meeting until he  
2 or she has first been recognized by the Chairman. The ~~Chairman~~  
3 ~~may, in the interest of facilitating the business of~~  
4 ~~the Board of Directors, limit the amount of time~~  
5 ~~which a person may use in addressing the Board of~~  
6 ~~Directors.~~ time for a speaker's comments shall be limited to three  
7 minutes, except as permitted by the Chairman.

8 G. Committee of the Whole - At any regular meeting  
9 not held because of lack of a quorum, the members present, if less  
10 than a quorum of the Board of Directors, may constitute themselves a  
11 "Committee of the Whole," for the purposes of discussing agenda  
12 matters or any other matters of interest to the members present. The  
13 committee shall automatically cease to exist if a quorum of the Board  
14 of Directors is present at the meeting.

15 H. Board Committee Meetings - All meetings of  
16 Board Committees shall be public meetings called, noticed, and  
17 conducted in the manner prescribed by the Ralph M. Brown Act.

18 Article 5. Corporate Powers

19 A. Succession - The Authority has perpetual  
20 succession and may adopt a seal and alter it at its pleasure.

21 B. Litigation - The Authority may sue and be sued,  
22 except as otherwise provided by law, in all actions and proceedings, in  
23 all courts and tribunals of competent jurisdiction.

24 C. Claims - All claims for money or damages against  
25 the Authority are governed by Division 3.6 (commencing with Section  
26 810) of Title 1 of the Government Code except as provided therein, or  
27 by other statutes or regulations expressly applicable thereto.

28 D. Motions, Resolutions, and Ordinances - The acts

1 of the Board of Directors shall be expressed by motion, resolution, or  
2 ordinance. An ordinance may be adopted at the time of its introduction  
3 and shall take effect upon adoption, unless otherwise provided. All  
4 ordinances shall be signed by the Chairman or, in ~~his~~the Chairman's  
5 absence, by the Vice-Chairman.

6 E. Miscellaneous - The Board of Directors shall have  
7 the power and authority to do any or all things necessary to carry out  
8 the purposes of Division 12 (commencing with Section 130000) of the  
9 Public Utilities Code, and the statutory enabling acts for each of the  
10 Authority's affiliated agencies.

11 Article 6. Contracts - Contract activities of the Authority shall be governed by the  
12 provisions of the Procurement Policies and Procedures approved by the  
13 Board of Directors, and as it may be amended from time to time.

14 Article 7. Budget

15 A. Annual Budget - The Board of Directors, after  
16 holding a public hearing, shall annually, on or before June 30th of each  
17 year, adopt a budget for the succeeding fiscal year.

18 B. Public Inspection - The proposed annual budget  
19 shall be available for public inspection at least fifteen (15) days prior to  
20 the public hearing.

21 Article 8. Audit

22 The Authority shall make, or cause to be made annually  
23 as soon as practical after the end of each fiscal year, a post-audit of the  
24 financial transactions and records of the Authority for the preceding year.  
25 Such post-audit shall be made by a Certified Public Accountant.

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27 ORANGE COUNTY TRANSPORTATION  
28 AUTHORITY

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By: \_\_\_\_\_  
~~Gaddi H. Vasquez~~ Bill Campbell, Chairman

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

Approved as to form:

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

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

~~KRS:lw(D19.lw)~~

ORDINANCE NO. 1

AN ORDINANCE OF THE ORANGE COUNTY  
TRANSPORTATION AUTHORITY PROVIDING  
THE ADMINISTRATIVE CODE FOR THE  
ORANGE COUNTY TRANSPORTATION AUTHORITY,  
AND ITS AFFILIATED AGENCIES, INCLUDING THE  
SERVICE AUTHORITY FOR FREEWAY EMERGENCIES,  
ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY,  
ORANGE COUNTY TRANSIT DISTRICT,  
CONSOLIDATED TRANSPORTATION SERVICE AGENCY,  
CONGESTION MANAGEMENT AGENCY, AND  
SERVICE AUTHORITY FOR ABANDONED VEHICLES

ADMINISTRATIVE CODE

Adopted: JUNE 27, 1994

Amended: \_\_\_\_\_, 2005

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**ADMINISTRATIVE CODE FOR THE  
ORANGE COUNTY TRANSPORTATION AUTHORITY  
AND ITS AFFILIATED AGENCIES**

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ORANGE COUNTY TRANSIT DISTRICT,  
CONSOLIDATED TRANSPORTATION SERVICE AGENCY,  
CONGESTION MANAGEMENT AGENCY, AND  
SERVICE AUTHORITY FOR ABANDONED VEHICLES**

The Orange County Transportation Authority does ordain as follows:

Article 1. Purpose

The provisions of this Administrative Code shall govern the conduct of the affairs of the Orange County Transportation Authority (Public Utilities Code Sections 130000, et seq.), and its affiliated agencies, including the Service Authority for Freeway Emergencies (Streets and Highways Code Sections 2551, et seq.), the Orange County Local Transportation Authority (Public Utilities Code Sections 180000, et seq.), the Orange County Transit District (Public Utilities Code Sections 40000, et seq.), the Consolidated Transportation Service Agency (Government Code Sections 15900, et seq.), the Congestion Management Agency (Government Code Sections 65088, et seq.), and the Service Authority for Abandoned Vehicles (Vehicle Code Section 22710). All references to Authority in this Administrative Code shall apply with equal force and effect to each of the referenced affiliated agencies.

Article 2. Board of Directors

A. Members - The membership shall consist of seventeen (17) voting members and one (1) nonvoting member who is the Director of Transportation District 12. All members shall be appointed and serve pursuant to the provisions of Public Utilities Code Section 130052.

- 1 B. Compensation - Each member shall be compensated at the maximum  
2 rate permitted by law and as provided in the Authority's Travel and  
3 Conference Expense Policy, for attending Board meetings and for  
4 performing other services for the Authority.
- 5 C. Board Committees - The Board may have committees of its members  
6 to study and make recommendations to the Board as a whole. Each  
7 committee may select such methods for study of the matters under its  
8 jurisdiction as it determines appropriate. The members of each  
9 committee and the Chairman of each committee shall be appointed by  
10 the Chairman of the Board of Directors, subject to the approval of the  
11 Board of Directors.

12 Article 3. Administration

- 13 A. In General - The Officers of the Authority shall consist of the Chairman  
14 and Vice-Chairman, each of whom shall be a member of the Board of  
15 Directors; a Chief Executive Officer, General Counsel, Treasurer, and  
16 other such officers as the Board of Directors may deem necessary and  
17 provide for.
- 18 B. Election of Chairman and Vice-Chairman - The Board of Directors  
19 annually, at its first meeting in January, and such other time as there  
20 may be a vacancy in either office, shall elect a Chairman who shall  
21 preside at all meetings, and a Vice-Chairman who shall preside in the  
22 Chairman's absence.
- 23 C. Appointment of Chief Executive Officer, General Counsel and  
24 Treasurer - The Chief Executive Officer, General Counsel, Treasurer  
25 and other such officers as the Board of Directors may deem necessary  
26 and provide for, shall be appointed by the affirmative votes of a  
27 majority of the members.
- 28 D. Removal of Officers - Officers may be removed by the affirmative vote

1 of a majority of the members.

2 E. Duties of Various Officers

3 1. Chairman - The Chairman shall, if present, preside at all  
4 meetings of the Board of Directors and shall exercise and  
5 perform such other powers and duties as may be from time to  
6 time assigned to the Chairman by the Board of Directors or  
7 prescribed herein. The Chairman shall decide all questions of  
8 order at all meetings of the Board of Directors, subject to the  
9 action of a majority of the members. In any case in which the  
10 execution of a document or the performance of an act is  
11 directed, the Chairman, unless the act of the Board of Directors  
12 otherwise provides, is empowered to execute such document or  
13 perform such act.

14 2. Vice-Chairman - The Vice-Chairman shall perform the duties of  
15 the Chairman in the Chairman's absence and when so acting,  
16 shall have all the power of and be subject to all the restrictions  
17 upon the Chairman.

18 3. Chairman Pro Tempore - In the event of the absence or inability  
19 to act, of the Chairman and Vice-Chairman, the members  
20 present at any meeting of the Board of Directors, by order  
21 entered in the minutes, shall select one of their members to act  
22 as Chairman Pro Tempore, who, while so acting, shall have all  
23 of the authority of the Chairman.

24 4. Chief Executive Officer - The Chief Executive Officer shall be a  
25 full-time officer of the Authority. The powers and duties of the  
26 Chief Executive Officer are:

- 27 a. To administer the personnel system of the Authority.  
28 b. To cause to be prepared by a Certified Public Accountant

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and submit to the Board of Directors as soon as practical after the end of each fiscal year, a post-audit of the financial transactions and records of the Authority for the preceding fiscal year.

- c. To keep the Board of Directors advised as to the needs of the Authority.
- d. To have full charge of the administration of the business affairs of the Authority.
- e. To see that all ordinances, rules and regulations, motions and resolutions are enforced.
- f. To provide for the keeping of a book of minutes of all meetings of the Board of Directors, giving notice of all meetings as may be required by law or action of the Board of Directors, and such other duties as may be prescribed by the Board of Directors.
- g. The Chief Executive Officer shall have such other duties, powers and responsibilities as may from time to time be assigned by the Board of Directors. The compensation of the Chief Executive Officer shall be provided for from time to time by the Board of Directors.

5. General Counsel - The General Counsel shall be a person admitted to practice law in the State of California and shall have been actively engaged in the practice of law for not less than five (5) years. The General Counsel shall represent and advise the Authority in all matters pertaining to its duties. He shall represent the Authority in all matters, actions or proceedings in which the Authority is concerned, or interested, or is a party, unless otherwise provided. The General Counsel shall have

1 such other duties and responsibilities as may from time to time  
2 be assigned by the Board of Directors. The compensation of  
3 the General Counsel shall be as provided from time to time by  
4 the Board of Directors.

