

Date: Monday, July 27, 2009

Time: 9:00 a.m.

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



BOARD AGENDA

Orange County Transportation Authority Board Meeting
Orange County Transportation Authority Headquarters
First Floor - Room 154
600 South Main Street, Orange, California
Monday, July 27, 2009, at 9:00 a.m.

ACTIONS

REVISED

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

Agenda Descriptions

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

Public Comments on Agenda Items

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

Public Availability of Agenda Materials

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

Call to Order

Invocation

Vice Chairman Amante

Pledge of Allegiance

Director Moorlach



BOARD AGENDA

ACTIONS

Special Matters

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

Present Orange County Transportation Authority Resolutions of Appreciation Nos. 2009-44, 2009-45, 2009-46 to James Da Vanzo, Coach Operator; Hieu Tran, Maintenance; and Luis Perez, Administration, as Employees of the Month for July 2009.

Consent Calendar (Items 2 through 19)

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

2. Approval of Minutes

Of the Orange County Transportation Authority and affiliated agencies' regular meeting of July 13, 2009.

3. Approval of Board Member Travel

Approval is requested for Director Brown to travel to Salt Lake City, UT, August 2-5, 2009, to participate in the American Public Transportation Association Sustainability and Public Transportation Workshop.

4. Amendment to Agreements for Price Review Audit Services

Kathleen M. O'Connell

Overview

The Internal Audit Department of the Orange County Transportation Authority relies on the services of external audit firms to perform price reviews of architectural and engineering cost proposals. On May 23, 2008, the Board of Directors granted approval to execute on-call agreements with four external audit firms for a one-year period, in an amount not to exceed \$120,000, with two one-year option periods. An amendment is requested to exercise the first option term of the agreements.



BOARD AGENDA

ACTIONS

4. (Continued)

Recommendation

Authorize the Chief Executive Officer to execute the first of two option terms for price review services through amendments to the following agreements: Agreement No. C-8-0309 with Thompson, Cobb, Bazilio & Associates, PC; Agreement No. C-8-0935 with Mayer Hoffman McCann, PC; Agreement No. C-8-0936 with KNL Support Services; and Agreement No. C-8-0937 with Mendoza Berger & Company, LLP in amounts not to exceed a total of \$80,000 for fiscal year 2009-10, bringing the total of each contract to \$200,000.

5. Grants Management and Accounting Review

Kathleen M. O'Connell

Overview

The Internal Audit Department has completed a review of grants management and accounting. The review found that the Orange County Transportation Authority has adequate policies, procedures, and controls over grants management and accounting. The review identified no material violations of grant agreements or instances in which grant funds were jeopardized. However, three recommendations have been proposed to internal grants management procedures to ensure consistent accuracy in the administration of grants.

Recommendation

Direct staff to implement recommendations in the Grants Management and Accounting Review, Internal Audit Report No. 08-018.

6. State Legislative Status Report

Kristin Essner/Kristine Murray

Overview

An overview of a bill that would create an alternative funding mechanism for transportation projects is provided.



BOARD AGENDA

ACTIONS

6. (Continued)

Recommendation

Receive and file as an information item.

7. **Federal Legislative Status Report**

Richard J. Bacigalupo/Kristine Murray

Overview

A support position is recommended on a bill to require the Secretary of the Treasury to purchase certain bonds issued by Lehman Brothers Holding, Inc., in order to put state and local governments in the same position they would have been in had the Secretary and the Federal Reserve System provided emergency financial assistance to that financial institution. An update is provided on the status of efforts to reauthorize the federal transportation program and stabilize the Highway Trust Fund.

Recommendation

Adopt the following recommended position on legislation:

Support H.R. 467 (Speier, D-CA and Eshoo, D-CA), the Equitable Treatment of State and Local Governments Act of 2009, which would direct the Secretary of the Treasury to purchase at face value debt instruments issued by Lehman Brothers Holding, Inc., which were held by any state or local government on September 15, 2008, and continuously thereafter, and which are subject to the bankruptcy proceedings of that financial institution.

8. **Approval of the Amended and Restated Orange County Council of Governments Joint Powers Agreement**

P. Sue Zuhlke

Overview

The Orange County Council of Governments has amended its joint powers agreement to eliminate outdated provisions, update other provisions, and authorize certain new provision, such as establishing authority for member agency dues. Each member agency is requested to adopt an amended and restated joint powers agreement.



BOARD AGENDA

ACTIONS

8. (Continued)

Recommendations

- A. Approve the Amended and Restated Joint Powers Agreement Establishing the Orange County Council of Governments.
- B. Authorize the Chief Executive Officer to execute the Amended and Restated Joint Powers Agreement Establishing the Orange County Council of Governments.

9. **Transportation Enhancement Program and Transportation Development Act Programming Actions**

Ben Ku/Kia Mortazavi

Overview

On January 21, 2008, the Orange County Transportation Authority Board of Directors awarded Transportation Enhancement Program and Transportation Development Act funds to regional transportation enhancement eligible projects. Project delivery has exceeded availability of funds. Board of Directors' action is requested to allow additional delivery time for the remaining projects as funding becomes available.

Recommendations

- A. Authorize a one time, 18-month extension to previously approved and programmed Transportation Enhancement Program and Transportation Development Act projects.
- B. Authorize staff to amend the Regional Transportation Improvement Plan and execute any necessary agreements, as required, to program and implement projects.



BOARD AGENDA

ACTIONS

10. Fiscal Year 2008-2009 Procurement Status Report
Virginia Abadessa/Kenneth Phipps

Overview

The Procurement Status Report summarizes the procurement activities for information purposes to the Orange County Transportation Authority Board of Directors. This report focuses on procurement activity from January 1, 2009 through June 30, 2009 with a dollar value greater than \$250,000. The Procurement Status Report also projects future procurement activity for the first quarter as identified in the fiscal year 2010 annual budget.

Recommendation

Receive and file as an information item.

11. Second Quarter 2009 Debt and Investment Report
Kirk Avila/Kenneth Phipps

Overview

The California Government Code requires the Orange County Transportation Authority Treasurer to submit a quarterly investment report detailing the investment activity for the period. This investment report covers the second quarter of 2009, April through June, and includes a discussion on the Orange County Transportation Authority's debt portfolio.

Recommendation

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



BOARD AGENDA

ACTIONS

12. **Transit Security Grant Award Authorization for 2008 and 2009**
Ric Teano/Kristine Murray

Overview

The United States Department of Homeland Security awarded the Orange County Transportation Authority \$1.289 million in grant funds from the 2008 and 2009 Transit Security Grant Programs. The funds were pursued to support a variety of security initiatives, including security and preparedness plan updates, staff training and exercises, and public awareness campaigns. Authorizing resolutions to accept grant funds and enter grant-related agreements are presented for adoption as required by the program.

Recommendation

Adopt Orange County Transportation Authority resolutions No. 2009-47 and No. 2009-48 authorizing the Chief Executive Officer to accept grant funds and file grant-related agreements with the United States Department of Homeland Security to update security and preparedness plans, conduct staff training, exercises, and public awareness campaign.

Orange County Local Transportation Authority Consent Calendar Matters

13. **Combined Transportation Funding Program - March 2009 Semi-Annual Review**
Roger M. Lopez/Kia Mortazavi

Overview

The Orange County Transportation Authority recently completed the semi-annual review of projects funded through the Combined Transportation Funding Program. This process reviews the status of grant-funded streets and roads projects and provides an opportunity for local agencies to update project information. The requested changes and recommendations are provided for Board of Directors' review and approval.



BOARD AGENDA

ACTIONS

13. (Continued)

Recommendation

Approve adjustments to the Combined Transportation Funding Program project allocations as presented.

14. **Katella Avenue and Imperial Highway (State Route 90) Smart Streets – Project Funding Transfers**

Roger M. Lopez/Kia Mortazavi

Overview

The Orange County Transportation Authority has received requests from the cities of Anaheim and La Habra for additional funding for the Smart Street Program projects. Both cities are proposing to cancel all or portions of the existing Master Plan of Arterial Highways allocations to fund the shortfalls in the Smart Street Program projects. These requests require modifications in the adopted policy for administration of the Combined Funding Transportation Program.

Recommendations

- A. Approve the City of Anaheim's request to transfer up to an additional \$8,000,000 from its Brookhurst Street Master Plan of Arterial Highways widening project to a new Master Plan of Arterial Highways allocation created for the Katella Avenue Smart Street projects.
- B. Authorize staff to transfer all savings from other Anaheim Smart Street project phases to the right-of-way and construction phases of the Katella Avenue Smart Street projects.
- C. Approve the City of La Habra's request to transfer an additional \$3,618,362 from its Lambert Road Master Plan of Arterial Highways widening project to a new Master Plan of Arterial Highways allocation created for the Imperial Highway (State Route 90) Smart Street Project.



BOARD AGENDA

ACTIONS

14. (Continued)

- D. Approve a change to the Combined Funding Transportation Program guidelines for smart street projects only to allow use of up to 100 percent of the savings from one phase of an agency's smart street project to fund any other of the same agency's smart street project phases that is or has encountered cost overruns.
- E. Approve a change to the Combined Funding Transportation Program guidelines for smart street projects only to allow an agency to cancel a current Master Plan of Arterial Highways allocation, in whole or in part, and transfer that allocation to a Smart Street Program project that is or has encountered cost overruns.

15. **Selection of Consultant for Orange County Metrolink Stations Parking Management Study**

Michael A. Litschi/Darrell Johnson

Overview

Consultant services are required to conduct a parking management study for Orange County Metrolink stations. The study will identify and evaluate a range of strategies to best utilize existing and future parking capacity at the 11 Metrolink stations in Orange County. Proposals were solicited in accordance with the Orange County Transportation Authority's procurement procedures for retention of consultants for professional and technical services.

Recommendation

Authorize the Chief Executive Officer to execute Agreement No. C-9-0267 between the Orange County Transportation Authority and IBI Group for a nine-month contract, in an amount not to exceed \$281,490, to conduct an Orange County Metrolink stations parking management study on 11 Metrolink stations in Orange County.



BOARD AGENDA

ACTIONS

16. Selection of Consultants for On-Call Commuter Rail Planning Support Services

Megan Taylor/Darrell Johnson

Overview

Consultant services are required to provide on-call planning support to the Orange County Transportation Authority staff on a range of commuter rail planning efforts for the Rail Programs Division. Proposals were solicited for on-call planning support services in accordance with the Orange County Transportation Authority's procurement procedures for selection of consultants for professional and technical services.

Recommendation

Authorize the Chief Executive Officer to execute agreements between the Orange County Transportation Authority and Booz Allen Hamilton (Agreement No. 9-0356), PB Americas, Inc. (Agreement No. 9-0581), STV Incorporated (Agreement 9-0582), and Wilbur Smith Associates (Agreement 9-0583), in an aggregate amount not to exceed \$900,000, for a three-year contract term plus one two-year option to provide on-call services for commuter rail planning support.

17. Maintenance Services for the Orange County Transportation Authority's Operating Railroad Right-of-Way

Dinah Minteer/Darrell Johnson

Overview

The Orange County Transportation Authority owns approximately 46 miles of operating railroad right-of-way and contracts for the maintenance services of this property. The current maintenance contract expires December 31, 2009. Staff recommends the transfer of responsibility of the maintenance services for railroad right-of-way to the Southern California Regional Rail Authority, effective January 1, 2010.



BOARD AGENDA

ACTIONS

17. (Continued)

Committee Recommendation

Direct staff to continue to provide right-of-way maintenance services for the operating railroad rights-of-way rather than transfer to Southern California Regional Rail Authority.

18. **Renewed Measure M Progress Report**

Andrea West/Andrew Oftelie

Overview

Staff has prepared a Renewed Measure M progress report for April 2009 through June 2009 for review by the Orange County Transportation Authority Board of Directors. Despite worsening economic conditions, implementation of the Early Action Plan of Renewed Measure M continues at a fast pace. The report highlights progress on Renewed Measure M projects and programs and is made available to the public via the Orange County Transportation Authority website.

Recommendation

Receive and file as an information item.

Orange County Transit District Consent Calendar Matters

19. **Review of Vanpool Program**

Kathleen M. O'Connell

Overview

The Internal Audit Department has completed a review of the Orange County Transportation Authority's Vanpool Program. Internal Audit provided four recommendations to improve contract management and strengthen internal controls. Management implemented one recommendation during the review and indicated the remaining three recommendations will be implemented or otherwise satisfactorily addressed.



BOARD AGENDA

ACTIONS

19. (Continued)

Recommendation

Direct staff to implement recommendations made in the Review of Vanpool Program, Internal Audit Report No. 08-023.

Regular Calendar

Orange County Transportation Authority Regular Calendar Matters

20. Candidate Project for Transportation Investment Generating Economic Recovery Funding

Barry Engelberg/Kia Mortazavi

Overview

President Obama signed the American Recovery and Reinvestment Act into law in February 2009. The Transportation Investment Generating Economic Recovery portion of the act authorizes \$1.5 billion for a discretionary grant program. The submittal deadline is September 17, 2009; however, the State of California has set an earlier deadline of July 27, 2009, for the creation of a statewide list of projects. The proposed project submittal is provided for Board of Directors' review and approval.

Recommendations

- A. Review and approve a substitute project nomination for Transportation Investment Generating Economic Recovery funding.
- B. Direct the Chief Executive Officer to include the substitute project as part of a statewide list for Transportation Investment Generating Economic Recovery funding.



BOARD AGENDA

ACTIONS

21. **Garden Grove Freeway (State Route 22) Continuous Access High-Occupancy Vehicle Lane Follow-up Survey**
Fernando Chavarria/Ellen S. Burton

Overview

As part of the Garden Grove Freeway (State Route 22) Improvement Project, the Orange County Transportation Authority, in cooperation with the California Department of Transportation and Federal Highway Administration, fully opened the Garden Grove Freeway (State Route 22) Continuous Access High-Occupancy Vehicle Lane Project in March 2007. Following the completion of a baseline survey in July 2007 and the complete implementation of the Garden Grove Freeway (State Route 22) traffic detection system in November 2007, a follow-up commuter awareness and attitude survey was conducted between November 2008 and January 2009. This report provides the findings of the follow-up survey.

Recommendation

Receive and file as an information item.

Discussion Items

22. **High-Occupancy Vehicle Lane Continuous Access Update**
James Pinheiro, Caltrans District 12
23. **Public Comments**

At this time, members of the public may address the Board of Directors regarding any items within the subject matter jurisdiction of the Board of Directors, but no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three (3) minutes per speaker, unless different time limits are set by the Chairman subject to the approval of the Board of Directors.



BOARD AGENDA

ACTIONS

24. **Interim Chief Executive Officer's Report**

25. **Directors' Reports**

26. **Closed Session**

Pursuant to Government Code Section 54956.9 (b) (1)

27. **Adjournment**

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, August 10, 2009**, at the OCTA Headquarters.



ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

James Da Vanzo

WHEREAS, the Orange County Transportation Authority recognizes and commends James Da Vanzo; and

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

WHEREAS, James Da Vanzo has demonstrated that safety is paramount by achieving 30 years of safe driving; and

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

WHEREAS, James Da Vanzo has proven that "Putting Customers First" is the only way to conduct yourself as a professional coach operator at OCTA and his attention to detail and concern for his customers have helped OCTA ridership grow.

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare James Da Vanzo as the Orange County Transportation Authority Coach Operator of the Month for July 2009; and

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

Dated: July 27, 2009

Peter Buffa, Chairman
Orange County Transportation Authority

James S. Kenan, Interim CEO
Orange County Transportation Authority





ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

HIEU TRAN

WHEREAS, the Orange County Transportation Authority recognizes and commends Hieu Tran; and

WHEREAS, be it known that Hieu Tran is a valued member of the Maintenance Department. Hieu takes every opportunity to improve himself and become one of the most exceptional bus servicers. His skills and superb "can do attitude" in performing all facets of vehicle maintenance have earned him the respect of all who work with him.

WHEREAS, Hieu has consistently demonstrated a high level of achievement in providing our customers safe, clean, and ready vehicles at the Anaheim Base. His commitment to teamwork, standards of excellence and organizational pride make him a strong asset to the base.

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

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

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

Dated: July 27, 2009

Peter Buffa, Chairman
Orange County Transportation Authority

James S. Kenan, Interim CEO
Orange County Transportation Authority

OCTA Resolution No. 2009-045





ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

LUIS PEREZ

WHEREAS, the Orange County Transportation Authority recognizes and commends Luis Perez; and

WHEREAS, Luis Perez joined the Authority in 1993, working as a REACH Intern in the Reprographics Department. Luis was hired as a full time employee in 1996. Luis has an outstanding record for his customer service and attendance; and

WHEREAS, be it known that Luis has performed his duties as a Reprographics Specialist in an outstanding manner, demonstrating the highest level of integrity and professionalism in all interactions with management and staff; and

WHEREAS, Luis consistently demonstrates the highest level of accomplishment in producing the Board Agenda's, Authority Budget Books, Personnel & Salary Resolution and special projects. Luis' skills are well known and he is in demand for designing covers for many of the Authority's books; the Comprehensive Financial Annual Report (CAFR), Budget Books, tabs and many special projects. Luis has been instrumental in training his co-workers on the usage of the high-speed Xerox copier; and

WHEREAS, Luis' sense of teamwork, his can-do spirit and daily dedication epitomize the goals of the Orange County Transportation Authority.

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Luis Perez as the Orange County Transportation Authority Administrative Employee of the Month for July 2009; and

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

Dated: July 27, 2009

Peter Buffa, Chairman
Orange County Transportation Authority

James S. Kenan, Interim CEO
Orange County Transportation Authority



Minutes of the Meeting of the
Orange County Transportation Authority
Orange County Service Authority for Freeway Emergencies
Orange County Local Transportation Authority
Orange County Transit District
Board of Directors
July 13, 2009

Call to Order

The July 13, 2009, regular meeting of the Orange County Transportation Authority and affiliated agencies was called to order by Chairman Buffa at 9:00 a.m. at the Orange County Transportation Authority Headquarters, Orange, California.

Roll Call

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

Also Present: Paddy Gough, Acting Interim Chief Executive Officer
Wendy Knowles, Clerk of the Board
Laurena Weinert, Assistant Clerk of the Board
Kennard R. Smart, Jr., General Counsel
Members of the Press and the General Public

Directors Absent: Cathy Green
Allan Mansoor
Miguel Pulido

Invocation

Director Dalton gave the invocation.

Pledge of Allegiance

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

Public Comments on Agenda Items

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

Special Matters

There were no Special Matters items.

Consent Calendar (Items 1 through 16)

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

Orange County Transportation Authority Consent Calendar Matters

1. Approval of Minutes

A motion was made by Vice Chairman Amante, seconded by Director Brown, and declared passed by those present, to approve the minutes of the Orange County Transportation Authority and affiliated agencies' regular meeting of June 22, 2009.

Directors Campbell and Norby were not present to vote on this item.

2. Draft Code of Conduct

A motion was made by Vice Chairman Amante, seconded by Director Brown, and declared passed by those present, to approve the Draft Code of Conduct.

Directors Campbell and Norby were not present to vote on this item.

3. Cooperative Agreements with the Orange County Council of Governments for Administrative Services and SB 375 Planning Requirements

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

- A. Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-9-0496 with the Orange County Council of Governments for the Orange County Transportation Authority, which will receive as revenue \$141,000, to provide staff to administer the functions and activities of the Orange County Council of Governments. This Agreement shall commence upon execution by both parties and approval by both parties of a separate agreement regarding SB 375 planning requirements and shall continue in full force and effect through June 30, 2013, unless terminated earlier by any party.
- B. Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-9-0497 with the Orange County Council of Governments to establish roles, responsibilities, and financial commitments, including the use of a federal grant in the amount of \$834,007, for the preparation of a sustainable communities strategy and, if necessary, an alternative planning strategy for the subregional area of Orange County in compliance with SB 375 planning requirements.

Directors Campbell and Norby were not present to vote on this item.

4. Amendment to Agreement for Medical Clinic Services

A motion was made by Vice Chairman Amante, seconded by Director Brown, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No.1 to exercise the first option term for Agreement C-6-0339 between the Orange County Transportation Authority and Pacific Medical Clinic, adding \$73,000 for a total contract obligation of \$291,500 for the period of August 1, 2009, through July 31, 2010.

Directors Campbell and Norby were not present to vote on this item.

5. Amendment to the Master Plan of Arterial Highways

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

- A. Approve amendment to the Master Plan of Arterial Highways to add Bastanchury Road, from Fairmont Boulevard to Village Center Drive, as a primary (four-lane, divided) arterial.

5. (Continued)

- B. Approve amendment to the Master Plan of Arterial Highways to reclassify Village Center Drive, from Bastanchury Road to Fairmont Boulevard, from a secondary (four-lane, undivided) arterial to a collector (two-lane, undivided) arterial, subject to approval by the City of Yorba Linda of a general plan amendment reflecting this change.

Directors Campbell and Norby were not present to vote on this item.

6. Proposed Overall Annual Race-Neutral Disadvantaged Business Enterprise Goal for Federal Fiscal Year 2009-10

Director Nguyen pulled this item, noted the recommendation for 8 percent, and inquired what the percentage was last year.

Virginia Abadessa, Director of Contracts Administration and Materials Management, responded that last year was at 4 percent, and that goal was accomplished.

A motion was made by Director Nguyen, seconded by Director Brown, and declared passed by those present, to adopt the proposed federal fiscal year 2009-10 Overall Annual Race-Neutral Disadvantaged Business Enterprise participation goal of 8 percent for contracts assisted by the Federal Transit Administration, in accordance with 49 CFR Part 26.

Directors Campbell and Norby were not present to vote on this item.

7. Investor Relations Meetings in New York

A motion was made by Vice Chairman Amante, seconded by Director Brown, and declared passed by those present, to receive and file as an information item.

Directors Campbell and Norby were not present to vote on this item.

Orange County Local Transportation Authority Consent Calendar Matters

8. Consultant Selection for Preparation of Plans, Specifications, and Estimate for Lane Addition on the Westbound Riverside Freeway (State Route 91)

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

- A. Approve the selection of RBF Consulting as the top-ranked firm to prepare the plans, specifications, and estimate for a westbound lane addition on the Riverside Freeway (State Route 91) between the Santa Ana Freeway (Interstate 5) and Orange Freeway (State Route 57).

8. (Continued)

- B. Authorize the Chief Executive Officer to request a cost proposal from RBF Consulting and negotiate an agreement for services.
- C. Authorize the Chief Executive Officer to execute final Agreement No. C-9-0244, in an amount not to exceed \$4,000,000.

Chairman Buffa and Directors Bates and Nguyen abstained from voting on this item.

Directors Campbell and Norby were not present to vote on this item.

9. Amendments to Agreements for Preliminary Engineering, Final Design, and Construction Support Services for the Railroad Grade Separation Projects

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

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-8-0922 with HNTB Corporation, in an amount not to exceed \$1,000,000, for the completion of preliminary engineering, and upon completion of the environmental document, execute Amendment No. 3, in an amount not to exceed \$3,392,000, for completion of final design and construction support services for the Kraemer Boulevard railroad grade separation project, bringing the total contract value to a not-to-exceed amount of \$4,744,830.
- B. Authorize the Chief Executive Officer to negotiate, and upon completion of the environmental document, execute Amendment No. 2 to Agreement No. C-8-0987 with DMJM Harris/AECOM, in an amount not to exceed \$5,791,000, for the completion of final design and construction support services for the Orangethorpe Avenue railroad grade separation project, bringing the total contract value to a not-to-exceed amount of \$6,195,953.
- C. Authorize the Chief Executive Officer to negotiate, and upon completion of the environmental document, execute Amendment No. 2 to Agreement No. C-8-0988 with Biggs Cardosa Associates, Inc., in an amount not to exceed \$3,991,000, for the completion of final design and construction support services for the Tustin Avenue/Rose Drive railroad grade separation project, bringing the total contract value to a not-to-exceed amount of \$4,402,537.

9. (Continued)

- D. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-8-0962 with CH2M HILL, in an amount not to exceed \$670,000, for the completion of preliminary engineering, and upon completion of the environmental document, execute Amendment No. 3, in an amount not to exceed \$2,524,000, for the completion of final design and construction support services for the Lakeview Avenue railroad grade separation project, bringing the total contract value to a not-to-exceed amount of \$3,543,593.
- E. Amend the Orange County Transportation Authority's Fiscal Year 2009-10 Budget by \$3,000,000.

Directors Campbell and Norby were not present to vote on this item.

10. Candidate Projects for Transportation Investment Generating Economic Recovery Funding

Director Bates pulled this item and stated that she spoke with the Mayor of San Juan Capistrano and the City Council did not approve the Memorandum of Understanding (MOU) at their last meeting due to their concern regarding the boundary of the double-tracking; they oppose double-tracking coming southerly into the residential areas of the City and there is no clarity with regard to the current boundary, based on recent discussions.

Director Bates stated that she would like it stipulated that this item does not move forward without the approval of the Council and the boundaries issue be resolved in order that residential areas are not impacted.

With that stipulation, a motion was made by Director Bates, seconded by Director Dixon, and declared passed by those present, to:

- A. Review and approve proposed projects for Transportation Investment Generating Economic Recovery funding.
- B. Direct the Chief Executive Officer to include projects as part of a statewide list for Transportation Investment Generating Economic Recovery funding.
- C. If an Orange County Transportation Authority project is not selected as part of a statewide list for Transportation Investment Generating Economic Recovery funding, direct the Chief Executive Officer to make an application to the United States Secretary of Transportation for such funding.

10. (Continued)

- D. If neither of the projects are selected for the statewide list, staff will contemplate how another project may be substituted.

Directors Campbell and Pringle were not present to vote on this item.

Director Cavecche requested staff identify a second project in place of this one to contemplate for TIGER funds, should the double-tracking project in South County not be the project of choice.

11. Cooperative Agreement with the City of Laguna Beach for Go Local Step Two Bus/Shuttle Service Planning

A motion was made by Vice Chairman Amante, seconded by Director Brown, and declared passed by those present, to authorize the Chief Executive Officer to execute Cooperative Agreement No. C-9-0551 between the Orange County Transportation Authority and the City of Laguna Beach to define each party's roles and responsibilities for service planning of the bus/shuttle proposal entitled "Laguna Beach Summer Arts Festival Shuttle."

Directors Campbell and Norby were not present to vote on this item.

12. Cooperative Agreement with the City of Orange and the Orange Redevelopment Agency for Parking Capacity Expansion at the Orange Transportation Center

A motion was made by Vice Chairman Amante, seconded by Director Brown, and declared passed by those present, to authorize the Chief Executive Officer to execute Cooperative Agreement No. C-9-0243 between the Orange County Transportation Authority, the City of Orange, and the Orange Redevelopment Agency, in an amount not to exceed \$200,000, to define roles, responsibilities, and funding for site feasibility studies at the Orange Transportation Center.

Directors Campbell and Norby were not present to vote on this item.

Orange County Transit District Consent Calendar Matters

13. Buy America Review

A motion was made by Vice Chairman Amante, seconded by Director Brown, and declared passed by those present, to receive and file EIDorado National, Inc. Post-Delivery Buy America Review, Internal Audit Report No. 09-035.

Directors Campbell and Norby were not present to vote on this item.

14. Agreement for Janitorial Services

A motion was made by Vice Chairman Amante, seconded by Director Brown, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-9-0259 between the Orange County Transportation Authority and Diamond Contract Services, Inc., in an amount of \$4,097,939, for janitorial services at Orange County Transportation Authority-owned facilities for a three-year period with a two-year option.

Director Cavecche voted in opposition to this motion.

Directors Campbell and Pringle were not present to vote on this item.

15. Agreement for Installation of Worker's Fall Protection System at the Anaheim, Garden Grove, and Santa Ana Bus Bases

A motion was made by Vice Chairman Amante, seconded by Director Brown, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement No. C-9-0397 between the Orange County Transportation Authority and L.H. Engineering Company, Inc., the lowest responsive, responsible bidder, in an amount not to exceed \$670,000, for the installation of a worker's fall protection system at the Anaheim, Garden Grove, and Santa Ana bus bases.

Directors Campbell and Norby were not present to vote on this item.

16. Agreement for Replacement of Bus Vehicle Lifts at the Anaheim, Garden Grove, and Irvine Sand Canyon Bus Bases

A motion was made by Vice Chairman Amante, seconded by Director Brown, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement No. C-9-0212 between the Orange County Transportation Authority and Dalke & Sons Construction, Inc., the lowest responsive, responsible bidder, in an amount not to exceed \$699,800, for the replacement of bus vehicle lifts in the steam clean areas at the Anaheim, Garden Grove, and Irvine Sand Canyon bus bases.

Directors Campbell and Norby were not present to vote on this item.

Regular Calendar

Orange County Transit District Regular Calendar Matters

17. Bus Service Reduction Update

Acting Interim Chief Executive Officer (CEO), Paddy Gough, provided background and opening comments on the proposed bus service reductions and introduced Erin Rogers, Assistant General Manager of Transit, who provided this update.

Ms. Erin explained the proposed reductions and associated timelines, as well as explaining the cost savings realized from the reductions, as well as staffing reductions.

Public comments were heard from:

Jane Reifer, resident of Fullerton, thanked the Board for retaining Night Owl service and requested that decision be reviewed concerning retaining it permanently. She further requested that a public workshop be scheduled.

Roy Shahbazian, resident of Orange, encouraged the Board to consider long-term structural changes that can be made to insure funding of operations for transit programs. He also asked that staff contemplate if any Measure M2 and Transportation Development Fund monies could be re-allocated for transit services.

Sandy Stiassni, resident of Irvine, commented that he hopes the good quality of life in Orange County can be preserved as it relates to public transportation. He also indicated he had some confusion in trying to understand the budget presented for this fiscal year concerning funding sources and uses.

A motion was made by Director Winterbottom, seconded by Vice Chairman Amante, and declared passed by those present, to direct staff to prepare recommendations for the remainder of the necessary bus service reductions with the March 2010 Service Change Program and include the revised Attachment D (Proposed Bus Service Reduction Program June 2009 – March 2010).

Discussion Items

18. Address Congestion on the Garden Grove Freeway (State Route 22) Collector Distributor Road

James Pinheiro, Caltrans District 12, presented this item in response to the Board's request to District 12 to study the congestion on the eastbound State Route (SR) 22 Freeway from the beginning of the collector distributor road to the Orange Crush Interchange.

Mr. Pinheiro explained the challenges of this area, details and comparisons of potential study alternatives, and explained the level of service as compared from 2007 to projections for 2035.

A lengthy discussion followed, resulting in the following Board Member requests:

- √ Director Cavecche requested information on traffic delay times and demand numbers for the SR-22 since improvements were done.
- √ Director Nguyen requested a review of the number of incidents, accidents, etc., on SR-22 to compare pre-construction numbers to current trends.
- √ Director Pringle requested a review of the SR-22 from Magnolia Avenue to the "horseshoe" to assess the value of improvements added concerning traffic flow.
- √ Director Campbell requested modeling be done to assess 1) removing the collector distributor barrier on SR-22; and 2) moving the north barrier one lane over, which would add two lanes.
- √ Director Cavecche requested information on costs, including right-of-way acquisitions, to improve all intersections in the cities of Santa Ana and Orange to handle the demand from the SR-22, should on- and off-ramps be changed and traffic go onto cities' streets instead of freeway.
- √ Director Pringle requested a cost analysis for adding a direct connector from the eastbound SR-22 to the northbound Interstate 5 be evaluated as another alternative.

19. Public Comments

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

Jane Reifer, resident of Fullerton, expressed her appreciation to OCTA's Federal legislative lobbyists for their work to retain OCTA's alternative fuels credits, and stated that she hopes staff is working to try to prevent raids on the gas tax funds.

Sue Zuhlke, Director of Motorist Services and Special Projects, responded to Ms. Reifer's questions on funds that go into the Public Transportation Account and the formulas for funding sources.

20. Interim Chief Executive Officer's Report

Acting Interim CEO, Paddy Gough, reported on:

- √ Upcoming meetings and events.
- √ The Orange County monument sign at the Orange County/Los Angeles County line will be unveiled on July 16 on the Interstate 5.
- √ The recent passing of Joe Tiernan, valued OCTA employee; services were held this morning (July 13).

21. Directors' Reports

Director Moorlach thanked Jim Kenan and staff for the memorandum addressing wait time announcements with the Customer Information Center.

Director Winterbottom referred to Page 3 for Item 18 and stated there is the potential of a connector and made the commitment to see that being completed.

Director Pringle stated that he had asked Caltrans to further explore where the issue stands in terms of making the high-occupancy lanes continuous access on the State Route 55. He requested that the Chairman pursue getting the cost and timeline information from Caltrans and subsequently allow the Board to hold a discussion on next steps.

Director Campbell referred to Item 14 and stated that he was absent when this item was heard, but would have liked to question why a firm was selected which cost more. He also noted that four of the five contractors offer health insurance to their employees, and credited former OCTA Board Member/current Senator Lou Correa for his work in that area.

Director Dixon requested the Executive Committee contemplate setting up a liaison committee with elected officials from OCCOG and OCTA to coordinate efforts regarding SB 375.

21. (Continued)

Director Dixon also informed Members that the City of Lake Forest met with OCTA and as a result, the City will now be taking care of trash clean-up at its bus stops.

Director Cavecche commented that money is being taken from the schools and the monies are being transferred to other “transit needs.” She stated that not only is OCTA following that as an agency, but the state transit associations are also following the situation.

Sue Zuhlke, Director of Motorist Services and Special Projects, confirmed that staff has been monitoring the issue. She stated that in order for states to get the transit funds for home-to-school transportation, they must file for those funds with the state, and can only receive those funds for home-to-school transportation. If Orange County’s schools choose not to provide that service, the funds go to other counties in the state, which are providing home-to-school transportation. This is also subject to a lawsuit in the courts at this time.

Director Norby commended Director Dixon for voting in Lake Forest to continue advertising at bus stops, though the Council voted to ban it.

Director Moorlach stated that Caltrans has made improvements to on-ramps in the City of Costa Mesa to the Interstate 405 north and south; however, it has changed the driving behaviors on Harbor Boulevard and suggested Caltrans perform a study for effectiveness of the on-ramp changes.

Vice Chairman Amante thanked staff for their effort with the recent Sacramento trip and appreciated the meetings, which were scheduled. He further stated the “color of money” is a challenge, and Board Members made sure the Legislators understand that more is being asked to be accomplished with less funding.

Vice Chairman Amante also stated that he feels there will be an extension to the State Route 57 Freeway in the future, though likely not soon. He stated he has engineering reports on this issue and will forward them to the appropriate engineers to continue to study.

Director Brown stated that the Southern California Association of Governments is offering a one-time 10 percent dues waiver to all regional member agencies.

Chairman Buffa commented on a recent issue with a statue in Orange of the “Incredible Hulk” and appreciated Director Cavecche’s efforts in preserving the statue.

Chairman Buffa provided a hand-out on a recent article on “Infrastructure”, which is concerned with high-speed rail.

22. Closed Session

A Closed Session was held pursuant to Government Code Section 54956.9(a) to discuss Ronald Cunningham vs. Orange County Transportation Authority, et al.; OCSC No. 30-2008-00107941.

There was no report out of this Closed Session.

23. Adjournment

The meeting adjourned at 11:10 a.m. in memory of Joe Tiernan, Senior Section Manager in OCTA's Information Systems Department, who passed away last week after losing his battle with cancer. Joe is survived by his wife, Lisa, and sons, Matthew and Michael.

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, July 27, 2009**, at the OCTA Headquarters.

ATTEST

Wendy Knowles
Clerk of the Board

Peter Buffa
OCTA Chairman



MEMO

July 22, 2009

To: Members of the Board of Directors

From: *Wendy Knowles* Wendy Knowles, Clerk of the Board

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

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

Thank you.



July 22, 2009

To: Finance and Administration Committee

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

Subject: Amendment to Agreements for Price Review Audit Services

Overview

The Internal Audit Department of the Orange County Transportation Authority relies on the services of external audit firms to perform price reviews of architectural and engineering cost proposals. On May 23, 2008, the Board of Directors granted approval to execute on-call agreements with four external audit firms for a one-year period, in an amount not to exceed \$120,000, with two one-year option periods. An amendment is requested to exercise the first option term of the agreements.

Recommendation

Authorize the Chief Executive Officer to execute the first of two option terms for price review services through amendments to the following agreements: Agreement No. C-8-0309 with Thompson, Cobb, Bazilio & Associates, PC; Agreement No. C-8-0935 with Mayer Hoffman McCann, PC; Agreement No. C-8-0936 with KNL Support Services; and Agreement No. C-8-0937 with Mendoza Berger & Company, LLP in an aggregate amount not to exceed a total of \$80,000 for fiscal year 2009-10, bringing the total of each contract to \$200,000.

Discussion

The Internal Audit Department (Internal Audit) of the Orange County Transportation Authority (Authority) augments its staff with the services of on-call firms so as to perform price reviews of architectural and engineering cost proposals in an expeditious manner. Agreements have been executed with pre-qualified audit firms.

In compliance with the Authority's policy for procurements that may exceed \$250,000, Internal Audit is requesting Board of Directors' (Board) approval to exercise the first option year of the agreements.

Procurement Approach

This procurement was originally handled in accordance with the Authority's procedures for professional services and was awarded on a competitive basis. On May 23, 2008, the Board approved on-call agreements with four external audit firms, in an amount not to exceed \$120,000, for a one-year initial term with two one-year option terms. Option year pricing was negotiated in the original agreement based on hourly rates of staff providing price review audit services as needed. All four on-call firms have provided excellent service for the initial term. Amending the contracts will allow the four audit firms to continue providing on-call services to supplement the Authority's Internal Audit Department in conducting price reviews.

Fiscal Impact

These services were approved in the Authority's fiscal year 2009-10 budget, Internal Audit Department accounts 1610-7512-A1211-KGK and 0010-7512-A1211-KGK, and are funded through general and local transportation funds.

Summary

In an effort to provide timely price reviews of architectural and engineering proposals, staff recommends approval of amendments to Agreement No. C-8-0309 with Thompson, Cobb, Bazilio & Associates, PC; Agreement No. C-8-0935 with Mayer Hoffman McCann, PC; Agreement No. C-8-0936 with KNL Support Services; and Agreement No. C-8-0937 with Mendoza Berger & Company, LLP in amounts not to exceed a total of \$80,000 for fiscal year 2009-10.