5 6. Treasurer - The Treasurer shall be responsible for the  
6 management of the Authority's investment program. On an  
7 annual basis, the Board of Directors is required to renew the  
8 authority of Treasurer to invest or reinvest Authority funds. The  
9 Treasurer shall administer the investment portfolio to ensure  
10 safety of principal, sufficient liquidity to meet cash needs, and  
11 earn a market-average rate of return on investment. The  
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13 Authority's Investment Policy and the requirements stipulated in  
14 the California Government Code, Sections 53600, et. seq. The  
15 Treasurer shall make a quarterly report summarizing the  
16 Authority's investment activities to the Board of Directors in  
17 accordance with Section 53646(b) of the California Government  
18 Code and shall be responsible for having an annual  
19 independent audit performed on these investment activities.

20 F. Employees - All employees shall be employed by the Authority subject  
21 to the terms and conditions of the collective bargaining agreement or  
22 personnel and salary resolution, which may be changed from time to  
23 time, as applicable to their position of employment.

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25 policies and procedures for the administration of its affairs and to carry  
26 out the purpose and directives of the County Transportation  
27 Commissions Act.  
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1 Article 4. Meetings of Board of Directors

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4 Board of Directors. The agenda for each regular meeting shall be  
5 prepared by the Chief Executive Officer. The Chief Executive Officer  
6 shall cause copies of the agenda to be mailed or delivered  
7 approximately four (4) days prior to the regularly scheduled meeting to  
8 each member and the General Counsel. The Chief Executive Officer  
9 or designee shall post, at least 72 hours before a regular meeting, an  
10 agenda containing a brief description of each item of business to be  
11 transacted or discussed at the meeting. The agenda shall specify the  
12 time and location of the regular meeting and shall be posted in a  
13 location that is freely accessible to members of the public. No action  
14 or discussion shall be undertaken on any item not appearing on the  
15 posted agenda except under any of the following conditions:

- 16 1. Upon a determination by a majority of the Board of Directors  
17 that an emergency situation exists as defined in the Ralph M.  
18 Brown Act at Government Code Section 54956.5.
- 19 2. Upon a determination by two-thirds vote of the Board of  
20 Directors, or if less than two-thirds of the members are present,  
21 unanimous vote of those present, that there is a need to take  
22 immediate action and the need for action came to the attention  
23 of the Authority subsequent to the agenda being posted.
- 24 3. The item was timely posted for a prior meeting of the Board of  
25 Directors occurring not more than five (5) calendar days prior to  
26 the date action is taken, and at the prior meeting the item was  
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28 The agenda for a meeting shall provide an opportunity for members of

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10 C. Special Meetings - A special meeting may be called at any time  
11 pursuant to Section 54956 of the Government Code. The notice and  
12 call for a special meeting shall be posted at least 24 hours prior to the  
13 special meeting in a location that is freely accessible to members of  
14 the public.

15 D. Quorum - A majority of the voting membership of the Board of  
16 Directors shall constitute a quorum for the transaction of business, and  
17 all official acts of the Board of Directors shall require the affirmative  
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19 E. Ralph M. Brown Act - All meetings shall be called, noticed, and  
20 conducted in the manner prescribed by the Ralph M. Brown Act  
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24 the Chairman. The time for a speaker's comments shall be limited to  
25 three minutes, except as permitted by the Chairman.

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27 lack of a quorum, the members present, if less than a quorum of the  
28 Board of Directors, may constitute themselves a "Committee of the



1 Whole," for the purposes of discussing agenda matters or any other  
2 matters of interest to the members present. The committee shall  
3 automatically cease to exist if a quorum of the Board of Directors is  
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10 seal and alter it at its pleasure.
- 11 B. Litigation - The Authority may sue and be sued, except as otherwise  
12 provided by law, in all actions and proceedings, in all courts and  
13 tribunals of competent jurisdiction.
- 14 C. Claims - All claims for money or damages against the Authority are  
15 governed by Division 3.6 (commencing with Section 810) of Title 1 of  
16 the Government Code except as provided therein, or by other statutes  
17 or regulations expressly applicable thereto.
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19 Directors shall be expressed by motion, resolution, or ordinance. An  
20 ordinance may be adopted at the time of its introduction and shall take  
21 effect upon adoption, unless otherwise provided. All ordinances shall  
22 be signed by the Chairman or, in the Chairman's absence, by the Vice-  
23 Chairman.
- 24 E. Miscellaneous - The Board of Directors shall have the power and  
25 authority to do any or all things necessary to carry out the purposes of  
26 Division 12 (commencing with Section 130000) of the Public Utilities  
27 Code, and the statutory enabling acts for each of the Authority's  
28 affiliated agencies.

1 Article 6. Contracts - Contract activities of the Authority shall be governed by the  
2 provisions of the Procurement Policies and Procedures approved by the  
3 Board of Directors, and as it may be amended from time to time.

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7 the succeeding fiscal year.

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9 public inspection at least fifteen (15) days prior to the public hearing.

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11 The Authority shall make, or cause to be made annually as soon as practical  
12 after the end of each fiscal year, a post-audit of the financial transactions and  
13 records of the Authority for the preceding year. Such post-audit shall be  
14 made by a Certified Public Accountant.

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16 ORANGE COUNTY TRANSPORTATION  
17 AUTHORITY

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19 By: \_\_\_\_\_  
Bill Campbell, Chairman

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

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23 Approved as to form:

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

26

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

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BOARD COMMITTEE TRANSMITTAL

**April 11, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board  
**Subject:** Garden Grove Freeway (State Route 22) Design-Build Project  
- Construction Contract Change Orders

Regional Planning and Highways Committee

April 4, 2005

**Present:** Directors Norby, Cavecche, Rosen, Dixon, Brown, Green, Monahan,  
Pringle, and Ritschel  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Contract Change Order No. 2 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$855,000 for contractually defined extra maintenance work.

**Committee Discussion**

Recommendation B was voted unanimously to be continued.



**April 4, 2005**

**To:** Regional Planning and Highways Committee

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

**Subject:** Garden Grove Freeway (State Route 22) Design-Build Project - Construction Contract Change Orders

### **Overview**

On August 23, 2004, the Orange County Transportation Authority's Board of Directors awarded a design-build contract to improve 12 miles of the Garden Grove Freeway (State Route 22) from Valley View east to the Costa Mesa Freeway (State Route 55) interchange. Construction contingency has been budgeted to account for planned but unquantifiable items plus items of work not anticipated during time of bid. Two such items are presented for Board consideration.

### **Recommendations**

- A. Authorize the Chief Executive Officer to execute Contract Change Order No. 2 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$855,000 for contractually defined extra maintenance work.
- B. Authorize the Chief Executive Officer to execute Contract Change Order No. 3 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$1,000,000 for soundwall aesthetic enhancements.

### **Background**

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

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

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The State Route 22 (SR-22) High Occupancy Vehicle (HOV) project is a partnership between the Authority, the California Department of Transportation (Caltrans), the Federal Highway Administration, the joint venture design builder, Granite-Myers-Rados (GMR) and the Cities of Orange, Santa Ana, Garden Grove, Westminster, Seal Beach, and Los Alamitos. The SR-22 project begins just east of the Valley View interchange in Garden Grove/Westminster, and continues east to the Costa Mesa Freeway (State Route 55) Interchange. This 12 mile stretch of freeway includes the following major improvements:

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

On August 23, 2004, the Board approved a project budget of \$490 million. This includes \$390 million for the design-build contract and \$100 million in other program costs including project management support, legal services, right-of-way, Caltrans oversight, other construction related costs, and \$16 million for a construction contingency allocation. The funding consists of a combination of Measure M freeway funds, State Traffic Congestion Relief Program (TCRP), Congestion Mitigation and Air Quality (CMAQ), and city contributions. The funding sources are provided in the following chart:

<b>Funding Source</b>	<b>Contribution</b>
Measure M	\$321,408,000
CMAQ	\$101,276,000
TCRP	\$56,316,000
Cities	\$11,000,000
Total	\$490,000,000

***Discussion***

The Board approved construction contingency is \$16 million or approximately 4 percent of the total construction bid amount. Three of the 4 percent is for unforeseen work not anticipated in the original scope of work. The remaining 1 percent is for items known to exist but which could not be quantified at the time of bid submittal. These items include steel and asphalt material cost fluctuations, maintenance for contractually defined work items and the required Dispute Review Board.

The Authority determined that it was in the Authority's financial interest to account for the non-quantified items in the construction contingency. Proposed Contract Change Order No. 2 is for extra maintenance work that was anticipated but could not be quantified at the time of bid submittal. The contract requires the design-build contractor to perform certain maintenance activities and include the price in the contract amount. The contract also identifies other items as extra maintenance work. These items are to be performed by the design-build contractor at the direction of the Authority. Payment would be made on a time and materials basis. This extra maintenance work only includes those maintenance activities required as the result of events beyond the control of the design-build contractor, such as repair and replacement work due to damage caused by the traveling public, and graffiti abatement. Any repair or replacement due to events caused by the design-build contractor or other maintenance that is within the contractors control are not considered extra maintenance work items.

The approved project contingency contains an allocation of \$1,000,000 for maintenance work. Contract Change Order No. 1 in the amount of \$145,000 for extra maintenance work was executed by the Chief Executive Officer in accordance with the current procurement policies and procedures. The requested amount of \$845,000 for Contract Change Order No. 2 is for the balance of the budgeted allocation. Contract defined extra work items will be performed and paid on a time and expense basis.

Proposed Contract Change Order No. 3 is for aesthetic enhancements to the proposed block soundwalls. The design-build bid pricing that was submitted in March 2004, was significantly higher than the available funding, which necessitated the issuance of a request for a Best and Final Offer (BAFO). The initial bid prices were greatly affected by the dramatic increase in construction costs, particularly steel, concrete, and fuel. The request for BAFOs included various items to reduce cost and risk to the bidders. One of the cost item reductions was the elimination of the pilaster treatment on existing and new soundwalls. The balance of the project hardscape remained, including all

aesthetic treatment at the bridges. Despite the obstacles faced in funding and awarding the project, much of the aesthetic treatment remains, including the landscaping at the interchanges and plantings along the freeway in available areas.

The Authority is concerned about the appearance and aesthetics of both the freeway and street interchanges. Therefore, after contract award an evaluation was performed on the cost of the pilasters. It was determined that the value of the eliminated pilasters was approximately \$4 million. The project team evaluated the project contingency and determined approximately \$1 million could be set aside for additional project aesthetics. The project team worked with the previously established Aesthetic Steering Committee, which is made up of the project technical team as well as representatives from the impacted cities, to develop an acceptable strategy to incorporate the additional funds. A consensus was reached to add the pilasters back into the project in an amount equal to the value of the available funding. The Contract Change Order Status Report for this project is included as Attachment A.

All Contract Change Orders, whether Authority initiated or Contractor initiated are reviewed by the technical and contracts staff. An Independent Cost Estimate is prepared by the Project Management Consultant so as to verify the reasonableness of the contractor's proposed price. The Contract Change Order is then reviewed by the Authority's Program Manager, the Manager of the Contract and Materials Management, and the Executive Director of Construction and Engineering before being presented for execution.

#### **Fiscal Impact**

Construction costs and contingency associated with the SR-22 design-build project are included in the Authority's fiscal year 2004-05 budget in account 0010-9017, Local Transportation Authority.

#### **Summary**

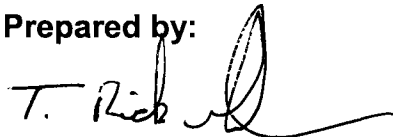
The Authority continues to advance the first project to be constructed in the State of California on an active freeway using the innovative design-build delivery method. Staff recommends Board approval of Contract Change Orders No. 2 and No. 3, to Agreement C-3-0663 with GMR.



***Attachment***


- A. Design-Build Services for Garden Grove Freeway (SR-22) HOV Lane Design-Build Project, Status of Contract Change Orders

**Prepared by:**



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Program Manager  
(714) 560-5729

**Approved by:**



for Stanley G. Phernambucq  
Executive Director  
Construction and Engineering  
(714) 560-5440

# Design-Build Services for Garden Grove Freeway (SR-22) HOV Lane Design-Build Project

## STATUS OF CONTRACT CHANGE ORDERS

Approved Contingency: \$16,000,000

CCO Number	CCO Amount	Description	Contract Reference	Approval Date	Total Changes To Date	Contingency Balance	% Contingency Used
1	\$ 145,000	Contract defined extra maintenance work. \$1,000,000 budgeted in project contingency for this anticipated, but unquantifiable work.	TP Section 5.28.6	1/11/2005	\$ 145,000	\$15,855,000	0.91%
2	\$ 855,000	Contract defined extra maintenance work. \$1,000,000 budgeted in project contingency for this anticipated, but unquantifiable work.	TP Section 5.28.6	Pending	\$ 1,000,000	\$15,000,000	6.25%
3	\$ 1,000,000	Addition of a portion of the aesthetic treatment (pilasters) along the soundwalls removed during the BAFO process.	Contract Section 13	Pending	\$ 2,000,000	\$14,000,000	12.50%





BOARD COMMITTEE TRANSMITTAL

**April 11, 2005**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject** Agreement for Desktop and Notebook Personal Computers

Finance and Administration Committee

March 23, 2005

**Present:** Directors Wilson, Duvall, Campbell, Correa, Ritschel, Silva and Cavecche  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Agreement C-4-1209 between the Orange County Transportation Authority and Hewlett Packard for the purchase of personal computers and configuration services for a five-year term in an amount not to exceed \$1,400,000.

**Staff Recommendation**

Staff stated the Fiscal Impact for Fiscal Year 2005-06 was reduced from \$380,000 to \$320,000, which was misstated in this staff report.



**March 23, 2005**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Agreement for Desktop and Notebook Personal Computers

**Overview**

The Orange County Transportation Authority is seeking Board approval to execute an agreement with Hewlett Packard for the purchase of personal computers and related configuration services. The agreement is for a term of five years with an amount not to exceed \$1,400,000. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for equipment and technical services. Board approval is requested to execute an agreement.

**Recommendation**

Authorize the Chief Executive Officer to execute Agreement C-4-1209 between the Orange County Transportation Authority and Hewlett Packard for the purchase of personal computers and configuration services for a five-year term in an amount not to exceed \$1,400,000.

**Background**

Per its Strategic Information Technology Plan, the Orange County Transportation Authority (Authority) has a general practice of replacing personal computers (PCs) after four years of service. The Authority's last replacement project was conducted in 2001. As part of the cycle, a major replacement effort was planned for fiscal year (FY) 2004-05. However due to budget constraints, the effort was delayed one year and is now proposed for FY 2005-06.

The four-year replacement cycle is an accepted industry standard. The cycle allows for a level of standardization that controls support costs, it ensures a technology foundation that keeps pace with new software applications that are purchased over the life of the computers, and it minimizes costs associated with lost employee productivity and technical support as PCs age and failures increase.

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The majority of the Authority's PCs are approaching the end of their fourth year in service. It is time to begin the next replacement cycle. Different from past replacement projects, the Authority will employ a tactic that will result in a consistent annual practice to replace the oldest 25 percent of its PCs inventory while adhering to a four-year PCs service lifecycle. This has the benefit of predictable and stable costs year to year.

The Authority embarked on a procurement to establish the contract vehicle to procure PCs over the next five years to refresh and maintain the Authority's PCs in accordance with a four-year replacement strategy.

The agreement will allow for the purchase of 1,525 computers over the life of the contract. This will allow for the replacement of the installed base of 900 personal computers in the first three years, replace those new purchases that age to four years during the agreement term, and allow for about 15 percent growth over the term. This is a conservative growth estimate compared to the near 30 percent growth experienced since the last replacement project and in the time between that project and its predecessor.

### ***Discussion***

This procurement for personal computers was handled in accordance with the Authority's procurement policies and procedures.

Request for Proposals were sent to 482 vendors on December 16, 2004. On January 17, 2005, seven offers were received. Proposing firms were either Enterprise or Government Tier manufacturers, or vendors supported by Enterprise or Government Tier manufacturers. Manufacturers in these tiers are suitable for centralized procurement initiatives, have large economies of scale (over 1 million units shipped worldwide per quarter), have product life cycles of 14-18 months, have mature major-account programs, and have exceptional service and support capabilities. Other desirable attributes of Enterprise and Government Tier manufacturers are their strategic alliances and partnerships, their broad industry influence, their breadth in product and technology segments, and their broad distribution and third-party support.

An evaluation committee composed of Authority staff representing Information Systems and Contracts Administration and Materials Management was established to review all offers submitted. The offers were evaluated on the basis of qualifications of the firm, technical qualifications of proposed hardware, service and support and, cost. Based on its findings, the evaluation committee recommended the following short-listed firms for consideration for award.

Dell Computer  
Round Rock, Texas

Hewlett-Packard Company  
Palo Alto, California

Interviews with the two short-listed firms were conducted on January 31, 2005. Based on the outcome of the interviews, the firms were requested to submit a best and final offer (BAFO). The BAFO requested that the firms clarify their price index and the percentage discount to be applied throughout the life of the contract.

Upon review of the BAFO responses, the evaluation committee determined that further clarification was required on the availability and pricing for some of the vendor proposed value added features and technical specifications. In addition, the evaluation committee determined that it would be in the Authority's best interest from a budgetary standpoint to request lease pricing for three and four-year terms from the short-listed firms for their proposed products. A second BAFO was issued to the short-listed firms on February 22, 2005.

Based on the proposal, evaluations, interviews, and BAFO scoring, the evaluation committee found Hewlett-Packard Company (HP) best qualified to provide the Authority with personal computers and configuration services. HP has extensive experience supplying PCs to the government sector including the City of San Diego and the City of Anaheim. HP presented to the Authority a well defined and detailed work plan that demonstrates their clear understanding of the Authority's technical requirements for replacement PCs. In addition, HP has proposed hardware that exceeds specifications stated in the Authority's Scope of Work at a cost that is less than all other proposing firms.

The projected delivery schedule and number of computers to be acquired under this agreement is as follows:

50 units –	Agreement start to June 30, 2005
400 units –	July 1, 2005 through June 30, 2006
400 units –	July 1, 2006 through June 30, 2007
175 units –	July 1, 2007 through June 30, 2008
250 units –	July 1, 2008 through June 30, 2009
250 units –	July 1, 2009 through agreement end
<b>1,525 units</b>	

The schedule is subject to change based on current and future business needs.

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As part of the research for the Authority's next computer replacement cycle, staff studied the International City/County Management Association (ICMA) FY 2003 Information Technology Survey, and surveyed several local government agencies to assess common PCs replacement practices. Agencies contacted were: City of Santa Ana, City of Long Beach, City of Anaheim, Los Angeles County Metropolitan Transportation Authority (MTA), and the City of Huntington Beach. In each case, staff spoke to the Chief Information Officer and/or the Director of Information Technology. In both surveys, it was found that the Authority's four-year PCs replacement cycle is consistent with the majority of other agencies. The one major difference was that the local agencies contacted by staff all lease their PCs.

According to Gartner Group, the leading provider of research and analysis on the global Information Technology industry, leasing is generally twelve to fifteen percent more costly than a straight purchase and only becomes attractive when the cost of funds is extremely high. In addition, most computer leases are based on a 36-month term, which conflicts with the Authority's four-year replacement practice.

Lease pricing for three and four year terms was provided to the Authority by HP and Dell as part of the Authority's second BAFO request. In both cases, lease pricing proved to be 10 percent more costly over a four year period than a straight purchase.

For this reason, it is recommended that the Authority purchase rather than lease its PCs.

#### **Fiscal Impact**

Proposed funding in the amount of \$380,000, for FY 2005-06 is pending FY 2005-06 budget approval.