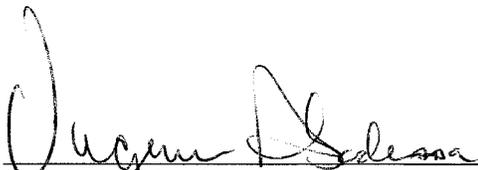
Attachments

- A. Thompson, Cobb, Bazilio & Associates, P.C. Agreement No. C-8-0309 Fact Sheet
- B. Mayer Hoffman McCann P.C. Agreement No. C-8-0935 Fact Sheet
- C. KNL Support Services Agreement No. C-8-0936 Fact Sheet
- D. Mendoza Berger & Company, LLP Agreement No. C-8-0937 Fact Sheet

Prepared by:



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



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

**Thompson, Cobb, Bazilio & Associates, P.C.
Agreement No. C-8-0309 Fact Sheet**

1. May 23, 2008, Agreement No. C-8-0309, in an amount not to exceed \$120,000, with two one-year option terms, approved by Board of Directors.
 - Thompson, Cobb, Bazilio & Associates, P.C. provides on-call price review audit services for Authority's Internal Audit Department.
 - Initial term is effective July 1, 2008 through June 30, 2009.
2. July 13, 2009, Amendment No. 1 to Agreement No. C-8-0309, \$80,000, pending approval by Board of Directors.
 - Amendment to exercise the first option term and extend the agreement through June 30, 2010.

Total committed to Thompson, Cobb, Bazilio & Associates, P.C., Agreement No. C-8-0309: \$200,000.

**Mayer Hoffman McCann P.C.
Agreement No. C-8-0935 Fact Sheet**

1. May 23, 2008, Agreement No. C-8-0935, in an amount not to exceed \$120,000, with two one-year option terms, approved by Board of Directors.
 - Mayer Hoffman McCann P.C. provides on-call price review audit services for Authority's Internal Audit Department.
 - Initial term is effective July 1, 2008 through June 30, 2009.
2. July 13, 2009, Amendment No. 1 to Agreement No. C-8-0935, \$80,000, pending approval by Board of Directors.
 - Amendment to exercise the first option term and extend the agreement through June 30, 2010.

Total committed to Mayer Hoffman McCann P.C., Agreement No. C-8-0935: \$200,000.

**KNL Support Services
Agreement No. C-8-0936 Fact Sheet**

1. May 23, 2008, Agreement No. C-8-0936, in an amount not to exceed \$120,000, with two one-year option terms, approved by Board of Directors.
 - KNL Support Services provides on-call price review audit services for Authority's Internal Audit Department.
 - Initial term is effective July 1, 2008 through June 30, 2009.
2. July 13, 2009, Amendment No. 1 to Agreement No. C-8-0936, \$80,000, pending approval by Board of Directors.
 - Amendment to exercise the first option term and extend the agreement through June 30, 2010.

Total committed to KNL Support Services, Agreement No. C-8-0936: \$200,000.

**Mendoza Berger & Company, LLP
Agreement No. C-8-0937 Fact Sheet**

1. May 23, 2008, Agreement No. C-8-0937, in an amount not to exceed \$120,000, with two one-year option terms, approved by Board of Directors.
 - Mendoza Berger & Company, LLP provides on-call price review audit services for Authority's Internal Audit Department.
 - Initial term is effective July 1, 2008 through June 30, 2009.
2. July 13, 2009, Amendment No. 1 to Agreement No. C-8-0937, \$80,000, pending approval by Board of Directors.
 - Amendment to exercise the first option term and extend the agreement through June 30, 2010.

Total committed to Mendoza Berger & Company, LLP, Agreement No. C-8-0937: \$200,000.



MEMO

July 22, 2009

To: Members of the Board of Directors

From: *Wendy Knowles*
Wendy Knowles, Clerk of the Board

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

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

Thank you.



July 22, 2009

To: Finance and Administration Committee

From: James S. Kenan, Interim Chief Executive Officer 

Subject: Grants Management and Accounting Review

Overview

The Internal Audit Department has completed a review of grants management and accounting. The review found that the Orange County Transportation Authority has adequate policies, procedures, and controls over grants management and accounting. The review identified no material violations of grant agreements or instances in which grant funds were jeopardized. However, three recommendations have been proposed to internal grants management procedures to ensure consistent accuracy in the administration of grants.

Recommendation

Direct staff to implement recommendations in the Grants Management and Accounting Review, Internal Audit Report No. 08-018.

Background

The Orange County Transportation Authority (OCTA) receives grants from a number of sources including the Federal Transit Administration (FTA), the State of California, and the South Coast Air Quality Management District.

The OCTA Grants Funding Specialist, reporting to the Manager of Federal Relations, identifies funding opportunities and serves as the liaison to the funding agencies through the execution of the grant agreement. Once the grant application has been approved by the funding agency, the Financial Planning and Analysis (FP&A) Department manages, administers, and reports on grants. The grant administrators within FP&A prepare and file required reports for all grants and also prepare quarterly grant status reports for OCTA's Board of Directors. The Accounting and Financial Reporting Department handles grant accounting for FTA grants.

Discussion

The fiscal year 2007-08 Internal Audit Department plan included a review of grants management and accounting. The objective of the review was to assess the adequacy of policies, procedures, and controls over grants and determine compliance with grant requirements. The review identified no material violations of grant agreements or instances in which grant funds were jeopardized. However, three recommendations were proposed to internal grants management procedures to ensure consistent accuracy in the administration of grants.

Based on the review, Internal Audit found that FP&A's internal monitoring log, which tracks required reporting and report submissions for non-FTA grants, had not been updated for the submission of the most recent reports for several grants. Internal Audit recommended that the log be updated on a timely basis. Management indicated that it will have the log updated in a timely manner.

For a non-FTA grant selected for review, Internal Audit identified a few discrepancies in the documentation supporting the grant expenditures retained in the grant file. Internal Audit recommended that the grant administrator reconcile and resolve discrepancies in supporting documentation prior to submittal of non-FTA reimbursement requests to the funding agency. Management indicated that it will implement the recommendation.

Finally, Internal Audit found that the Draft OCTA Grant Desktop Procedures and Policies Manual (Manual) requires updating in certain sections. Internal Audit recommended that the Manual be reviewed, revised, and finalized. Management indicated that it will review the Manual and ensure that it is revised and finalized as deemed appropriate.

Summary

Based on the review, Internal Audit offered three recommendations. Management concurred with the recommendations.

Attachment

- A. Grants Management and Accounting Review, Internal Audit Report No. 08-018

Prepared by:

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



INTEROFFICE MEMO

July 7, 2009

To: Ken Phipps, Acting Executive Director
Finance and Administration

From: Serena Ng, Senior Internal Auditor SN
Internal Audit

Subject: **Grants Management and Accounting Review, Internal Audit
Report No. 08-018**

Attached hereto is the Grants Management and Accounting Review, Internal Audit Report No. 08-018. The management responses to the three recommendations made in the review have been incorporated into the attached final audit report. Internal Audit concurs with the responses.

Please note that we anticipate including this on the Finance and Administration Committee agenda in the future, but no earlier than July 22, 2009.

We appreciate the cooperation received during this review. Internal Audit will follow up on management's planned corrective action in six months. If you have any questions, please feel free to contact me at extension 5938.

Appendix: Grants Management and Accounting Review, Internal Audit
Report No. 08-018

c: Andrew Oftelie
Richard Bacigalupo
Tom Wulf
William Dineen, Jr.
Richard Teano
Pascal Saghbini
Kathleen O'Connell

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**



Grants Management and Accounting Review

INTERNAL AUDIT REPORT NO. 08-018

July 6, 2009



Internal Audit Team: Kathleen M. O'Connell, CPA, Executive Director
Serena Ng, CPA, Senior Internal Auditor

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Grants Management and Accounting Review
July 6, 2009**

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**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Grants Management and Accounting Review
July 6, 2009**

Conclusion

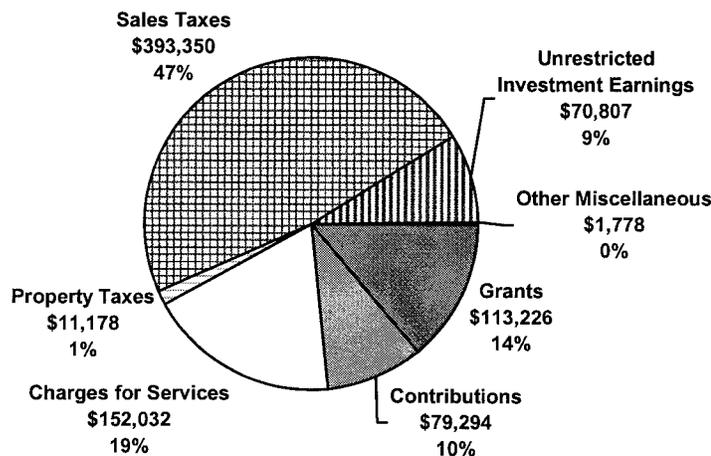
The Internal Audit Department (Internal Audit) has completed a review of grants management and accounting. The objective of the review was to ensure that controls over grants administration were in place and operating effectively to ensure compliance with grant requirements. Based on the procedures performed, Internal Audit found that Orange County Transportation Authority (OCTA) has adequate policies, procedures, and controls over grants management and accounting. However, Internal Audit has offered recommendations to strengthen these controls which protect OCTA grant funds.

Internal Audit found no material violations of grant agreements or instances in which grant funds were jeopardized. Internal Audit has proposed improvements, however, to OCTA's internal grants management procedures to ensure consistent accuracy in the administration of grants. Internal Audit recommended that the internal log used by management to monitor required non-Federal Transit Administration (FTA) grant reporting be kept current, that OCTA grants administrators ensure documentation supporting reimbursement requests is thoroughly reviewed for adequacy and accuracy, and that the grant desktop manual be updated to reflect current OCTA organizational structure and practice.

Background

OCTA receives grants from a number of sources including the FTA, the State of California, and the South Coast Air Quality Management District (AQMD). Grants made up approximately 14 percent of total revenues for fiscal year ended June 30, 2008.

Revenue for the fiscal year ended June 30, 2008 *
(in thousands)



**Grants and Contributions were determined using the Accounting & Financial Reporting Department's detail of the Operating and Capital Grants and Contributions in OCTA's audited Statement of Activities. All other amounts were derived directly from OCTA's audited Statement of Activities.*

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Grants Management and Accounting Review
July 6, 2009**

Grant funding, administration, and accounting are handled by a number of departments throughout OCTA.

Grant Funding

OCTA's Grants Funding Specialist, reporting to the Manager of Federal Relations, identifies funding opportunities through mailing lists of various funding agencies, Federal Register notifications, alerts on grant websites, and contacts at the funding agencies. He develops grant proposals and applications, works with funding agencies, and serves as the liaison to the funding agencies through the execution of the grant agreement. The Grants Funding Specialist prepares and maintains a grant funding status file saved on a shared drive that can be accessed by the Manager of Federal Relations.

Grant Administration

Once the grant application has been approved by the funding agency, the Financial Planning & Analysis (FP&A) Department manages, administers, and reports on grants. Within the FP&A Department, the FTA Grant Administrator administers all FTA grants while the non-FTA Grants Administrator administers all other grants (collectively, Grant Administrators). The Grants Funding Specialist continues to provide support and information as needed for grant administration.

The Grant Administrators prepare and file required reports for all grants received by OCTA. Each grant has different requirements and timelines. FTA requires that Financial Status Report updates and Milestone/Progress Reports be submitted quarterly via the Transportation Electronic Award and Management system.

The Grant Administrators, with the assistance of project managers and the Grants Funding Specialist, also prepare Quarterly Grant Status Reports for OCTA's Board of Directors (Board). These Quarterly Grant Status Reports summarize grant activities, including grant applications, grant agreement awards or executions, and grant close-outs. There are six attachments to the Quarterly Grant Status Report: Future Grant Applications; Pending Grant Applications; Current Formula and Discretionary Grants; Operating Assistance Only; Current Other Discretionary Grants; and FTA Capital Grant Index. In order to prepare the Quarterly Grant Status Report, the Grant Administrators update an electronic file of these attachments.

This electronic file also includes a Reporting Log that tracks the grant reporting requirements and OCTA's report submission to the funding agency for each non-FTA grant. The Reporting Log serves as a monitoring control over the timely submission of required grant reports.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Grants Management and Accounting Review
July 6, 2009**

Grant Accounting

A Grants Technician in the Accounting & Financial Reporting (Accounting) Department handles grant accounting for FTA grants in the Grant Management System, a Microsoft Access database. She prepares the FTA grant drawdown requests, which include a payment request form and an accounts receivable memo. She submits the FTA grant drawdown request package to Accounting Department management for review and then passes the payment request form to the Senior Accountant, who makes the payment request on FTA's drawdown system. The accounts receivable memo is given to the Accounts Receivable section of the Accounting Department (Accounts Receivable). The Integrated Financial and Administrative Solution (IFAS) system cash receipts report showing the incoming FTA wire is provided by Accounts Receivable to the Grants Technician, who reconciles the IFAS report to her records to ensure that the correct amounts were received and posted.

The responsibility for reimbursement requests for non-FTA grants is currently being transitioned from the non-FTA Grant Administrator to Accounting. When OCTA is ready to request reimbursements of grant expenditures, the process generally involves filling out the funding or administering agency's reimbursement request form and requesting an OCTA invoice from Accounts Receivable. The reimbursement request form, OCTA invoice, and supporting documentation for grant expenditures are sent to the funding or administering agency. The OCTA invoice is used to track and apply the receipts in the IFAS system.

Prior Audits and Reviews

Findings and recommendations related to OCTA grants were made in four prior audits or reviews. These recommendations were a factor in Internal Audit's decision to include a grants management and accounting review in the Fiscal Year 2008-09 annual Internal Audit Plan. During this review, Internal Audit found that recommendations made in the four prior audits or reviews have been implemented or otherwise addressed.

In the FTA Fiscal Year (FY) 2007 Triennial Review, findings were made on the insufficiency of information in the Milestone Progress Reports and the annual publishing of the Program of Projects. FTA acknowledged that OCTA completed corrective action for these findings.

The FY 2004 - FY 2006 Transportation Development Act (TDA) Performance Audit of OCTA included a finding that key information related to grants was not always shared and key tasks were not always coordinated between the FP&A and Accounting Departments. The audit also indicated that project managers do not always fully understand grant requirements. Management's responses addressed the recommendations. Management consolidated grant reimbursement responsibility within the Accounting Department and updated grant policies.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Grants Management and Accounting Review
July 6, 2009**

The State Transportation Improvement Program, Planning, Programming, and Monitoring Program Financial and Compliance Review (STIP-PPM Review) for FY 2003-04 had one finding that a contractor invoiced on a percentage completion basis instead of the time and material basis required by the contract. There were two findings in the STIP-PPM Review for FY 2004-05. The first finding related to ineligible costs charged to the program, although full reimbursement could still be sought since the remaining eligible incurred cost exceeded the agreement amount. The second finding was that the Final Report of Expenditures had not been submitted to State of California Department of Transportation by the agreement deadline. It was noted that OCTA may submit written requests for time extension in the reporting. The STIP-PPM Financial and Compliance Review completed for the subsequent fiscal year had no findings.

Objectives, Scope and Methodology

The objective of the review was to assess the adequacy of policies, procedures, and controls over grants and determine compliance with grant requirements.

In meeting these audit objectives, Internal Audit employed the following methodologies:

- Reviewed grants policies and procedures;
- Interviewed staff involved in grants funding, administration, and accounting;
- Reviewed the status of grant-related recommendations in recent audits and reviews;
- Reviewed the Quarterly Grant Status Reports for the last two years; and
- Reviewed a judgmentally selected sample of two open and two closed grants for compliance with reporting and closeout requirements, including review of reimbursement requests and corresponding grant expenditures.

The scope of the review included grants identified in the Grants Funding Specialist's grant funding status file. Since FTA grants were reviewed during the FTA's FY 2007 Triennial Review, Internal Audit selected only one FTA grant and selected three non-FTA grants. The grants selected were FY05 Transit Security Grant Program (\$958,450), Mobile Source Air Pollution Reduction Review Committee (MSRC) Contract No. MS04006 (\$405,000), MSRC Contract No. MS06045 (\$200,000), and FTA FY08 Section 5307, Project No. CA-90-Y664 (\$52,551,072).

This review was conducted in accordance with Generally Accepted Government Auditing Standards, except for the triennial peer review requirement which has not yet been fulfilled. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Grants Management and Accounting Review
July 6, 2009**

Audit Comments, Recommendations and Management Responses

Noteworthy Accomplishments

Internal Audit noted that OCTA's grants policy has been updated to include both grant development procedures and grant administration procedures. The grants policy relates to the application, development, management, and accounting of grants of financial assistance to OCTA from federal, state, local, and non-profit sources. The Federal Relations Department, FP&A, and the General Accounting section of the Accounting & Financial Reporting Department are cooperatively responsible for the grant policy.

Grant Reporting of Non-FTA Grants

The Reporting Log (Log), an internal monitoring device, was not updated following the submission of the most recently due reports for several non-FTA grants. For these grants, the Grant Administrator indicated that the required reports were submitted but not yet logged.

Since the Log serves as a monitoring control to ensure that all non-FTA grant reports are submitted by the required deadlines, timely updating of this Log is needed. The Log is reviewed quarterly by the Section Manager.

Recommendation 1: Internal Audit recommends that the Reporting Log be updated on a timely basis.

Management Response (Financial Planning & Analysis Department): The Financial Planning and Analysis (FP&A) Department concurs with the above recommendation. The responsible Section Manager will review the Reporting Log and have said Reporting Log updated in a timely manner.

Support for Non-FTA Grant Expenditures

Among those grants reviewed by Internal Audit was the FY05 Transit Security Grant Program (TSGP). OCTA's projects under this grant included bus camera surveillance systems as well as multi-agency training that included drills and certification training.

According to the most current TSGP Guidance and Application Kit, TSGP grant recipients are responsible for monitoring award activities to provide reasonable assurance that the federal award is administered in compliance with requirements. Responsibilities include accounting for receipts and expenditures, cash management, maintaining adequate financial records, and refunding expenditures disallowed by audits. Grant recipients may be monitored periodically by Department of Homeland Security staff, both programmatically and financially, to ensure that the project goals, objectives, performance

**ORANGE COUNTY TRANSPORTATION AUTHORITY
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requirements, timelines, milestone completion, budgets, and other related program criteria are being met.

Internal Audit identified a few discrepancies in the documentation supporting the grant expenditures retained in the grant file.

- Sign-in sheets logging hours worked by Transit Police Services were attached to an invoice from the County of Orange for additional law enforcement services for the 2006 terrorism drill. One sign-in sheet did not sum to the nine hours worked, billed, and reimbursed from the grant.
- Overtime pay reimbursement requests for OCTA employees attending certification training included discrepancies. One employee's timesheet indicated a time "on" of 0800 and time "off" of 1200 which did not calculate to the hours worked of four hours and 15 minutes. Additionally, there were a few instances where the dates of the training summary, timesheet, and/or certificate of achievement did not match.

While no dollars were at risk in this case, attention to detail is important to prevent future challenges to grant funding agreements.

Recommendation 2: Internal Audit recommends that the Grant Administrator reconcile and resolve discrepancies in supporting documentation prior to submittal of reimbursement requests to the funding agency.

Management Response (Financial Planning & Analysis Department): The Financial Planning and Analysis (FP&A) Department concurs with the above recommendation. The responsible Section Manager will require the Grant Administrator to reconcile and resolve discrepancies in supporting documentation prior to submittal of reimbursement requests to the funding agency.

Draft OCTA Grant Desktop Procedures and Policies Manual

The Draft OCTA Grant Desktop Procedures and Policies Manual (Manual) requires updating in certain sections:

- The Introduction section refers to an eleven-member Board of Directors when it is currently an eighteen-member Board of Directors.
- In the Grants Summary Information pages, the identified grants are ones awarded from 1996-2000 and do not appear to be current grants.
- The Quarterly Reports to the OCTA Board of Directors section discusses one attachment to the Quarterly Grant Status Report when there are currently six attachments.
- The Quarterly Reports to the OCTA Board of Directors section of the Manual indicates that the Quarterly Grant Status Report is scheduled for the first Board of Directors

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meeting in specified months for each quarter. However, eight of the last nine Quarterly Grant Status Reports were included in the Board of Directors meeting in the month subsequent to these scheduled months.

An updated manual will ensure that procedures are consistently employed to meet grant requirements.

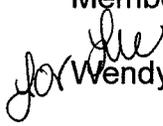
Recommendation 3: Internal Audit recommends that the Manual be reviewed, revised, and finalized.

Management Response (Financial Planning & Analysis Department): The Financial Planning and Analysis (FP&A) Department concurs with the above recommendation. The responsible Section Manager will review the Manual and have said Manual revised and finalized as deemed appropriate.



BOARD COMMITTEE TRANSMITTAL

July 27, 2009

To: Members of the Board of Directors
From:  Wendy Knowles, Clerk of the Board
Subject: State Legislative Status Report

Legislative and Communications Committee Meeting of July 16, 2009

Present: Directors Brown, Buffa, Cavecche, Dalton, Glaab, and Mansoor
Absent: Director Bates

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Receive and file as an information item.



July 16, 2009

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

Overview

An overview of a bill that would create an alternative funding mechanism for transportation projects is provided.

Recommendation

Receive and file as an information item.

Discussion

AB 798 (Nava, D-Santa Barbara)

At the May 7, 2009, Legislative and Communications Committee (Committee), staff brought forward AB 798 (Nava, D-Santa Barbara), requesting the adoption of a "support if amended" position. The Committee decided not to take a position on the bill at that time, requesting staff to bring the bill back at a meeting in the future with clarification regarding various questions that were raised by Committee members.

AB 798 would create the California Transportation Financing Authority (CTFA) within the Office of the Treasurer, which would be authorized to provide financing for the construction of new capacity or improvements on the state transportation system through the issuance of bonds backed by various revenue streams, including toll revenues. Eligible project sponsors include the California Department of Transportation (Caltrans), regional transportation planning agencies, county transportation commissions, such as the Orange County Transportation Authority (OCTA), and a joint exercise of powers authority, such as the Southern California Association of Governments (SCAG), with the consent of a transportation planning agency or a county

transportation commission for the jurisdiction in which the project is to be developed.

AB 798 would grant the CTFA the authority to allow the project sponsor to impose and collect tolls on the project if certain conditions are met. If tolling is authorized, the bill allows the project sponsor to incorporate congestion management mechanisms to increase mobility, regulate usage, and to provide accessibility and environmental benefits. Moreover, AB 798 preserves local authority by allowing the project sponsor to assume bonding duties authorized for the CTFA and requiring local agency approval before local funds can be used to back any issued bonds, and before an agency other than the local transportation agency can build a project within the agency's jurisdiction.

Committee members raised numerous questions about the bill at the May 7, 2009, Committee meeting.

Committee members first asked about whether any parties were in opposition, specifically requesting further information about the position held by the American Automobile Association (AAA), which held an oppose position on AB 3021. At this time, no parties are listed as opposing AB 798. AAA removed their oppose position last year when AB 3021 was amended to prohibit tolling on existing general purpose lanes. There are, however, numerous entities in support of the bill, including the Los Angeles County Metropolitan Transportation Authority, Ventura County Transportation Commission, and Riverside County Transportation Commission.

Committee members also asked about why the financing authority under AB 798 is necessary, when an entity can simply seek legislation that allows for similar authority on a project by project basis. After consulting staff at the State Treasurer's office, it appears that the financing authority granted under AB 798 would most likely benefit smaller agencies who are not be able to receive financing on their own. Because OCTA, as a larger agency, with a proven record of financing projects, would have less difficulty obtaining such authority, the framework provided under AB 798 would likely have less impact on the agency's ability to secure project funding. However, AB 798 would provide another option to explore if OCTA's situation ever changed in the future.

An additional inquiry made by Committee members involved the potential additional bureaucracy this bill may create, with some Committee members expressing concern that this process would bypass the California Transportation Commission (CTC). This bill does in fact create a new office within the State Treasurer's office. However, the intent in creating this office is to utilize the unique knowledge of financing and bonds the Treasurer's office

possesses to finance such projects. Moreover, the bill specifically states that no funding for the office is to come from the State, requiring project sponsors to pay for the related administrative costs. Initial costs are to be borrowed from existing resources within the Treasurer's office. However, additional clarification may be necessary to assure that the administrative costs passed down to the project sponsors would not be unreasonable. In regards to the CTC, a project sponsor would still have to obtain its approval before implementing any project.

Another question asked by Committee members was whether this process would control future toll road projects, potentially creating implications for the Foothill-South Toll Road (State Route 241) extension. Although AB 798 creates another mechanism for toll roads to be implemented, this framework will not control all future toll road projects. This process simply provides an alternative means of financing that would be another option agencies could consider in times of constrained resources. Other options include authority provided under trailer bill language from the fiscal year 2009-2010 state budget which authorized regional transportation agencies and Caltrans to enter into unlimited number of private-public partnership agreements until January 1, 2017.

In regards to the eligible sources of funding to back the bonds issued pursuant to AB 798, Committee members expressed concern that SCAG, as an eligible project sponsor, may be able to use local sales tax dollars, such as Measure M, to fund projects. However, AB 798 specifically states that in order for an entity, such as SCAG, to use revenue sources controlled by other entities, as Measure M is controlled by OCTA, SCAG would have to get approval by OCTA's Board of Directors. Thus, it would be within OCTA's control to decide whether SCAG would be able to use local sales tax funds.

Finally, Committee members asked about potential amendments which would define "highway project" as the "state highway system," thus including transit. Although there were no amendments created to define "highway project" as the "state highway system," amendments were recently made to define an eligible project under AB 798 to include buses. Thus, it is possible that non-rail transit projects will be eligible for financing under this mechanism.

After additional staff analysis of the bill, it seems that OCTA would likely not use the financing framework authorized under the bill, with existing ability to secure financing through alternative methods. Moreover, as cited above, there is already unlimited authority under existing law to use public-private partnerships until 2017.

In addition, although AB 798 deletes the requirement for legislative approval in implementing the four high-occupancy toll lane projects authorized under AB 1467 (Chapter 143, Statutes of 2006), the two projects in southern California have already been chosen, one in Los Angeles and one in Riverside. Thus, this change would not provide any benefit to OCTA for future projects.

Due to the limited impacts on OCTA, staff therefore recommends that the Board of Directors not adopt a position on AB 798. Instead, staff will continue to monitor the bill for any future amendments which may further impact OCTA.

An analysis of the bill is attached (Attachment A).

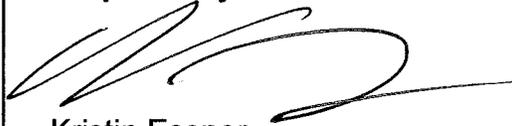
Summary

An overview of a bill related to alternative project financing and additional tolling authority is provided.

Attachments

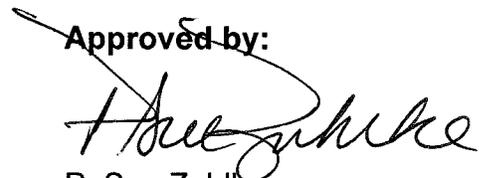
- A. Bill Analysis for AB 798 (Nava, D-Santa Barbara)
- B. Orange County Transportation Authority Legislative Matrix

Prepared by:



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Government Relations
Representative
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Approved by:



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

BILL: AB 798 (Nava, D – Santa Barbara)
Introduced February 26, 2009
Amended June 26, 2009

SUBJECT: Creates the California Transportation Financing Authority to increase construction of new capacity or improvements on the state transportation system through the issuance of bonds, backed by various revenue streams, including toll revenues

STATUS: Passed Assembly Transportation Committee 11-3
Passed Assembly Appropriations Committee 12-5
Passed Assembly 51-25
Pending in Senate Transportation and Housing Committee

SUMMARY AS OF JULY 7, 2009:

AB 798 would create the California Transportation Financing Authority (CTFA) within the Office of the Treasurer. The CTFA would be authorized to provide financing to increase the construction of new capacity or improvements on the state transportation system through the issuance of bonds backed by various revenues streams, including toll revenues. This bill is identical to AB 3021 from last year, which was also authored by Assemblyman Nava and sponsored by State Treasurer Bill Lockyer. The Governor vetoed AB 3021, issuing a generic veto message, citing the delay with state budget as only allowing the signing of bills of the highest priority.

The CTFA would consist of seven members including the Treasurer, the Director of Finance, the State Controller, the Director of the California Department of Transportation (Caltrans), the Executive Director of the California Transportation Commission (CTC), and two local agency representatives, one appointed by the Senate Committee on Rules, and the other appointed by the Speaker of the Assembly. Administration of this program is to be consistent with meeting the state's greenhouse gas reduction goals, air quality improvement goals, and natural conservation goals. The state is to incur no debt in the administration of this program, and administrative costs and expenses would instead be equitably distributed among project sponsors.

Existing law, as passed under trailer bill language from the fiscal year 2009-2010 state budget, authorizes regional transportation agencies and Caltrans to enter into an unlimited number of public-private partnership agreements until January 1, 2017. The CTC oversees the development of this process, with the ability for the state Legislature to comment on any proposed agreements.

AB 798 would not amend the process created under existing law. However, the bill would create an alternative mechanism for project sponsors to consider in times of economic constraint. Eligible project sponsors include Caltrans, regional transportation planning agencies, county transportation commissions, such as the Orange County Transportation Authority (OCTA), and a joint exercise of powers authority, such as the

Southern California Association of Governments (SCAG), with the consent of a transportation planning agency or a county transportation commission for the jurisdiction in which the project is to be developed. In order to apply to the CTFA for project financing, project sponsors would still need construction approval from Caltrans and the CTC. In addition, the project would also have to meet the following requirements:

- Complies with all relevant statutes regarding planning, programming, and construction of transportation projects
- Contained in the constrained portion of a regional transportation plan, which must be consistent with greenhouse gas reduction targets under AB 32 – the Global Warming Solutions Act of 2006 (Chapter 488, Statutes of 2006)
- Cooperation has occurred between the sponsor and Caltrans to secure project support and to ensure the project is consistent with the needs and requirements of the state highway system
- Project is technically and financially feasible
- Approved for all necessary permits
- Performance measures have been developed for the project
- Support from communities adjacent to or affected by the project
- For highway projects, demonstration that transit service or alternative modes of transportation will be enhanced to ensure the corridor provides multiple modes of transportation to accommodate all users

AB 798 also specifically states that nothing requires any toll revenues collected under this authority to be used to provide transit service or other alternative means of transportation within the corridor.

Once those requirements are met, the CTFA may decide to issue bonds to finance the costs of the project, defined broadly to include such things as construction, acquisition of land, and removal of buildings and structures. However, it must first be determined that revenues available for a project will be sufficient to pay debt service on the bonds and to operate and maintain the project. Provisions of the bill also require consistency with the environmental and transportation infrastructure goals of the CTFA. If determined in the affirmative, the project sponsor may also request it be the issuer of the bonds. If this is the case, the project sponsor would assume the powers assigned to CTFA necessary or convenient for the purposes of issuing, securing, and repaying the bonds and financing or refinancing the project.

The project sponsor may pledge either specific revenue streams or toll revenues as security for any revenue bonds issued by the CTFA. Approved revenue streams include, but are not limited to fuel excise taxes, fuel sales taxes, local transportation sales taxes, developer fees, and other state revenues approved for this purpose by the Legislature or by initiative. The CTFA may also authorize the project sponsor to impose and collect tolls as security for the bonds if the following conditions are met:

- The governing body of the project sponsor or the majority of voters within the jurisdiction of the project sponsor approve the tolls

- For each highway project where tolls are imposed, there be non-tolled alternative lanes available in the same corridor
- For highway projects, the project must be on the state highway system, and not be on any local street or road
- Tolls be set and maintained at a level expected to be sufficient to pay debt service, operations, and maintenance of the project over the life of the bonds and be consistent with both the environmental and transportation infrastructure goals of the CTFA
- The project's financial pro forma incorporate life cycle costs for the project
- Excess revenues only be used within the corridor from which revenue was generated to fund acquisition, construction, improvement, maintenance, or operation of high occupancy vehicle (HOV) facilities, other transportation purposes, or transit service, including transit operations pursuant to an expenditure plan

Included within the tolling authorization, is the ability to incorporate congestion management mechanisms to regulate usage, increase mobility, and provide accessibility and environmental benefits. AB 798 specifically states that nothing under this authority would allow the conversion of any existing lanes to be converted to toll lanes, except for the conversion of HOV lanes to high-occupancy toll (HOT) lanes. In addition, AB 798 would delete the requirement for legislative approval under existing law for the creation of HOT lanes within the state.

EFFECTS ON ORANGE COUNTY:

Last year, the OCTA Board of Directors (Board) adopted a "work with author" position on AB 3021, citing the following concerns:

- Allows SCAG the ability to create transportation projects using this authority
- Requires "consistency" with specific environmental regulations, potentially creating a tough legal standard
- Includes provisions which would require employment of public agency engineers and architects in the development of the project, rather than professionals already employed by the sponsor
- Includes no cap for the administrative costs that are allowable for the CTFA to charge equitably among the project sponsors

Since the time this position was taken, further clarification has been provided, or amendments have been added which would assist in alleviating some concerns. In regards to the SCAG authority, the language used in AB 798 is taken directly from language included under existing law, provided under AB 1467 (Chapter 143, Statutes of 2006), which first authorized the creation of public-private partnerships in the state. Thus, SCAG already has similar authority, and has not exercised options to implement such authority. Furthermore, SCAG would not be able to move forward under AB 798 unless the county transportation planning agency approved the project. It is also unlikely this language will change if already included under existing law. In addition, last year, provisions were removed that would have

limited employment to public agency engineers and architects. There are no similar provisions included at this time.

Many amendments were also included last year which further protect local agency discretion and existing infrastructure. Those amendments include specific language stating that toll revenues are not required to be used for transit and alternative modes of transportation, that existing lanes are not authorized to be converted to HOT lanes, except for HOV lanes, and that nothing is to allow tolling on local streets and roads. Additionally, the bill continues to provide discretion for local agencies in their ability to approve local funds to finance the project, and the ability to choose to have bonding authority. Furthermore, the bill now specifically provides that legislative authority is not needed in the creation of HOT lanes thereby shortening the approval process. The number of authorized projects in AB 1467 would still be limited to two in Southern California and two in Northern California. However, the two toll projects in southern California have already been chosen, one in Riverside and one in Los Angeles.

This bill provides for alternative means of financing that would be another option agencies can utilize in times of constrained resources. Multiple agencies have adopted or are recommending support positions for AB 798 including Los Angeles County Metropolitan Transportation Authority, Ventura County Transportation Commission, Riverside County Transportation Commission, Western Riverside Council of Governments, Santa Clara Valley Transportation Authority, San Luis Obispo Council of Governments, Transportation Agency for Monterey County, Alameda-Contra Costa Transit District (if amended) , California Transit Association, and California Association of Councils of Governments.

However, because it is unlikely that OCTA will utilize this financing mechanism in the future due to existing ability to secure financing, this proposal will have little impact on OCTA's future project planning and implementation. It is therefore recommended that the OCTA Board of Directors not adopt a position on this bill at this time.

OCTA POSITION:

Staff recommends: NO POSITION

AMENDED IN SENATE JUNE 24, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 798

Introduced by Assembly Member Nava

February 26, 2009

An act to add Division 3 (commencing with Section 64100) to Title 6.7 of the Government Code, and to amend Section 149.7 of the Streets and Highways Code, relating to transportation, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 798, as amended, Nava. California Transportation Financing Authority: toll facilities.

(1) Existing law generally provides for programming and allocation of transportation capital improvement funds pursuant to the state transportation improvement program process administered by the California Transportation Commission. Existing law authorizes the development of toll road projects under certain conditions. Existing law authorizes the commission and the Department of Transportation to operate and manage the Transportation Finance Bank to make loans for transportation projects. Existing law creates the California Infrastructure and Economic Development Bank to assist in the financing of various public infrastructure projects. Existing law authorizes the state to issue tax-exempt revenue anticipation notes backed by federal transportation appropriations.

This bill would create the California Transportation Financing Authority with specified powers and duties relative to issuance of bonds to fund transportation projects to be backed, in whole or in part, by various revenue streams of transportation funds, and toll revenues under

certain conditions, in order to increase the construction of new capacity or improvements for the state transportation system consistent with specified goals. The bill would set forth the requirements for a project sponsor to obtain bond funding from the authority, would allow the authority to approve the imposition and collection of tolls on a proposed project under certain conditions, and would require the authority to report to the California Transportation Commission annually beginning June 30, 2011. The bill would create the California Transportation Financing Authority Fund, which would be continuously appropriated for these purposes. The bill would enact other related provisions.

(2) Existing law, until January 1, 2012, authorizes a regional transportation agency, in cooperation with the department, to apply to the commission to develop and operate high-occupancy toll lanes, with not more than 4 facilities to be approved under these provisions. Following public hearings by the commission, the commission is required to forward an eligible application and public comments to the Legislature for approval or rejection of the project, with approval to be achieved by the enactment of a statute.

This bill, with respect to these 4 projects, would delete the requirement for the commission to forward the applications to the Legislature for approval or rejection.

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

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

1 SECTION 1. Division 3 (commencing with Section 64100) is
 2 added to Title 6.7 of the Government Code, to read:
 3
 4 DIVISION 3. CALIFORNIA TRANSPORTATION
 5 FINANCING AUTHORITY
 6
 7 64100. This division shall be known and may be cited as the
 8 California Transportation Financing Authority Act.
 9 64101. The California Transportation Financing Authority is
 10 hereby created in state government. The authority constitutes a
 11 public instrumentality, and the exercise by the authority of the
 12 powers conferred by this division shall be deemed and held to be
 13 the performance of an essential public function.

1 64102. As used in this division, the following terms shall have
2 the following meanings, unless the context clearly indicates or
3 requires another or different meaning or intent:

4 (a) "Authority" shall mean the California Transportation
5 Financing Authority.