#### **Summary**

Staff recommends authorizing the Chief Executive Officer to execute Agreement C-4-1209 between the Orange County Transportation Authority and Hewlett Packard for the purchase of personal computers and configuration services over a five-year period in an amount not to exceed \$1,400,000.



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***Attachment***

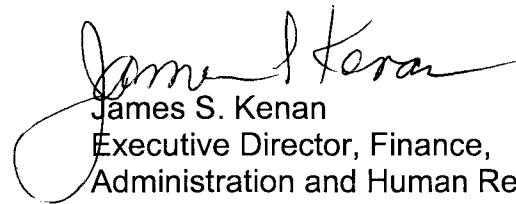
None.

**Prepared by:**



Lloyd Sullivan  
IS Project Manager III  
Information Systems  
(714) 560-5957

**Approved by:**



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





BOARD COMMITTEE TRANSMITTAL

*April 11, 2005*

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject** Request for Authorization to Increase Designation in the Local Transportation Authority Fund for the Fare Stabilization Program

Finance and Administration Committee

March 23, 2005

**Present:** Directors Wilson, Duvall, Campbell, Correa, Ritschel, Silva and Cavecche  
**Absent:** None

***Committee Vote***

This item was passed by all Committee Members present.

Director Correa was not present to vote on this item.

***Committee Recommendation***

- A. Authorize an increase in the fare stabilization cash reserve in the amount of \$1,000,000.
- B. Authorize the transfer of previously designated fare stabilization cash reserves to the Orange County Transit District to provide sufficient funding for the fare stabilization program for seniors and persons with disabilities through the end of the Measure M program.



**March 23, 2005**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Request for Authorization to Increase Designation in the Local Transportation Authority Fund for the Fare Stabilization Program

**Overview**

Measure M, the Traffic Improvement and Growth Management Plan, includes a program to stabilize fares for senior citizens and persons with disabilities on public transit through fiscal year 2010-11. In order to provide better management and control over funds for the fare stabilization program, staff requests authorization to increase the reserve by \$1,000,000.

**Recommendations**

- A. Authorize an increase in the fare stabilization cash reserve in the amount of \$1,000,000.
- B. Authorize the transfer of previously designated fare stabilization cash reserves to the Orange County Transit District to provide sufficient funding for the fare stabilization program for seniors and persons with disabilities through the end of the Measure M program.

**Background**

On November 6, 1990, Orange County voters approved Measure M, the Traffic Improvement and Growth Management Plan, which increased the sales tax by ½ cent and became effective April 1, 1991. Measure M transit allocations include \$20 million over 20 years to provide reduced fares for senior citizens and persons with disabilities riding public transit.

**Request for Authorization to Increase Designation  
in the Local Transportation Authority Fund for the  
Fare Stabilization Program**

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On August 22, 1994, the Orange County Transportation Authority (OCTA) Board of Directors approved the recommendation of the Measure M Fare Stabilization Task Force to set aside \$1,000,000, each year in Measure M funds to stabilize fares for seniors and persons with disabilities.

The Board of Directors has previously approved the establishment of cash reserves in the amount of \$13,000,000, (\$1,000,000, each year from Fiscal Year (FY) 1991-92 through FY 2003-04 in the Local Transportation Authority Fund, the fund created to account for Measure M revenues and expenditures.

***Discussion***

On March 8, 1999, the OCTA Board of Directors approved an expansion in the fare subsidy program to increase the use of Measure M funds for seniors and persons with disabilities riding on public transit. This larger fare assistance program required a subsidy of \$1,807,750 in Measure M funds during FY 2003-04.

The Measure M fare stabilization program has provided fare assistance for seniors and persons with disabilities as follows:

- Through January 1, 2005, \$0.30 of the ACCESS regular (curb) fare of \$2.00, with riders paying \$1.70; adjusted January 2, 2005, to \$0.25 of the higher ACCESS regular fare of \$2.50, with riders paying \$2.25;
- \$1.00 of the ACCESS premium (door) fare of \$1.80, with riders paying \$0.80; to be adjusted July 1, 2005, to no subsidy of the ACCESS premium fare of \$2.00, with riders paying \$2.00;
- \$0.75 of the senior and disabled peak cash fare of \$1.00, with riders paying \$0.25; remaining at \$0.75 of the higher fare of \$1.25, with the riders paying \$0.50;
- \$0.25 of the \$0.50 senior and disabled off-peak fare, adjusted to \$0.10 of the higher fare of \$0.60, with the riders paying \$0.50; and
- \$0.75 of the senior and disabled day pass of \$1.25, with riders paying \$0.50; adjusted effective January 2, 2005, to \$0.50 of the higher fare of \$1.50, with riders paying \$1.00.

The Measure M fare assistance for ACCESS fares and ACCESS premium service has been in effect since January 1, 1995, and July 1, 1997, respectively. The remaining cash fare and day pass subsidies for fixed route services became effective with the bus fare policy restructuring on July 11, 1999. All fares and fare subsidies were adjusted, effective January 2, 2005. The Measure M fare

**Request for Authorization to Increase Designation  
in the Local Transportation Authority Fund for the  
Fare Stabilization Program**

stabilization was lowered in part to conserve remaining Measure M fare stabilization funds before the expiration of the Measure M program in FY 2010-11.

During FY 2003-04 Measure M provided \$265,200 in fare assistance for the ACCESS program and \$1,542,551, for fixed route service. A summary of the Measure M fare stabilization for FY 2003-04 is provided in the following table:

<b>Service</b>	<b>Subsidy</b>
Fixed route – day passes	\$1,304,740
Fixed route – cash fares	237,811
ACCESS – regular	204,561
ACCESS – premium	60,639
<b>Total</b>	<b>\$1,807,751</b>

Measure M fare stabilization transfers in FY 2003-04 have increased \$138,882, and 8.3 percent over the previous fiscal year.

One of the goals of the fare policy change, implemented by the Board of Directors on January 2, 2005, was to ensure that the fare stabilization funds continue to provide a fare subsidy through the entire Measure M period. The fare policy change reduced the per rider subsidy for some fare media to assist in this goal. Another strategy recommended by staff, and endorsed by the Measure M Citizens Oversight Committee, is to transfer all previously designated fare stabilization cash reserves and all future annual designations to the Orange County Transit District (OCTD) at the time they are designated, rather than on a reimbursement of expense basis. This action will allow the cash reserves to earn interest within the OCTD, thus providing additional funds for fare stabilization. Based on the revised subsidy structure, and ridership and interest projections, it is anticipated that this policy change will provide sufficient funds to continue the fare stabilization program through FY 2010-11.

**Summary**

Measure M provides revenues from sales tax receipts to fund the fare stabilization program for all senior citizens and persons with disabilities who are using public transit services in Orange County. Staff is requesting authorization to increase the reserve for this program by an additional \$1,000,000, to provide fare assistance. Staff is also proposing that previously designated cash reserves

**Request for Authorization to Increase Designation  
in the Local Transportation Authority Fund for the  
Fare Stabilization Program**

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**Page 4**

and future annual designations be transferred to the Orange County Transit District at the beginning of each fiscal year to ensure that fare stabilization funds remain available for seniors and persons with disabilities through the end of the Measure M program in FY 2010-11.

***Attachment***

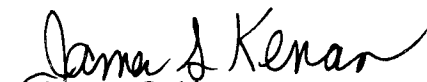
None.

**Prepared by:**



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Senior Financial Analyst  
Financial Planning Analysis  
(714) 560-5685

**Approved by:**



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







BOARD COMMITTEE TRANSMITTAL

**April 11, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board <sup>WK</sup>  
**Subject** Amendment to Agreement for the Employee Assistance Program

Finance and Administration Committee

March 23, 2005

**Present:** Directors Wilson, Duvall, Campbell, Correa, Ritschel, Silva and Cavecche  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

Committee Member Correa was not present to vote on this item.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement C-2-0117 between the Orange County Transportation Authority and PacifiCare Behavioral Health, in an amount not to exceed \$112,000, for an Employee Assistance Program to all Orange County Transportation Authority employees and their families.



**March 23, 2005**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, <sup>Mr</sup> Chief Executive Officer  
**Subject:** Amendment to Agreement for the Employee Assistance Program

**Overview**

On April 22, 2002, the Board of Directors approved an agreement with PacifiCare Behavioral Health, in the amount of \$103,400, to provide Employee Assistance Program services. PacifiCare Behavioral Health was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional services.

**Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement C-2-0117 between the Orange County Transportation Authority and PacifiCare Behavioral Health, in an amount not to exceed \$112,000, for an Employee Assistance Program to all Orange County Transportation Authority employees and their families.

**Background**

The Orange County Transportation Authority (OCTA) has an Employee Assistance Program that provides confidential counseling and referral services to all OCTA employees and their families. The Employee Assistance Program (EAP) is intended to help employees and their families resolve personal problems that may interfere with the employees' work performance or home life.

OCTA's current program through PacifiCare Behavioral Health (PBH) offers employee assistance with substance abuse and drug dependency issues, as well as divorce or separation, custody issues, grief and loss, child and adolescent issues, co-worker conflicts, crisis situations, domestic violence, gambling addictions, stress and anger management.

The referral service through EAP also assists with legal and financial problems. An employee is entitled to a free, confidential one-half hour legal consultation through PBH's nationwide network of attorneys. EAP can also help employees with financial issues concerning family budget planning or managing their debt. Additionally, EAP assists in finding qualified caregivers and programs for children, and helps employees cope with eldercare problems.

The original agreement awarded on April 22, 2002, was for an initial two year term with a contract maximum of \$103,400. On April 12, 2004, the Board of Directors approved Amendment No. 1 to exercise the first option term for the period of May 1, 2004, to April 30, 2005, for an amount not to exceed \$164,400.

Amendment No. 2 to Agreement C-2-0117 executed on March 1, 2005, extends the expiration date from April 30, 2005, to June 30, 2005, to coordinate renewal dates with other OCTA Health and Welfare plans at no increase to the OCTA's maximum obligation.