6 (b) "Bonds" shall mean bonds, notes, debentures, commercial
7 paper, or any other evidence of indebtedness, lease, installment,
8 sale, or certificate of participation thereon, issued by the authority
9 or a project sponsor pursuant to this division.

10 (c) "Commission" shall mean the California Transportation
11 Commission.

12 (d) "Cost," as applied to a project or portion of a project financed
13 under this division, shall mean and include all or any part of the
14 cost of construction and acquisition of all lands, structures, real or
15 personal property rights, rights-of-way, franchises, easements, and
16 interests acquired or used for a project, the cost of demolishing or
17 removing any buildings or structures on land so acquired, including
18 the cost of acquiring any lands to which those buildings or
19 structures may be moved, the cost of all machinery and equipment,
20 financing charges, interest prior to, during, and for a period not to
21 exceed the later of one year or one year following completion of
22 construction, as determined by the authority, the cost of insurance
23 during construction, the cost of funding or financing noncapital
24 expenses, reserves for principal and interest and for extensions,
25 enlargements, additions, replacements, renovations, and
26 improvements, the cost of engineering, architectural, financial,
27 legal, and other necessary services, plans, specifications, studies,
28 surveys, estimates, administrative expenses, and other expenses
29 of funding or financing, that are necessary or incident to
30 determining the feasibility of any project, or that are incident to
31 the construction, rehabilitation, acquisition, or financing of any
32 project.

33 (e) "Department" shall mean the Department of Transportation.

34 (f) "Project" shall mean and include all or a portion of the
35 planning, design, development, finance, construction,
36 reconstruction, rehabilitation, improvement, acquisition, lease,
37 operation, or maintenance of highway, public street, rail, *bus*, or
38 related facilities supplemental to or improvements upon existing
39 facilities currently owned and operated by the department or other
40 project sponsor.

1 (g) “Project sponsor” shall mean either the department, a
2 regional transportation planning agency designated pursuant to
3 Section 29532 or 29532.1, a county transportation commission as
4 defined in Section 130050, 130050.1, or 130050.2 of the Public
5 Utilities Code, any other local or regional transportation entity that
6 is designated by statute as a regional transportation agency, or a
7 joint exercise of powers authority as defined in Chapter 5
8 (commencing with Section 6500) of Division 7 of Title 1 or an
9 agency designated pursuant to Section 66531 to submit the county
10 transportation plan, with the consent of a transportation planning
11 agency or a county transportation commission for the jurisdiction
12 in which the transportation project will be developed.

13 (h) “Working capital” means moneys to be used by, or on behalf
14 of, a project sponsor to pay or prepay maintenance or operation
15 expenses or any other costs that would be treated as an expense
16 item, under generally accepted accounting principles, in connection
17 with the ownership or operation of a project, including, but not
18 limited to, reserves for maintenance or operation expenses, interest
19 for not to exceed one year on any loan for working capital made
20 pursuant to this division, and reserves for debt service with respect
21 to, and any costs necessary or incidental to, that financing.

22 64103. (a) The authority shall consist of seven members, as
23 follows:

24 (1) The Treasurer, who shall serve as the chair of the authority.

25 (2) The Director of Finance.

26 (3) The Controller.

27 (4) The Director of Transportation.

28 (5) The executive director of the commission.

29 (6) A local agency representative appointed by the Senate
30 Committee on Rules.

31 (7) A local agency representative appointed by the Speaker of
32 the Assembly.

33 (b) Members of the authority shall serve without compensation,
34 but the authority may reimburse its members for necessary
35 expenses incurred in the discharge of their duties.

36 (c) The Director of Finance may designate an employee of the
37 Department of Finance to act for him or her at all meetings of the
38 authority.

1 (d) The director of the department may designate an employee
2 of the department to act for him or her at all meetings of the
3 authority.

4 (e) The executive director of the commission may designate an
5 employee of the commission to act for him or her at all meetings
6 of the authority.

7 (f) The chair of the authority shall appoint an executive director.
8 The offices of the authority shall be located in the office of the
9 Treasurer. The authority may, by resolution, delegate to one or
10 more of its members or its executive director or any employee of
11 the authority such powers and duties that it may deem proper,
12 including, but not limited to, the power to enter into contracts on
13 behalf of the authority.

14 (g) Four members of the authority shall constitute a quorum.
15 The affirmative vote of a quorum of the members present at a duly
16 constituted meeting of the authority shall be necessary for any
17 action taken by the authority.

18 64104. The provisions of this division shall be administered
19 by the authority, which shall have and is hereby vested with all
20 powers reasonably necessary to carry out the powers and
21 responsibilities expressly granted or imposed under this division.

22 64105. The objective of the authority shall be to increase the
23 construction of new capacity or improvements for the state
24 transportation system in a manner that is consistent with and will
25 help meet the state's greenhouse gas reduction goals, air quality
26 improvement goals, and natural resource conservation goals,
27 through the issuance of, or the approval of the issuance of, bonds
28 backed, in whole or in part, by the revenue streams specified in
29 Section 64109.

30 64106. (a) The Attorney General shall be the legal counsel for
31 the authority, however, with the approval of the Attorney General,
32 the authority may employ legal counsel as in its judgment is
33 necessary or advisable to carry out the duties and functions imposed
34 upon it by this division, including the employment of bond counsel
35 as may be deemed advisable in connection with the issuance and
36 sale of bonds.

37 (b) The Treasurer shall be the treasurer for the authority.

38 64107. The authority may do any of the following:

39 (a) Adopt bylaws for the regulation of its affairs and the conduct
40 of its business.

- 1 (b) Adopt an official seal.
- 2 (c) Sue and be sued in its own name.
- 3 (d) Receive and accept from any agency of the United States,
4 any agency of the state, or any municipality, county, or other
5 political subdivision thereof, or from any individual, association,
6 or corporation gifts, grants, or donations of moneys for achieving
7 any of the purposes of this division.
- 8 (e) Engage the services of private consultants to render
9 professional and technical assistance and advice in carrying out
10 the purposes of this division.
- 11 (f) Receive and accept from any source loans, contributions, or
12 grants for, or in aid of, the construction, financing, or refinancing
13 of a project or any portion of a project in money, property, labor,
14 or other things of value.
- 15 (g) Make secured or unsecured loans to, or purchase secured or
16 unsecured loans of, any project sponsor in connection with the
17 financing of a project or working capital in accordance with an
18 agreement between the authority and the project sponsor. However,
19 no loan to finance a project shall exceed the total cost of the project,
20 as determined by the project sponsor and approved by the authority.
- 21 (h) Make secured or unsecured loans to, or purchase secured or
22 unsecured loans of, any project sponsor in accordance with an
23 agreement between the authority and the project sponsor to
24 refinance indebtedness incurred by that project sponsor for the
25 costs of projects undertaken or for projects acquired or for working
26 capital.
- 27 (i) Mortgage all or any portion of the interest of the authority
28 in a project and the property on which that project is located,
29 whether owned or thereafter acquired, including the granting of a
30 security interest in any property, tangible or intangible, and to
31 assign or pledge all or any portion of the interests of the authority
32 in mortgages, deeds of trust, indentures of mortgage or trust, or
33 similar instruments, notes, and security interests in property,
34 tangible or intangible, of projects for which the authority has made
35 loans, and the revenues therefrom, including payments or income
36 from any thereof owned or held by the authority, for the benefit
37 of the holders of bonds issued to finance or refinance a project or
38 issued to refund or refinance outstanding indebtedness of project
39 sponsors as permitted by this division.

1 (j) Charge and equitably apportion among project sponsors, the
2 administrative costs and expenses incurred by the authority in the
3 exercise of its powers and duties conferred by this division.

4 (k) Obtain, or aid in obtaining, from any department or agency
5 of the United States or of the state, any private company, any
6 insurance or guarantee as to, of, or for the payment or repayment
7 of, interest or principal, or both, or any part thereof, on any bond,
8 loan, lease, or obligation, or any instrument evidencing or securing
9 the loan, lease, or obligation, made or entered into pursuant to this
10 division; and notwithstanding any other provisions of this division,
11 to enter into any agreement, contract, or any other instrument
12 whatsoever with respect to that insurance or guarantee, to accept
13 payment in the manner and form as provided therein in the event
14 of default by a project sponsor, and to assign that insurance or
15 guarantee as security for the authority's bonds.

16 (l) Enter into any and all agreements or contracts, including
17 agreements for liquidity and credit enhancement and interest rate
18 swaps or hedges, execute any and all instruments, and do and
19 perform any and all acts or things necessary, convenient, or
20 desirable for the purposes of the authority or to carry out any power
21 expressly granted by this division.

22 (m) Invest any moneys held in reserve or sinking funds or any
23 moneys not required for immediate use or disbursement, at the
24 discretion of the authority, in any obligations authorized by the
25 resolution authorizing the issuance of the bonds secured thereof
26 or authorized by law for the investment of trust funds in the custody
27 of the Treasurer.

28 (n) Employ and fix the compensation of bond counsel, financial
29 consultants, and advisers as may be necessary in its judgment in
30 connection with the issuance and administration of any bonds and
31 contract for engineering, architectural, accounting, or other services
32 as may be necessary in the judgment of the authority for the
33 successful development of any project.

34 (o) Participate in all things necessary and convenient to carry
35 out its purposes and exercise its powers.

36 64108. All expenses of the authority incurred in carrying out
37 the provisions of this division shall be payable solely from funds
38 provided pursuant to this division, and no liability shall be incurred
39 by the authority beyond the extent to which moneys shall have
40 been provided under this division, except that for the purposes of

1 meeting the necessary expenses of initial organization and
2 operation of the authority for the period commencing January 1,
3 2010, and continuing until the date the authority derives money
4 from funds provided to it under the provisions of this division, the
5 authority may borrow moneys as the authority may require. Any
6 moneys borrowed by the authority shall subsequently be charged
7 to and apportioned among project sponsors in an equitable manner
8 and the moneys repaid with appropriate interest over a reasonable
9 period of time. Under no circumstances shall the authority create
10 any debt, liability, or obligation on the part of the State of
11 California payable from any source whatsoever other than the
12 moneys provided under the provisions of this division.

13 64109. (a) To the extent permitted by law, in connection with
14 any project financed or refinanced pursuant to this division, the
15 project sponsor may pledge the following revenue sources as
16 security for revenue bonds issued by the authority:

17 (1) Local transportation funds, including, but not limited to,
18 fuel taxes, Article XIXB fuel sales taxes, local transportation sales
19 taxes, other state revenues approved for this purpose by the
20 Legislature or by initiative, and developer fees. To the extent that
21 these revenue sources are within the control of a local agency, the
22 revenue sources may only be pledged with approval of the
23 governing board of the local agency. To the extent that these
24 revenues are within the control of a state agency, the revenue
25 sources may only be pledged with approval by the department and
26 the commission.

27 (2) Tolls, on facilities where not otherwise prohibited by statute,
28 collected by a project sponsor with the approval of the authority.

29 (b) Where the authority is issuing bonds to finance or refinance
30 a project, the authority shall accept a project sponsor's pledge
31 made pursuant to subdivision (a) and pledge those revenues to the
32 repayment of bonds issued to finance or refinance the applicable
33 project.

34 64110. (a) A project sponsor may apply to the authority for
35 bond financing or refinancing of a transportation project that has
36 been approved by the department and the commission for
37 construction.

38 (b) The authority shall also ensure that the following
39 requirements are met for a project to be financed or refinanced by

1 the authority to the extent these criteria have not already been met
2 through approval of the project by the commission:

3 (1) The project complies with all relevant statutes applicable to
4 planning, programming, and construction of transportation
5 improvement projects, and is contained in the constrained portion
6 of a conforming regional transportation plan prepared pursuant to
7 Section 65080 and identified as a project proposed to be funded
8 under the authority provided by this division. For purposes of this
9 subdivision, a regional transportation plan must be consistent with
10 greenhouse gas reduction targets assigned by the State Air
11 Resources Board, pursuant to Division 25.5 (commencing with
12 Section 35800) of the Health and Safety Code.

13 (2) For projects on the state highway system, the project sponsor
14 has cooperated with the department to secure its support for the
15 project and to ensure that the project is consistent with the needs
16 and requirements of the state highway system.

17 (3) The project is technically feasible in that it conforms to
18 federal standards and meets or exceeds environmental
19 requirements.

20 (4) The project is financially feasible, as determined pursuant
21 to Section 64111.

22 (5) Performance measures have been developed for the project
23 to enable the commission to track and report on the project's
24 performance to the Legislature in the commission's annual report
25 prepared pursuant to Section 14535.

26 (6) The project has support in the communities adjacent to or
27 affected by the project. To ensure that such support can be
28 demonstrated, the project sponsor shall, at a minimum, make
29 available for public review and comment the proposed project,
30 including any proposed toll schedule, no less than 30 days prior
31 to approval by the governing body with jurisdiction over the
32 project.

33 (7) In the case of highway projects, the project sponsor submits
34 to the commission and to the authority a plan that demonstrates
35 how transit service or alternative modes of transportation will be
36 enhanced in the corridor concurrent with the operation of a toll
37 facility for the purpose of ensuring that the corridor provides for
38 multiple modes of transport that accommodate all users. Nothing
39 in this section may be construed to require that toll revenues be

1 used to finance the enhancement of transit or alternative means of
2 transportation in the project corridor.

3 (c) The authority shall have no power to plan projects, or to
4 approve projects other than provided in this division. The authority
5 shall have no power to assume any of the planning, programming,
6 or allocation authority of the department or the commission.

7 (d) Beginning June 30, 2011, and annually thereafter, the
8 authority shall provide to the commission a summary of actions
9 taken in the previous calendar year, including the number of project
10 sponsors who sought financing through the authority, a description
11 of each project, a summary of the sources of funding used to
12 finance or refinance the project, and any recommendations the
13 authority may have to improve the financing of transportation
14 infrastructure, to be included in the commission's annual report
15 to the Legislature as required by Section 14535.

16 64111. (a) Prior to issuing or approving the issuance of bonds
17 for a project, the authority shall determine that the revenues and
18 other moneys available for a project will be sufficient to pay debt
19 service on the bonds and to operate and maintain the project over
20 the life of the bonds consistent with the objective set forth in
21 Section 64105. The authority may hire outside consultants to assist
22 in making these determinations.

23 (b) The authority may issue or approve the issuance of bonds
24 to achieve any of its purposes under this division and bonds may
25 be issued without investment grade ratings, as long as the bonds
26 are sold only to qualified institutional buyers or accredited investors
27 who attest upon purchase that they understand the nature of the
28 risks of their investment. The bonds may be taxable or tax exempt
29 and may be sold at public or private negotiated sale. The Treasurer
30 shall serve as the agent for sale for all authority bond issues, and
31 shall be reimbursed from bond proceeds to cover the Treasurer's
32 costs related to the issuance of these bonds. As used in this
33 subdivision, "accredited investor" shall have the meaning as
34 defined in subdivision (a) of Section 5950, and "qualified
35 institutional buyer" shall have the meaning as defined in
36 subdivision (h) of Section 5950.

37 (c) The project sponsor may request that it be the issuer of the
38 bonds. The authority may grant the request if it determines that
39 the revenues and other moneys available for the project will be
40 sufficient to pay debt service on the bonds and to operate and

1 maintain the project over the life of the bonds. A project sponsor
2 for which the authority has granted a request that the project
3 sponsor issue the bonds, in addition to any other powers it may
4 have under any other law, shall have all of the powers of the
5 authority under this division necessary or convenient for the
6 purpose of issuing, securing, and repaying the bonds and financing
7 or refinancing the project. This provision is a complete, additional,
8 and alternative method of accomplishing the matters authorized,
9 and the project sponsor need not comply with any other law relating
10 to the issuance of bonds, financing of projects and, if applicable,
11 the imposition and collection of tolls.

12 (d) The authority may arrange additional credit support for the
13 bond issues. However, the authority may not compel project
14 sponsors to make use of that credit enhancement, nor compel them
15 to contribute to it by becoming part of a common credit or by
16 providing funding for a common reserve or other enhancement
17 mechanism.

18 64112. Notwithstanding any other provision of law, the
19 authority may authorize a project sponsor, or the department, to
20 impose and collect tolls as one source of financing to pay debt
21 service and to operate and maintain a project under the following
22 conditions:

23 (a) The governing body of the project sponsor, by a majority
24 vote of the body, or, for projects sponsored by the department, the
25 commission, has approved the imposition of tolls on users of the
26 project, or a majority of the voters within the jurisdiction of the
27 project sponsor has approved a ballot measure imposing the tolls.

28 (b) Each highway project for which tolls are imposed shall have
29 nontolled alternative lanes available for public use in the same
30 corridor as the proposed toll project. Nothing in this division shall
31 allow the conversion of any existing nontolled or non-user-fee
32 lanes into tolled or user-fee lanes, except for the conversion of
33 high-occupancy vehicle lanes into high-occupancy toll lanes,
34 consistent with the authorizations in Sections 149.1, 149.4, 149.5,
35 149.6, and 149.7 of the Streets and Highways Code.

36 (c) For highway projects, the road segment is on the state
37 highway system. Nothing in this division shall allow the imposition
38 of a toll on any local street or road.

39 (d) The approval of the tolls pursuant to subdivision (a) shall
40 require that the tolls be set and maintained at a level expected to

1 be sufficient to pay debt service, operations, and maintenance of
2 the project over the life of the bonds consistent with the objective
3 set forth in Section 64105.

4 (e) The project's financial pro forma shall incorporate life-cycle
5 costs for the project, including revenues to pay for maintenance,
6 operation, and rehabilitation.

7 (f) Subject to any constraints in the bond documents necessary
8 to make the bonds marketable, excess revenues from operation of
9 the project, including toll revenues, shall be used exclusively in
10 the corridor from which the revenue was generated to fund
11 acquisition, construction, improvement, maintenance, or operation
12 of high-occupancy vehicle facilities, other transportation purposes,
13 or transit service, including, but not limited to, support for transit
14 operations pursuant to an expenditure plan. The project sponsor,
15 in consultation with the department, shall issue an expenditure
16 plan that describes transportation improvements for the corridor,
17 which shall include projected costs, the use of toll revenues, and
18 a proposed completion schedule. The expenditure plan shall be
19 updated annually. The plan and each annual update shall be made
20 available for public review and comment for no less than 30 days
21 prior to adoption by the governing board of the project sponsor.

22 (g) Except for purposes of implementing congestion
23 management mechanisms pursuant to Section 64113, tolls may
24 not be set to generate more revenue than the expected cost of
25 paying debt service on the bonds, contracts entered into by the
26 authority or the project sponsor in connection with the bonds,
27 funding reserves, operating and maintaining the project, repair and
28 rehabilitation of the project, and providing transportation
29 improvements to the corridor pursuant to subdivision (f).

30 64113. A project sponsor of a project imposing tolls may
31 incorporate congestion management mechanisms to regulate usage
32 and increase mobility, accessibility, and environmental benefits.

33 64114. The authority and the commission shall develop an
34 approval process that results in project approval by the commission
35 and financing approval by the authority in a cooperative manner
36 that is not sequential, in order that both approvals may be delivered
37 to a project at approximately the same time. Both agencies shall
38 work with potential project sponsors to ensure that projects are
39 developed and brought forward for approval in a manner consistent
40 with the commission's project requirements and the authority's

1 financing requirements. No less than 30 days prior to approving
2 the project and its financing plan, the commission and the authority
3 shall make available for public review and comment a description
4 of the project and its financing.

5 64115. (a) The authority is authorized, from time to time, to
6 issue its negotiable bonds in order to provide funds for achieving
7 any of its purposes under this division.

8 (b) Except as may otherwise be expressly provided by the
9 authority, each of its bonds shall be payable from any revenues or
10 moneys of the authority available therefor and not otherwise
11 pledged, subject only to any agreements with the holders of
12 particular bonds or notes pledging any particular revenues or
13 moneys. Notwithstanding that those bonds may be payable from
14 a special fund, they shall be and be deemed to be for all purposes
15 negotiable instruments, subject only to the provisions of those
16 bonds for registration.

17 (c) The authority's bonds may be issued as serial bonds or as
18 term bonds, or the authority, in its discretion, may issue bonds of
19 both types. The issuance of all bonds shall be authorized by
20 resolution of the authority and shall bear the date or dates, mature
21 at the time or times not exceeding 40 years from their respective
22 dates, bear interest at the rate or rates, fixed or variable, be payable
23 at the time or times, be in the denominations, be in the form, either
24 coupon or registered, carry the registration privileges, be executed
25 in the manner, be payable in lawful money of the United States of
26 America at the place or places, and be subject to the terms of
27 redemption, as the indenture, trust agreement, or other document
28 authorized by the resolution, or resolution itself may provide. The
29 authority's bonds or notes may be sold by the Treasurer at public
30 or private negotiated sale, after giving due consideration to the
31 recommendation of the project sponsor, for such price or prices
32 and upon such terms and conditions as the authority shall
33 determine. The Treasurer may sell those bonds at a price below
34 the par value thereof. However, the discount on any bonds so sold
35 shall not exceed 6 percent of the par value thereof, except in the
36 case of any bonds payable in whole or in part from moneys held
37 under one or more outstanding resolutions or indentures. Pending
38 preparation of the definitive bonds, the authority may issue interim
39 receipts or certificates or temporary bonds that shall be exchanged
40 for those definitive bonds.

1 (d) Any resolution or resolutions authorizing the issuance of
2 any bonds or any issue of bonds may contain provisions, which
3 shall be a part of the contract with the holders of the bonds to be
4 authorized, as to pledging all or any part of the revenues of a
5 project or any revenue-producing contract or contracts made by
6 the authority with any individual, partnership, corporation, or
7 association or other body, public or private, to secure the payment
8 of the bonds or of any particular issue of bonds.

9 (e) Neither the members of the authority nor any person
10 executing the bonds shall be liable personally on the bonds or be
11 subject to any personal liability or accountability by reason of the
12 issuance thereof.

13 (f) The authority shall have power out of any funds available
14 therefor to purchase its bonds or bonds issued by a project sponsor
15 under this division. The authority may hold, pledge, cancel, or
16 resell the bonds, subject to and in accordance with agreements
17 with bondholders.

18 64116. In the discretion of the authority, any bonds issued
19 under this division may be secured by a trust agreement or
20 indenture by and between the authority and a corporate trustee or
21 trustees, which may be the Treasurer or any trust company or bank
22 having the powers of a trust company within or without the state.
23 The trust agreement, indenture, or the resolution providing for the
24 issuance of those bonds may pledge or assign the revenues to be
25 received from a project sponsor or pursuant to any
26 revenue-producing contract or as pledged by the authority pursuant
27 to Section 64109. The indenture, trust agreement, or resolution
28 providing for the issuance of those bonds may contain provisions
29 for protecting and enforcing the rights and remedies of the
30 bondholders as may be reasonable and proper and not in violation
31 of law, including, particularly, provisions as have been specifically
32 authorized to be included in any resolution or resolutions of the
33 authority authorizing bonds thereof. The trust agreement or
34 indenture may set forth the rights and remedies of the bondholders
35 and of the trustee or trustees, and may restrict the individual right
36 of action of bondholders. In addition to the foregoing, the
37 indenture, trust agreement, or resolution may contain other
38 provisions as the authority may deem reasonable and proper for
39 the security of the bondholders.

1 64117. Bonds issued under this division shall not be deemed
2 to constitute a debt or liability of the state or of any political
3 subdivision thereof or a pledge of the faith and credit of the state
4 or of the political subdivision, other than the authority, but shall
5 be payable solely from the funds herein provided. The bonds shall
6 contain on the face thereof a statement to the effect that neither
7 the State of California nor the authority shall be obligated to pay
8 the principal of, or the interest thereon, except from revenues
9 pledged therefor by the authority, and that neither the faith and
10 credit nor the taxing power of the State of California or of any
11 political subdivision thereof is pledged to the payment of the
12 principal of or the interest on those bonds. The issuance of bonds
13 under the provisions of this division shall not directly or indirectly
14 or contingently obligate the state or any political subdivision
15 thereof to levy or to pledge any form of taxation therefor or to
16 make any appropriation for their payment.

17 64118. Any holder of bonds issued under this division or any
18 of the coupons appertaining thereto, and the trustee or trustees
19 under any indenture or trust agreement, except to the extent the
20 rights herein given may be restricted by any resolution authorizing
21 the issuance of, or any indenture or trust agreement securing, the
22 bonds, may, either at law or in equity, by suit, action, mandamus,
23 or other proceedings, protect and enforce any and all rights under
24 the laws of the state or granted hereunder or under the resolution
25 or indenture or trust agreement, and may enforce and compel the
26 performance of all duties required by this division or by the
27 resolution, indenture, or trust agreement to be performed by the
28 authority or by any officer, employee, or agent thereof.

29 64119. All moneys received pursuant to this division, whether
30 as proceeds from the sale of bonds or as revenues, shall be deemed
31 to be trust funds to be held and applied solely as provided in this
32 division. Until the funds are applied as provided in this division,
33 and notwithstanding any other provision of law, the moneys may
34 be invested in any obligations or securities authorized by resolution
35 of the authority authorizing the issuance of the bonds or indenture
36 or trust agreement securing the bonds. Any officer with whom, or
37 any bank or trust company with which, the moneys are deposited
38 shall act as trustee of the moneys and shall hold and apply the
39 moneys for the purposes hereof, subject to any regulations adopted

1 pursuant to this division, and the resolution authorizing the issuance
2 of the bonds or the indenture or trust agreement securing the bonds.

3 64120. (a) The authority may provide for the issuance of bonds
4 of the authority for the purpose of refunding any bonds or any
5 series or issue of bonds of the authority then outstanding, including
6 the payment of any redemption premium thereon and any interest
7 accrued or to accrue to the date of redemption, purchase, or
8 maturity of the bonds.

9 (b) The proceeds of any bonds issued for the purpose of
10 refunding of outstanding bonds may, in the discretion of the
11 authority, be applied to the purchase, redemption prior to maturity,
12 or retirement at maturity of any outstanding bonds on their earliest
13 redemption date or dates, upon their purchase or maturity, or paid
14 to a third person to assume the authority's obligation to make the
15 payments, and may, pending that application, be placed in escrow
16 to be applied to the purchase, retirement at maturity, or redemption
17 on the date or dates determined by the authority.

18 (c) Any proceeds placed in escrow may, pending their use, be
19 invested and reinvested in obligations or securities authorized by
20 resolutions of the authority, payable or maturing at the time or
21 times as are appropriate to ensure the prompt payment of the
22 principal, interest, and redemption premium, if any, of the
23 outstanding bonds to be refunded at maturity or redemption of the
24 bonds to be refunded either at their earliest redemption date or
25 dates or any subsequent redemption date or dates or for payment
26 of interest on the refunding bonds on or prior to the final date of
27 redemption or payment of the bonds to be refunded. After the terms
28 of the escrow have been fully satisfied and carried out, any balance
29 of the proceeds and interest, income, and profits, if any, earned or
30 realized on the investments thereof may be returned to the authority
31 for use by the authority.

32 (d) All of the refunding bonds are subject to this division in the
33 same manner and to the same extent as other bonds issued pursuant
34 to this division.

35 64121. Bonds issued by the authority under this division are
36 hereby made securities in which all banks, bankers, savings banks,
37 trust companies and other persons carrying on a banking business,
38 all insurance companies, insurance associations and other persons
39 carrying on an insurance business, and all administrators, executors,
40 guardians, trustees and other fiduciaries, and all other persons

1 whatsoever who now are or may hereafter be authorized to invest
2 in bonds or other obligations of the state, may properly and legally
3 invest any funds, including capital belonging to them or within
4 their control; and the bonds, notes, or other securities or obligations
5 are hereby made securities that may properly and legally be
6 deposited with and received by any state or municipal officers or
7 agency of the state for any purpose for which the deposit of bonds
8 or other obligations of the state is now or may hereafter be
9 authorized by law.

10 64122. Any bonds issued under this division, their transfer,
11 and the income therefrom shall at all times be free from taxation
12 of every kind by the state and by all political subdivisions in the
13 state.

14 64123. The State of California does pledge to and agree with
15 the holders of the bonds issued pursuant to this division, and with
16 those parties who may enter into contracts with the authority or a
17 project sponsor pursuant to this division, that the state will not
18 limit, alter, or restrict the rights hereby vested in the authority or
19 a project sponsor to finance or refinance projects and to authorize
20 the imposition and collection of tolls and to fulfill the terms of any
21 agreements made with the holders of bonds authorized by this
22 division, and with the parties who may enter into contracts with
23 the authority or a project sponsor pursuant to this division, or in
24 any way impair the rights or remedies of the holders of those bonds
25 or those parties until the bonds, together with interest thereon, are
26 fully paid and discharged and the contracts are fully performed on
27 the part of the authority or a project sponsor. The authority, and
28 the project sponsor, as a public body, corporate and politic, shall
29 have the right to include the pledge herein made in its bonds and
30 contracts.

31 64124. A pledge by or to the authority of revenues, moneys,
32 accounts, accounts receivable, contract rights, and other rights to
33 payment of whatever kind made by or to the authority pursuant to
34 the authority granted in this division shall be valid and binding
35 from the time the pledge is made for the benefit of pledges and
36 successors thereto. The revenues, moneys, accounts, accounts
37 receivable, contract rights, and other rights to payment of whatever
38 kind pledged by or to the authority or its assignees shall
39 immediately be subject to the lien of the pledge without physical
40 delivery or further act. The lien of the pledge shall be valid and

1 binding against all parties, irrespective of whether the parties have
2 notice of the claim. The indenture, trust agreement, resolution, or
3 another instrument by which the pledge is created need not be
4 recorded.

5 64125. Each lease entered into by the authority with a project
6 sponsor and each agreement, note, mortgage, or other instrument
7 evidencing the obligations of a project sponsor to the authority
8 shall provide that the rents or principal, interest, and other charges
9 payable by the project sponsor shall be sufficient at all times, (a)
10 to pay the principal of, sinking fund payments, if any, the premium,
11 if any, and the interest on outstanding bonds of the authority issued
12 in respect of such project as the same shall become due and
13 payable, (b) to create and maintain reserves which may, but need
14 not, be required or provided for in the resolution relating to the
15 bonds of the authority, and (c) to pay its share of the administrative
16 costs and expenses of the authority. The authority shall pledge the
17 revenues derived, and to be derived, from a project or from a
18 project sponsor for the purposes specified in (a), (b), and (c) of the
19 preceding sentence and additional bonds may be issued which may
20 rank on a parity with other bonds relating to the project to the
21 extent and on the terms and conditions provided in the bond
22 resolution.

23 64126. When the principal of and interest on bonds issued by
24 the authority to finance the cost of a project or working capital or
25 to refinance outstanding indebtedness of one or more project
26 sponsors, including any refunding bonds issued to refund and
27 refinance those bonds, have been fully paid and retired or when
28 adequate provision has been made to fully pay and retire those
29 bonds, and all other conditions of the resolution, the lease, the trust
30 indenture and any mortgage or deed of trust, security interest, or
31 any other instrument or instruments authorizing and securing the
32 bonds have been satisfied and the lien of the mortgage, deed of
33 trust, or security interest has been released in accordance with the
34 provisions thereof, the authority shall promptly do all things and
35 execute those releases, release deeds, reassignments, deeds, and
36 conveyances necessary and required to convey or release any
37 rights, title, and interest of the authority in the project so financed,
38 or securities or instruments pledged or transferred to secure the
39 bonds, to the project sponsor or sponsors.

1 64127. (a) This division shall be deemed to provide a complete,
2 additional, and alternative method for doing the things authorized
3 by this code, and shall be regarded as supplemental and additional
4 to powers conferred by other laws. The issuance of bonds and
5 refunding bonds and the financing or refinancing of projects or
6 the imposition and collection of tolls under this chapter need not
7 comply with any other law applicable to the issuance of bonds or
8 the collection of tolls, including, but not limited to, Division 13
9 (commencing with Section 21000) of the Public Resources Code.

10 (b) Except as provided in subdivision (a), the financing of a
11 project pursuant to this division shall not exempt a project from
12 any requirement of law that is otherwise applicable to the project,
13 and the project sponsor shall provide documentation, before the
14 authority approves the issuance of bonds for the project, that the
15 project has complied with Division 13 (commencing with Section
16 21000) of the Public Resources Code, or is not a project under that
17 division.

18 64128. To the extent that the provisions of this division are
19 inconsistent with any other provisions of any general statute or
20 special act or parts thereof, the provisions of this division shall be
21 deemed controlling.

22 64129. Any net earnings of the authority beyond that necessary
23 for retirement of any obligations issued by the authority or to
24 implement the purposes of this division may inure to the benefit
25 only of the state or the authority.

26 64130. Upon dissolution of the authority, title to all property
27 owned by the authority shall vest in the successor authority created
28 by the Legislature, if any, if the successor authority qualifies under
29 Section 103 of the federal Internal Revenue Code of 1954, as
30 amended, and the regulations promulgated thereunder, as an
31 authority entitled to issue obligations on behalf of the State of
32 California the interest on which is exempt from federal income
33 taxation. If no successor authority is so created, title to the property
34 shall vest in the state.

35 64131. Nothing in this division is intended to limit the authority
36 to develop and finance high-occupancy toll lanes pursuant to
37 Section 149.4, 149.5, 149.6, or 149.7 of the Streets and Highways
38 Code, or to limit the ability of any agency that has existing
39 authority to issue bonds.

1 64132. (a) The California Transportation Financing Authority
2 Fund is hereby created and continued in existence in the State
3 Treasury, to be administered by the authority. Notwithstanding
4 Section 13340 of the Government Code, all moneys in the funds
5 shall be continuously appropriated without regard to fiscal year
6 for the purposes of this division. The authority may pledge any or
7 all of the moneys in the fund as security for payment of the
8 principal of, and interest on, any particular issuance by the authority
9 of bonds issued pursuant to this division, or any particular secured
10 or unsecured loan made pursuant to subdivision (g) or (h) of
11 Section 64107, and, for that purpose or as necessary or convenient
12 to the accomplishment of any other purpose of the authority, may
13 divide the fund into separate accounts. All moneys accruing to the
14 authority pursuant to this part from whatever source shall be
15 deposited in the fund.

16 (b) Subject to the priorities that may be created by the pledge
17 of particular moneys in the fund to secure any issuance of bonds
18 of the authority, and subject further to the costs of loans provided
19 by the authority pursuant to subdivisions (g) and (h) of Section
20 64107, and subject further to any reasonable costs that may be
21 incurred by the authority in administering the program authorized
22 by this division, all moneys in the fund derived from any source
23 shall be held in trust for the security and payment of bonds of the
24 authority and shall not be used or pledged for any other purpose
25 so long as the bonds are outstanding and unpaid. However, nothing
26 in this section shall limit the power of the authority to make loans
27 with the proceeds of bonds in accordance with the terms of the
28 resolution authorizing the same.

29 (c) Pursuant to any agreements with the holders of particular
30 bonds pledging any particular assets, revenues, or moneys, the
31 authority may create separate accounts in the fund to manage
32 assets, revenues, or moneys in the manner set forth in the
33 agreements.

34 (d) The authority may, from time to time, direct the Treasurer
35 to invest moneys in the fund that are not required for its current
36 needs, including proceeds from the sale of any bonds, in the eligible
37 securities specified in Section 16430 as the agency shall designate.
38 The authority may direct the Treasurer to deposit moneys in
39 interest-bearing accounts in state or national banks or other
40 financial institutions having principal offices in this state. The

1 authority may alternatively require the transfer of moneys in the
2 fund to the Surplus Money Investment Fund for investment
3 pursuant to Article 4 (commencing with Section 16470) of Chapter
4 3 of Part 2 of Division 4 of Title 2. All interest or other increment
5 resulting from an investment or deposit shall be deposited in the
6 fund, notwithstanding Section 16305.7. Moneys in the fund shall
7 not be subject to transfer to any other fund pursuant to any
8 provision of Part 2 (commencing with Section 16300) of Division
9 4 of Title 2, excepting the Surplus Money Investment Fund.

10 SEC. 2. Section 149.7 of the Streets and Highways Code is
11 amended to read:

12 149.7. (a) A regional transportation agency, as defined in
13 Section 143, in cooperation with the department, may apply to the
14 commission to develop and operate high-occupancy toll lanes,
15 including the administration and operation of a value pricing
16 program and exclusive or preferential lane facilities for public
17 transit, consistent with the established standards, requirements,
18 and limitations that apply to those facilities in Sections 149, 149.1,
19 149.3, 149.4, 149.5, and 149.6.

20 (b) The commission shall review each application for the
21 development and operation of the facilities described in subdivision
22 (a) according to eligibility criteria established by the commission.
23 For each eligible application, the commission shall conduct at least
24 one public hearing in northern California and one in southern
25 California.

26 (c) The number of facilities approved under this section shall
27 not exceed four, two in northern California and two in southern
28 California.

29 (d) A regional transportation agency that develops or operates
30 a facility, or facilities, described in subdivision (a) shall provide
31 any information or data requested by the commission or the
32 Legislative Analyst. The commission, in cooperation with the
33 Legislative Analyst, shall annually prepare a report on the progress
34 of the development and operation of a facility authorized under
35 this section. The commission may submit this report as a section
36 in its annual report to the Legislature required pursuant to Section
37 14535 of the Government Code.

1 (e) No applications may be approved under this section on or
2 after January 1, 2012.

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Orange County Transportation Authority Legislative Matrix

**2009 State Legislation Session
July 16, 2009**

SPONSORED BILL			
BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 454 (Lowenthal – D) Department of Transportation: Division of Rail	Serves as the legislative vehicle for any necessary policy modifications resulting from the Los Angeles-San Diego-San Luis Obispo (LOSSAN) rail integration study currently being completed by several Southern California regional transportation agencies	INTRODUCED: 2/26/2009 LOCATION: Senate Rules Committee STATUS: 03/12/2009 To SENATE Committee on RULES	SPONSOR
BILLS WITH POSITIONS			
BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
▶ AB 628 (Block - D) Vehicles: Toll Evasion Violations	Permits agencies to use pay-by-plate processing for toll roads and bridges. Provides that where the issuing agency permits pay-by-plate toll processing and payment of tolls and other charges, it is prima facie evidence of toll evasion violation for a person to enter the toll road or bridge without lawful money of the United States in the person's immediate possession, a transponder or other electronic payment device, or valid California vehicle plates properly affixed to the vehicle.	INTRODUCED: 02/25/2009 LAST AMENDED: 04/02/2009 LOCATION: Senate Transportation and Housing Committee STATUS: 06/16/2009 In SENATE Committee on TRANSPORTATION AND HOUSING: Heard, remains in Committee HEARING: 7/14/2009 1:30 pm	SUPPORT Sponsor: South Bay Expressway (State Route 125) Support: Metropolitan Transportation Commission, Transportation Corridor Agencies

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 729 (Evans - D)</p> <p>Public Contracts: Transit Design-Build Contracts</p>	<p><i>Amends existing law to extend the January 1, 2011 sunset provision to allow transit operators to enter into design-build contracts for transit capital projects until January 1, 2015. Requires a transit operator that uses the design-build process to report to the Legislative Analyst on each public works project procured through the design-build process within 120 days of the design-build project being put into operation or by a specified date, whichever occurs first</i></p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 06/30/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 06/30/2009 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS</p>	<p>SUPPORT</p> <p>Sponsor: California Transit Association</p> <p>Support: Foothill Transit, San Diego Association of Governments, Santa Clara Valley Transportation Authority</p>
<p>► AB 1072 (Eng - D)</p> <p>Public Transportation Modernization, Improvement, and Service Enhancement Account</p>	<p>Clarifies that the formula used to calculate an agency's share of Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) is to be the same in future fiscal years (FY) as was used to appropriate funding in the FY 2009-2010 budget. Requires eligible project sponsors to provide the California Department of Transportation a list of projects that they plan to fund with PTMISEA funds that have not yet been appropriated.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 06/18/2009 LOCATION: Senate Transportation and Housing Committee</p> <p>STATUS: 06/18/2009 From SENATE Committee on TRANSPORTATION AND HOUSING with author's amendments</p> <p>06/18/2009 In SENATE. Read second time and amended. Re-referred to Committee on TRANSPORTATION AND HOUSING</p>	<p>SUPPORT</p> <p>Sponsor: California Transit Association</p> <p>Support: LAMTA, Foothill Transit, Santa Clara Valley Transportation Authority.</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 1403 (Eng – D)</p> <p>Local Transportation Fund: Planning</p>	<p>Relates to local transportation funds planning and programming in the Southern California Association of Governments (SCAG) area. In the multicounty region that is within SCAG, specified percentages of Transportation Development Act annual revenues may be allocated to the statutorily created county transportation commissions in five individual counties, and up to 3/4 of one percent of annual revenues, but not more than \$1,000,000, may be allocated by the commissions in Los Angeles, Orange, Riverside, and San Bernardino counties, proportionately, to SCAG for its transportation planning and programming functions. This bill would delete the \$1,000,000 limitation on allocations of these funds by the four county transportation commissions to SCAG.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/28/2009 LOCATION: <i>Senate Third Reading File</i></p> <p>STATUS: 06/25/2009 In SENATE. Read second time. To third reading</p>	<p>SUPPORT</p> <p>Sponsor: SCAG</p> <p>Support: City of Moreno Valley, SANBAG</p>
<p>► SB 372 (Kehoe – D)</p> <p>State Parks System</p>	<p>Prohibits the modification or adjustment of state park units, or the removal of state park units from within the state park system that is incompatible with state park purposes, without the State Park and Recreation Commission making that recommendation to the Legislature and the Legislature enacting legislation approving the recommendation.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 06/23/2009 LOCATION: <i>Assembly Appropriations Committee</i></p> <p>STATUS: 06/30/2009 From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE: Do pass to Committee on APPROPRIATIONS</p>	<p>OPPOSE</p> <p>(partial list)</p> <p>Support: California League of Conservation Voters, Bay Area Open Space Council</p> <p>Oppose: Orange County Board of Supervisors, Transportation Corridor Agencies of Orange County</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 555 (Kehoe – D)</p> <p>Eminent Domain Law: Conservation Easement</p>	<p>Prohibits a governmental entity from condemning a conservation easement acquired by a state agency or nonprofit land trust, unless specified procedures are followed. The bill would require the governmental entity to give the holder of the easement notice and an opportunity to state any objections to the condemnation. The bill would also require notice, and an opportunity to be heard to be given to any entity that provided funds for the original establishment of the conservation easement.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 06/24/2009 LOCATION: <i>Assembly Appropriations Committee</i></p> <p>STATUS: 06/30/2009 From ASSEMBLY Committee on JUDICIARY: <i>Do pass to Committee on APPROPRIATIONS</i></p>	<p>OPPOSE</p> <p>(partial list) Sponsor: California Council of Land Trusts</p> <p>Support: California State Parks Foundation, NRDC, Sierra Club California</p> <p>Oppose: Orange County Board of Supervisors, OC TAX, California Chamber of Commerce</p>
<p>► SB 679 (Wolk - D)</p> <p>State Parks: Acquired Land: Limits on Use</p>	<p>Prohibits land acquired for the state park system, through public funds or gifts, from being disbursed of or used for other than park purposes without providing for the substitution of other lands of equal environmental value or other value for which the park was established, fair market value, and reasonably equivalent usefulness and location to those to be disposed of or used for other than park purposes. Requires the State Parks and Recreation Commission to certify all requests to dispose of or use the land for other than park purposes. Requires that the Commission consider requests only if all practical alternatives have been considered.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 05/28/2009 LOCATION: <i>Assembly Second Reading File</i></p> <p>STATUS: 06/30/2009 From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE: <i>Do pass as amended to Committee on APPROPRIATIONS</i></p>	<p>OPPOSE</p> <p>(partial list) Support: California State Parks Foundation, Sierra Club California</p> <p>Oppose: California Chamber of Commerce, Transportation Corridor Agencies of Orange County</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 716 (Wolk – D)</p> <p>Local Transportation Funds</p>	<p>Amends existing law that authorizes a specified portion of local sales and use taxes to be transferred to the local transportation fund. Authorizes local transportation funds to be used for local streets and roads in counties with specified populations. Authorizes in specified counties, the use of transportation funds for specified farm worker vanpool purposes upon a finding by the transportation planning agency that there are no unmet transit needs or unmet transit needs that are reasonable to meet.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 05/19/2009 LOCATION: <i>Assembly Transportation Committee</i></p> <p>STATUS: <i>07/07/2009 From ASSEMBLY Committee on TRANSPORTATION: Do pass</i></p> <p><i>07/07/2009 From ASSEMBLY Committee on TRANSPORTATION: Do pass as amended</i></p>	<p><i>NEUTRAL</i></p> <p>Sponsor: California Rural Legal Assistance Foundation</p> <p>Support: Environmental Resources Defense Fund, Green California, Enterprise Rent-A-Car</p> <p>Oppose: San Joaquin County, Long Beach Transit, Santa Cruz Metropolitan Transit District, VCTC</p>

BILLS BEING MONITORED

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 31 (Price – D) Public Contracts: Small Business Procurement Act</p>	<p>Relates to existing law which permits a state agency to award a contract to a certified small business without complying with competitive bidding requirements. Increases the maximum amount of the contracts from \$100,000 to \$250,000. Requires the contractor upon completion of a public contract for which a commitment to achieve small business or disabled veteran business enterprise participation goals were made, to report the actual percentage of participation that was achieved.</p>	<p>INTRODUCED: 12/01/2008 LOCATION: <i>Senate Appropriations Committee</i> STATUS: 07/06/2009 <i>In SENATE Committee on APPROPRIATIONS: Not heard</i></p>	<p>Sponsor: Department of General Services Support: National Federation of Independent Businesses</p>
<p>► AB 153 (Ma - D) High Speed Rail Authority</p>	<p>Specifies that the High-Speed Rail Authority constitutes a governing body for the purpose of adopting a resolution of necessity. Excludes the authority with respect to property acquired for the construction of a high-speed rail system from the requirement that the property be acquired by the State Public Works Board.</p>	<p>INTRODUCED: 01/23/2009 LOCATION: <i>Senate Transportation and Housing Committee</i> STATUS: 06/23/2009 <i>In SENATE Committee on TRANSPORTATION AND HOUSING: Not heard</i></p>	<p>Sponsor: High Speed Rail Authority Support: <i>California State Association of Counties, State Building and Construction Trades Council</i></p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 231 (Huffman – D)</p> <p>Global Warming Solutions Act of 2006: Trust Fund</p>	<p>Requires the State Air Resources Board to adopt a schedule of fees to be paid by the sources of greenhouse emissions which would be deposited in the Climate Protection Trust Fund for purposes of carrying out the Global Warming Solutions Act of 2006.</p>	<p>INTRODUCED: 02/05/2009 LAST AMENDED: 06/26/2009 LOCATION: Senate Environmental Quality Committee</p> <p>STATUS: 06/26/2009 From SENATE Committee on ENVIRONMENTAL QUALITY with author's amendments</p> <p>06/26/2009 In SENATE. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL QUALITY</p>	<p>(partial list)</p> <p>Support: Environmental Defense Fund, The Trust for Public Land, AFL-CIO</p> <p>Oppose: California Chamber of Commerce, Cal-Tax, California Retailers Association</p>
<p>► AB 254 (Jeffries – R)</p> <p>Emergency Vehicles: Payment of Tolls</p>	<p>Exempts emergency vehicles from the payment of a toll or any related charge on a vehicle crossing, toll highway, or high-occupancy toll land and any related fines while engaged in a rescue. Includes when the vehicle is being driven while responding to an urgent or emergency call, participating in an urgent or emergency response, or engaging in a fire station coverage assignment directly related to an emergency response. Provides procedures if the toll operator believes the vehicle was not in compliance.</p>	<p>INTRODUCED: 02/11/2009 LAST AMENDED: 06/26/2009 LOCATION: Senate Third Reading File</p> <p>STATUS: 07/07/2009 In SENATE. Read second time. To third reading</p>	<p>Support: Fire Districts Association of California, San Bernardino County Fire Department</p> <p>Oppose: Orange County Fire Authority</p>
<p>► AB 266 (Carter – D)</p> <p>Transportation Needs Assessment</p>	<p>Requires the California Transportation Commission to develop an assessment of the unfunded costs of programmed state projects and federally earmarked projects in the state, as well as an assessment of available funding for transportation purposes and unmet transportation needs on a statewide basis.</p>	<p>INTRODUCED: 02/11/2009 LAST AMENDED: 04/20/2009 LOCATION: Senate Rules Committee</p> <p>STATUS: 06/11/2009 To SENATE Committee on RULES</p>	<p>Support: California Transit Association, AFL-CIO, American Federation of State, County, and Municipal Employees</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 282 (Assembly Transportation Committee)</p> <p>Transportation</p>	<p>Requires any interest or other return earned by a city or county from investment of bond funds from Proposition 1B - the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 to be expended or reimbursed under the same conditions as are applicable to the bond funds themselves. Extends the time period with which transit operators must file an annual report of their operation with transportation planning agencies having jurisdiction over them and the state Controller from 90 to 110 days after the close of the operator's fiscal year, if the report is filed electronically.</p>	<p>INTRODUCED: 02/12/2009 LAST AMENDED: 06/30/2009 LOCATION: <i>Senate Second Reading File</i></p> <p>STATUS: 07/07/2009 From SENATE Committee on TRANSPORTATION AND HOUSING: <i>Do pass as amended to Committee on APPROPRIATIONS</i></p>	<p>Support: California Municipal Utilities Association, California State Controller John Chiang , East Bay Municipal Utility District</p>
<p>► AB 338 (Ma – D)</p> <p>Transit Village Developments: Infrastructure Financing</p>	<p>Recasts the area included in a transit village plan to include all land within at least a half mile of the main entrance to a transit station. Provides that voter approval for the formation of an infrastructure financing district, adoption of a financing plan, and an issuance of bonds for developing and financing a transit facility would be eliminated. A transit village plan financed by these bonds would have to show affordable housing benefits, and include provisions dedicating at least 20 percent of revenues derived from the property tax increment to affordable housing in the transit village. States finding that increased transit use facilitated by transit villages decreases congestion and improves the environment. Also, states that transit villages should be developed in a sustainable manner, meeting green building codes.</p>	<p>INTRODUCED: 02/18/2009 LAST AMENDED: 06/25/2009 LOCATION: <i>Senate Local Government Committee</i></p> <p>STATUS: 07/01/2009 In SENATE Committee on LOCAL GOVERNMENT: <i>Not heard</i> HEARING: 07/08/2009 9:30 am</p>	<p>Sponsor: San Francisco Bay Area Rapid Transit District</p> <p>Support: American Federation of State, County, and Municipal Employees</p> <p>Oppose: Howard Jarvis Taxpayers Association</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 619 (Blumenfield – D) Transportation Projects: Federal Funds	Requires the Department of Transportation to notify the Legislature when it is determined that a project, including a project designated in the National Corridor Infrastructure Improvement Program, will be delayed beyond its scheduled completion date due to state cash flow or other funding issues, if the places at risk federal funds.	INTRODUCED: 02/25/2009 LOCATION: Senate Transportation and Housing Committee STATUS: 05/21/2009 To SENATE Committee on TRANSPORTATION AND HOUSING.	None Listed
AB 733 (Galgiani – D) High Speed Rail Authority	Authorizes the High-Speed Rail Authority to consider the creation of jobs in the state when awarding major contracts or purchasing high speed trains.	INTRODUCED: 02/26/2009 LOCATION: Senate Appropriations Committee STATUS: 07/07/2009 From SENATE Committee on TRANSPORTATION AND HOUSING; Do pass to Committee on APPROPRIATIONS	None Listed
► AB 744 (Torrice – D) Transportation: Toll Lanes: Express Lane Network	Authorizes the Bay Area Toll Authority to acquire, construct, administer, and operate a Bay Area Express Lane Network on state highways within the Bay Area pursuant to recommendations by the Bay Area Express Lane Network Project Oversight Committee. Requires revenues from the lanes to be deposited in the Bay Area Express Lane Network Account. Authorizes revenue bond issuance. Transfers the rights and obligations of various Bay Area transportation entities relative to HOT lane projects to the Authority.	INTRODUCED: 02/26/2009 LAST AMENDED: 06/23/2009 LOCATION: Senate Transportation and Housing Committee STATUS: 07/07/2009 In SENATE Committee on TRANSPORTATION AND HOUSING: Heard, remains in Committee	Sponsor: Metropolitan Transportation Commission Support: AAA of Northern California Oppose: Paul Thiebaut (individual)

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 798 (Nava – D)</p> <p>Transportation Financing Authority: Toll Facilities</p>	<p>Creates the Transportation Financing Authority with specified powers and duties relative to the issuance of bonds to fund transportation projects. Bonds are proposed to be backed in whole or in part, by various revenues streams of transportation funds and toll revenues in order to increase the construction of new capacity or improvements for the state transportation system.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 06/24/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 07/07/2009 From SENATE Committee on TRANSPORTATION AND HOUSING: Do pass to Committee on APPROPRIATIONS</p>	<p>Sponsor: California State Treasurer Bill Lockyer</p> <p>Support: California Labor Federation, Cal COG, Associated General Contractors of California</p>
<p>► AB 815 (Ma – D)</p> <p>Public Contracts: Bidding Procedures</p>	<p>Requires a local public entity, charter city, or charter county, before entering into any contract for a project, to provide full, complete, and accurate plans and specifications and estimates of cost, giving such direction as will enable any competent mechanic or other builder to carry them out. Exempts from these provisions any clearly identified design-build projects or design-build portions thereof.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 06/01/2009 LOCATION: Senate Local Government Committee</p> <p>STATUS: 06/18/2009 To SENATE Committee on LOCAL GOVERNMENT</p>	<p>Oppose: City of Costa Mesa, Governor's Office of Planning and Research, League of California Cities</p>
<p>► AB 881 (Huffman – D)</p> <p>Sonoma Transportation Authority: Greenhouse Gas Emissions</p>	<p>Authorizes the Sonoma County Transportation Authority to implement programs and projects to comply with statewide or federal greenhouse gas emission mandates, in cooperation with other local agencies that elect to participate. Makes legislative findings and declarations with respect to the exercise of that authority by the Authority.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 06/25/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 07/07/2009 From SENATE Committee on TRANSPORTATION AND HOUSING: Do pass to Committee on APPROPRIATIONS</p>	<p>Co-Sponsors: Sonoma County Transportation Authority, County of Sonoma</p> <p>Support: City of Healdsburg, City of Rohnert Park</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 892 (Furutani – D)</p> <p>Goods Movement Emission Reduction Program</p>	<p>Authorizes an applicant for Proposition 1B Air Quality funds to reallocate these funds to backup projects covered by the same grant agreement, or these funds revert to the state board for reallocation consistent with guidelines to be developed by the State Air Resources Board. Funds reallocated either by the applicant or the Air Resources Board must be liquidated within four years of the date of the award of the original contract, or the funds revert to the California Ports Infrastructure, Security, and Air Quality Improvement Account for allocation upon appropriation by the Legislature.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 06/16/2009 LOCATION: Senate Second Reading File</p> <p>STATUS: 07/07/2009 From SENATE Committee on TRANSPORTATION AND HOUSING: Do pass as amended to Committee on ENVIRONMENTAL QUALITY</p>	<p>Sponsor: South Coast Air Quality Management District</p> <p>Support: Automobile Club of Southern California, Bay Area Air Quality Management District</p>
<p>► AB 1085 (Mendoza - D)</p> <p>State Air Resources Board: Regulations</p>	<p>Requires CARB to make available to the public all methodologies, inputs, assumptions, and any other information used in the development of a proposed regulation and also disclosure of information before the comment period for any regulation proposed for adoption by CARB.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 05/06/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 07/06/2009 In SENATE Committee on APPROPRIATIONS: Not heard HEARING: 07/13/2009 11:00 am</p>	<p>Support: California Chamber of Commerce, California Forestry Association, California Grocers Association</p>
<p>► AB 1086 (Miller - R)</p> <p>Public Contracts and Bids</p>	<p>Relates to existing law which prohibits a state or local governmental agency or entity responsible for letting a public works contract from drafting bid specifications for that contract in a manner that limits the bidding to any one concern or product unless the specification is followed by the words "or equal". Encourages new and ingenious material production.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 05/18/2009 LOCATION: Senate Second Reading File</p> <p>STATUS: 07/07/2009 From SENATE Committee on JUDICIARY: Do pass</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 1364 (Evans – D)</p> <p>Public Contracts: State Bonds: Grant Agreements</p>	<p>Provides that any state agency that has entered into a contract where the agency has or may be unable to comply with the terms of that contract because of the suspension of programs by the Pooled Money Investment Board shall have authority to either renegotiate the deadlines and timetables for the deliverables within the agreement that may not be met in order to preserve the validity of the agreement or to invalidate the agreement.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/29/2009 LOCATION: Senate Governmental Organization Committee</p> <p>STATUS: 06/11/2009 To SENATE Committee on GOVERNMENTAL ORGANIZATION HEARING: 07/08/2009 9:30 am</p>	<p>None Listed</p>
<p>► AB 1381 (Perez – D)</p> <p>High-occupancy Toll Lanes</p>	<p>Requires the Los Angeles County Metropolitan Transportation Authority (MTA) high-occupancy toll lanes program to be implemented with the active participation of the Department of the California Highway patrol. Requires the Los Angeles County Metropolitan Transportation Authority to establish appropriate performance measures for the purpose of ensuring optimal use of the high-occupancy toll lanes without adversely affecting other traffic on the state highway system. States that MTA is not entitled to compensation for the adverse effects on toll revenue due to these facilities.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/15/2009 LOCATION: Senate Third Reading File</p> <p>STATUS: 06/30/2009 In SENATE. Read second time. To third reading</p>	<p>Co-Sponsors: California Department of Transportation, LAMTA</p> <p>Support: Professional Engineers in California Government</p>
<p>AB 1471 (Eng – D)</p> <p>Procurement: L.A. Metropolitan Transportation Authority</p>	<p>Deletes specified provisions relating to the Los Angeles County Metropolitan Transportation Authority. Authorizes the authority to purchase supplies, equipment, and materials from a public auction sale using the procedures established for all other participants in the auction. Authorizes the authority to participate in a cooperative procurement agreement with other public agencies under specified conditions.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 05/04/2009 LOCATION: Senate Transportation and Housing Committee</p> <p>STATUS: 06/04/2009 To SENATE Committee on TRANSPORTATION AND HOUSING.</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 1500 (Lieu – D)</p> <p>High Occupancy Lanes: Single Occupancy Vehicles</p>	<p>Existing law authorizes the Department of Transportation to designate certain lanes for the exclusive use of high-occupancy vehicles, which may also be used by low-emission and hybrid vehicles. AB 1500 extends the date from January 1, 2011 to January 1, 2016 that these specified vehicles can use high-occupancy lanes.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 06/02/2009 LOCATION: Senate Transportation and Housing Committee</p> <p>STATUS: 06/18/2009 To SENATE Committee on TRANSPORTATION AND HOUSING</p>	<p>Support: California Natural Gas Vehicle Coalition</p>
<p>ACA 1 (Silva – R)</p> <p>Legislature</p>	<p>Proposes an amendment to the Constitution to provide that no bill that would result in more than \$150,000 of annual expenditure by the state may be passed unless, by roll call vote entered in the journal, two thirds of the membership of each house concurs.</p>	<p>INTRODUCED: 12/01/2008 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 05/28/2009 In ASSEMBLY Committee on APPROPRIATIONS; Heard, remains in Committee</p>	<p>None Listed</p>
<p>► ACA 3 (Blakeslee – R)</p> <p>Initiatives: Bond Funding Source</p>	<p>Requires an initiative measure that would authorize the issuance of state general obligation bonds in a total amount exceeding \$1 billion to either provide additional tax or fee revenues, the elimination of existing programs, or both, as necessary to fully fund the bonds, as determined by the Legislative Analyst, in order to be submitted to the voters or take effect.</p>	<p>INTRODUCED: 12/01/2008 LAST AMENDED: 06/16/2009 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 07/01/2009 In ASSEMBLY Committee on APPROPRIATIONS: To Suspend File</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► ACA 5 (Calderon – D)</p> <p>Initiatives: State General Obligation Bonds</p>	<p>Proposes an amendment to the State Constitution to require an initiative measure that would authorize the issuance of state general obligation bonds to either provide additional tax or fee revenues, the elimination of existing programs, or both, as necessary to fully fund the bonds, as determined by the Legislative Analyst, in order to be submitted to the voters or to take effect. Requires the Attorney General to identify the new revenue source. Requires at least 55 percent of voters approve an initiative authorizing the issuance of state general obligation bonds.</p>	<p>INTRODUCED: 12/15/2008 LAST AMENDED: 06/16/2009 LOCATION: Assembly Elections and Redistricting Committee</p> <p>STATUS: 06/23/2009 In ASSEMBLY Committee on ELECTIONS AND REDISTRICTING: Not heard HEARING: 07/07/2009 1:30 p.m.</p>	<p>None Listed</p>
<p>► ACA 9 (Huffman – D)</p> <p>Local Government Bonds: Special Taxes: Voter Approval</p>	<p>Changes the two-thirds voter-approval requirement for special taxes to, instead, authorize a city, county, or special district to impose a special tax with the approval of 55 percent of its voters voting on the tax. Lowers the voter-approval threshold for a city, county, or city and county to incur general obligation bonded indebtedness for amounts exceeding in one year the income and revenue provided in that year to 55 percent.</p>	<p>INTRODUCED: 02/06/2009 LAST AMENDED: 06/26/2009 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 06/26/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS</p>	<p>(partial list) Support: League of California Cities, California State Association of Counties, CALCOG</p> <p>Oppose: Cal-Tax, California Association of Realtors, Howard Jarvis Taxpayers Association</p>
<p>ACR 14 (Niello – R)</p> <p>Global Warming Solutions Act of 2006</p>	<p>Calls upon the State Air Resources Board, prior to any regulatory action being taken consistent with the scoping plan for the implementation of the Global Warming Solutions act of 2006, to perform an economic analysis that will give the State a more complete picture of costs and benefits of the implementation. Calls upon the Governor to use the authority granted by the act to adjust any applicable deadlines.</p>	<p>INTRODUCED: 01/27/2009 LAST AMENDED: 03/27/2009 LOCATION: Assembly Natural Resources Committee</p> <p>STATUS: 04/27/2009 In ASSEMBLY Committee on NATURAL RESOURCES: Failed passage</p>	<p>Support: California Grocers Association, California Council for Environmental and Economic Balance, California Manufacturers and Technology Association</p> <p>Oppose: Planning and Conservation League</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 27 (Hancock – D) Local Agencies: Sales and Use Tax: Reallocation	Prohibits a local agency from entering into any agreement with a retailer, or any other person that would involve the payment, transfer, diversion or rebate of any amount of local tax proceeds if the agreement results in a reduction in the amount of revenue received by another agency from a retailer located within the jurisdiction of that other agency, and the retailer continues to maintain a physical presence within the territorial jurisdiction of the other local agency. Provides exceptions.	INTRODUCED: 12/02/2008 LAST AMENDED: 02/23/2009 LOCATION: Chaptered STATUS: 06/05/2009 Signed by GOVERNOR 06/05/2009 Chaptered by Secretary of State. Chapter No. 4	(partial list) Support : City of Livermore (sponsor), American Federation of State, County, and Municipal Employees; California State Association of Counties; City of Industry; League of Cities; California Peace Officers Association; California Professional Firefighters
► SB 104 (Oropeza – D) Global Warming Solutions Act of 2006: Greenhouse Gases	Amends the Global Warming Solutions Act of 2006 to include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride. Includes nitrogen trifluoride and any other anthropogenic gas, one metric ton of which makes the same or greater contribution to global warming as one metric ton of carbon dioxide. Includes a procedure by which any person could petition for a designation. Requires the State Air Resources Board to adopt appropriate regulations.	INTRODUCED: 01/27/2009 LAST AMENDED: 04/30/2009 LOCATION: <i>Assembly Appropriations Committee</i> STATUS: 07/06/2009 From ASSEMBLY Committee on NATURAL RESOURCES: Do pass to Committee on APPROPRIATIONS	Support: American Federation of State, County, and Municipal Employees, AFL-CIO, Sierra Club California
► SB 205 (Hancock – D) Traffic Congestion: Motor Vehicle Registration Fees	Authorizes a countywide transportation planning agency to impose an annual fee on motor vehicles registered within the county for programs and projects for certain purposes; requires voter approval; requires the Department of Motor Vehicles to collect the additional fee and distribute the net revenues to the agency. Requires that fees be used only to pay for programs and projects which are consistent with a regional transportation plan.	INTRODUCED: 02/23/2009 LAST AMENDED: 04/14/2009 LOCATION: <i>Assembly Local Government Committee</i> STATUS: 06/29/2009 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on LOCAL GOVERNMENT HEARING: 07/08/2009 1:30 pm	(partial list) Sponsor; Alameda County Congestion Management Agency Support: Santa Clara Valley Transportation Authority Oppose: Automobile Club of Southern California

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 333 (Hancock – D) Voluntary Greenhouse Gas Emission Offset Program	Creates the Voluntary Greenhouse Gas Emission Offset Program Fund, and provides that funds received by the state on a voluntary basis from the federal government, individuals, or other sources for the mitigation of climate change impacts related to greenhouse gas emissions be deposited in this fund. Requires that moneys from the fund be directed to the California Conservation Corps and local conservation corps for specified projects.	INTRODUCED: 02/25/2009 LAST AMENDED: 05/04/2009 LOCATION: Senate Appropriations Committee STATUS: 05/28/2009 In SENATE Committee on APPROPRIATIONS: Not heard.	None Listed
► SB 391 (Liu – D) California Transportation Plan	Requires the California Transportation Plan to be updated to address how the state will achieve maximum feasible emission reductions in order to attain a statewide reduction of greenhouse gas emissions to 1990 levels by 2020 and 80 percent below 1990 levels by 2050. Also requires the plan to identify a statewide integrated multimodal transportation system needed to achieve greenhouse gas reductions.	INTRODUCED: 02/26/2009 LAST AMENDED: 05/04/2009 LOCATION: Assembly <i>Appropriations Committee</i> STATUS: 06/29/2009 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS HEARING: 07/08/2009 9:00 am	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 406 (DeSaulnier – D)</p> <p>Land Use: Environmental Quality</p>	<p>Proposes changes to the membership of the Planning Advisory and Assistance Council and requires that the Council work with the State Strategic Growth Council. Authorizes a municipal planning organization or council of governments to levy a motor vehicle registration surcharge on vehicles registered to be used to develop and implement a regional blueprint plan or sustainable communities strategy. <i>Would authorize the Sacramento Metropolitan Air Quality District and the Bay Area Air Quality Management District to impose a surcharge of \$1 on a motor vehicle registered to an owner with an address within its jurisdiction. The surcharge would be authorized to be imposed only if the air district adopts a resolution authorizing it.</i></p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 06/23/2009 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 07/06/2009 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS</p>	<p><i>Staff Recommends: OPPOSE UNLESS AMENDED</i></p> <p>Sponsor: CALCOG</p> <p>Support: American Federation of State, County, and Municipal Employees, AFL-CIO, ABAG</p> <p>Oppose: California New Car Dealer's Association, California Taxpayers' Association, San Diego Association of Governments</p>
<p>► SB 409 (Ducheny – D)</p> <p>Department of Railroads</p>	<p>Creates the Department of Railroads within the Business, Transportation, and Housing Agency. Transfers responsibilities for various state railroad programs currently administered by other agencies to the Department. Provides that the Department shall be the only state agency eligible to apply for and receive grant and loan funds from the federal government for intercity rail, high speed rail, or freight rail purposes.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 05/21/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 06/09/2009 From SENATE Committee on TRANSPORTATION AND HOUSING: Do pass to Committee on APPROPRIATIONS</p>	<p>Oppose: California Public Utilities Commission</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 425 (Simitian – D)</p> <p>Personal and corporate income taxes: ridesharing</p>	<p>Disallows an income tax deduction for expenses of specified employers for parking subsidies unless all employees provided with a parking subsidy are offered a parking cash-out program. Authorizes a personal and corporate income tax credit for qualified commute reduction expenditures for specified small-business taxpayers.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 06/11/2009 LOCATION: Senate Revenue and Taxation Committee</p> <p>STATUS: 06/11/2009 From SENATE Committee on REVENUE AND TAXATION with author's amendments</p> <p>06/11/2009 In SENATE. Read second time and amended. Re-referred to Committee on REVENUE AND TAXATION HEARING: 07/08/2009 1:30 pm</p>	<p>Support: Natural Resources Defense Council, Los Angeles Chamber of Commerce, San Mateo County Transit District</p>
<p>► SB 455 (Lowenthal – D)</p> <p>High Speed Rail</p>	<p>Would require the Governor's appointments to the California High Speed Rail Authority to be based on the advice and consent of the Senate. Requires the Authority to ensure the selected projects, including right-of-way acquisition are consistent with the criteria as specified in the approved high speed rail bond. Waives specific state approval processes for capital outlay purchases by the Authority.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 04/16/2009 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 06/29/2009 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS</p>	<p>None Listed</p>
<p>► SB 474 (Ducheny – D)</p> <p>Transportation: Reporting Requirements</p>	<p>Relates to the State Department of Transportation authority to enter into agreements for transportation projects under pilot programs using public-private partnerships, design-build. Requires specified finding by lead agency prior to awarding any contract or entering into any agreement for a program involving an alternative contracting or financing method. Requires the California Transportation Commission to provide a report on the progress of savings resulting from the programs and to develop a methodology for benefit determination.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 06/03/2009 LOCATION: Senate Second Reading File</p> <p>STATUS: 07/07/2009 From SENATE Committee on TRANSPORTATION AND HOUSING: Do pass as amended to Committee on APPROPRIATIONS</p>	<p>Staff Recommends: OPPOSE</p> <p>Sponsor: Professional Engineers in California Government (PECG)</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>SB 476 (Correa – D) Environmental Quality Act: Noncompliance Allegations</p>	<p>Prohibits an action for noncompliance under CEQA from being brought forward unless the alleged grounds for noncompliance were raised either orally or in writing during the public comment period, prior to the close of the public hearing on the project, before the filing, rather than issuance, of the notice of determination.</p>	<p>INTRODUCED: 02/26/2009 LAST AMENDED: 04/30/2009 LOCATION: Assembly Natural Resources Committee STATUS: 05/28/2009 To ASSEMBLY Committees on NATURAL RESOURCES and JUDICIARY.</p>	<p>Sponsor: California Business Properties Association Oppose: Planning and Conservation League</p>
<p>► SB 545 (Cedillo – D) Freeway Construction</p>	<p>Amends existing law which exempts the Department of Transportation from entering into an agreement prior to closure of a city street or county highway due to construction of a freeway segment within the jurisdiction of the Los Angeles County Metropolitan Transportation Authority. Limits this exception to construction of a segment that consists solely of a subsurface transportation facility. Requires that an agreement is not possible because an impasse has existed after an initial route was adopted.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 06/30/2009 LOCATION: Assembly Appropriations Committee STATUS: 07/06/2009 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 575 (Steinberg – D)</p> <p>Local Planning: Housing Element</p>	<p>Provides that transportation projects that are funded solely by a local sales tax measure are exempt from certain provisions of the Planning and Zoning Law relative to development of a regional transportation plan and adoption of a sustainable communities strategy if those projects were specifically listed in a ballot measure, prior to a specified date, approving a sales tax increase for transportation projects. Relates to the implementation of SB 375 (Chapter 728, Statutes of 2008).</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 07/01/2009 LOCATION: <i>Assembly Local Government Committee</i></p> <p>STATUS: 07/01/2009 From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments</p> <p>07/01/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT HEARING: 07/08/2009 1:30 PM</p>	<p>None Listed</p>
<p>► SB 632 (Lowenthal – D)</p> <p>Ports: Congestion Relief: Air Pollution Mitigation</p>	<p>Requires the Ports of Los Angeles, Long Beach, and Oakland beginning January 1, 2010, to assess their infrastructure and air quality improvement needs, including but not limited to, projects that improve the efficiency of the movement of cargo, reduce congestion impacts associated with movement of cargo, and reduce pollution associated with the movement of cargo. Requires the Ports to provide this assessment to the Legislature by July 1, 2010 and to include in the assessment the total costs of infrastructure and air quality improvements, possible funding options for these projects, and estimated timelines for implementation.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/30/2009 LOCATION: <i>Assembly Appropriations Committee</i></p> <p>STATUS: 07/01/2009 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File</p>	<p>Support: Bay Area Air Quality Management District, Breathe California</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 734 (Lowenthal – D)</p> <p>Transportation</p>	<p>Relates to the \$2 billion Proposition 1B dollars allocated to cities and counties for specified street and road improvements. The act requires a city or county to reimburse the state for funds it receives if it fails to comply with certain conditions applicable to the expenditure of the bond funds. SB 734 requires any interest or other return earned by a city or county from investment of bond funds received under these provisions to be expended or reimbursed under the same conditions as are applicable to the bond funds themselves.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 06/22/2009 LOCATION: <i>Assembly Appropriations Committee</i></p> <p>STATUS: 06/29/2009 <i>From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS</i></p>	<p>None Listed</p>
<p>► SB 802 (Leno – D)</p> <p>Public Contracts: Retention Proceeds</p>	<p>Relates to public contracts and retention proceeds. Prohibits retention proceeds from exceeding five percent of the payment for all contracts entered into after January 1, 2010 between a public entity and an original contractor, between an original contractor and a subcontractor, and between all subcontractors thereunder. Requires the Department of General Services to withhold not more than five percent of the contract price until final completion and acceptance of a public work or improvement.</p>	<p>INTRODUCED: 02/27/2009 LOCATION: <i>Assembly Business and Professions Committee</i></p> <p>STATUS: 06/30/2009 <i>In ASSEMBLY Committee on BUSINESS AND PROFESSIONS: Heard, remains in Committee</i></p>	<p>(Partial List) Sponsor: CA Association of Sheet Metal & Air Conditioning Contractors</p> <p>Support: State Building and Construction Trades Council, California State Association of Electrical Workers, California State Pipe Trades Council</p> <p>Oppose: California State Association of Counties, California Special Districts Association, California Association of Sanitation Agencies</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SCA 14 (Ducheny – D)</p> <p>Initiative Measures: Funding Source</p>	<p>Proposes an amendment to the Constitution to prohibit an initiative measure that would result in a net increase in state government cost from being submitted to the electors or having any effect unless and until the Legislative Analyst and the Director of Finance jointly determine that the initiative provides for additional revenues in an amount that meets or exceeds the net increase in costs.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 06/23/2009 LOCATION: Senate <i>Appropriations Committee</i></p> <p>STATUS: 07/06/2009 In SENATE <i>Committee on</i> APPROPRIATIONS: To <i>Suspense File</i></p>	<p>None Listed</p>
TWO YEAR BILLS			
BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>AB 26 (Hernandez – D)</p> <p>Public Contracts: Bid Preferences: Employee Health Care</p>	<p>Requires a state agency awarding a public works contract to provide a bid preference to a bidder whose employee health care expenditures, and those of its subcontractors, are a percentage of the aggregate Social Security Wages paid to its employees in the state. Requires a bidder and its subcontractors to submit statements certifying that they qualify for the bid preference. Requires the bidder and contractors to continue to make employee health care expenditures.</p>	<p>INTRODUCED: 12/01/2008 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 05/28/2009 In ASSEMBLY Committee on APPROPRIATIONS: Heard, remains in Committee</p>	<p>Sponsor: State Building and Construction Trades Council of California</p> <p>Support: American Federation of State, County and Municipal Employees(AFSCME)</p> <p>Oppose: Associated General Contractors National Federation of Independent Business California State University</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 109 (Feuer – D) Outdoor Advertising	Amends the Outdoor Advertising Act; prohibits an advertising display that is visible from a state, county or city highway from being constructed as, or converted, enhanced, improved, modified, modernized or altered into a digital advertising display; prohibits an official highway changeable message sign from being constructed as or converted, enhanced, improved, modified, modernized or altered into a digital advertising display for the purpose of displaying messages other than traffic operations.	INTRODUCED: 1/13/2009 LAST AMENDED: 04/23/2009 LOCATION: Assembly Governmental Organization Committee. STATUS: 04/30/2009 In ASSEMBLY Committee on GOVERNMENTAL ORGANIZATION: Failed passage 04/30/2009 In ASSEMBLY Committee on GOVERNMENTAL ORGANIZATION: Reconsideration granted	Support: Association of California Insurance Companies, City of Los Angeles, Scenic America Oppose: California Chamber of Commerce, Clear Channel Outdoor
AB 118 (Logue – R) California Global Warming Solutions Act of 2006	Repeals the California Global Warming Solutions Act of 2006, which requires the State Air Resources Board to adopt regulations to require the reporting of greenhouse gases and to adopt a statewide greenhouse gas emissions limit.	INTRODUCED: 01/15/2009 LOCATION: Assembly Natural Resources Committee STATUS: 02/26/2009 To ASSEMBLY Committee on NATURAL RESOURCES	None Listed
AB 216 (Beall – D) Public Contracts: Claims	Provides for a mediation process and binding arbitration process for third party claim disputes between a contractor and a local agency, charter city, or charter county that does not have an alternative dispute process, if those claims remain unresolved after a 105 day time period for review of the claim, 10-day period for a meet and confer conference to occur, and 30 day time period for mediation.	INTRODUCED: 02/03/2009 LAST AMENDED: 05/06/2009 LOCATION: Assembly Appropriations Committee STATUS: 05/28/2009 In ASSEMBLY Committee on APPROPRIATIONS: Heard, remains in Committee	(partial list) Support: American Federation of State, County, and Municipal Employees, AFL-CIO Oppose: League of California Cities, American Council of Engineering Companies