***Discussion***

This procurement was originally handled in accordance with OCTA's procedures for professional services. The original agreement was awarded on a competitive basis. This agreement provided for an initial term of two years with three option terms. It has become necessary to amend the agreement due to the expiration of the first option term between OCTA and PBH.

The agreement provides a maximum unit price per employee per month for each year of the agreement as follows:

Years 1 & 2	Year 3 (Current)	Year 4	Year 5
\$2.20	\$2.31	\$2.54	\$2.92

PBH has offered to extend the current rate for the same benefit program for an additional two years. Thus, the rate of \$2.31 per employee per month will be effective July 1, 2005, through June 30, 2007, with no change in the program.

The original agreement awarded on April 22, 2002, was for a contract maximum of \$103,400. This agreement has been amended previously (Attachment A). The contract maximum obligation after approval of Amendment No. 3 will be \$112,000.

Offering an EAP serves as a source of support for employees and may reduce work productivity problems. Staff is very satisfied with the services provided and recommends exercising the second option term with PBH to maintain the EAP for OCTA employees and their families.

**Fiscal Impact**

Funds in the amount of \$56,000, have been requested for fiscal year 2005-06 in the departmental operating budgets, Account 0042 – Health Internal Service Fund – Administrative, Account 0043 – Health Internal Service Fund – Coach Operators, and Account 0044 – Health Internal Service Fund – Maintenance. Funds in the amount of \$56,000, will be requested for fiscal year 2006-07.

**Summary**

Based on the material provided, staff recommends approval of Amendment No.3, in an amount not to exceed \$112,000, to Agreement C-2-0117 with PacifiCare Behavioral Health for the period of July 1, 2005, through June 30, 2007.

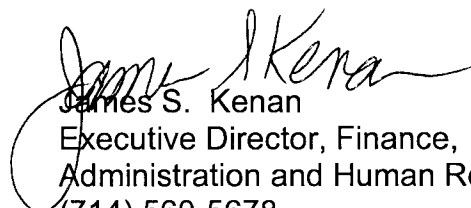
**Attachment**

- A. PacifiCare Behavioral Health Agreement C-2-0117 Fact Sheet .

**Prepared by:**

  
Grace Farmer  
Benefits Specialist  
(714) 560-5812

**Approved by:**

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

**ATTACHMENT A**

**PACIFICARE BEHAVIORAL HEALTH  
Agreement C-2-0117 Fact Sheet**

1. April 22, 2002, Agreement C-2-0117, \$103,400, approved by the Board of Directors.
  - To provide employee assistance program.
2. April 12, 2004, Amendment No. 1 to Agreement C-2-0117, \$61,000, approved by the Board of Directors.
  - To exercise Option 1 in Agreement C-2-0117 to continue to provide an employee assistance program.
3. March 1, 2005, Amendment No. 2 to Agreement C-2-0117.
  - To extend expiration date to June 30, 2005.
4. April 11, 2005, Amendment No. 3 to Agreement C-2-0117, \$112,000, pending approval by Board of Directors.
  - To exercise Option 2 in Agreement C-2-0117 to continue to provide an employee assistance program.

Total committed to PacifiCare Behavioral Health, Agreement C-2-0117: \$276,400.





BOARD COMMITTEE TRANSMITTAL

**April 11, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board <sup>WK</sup>  
**Subject:** Request to Conduct a Workshop and Public Hearing on the Orange County Transportation Authority Fiscal Year 2005-06 Proposed Budget

Finance and Administration Committee

March 23, 2005

**Present:** Directors Wilson, Duvall, Campbell, Correa, Ritschel, Silva and Cavecche  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

Committee Member Correa was not present to vote on this item.

**Committee Recommendation**

Authorize staff to schedule a two hour budget workshop for May 9, 2005, and conduct a public hearing on June 13, 2005, and proceed with all public noticing requirements.



**March 23, 2005**

**To:** Finance and Administration Committee

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

**Subject:** Request to Conduct a Workshop and Public Hearing on the Orange County Transportation Authority Fiscal Year 2005-06 Proposed Budget

**Overview**

The Orange County Transportation Authority is developing the fiscal year 2005-06 proposed budget which identifies available revenues and the costs associated with providing transportation services and programs to the commuters of Orange County. As part of the budget process, the Board of Directors reviews the proposed budget in detail in an open workshop setting in May and invites public comment during a public hearing convened in June.

**Recommendation**

Authorize staff to schedule a two hour budget workshop for May 9, 2005, and conduct a public hearing on June 13, 2005, and proceed with all public noticing requirements.

**Background**

The preparation of Orange County Transportation Authority's (OCTA) annual budget began in January 2005, with the integration of revenue, service plan, labor, and capital assumptions defined in the 2005 Comprehensive Business Plan. The revenue and expenditure plans underwent successive reviews, with results presented to executive management. The proposed budget has since been subject to continuous revision to ensure a fiscally responsible and balanced financial plan.



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***Discussion***

Staff is committed to providing adequate time for each member of the Board of Directors to review and comment on the proposed budget. The following budget review schedule allows Board Members to review the fiscal year 2005-06 proposed budget at the workshop and at each Board standing committee prior to receiving comments from the public at the public hearing. The schedule of events is as follows:

May 9, 2005	Board conducts budget workshop (immediately following regular Board Meeting)
May 11 <sup>th</sup>	Finance and Administration Committee (follow-up from Budget Workshop)
May 12 <sup>th</sup>	Transit Planning and Operations Committee
May 16 <sup>th</sup>	Regional Planning and Highways Committee
May 19 <sup>th</sup>	Legislative and Government Affairs/Public Communications Committee
May 25 <sup>th</sup>	Finance and Administration Committee
May 26 <sup>th</sup>	Transit Planning and Operations Committee
June 2 <sup>nd</sup>	Legislative and Government Affairs/Public Communications Committee
June 6 <sup>th</sup>	Executive Committee
June 6 <sup>th</sup>	Regional Planning and Highways Committee
June 8 <sup>th</sup>	Finance and Administration Committee
June 9 <sup>th</sup>	Transit Planning and Operations Committee
June 13 <sup>th</sup>	Board Meeting - public hearing for the proposed fiscal year 2005-06 budget and approval, if appropriate
June 27, 2005	Board Meeting - Approval of fiscal year 2005-06 budget (if not approved following the public hearing at the June 13, 2005, Board Meeting)

Please note that the budget workshop on May 9, 2005, is scheduled for two hours and will be conducted immediately following the regular OCTA Board Meeting.

**Request to Conduct a Workshop and Public  
Hearing on the Orange County Transportation  
Authority Fiscal Year 2005-06 Proposed Budget**

**Page 3**

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In addition to these scheduled reviews, staff is available for more detailed discussions with individual Board Members on an as requested basis.

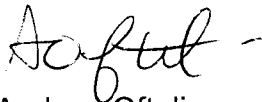
***Summary***

Staff requests approval to schedule a budget workshop on May 9, 2005, and conduct a public hearing on June 13, 2005, to receive comments regarding Orange County Transportation Authority's Fiscal Year 2005-06 Proposed Budget.

***Attachment***

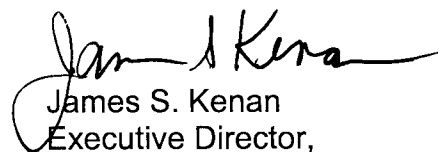
None.

**Prepared by:**



Andrew Oftelie  
Section Manager  
Financial Planning & Analysis  
(714) 560-5649

**Approved by:**



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





BOARD COMMITTEE TRANSMITTAL

**April 11, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, <sup>WK</sup> Clerk of the Board  
**Subject** Agreement for Parking Lot Sweeping Services

Transit Planning and Operations Committee

March 24, 2005

**Present:** Directors Winterbottom, Brown, Silva, Dixon, Duvall, and Green  
**Absent:** Director Pulido

**Committee Vote**

This item was passed by all Committee Members present.

Director Dixon was not present for this vote.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Agreement C-4-1103 between the Orange County Transportation Authority and Webco Sweeping, in an amount not to exceed \$50,000, for parking lot sweeping services for one year with four one-year options.



*March 24, 2005*

**To:** Transit Planning and Operations Committee  
**From:** Arthur T. Leahy, <sup>ML</sup> Chief Executive Officer  
**Subject:** Agreement for Parking Lot Sweeping Services

**Overview**

As part of the Orange County Transportation Authority's Fiscal Year 2004-05 Budget, the Board approved the contracting of parking lot sweeping services.

**Recommendation**

Authorize the Chief Executive Officer to execute Agreement C-4-1103 between the Orange County Transportation Authority and Webco Sweeping, in an amount not to exceed \$50,000, for parking lot sweeping services for one year with four one-year options.

**Background**

The Orange County Transportation Authority (Authority) owned facilities include 38 buildings and structures totaling more than 400,000 square feet situated on 61 acres of property throughout Orange County. These facilities require parking lot sweeping services on a bi-weekly basis. The Authority requires the vendor to furnish a qualified labor force sufficient to complete all specified requirements in the prescribed time and to furnish all materials and equipment to perform these services.

Agreement C-4-1103 is recommended to provide on-going parking lot sweeping services for the Authority's bases, transportation centers, and park and ride facilities. Webco Sweeping has provided parking lot sweeping services to the Authority for the past two years with acceptable results. Currently, Webco Sweeping dedicates two employees, two sweeping trucks and one spare sweeping truck to perform these services.

**Discussion**

This procurement was handled in accordance with the Authority's procedures for sealed bid procurement requirements.

The project was advertised on January 21, 2005, and January 28, 2005, in a newspaper of general circulation. Electronic notifications were sent to 42 firms on January 21, 2005. On February 21, 2005, five offers were received. Listed below are the three lowest bidders.

Firm and Location

Webco Sweeping	Long Beach, California
Pinnacle Landscaping	Santa Ana, California
Uniserve	Los Angeles, California

Webco Sweeping was the lowest bidder by 20 percent from the second lowest bidder.

**Fiscal Impact**

This project was approved in the Authority's fiscal year 2004-05 budget, Operations Division/Maintenance Department, Account 7611, and is funded through Local Transportation Funds.

**Summary**

Staff recommends award of Agreement C-4-1103 to Webco Sweeping, in an amount not to exceed \$50,000, for parking lot sweeping services.

**Attachment**

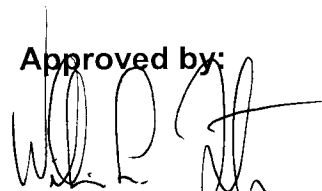
None.

**Prepared by:**



Al Pierce  
Manager, Maintenance  
714-560-5975

**Approved by:**



William L. Foster  
Executive Director, Bus Operations  
714-560-5842





BOARD COMMITTEE TRANSMITTAL

**April 11, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles<sup>WK</sup>, Clerk of the Board  
**Subject** Amendment to Agreement for Automotive Shop Supplies

Transit Planning and Operations Committee

March 24, 2005

**Present:** Directors Winterbottom, Brown, Silva, Dixon, Duvall, and Green  
**Absent:** Director Pulido

**Committee Vote**

This item was passed by all Committee Members present.

Director Dixon was not present for this vote.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-4-0281 between the Orange County Transportation Authority and Industrial Specialty Maintenance Products, in an amount not to exceed \$75,000, to exercise the first option year for the purchase of automotive shop supplies used by the Maintenance Department.





**March 24, 2005**

**To:** Transit Planning and Operations Committee  
**From:** Arthur T. Leahy, <sup>AL</sup> Chief Executive Officer  
**Subject:** Amendment to Agreement for Automotive Shop Supplies

**Overview**

On June 14, 2004, the Board of Directors approved an agreement with Industrial Specialty Maintenance Products in the amount of \$75,000, for the purchase of automotive shop supplies used by the Maintenance Department for a one-year period with two one-year options.

**Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-4-0281 between the Orange County Transportation Authority and Industrial Specialty Maintenance Products, in an amount not to exceed \$75,000, to exercise the first option year for the purchase of automotive shop supplies used by the Maintenance Department.

**Background**

The Orange County Transportation Authority (Authority) maintenance staff requires various shop supplies used for the maintenance and repair of fixed-route buses and support vehicles. Examples of materials used are fuses, heater hoses, hose clamps, gasket sealer, battery cleaner, fastener compounds, brake grease, graphite, safety wire, 16 ounce paint cans, silicone lubricants, anti-seize compounds, electrical tape, wire brushes, hack saw blades, weather stripping, quickset epoxy, grease fittings, o-rings, brake fluid and contact cleaner.

**Discussion**

This procurement was originally handled in accordance with the Authority procedures for professional and technical services. The original agreement was awarded on June 15, 2004, in the amount of \$75,000. Amendment No. 1 will increase the total agreement amount to \$150,000.

Fiscal Impact

Amendment No. 1 to Agreement C-4-0281 is approved in the Authority's fiscal year 2004-05 budget, Operations Division/Maintenance Department, Account 7799, and funded through the Local Transportation Funds.

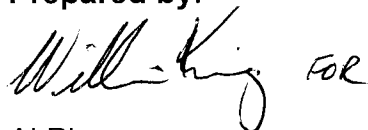
**Summary**

Staff recommends approval of Amendment No. 1, in the amount of \$75,000, to Agreement C-4-0281 with Industrial Specialty Products.

**Attachment**

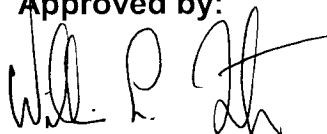
None.

**Prepared by:**



Al Pierce  
Manager, Maintenance  
714-560-5975

**Approved by:**



William L. Foster  
Executive Director, Bus Operations  
714-560-5842





BOARD COMMITTEE TRANSMITTAL

**April 11, 2005**

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

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

**Subject** Amendment to Purchase Order for Communication Systems for Freeway Express Bus Service

**Note:** This report, previously presented as "Amendment to Purchase Order for 12 Buses for Freeway Express Bus Service", has been corrected to be titled "Amendment to Purchase Order for Communication Systems for Freeway Express Bus."

No other elements of the report have been changed.

Transit Planning and Operations Committee

March 24, 2005

**Present:** Directors Winterbottom, Brown, Silva, Dixon, Duvall, and Green  
**Absent:** Director Pulido

**Committee Vote**

This item was passed by all Committee Members present.

Director Dixon was not present for this vote.

**Committee Recommendation**

Authorize the Chief Executive Officer to amend Purchase Order 04-70237 between the Orange County Transportation Authority and Creative Bus Sales, in an amount not to exceed \$424,751, for the purchase of 12 radio communication and voice annunciation systems.



**March 24, 2005**

**To:** Transit Planning and Operations Committee  
**From:** Arthur T. Leahy, <sup>M</sup>Chief Executive Officer  
**Subject:** Amendment to Purchase Order for Communication Systems for Freeway Express Bus Service

**Overview**

Orange County Transportation Authority will provide Freeway Express Bus Service between Orange County and Riverside, and between Orange County and Diamond Bar. These buses require radio communication and voice annunciation systems.

**Recommendations**

Authorize the Chief Executive Officer to amend Purchase Order 04-70237 between the Orange County Transportation Authority and Creative Bus Sales, in an amount not to exceed \$424,751, for the purchase of 12 radio communication and voice annunciation systems.

**Background**

The Orange County Transportation Authority (Authority) Board of Directors approved the purchase of 12 compressed natural gas (CNG) powered buses in the amount of \$1,772,250, on November 24, 2004, to support Freeway Express Bus Service between Orange County and Riverside, and between Orange County and Diamond Bar, starting the second half of 2005. The installation of the radio and voice equipment is to support the operation of these buses in a Fixed-Route Express Service and communication to the Fixed Route dispatch center via the Integrated Transportation Communication System (ITCS).

**Discussion**

El Dorado, the bus manufacturer, is responsible for the radio communication and voice annunciation systems installation during the manufacturing of these

**Amendment to Purchase Order for Communication  
Systems for Freeway Express Bus Service**

**Page 2**

buses. The buses were purchased from Creative Bus Sales (CBS) as part of the State of California contract number 1-03-23-16 and are manufactured in Salina, Kansas. Proposed delivery for these buses is mid 2005.

**Fiscal Impact**

The total amount of \$2,197,001 will be funded by the following grants through fiscal year 2004-05: Discretionary Grant, CA-30-0709 in the amount of \$1,286,700, and Grant CA-90-Y163 in the amount of \$910,301.

**Summary**

Based on the information provided, staff recommends amendment to Purchase Order 04-70237 to Creative Bus Sales, in an amount not to exceed \$424,751, for the procurement of radio communication and voice annunciation systems for 12 CNG powered buses.

**Attachment**

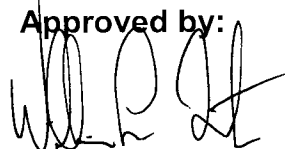
None.

**Prepared by:**



Al Pierce  
Manager, Maintenance  
(714) 560-5975

**Approved by:**



William L. Foster  
Executive Director, Bus Operations  
(714) 560-5842





**BOARD COMMITTEE TRANSMITTAL**

**April 11, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board <sup>WK</sup>  
**Subject** Santa Ana Freeway (Interstate 5) Far North Cost Update and Funding Plan

Regional Planning and Highways Committee

March 21, 2005

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

***Committee Vote***

This item was passed by all Committee Members present.

***Committee Recommendations***

- A. Increase the Measure M portion of the Santa Ana Freeway (Interstate 5) Far North Project, estimate at completion by \$46.25 million.
- B. Authorize staff to process and execute any necessary amendments to the State Transportation Improvement Program, Federal Transportation Improvement Program, or cooperative agreements with the California Department of Transportation to facilitate this action.





**March 21, 2005**

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Santa Ana Freeway (Interstate 5) Far North Cost Update and Funding Plan

### **Overview**

On March 14, 2005, staff presented for Board approval a cooperative agreement between the Orange County Transportation Authority and the California Department of Transportation for design oversight and landscaping design and an agreement between the Orange County Transportation Authority and the Union Pacific Railroad for the relocation of storage tracks required for the widening of the freeway. The Board also directed staff to return with options for funding the project to address an increase in the project cost. This report details those options.

### **Recommendations**

- A. Increase the Measure M portion of the Santa Ana Freeway (Interstate 5) Far North Project, estimate at completion by \$46.25 million.
- B. Authorize staff to process and execute any necessary amendments to the State Transportation Improvement Program, Federal Transportation Improvement Program, or cooperative agreements with the California Department of Transportation to facilitate this action.

### **Background**

In late 2000, the Traffic Congestion Relief Program (TCRP) was announced. This program provided funding for the ultimate Santa Ana Freeway (Interstate 5), improvements between the Orange County/Los Angeles County line and, the San Gabriel Freeway (Interstate 605). Based on this action, Los Angeles Metropolitan Transportation Authority (LACMTA) expedited their timing for the extension of Interstate 5 (I-5) improvements beyond the Orange County/Los Angeles County line to Interstate 605

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(I-605). This action prompted the Orange County Transportation Authority (OCTA) to advance the timing of the ultimate I-5 improvements between the Riverside Freeway (State Route 91) and the Orange County/Los Angeles County line. The scope of the project was expanded from an interim carpool lane project to include one carpool lane and one standard mixed-flow lane in each direction. This project is now commonly known as the I-5 Far North Project.

The TCRP funding, however, has since been withdrawn along with the bulk of matching State Transportation Improvement Program (STIP) funds managed by LACMTA. LACMTA is currently working on a plan to fund certain improvements north of the Orange County/Los Angeles County line. OCTA has maintained its commitment to its part of the project and is proceeding with the ultimate improvements as a single project. This full project cost has previously been estimated to be \$205 million, with \$72 million funded by STIP and \$133 million from Measure M.