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 251 (Knight – R) L.A. County Metropolitan Transportation Authority	Provides for the appointment of one member of the Los Angeles County Metropolitan Transportation Authority by the city councils of the Cities of Palmdale, Lancaster, and Santa Clarita, and deletes one of the public members appointed by the Mayor of Los Angeles. Excludes the Cities of Palmdale, Lancaster, and Santa Clarita from the selection of the four members appointed from other cities in the county.	INTRODUCED: 02/10/2009 LOCATION: Assembly STATUS: 05/20/2009 From ASSEMBLY Committee on LOCAL GOVERNMENT without further action pursuant to JR 62(a).	Sponsor: L.A. County Supervisor Michael Antonovich Oppose: City of Los Angeles
AB 263 (Miller – R) Riverside County Transportation Commission	Authorizes the Riverside County Transportation Commission (RCTC) to approve and award one best-value design-build contract for transportation improvements on the State Highway Route 91 corridor based on criteria established by RCTC.	INTRODUCED: 02/11/2009 LOCATION: Assembly Transportation Committee STATUS: 03/04/2009 To ASSEMBLY Committee on TRANSPORTATION	Sponsor: Riverside County Transportation Commission
AB 309 (Price – D) Public Contracts: Small Business Participation	Requires state agencies, departments, boards, and commissions to establish and achieve a goal of small business participation in state procurements and contracts and to work with the Department of General Services to help small businesses market their products, goods and services to the state by providing access to information about current bid opportunities on their web sites. Requires the Office of Small Business Advocate to collaborate with the Department of General Services to enhance the states small business program.	INTRODUCED: 02/17/2009 LAST AMENDED: 04/23/2009 LOCATION: Assembly Appropriations Committee STATUS: 05/28/2009 In ASSEMBLY Committee on APPROPRIATIONS: Heard, remains in Committee.	Sponsor: National Federation of Independent Business California

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 319 (Niello – R) Elections: Ballot Titles	Requires the Legislative Analyst, instead of the Attorney General, to prepare the ballot title and summary for all measures submitted to the voters of the state. Requires the Legislative Analyst, instead of the Department of Finance and the Joint Legislative Budget Committee, to prepare any fiscal estimate or opinion required by a proposed initiative measure.	INTRODUCED: 02/18/2009 LAST AMENDED: 04/13/2009 LOCATION: Assembly Elections and Redistricting Committee STATUS: 04/21/2009 In ASSEMBLY Committee on ELECTIONS AND REDISTRICTING: Failed passage 04/21/2009 In ASSEMBLY Committee on ELECTIONS AND REDISTRICTING: Reconsideration granted	Oppose: California School Employees Association , AFL-CIO
AB 397 (Jeffries – R) South Coast Air Quality Management District Election	Requires the members of the South Coast Air Quality Management District governing board to be elected by the divisions commencing with the 2012 general election.	INTRODUCED: 02/23/2009 LOCATION: Assembly Local Government Committee STATUS: 03/12/2009 Withdrawn from ASSEMBLY Committee on NATURAL RESOURCES 03/12/2009 Re-referred to ASSEMBLY Committees on LOCAL GOVERNMENT and NATURAL RESOURCES	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 782 (Jeffries - R) Regional Transportation Plans: Sustainable Communities	Provides that upon the California Air Resources Board's (CARB) acceptance that the sustainable communities strategy or an alternative planning strategy, if implemented, will achieve the greenhouse gas emissions reduction targets established by CARB, that acceptance shall be final, and no person or entity may initiate or maintain any judicial proceeding to review the propriety of the CARB's acceptance. Expands the Regional Targets Advisory Committee membership to include commercial builders, the business community, and those involved in transportation funding. Exempts transportation projects funded by Proposition 1B, the American Recovery and Reinvestment Act of 2009, and expands the exemption related to sales tax projects to include measures passed until 2010. Expands California Environmental Quality Act (CEQA) streamlining provisions to additional projects consistent with a sustainable communities strategy or alternative planning scenario.	INTRODUCED: 02/26/2009 LOCATION: Assembly Natural Resources Committee STATUS: 04/27/2009 In ASSEMBLY Committee on NATURAL RESOURCES: Heard, remains in Committee	Support: California Chamber of Commerce, American Council of Engineering Companies Oppose: Breathe California
AB 878 (Caballero – D) Infrastructure Financing	Authorizes a local governmental agency to enter into an agreement with a private entity for financing for specified types of revenue-generating infrastructure projects.	INTRODUCED: 02/26/2009 LAST AMENDED: 04/20/2009 LOCATION: Assembly Local Government Committee STATUS: 04/20/2009 From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments 04/20/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 1018 (Hill – D) State Finance	Requires the Governor's proposed budget to include estimates of revenues and expenditures for the three subsequent fiscal years. Requires the Director of Finance to submit revised estimates of revenue and expenditures for the current fiscal year and three subsequent fiscal years on or before May 14, July 15, and September 15 of each year. Requires the state Controller and Treasurer to review revised estimates and submit assessment to the fiscal committees of each house and the Director of Finance on or before May 31 of each year.	INTRODUCED: 02/27/2009 LOCATION: Assembly Appropriations Committee STATUS: 05/28/2009 In ASSEMBLY Committee on APPROPRIATIONS: Heard, remains in Committee	None Listed
AB 1062 (Garrick - R) Design-build contracts: Labor Compliance Program	Revises the definition of skilled labor force availability for purposes of public works design-build contracting to mean a commitment to training the future construction workforce through apprenticeship and requires the design-build entity to provide specified information from which it intends to request the dispatch of apprentices for use on the design-build contract.	INTRODUCED: 02/27/2009 LOCATION: Assembly Business and Professions Committee STATUS: 03/31/2009 To ASSEMBLY Committees on BUSINESS AND PROFESSIONS and LABOR AND EMPLOYMENT	Support: Western Electrical Contractors Association Oppose: California Labor Federation, AFL-CIO
AB 1091 (Ruskin - D) Natural Resources: Climate Change	Authorizes the Natural Resources Agency to develop and amend as necessary a climate change adaptation strategy to assess the state's vulnerability to impacts of climate change, including the impacts of projected sea-level rise, on the state's physical and natural infrastructure. Permits the agency to develop or augment the strategy by region. Provides that the strategy is subject to a specified revenue process prior to adaptation or approval.	INTRODUCED: 02/27/2009 LAST AMENDED: 05/06/2009 LOCATION: Assembly Appropriations Committee STATUS: 05/28/2009 In ASSEMBLY Committee on APPROPRIATIONS: Heard, remains in Committee.	Support: Trust for Public Land, Nature Conservancy, Planning and Conservation League
AB 1135 (Skinner - D) Vehicles: Registration Renewal	Requires the owner of a vehicle, upon application for renewal of a vehicle registration, to report the current odometer reading of the vehicle. Requires the information, except for the name of the vehicle owner and the vehicle license plate number, to be public information. Requires the Department of Motor Vehicles to group the information into census blocks and post the data on the department's Internet web site.	INTRODUCED: 02/27/2009 LAST AMENDED: 04/13/2009 LOCATION: Assembly Appropriations Committee STATUS: 05/28/2009 In ASSEMBLY Committee on APPROPRIATIONS: Heard, remains in Committee.	Sponsor: TransFORM California Support: Breathe California, Bay Area Air Quality Management District

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 1212 (Ruskin - D) Air Resources: Clean Vehicle Incentive Program	Authorizes CARB to adopt and implement a clean vehicle incentive, or feebate, program consisting of one-time rebates and one-time surcharges on the sale of new passenger motor vehicles. CARB is only to establish this program if it funds that the implementation of the program would be beneficial to achieving AB 32 greenhouse gas emission reduction goals. This is to be implemented in such a way that does not result in a levying of a tax, and all revenues are to be deposited into the Air Pollution Control Fund.	INTRODUCED: 02/27/2009 LOCATION: Assembly Transportation Committee STATUS: 03/31/2009 To ASSEMBLY Committee on TRANSPORTATION	None Listed
AB 1229 (Evans - D) Public Contracts: Local Public Agencies	Requires the Contractors State License Board, rather than the Department of Industrial relations, in collaboration with impacted agencies and parties, to develop guidelines and a standardized questionnaire related to qualifying bidders and regulating local public works projects. Factors to be considered in qualifying bidders are to include the size and contract volume of a prospective bidder. Factors are to be used to determine qualifications of a bidder on a weighted basis. Specifies that a prequalifying questionnaire, if used by a public entity, shall remain valid for three years, rather than a year, as long as the public entity determines the information has not substantially changed for that three year period.	INTRODUCED: 02/27/2009 LOCATION: Assembly Business and Professions Committee STATUS: 03/31/2009 To ASSEMBLY Committees on BUSINESS AND PROFESSIONS and LOCAL GOVERNMENT	None Listed
AB 1277 (Harkey - R) State Bonds: Sale	Authorizes the Treasurer to delay the sale of state bonds that are subject to the approval under Article 16 of the state constitution if the Treasurer, in consultation with the state Controller and Director of Finance determine that making the principal and interest payments would result in payments from the general fund for total debt service on the bonds would exceed six percent of total general fund revenues for the fiscal year, or if the cost of commercial paper needed to find a start-up loan would be more than three times the normal costs of commercial paper experienced by the Treasurer over the last two fiscal years, or if the Treasurer determines the Pooled Money Investment Account does not have sufficient funds to loan an amount equal to the bond proceeds.	INTRODUCED: 02/27/2009 LOCATION: Assembly Appropriations Committee STATUS: 05/20/2009 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 1278 (Harkey - R) Elections: Initiatives	Requires the Legislative Analyst to include additional information in the ballot pamphlet for each state initiative measure that proposes the issuance of a state bond. This information is to include the total amount of proposed bond indebtedness, the total amount of interest that would be paid over the term of the proposed bond, state that by approving this measure it is authorizing the state to incur debt, state whether tax revenue will be used to repay the bond, and state that repayment of the proposed bond may take priority over funding provided to local government or provided for public services.	INTRODUCED: 02/27/2009 LAST AMENDED: 04/14/2009 LOCATION: Assembly Elections and Redistricting Committee STATUS: 04/14/2009 From ASSEMBLY Committee on ELECTIONS AND REDISTRICTING with author's amendments 04/14/2009 In ASSEMBLY. Read second time and amended. Re-referred to Committee on ELECTIONS AND REDISTRICTING	None Listed
AB 1299 (Coto - D) State Taxes: Vote Requirement	Clarifies the meaning of state taxes for purposes of the constitutional vote requirement to mean taxes that are imposed by state law, levied and collected by the state, and required by state law to be deposited in the state treasury.	INTRODUCED: 02/27/2009 LOCATION: Assembly STATUS: 02/27/2009 INTRODUCED	None Listed
AB 1321 (Eng - D) Advance Infrastructure Mitigation Program	Enacts the Advance Infrastructure Mitigation Program Act. Provides for effective mitigation and conservation of natural resources and natural processes on a landscape, regional, or statewide scale, to expedite the environmental review of planned infrastructure projects and to facilitate the implementation of measures to mitigate the impacts of those projects. Establishes and funds mitigation banks. Authorizes mitigation credits.	INTRODUCED: 02/27/2009 LAST AMENDED: 05/06/2009 LOCATION: Assembly Appropriations Committee STATUS: 05/28/2009 In ASSEMBLY Committee on APPROPRIATIONS: Heard, remains in Committee.	(partial list) Support: California Council of Land Trust, California League of Conservation Voters, Nature Conservancy

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 1323 (Lowenthal – D) Workforce Development: Job Information	Requires the Employment Development Department to ensure that information is posted or otherwise made available at all state one-stop career centers regarding any jobs that have been or will be created in the state as result of economic stimulus funding provided to the state pursuant to the American Recovery and Reinvestment Act of 2009, or from the proceeds from the sale of state General Fund Infrastructure Bonds.	INTRODUCED: 02/27/2009 LAST AMENDED: 04/14/2009 LOCATION: Assembly Appropriations Committee STATUS: 05/28/2009 In ASSEMBLY Committee on APPROPRIATIONS: Heard, remains in Committee.	Support: California Workforce Association
AB 1375 (Galgiani – D) High-speed Rail	Revises and recasts provisions by repealing and reenacting the California High-Speed Train Act. Continues the High-Speed Rail Authority. Would also create the Department of High-Speed Trains within the Business, Transportation and Housing Agency to implement policies related to Proposition 1A (2008) and specifies its duties in relation to the High-Speed Rail Authority. Requires the newly formed department to have control over the annual submission of a six-year high-speed train capital improvement program and progress report to the Legislature.	INTRODUCED: 02/27/2009 LOCATION: Assembly Appropriations Committee STATUS: 04/27/2009 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS	None Listed
AB 1382 (Niello – R) State Budget	Requires that the state budget submitted by the Governor to the Legislature for the 2011-2012 fiscal year and each following year be developed pursuant to performance-based budgeting methods, for each state agency. Requires the Department of Finance to utilize the annual report on the measurements of performance-based budgeting methods prepared by the Joint Legislative Budget Committee.	INTRODUCED: 02/27/2009 LOCATION: Assembly Appropriations Committee STATUS: 05/28/2009 In ASSEMBLY Committee on APPROPRIATIONS: Heard, remains in Committee.	None Listed
AB 1411 (Torrice – D) Legislature: Delayed Budget Bill Passage	Prohibits Members from engaging in campaign fundraising activities from July 1 until August 15 or the date on which the Budget Bill is passed by the Legislature and sent to the Governor, whichever occurs first.	INTRODUCED: 02/27/2009 LAST AMENDED: 06/02/2009 LOCATION: Assembly Third Reading File STATUS: 06/02/2009 In ASSEMBLY. Read third time and amended. To third reading.	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 1502 (Eng – D) Vehicles: High-Occupancy Vehicle Lanes	Authorizes the Department of Transportation to designate certain lanes for the exclusive use of high-occupancy vehicles, which may also be used by certain low-emission, hybrid, or alternative fuel vehicles.	INTRODUCED: 02/27/2009 LOCATION: Assembly Transportation Committee STATUS: 04/02/2009 To ASSEMBLY Committee on TRANSPORTATION	None Listed
ACR 16 (Silva – R) Joint Rules: Fiscal Committee	Provides that whenever a bill that would result in net costs for a program is referred or re-referred to the fiscal committee of either house, the bill shall not be heard or acted upon by the committee or either house until the bill either provides for an appropriation or other funding source in an amount that meets or exceeds the net costs.	INTRODUCED: 02/02/2009 LOCATION: Assembly STATUS: 02/02/2009 INTRODUCED	None Listed
SB 31 (Pavley – D) Global Warming Solutions Act	Relates to the Global Warming Solutions Act of 2006. Requires that revenues collected pursuant to compliance mechanisms adopted by the State Air Resources Board be deposited in the Air Pollution Control Fund. Specifies that uses of the revenues collected pursuant to the fee and the compliance mechanisms are to include such things as renewable energy and energy efficiency programs, investments in technologies to reduce greenhouse gas emissions, green jobs development and training, and for administrative costs related to implementing the Act.	INTRODUCED: 12/02/2008 LAST AMENDED: 05/05/2009 LOCATION: Senate Inactive File STATUS: 06/03/2009 In SENATE. Read third time. Failed to pass SENATE. 06/03/2009 In SENATE. Reconsideration granted. 06/03/2009 In SENATE. From third reading. To Inactive File.	Co-Sponsors: Environmental Entrepreneurs, Natural Resources Defense Council (partial list) Support: South Coast Air Quality Management District, Environmental Defense Fund Oppose: California Chamber of Commerce, Southern California Edison

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 225 (Flores – D) Emission Reduction Credits	Authorizes an air quality management district and an air pollution control district to create an emission reduction credit from the emission reductions resulting from a project that is funded from both public and private moneys if specified requirements are met.	INTRODUCED: 02/23/2009 LAST AMENDED: 04/29/2009 LOCATION: Senate Environmental Quality Committee STATUS: 04/29/2009 From SENATE Committee on ENVIRONMENTAL QUALITY with author's amendments 04/29/2009 In SENATE. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL QUALITY	None Listed
SB 295 (Dutton - R) California Global Warming Solutions Act of 2006	Relates to the Global Warming Solutions Act of 2006 that requires reporting and verification of emissions of greenhouse gases and to enforce compliance with reporting and verification. Requires the State Air Resources Board to report on whether the revised analysis regarding greenhouse gas emission reductions has led, or will lead, to any changes to the scoping plan, and whether any changes should be made to the act's timelines. Requires the Legislative Analyst to review the state board's implementation.	INTRODUCED: 02/25/2009 LAST AMENDED: 05/13/2009 LOCATION: Senate Environmental Quality Committee STATUS: 05/20/2009 In SENATE Committee on ENVIRONMENTAL QUALITY: Failed passage. 05/20/2009 In SENATE Committee on ENVIRONMENTAL QUALITY: Reconsideration granted.	(partial list) Support: Cal-Tax, Greater Riverside Chamber of Commerce, Inland Empire Division of the League of California Cities Oppose: California Teachers Association, Planning and Conservation League.
SB 414 (Correa – D) County Employee Retirement: Boards	Requires a County retirement Board to appoint a replacing alternate member in the same manner as prescribed for the initial appointment of an alternate retired member who shall serve out the remaining term of the leaving member.	INTRODUCED: 02/26/2009 LOCATION: Senate Public Employment and Retirement Committee STATUS: 03/12/2009 To SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 518 (Lowenthal – D) Vehicles: Parking Services and Fees	Requires state funds not be used to subsidize parking services for students, employees, and other persons on and after a specified date, and to directly or indirectly subsidize the construction or operations of parking. Authorizes a community college district to exempt specified students who receive financial assistance, who rideshare, or who carpool from paying parking fees. Authorizes the expenditure of any moneys apportioned to cities or counties from the Highway Users Tax Account for transportation demand management measures. Relates to parking meter rate zones	INTRODUCED: 02/26/2009 LAST AMENDED: 05/28/2009 LOCATION: Senate Inactive File STATUS: 06/03/2009 In SENATE. Read third time. Failed to pass SENATE. 06/03/2009 In SENATE. Reconsideration granted. 06/03/2009 In SENATE. From third reading. To Inactive File.	(partial list) Sponsor: Natural Resources Defense Council Support: American Lung Association, California League of Conservation Voters, Genentech
SB 528 (Negrete McLeod – D) Toll Facilities: Lease Agreements	Relates to existing law that authorizes the Department of Transportation and regional transportation agencies to enter into comprehensive development lease agreements with public and private entities. Prohibits a lease agreement entered into after a certain date from providing for compensation for adverse effects of competing projects.	INTRODUCED: 02/27/2009 LOCATION: Senate Transportation and Housing Committee STATUS: 05/12/2009 In SENATE Committee on TRANSPORTATION AND HOUSING: Not heard.	Support: Professional Engineers of California Government.
SB 553 (Wiggins – D) Payment of State Claims: Nonprofit Corporations	Relates to the Prompt Payment Act which requires timely payment of grants between any state agency and a local government agency or organization authorized to accept grant funding. Provides that, in the event a state agency fails to make timely payment because no Budget Act has been enacted, penalties shall continue to accrue. Provides that nonprofit public benefit corporations are eligible for late payment penalties.	INTRODUCED: 02/27/2009 LAST AMENDED: 04/22/2009 LOCATION: Senate Appropriations Committee STATUS: 05/28/2009 In SENATE Committee on APPROPRIATIONS: Not heard.	(partial list) Co-Sponsors: California Council of Land Trusts, California State Parks Foundation, Planning and Conservation League Support: Land Trust Council, California Association of Nonprofits, Central Valley Land Trust Council

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 560 (Ashburn - R) Regional Transportation Plans: Sustainable Communities	Relates to transportation planning. Provides that greenhouse gas emission credits for counties and cities that permit commercial wind, solar, and biomass projects may be used as credit in the formulation of the sustainable communities strategy or an alternative planning strategy. Excludes transportation trips related to a military installation.	INTRODUCED: 02/27/2009 LOCATION: Senate Environmental Quality Committee STATUS: 03/12/2009 To SENATE Committees on ENVIRONMENTAL QUALITY and TRANSPORTATION AND HOUSING	None Listed
SB 696 (Wright – D) Air Quality: Regional Districts: Emission Reductions	Exempts from the requirements of the State Environmental Quality Act, the adoption and implementation of specified air pollution control district or air quality management district rules, and the creation or the use of specified offset credits pursuant to district rules by a thermal power plant when certain conditions are satisfied. Requires the Energy Commission to perform a needs assessment for a thermal power plant proposed to be located in the district.	INTRODUCED: 02/27/2009 LAST AMENDED: 05/05/2009 LOCATION: Senate Energy, Utilities and Communications Committee STATUS: 05/05/2009 From SENATE Committee on ENERGY, UTILITIES AND COMMUNICATIONS with author's amendments. 05/05/2009 In SENATE. Read second time and amended. Re-referred to Committee on ENERGY, UTILITIES, AND COMMUNICATIONS.	Sponsor: South Coast Air Quality Management District

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>SB 711 (Leno - D)</p> <p>Public Meetings: Sessions: Labor Negotiations</p>	<p>Amends the Ralph M. Brown Act. Requires a local agency, before holding a closed session regarding employee compensation to identify the employee(s) subject to the negotiations, the representatives of the employees, all known negotiation matters, and to make public written proposals. In addition, before an agency commences negotiations for a new collective bargaining agreement or initial proposal for an unrepresented employee, to present, in an open and public session, a new collective bargaining agreement or initial proposal. Requires any vote on the collective bargaining agreement or initial proposal to be taken at an open and public session.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/13/2009 LOCATION: Senate Local Government Committee</p> <p>STATUS: 04/13/2009 From SENATE Committee on LOCAL GOVERNMENT with author's amendments</p> <p>04/13/2009 In SENATE. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT</p> <p>04/13/2009 Hearing canceled at request of author.</p>	<p>Support: California Newspaper Publishers Association, California Aware.</p> <p>Oppose: County of San Bernardino, California Association of Clerks and Elections Officials, American Federation of State, County, and Municipal Employees</p>
<p>SB 721 (Steinberg -D)</p> <p>Energy: Greenhouse Gas Emissions</p>	<p>Creates the Climate Action Team responsible for coordinating the state's overall climate policy and preparing, adopting, and presenting to the Legislature on or before January 1, 2011 and annually thereafter, a strategic research, development, demonstration, and development plan that establishes priorities and identifies key expenditure categories for research, development, demonstration, and development funds to be expended by the state agencies represented on the team.</p>	<p>INTRODUCED: 02/27/2009 LAST AMENDED: 04/23/2009 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 05/28/2009 In SENATE Committee on APPROPRIATIONS: Not heard.</p>	<p>Sponsor: Audubon California, Defenders of Wildlife, The Nature Conservancy</p> <p>Support: Clean Water Action, National Parks Conservation Association, Sierra Club California</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 777 (Wolk – D) State Budget	Requires the budget of a state agency submitted to the Department of Finance to utilize a performance based budgeting method. Establishes a task force comprised of the Director of Finance, the Controller, and the Chairperson of the Joint Legislative Budget Committee to develop performance based budgeting guidelines and procedures and in addition, develop a training and education program for state agency personnel involved in the budget process.	INTRODUCED: 02/27/2009 LAST AMENDED: 05/26/2009 LOCATION: Senate Budget and Fiscal Review Committee STATUS: 05/26/2009 From SENATE Committee on BUDGET AND FISCAL REVIEW with author's amendments. 05/26/2009 In SENATE. Read second time and amended. Re-referred to Committee on BUSGET AND FISCAL REVIEW.	None Listed
SCA 1 (Walters – R) State Budget	Proposes an amendment to the State Constitution. Provides, that if the total amount of General Fund appropriations in a Budget Bill for the ensuing fiscal year combined with all other General Fund appropriations for that fiscal year on the date of passage does not exceed by 5 percent or more the amount of the General Fund appropriations for the immediately preceding fiscal year, the budget bill may be passed by a simple majority.	INTRODUCED: 12/01/2008 LOCATION: Senate Rules Committee STATUS: 01/29/2009 To SENATE Committees on RULES and ELECTIONS, REAPPORTIONMENT AND CONSTITUTIONAL AMENDMENTS	None Listed
SCA 3 (Wyland – R) Transportation Investment Fund	Proposes an amendment to the State Constitution. Deletes current provisions authorizing the transfer of revenues to the Transportation Investment Fund to be suspended during a fiscal emergency. Prohibits a loan of fund revenues under any circumstances. Prohibits any statute that would reduce the extent to which these tax revenues are deposited into the General Fund for transfer to the fund for transportation purposes.	INTRODUCED: 12/01/2008 LOCATION: Senate Revenue and Taxation Committee STATUS: 01/29/2009 To SENATE Committees on REVENUE AND TAXATION; ELECTIONS, REAPPORTIONMENT AND COSTITUTIONAL AMENDMENTS; and APPROPRIATIONS	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SCA 5 (Hancock – D) State Budget	Exempts General Fund appropriations in the Budget Bill from the two-thirds vote requirement.	INTRODUCED: 12/02/2008 LOCATION: Senate Rules Committee STATUS: 01/29/2009 To SENATE Committees on RULES; and ELECTIONS, REAPPORTIONMENT AND CONSTITUTIONAL AMENDMENTS	None Listed
SCA 7 (Maldonado – R) Legislature: Compensation	Proposes an amendment to the State Constitution. Provides that if a Budget Bill is not passed by June 15, Members of the Legislature may not be paid any salary or per diem until the Budget Bill is passed and sent to the Governor.	INTRODUCED: 01/15/2009 LOCATION: Senate Rules Committee STATUS: 02/24/2009 Re-referred to SENATE Committee on RULES	None Listed
SCA 9 (Ducheny – D) Finance: State Budget: Taxes	Proposes an amendment to the Constitution that exempts from the two-thirds vote requirement appropriations made in a Budget Bill, and appropriations made in a bill identified in the Budget Bill containing only changes in law necessary to implement the Budget Bill, and instead be passed by a 55 percent vote in each house.	INTRODUCED: 01/26/2009 LOCATION: Senate Budget & Fiscal Review Committee STATUS: 02/05/2009 To SENATE Committees on BUDGET AND FISCAL REVIEW; and ELECTIONS, REAPPORTIONMENT, AND CONSTITUTIONAL AMENDMENTS	None Listed

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



BOARD COMMITTEE TRANSMITTAL

July 27, 2009

To: Members of the Board of Directors
From: *W* Wendy Knowles, Clerk of the Board
Subject: Federal Legislative Status Report

Legislative and Communications Committee Meeting of July 16, 2009

Present: Directors Brown, Buffa, Cavecche, Dalton, Glaab, and Mansoor
Absent: Director Bates

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Adopt the following recommended position on legislation:

Support H.R. 467 (Speier, D-CA and Eshoo, D-CA), the Equitable Treatment of State and Local Governments Act of 2009, which would direct the Secretary of the Treasury to purchase at face value debt instruments issued by Lehman Brothers Holding, Inc., which were held by any state or local government on September 15, 2008, and continuously thereafter, and which are subject to the bankruptcy proceedings of that financial institution.



July 16, 2009

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

Overview

A support position is recommended on a bill to require the Secretary of the Treasury to purchase certain bonds issued by Lehman Brothers Holding, Inc., in order to put state and local governments in the same position they would have been in had the Secretary and the Federal Reserve System provided emergency financial assistance to that financial institution. An update is provided on the status of efforts to reauthorize the federal transportation program and stabilize the Highway Trust Fund.

Recommendation

Adopt the following recommended position on legislation:

Support H.R. 467 (Speier, D-CA and Eshoo, D-CA), the Equitable Treatment of State and Local Governments Act of 2009, which would direct the Secretary of the Treasury to purchase at face value debt instruments issued by Lehman Brothers Holding, Inc., which were held by any state or local government on September 15, 2008, and continuously thereafter, and which are subject to the bankruptcy proceedings of that financial institution

Discussion

Lehman Brothers Holding, Inc. (Lehman) is the only major investment bank that the federal government did not rescue during last year's banking crisis. Due to the sudden nature of the Lehman collapse on September 15, 2008, many state and local governments across the nation were left holding Lehman corporate bonds. It is widely understood that these public agencies invested in Lehman corporate bonds and notes as part of strict, safe, and conservative investment strategies which met state and local government legal and investment policy requirements.

The Orange County Transportation Authority (OCTA) is one of those local governments who held Lehman issued bonds on September 15, 2008. At the time of the Lehman bankruptcy the OCTA owned two corporate medium-term notes issued by Lehman. The two notes were purchased by OCTA's investment managers and were within the permitted investment requirements under California law and OCTA's investment policy.

Bear Sterns (now J.P. Morgan) had purchased a \$2 million medium term note and Western Asset Management (WAM) had purchased a \$1 million note. J.P Morgan has since sold the first note at 11.25 percent of par and WAM is holding the second note pending further bankruptcy proceedings. The note held by WAM is currently priced at 15.125 percent of par value. The OCTA and the investment managers have filed the required claim documents in bankruptcy and are currently monitoring the bankruptcy process.

H.R. 467, the Equitable Treatment of State and Local Governments Act of 2009, was jointly introduced by Representatives Speier (D-CA) and Eshoo (D-CA) on January 13, 2009. The bill (Attachment A) would add a new subsection to the Emergency Economic Stabilization Act of 2008 regarding acquisition of Lehman bonds and would require the Secretary of the Treasury to purchase bonds and debt instruments issued by Lehman which were held by state or local governments on September 15, 2008, have been continuously held by them since that date, and are now the subject of the Lehman bankruptcy proceedings. The bill would also substitute the Secretary of the Treasury for any state or local government as a creditor of equal standing with respect to any Lehman bonds and debt instruments which it purchases.

The bill has ten co-sponsors and has been referred to the House Committee on Financial Services. If this bill were to become law, OCTA would be able to receive full recovery on the \$1 million note currently being held by WAM. Staff is therefore recommending a support position on H.R. 467.

Federal Authorization Activity

On June 18, James Oberstar (D-MN), who chairs the House Transportation and Infrastructure (T&I) Committee, introduced an extensive 775-page bill which would reauthorize the federal highway and transit programs. This bill is built upon the work of the Surface Transportation Policy and Revenue Study Commission, consolidating numerous federal funding programs, creating programs for goods movement and metropolitan mobility projects, adding sustainability, livability and greenhouse gas reduction to the planning process, and emphasizing performance measures and accountability as part of the funding process.

The bill, called the Surface Transportation Assistance Act of 2009,(STAA) contemplates an overall funding level of \$450 billion over six years with another \$50 billion for goods movement. Other than to designate \$337 billion for highways, \$100 billion for transit, and \$13 billion for highway and motor carrier safety, the STAA does not set out how this funding will be spread throughout programs or the sources of the funding. On June 24, the STAA was unanimously passed on a voice vote by the T&I Subcommittee on Highways and Transit after a dozen amendments from both parties were introduced and then withdrawn under an agreement to move the bill forward.

Chairman Oberstar would like to have a full committee markup on STAA in late July, but that is contingent on a financing and revenue deal being reached with the Ways and Means Committee, the Democratic leadership, and the Obama Administration. The Ways and Means Committee held a hearing on transportation reauthorization on June 25, but has yet to propose any revenue amendments necessary to move authorization forward.

Forward movement on the STAA this year is directly contrary to the intentions of both the Obama Administration and the senate leadership. Both have indicated their priority this year will be stabilizing the Highway Trust Fund (HTF) and passing an extension of the current program.

On July 1, the United States Department of Transportation sent a written message to Congress containing an outline of the Obama Administration proposal for the "Stage I Reauthorization" of the program. The outline calls for an 18-month extension to March 31, 2011, of the present program with the addition of unspecified new provisions to improve planning at the state and regional level and encourage regional access and livability initiatives. Beyond these changes, the Administration proposes no further restructuring of the present program throughout the extension period.

Regarding funding, the Administration's proposal calls for the immediate transfer of \$20 billion from the general fund to the HTF in order to prevent the highway and mass transit accounts from running out of cash before March 31, 2011. This \$20 billion would be offset by an equal amount of spending cuts and revenue increases distributed over a 10-year period.

Even before this July 1 Administration message, the chair of the key Senate Authorizing Committee, Senator Boxer (D-CA), indicated that the Senate is not interested in moving forward with new legislation at this time, in view of the other priorities of health care and climate change legislation competing for Senate floor time this year.

Summary

Support is sought for a bill which would to require the Secretary of the Treasury to purchase certain bonds issued by Lehman Brothers Holding, Inc. and purchased by state and local governments. Information is provided regarding the conflict in approaches to federal reauthorization between the Obama Administration and the senate on one side, and the House T&I Committee on the other.

Attachment

A. 111TH Congress 1st Session H.R. 467

Prepared by:



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

111TH CONGRESS
1ST SESSION

H. R. 467

To put State and local governments and other public entity or instrumentality established under State law in the same position they would have been in had the Secretary of the Treasury and the Board of Governors of the Federal Reserve System provided emergency financial assistance to Lehman Brothers Holdings Inc. by requiring the Secretary of the Treasury to purchase bonds issued by such financial institution, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 13, 2009

Ms. SPEIER (for herself and Ms. ESHOO) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To put State and local governments and other public entity or instrumentality established under State law in the same position they would have been in had the Secretary of the Treasury and the Board of Governors of the Federal Reserve System provided emergency financial assistance to Lehman Brothers Holdings Inc. by requiring the Secretary of the Treasury to purchase bonds issued by such financial institution, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Equitable Treatment of State and Local Governments Act of 2009”.

SEC. 2. PURCHASE OF CERTAIN BONDS AND OTHER DEBT INSTRUMENTS FROM STATE AND LOCAL GOVERNMENTS AND CERTAIN OTHER PUBLIC ENTITIES AND INSTRUMENTALITIES

REQUIRED.

Section 101 of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5211) is amended by adding at the end the following new subsection:

“(f) ACQUISITION OF LEHMAN BROTHERS BONDS.—

“(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall purchase at face value, under subsection (a), bonds and other debt instruments issued by Lehman Brothers Holdings Inc. which—

“(A) were held as of September 15, 2008, by any State government, any political subdivision of any State, or other public entity or instrumentality established under State law (whether such bonds or other debt instruments are held individually or pooled);

“(B) have been held by such State, political subdivision, or other public entity or instrumentality continuously since such date; and

“(C) are subject to the proceedings under title 11, United States Code, pursuant to the petition filed on September 15, 2008, by Lehman Brothers Holdings Inc.

“(2) SUBSTITUTION OF SECRETARY.—Notwithstanding any other provision of this title, the Secretary shall be substituted for any State government, any political subdivision of any State, or other public entity or instrumentality established under State law from which it purchases any bond or other instrument pursuant to paragraph (1) as a creditor in any proceeding under title 11, United States Code, pursuant to the petition filed on September 15, 2008, by Lehman Brothers Holdings Inc., and shall have the same standing in such proceedings with respect to other creditors as the government or subdivision for which the Secretary is substituted.”



MEMO

July 22, 2009

To: Members of the Board of Directors

From: *Wendy Knowles* Wendy Knowles, Clerk of the Board

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

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

Thank you.



July 22, 2009

To: Finance and Administration Committee

From:  James S. Kenan, Interim Chief Executive Officer

Subject: Approval of the Amended and Restated Orange County Council of Governments Joint Powers Agreement

Overview

The Orange County Council of Governments has amended its joint powers agreement to eliminate outdated provisions, update other provisions, and authorize certain new provision, such as establishing authority for member agency dues. Each member agency is requested to adopt an amended and restated joint powers agreement.

Recommendations

- A. Approve the Amended and Restated Joint Powers Agreement Establishing the Orange County Council of Governments.
- B. Authorize the Chief Executive Officer to execute the Amended and Restated Joint Powers Agreement Establishing the Orange County Council of Governments.

Background

The Orange County Council of Governments (OCCOG) was established as a joint powers authority through an executed joint powers agreement (JPA) entered into by 30 founding member agencies between April 1996 and January 1998. The Orange County Transportation Authority (OCTA) became a member agency of OCCOG in March 2001.

The purpose of OCCOG is to serve as the subregional organization that represents Orange County on mandated and non-mandated Southern California Association of Governments' (SCAG) planning activities; develop and adopt the Orange County Projections that serve as Orange County's official growth forecast for local, area-wide, and regional planning activities; provide a forum for members to engage cooperatively and voluntarily on

- Updates the list of OCCOG member agencies.
- Updates the OCCOG voting member agencies. The South Coast Air Quality Management District will only have one voting member rather than two. The OCDLCC has been reclassified as a non-voting ex-officio member since it is not a public entity as required by law.
- Adds a provision for the establishment and member agency payment of dues to pay for administration of the OCCOG.
- Streamlines provisions so that specific terms governing how each voting member is comprised is established pursuant to the OCCOG bylaws, therefore, eliminating the requirement that the JPA be amended by each member agency for any subsequent clarifications.
- Clarifies the powers and limitations of the OCCOG.
- Replaces the designation of the City of Lake Forest with the OCTA as the entity required to be designated in the agreement, pursuant to Government Code §6509, which requires the specific identification of a member agency whose powers are reflective of the limitations of the OCCOG as a whole.
- Broadens the powers of the OCCOG to retain staff and consultants.
- Eliminates the specific designation of OCCOG committees, and instead, provides for the OCCOG bylaws to specify committees.

Each member agency must now approve the amended and restated JPA to maintain its membership in OCCOG. Also, at its June 25, 2009, meeting the OCCOG Board of Directors approved amendments to its bylaws. The new bylaws are included as Attachment B, but no action is required by the OCTA Board of Directors.

Summary

The OCTA Board of Directors is requested to approve the OCCOG amended and restated joint powers agreement as required to maintain membership.

- Updates the list of OCCOG member agencies.
- Updates the OCCOG voting member agencies. The South Coast Air Quality Management District will only have one voting member rather than two. The OCDLCC has been reclassified as a non-voting ex-officio member since it is not a public entity as required by law.
- Adds a provision for the establishment and member agency payment of dues to pay for administration of the OCCOG.
- Streamlines provisions so that specific terms governing how each voting member is comprised is established pursuant to the OCCOG bylaws, therefore, eliminating the requirement that the JPA be amended by each member agency for any subsequent clarifications.
- Clarifies the powers and limitations of the OCCOG.
- Replaces the designation of the City of Lake Forest with the OCTA as the entity required to be designated in the agreement, pursuant to Government Code §6509, which requires the specific identification of a member agency whose powers are reflective of the limitations of the OCCOG as a whole.
- Broadens the powers of the OCCOG to retain staff and consultants.
- Eliminates the specific designation of OCCOG committees, and instead, provides for the OCCOG bylaws to specify committees.

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Summary

The OCTA Board of Directors is requested to approve the OCCOG amended and restated joint powers agreement as required to maintain membership.

Attachments

- A. Amended and Restated Joint Powers Agreement Establishing the Orange County Council of Governments
- B. Amended Bylaws of the Orange County Council of Governments – Adopted by the Orange Council of Governments June 25, 2009

Prepared by:



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

**AMENDED AND RESTATED
JOINT POWERS AGREEMENT
ESTABLISHING THE
ORANGE COUNTY COUNCIL OF GOVERNMENTS**

This presentation reflects the Amended and Restated Agreement made between the Member Agencies (listed in Exhibit 1) hereinafter collectively or individually referred to as "Member Agencies."

RECITALS

A. Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code authorizes two (2) or more public agencies to jointly exercise any power common to them.

B. Each Member Agency and party to this Agreement is a governmental entity established by law with full powers of government in legislative, administrative, financial and other related fields.

C. Member Agencies realize the urgent need for areawide planning and coordination in order to provide advice to public entities on a range of issues that affect multiple interests.

D. Member Agencies believe that the joint exercise of their powers will provide an organization capable of conducting studies and projects designed to improve and coordinate common governmental responsibilities and services on an areawide and regional basis through the establishment of a council of governments.

E. Member Agencies wish to create a unified subregional organization which will improve Orange County's abilities to be represented in the southern California region, the State of California and the nation on issues and matters that affect collective Orange County interests.

F. Member Agencies believe that an Orange County Council of Governments (“OCCOG”) is best suited to accomplish the preparation of subregional plan components mandated by state and federal law to conduct studies and projects designed to improve and coordinate the common governmental responsibilities and services on an areawide and regional basis through the establishment of a council of governments, and explore areas of intergovernmental cooperation and coordination of government programs and provide recommendations and solutions to problems of common and general concern.

G. Between approximately April 1996 and January 1998, thirty (30) Member Agencies adopted the original Joint Powers Agreement (“Original JPA”) for the OCCOG. Since that date, twelve (12) additional Orange County agencies have signed the Original JPA to become Member Agencies.

H. The Member Agencies believe the OCCOG has been operating effectively at accomplishing its purposes, as outlined in the Original JPA, and seeks to have the Original JPA amended by this Amended and Restated JPA to better comport with the present and anticipated future needs of the OCCOG.

NOW, THEREFORE, in consideration of the recitals and the mutual obligations of the parties as herein expressed, Member Agencies agree as follows:

SECTION 1
ESTABLISHMENT

This Agreement amends and supersedes the Original JPA in its entirety. There is hereby created an organization known and denominated as the Orange County Council of Governments (OCCOG) which shall be a public entity, separate and apart from any member city or county. The Orange County Council of Governments shall be governed by the terms of this Joint Powers Agreement and the Rules, duly passed and adopted by the Board.

SECTION 2
PURPOSE AND FUNCTIONS

2.1 Functions

OCCOG established hereunder shall perform all necessary functions to fulfill the purposes of this Agreement. The OCCOG shall:

- a. Serve as a forum for consideration, study and recommendation on area-wide and regional problems;
- b. Assemble information helpful in the consideration of problems peculiar to Orange County;
- c. Explore practical avenues for intergovernmental cooperation, coordination, and action in the interest of its members;
- d. Seek economies of scale whenever practical in the administration of governmental services;
- e. Exercise jointly the common powers of its members to manage and administer any implementation agreement or program;
- f. Make and enter into contracts;
- g. Contract for the services of engineers, attorneys, planners, financial consultants and others and employ such other persons, as it deems necessary;
- h. Adopt rules, regulations, policies, bylaws and procedures governing the operation of OCCOG;
- i. Apply for grants under any federal, state, regional or local programs as needed to achieve member objectives;
- j. Seek the adoption or defeat of any federal, state or local legislation or regulation necessary or desirable to accomplish the stated purposes and objectives of the OCCOG;
- k. Incur debts, liabilities or obligations;
- l. Acquire, hold or dispose of property;
- m. Receive gifts, contributions and donations of property, funds, services and other forms of financial assistance from persons, firms, corporations and any governmental entity;

- n. To the extent not specifically provided in this Agreement, to exercise any powers authorized by the member agencies to achieve the OCCOG's objectives and such further powers not specifically mentioned herein, but common to Member Agencies, and authorized by California Government Code Section 6508.

2.2 Limitation of Powers

The manner in which the OCCOG may exercise its powers shall be subject to any statutory limitations applicable to the Orange County Transportation Authority.

SECTION 3

ORGANIZATION

3.1 Membership

The parties to OCCOG shall be each public entity which has executed or hereafter executes this agreement, or any addenda, amendment, or supplement thereto, and which has not, pursuant to provisions hereof, withdrawn from the OCCOG.

Other entities within Orange County may petition to become a member of the OCCOG by submitting to the Board of Directors ("Board") a resolution adopted by its governing body. The Board shall review the petition for membership and shall vote to approve or disapprove the petition. If the petition is approved by a majority of the Board the petitioning entity shall become a member of the OCCOG.

The names of the member parties at any time shall be shown on Exhibit 1, attached, as amended or supplemented from time to time.

3.2 Withdrawal from Membership

Any member of OCCOG may, at any time, withdraw from the OCCOG. The withdrawal of a member agency shall become effective ninety (90) days after a resolution adopted by its governing body which authorizes withdrawal is received by the OCCOG.

3.3 Successor Agency

The Orange County Council of Governments is hereby designated the successor in interest to the Orange County Regional Advisory and Planning Council (RAPC).

SECTION 4
BOARD OF DIRECTORS

4.1 Board of Directors and Voting

All functions of the OCCOG shall be exercised by the Board. Recognizing the provisions for formation in Section 9.1 of this agreement, the Board would be composed of elected officials and ex-officio (non voting) representatives of the following entities, as further provided in the OCCOG's Bylaws:

<u>Entity</u>	<u>No. of</u>
<u>Members</u>	<u>Voting</u>
County of Orange	1
Orange County Transportation Authority	1
Orange County Transportation Corridor Agencies	1
Orange County Sanitation Districts	1
Orange County ISDOC/Water Agencies Representative	1
Orange County Representative to SCAQMD	1
Orange County Delegates to SCAG	12
Orange County SCAG representative	1
At-large Orange County Cities Member	1
Total Members	20 voting

Additionally, there shall be one Orange County Division, League of California Cities Representative (non-voting Ex-Officio), one Private Sector Representative (non-voting Ex-Officio) and one University Representative (non-voting Ex-Officio) on the OCCOG Board, but more may be established based on needs and in accordance with the OCCOG's Bylaws.

4.2 Terms/Removal

Board members serve at the pleasure of the appointing entity and Board, as further set forth in the OCCOG Bylaws.

4.3 Vacancies/Alternates

If a person who has been appointed as a director ceases to serve as a member of the appointing entity or no longer qualifies to serve as a member of the appointing entity, he/she shall no longer serve on the OCCOG Board. The appointing entity is encouraged to fill vacancies as expeditiously as possible to ensure representation on the voting Board.

Each Board member can designate one or two alternates, provided that said alternates serve in a similar capacity in the entity as the Board member (i.e., elected officials for voting members). Alternate directors shall receive all meeting notices and written material sent to directors and shall have the right to participate and vote at meetings of the Board in the absence of the director for whom the alternate director serves.

All provisions of law relating to conflicts of interest that apply to a Board member shall apply to alternate board members.

4.4 Ex-Officio Representatives

Such representatives shall receive all meeting notices, shall have the right to participate in Board discussions, and shall have the right to place matters on the agenda, but shall not be counted towards a quorum of the Board and shall have no vote.

4.5 No Dual Representation

It is recognized that elected officials often represent various agencies by serving on various boards, committees, etc. In instances where elected officials represent more than one OCCOG member agency, the official will choose one agency to represent. When an elected official is the sole representative of an agency, the elected official shall represent that agency on the OCCOG Board. Procedures

for filling open OCCOG member positions will follow those described in the OCCOG's Bylaws.

4.6 Officers

Chair: The Chair of the Board shall be elected annually as further provided in the OCCOG bylaws. Any Board member may be authorized to represent the Board upon approval by the Chairman.

Vice Chair: The Vice Chair of the Board shall be elected annually, as further provided in the OCCOG bylaws, and have all the powers to act in the place of the Chair in the Chair's absence.

4.7 Quorum

A majority of appointed voting directors shall constitute a quorum for acting on the business of the Board. If such number of Board members is an even number, a majority shall be one more than half the number of appointed directors to the Board.

4.8 Meetings

Regular Meetings: Regular meetings of the Board shall be held every month according to a schedule approved by the Board at its first meeting each calendar year.

Special Meetings: Special meetings may be called by the Chairman or a quorum of Board members.

Brown Act: All meetings shall be called and conducted in accordance with the Ralph M. Brown Act.

4.9 Bylaws

Bylaws providing additional details pertaining to the conduct of OCCOG and its support structure will be established and approved by the OCCOG Board.

SECTION 5
STAFFING, FUNDING AND ADDITIONAL
RESPONSIBILITIES

5.1 Staffing, Consultants and Agents

The Board shall have the power to appoint, by employment or on a contractual basis, and remove an administrative officer to serve as the Executive Director of the Board. Such Executive Director shall have full authority and responsibility to implement the purposes and objectives of the OCCOG, subject to the general authority of the Board and specific definition of duties, responsibilities and compensation by contract or employment terms as approved by the Board and as provided by the OCCOG Bylaws. The duties of the Executive Director may be delegated by the Executive Director to subordinate employees or performed through contractual services.

The Board may appoint any additional staff, consultants or agents, as deemed necessary or desirable by approval of the Board. Such additional officers may be officers or employees of a Member Agency or the Board may approve entering into a contractual agreement for services for any function necessary for the Board to carry out its purpose, which additional officers or employees shall not be deemed employees of the OCCOG.

Additional support to OCCOG may be provided through committees, as established in the Bylaws.

5.2 Funding

Dues: Each Member of the OCCOG shall pay annual membership dues to recover costs for staffing, legal services, equipment, materials, contract services, office space and other capital and operational costs as stipulated by OCCOG's annual adopted budget, which dues shall initially be set at the amount provided as Exhibit "2" attached hereto and, thereafter, adjusted pursuant to OCCOG's annual adopted budget. Said dues structure shall be established by resolution of the Board and shall be updated annually.

Additional funding for the OCCOG's operation may be provided by monies provided to Orange County from the Southern California Association of Governments, member and/or non-member agency financial contributions, grants, and other sources authorized and approved by the OCCOG Board.

5.3 Assignment of Additional Responsibilities

Additional responsibilities will be undertaken by OCCOG in accordance with the following procedures.

Requests to Examine Issues and Provide Input/Recommendations: Requests from non-member and member agencies may be made to OCCOG to examine activities and provide recommendations. The OCCOG shall assign the Executive Director or an OCCOG committee the task of examining staffing needs and funding issues to undertake additional responsibilities, including the need to establish a special assessment to fund any additional responsibility, and providing recommendations to OCCOG on how and whether it might choose to pursue the request. In addition to considering potential staffing/funding constraints, the Executive Director or OCCOG committee will also base its recommendations, and the OCCOG shall consider, on whether the request/issue has strong countywide support among OCCOG members and can reduce or eliminate duplication, improve efficiencies and otherwise achieve countywide consensus and OCCOG objectives.

Assignment of Responsibilities to OCCOG: Should requests from member and/or non-member agencies be made for the OCCOG to assume responsibility for delivery of services, development of plans, programs or similar activities, the OCCOG would assume said responsibilities upon approval of its Board, with concurrence of the affected agency(ies).

SECTION 6
FINANCES

6.1 Budget

Prior to July 1st of each fiscal year, the Board shall adopt a budget.

6.2 Designation of Treasurer and Auditor/Controller

The Board shall, in accordance with applicable law, designate a Treasurer and Auditor/Controller for the OCCOG. The Treasurer shall have charge of the depositing and custody of all funds held by the OCCOG. The Treasurer shall perform such other duties as may be imposed by provisions of applicable law, including those duties described in Section 6505 and 6505.5 of the Government Code and such duties as may be required by the Board. The Auditor/Controller shall maintain the financial records of the OCCOG, and shall perform such functions as may be required by provisions of applicable law, this Agreement and any OCCOG bylaws and the direction of the Board.

6.3 Obligations of the OCCOG

As authorized by California Government Code Section 6508.1, the debts, liabilities and obligations of the OCCOG shall be the debts, liabilities or obligations of the OCCOG alone. No member of the OCCOG shall be responsible, directly or indirectly, for any obligation, debt or liability of the OCCOG, whatsoever. The debts, liabilities and obligations of the OCCOG shall be the debts, liabilities and obligations of the OCCOG alone, and not of the Members.

6.4 Control and Investment of OCCOG Funds

The Board shall adopt a policy for the control and investment of its funds and shall require strict compliance with such policy. The policy shall comply, in all respects, with all provisions of applicable law.

6.5 Funds and Properties

The Board shall appoint an entity to receive and have the custody of, and disburse OCCOG funds and property and make disbursements as agreed to by its members. The appointed entity shall invest OCCOG funds in accordance with the general law. All interest collected on OCCOG funds shall be accounted for and posted to the account of said funds.

6.6 Accounts and Reports

The OCCOG shall establish and maintain such records and accounts which are deemed necessary to account for and report on the various sources of funds, expenditures, grants, programs and projects and, as may be required by good accounting practice, the State Controller or the United States Government. The books and records of the OCCOG shall be open to inspection by representatives of the member agencies at all reasonable times.

SECTION 7 INDEMNITY

Each party hereto agrees to indemnify and hold the other parties harmless from all liability for damage, actual or alleged, to persons or property arising out of or resulting from negligent acts or omissions of the indemnifying party of its employees.

The member agencies, and their employees, officers, members and directors will not be liable to OCCOG (or anyone who may claim any right because of a relationship with OCCOG) for any acts or omissions related to the service to OCCOG. OCCOG and its members will indemnify and hold the members harmless from any obligations, costs, claims, judgments, attorney's fees, and/or attachments in any way connected with the services provided to OCCOG under this agreement.

SECTION 8
TERMINATION AND) DISSOLUTION

8.1 Termination

The OCCOG shall continue to exercise the joint powers herein until the termination of this Agreement and any extension thereof or until the parties shall have mutually rescinded this Agreement: providing, however, that the OCCOG and this agreement shall continue to exist for the purposes of disposing of all claims, distribution of assets and all other functions necessary to conclude the affairs of the OCCOG. Termination shall be accomplished by a majority action of the Board.

8.2 Distribution of Property and Funds

In the event of the termination of this Agreement, any property interest remaining in OCCOG following the discharge of all obligations shall be disposed in accordance with Government Code Section 6512.

SECTION 9
MISCELLANEOUS

9.1 Effective Date

This Agreement shall be effective and the Orange County Council of Governments shall exist from and after such date as this Agreement has been executed by 50 percent plus one of the cities or the County of Orange in Orange County representing over 50 percent of the County's population.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as evidenced by the signatures below.

MEMBER AGENCY

By: _____

Title: _____

Date: _____

ATTEST:

By: _____

APPROVED AS TO FORM:

By: _____

E X H I B I T 1
MEMBER AGENCIES LISTING

City of Aliso Viejo
City of Anaheim
City of Brea
City of Buena Park
City of Costa Mesa
City of Cypress
City of Dana Point
City of Fountain Valley
City of Fullerton
City of Garden Grove
City of Huntington Beach
City of Irvine
City of La Habra
City of La Palma
City of Laguna Beach
City of Laguna Hills
City of Laguna Niguel
City of Laguna Woods
City of Lake Forest
City of Los Alamitos
City of Mission Viejo
City of Newport Beach
City of Orange
City of Placentia
City of Rancho Santa Margarita
City of San Clemente
City of San Juan Capistrano
City of Santa Ana
City of Seal Beach
City of Stanton
City of Tustin
City of Villa Park
City of Westminster

City of Yorba Linda

County of Orange

Orange County Independent Special Districts/Water Agencies

Orange County Transportation Authority

Foothill / Eastern Transportation Corridor Agency

San Joaquin Hills Transportation Corridor Agency

County Sanitation Districts of Orange County, Nos. 1,2,3,5,6,7,11,13,14

South Coast Air Quality Management District

EXHIBIT 2
FY2009-10 OCCOG MEMBERSHIP DUES

Adopted by the OCCOG Board of Directors at its Regular Meeting of June 25, 2009

	Member Agency Name	2008 City Population	% Population (2008 DOF)	Base (1/3) of Initial Dues	Weighted Dues % of Total Pop.	Population Factor	Adopted OCCOG Dues
1	ALISO VIEJO	45,249	1.45%	\$ 1,666.67	\$ 1,932.94	\$ 3,599.61	\$ 3,599.61
2	ANAHEIM	346,823	11.11%	\$ 1,666.67	\$ 14,815.56	\$ 16,482.22	\$ 5,000.00
3	BREA	40,081	1.28%	\$ 1,666.67	\$ 1,712.18	\$ 3,378.84	\$ 3,378.84
4	BUENA PARK	82,768	2.65%	\$ 1,666.67	\$ 3,535.68	\$ 5,202.34	\$ 5,000.00
5	COSTA MESA	113,955	3.65%	\$ 1,666.67	\$ 4,867.92	\$ 6,534.59	\$ 5,000.00
6	CYPRESS	49,541	1.59%	\$ 1,666.67	\$ 2,116.29	\$ 3,782.95	\$ 3,782.95
7	DANA POINT	36,982	1.18%	\$ 1,666.67	\$ 1,579.79	\$ 3,246.46	\$ 3,246.46
8	FOUNTAIN VALLEY	57,925	1.86%	\$ 1,666.67	\$ 2,474.44	\$ 4,141.10	\$ 4,141.10
9	FULLERTON	137,437	4.40%	\$ 1,666.67	\$ 5,871.02	\$ 7,537.69	\$ 5,000.00
10	GARDEN GROVE	173,067	5.54%	\$ 1,666.67	\$ 7,393.06	\$ 9,059.73	\$ 5,000.00
11	HUNTINGTON BEACH	201,993	6.47%	\$ 1,666.67	\$ 8,628.72	\$ 10,295.39	\$ 5,000.00
12	IRVINE	209,806	6.72%	\$ 1,666.67	\$ 8,962.47	\$ 10,629.14	\$ 5,000.00
13	LA HABRA	62,635	2.01%	\$ 1,666.67	\$ 2,675.64	\$ 4,342.30	\$ 4,342.30
14	LA PALMA	16,176	0.52%	\$ 1,666.67	\$ 691.00	\$ 2,357.67	\$ 2,357.67
15	LAGUNA BEACH	25,131	0.81%	\$ 1,666.67	\$ 1,073.54	\$ 2,740.21	\$ 2,740.21
16	LAGUNA HILLS	33,421	1.07%	\$ 1,666.67	\$ 1,427.68	\$ 3,094.34	\$ 3,094.34
17	LAGUNA NIGUEL	66,877	2.14%	\$ 1,666.67	\$ 2,856.85	\$ 4,523.51	\$ 4,523.51
18	LAGUNA WOODS	18,442	0.59%	\$ 1,666.67	\$ 787.80	\$ 2,454.47	\$ 2,454.47
19	LAKE FOREST	78,317	2.51%	\$ 1,666.67	\$ 3,345.54	\$ 5,012.21	\$ 5,000.00
20	LOS ALAMITOS	12,191	0.39%	\$ 1,666.67	\$ 520.77	\$ 2,187.44	\$ 2,187.44
21	MISSION VIEJO	98,572	3.16%	\$ 1,666.67	\$ 4,210.79	\$ 5,877.46	\$ 5,000.00
22	NEWPORT BEACH	84,554	2.71%	\$ 1,666.67	\$ 3,611.97	\$ 5,278.64	\$ 5,000.00
23	ORANGE	140,849	4.51%	\$ 1,666.67	\$ 6,016.78	\$ 7,683.44	\$ 5,000.00
24	PLACENTIA	51,727	1.66%	\$ 1,666.67	\$ 2,209.67	\$ 3,876.34	\$ 3,876.34
25	RANCHO SANTA MARGARITA	49,764	1.59%	\$ 1,666.67	\$ 2,125.81	\$ 3,792.48	\$ 3,792.48
26	SAN CLEMENTE	67,892	2.18%	\$ 1,666.67	\$ 2,900.20	\$ 4,566.87	\$ 4,566.87
27	SAN JUAN CAPISTRANO	36,782	1.18%	\$ 1,666.67	\$ 1,571.25	\$ 3,237.92	\$ 3,237.92
28	SANTA ANA	353,184	11.32%	\$ 1,666.67	\$ 15,087.28	\$ 16,753.95	\$ 5,000.00
29	SEAL BEACH	25,986	0.83%	\$ 1,666.67	\$ 1,110.07	\$ 2,776.73	\$ 2,776.73
30	STANTON	39,276	1.26%	\$ 1,666.67	\$ 1,677.79	\$ 3,344.46	\$ 3,344.46
31	TUSTIN	74,218	2.38%	\$ 1,666.67	\$ 3,170.44	\$ 4,837.10	\$ 4,837.10
32	VILLA PARK	6,259	0.20%	\$ 1,666.67	\$ 267.37	\$ 1,934.04	\$ 1,934.04
33	WESTMINSTER	93,027	2.98%	\$ 1,666.67	\$ 3,973.92	\$ 5,640.59	\$ 5,000.00
34	YORBA LINDA	68,312	2.19%	\$ 1,666.67	\$ 2,918.15	\$ 4,584.81	\$ 4,584.81
35	COUNTY OF ORANGE	122,032	3.91%	\$ 1,666.67	\$ 5,212.95	\$ 6,879.62	\$ 5,000.00
36	OCTA*	0	0.00%	\$ -	-	-	\$ 5,000.00
37	TCA*	0	0.00%	\$ -	-	-	\$ 5,000.00
38	OC Sanitation District*	0	0.00%	\$ -	-	-	\$ 5,000.00
39	OC Special Districts (ISDOC)*	0	0.00%	\$ -	-	-	\$ 5,000.00
40	South Coast AQMD	0	0.00%	\$ -	-	-	\$ 5,000.00
	Total	3,121,251	100.00%	\$58,333.33			\$ 167,799.65

**AMENDED
BYLAWS
OF THE
ORANGE COUNTY COUNCIL OF GOVERNMENTS**

**Adopted by the Orange County Council of Governments
June 25, 2009**

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BYLAWS
ORANGE COUNTY COUNCIL OF GOVERNMENTS
(A JOINT POWERS AUTHORITY)

PREAMBLE

The Orange County Council of Governments ("OCCOG") is a separate public agency voluntarily established by its Members pursuant to the Joint Exercise of Powers Act, chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, which authorizes two (2) or more public agencies by a Joint Powers Agreement to exercise any power common to them. Said Agreement, attached as Exhibit "A" herein, was duly approved and enacted. Said Agreement remains fully effective.

In conjunction with, and subject to the limitations of, the terms of the Agreement, these Bylaws authorize, govern, and regulate the powers, conduct, rules, procedures, and operations of OCCOG.

ARTICLE 1. DEFINITIONS

For purposes of these Bylaws and throughout the Agreement, the following words, terms, phrases and their derivations shall have the meaning given herein. Hereinafter, the word "shall" is always mandatory and not merely directory.

"Affected Agency" shall mean any public agency that is statutorily responsible for providing a specified and particular service.

"Agreement" shall mean the Joint Powers Agreement for the Orange County Council of Governments.

"Alternate Board Member" or **"Alternate"** shall mean an individual who is designated to substitute in the capacity as a Member of the OCCOG Board for a specified Board Member who may become absent. The Alternate shall not become a governing director of OCCOG or serve as Board Member until such time as the Alternate assumes the seat of the absent Board Member.

“Appointee to the OCCOG Board” shall mean either a Board Member or an Alternate.

“AQMD” shall mean the South Coast Air Quality Management District.

“Board” or “Board of Directors” shall mean the collective governing body of the OCCOG, which represents all Members and exercises the powers and functions of the JPA Agreement.

“Board Member” or “Member of the OCCOG Board” shall mean a designated individual or an Alternate who serves on the OCCOG Board of Directors.

“City Member” shall mean a Member Agency to the OCCOG that is incorporated as a city within the geographical boundaries of Orange County.

“Elected Official” shall mean an individual elected to the governing body of a Member Agency by the general public.

“Executive Director” shall mean the Chief Administrative Officer of the OCCOG.

“Executive Management Committee” shall mean the advisory body to the OCCOG Board as established pursuant to these bylaws.

“Fiscal Year” shall mean the annual period from July 1 to and including the following June 30.

“Founding Member” shall mean a Member whose governing body determined to join the OCCOG prior to the first Board meeting on August 15, 1996.

“General Assembly” shall mean the collective OCCOG body consisting of one voting representative designated by each Member Agency.

“ISDOC” shall mean the Independent Special Districts of Orange County.

“League of California Cities” shall refer to the association of public entities, which comprise the Orange County Division of the League of California Cities.

“Member Agency” or “Member” shall mean a party to the Joint Powers Agreement for the OCCOG, whose dues-paying membership is in good standing.

“Member of the General Assembly” shall mean a representative to the OCCOG General Assembly designated by a Member Agency.

“Non-voting Ex Officio Member” shall mean a Member of the OCCOG Board of Directors who does not have a vote in OCCOG governing decisions and whose presence shall not be counted in determining whether a quorum exists.

“OCCOG” shall mean the Orange County Council of Governments.

“OCSD” shall mean the County Sanitation Districts of Orange County.

“Policies and Procedures Manual” shall mean the OCCOG Policies and Procedures Manual to the OCCOG Bylaws, as adopted and amended by the OCCOG Board.

“Quorum” shall mean fifty percent (50%) plus (1) of the OCCOG Board, excluding vacant board seats (no appointments) and non-voting Ex Officio members.

“SCAG” shall mean the Southern California Association of Governments.

“SCAG District” shall mean a geographic community of cities designated by SCAG. OCCOG board representation on SCAG District city representative seats shall correspond to the Orange County SCAG districts.

“Subregional Organization” shall mean a subregional planning agency as formally established under a joint powers agreement pursuant to California Government Code 6500 et.seq. for general planning purposes.

ARTICLE II. PURPOSE AND RESPONSIBILITIES

2.1 Purpose of OCCOG

The OCCOG is an agency voluntarily established by its Members pursuant to a Joint Powers Agreement (Agreement). The public interest requires a joint powers agency, known as the OCCOG, to represent the collective interests of Orange County Member Agencies in performing the general purpose as stated below.

The general purpose of the OCCOG is to:

- A. Serve as the Subregional Organization that represents Orange County on mandated and non-mandated SCAG regional planning activities. Through such designation as a Subregional Organization, OCCOG shall participate and provide an Orange County voice of its Members on input and recommendations relating to SCAG planning activities, including but not limited to, the federally and state mandated Regional Transportation Plan, the state mandated Regional Housing Needs Assessment process, the state-mandated Sustainable Communities Strategy, and other SCAG programs.
- B. Develop and adopt an Orange County Projections that serves as Orange County's official growth forecast for local, areawide and regional planning activities.
- C. Provide a vehicle for the Members to engage cooperatively and voluntarily on additional regional and cooperative planning efforts with federal, state and regional agencies, including such planning issues as air quality, water quality, and other issues as determined by the Board and OCCOG's member agencies, and to provide an Orange County voice on recommendations and solutions on such additional planning issues to federal, state and regional agencies.

- D. Conduct studies and projects designed to improve and coordinate the common governmental responsibilities and services on an area-wide and regional basis through the establishment of a council of governments.

It is the express intent of its Members that the OCCOG shall not possess the authority to compel any Member to conduct any activity or implement any plan or strategy that the Member does not wish to undertake (except for the payment of dues). The goal and intent of the OCCOG is one of voluntary cooperation among its member agencies for the collective benefit of member agencies in Orange County.

2.2 Responsibilities

- A. To conduct the purpose of OCCOG serving as the SCAG subregional organization that represents Orange County, the OCCOG shall have the following responsibilities:
 - 1. To serve as the subregional organization that represents Orange County to SCAG, and which functions as a collaborative partner with SCAG subregions and SCAG staff, policy committees and its Governing Board, to:
 - a. Provide Orange County's technical and policy level review, input and recommendations on SCAG activities, plans, programs and processes that are mandated by State and Federal law, such as the state-mandated Regional Housing Needs Assessment (RHNA), the federal and state-mandated Regional Transportation Plan, and the state-mandated Sustainable Communities Strategy.
 - b. Provide Orange County's technical and policy level review, input and recommendations on SCAG activities, plans, programs and processes that are not mandated by State and Federal law, such as SCAG's 2% Compass Blueprint planning and SCAG's Regional Comprehensive Plan.

- c. Conduct demographic activities, including the review of growth forecasts as developed by SCAG.
 2. To represent the interests of the Member Agencies on SCAG plans, programs, policies and proposed legislative platforms.
 3. To build consensus among Member Agencies on the development, planning, and implementation of SCAG policies and programs.
- B. To conduct the purpose of OCCOG developing and adopting Orange County's official growth forecast for use in local, areawide and regional planning, the OCCOG shall have the following responsibilities:
 1. To serve as a sponsor agency of the Center for Demographic Research, CSUF (CDR) with other CDR sponsors in CDR's technical development of a growth forecast for Orange County.
 2. To conduct a technical and policy level review and approval of Orange County's growth forecast, for transmittal to SCAG as Orange County's official growth forecast for regional planning, including the state and federally-mandated Regional Transportation Plan and Sustainable Communities Strategy.
 3. To conduct a technical and policy level review and approval of Orange County's growth forecast, for use by Orange County jurisdictions, Orange County transportation agencies, and Orange County special districts, as the official growth forecast for Orange County planning efforts.
 4. To approve and support Orange County's official growth forecast against any alternate forecasts developed for Orange County at the State or regional levels, including any forecasts developed through the Regional Housing Needs Assessment, State Compass Blueprint planning, or SCAG's 2% Compass Blueprint planning programs.

- C. To conduct the purpose of OCCOG serving as a vehicle for cooperative planning for OCCOG Member Agencies, the OCCOG shall have the following responsibilities:
 - 1. To serve as a forum for the review, consideration, study, development, and recommendation on planning issues at the areawide, regional, state and federal arenas that are of mutual interest and concern to the Member Agencies.
 - 2. To serve as a forum for the exchange of ideas and information among its Member Agencies, and to consider questions of mutual interest and concern to Member Agencies and to develop technical, policy and action recommendations.
 - 3. To monitor, review and analyze regional, state and federal air quality plans, programs, legislation and proposed rules and regulations as they affect Member Agencies.
 - 4. To serve as an advocate in representing the Member Agencies at the federal, state and regional levels on issues of importance to OCCOG.
 - 5. To facilitate intergovernmental coordination with the public and private sectors in Orange County on issues of common interest and concern to Orange County governmental and special district agencies.
- D. To employ agents, officers and employees.
- E. To make and enter into contracts, including contracts for the services of engineers, consultants, planners, financial consultants, attorneys and single-purpose public/private groups, and separate and apart there from to employ such other persons, as it deems necessary.
- F. To serve as a mechanism for obtaining regional, state and federal grants to assist in financing the expenditures of the OCCOG.

- G. To apply for, receive, and administer a grant or grants under any local, regional, state or federal program.
- H. To receive gifts, contributions and donations of property, funds, services and other forms of financial assistance from persons, firms, corporations and any governmental entity.
- I. To delegate some or all of its powers to the Executive Director as provided herein.

OCCOG staff shall also have the authority to examine issues as requested by Member and Non-Member Agencies and present recommendations to the Board. Non-Member agency affiliations shall include, but not be limited to:

- Planning Directors Association of Orange County
- Orange County Public Works City Engineers Association

However, the Executive Director and Board may not implement any authority beyond those enumerated in Section 2.2 above, without the approval of two-thirds (2/3) of the total voting membership of the Board and the concurrence of affected agencies. For the purposes of these Bylaws, "concurrence of affected agencies" shall mean all of those agencies statutorily responsible for providing the service. Legal Counsel shall advise the Board on any procedural steps required for the expansion of OCCOG's authority prior to Board approval of such new authority.

2.3 General Powers

The OCCOG shall possess the authority to exercise any and all those legislative, administrative, and financial powers which are common to all Members at the time the power is exercised and are necessary to accomplish the purposes of the OCCOG as stated above and throughout the Agreement, subject to the limitations specified in Section 2.4 of these Bylaws below.

2.4 Limitation of Powers

The exercise of power by the OCCOG shall be limited by the following:

- A. The OCCOG shall have no authority or jurisdiction to impose any land use requirements on the owner, developer, or occupant of any property, nor shall OCCOG mandate that any public entity must adopt any such requirement. The OCCOG shall have no authority or jurisdiction with respect to the establishment of land use planning, spheres of influence for cities, or land use approvals. Further no action by the OCCOG will change, reduce, or interfere with the local authority and decision-making of cities or the County.

- B. The OCCOG shall have no authority or jurisdiction to impose any tax or assessment, nor shall OCCOG impose any fee that is not reasonably related to recover the cost of a service provided by OCCOG.

ARTICLE III. MEMBERSHIP

3.1 Members of the OCCOG

Members of the OCCOG shall be all dues-paying public agency parties to the Agreement including any addendum, supplement or amendment thereto, as individually executed on behalf of the respective governing bodies of the public agency parties, and which have not duly withdrawn from the membership as provided herein and which remain Members in good standing. Founding Members shall consist of those public agencies, which determined to join the OCCOG prior to the date of the first Board meeting on August 15, 1996, as established in OCCOG Board Resolution 97-1, Exhibit II, attached hereto and incorporated herein by this reference as Appendix A.

Any additional public agency located within the geographical boundaries of Orange County may petition to become a Member of the OCCOG by submitting to the Board a resolution adopted by the petitioner's governing body requesting consideration for membership along with any additional information required by the Board.

The Board shall review the petition for qualification as membership and shall vote to approve or disapprove the petition. Petitioners shall become Members at such time as a majority of the total voting membership of the Board approves the petition, and the petitioner signs an addendum to the Agreement assenting to the terms and conditions of the Agreement and these Bylaws, including the payment of dues.

Exhibit 1 to the Agreement, which lists the names of members, shall be updated when new Member Agencies join or when Member Agencies leave, as a Supplement to the Agreement.

3.2 Membership Dues

Each Member of the OCCOG shall pay annual membership dues to recover costs for staffing, legal services, equipment, materials, contract services, office space and other capital and operational costs as stipulated by OCCOG's annual adopted budget. Said dues structure shall be established by resolution of the Board and shall be updated annually.

3.3 Withdrawal

Any Member of the OCCOG may withdraw from membership at any time with or without cause. Withdrawal does not become effective until ninety (90) days after a resolution approved by the Member's governing body authorizing withdrawal is submitted to the Board.

ARTICLE IV. GENERAL ASSEMBLY

4.1 Meetings

The General Assembly shall consist of one voting representative or his/her alternate as designated by each Member. The date, time, and place of the General Assembly meeting shall be established by Resolution of the Board. Special meetings of the General Assembly may be called by a quorum of the Board in attendance at any Board meeting or by written petition signed by ten percent (10%) of the General Assembly. The Chair of the Board shall serve as Chair of the General Assembly. All meetings of the General Assembly shall be called and conducted, and an agenda posted, in accordance with the Ralph M. Brown Act, Government Code Section 54950 et seq., ("Brown Act") as it now exists or may hereafter be amended.

4.2 Consideration of Issues

The Executive Director shall present a report to the General Assembly for the General Assembly's comment and input, including the following:

- A. A summary of projects and accomplishments undertaken by the OCCOG during the previous fiscal year;
- B. An annual financial statement of the previous fiscal year;
- C. A proposed work program for the following fiscal year;
- D. A statement of projected income and expenditures for the following fiscal year, including a listing and amount of sources of funding and all matching requirements and obligations to satisfy the funding, for all projects proposed to be undertaken or coordinated by the OCCOG; and,
- E. Any other issue agendized for consideration by the General Assembly as requested by any Board Member, EMC Member, Member of the General Assembly, or Executive Director, and as approved by the Board.

4.3 Powers

The General Assembly is empowered to provide comment and policy suggestions to the Board on any agenda item, including recommendations for amendments to these Bylaws as provided in Article XI herein, and any determination of OCCOG policy matters as raised by any Member Agency and approved by the Board.

Actions by the General Assembly shall be in the form of recommendations forwarded to the Board and shall require a vote of approval by a majority of those Members of the General Assembly in attendance. A quorum of the General Assembly shall consist of a simple majority of the total membership to the General Assembly.