In September 2003, responding to anticipated delays in STIP funds due to the state budget crisis, OCTA took additional steps to advance the I-5 Far North Project. The available Measure M funds were programmed for expenditure first and the STIP funds were moved to the later project phases. This action by OCTA reduced project delays from three years to seven months and reduced the risk from future state budget issues to ensure the project begins as scheduled in late 2005. As this project is partially funded through the STIP, the ongoing state budget crisis is likely to directly impact the availability of the STIP funding currently programmed to this project.

Staff continues to monitor the status of state funding, and has explored alternative funding strategies should the State funds continue to be delayed. To that end, in April 2004, the Board approved the submission to the state a request for Grant Anticipation Revenue Vehicle (GARVEE) bonds. However, due to the uncertainty of the state budget, the issuance of GARVEE bonds for this project, and all other candidate projects, has been put on hold by the state.

### ***Discussion***

Staff has presented an update of the I-5 Far North Project, including a revised cost estimate. The current cost estimate is approximately \$46.25 million higher than previously estimated. The total project cost is now estimated to be approximately \$251 million.

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The original cost estimate was prepared in 2001. It has been updated to reflect the escalation in the cost of construction. The cost increase is primarily due to providing a unique seal slab/retaining wall design (boat section) to address the high underground water at Beach Boulevard, and a change in the requirement to remove all excavated material contaminated by aerial-deposited lead that was previously allowed to be buried on-site. The increase in utility relocation costs was attributed to a higher cost to relocate utilities within the Union Pacific Railroad (UPRR) right of way that is being acquired for the project. The cost for the relocation of the UPRR storage tracks also increased from previous estimates. However, the cost is justified to avoid impacting the Buena Park Auto Mall properties.

Based on the revised cost estimate, staff has identified three sources of funds that are eligible for use on the I-5 Far North Project. In addition, staff also considered revising the scope of the project to match the available funding. These options are discussed in detail in Attachment A. Based on the discussion outlined in the attachment, and previous Board direction to complete the entire project, staff is recommending the use of \$46.25 million in Measure M freeway funds to fully fund the project.

***Summary***

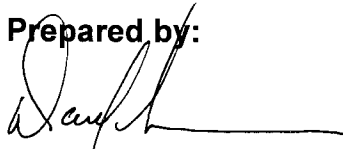
The revised cost estimate for the I-5 Far North Project identified approximately a \$46.25 million increase bringing the total project cost to approximately \$251 million. The funding plan includes \$72 million in state funds and \$179 million in Measure M freeway funds. Staff requests authorization for the use of \$46.25 million of Measure M freeway funds for the I-5 Far North Project.

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**Attachments**

- A. Potential Funding Sources for Santa Ana Freeway (Interstate 5) Far North Funding Plan.
- B. Measure M Schedule of Revenues and Expenditures Summary as of December 31, 2004.

**Prepared by:**

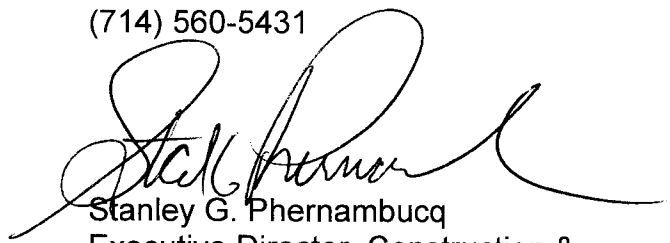


Darrell E. Johnson  
Section Manager II  
(714) 560-5343

**Approved by:**



Paul C. Taylor, P.E.  
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Planning, Development and Commuter  
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Executive Director, Construction &  
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**Potential Funding Sources for Santa Ana Freeway (Interstate 5) Far North  
Funding Plan**

**State Funds**

Seventy-two million dollars in State Transportation Improvement Program (STIP) funds are currently programmed for this project. If additional STIP funds were to be used to fund the cost increase, Orange County Transportation Authority (OCTA) would have to delete other projects currently programmed in the STIP in fiscal year (FY) 2005-06. If all other STIP projects in FY 2005-06 were deleted (including the Imperial Highway Grade Separation Project, three freeway chokepoint projects and a pedestrian over crossing at the Orange Metrolink station), there still would not be sufficient funding capacity to cover the cost increase.

**Federal Funds**

OCTA receives annual apportionment of Federal Regional Surface Transportation Program (RSTP) funds and Congestion Mitigation and Air Quality (CMAQ) funds. Previous Board direction has directed staff to issue a call for projects for the use of all RSTP funds through the Combined Transportation Funding Program (CTFP). The CTFP makes RSTP funds available to local cities for use on street and road projects. The Board is expected to approve the project list for the CTFP call for projects in May 2005. If RSTP funds were to be used, the Board would need to cancel a portion of the call for projects and redirect the use of RSTP funds.

CMAQ funds are eligible for the High Occupancy Vehicle portion of the project. All CMAQ funds are currently programmed to the CenterLine project from FY 2005-06 through 2011-2012. The Board has directed staff to return to the Board with options for the CenterLine project by June 2005. Reprogramming of CMAQ funds at this time could limit the Board's options in June and may also trigger an air quality conformity analysis by the Southern California Association of Governments (SCAG) due to the CenterLine project being a Transportation Control Measure (TCM).

**Local Funds**

The only local funds available for this project are Measure M freeway funds. The current Measure M Schedule of Revenues and Expenditures Summary (December 31, 2004), (Attachment B) forecasts an \$83.4 million positive variance in the freeway mode. This variance is eligible for use on the I-5 Far North Project.

**Scope Reduction**

Reducing the scope of the Santa Ana Freeway (Interstate 5) Far North Project to match the available funding is also an option, however, this would likely delay the project extensively as the plans, specifications, and estimate would have to be redone. The previous Board direction has been to complete the entire project.

Measure M Schedule of Revenues and Expenditures Summary as of December 31, 2004

Measure M  
Schedule of Revenues and Expenditures Summary  
as of December 31, 2004

Project Description	Net Tax Revenues Program to date Actual	Total Net Tax Revenues	Project Budget	Estimate at Completion	Variance Total Net Tax Revenues to Est at Completion	Variance Project Budget to Est at Completion	Expenditures through Dec 31, 2004	Reimbursements through Dec 31, 2004	Net Project Cost	Percent of Budget Expended
(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
<i>(\$ in thousands)</i>										
<b>Freeways (43%)</b>										
I-5 between I-405 (San Diego Fwy) and I-605 (San Gabriel Fwy)	\$ 589,305	\$ 1,028,988	\$ 810,010	\$ 750,875	\$ 278,113	\$ 59,135	\$ 695,958	\$ 67,367	\$ 628,591	77.6%
I-5 between I-5/I-405 Interchange and San Clemente	40,858	71,343	55,390	57,418	13,925	(2,028)	66,777	10,358	56,419	101.9%
I-5/I-405 Interchange	51,859	90,551	72,802	72,946	17,605	(144)	97,879	25,082	72,797	100.0%
S.R. 55 (Costa Mesa Fwy) between I-5 and S.R. 91 (Riverside Fwy)	34,573	60,367	44,511	48,932	11,435	(4,421)	53,831	6,172	47,659	107.1%
S.R. 57 (Orange Fwy) between I-5 and Lambert Road	17,286	30,184	24,128	24,243	5,941	(115)	25,578	2,859	22,719	94.2%
S.R. 91 (Riverside Fwy) between Riverside Co. line & Los Angeles Co. line	74,645	130,339	116,136	105,215	25,124	10,921	120,808	18,606	102,202	88.0%
S.R. 22 (Garden Grove Fwy) between S.R. 55 and Valley View St.	232,579	406,107	327,000	321,408	84,699	5,592	72,416	44,761	27,655	8.5%
Subtotal Projects	1,041,105	1,817,879	1,449,977	1,381,037	436,842	68,940	1,133,247	175,205	958,042	
Net (Bond Revenue)/Debt Service			353,424	353,424	(353,424)	-	251,514		251,514	
<b>Total Freeways</b>	<b>\$ 1,041,105</b>	<b>\$ 1,817,879</b>	<b>\$ 1,803,401</b>	<b>\$ 1,734,461</b>	<b>\$ 83,418</b>	<b>\$ 68,940</b>	<b>\$ 1,384,761</b>	<b>\$ 175,205</b>	<b>\$ 1,209,556</b>	<b>51.7%</b>
<b>Regional Street and Road Projects (11%)</b>										
Smart Streets	\$ 91,313	\$ 159,442	\$ 156,712	\$ 156,712	\$ 2,730	\$ -	\$ 115,746	\$ 3,489	\$ 112,257	71.6%
Regionally Significant Interchanges	53,266	93,008	93,008	93,008	-	-	29,388	146	29,242	31.4%
Intersection Improvement Program	76,094	132,868	132,868	132,868	-	-	46,820	56	46,764	35.2%
Traffic Signal Coordination	38,047	66,434	66,434	66,434	-	-	24,892	183	24,709	37.2%
Transportation Systems Management and Transportation Demand Management	7,609	13,287	13,287	13,287	-	-	5,547	70	5,477	41.2%
Subtotal Projects	266,329	465,039	462,309	462,309	2,730	-	222,393	3,944	218,449	
Net (Bond Revenue)/Debt Service			2,730	2,730	(2,730)	-	1,943		1,943	
<b>Total Regional Street and Road Projects</b>	<b>\$ 266,329</b>	<b>\$ 465,039</b>	<b>\$ 465,039</b>	<b>\$ 465,039</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 224,336</b>	<b>\$ 3,944</b>	<b>\$ 220,392</b>	<b>9.4%</b>