ARTICLE V. BOARD OF DIRECTORS

5.1 Representation

- A. The Members shall exercise the powers and functions of OCCOG through its representatives on the Board. Concurrent with membership on the Board, each voting Member of the Board shall be an Elected Official of a Member Agency. Voting Members of the Board shall serve the OCCOG Members as a whole, and shall represent no special group or interest. Board Members shall be from a dues-paying OCCOG member agency in good standing, with the exception of agencies represented on non-voting, ex-officio seats of the Board.
- B. Board members shall include representation from the public agencies, special districts and agencies as listed herein, and shall not represent more than one of the agencies included among the Board:
 - (1) County-At-Large Representative: 1 seat
 - (2) Orange County Transportation Authority (OCTA) Representative: 1 seat
 - (3) Transportation Corridor Agencies (TCA) Representative: 1 seat

- (4) County Sanitation Districts of Orange County (OCSD)
Representative: 1 seat
- (5) Independent Service Districts of Orange County (ISDOC)
Representative: 1 seat
- (6) South Coast Air Quality Management District (AQMD) – Orange
County Representative: 1 seat
- (7) Southern California Association of Governments (SCAG) District
Representatives: 1 seat for each SCAG District, for a total of 12
SCAG District seats, as described below and as may be
amended:
 - (a) District 12, representing the cities of Aliso Viejo, Dana
Point, Laguna Beach, Laguna Niguel, San Clemente and
San Juan Capistrano.
 - (b) District 13, representing the cities of Laguna Hills, Laguna
Woods, Lake Forest, Mission Viejo, and Rancho Santa
Margarita.
 - (c) District 14, representing the City of Irvine.
 - (d) District 15, representing the cities of Newport Beach, Costa
Mesa and Fountain Valley.
 - (e) District 16, representing the City of Santa Ana.
 - (f) District 17, representing the cities of Orange, Tustin and
Villa Park.
 - (g) District 18, representing the cities of Cypress, Garden
Grove and La Palma.
 - (h) District 19, representing the City of Anaheim.

- (i) District 20, representing the cities of Los Alamitos, Seal Beach, Stanton, and Westminster.
 - (j) District 21, representing the cities of Buena Park and Fullerton.
 - (k) District 22, representing the cities of Brea, La Habra, Placentia and Yorba Linda.
 - (l) District 64, representing the City of Huntington Beach
- (8) SCAG - County Representative: 1 seat
 - (9) Cities At-Large Representative: 1 seat
 - (10) League of California Cities, Orange County Division: 1 seat – Non-voting Ex Officio
 - (11) Private Sector Representative: 1 seat – Non-voting Ex Officio
 - (12) University Representative: 1 seat – Non-voting Ex Officio
- C. Each Board Member may also appoint one or two Alternates to serve on the Board in the absence of the appointed Board Member, provided that the Alternate Member is an Elected Official from a dues-paying Member Agency in good standing. The Alternate shall be designated within ten (10) days of the appointment of the Board Member. Designated Alternates shall receive all notices and written material as do Board members.
- D. Terms of Board Members and Alternate Board Members shall be governed by the selection/election process for each category of representative as described herein.
- E. The Board may review the composition of cities in each SCAG district every five years, in accordance with SCAG bylaws, to determine if adjustments to SCAG district boundaries are warranted based on city population data and newly-incorporated cities, and may make

recommendation to SCAG on any proposed adjustments to SCAG district boundaries.

5.2 Selection of Board Members

Each representative seat of the OCCOG is selected as identified herein, with the selection process conducted in accordance with the OCCOG Policies and Procedures Manual.

Board Member Representatives that are selected for a two-term are as follows:

- A. SCAG District City Representatives: In accordance with SCAG election procedures for SCAG District Representatives, the OCCOG Member Cities located within each SCAG District in Orange County shall elect a city council member to the SCAG Regional Council.

The elected District Representative to the SCAG Regional Council shall also be appointed as the OCCOG Board Member for said SCAG District, for the term of the SCAG District Representative. If no cities in the District are members of SCAG, cities in the District may elect an elected official from one of the cities in the District as the OCCOG Board Member.

The Executive Director shall conduct the SCAG District Representative elections in accordance with SCAG bylaws and SCAG district election procedures, provided that each SCAG District appointee shall be an Elected Official from one of the Member Cities within the SCAG District.

- B. Private Sector Representative: The Board shall appoint one person from the private sector to serve as a Non-voting Ex Officio Member of the Board, in accordance with selection procedures established by the Board.
- C. University Representative: The Board shall appoint one person representing Orange County Universities, to serve as a Non-voting Ex Officio Member of the Board, in accordance with selection procedures established by the Board. Appointees from the University of California at Irvine (UCI), California State University at Fullerton (CSUF) and Chapman University shall serve a 2-year rotating term.

Board Member Representatives that are appointed and serve at the pleasure of the appointing body, are as follows:

- D. County At Large Representative: The Orange County Board of Supervisors may appoint one Supervisor as a Member of the OCCOG Board, provided that the County of Orange is a dues paying Member Agency in good standing.
- E. OCTA Representative: The Board of Directors for the Orange County Transportation Authority (“OCTA Board”) may appoint one of its Directors as a Member of the OCCOG Board, provided that the OCTA is a dues-paying Member Agency in good standing and the appointee is an Elected Official of a dues-paying Member Agency in good standing.
- F. TCA Representative: The governing boards of the Orange County Transportation Corridor Agencies (“TCA”) may appoint one of its Board Members to the OCCOG Board, provided that the TCA is a dues-paying Member Agency in good standing and that the appointee is an Elected Official of a dues-paying Member Agency in good standing.
- G. OCSD Representative: The joint governing board of the County Sanitation Districts of Orange County Nos. 1, 2, 3, 5, 6, 7, 11, 13 and 14, may appoint one of its Board Members to the OCCOG Board, provided that the OCSD is a dues-paying Member Agency in good standing and that the appointee is an Elected Official of a dues-paying Member Agency in good standing.
- H. ISDOC Representative: The Board of Directors for ISDOC may appoint one of its Board Members to the OCCOG Board, provided that the ISDOC is a dues-paying Member Agency in good standing and that the appointee is an Elected Official.
- I. AQMD – Orange County Representative: The South Coast AQMD Governing Board includes an Orange County-Cities Representative and an Orange County Board of Supervisors Representative. Said representatives shall select which representative shall serve as the

OCCOG Board Member and the OCCOG Board Member Alternate, provided that the AQMD is a dues-paying Member Agency in good standing, and provided that the elected officials serving as the AQMD-Orange County Cities Representative and the AQMD-County Representative are from dues-paying Member Agencies in good standing.

- J. SCAG - County Representative: The Representative to the SCAG Regional Council for the County of Orange shall automatically be a Member of the Board, provided that the appointee is a Supervisor for the County of Orange and provided that the County of Orange is a dues-paying Member Agency in good standing.
- K. Cities At-Large Representative: One at-large Member of the Board shall be appointed through the City Selection Committee as established pursuant to Section 50270 of the Government Code, provided that the appointee is an Elected Official of a dues-paying City Member Agency in good standing.
- L. Orange County Division, League of California Cities Representative: The Orange County Division, League of California Cities may appoint one elected official to serve as a Non-voting Ex Officio member of the Board.

5.3 Board Vacancies and Term of Office

Unless otherwise provided in Section 5.2 above, the Executive Director shall arrange for a special election in the event the respective Board seat becomes vacant. The appointment of a Board Member to fill a vacancy shall in all other respects follow the procedures and requirements set forth in Sections 5.1 and 5.2 herein, and said Board Member shall serve for the remainder of the term of office.

5.4 Officers

- A. The Officers of the OCCOG shall consist of the Chair and Vice Chair, which positions shall be elected annually at the first regular meeting in May or as soon thereafter when a quorum is reached, and shall be elected by a majority of the Board Members in attendance.

- B. The Chair shall preside at all meetings of the Board and shall exercise firm control and direction during the course of any Board meeting. No Member of the Board, any presenter, or any member of the general public shall address the Board until recognized by the Chair. The Chair and the Board shall be guided, but not bound, by Roberts Rules of Order, latest revision, on all questions of procedure and parliamentary law not covered by the Bylaws or other rules and regulations adopted by the Board.
- C. The Vice Chair shall perform all duties of the Chair in the temporary absence of the Chair.
- D. The Executive Director shall exercise general supervision over the business papers and property of the OCCOG, and shall execute all resolutions and agreements on behalf of the Board, subject to the restrictions of these Bylaws and the laws of California.

5.5 Meetings

- A. Meeting Schedule: Regular meetings of the Board shall be set according to a schedule approved by the Board at its first meeting each calendar year. Said schedule shall include the time, date, and location of Regular Meetings. The Board may designate a different time, date, or location for any Regular Meeting by giving notice of the change at the prior Regular Meeting.
- B. Special Meetings: Special meetings of the Board may be called by the Chair at any time or a majority of the Board Members present at any Regular Meeting. The Chair or a majority of the Board Members present shall direct the OCCOG Clerk of the Board to deliver notice of the Special Meeting in compliance with the Brown Act.
- C. Meeting Adjournment: The Board may adjourn a meeting from time to time, with absentees notified thereof. In case there is no quorum present at any meeting, the Board Members present may adjourn until a quorum

is obtained that same day, may adjourn to any specified date, may adjourn to a Special Meeting date, or may adjourn to the next Regular Meeting. If no Members of the Board are present, the Executive Director may adjourn the meeting.

- D. Quorum: The Board shall transact no business until a quorum of the Board is present. A quorum of the Board shall be a majority of the total voting Board Members who have been appointed pursuant to Article V herein, and who remain qualified to serve as Board Members. If the number of voting Board Members is an even number, then a quorum shall require one more than half the number of voting Board Members. Non-voting Ex Officio members in attendance at a Board meeting shall not be counted toward reaching a quorum. Board seats for which no appointments have been made, shall not be counted towards reaching a quorum.

- E. All Board meetings shall be called and conducted, and an agenda posted, in accordance with the Brown Act and in accordance with adopted OCCOG procedures. No business shall be transacted at any meeting other than that stated in the notice of said meeting unless otherwise authorized pursuant to the Brown Act.

ARTICLE VI. COMMITTEES

6.1 Procedural Regulations

All committees created by these Bylaws or by resolution of the Board, all meetings held hereunder, and all actions taken by said Committees shall be subject to the requirements of the Brown Act, as it now exists or may hereafter be amended, and any conflict of interest regulations promulgated by the State of California or the OCCOG Board.

6.2 Executive Management Committee

- A. The EMC shall consist of the following:
- (1) One executive-level staff representative each from the following groups of agencies, provided that the agency is a Member of OCCOG:
 - (a) the County of Orange;
 - (b) Orange County Transportation Authority;
 - (c) Members of Orange County ISDOC/Water Agencies;
 - (d) Members of the Orange County Transportation Corridor Agencies; and,
 - (e) Members of the County Sanitation Districts of Orange County
 - (2) Five City Managers of Member Cities as appointed by the Orange County City Managers Association.
 - (3) The Executive Director.
 - (4) Chair and Vice-Chair of the Board.
- B. The EMC shall designate a Chair and Vice Chair at the first EMC meeting of the calendar year to preside over the EMC meetings.
- C. The EMC shall serve as an advisory body to the Board on subject matters within the jurisdiction of the OCCOG. The EMC may provide advice and comment to the Board and Executive Director regarding the administration and management of the OCCOG with the approval of a majority of the EMC Members present. The EMC shall have no authority to take legislative action, but may make legislative and policy recommendations to the Board with the approval of a majority of the EMC members present.
- D. The EMC shall transact no business on any issue that is not included in the agenda for the EMC meeting. Nor shall the EMC take action on any

item without a quorum of the EMC present. A majority of the members appointed to the EMC shall constitute a quorum of the EMC.

- E. Regular meetings of the EMC shall be held quarterly at the date, time and place as established by the EMC. Special Meetings of the EMC may be called by the Executive Director or by a majority of the EMC members.

6.3 Technical Advisory Committee

The OCCOG Technical Advisory Committee (TAC) shall be comprised of designated staff members from OCCOG Member Agencies to provide technical review of issues and items and to provide recommendations on its technical review, to the Board. The TAC shall designate a Chair and Vice Chair at the first TAC meeting of the calendar year to preside over the TAC meetings. Regular meetings of the TAC shall be held monthly at the date, time and location established by the TAC. The TAC shall also have the authority to establish special meetings by a majority of TAC members present. TAC meetings shall be governed by provisions of the Brown Act.

ARTICLE VII. STANDING AND AD HOC COMMITTEES

The Board may establish Standing and Ad Hoc Committees. The Standing and Ad Hoc Committees shall be for the purpose of developing recommendations to the Board. All Standing and Ad Hoc Committees shall have a written statement of purpose, and the Ad Hoc Committees shall in addition have a written statement of charges, before they are formed. The Chair shall recommend, and the Board shall appoint by a majority of the Board Members present, the members to the Standing and Ad Hoc Committees. Members of the Standing and Ad Hoc Committees shall be appointed for up to one year terms. In making recommendations for members of the Standing and Ad Hoc Committees, the Chair shall consider regional representation. A quorum of a Standing or Ad Hoc Committee shall be a majority of its membership. All Standing or Ad Hoc Committees shall be chaired by a Member of the Board. The meetings of Standing Committees shall be held in accordance with the Brown Act, unless exempted by said Act.

**ARTICLE VIII. APPOINTMENT OF OCCOG POLICY AND TECHNICAL
REPRESENTATIVES TO NON-OCCOG COMMITTEES**

8.1 OCCOG Board of Directors

The Board may appoint a board member to represent the OCCOG Board on non-OCCOG policy committees, task forces and working groups.

8.2 OCCOG Executive Director

The Executive Director may appoint staff representatives to represent the OCCOG on staff-level, non-OCCOG technical and policy committees and working groups.

ARTICLE IX. STAFFING

9.1 OCCOG Executive Director

The Board shall have the power to appoint, by employment or on a contractual basis, and remove an administrative officer to serve as the Executive Director of the Board. Said Executive Director shall have full authority and responsibility to implement the purposes and objectives of the OCCOG, subject to the general authority of the Board and specific definition of duties, responsibilities and compensation by contract or employment terms approved by the Board and as provided by the OCCOG bylaws.

The Executive Director shall be the chief administrative officer of the OCCOG and administer the affairs of the OCCOG. He shall receive such compensation as may be fixed by the Board. The power and duties of the Executive Director shall be subject to the authority of and as directed by the Board of Directors, and may include the following:

- A. To appoint, direct and remove all employees of the OCCOG and to retain consultants in a manner compliant with legal or funding agency requirements.
- B. Annually to prepare and present a proposed budget to the Board and to control the approved budget.

- C. To serve as the Secretary to the Board..
- D. To attend the meetings of the Board.
- E. To serve as the OCCOG Subregional Coordinator to SCAG, representing the Orange County SCAG subregion.
- F. To perform such other and additional duties as the Board, these Bylaws or applicable law may require.

The duties of the Executive Director may be delegated by the Executive Director to subordinate employees or performed through contractual services.

9.2 General Counsel

The Board shall appoint General Counsel to serve as legal advisor in all matters related to the performance of the OCCOG.

9.3 Additional Staff, Consultants or Agents

The Board may appoint any additional staff, consultants or agents, as deemed necessary or desirable, by approval of the Board. Such additional officers may be officers or employees of a Member Agency, or the Board may approve entering into a contractual agreement for services for any function necessary for the Board to carry out its purpose, which additional officers or employees shall not be deemed employees of the OCCOG.

9.4 Staff Responsibilities

Responsibilities of the individuals assigned to OCCOG tasks shall be determined by the Executive Director.

9.5 Status of Members' Officers and Employees

As provided in Government Code Section 6513, all of the privileges and immunities from liability and other benefits which apply to the activity of officers, agents, or employees of any of the Members when performing their respective functions within the territorial limits of their respective public agencies shall apply to them while engaged in the performance of any of their functions and duties extraterritorially under the Agreement or these Bylaws.

ARTICLE X. FINANCES

10.1 Treasurer

Pursuant to Government Code Section 6505 and 6505.5 governing the accountability of all funds and report of all receipt and disbursements for agencies created pursuant to a joint powers agreement, the Board shall designate the Treasurer of one of the Member Agencies or a certified public accountant, to serve as the "Treasurer" of the OCCOG at the pleasure of the Board. The Treasurer shall be the depository and have custody of all the money of the OCCOG from whatever source, and shall provide strict accountability of said funds in accordance with Government Code Sections 6505 and 6505.5. The Treasurer shall possess the powers of, and shall perform those functions required by, Government Code Sections 6505, 6505.5, and all other applicable laws and regulations, including any subsequent amendments thereto. Particularly, the Treasurer shall perform, but not be limited to, the following duties:

- (a) Receive and receipt for all money of OCCOG, and place it in a separate bank account in the name of OCCOG under the control of the Treasurer so designated to the credit of OCCOG;
- (b) Be responsible upon his official bond for the safekeeping and disbursement of all OCCOG money so held by him;
- (c) Pay, when due, out of money of OCCOG so held by him, all sums payable on outstanding bonds and coupons of OCCOG;
- (d) Pay any other sums due from OCCOG, from OCCOG money or any portion thereof, only upon warrants of the public officer performing the functions of Auditor/Controller who has been designated by the agreement; and
- (e) Verify and report in writing by the Board meeting of August, November, February and May of each year to the Board and to the Member Agencies the amount of money held for the OCCOG

as of the last day of June, September, December and March, respectively, the amount of receipts since the last report, and the amount paid out since the last report.

- (f) Invest surplus OCCOG funds in accordance with an OCCOG Investment Policy, as adopted by the OCCOG Board and as established in the OCCOG Policies and Procedures Manual.

10.2 Auditor/Controller

The Board shall select an Auditor/Controller for the OCCOG pursuant to Government Code Section 6505 et seq. governing the accountability of all funds and report of all receipt and disbursements for agencies created pursuant to a joint powers agreement. The Auditor/Controller shall maintain the financial records according to generally accepted accounting principles. The Auditor/Controller shall draw warrants to pay demands against the OCCOG when such demands have been approved by the Board or by any other person duly authorized to approve said demands.

10.3 Disbursement of OCCOG Funds

The Board shall adopt procedures on the establishment of a separate bank account for the OCCOG, with said procedures identifying the authorized signatories to any disbursement of OCCOG funds from said bank account. The authorized signatories to any disbursement of OCCOG funds shall be reviewed and adopted each year by the Board, and shall be included in the OCCOG Policies and Procedures Manual. Any disbursement of OCCOG funds shall require a total of two signatures, including one Board member and one OCCOG management staff (Executive Director or Treasurer). The OCCOG Auditor/Controller shall not be an authorized signatory to any disbursement of OCCOG funds.

10.4 Annual Audit

The Auditor/Controller shall contract with an independent certified public accountant to make an annual audit of the accounts and financial records of the OCCOG. The minimum requirements of the audit shall be those prescribed by

the State Controller for special districts under Section 26909 of the Government Code and shall conform to generally accepted accounting standards. A report thereof shall be filed as a public record with the Board, each of the Member Agencies, and the Orange County Auditor within twelve (12) months of the end of the fiscal year under examination.

10.5 Bonding Requirement

The officers or persons who have charge of, handle, or have access to any property of the OCCOG shall be persons designated as such by the Board. Each such designated officer or person shall be required to file an official bond with the Board in an amount which shall be established by the Board. No bond shall be required unless and until the OCCOG receives funds or is reasonably expected to receive funds.

ARTICLE XI. AMENDMENTS

11.1 Amendments

Amendments to these Bylaws may be proposed by formal recommendation of the General Assembly to be approved by a majority of the Board.

Alternatively, the Board may adopt an amendment to these Bylaws proposed by any Board Member upon approval by three-fourths (3/4) of the total voting membership of the Board making the following findings:

- (a) there is need to take action;
- (b) there is need for action prior to the next annual meeting of the General Assembly.

11.2 Interpretation of Bylaws

Any ambiguity or conflict regarding the interpretation of these Bylaws may be resolved by a majority vote of the total membership of the Board.



BOARD COMMITTEE TRANSMITTAL

July 27, 2009

To: Members of the Board of Directors
From: *for* ^{*des*} Wendy Knowles, Clerk of the Board
Subject: Transportation Enhancement Program and Transportation Development Act Programming Actions

Highways Committee Meeting of July 20, 2009

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

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Authorize a one time, 18-month extension to previously approved and programmed Transportation Enhancement Program and Transportation Development Act projects.
- B. Authorize staff to amend the Regional Transportation Improvement Plan and execute any necessary agreements, as required, to program and implement projects.



July 20, 2009

To: Highways Committee

From: James S. Kenan, Interim Chief Executive Officer 

Subject: Transportation Enhancement Program and Transportation Development Act Programming Actions

Overview

On January 21, 2008, the Orange County Transportation Authority Board of Directors awarded Transportation Enhancement Program and Transportation Development Act funds to regional transportation enhancement eligible projects. Project delivery has exceeded availability of funds. Board of Directors' action is requested to allow additional delivery time for the remaining projects as funding becomes available.

Recommendations

- A. Authorize a one time, 18-month extension to previously approved and programmed Transportation Enhancement Program and Transportation Development Act projects.
- B. Authorize staff to amend the Regional Transportation Improvement Plan and execute any necessary agreements, as required, to program and implement projects.

Background

Transportation Enhancement Program (TE) funding is made available through the federal transportation act; currently, the Safe, Accountable, Flexible, Equity Act: A Legacy for Users (SAFETEA-LU). The goal of the TE program is to better integrate transportation facilities into the surrounding communities. Landscape and aesthetic enhancement projects are eligible for TE funding, as well as bicycle and pedestrian facilities projects. Over the past 10 years, the Orange County Transportation Authority (OCTA) Board of Directors (Board) has awarded over \$47.8 million in federal TE program funds towards 98 regional bicycle, pedestrian, landscaping, and beautification projects.

The Transportation Development Act (TDA) was enacted in 1971 by the California Legislature to provide funding for transit purposes. The TDA statute dictates that 2 percent of the TDA funds shall be made available to counties and cities for bicycle and pedestrian facilities unless the regional transportation planning agency finds that the money could be used to better advantage in transit and bus operations. On January 28, 2008, the OCTA Board awarded \$5.3 million in local TDA program funds for 16 regional bicycle and pedestrian projects in the first TE call for projects that included TDA funds. However, future calls are not anticipated to use TDA funds since funds are now being used for bus operations based on Board direction in June 2009.

Discussion

OCTA has awarded TE and TDA funds to projects based on estimated future funding. The project funding level has been higher than the estimate to allow for the potential of additional funding and/or project cancellations. This approach ensures that the local agencies use all of the TE funds that come to the region. This practice has worked well in the past because agencies typically had a high cancellation rate; however, the most recent calls for projects have a higher than average delivery rate resulting in fewer project cancellations. As a result, TE funding for fiscal year (FY) 2008-09 was depleted early in the FY. There are 10 TE projects totaling \$5.1 million that now need to be funded in either FY 2009-10 or FY 2010-11. There are also three projects from the January 2008 call for projects programmed to use \$1.4 million in combined TE and TDA funding that are not able to proceed in the current FY 2008-09 due to funding being depleted.

The TE call for projects guidelines state, under timely use of funds, that funding from TE must be obligated by June 30 of the year programmed, no extensions will be granted, and projects that cannot proceed will be cancelled. OCTA TDA guidelines follow the TE guidelines. Due to the unprecedented delivery of the projects by local agencies, staff recommends granting a one-time, 18-month extension for TE and TDA projects, as noted in the paragraph above, to use FY 2009-10 and FY 2010-11 funding to accommodate this shortfall (Attachment A).

OCTA is expected to receive approximately \$4.3 million in TE funding in FY 2009-10 and \$3.7 million in FY 2010-11. This amount will be sufficient to cover all currently programmed projects as well as the projects requesting extension. Funding will be provided on a first come first serve basis; therefore, whichever projects are submitted first will be funded in the order submitted until FY 2009-10 funds are depleted. The remaining projects will be funded in FY 2010-11.

This extension will only affect Board-approved TE and TDA projects from the previous call(s) for projects and will not affect programming deadlines for future TE projects.

Summary

OCTA is responsible for programming the regional portion of the TE and TDA. Staff is recommending a one-time, 18-month extension of programmed and Board-approved TE and TDA projects. These projects were unable to move forward due to the higher than expected success rate for the program, which depleted FY 2008-09 funding.

Attachment

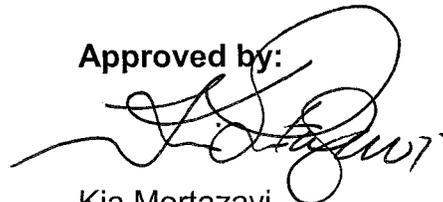
- A. Proposed Transportation Enhancement Program and Transportation Development Act Projects to be Extended

Prepared by:



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Approved by:



Kia Mortazavi
Executive Director, Development
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**Proposed Transportation Enhancement Program and
Transportation Development Act Projects to be Extended**

Transportation Enhancement Program (TE)

Agency	Project Description	Programmed Amount
Brea	Birch Street Median Landscape Enhancement Phase 2	\$ 500,000
Brea	Birch Street Median Landscape Enhancement Phase 1	\$ 500,000
Costa Mesa	Downtown Costa Mesa Gateway Landscape Improvement on SR-55 ¹	\$ 500,000
Costa Mesa	Joann Street Bicycle Trail	\$ 500,000
Dana Point	Pacific Coast Highway Median Project	\$ 500,000
Lake Forest	Trabuco Road Streetscape Project	\$ 500,000
Villa Park	Lemon Street Landscape Median Enhancement	\$ 153,000
Westminster	Bolsa Avenue, Magnolia Avenue to Newland Avenue (Combine with Newland Avenue to Beach Boulevard)	\$ 500,000
Westminster	Bolsa Avenue, Newland Avenue to Beach Boulevard (Combine with Magnolia Avenue to Newland Avenue)	\$ 500,000
Westminster	Westminster Boulevard - Streetscape Improvements Project (Springdale Street to Milan Avenue)	\$ 500,000
Westminster	Westminster Boulevard - Streetscape Improvements Project (Milan Avenue to Bolsa Chica Road)	\$ 500,000
	Total	\$ 5,153,000

Combined TE and Transportation Development Act (TDA) Projects

Agency	Project Description	Programmed Amount
Fullerton	Puente Street Bike Path (TE and TDA)	\$ 643,750
Irvine	Irvine Business Complex Sidewalk Improvements (TE and TDA)	\$ 748,967
City Of Orange	Santiago Creek Bike Trail Bridge (TE ² and TDA)	\$ 302,963
	Total	\$ 1,695,680

1. Costa Mesa Freeway (State Route 55) - SR-55
2. This project received American Recovery and Reinvestment Act of 2009 TE funding



MEMO

July 22, 2009

To: Members of the Board of Directors

From: *Wendy Knowles* Wendy Knowles, Clerk of the Board

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

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

Thank you.



July 22, 2009

To: Finance and Administration Committee

From: James S. Kenan, Interim Chief Executive Officer 

Subject: Fiscal Year 2008-2009 Procurement Status Report

Overview

The procurement status report summarizes the procurement activities for information purposes to the Orange County Transportation Authority Board of Directors. This report focuses on procurement activity from January 1, 2009 through June 30, 2009, with a dollar value greater than \$250,000. The procurement status report also projects future procurement activity for the first quarter of fiscal year 2010 as identified in the annual budget.

Recommendation

Receive and file as an information item.

Background

In February 2009, the Board of Directors adopted changes to the procurement policies and procedures. As part of these changes, staff proposed providing a procurement report that would identify procurement activity awarded during the previous quarter as well as a look-ahead of upcoming procurement activity. The report was presented to the Executive Committee (Committee) on April 6, 2009. The Committee requested several changes to the report. One change was that the Committee wanted to see only the procurement activity over \$250,000. Secondly, the Committee requested that the look-ahead of upcoming procurements be presented according to the committee that will review the specific procurement. Because the procurement report began in the middle of fiscal year 2009, this report encompasses the third and fourth quarters of procurement activity. The procurement report identifies contractual activity not dollars spent.

Discussion

During fiscal year 2009, the Contracts Administration and Materials Management Department handled 853 different contractual documents, valued at \$699,611,191. Of this number, 418 procurements were completed during January through June 2009. During this period, there were 52 procurements with dollar values greater than \$250,000. The 52 procurements were split between new agreements (21 agreements valued at \$65,662,796), cooperative agreements (12 agreements valued at \$295,744,809), amendments (16 amendments valued at \$21,893,620), and option terms (three options exercised valued at \$495,164). Attachment A shows a list of all procurements executed during the third and fourth quarters that have a value greater than \$250,000.

Looking forward to the first quarter of fiscal year 2010 (July through September), the committees will be asked to take action on several consultant selections, cooperative agreements with cities for Go Local and video surveillance programs, as well as some requests to release request for proposals documents. Estimated value of these upcoming procurements is \$65,784,800. Attachments B through E identify procurement activity anticipated in the first quarter of 2010 by the committee that will review the items.

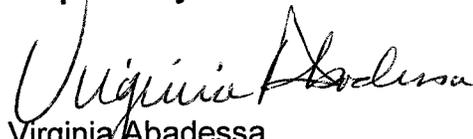
Summary

This report provides an update of the procurement activity for the third and fourth quarters of fiscal year 2009, January through June 2009, as well as a look ahead at anticipated procurement activity for the first quarter of fiscal year 2010. Staff recommends that this report be received and filed as an information item.

Attachments

- A. Procurements over \$250,000 awarded during the Third and Fourth Quarters of Fiscal Year 2008-2009
- B. Highways Committee – First Quarter Outlook (July 1, 2009 – September 30, 2009)
- C. Finance and Administration Committee – First Quarter Outlook (July 1, 2009 – September 30, 2009)
- D. Transit Committee – First Quarter Outlook (July 1, 2009 – September 30, 2009)
- E. Legislative and Communications Committee – First Quarter Outlook (July 1, 2009 – September 30, 2009)

Prepared by:



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Approved by:



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**Procurements over \$250,000 awarded during the
Third and Fourth Quarters of Fiscal Year 2008 - 2009**

Agreement #	Agreement Description	Vendor Name	Amount	Procurement Type
Agreements				
C-8-1326	Agreement for provision of contracted fixed route, stationlink, and express bus service	MV Transportation, Inc.	\$ 33,702,256	Agreement
C-8-1238	Agreement for preparation of project report and environmental document for the San Diego Freeway (Interstate 5) High-Occupancy Vehicle Project from San Juan Creek Road to Avenida Pico.	RMC, Inc	5,000,000	Agreement
C-8-1315	Agreement for the purchase of 33 paratransit buses	Creative Bus Sales	3,457,627	Agreement
C-8-0612	Agreement for traffic light synchronization program consultant selection for	RBF Consulting		
C-8-1166	Agreement task orders for Alicia Parkway, Beach Boulevard, and	Advantec Consulting Engineers	3,100,000	Agreement
C-8-1172	Chapman Avenue.	Albert Grover and Associates		
C-9-0349	Agreement for freeway service patrol tow agreement	California Coach Orange, Inc.	3,020,734	Agreement
C-9-0230	Agreement for environmental clearance and associated advanced conceptual design	Jones & Stokes Associates, Inc.	2,900,000	Agreement
C-9-0350	Agreement for freeway service patrol tow agreement	Greater Southern California Towing, Inc.	2,436,908	Agreement
C-8-1336	Agreement for freeway service patrol tow agreement	A&B Towing	2,158,404	Agreement
C-8-1290	Agreement for project management services for Go Local Fixed Guideway System	Booz Allen Hamilton	2,000,000	Agreement
C-8-1272	Agreement for engineering plan check and design review services for railroad grade separation projects	Athalye Consulting Engineering Services, Inc	2,000,000	Agreement
C-8-1374	Agreement for preparation of a project study report for improvements to the Santa Ana Freeway (Interstate 5) from Costa Mesa Freeway (State Route 55) to the El Toro "Y" Area.	MTS Engineering, Inc.	1,100,000	Agreement
C-8-1053	Agreement for planning and preparation of plans, specifications, and estimates for expanding parking capacity at Tustin Metrolink Station	Waltry Design, Inc.	998,900	Agreement
C-8-1316		Fehr and Peers Associates		
C-9-0254		IBI Group		
C-9-0255	Agreement for on-call transportation planning technical support	Kimley-Horn and Associates, Inc.	600,000	Agreement
C-9-0256		PB Americas, Inc.		
C-9-0257		Wilbur smith Associates		
C-8-1351	Agreement for underground storage tank repair, upgrade, testing, and certification services	Inland Petroleum Equipment & Repair, Inc.	600,000	Agreement
C-8-1195		LSA Associates, Inc.		
C-8-1367		Parsons Transportation Group, Inc.		
C-8-1368	Agreement for on-call freeway retrofit sound wall program support	Parsons Brinckerhoff	510,000	Agreement
C-8-1369		URS		
C-8-1370		Willdan Group, Inc.		
C-9-0205	Agreement for preparation of a project study report/project development support for the Santa Ana Freeway (Interstate 5)/Avenida Pico Interchange	RMC, Inc	443,009	Agreement
C-8-0811	Agreement for printing services for bus maps	Pacific Litho, Inc.	420,000	Agreement
C-8-1244	Agreement for 2009 Congestion Management Program Traffic Data Collection	Fehr and Peers Associates	350,000	Agreement
C-8-1398	Agreement for printing services bus public information	Clearwater Graphics, Inc.	290,000	Agreement

**Procurements over \$250,000 awarded during the
Third and Fourth Quarters of Fiscal Year 2008 - 2009**

Agreement #	Agreement Description	Vendor Name	Amount	Procurement Type
C-8-1235	Agreement for preparation of a feasibility study for improvements to the Costa Mesa Freeway (State Route 55)	Jacobs, Inc.	289,958	Agreement
C-9-0281	Agreement for heating, ventilation, and air conditioning replacement at the Irvine Sand Canyon Bus Base Maintenance Building	Pardess Air, Inc.,	285,000	Agreement
Sub Total			\$ 65,662,796	21 Agreements

Cooperative Agreements				
C-9-0448	Cooperative agreement with the City of Anaheim for Phase I of the Anaheim Regional Transportation Intermodal Center Project.	City of Anaheim	\$ 178,860,000	Cooperative Agreement
C-9-0359	Cooperative Agreement for the Eastbound Riverside Freeway (State Route 91) Project.	California Department of Transportation	67,852,000	Cooperative Agreement
C-7-1195	Cooperative Agreement with City of Tustin for expansion of parking lot capacity of the Tustin Metrolink Station.	City of Tustin	17,600,000	Cooperative Agreement
C-9-0404	Cooperative agreement with the City of Fullerton to define roles, responsibilities, and funding the design and construction of a parking structure at the Fullerton Transportation Center.	City of Fullerton	13,035,000	Cooperative Agreement
C-9-0180	Cooperative Agreement with the California Department of Transportation for the Northbound Orange Freeway (State Route 57) widening project.	California Department of Transportation	6,500,000	Cooperative Agreement
C-8-1338	Cooperative Agreement with the California Department of Transportation for funding the Freeway Service Patrol Program.	California Department of Transportation	3,721,510	Cooperative Agreement
C-9-0320	Cooperative Agreement for the construction and construction administration of the Garden Grove Freeway (State route 22) additional sound walls.	California Department of Transportation	2,920,000	Cooperative Agreement
C-8-1377	Cooperative Agreement with Sultan Adult Day Healthcare	Sultan Adult Day Healthcare	1,779,399	Cooperative Agreement
C-8-0176	Cooperative Agreement with the Orange County Flood Control District and the California Department of Transportation for the Lewis Channel Improvement Project.	Orange County Flood Control District California Department of Transportation	1,500,000	Cooperative Agreement
C-9-0412 C-9-0413 C-9-0414	Cooperative agreements with the cities of Placentia, Anaheim, and Fullerton for the railroad grade separation projects.	City of Placentia City of Anaheim City of Fullerton	1,036,000	Cooperative Agreement
C-9-0434	Cooperative agreement with the Los Angeles County Metropolitan Transportation Authority for the development, operations, and maintenance of an interactive voice response system for 511 motorist aid and traveler information system.	Los Angeles County Metropolitan Transportation Authority	667,800	Cooperative Agreement
C-9-0429	Cooperative agreement with the Southern California Regional Rail Authority to implement the Commuter Rail Grade Crossing Monitor Program.	Southern California Regional Rail Authority	273,100	Cooperative Agreement
Sub Total			\$ 295,744,809	12 Cooperative Agreements

**Procurements over \$250,000 awarded during the
Third and Fourth Quarters of Fiscal Year 2008 - 2009**

Agreement #	Agreement Description	Vendor Name	Amount	Procurement Type
Amendment				
C-6-0165	Amendment for project management consultant services for Metrolink Service Expansion and Rail-Highway Grade Crossing Safety Enhancements and Quiet Zones.	PB Americas, Inc.	\$ 6,850,000	Amendment
C-8-1022	Amendment with the County of Orange, Orange County Sheriff's Department for transit police services.	County of Orange, Orange County Sheriff's Department	4,930,894	Amendment
C-5-2965 C-6-0085 C-6-0086	Amendment for on-call architectural and engineering design and construction support services	Jacobs Carter Burgess Miralles Associates, Inc. STV, Inc.	2,900,000	Amendment
C-7-1151 C-7-1152	Amendment to cooperative agreements with the California Department of Transportation for the Riverside Freeway (State Route 91) Eastbound Project	California Department of Transportation	1,650,000	Amendment
C-3-1284	Amendment for the provision of special agency transportation service	American Logistics, Inc.	754,000	Amendment
C-8-0961	Amendment for additional design and construction support services for the Placentia Avenue railroad grade separation project	MTK, Inc.	670,446	Amendment
C-3-0912	Amendment for maintenance services for the Orange County Transportation Authority's operating railroad right-of-way.	Joshua Grading & Excavating, Inc.	600,000	Amendment
C-7-0887	Amendment for design services agreement for the Orange Freeway (State Route 57) northbound widening between Orangethorpe Avenue and Yorba Linda Boulevard	RBF Consulting	525,027	Amendment
C-7-1247	Amendment to design services agreement for the Orange Freeway (State Route 57) northbound widening between Yorba Linda Boulevard and Lambert Road project	CH2M Hill	430,346	Amendment
C-5-2590	Amendment for claims administration for self-insured workers compensation program	TRISTAR Risk Management	424,297	Amendment
C-7-1286	Amendment for procurement support staff services with Procurement Services Associates.	Procurement Services Associates	400,000	Amendment
C-5-3001	Amendment for heating, ventilation, air conditioning repairs and maintenance services	ACM Systems, Inc.	400,000	Amendment
C-7-0693	Amendment to cooperative agreement with Orange County ARC for the provision of adult day healthcare transportation.	Orange County ARC	396,165	Amendment
C-8-0224	Amendment to cooperative agreement for provision of senior transportation to congregate meal sites.	Orange County Office on Aging	330,952	Amendment
C-6-0283	Amendment to cooperative agreement with Riverside Transit Agency to jointly fund Intercounty Route 149 and Intercounty Express Bus Route 794	Riverside Transit Agency	324,327	Amendment
C-7-0614	Amendment for coach operator, operations instructor, and field supervisor uniforms	Galls, an ARAMARK Company, LLC	307,166	Amendment
			Sub Total \$	21,893,620
				16 Amendments