**Measure M**  
**Schedule of Revenues and Expenditures Summary**  
**as of December 31, 2004**

Project Description	Net Tax Revenues Program to date Actual	Total Net Tax Revenues	Project Budget	Estimate at Completion	Variance Total Net Tax Revenues to Est at Completion	Variance Project Budget to Est at Completion	Expenditures through Dec 31, 2004	Reimbursements through Dec 31, 2004	Net Project Cost	Percent of Budget Expended
(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
<i>(\$ in thousands)</i>										
<b>Local Street and Road Projects (21%)</b>										
Master Plan of Arterial Highway Improvements	\$ 78,223	\$ 173,170	\$ 173,170	\$ 173,170	\$ -	\$ -	\$ 52,342	\$ 99	\$ 52,243	30.2%
Streets and Roads Maintenance and Road Improvements	352,002	614,632	614,632	614,632	-	-	349,025	-	349,025	56.8%
Growth Management Area Improvements	78,223	100,000	100,000	100,000	-	-	49,342	431	48,911	48.9%
Subtotal Projects	508,448	887,802	887,802	887,802	-	-	450,709	530	450,179	
Net (Bond Revenue)/Debt Service							-		-	
<b>Total Local Street and Road Projects</b>	<b>\$ 508,448</b>	<b>\$ 887,802</b>	<b>\$ 887,802</b>	<b>\$ 887,802</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 450,709</b>	<b>\$ 530</b>	<b>\$ 450,179</b>	<b>19.2%</b>
<b>%</b>										
<b>Transit Projects (25%)</b>										
Pacific Electric Right-of-Way	\$ 11,715	\$ 20,456	\$ 15,000	\$ 13,100	\$ 7,356	\$ 1,900	\$ 15,073	\$ 1,680	\$ 13,393	89.3%
Commuter Rail	214,782	375,031	375,031	375,031	-	-	307,907	53,309	254,598	67.9%
High-Technology Advanced Rail Transit	265,548	463,675	463,675	463,675	-	-	30,018	6,024	23,994	5.2%
Elderly and Handicapped Fare Stabilization	15,620	27,275	20,000	20,000	7,275	-	7,953	-	7,953	39.8%
Transitways	97,628	170,469	146,381	121,003	49,466	25,378	147,376	34,274	113,102	77.3%
Subtotal Projects	605,293	1,056,906	1,020,087	992,809	64,097	27,278	508,327	95,287	413,040	
Net (Bond Revenue)/Debt Service			63,839	63,839	(63,839)	-	45,431		45,431	
<b>Total Transit Projects</b>	<b>\$ 605,293</b>	<b>\$ 1,056,906</b>	<b>\$ 1,083,926</b>	<b>\$ 1,056,648</b>	<b>\$ 258</b>	<b>\$ 27,278</b>	<b>\$ 553,758</b>	<b>\$ 95,287</b>	<b>\$ 458,471</b>	<b>19.6%</b>
<b>%</b>										
<b>Total Measure M Program</b>	<b>\$ 2,421,175</b>	<b>\$ 4,227,626</b>	<b>\$ 4,240,168</b>	<b>\$ 4,143,950</b>	<b>\$ 83,676</b>	<b>\$ 96,218</b>	<b>\$ 2,613,564</b>	<b>\$ 274,966</b>	<b>\$ 2,338,598</b>	

See accompanying notes to Measure M Schedules







**April 11, 2005**

**To:** Members of the Board of Directors  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Chief Executive Officer's Goals for 2005

**Overview**

The Board of Directors and the Chief Executive Officer agreed upon a set of goals for 2005.

**Recommendation**

Receive and file the Chief Executive Officer's goals for 2005.

**Discussion**

Attachment A outlines and references the Chief Executive Officer's goals by number, time frame, area of concentration and status. It surveys and establishes an extensive, comprehensive and wide-ranging list of key areas upon which to assess the agency's progress during the year.

**Summary**

A set of annual goals has been established for the Chief Executive Officer.

**Attachment**

- A. Goals for Calendar Year 2005

# Goals for Calendar Year 2005

CEO Goal Reference Number	<u>CEO's Goals</u> <b>January</b>	<u>Time Frame</u>	<u>Area of Concentration</u>	<u>Status</u>
18	Implement fare increase a) Effective 1/1/05  b) Achieve operating ratio of 25 percent, an increase over the 23 percent figure in 2004  c) Increase bus revenue to \$53.4 million, and increase of 15.5 percent over 2004	January 1, 2005	<b>Bus System</b>	Completed  Report on Quarterly Basis  Report on Quarterly Basis
26	Complete new Board Room construction	January 10, 2005	<b>Board Related Activities</b>	Completed
23	Complete new member orientation sessions	January 2005	<b>Board Related Activities</b>	Completed

## Goals for Calendar Year 2005

CEO Goal Reference Number	<u>CEO's Goals</u>	<u>Time Frame</u>	<u>Area of Concentration</u>	<u>Status</u>
<b>February</b>				
24	Hold Board retreat on immediate major issues	February 28, 2005	<b>Board Related Activities</b>	Completed
1	Decide whether to proceed with planning for possible Measure M renewal vote in November 2006	February 2005	<b>Major Policy Issues</b>	Completed
2	Decide what to do with the Centerline Project	February 2005	<b>Major Policy Issues</b>	Completed
11	Re-bid the operating contract	Released RFP in February	<b>91 Express Lanes</b>	Completed
<b>March</b>				
27	Complete Central County definition of alternatives	March 2005	<b>Major Planning Activities</b>	Recommendation to Central County Corridor Committee 3/31
31	Implement Board decision regarding CenterLine and report to Board as relates to contracts for engineering, right-of-way, outreach and all other activities	March 2005	<b>Fixed-Guideway</b>	Completed
14	Dynamic pricing: assessing realtime pricing methods. Meeting w/consultants	March 2005	<b>91 Express Lanes</b>	Completed
7	Open SR-55/I-405 bridges	March 1, 2005	<b>Construction Projects</b>	MOS I, completed MOS II, completed MOS III, scheduled for completion 5/05 per contractor

## Goals for Calendar Year 2005

<u>CEO's Goals</u>	<u>Time Frame</u>	<u>Area of Concentration</u>	<u>Status</u>	
CEO Goal Reference Number	<b>1<sup>st</sup> Quarter</b>			
22	Complete mechanics labor contract negotiations	1 <sup>st</sup> Quarter	<b>Bus System</b>	Goal to be completed second quarter pending information from OCERS; Board informed 3/14/05
25	Review federal advocacy activities, priorities, and contracts	1 <sup>st</sup> Quarter	<b>Board Related Activities</b>	LGA/PCC 3/3/05 Board 3/28/05; referred to LGA/PCC

### **April**

3	Review causes, issues associated with SR-55/I-405 bridge problems	April 2005	<b>Major Policy Issues</b>	Start Process in 3 <sup>rd</sup> quarter
33	Review current approach to local outreach including assessment of ways to improve program effectiveness. Evaluate staffing levels, use of contractors, and objectives in time for '05-'06 budget development	April 2005	<b>Local Outreach Management</b>	

## Goals for Calendar Year 2005

Revised 3/29/05

<b>CEO Goal Reference Number</b>	<b><u>CEO's Goals</u></b>	<b><u>Time Frame</u></b>	<b><u>Area of Concentration</u></b>	<b><u>Status</u></b>
<b>May</b>				
8	Complete Santa Ana Bus Base	May 1, 2005	Construction Projects	
21	Open Santa Ana Bus Base	May 1, 2005	Construction Projects	
4	Explore freight movement issues and develop action plan	May 2005	Major Policy Issues	
29	South County MIS Notice to Proceed	May 2005	Major Policy Issues	

**June**

13	Develop FY 2006 Budget which reflects Board goals and priorities	June 30, 2005	Major Policy Issues	
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**Goals for Calendar Year 2005**

Revised 3/29/05

<u>CEO's Goals</u>	<u>Time Frame</u>	<u>Area of Concentration</u>	<u>Status</u>
CEO Goal Reference Number			
<b>July</b>			
32	Develop/modify financial and implementation plans to reflect Board direction regarding CenterLine, potential other technologies, and Measure M rail funds	July 1, 2005	Fixed-Guideway
15	Explore with TCA areas for potential increased cooperation, especially in such areas as operations and marketing	July 2005	91 Express Lanes
<b>August</b>			
20	Implement ACCESS service changes	Aug 1, 2005	Bus System
<b>October</b>			
10	Complete Peralta Hills Soundwall	October 2005	Construction Projects
<b>December</b>			
30	Complete Riverside-Orange County Major Investment Study	December 2005	Major Planning Activities
9	Complete design, ROW acquisition, and award I-5 construction contract	December 31, 2005	Construction Projects

**Goals for Calendar Year 2005**

	<u>CEO's Goals</u>	<u>Time Frame</u>	<u>Area of Concentration</u>	<u>Status</u>
CEO Goal Reference Number	<b>4<sup>th</sup> Quarter</b>			
34	Signal Synchronization:  a) Develop pilot project to implement signal synchronization on a major arterial to include identification of arteries  b) Enter into cooperative agreements with Caltrans, county, and cities  c) Issuance of RFP for design and on-going management	4 <sup>th</sup> Quarter	<b>Local Outreach Management</b>	

**Goals for Calendar Year 2005**

<u>CEO's Goals</u>	<u>Time Frame</u>	<u>Area of Concentration</u>	<u>Status</u>	
CEO Goal Reference Number <b>Yearlong</b>				
12	Achieve patronage and revenue projections: need to develop from FY projections	Yearlong	<b>91 Express Lanes</b>	April 1 To be reported to Board monthly
5	Continue Security Review and Planning	Yearlong	<b>Major Policy Issues</b>	
6	Maintain SR-22 widening on-time and on-budget	Yearlong	<b>Major Policy Issues</b>	
19	Operate 80 percent on-time service and 10,000 miles between road calls	Yearlong	<b>Bus Service</b>	
16	Provide 2,461,000 hours of revenue service  a) Provide 32,703,000 revenue miles, a 2.6 percent increase over 2004	Yearlong	<b>Bus Service</b>	
17	*Provide 69,500,000 passenger rides, the same as in 2004	Yearlong	<b>Bus Service</b>	

\*Note: Based upon the fare increase effective January 1, 2005, a 5% or 10% ridership loss may occur. Insufficient historical data exist to project ridership in 2005 with confidence. Therefore, use of a "stretch" goal is appropriate.