**Procurements over \$250,000 awarded during the
Third and Fourth Quarters of Fiscal Year 2008 - 2009**

Agreement #	Agreement Description	Vendor Name	Amount	Procurement Type
Option Year				
C-5-0127	Amendment to exercise option term for bus revenue-generating advertising agreement	Titan Outdoor	\$5,800,000 est. Revenue	Option Year
C-6-0142	Amendment to exercise option term for the on-board video surveillance system	March Networks, Inc.,	425,000	Option Year
C-4-0857	Amendment to exercise option term for lost and found services	Orange County ARC	70,164	Option Year
			Sub Total \$	495,164
			Grand Total \$	383,796,389
				52 Procurements

HIGHWAYS COMMITTEE - First Quarter Outlook (July 1, 2009 - September 30, 2009)

<u>Committee Date</u>	<u>Item Description</u>	<u>Estimated Budget</u>	<u>Division</u>
July 6	Amendments to agreements for completion preliminary engineering, final design, and construction support for the railroad grade separation projects	\$15,100,000	Development
	Consultant selection for plans, specifications, and estimate for lane addition on the westbound Riverside Freeway	\$3,400,000	Development
	Approval to release request for proposal for construction management support for the orange freeway northbound project	\$8,500,000	Development
July 20	No procurement items on agenda		
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August 3	No procurement items on agenda		
August 17	Cooperative agreement with Costa Mesa for the Costa Mesa Freeway Access Study	\$800,000	Development

HIGHWAYS COMMITTEE - First Quarter Outlook (July 1, 2009 - September 30, 2009)

<u>Committee Date</u>	<u>Item Description</u>	<u>Estimated Budget</u>	<u>Division</u>
September 7	No procurement items on agenda		
September 21	Selection of on-call right-of- way support services for highway and transit projects	\$1,000,000	Development
	Cooperative agreement with Caltrans for the State Route 22/Interstate-405/Interstate-605 high-occupancy vehicle connector -construction management services	\$3,500,000	Development

FINANCE AND ADMINISTRATION COMMITTEE - First Quarter Outlook (July 1, 2009 - September 30, 2009)

<u>Committee Date</u>	<u>Item Description</u>	<u>Estimated Budget</u>	<u>Division</u>
July 22	Exercise first option terms for on-call agreements for price review audit services	\$80,000	Internal Audit
	Excess workers' compensation insurance renewal	\$700,000	Human Resources Organization Development (HROD)
	Excess liability insurance renewal	\$550,000	HROD
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August 12	Sole source agreement with Oniqua Analytics to purchase maintenance module	\$250,000	F and A
August 26	Sole source agreement with GFI Genfare to provide data system upgrade to fareboxes	\$450,000	F and A
	Agreement to purchase microsoft upgrades	\$900,000	F and A
	Property insurance policy renewal	\$475,000	HROD

FINANCE AND ADMINISTRATION COMMITTEE - First Quarter Outlook (July 1, 2009 - September 30, 2009)

<u>Committee Date</u>	<u>Item Description</u>	<u>Estimated Budget</u>	<u>Division</u>
September 9	Selection of contractor for installation of air conditioning unit at OCTA's data center	\$300,000	F and A
September 23	Sole source agreement with SIRIT for the electronic toll and traffic management upgrade	\$1,850,000	91 Express Lanes

TRANSIT COMMITTEE - First Quarter Outlook (July 1, 2009 - September 30, 2009)

<u>Committee Date</u>	<u>Item Description</u>	<u>Estimated Budget</u>	<u>Division</u>
July 9	Agreement for installation of workers' fall protection system at Anaheim, Garden Grove, and Santa Ana bases	\$670,000	Rail
	Agreement for replacement of bus vehicle lifts at the Anaheim, Garden Grove, and Santa Ana bases	\$699,800	Rail
	Cooperative agreement with City of Laguna Beach for Go Local step two bus/shuttle service planning	\$100,000	Rail
	Cooperative agreement with the City of Orange and the Orange Redevelopment Agency for parking expansion at the Orange Transportation Center	\$200,000	Rail
July 23	Cooperative agreement with Santa Ana for video surveillance system	\$750,000	Rail
	Consultant selection for Metrolink stations parking management study	\$300,000	Rail
	Consultant selection for on-call planning services for commuter rail support	\$900,000	Rail

TRANSIT COMMITTEE - First Quarter Outlook (July 1, 2009 - September 30, 2009)

<u>Committee Date</u>	<u>Item Description</u>	<u>Estimated Budget</u>	<u>Division</u>
August 13	Cooperative agreement with Fullerton for video surveillance system	\$750,000	Rail
	Cooperative agreement with Tustin for video surveillance system	\$700,000	Rail
	Approval to release request for proposal for the five grade separation project status reports	\$2,250,000	Rail
August 27	No procurement items on agenda		
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September 10	Agreement for construction of a pedestrian access and fencing at the Tustin Metrolink Station	\$450,000	Rail
	Agreement for drainage improvements at the pacific electric right-of-way	\$400,000	Rail
	Approve a sole source with Affiliated Computer Services for the radio replacement for fixed bus and contracted service	\$20,000,000	Transit
September 24	Consultant selection for design/installation of a video surveillance system at the Santa Ana Transportation Center	\$150,000	Rail

LEGISLATIVE AND COMMUNICATIONS COMMITTEE - First Quarter Outlook (July 1, 2009 - September 30, 2009)

<u>Committee Date</u>	<u>Item Description</u>	<u>Estimated Budget</u>	<u>Division</u>
July 2	No committee meeting		
July 16	No procurement items on agenda		
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August 6	Consultant selection for public outreach on the five grade separation projects	\$610,000	External Affairs
August 20	No procurement items on agenda		
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September 3	No procurement items on agenda		
September 17	No procurement items on agenda		



MEMO

July 22, 2009

To: Members of the Board of Directors

From: *Wendy Knowles* Wendy Knowles, Clerk of the Board

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

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

Thank you.



July 22, 2009

To: Finance and Administration Committee
From: James S. Kenan, Interim Chief Executive Officer 
Subject: Second Quarter 2009 Debt and Investment Report

Overview

The California Government Code requires the Orange County Transportation Authority Treasurer to submit a quarterly investment report detailing the investment activity for the period. This investment report covers the second quarter of 2009, April through June, and includes a discussion on the Orange County Transportation Authority's debt portfolio.

Recommendation

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

Discussion

The Treasurer is currently managing the Orange County Transportation Authority's (Authority) investment portfolio totaling \$906.4 million as of June 30, 2009. The portfolio is divided into two managed portfolios: the liquid portfolio for immediate cash needs and the short-term portfolio for future budgeted expenditures. In addition to these portfolios, the Authority has funds invested in debt service reserve funds for the various outstanding debt obligations.

The Authority's debt portfolio had an outstanding principal balance of \$386.1 million as of June 30, 2009. Approximately 42 percent of the outstanding balance is comprised of Measure M (M1) debt, 13 percent is associated with the Renewed Measure M Program (M2), and the remaining 45 percent is for the 91 Express Lanes.

Economic Summary: The Federal Open Market Committee (Fed) met twice during the second quarter leaving rates at the same level since December 2008, zero to 0.25 percent. Observations by the Fed suggest the pace of economic contraction is slowing and financial markets have generally improved. Household spending is stabilizing but remains constrained by rising unemployment, lower home valuations, and continued tight credit for consumers. In spite of recently rising commodity prices, the Fed expects inflation to remain subdued for some time as the global economy shows little signs of immediate resurgence.

Delinquencies on prime loans, which account for two thirds of all mortgages in the United States, rose to 661,914 in the first quarter from 250,986 a year earlier. Since then, unemployment has risen to 9.5 percent, the highest level since 1983, and it is anticipated to climb.

Debt Portfolio Activity: During the week of June 8, 2009, Authority representatives traveled to New York to visit with rating agencies, financial institutions, insurers, and an institutional investor. This year's meetings focused on the impacts of the downturn of the economy. The national and local economic slowdown has had a direct impact on all of the Authority's programs and services. Lower traffic volumes on the 91 Express Lanes, the loss of state revenues for bus service, reduced revenues in the M1 and M2 programs, the reduction of bus service hours, and the Orange County economy were topics discussed by the Authority's participants.

Although the majority of the topics focused on the negative aspects of the economy, there were a few highlights raised by the Authority's representatives. These include the Anaheim Regional Transportation Intermodal Center, lowering of tolls through the 91 Express Lanes congestion management toll policy, leveling off of Orange County job losses and unemployment rate, and the establishment of the M2 Early Action Plan (EAP) Tax-Exempt Commercial Paper (TECP) Program.

On June 24, 2009, the Authority issued another \$25 million in (TECP) to fund M2 EAP projects. The \$25 million was issued at 1.10 percent for a period of 28 days. With this issuance, the total principal amount outstanding for the TECP program is \$50 million. Proceeds from the TECP program have funded Metrolink, Orange Freeway (State Route 57), Santa Ana Freeway South (Interstate 5), Riverside Freeway (State Route 91), and San Diego Freeway (Interstate 405) projects.

On June 30, 2009, the 91 Express Lanes retired \$20 million in subordinated debt owed to the Authority's Commuter Urban Rail Endowment (CURE) Fund.

The Authority has subordinated debt outstanding related to the acquisition of the 91 Express Lanes. The remaining outstanding balance (which will be repaid with 91 Express Lanes net revenues) totals approximately \$25.3 million. Also on June 30, \$6 million was transferred into the 91 Express Lanes Internal Capital Reserve Fund from the facility's net revenues. The balance in this reserve fund totaled \$14.6 million at the end of the quarter. The outstanding balances for each of the Authority's debt securities are presented in Attachment A.

Staff continues to monitor the situation regarding Lehman Brothers Holdings Company (Lehman). Lehman served as one of the Authority's counterparties for the swap component of the variable rate bonds. Lehman has not made its counterparty payments to the Authority since September 1, 2008 (the last payment date prior to the bankruptcy filing). In return, the Authority did not remit the amount owed to Lehman as part of the swap agreement on February 15, 2009. The net amount owed (by the Authority) between the two parties totals \$719,633. The Authority will continue to work with bond counsel and monitor the legal options available for the swap.

Investment Portfolio Activity: During the quarter, the Authority liquidated \$60 million from the short-term portfolio and \$3,400,000 from the Local Agency Investment Fund to meet current cash flow needs. Payments to the Southern California Regional Rail Authority and New Flyer were among the more notable payments in the second the quarter.

Investment Portfolio Compliance: As of June 30, 2009, the Authority's portfolio was in compliance with its investment policy. The Authority continues its policy of reviewing the contents of the investment portfolio on a daily basis to ensure compliance. Attachment B provides a comparison of the portfolio holdings as of June 30, 2009, to the diversification guidelines of the policy.

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

The Authority has calculated the total returns for each of the investment managers for short-term operating monies and compared the returns to

specific benchmarks as shown in Attachment C. Attachment D contains an annualized total return performance comparison by investment manager for the previous two years. Attachment E provides a two-year yield comparison between the short-term portfolio managers, the Orange County Investment Pool, and the Local Agency Investment Fund.

The returns for the Authority's short-term operating monies are compared to the Merrill Lynch 1-3 year Treasury Index benchmark. The Merrill Lynch 1-3 year Treasury Index is one of the most commonly used short-term fixed income benchmarks. Each of the four managers invests in a combination of securities that all conform to the Authority's 2009 Annual Investment Policy. For the quarter ending June 30, 2009, the weighted average total return for the Authority's short-term portfolio was 0.62 percent, 73 basis points above the benchmark return of -0.11 percent. For the 12-month period ending June 30, 2009, the portfolio's return totaled 4.83 percent, 44 basis points above the benchmark return of 4.39 percent for the same period.

Demand for treasury securities is subsiding while investors are becoming more comfortable with purchasing corporate and agency securities. Recent articles regarding repayment of Trouble Asset Relief Program (TARP) funds from the financial services sector has bolstered investor confidence and fueled the market in non-treasury sectors. Short-term rates have remained steady while the 10-year and 30-year treasury bond yields have increased 87 and 80 basis points respectively to 3.53 percent and 4.33 percent.

The Authority outperformed the benchmark for both the quarter and trailing 12-month period by diversifying the short-term portfolio in a variety of investment-grade fixed income securities. The strongest performing sectors in the second quarter were corporate medium-term notes and asset backed securities adding to the total return of the portfolio.

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

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

Cash Availability for the Next Six Months: The Authority has reviewed the cash requirements for the next six months. It has been determined that the liquid

and the short-term portfolios can fund all projected expenditures during the next six months.

Summary

As required under the California Government Code, the Orange County Transportation Authority is submitting its quarterly investment report to the Board of Directors. The investment report summarizes the Orange County Transportation Authority's Treasury activities for the period April 2009 through June 2009.

Attachments

- A. Orange County Transportation Authority Outstanding Debt June 30, 2009.
- B. Orange County Transportation Authority Investment Policy Compliance June 30, 2009.
- C. Orange County Transportation Authority Short-term Portfolio Performance Review Quarter Ending June 30, 2009.
- D. Orange County Transportation Authority Short-term Portfolio Performance as of June 30, 2009.
- E. Orange County Transportation Authority Comparative Yield Performance as of June 30, 2009.
- F. Investment Manager Diversification and Maturity Schedules June 30, 2009.
- G. Orange County Transportation Authority Portfolio Listing as of June 30, 2009.

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**Orange County Transportation Authority
Outstanding Debt
June 30, 2009**

Orange County Local Transportation Authority (OCLTA) - M1 Program

	<u>Issued</u>	<u>Outstanding</u>	<u>Final Maturity</u>
2001 Second Senior Sales Tax Revenue Bonds	\$ 48,430,000	\$ 32,970,000	2011
1998 Second Senior Sales Tax Revenue Bonds	213,985,000	45,385,000	2011
1997 Second Senior Sales Tax Revenue Refunding Bonds	57,730,000	30,145,000	2011
1992 First Senior Sales Tax Revenue Bonds	350,000,000	52,700,000	2011
Sub-total	\$ 670,145,000	\$ 161,200,000	

Orange County Local Transportation Authority (OCLTA) - M2 Program

	<u>Issued</u>	<u>Outstanding</u>	<u>Final Maturity</u>
2008 Tax-Exempt Commercial Paper - Series A1	\$ 25,000,000	\$ 25,000,000	2011
2008 Tax-Exempt Commercial Paper - Series A2	\$ 25,000,000	\$ 25,000,000	2011

91 Express Lanes *

	<u>Issued</u>	<u>Outstanding</u>	<u>Final Maturity</u>
2003 Toll Road Revenue Refunding Bonds	\$ 195,265,000	\$ 174,940,000	2030

* Not reflected is the intra-agency borrowing (subordinated debt) for the purchase of the 91 Express Lanes in the amount of \$25,315,367

TOTAL OUTSTANDING BALANCE **\$ 386,140,000**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Investment Policy Compliance
June 30, 2009

<u>Investment Instruments</u>	<u>Dollar Amount Invested</u>	<u>Percent Of Portfolio</u>	<u>Investment Policy Maximum Percentages</u>
U.S. Treasuries	\$299,557,219	33.1%	100%
Federal Agencies & U.S. Government Sponsored	193,851,695	21.4%	100%
State of California & Local Agencies *	-	0.0%	25%
Money Market Funds & Mutual Funds	142,014,178	15.7%	20%
Bankers Acceptances	0	0.0%	30%
Negotiable Certificates of Deposit	28,327,773	3.1%	30%
Commercial Paper	0	0.0%	25%
Medium Term Maturity Corporate Securities	129,664,539	14.3%	30%
Mortgage and Asset-backed Securities	57,684,814	6.4%	20%
Repurchase Agreements	0	0.0%	75%
Investment Agreements Pursuant To Indenture	0	0.0%	100%
Local Agency Investment Fund	40,914	0.0%	\$ 40 Million
Orange County Investment Pool	5,010,184	0.6%	\$ 40 Million
CAMP	0	0.0%	10%
Variable & Floating Rate Securities	18,836,148	2.1%	30%
Debt Service Reserve Funds - Investment Agreements	16,348,970	1.8%	Not Applicable
Cash Equivalents	15,030,295	1.7%	Not Applicable
Derivatives (hedging transactions only)	0	0.0%	5%
	<hr/>		<hr/>
TOTAL	<u>\$906,366,729</u>	100.0%	

* Balance does not include intra-agency borrowing for the purchase of the 91 Express Lanes in the amount of \$25,315,367

**Orange County Transportation Authority
Short-term Portfolio Performance Review*
Quarter Ending June 30, 2009**

Month Ending	Merrill Lynch Treasury 1-3 Year Index Benchmark		JP Morgan		Payden & Rygel		Western Asset Mgmt		State Street Global Advisors	
	Monthly Return	Duration	Monthly Return	Duration	Monthly Return	Duration	Monthly Return	Duration	Monthly Return	Duration
4/30/2009	-0.13%	1.87 years	0.33%	1.74 years	0.31%	1.98 years	0.39%	1.98 years	-0.01%	1.88 years
5/31/2009	0.17%	1.89 years	0.33%	1.80 years	0.39%	1.97 years	0.51%	1.94 years	0.18%	1.92 years
6/30/2009	-0.15%	1.90 years	0.24%	1.81 years	-0.14%	1.70 years	0.11%	1.90 years	-0.18%	1.88 years

Apr 09 - Jun 09 Total Return	-0.11%		0.90%		0.56%		1.01%		-0.01%	
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HISTORICAL QUARTERLY RETURNS

Jul 08 - Sep 08 Total Return	1.69%		-0.34%		1.22%		0.02%		1.53%	
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Oct 08 - Dec 08 Total Return	2.69%		3.25%		2.97%		2.85%		2.83%	
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Jan 09 - Mar 09 Total Return	0.09%		0.61%		0.88%		0.68%		0.10%	
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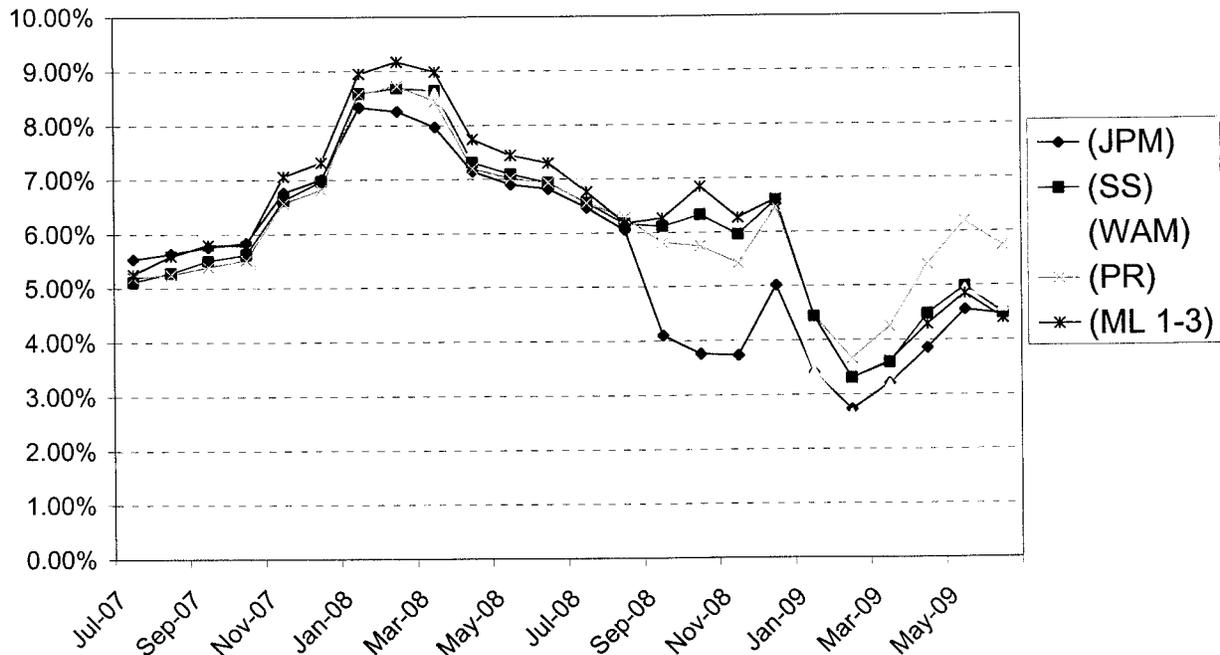
Apr 09 - Jun 09 Total Return	-0.11%		0.90%		0.56%		1.01%		-0.01%	
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12-Month Total Return	4.39%		4.46%		5.74%		4.62%		4.49%	
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* - Month End Rates of Return are Gross of Fees

Orange County Transportation Authority Short-Term Portfolio Performance June 30, 2009

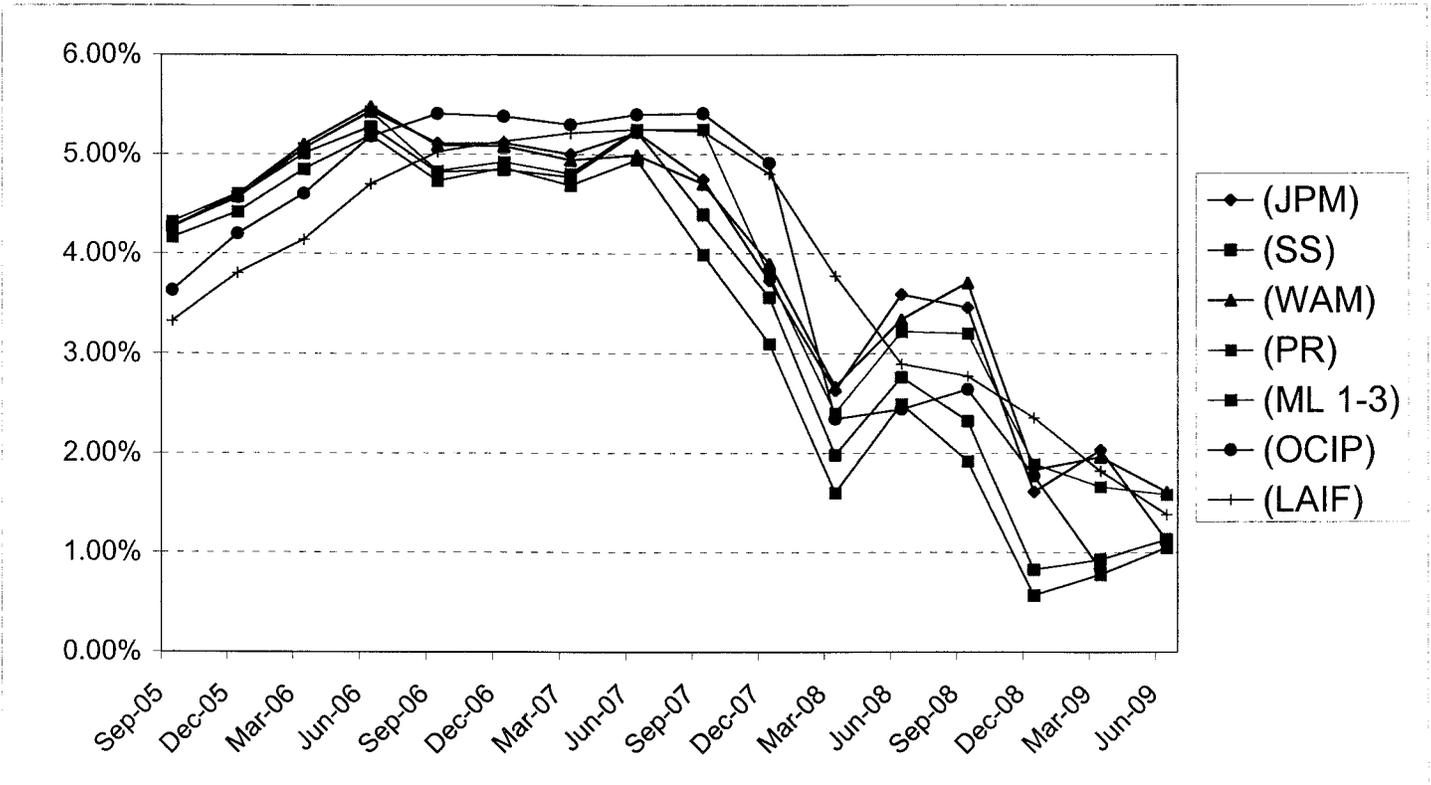
**Trailing 1-Year Total Return
Vs. The Merrill Lynch 1-3 Treasury Benchmark**



	JP Morgan <u>(JPM)</u>	State Street <u>(SS)</u>	Western Asset Mgmt <u>(WAM)</u>	Payden Rygel <u>(PR)</u>	Merrill Lynch 1-3 Yr <u>(ML 1-3)</u>
Jul-07	5.54%	5.12%	5.77%	5.20%	5.26%
Aug-07	5.64%	5.28%	5.90%	5.25%	5.60%
Sep-07	5.76%	5.51%	6.01%	5.39%	5.80%
Oct-07	5.84%	5.62%	6.10%	5.52%	5.78%
Nov-07	6.76%	6.63%	7.07%	6.57%	7.06%
Dec-07	7.01%	6.97%	7.35%	6.81%	7.32%
Jan-08	8.34%	8.59%	8.99%	8.57%	8.95%
Feb-08	8.26%	8.69%	8.89%	8.73%	9.17%
Mar-08	7.97%	8.64%	8.60%	8.45%	8.99%
Apr-08	7.15%	7.31%	7.54%	7.20%	7.74%
May-08	6.90%	7.09%	7.45%	7.02%	7.44%
Jun-08	6.82%	6.94%	7.45%	6.94%	7.30%
Jul-08	6.47%	6.56%	6.89%	6.56%	6.76%
Aug-08	6.05%	6.17%	6.41%	6.29%	6.18%
Sep-08	4.10%	6.12%	4.86%	5.82%	6.27%
Oct-08	3.76%	6.33%	4.33%	5.75%	6.85%
Nov-08	3.73%	5.96%	4.15%	5.43%	6.27%
Dec-08	5.01%	6.59%	5.27%	6.46%	6.61%
Jan-09	3.41%	4.44%	3.42%	4.45%	4.43%
Feb-09	2.73%	3.31%	2.64%	3.66%	3.30%
Mar-09	3.21%	3.59%	3.19%	4.25%	3.61%
Apr-09	3.85%	4.48%	4.16%	5.40%	4.29%
May-09	4.55%	4.98%	4.93%	6.19%	4.85%
Jun-09	4.46%	4.49%	4.62%	5.74%	4.39%

Orange County Transportation Authority Comparative Yield Performance June 30, 2009

**Historical Yields
Vs. The Merrill Lynch 1-3 Treasury Benchmark**

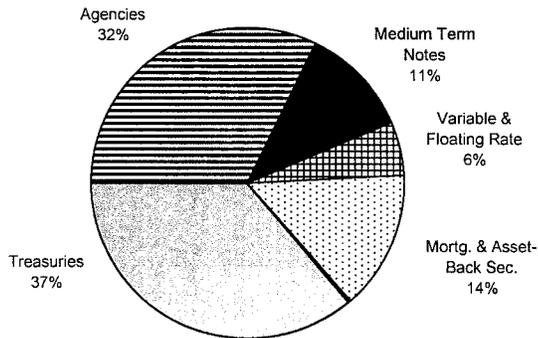


	JP Morgan <u>(JPM)</u>	State Street <u>(SS)</u>	Western Asset Mgmt <u>(WAM)</u>	Payden Rygel <u>(PR)</u>	Merrill Lynch 1-3 Yr <u>(ML 1-3)</u>	<u>(OCIP)</u>	<u>(LAIF)</u>
Sep-05	4.27%	4.27%	4.27%	4.32%	4.17%	3.63%	3.32%
Dec-05	4.56%	4.57%	4.59%	4.60%	4.41%	4.20%	3.81%
Mar-06	5.06%	5.01%	5.10%	5.06%	4.85%	4.60%	4.14%
Jun-06	5.44%	5.28%	5.48%	5.43%	5.19%	5.18%	4.70%
Sep-06	5.11%	4.82%	5.09%	4.83%	4.73%	5.41%	5.02%
Dec-06	5.11%	4.84%	5.08%	4.92%	4.86%	5.38%	5.13%
Mar-07	5.00%	4.77%	4.94%	4.80%	4.68%	5.30%	5.21%
Jun-07	5.22%	5.23%	4.99%	5.25%	4.94%	5.40%	5.25%
Sep-07	4.74%	4.39%	4.70%	5.25%	3.99%	5.41%	5.23%
Dec-07	3.73%	3.56%	3.90%	3.78%	3.10%	4.91%	4.80%
Mar-08	2.63%	1.98%	2.67%	2.40%	1.60%	2.34%	3.78%
Jun-08	3.59%	2.76%	3.34%	3.22%	2.49%	2.44%	2.89%
Sep-08	3.46%	2.32%	3.71%	3.20%	1.92%	2.64%	2.77%
Dec-08	1.61%	0.83%	1.83%	1.89%	0.57%	1.77%	2.35%
Mar-09	2.03%	0.93%	1.96%	1.66%	0.78%	0.84%	1.82%
Jun-09	1.12%	1.13%	1.61%	1.58%	1.05%	N/A	1.38%

Investment Manager Diversification and Maturity Schedules

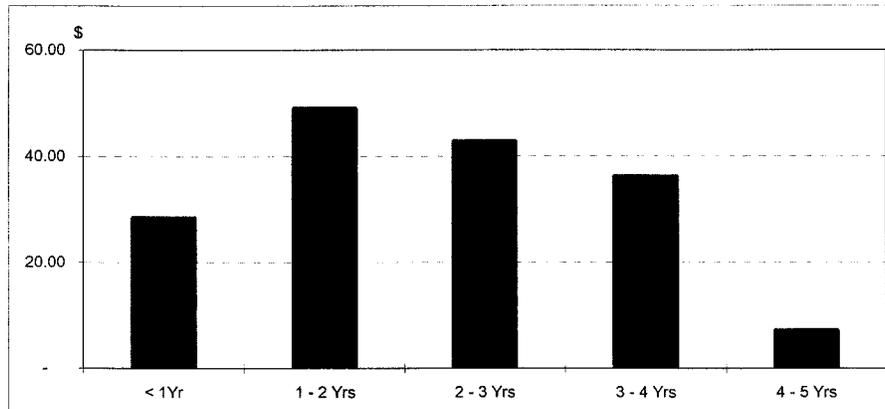
**JP Morgan
June 30, 2009**

SHORT-TERM PORTFOLIO (\$164.4 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$59,191,376	\$59,733,283
Agencies	53,133,033	54,222,141
Medium Term Notes	18,864,092	19,051,442
Variable & Floating Rate	9,226,785	9,235,003
Mortg. & Asset-Back Sec.	23,443,562	24,055,430
Money Market Funds	<u>534,582</u>	<u>534,582</u>
	<u>\$164,393,430</u>	<u>\$166,831,881</u>

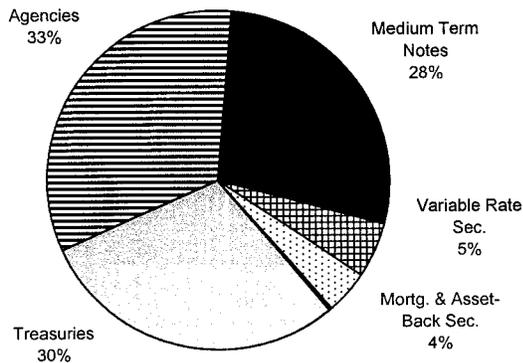
Wtd Avg Maturity	2.15 Yrs
Duration	1.81 Yrs
Quarter-end Yield	1.12%
Benchmark Comparison	1.05%
Quarter Return	0.90%
Benchmark Comparison	-0.11%
12 Month Return	4.46%
Benchmark Comparison	4.39%



Investment Manager Diversification and Maturity Schedules

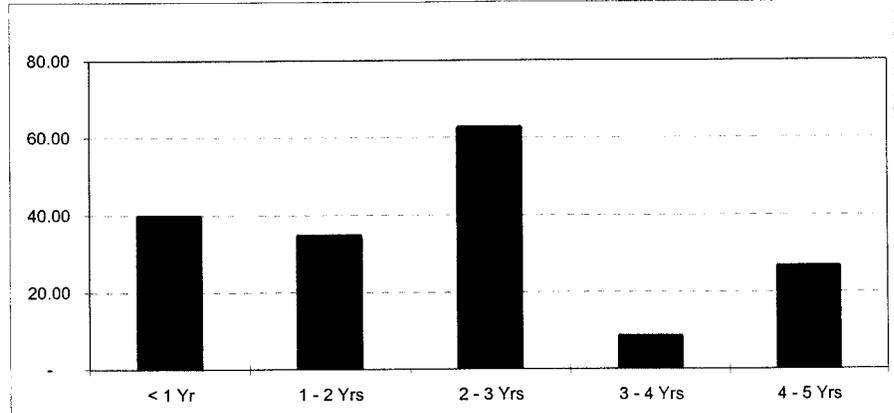
Western Asset Management June 30, 2009

SHORT-TERM PORTFOLIO (\$172.8 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$50,989,809	\$51,174,610
Agencies	56,917,563	57,846,303
Medium Term Notes	48,097,122	47,035,548
Variable Rate Sec.	9,108,191	9,029,674
Mortg. & Asset-Back Sec.	7,307,291	7,527,381
Money Market Funds	<u>340,328</u>	<u>340,328</u>
	<u>\$172,760,304</u>	<u>\$172,953,844</u>

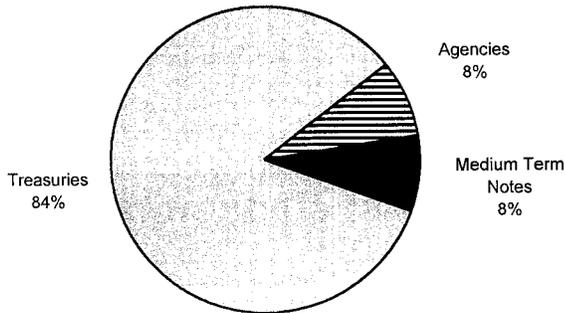
Wtd Avg Maturity	2.37 Yrs
Duration	2.04 Yrs
Quarter-end Yield	1.61%
Benchmark Comparison	1.05%
Quarter Return	1.01%
Benchmark Comparison	-0.11%
12 Month Return	4.62%
Benchmark Comparison	4.39%



Investment Manager Diversification and Maturity Schedules

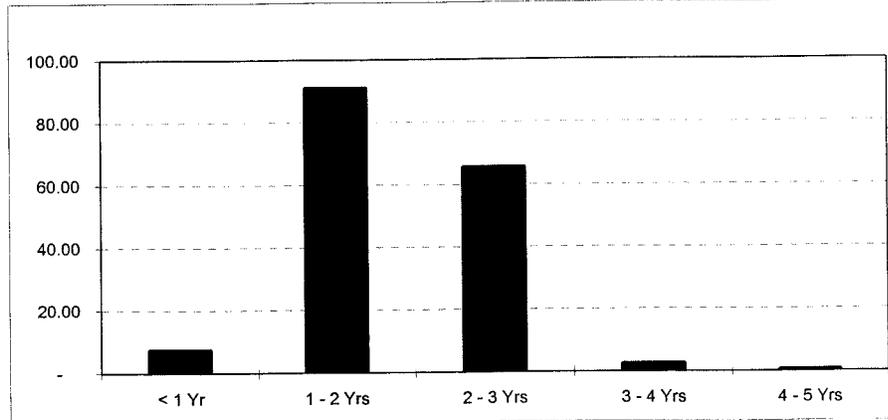
State Street
June 30, 2009

SHORT-TERM PORTFOLIO (\$167.8 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$140,779,619	\$140,895,455
Agencies	13,467,360	13,502,906
Medium Term Notes	13,522,000	13,759,594
Money Market Funds	<u>4,680</u>	<u>4,680</u>
	<u>\$167,773,658</u>	<u>\$168,162,635</u>

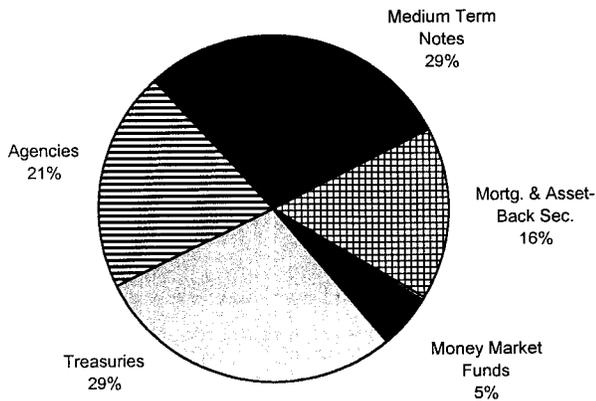
Wtd Avg Maturity	1.93 Yrs
Duration	1.88 Yrs
Quarter-end Yield	1.13%
Benchmark Comparison	1.05%
Quarter Return	-0.01%
Benchmark Comparison	-0.11%
12 Month Return	4.49%
Benchmark Comparison	4.39%



Investment Manager Diversification and Maturity Schedules

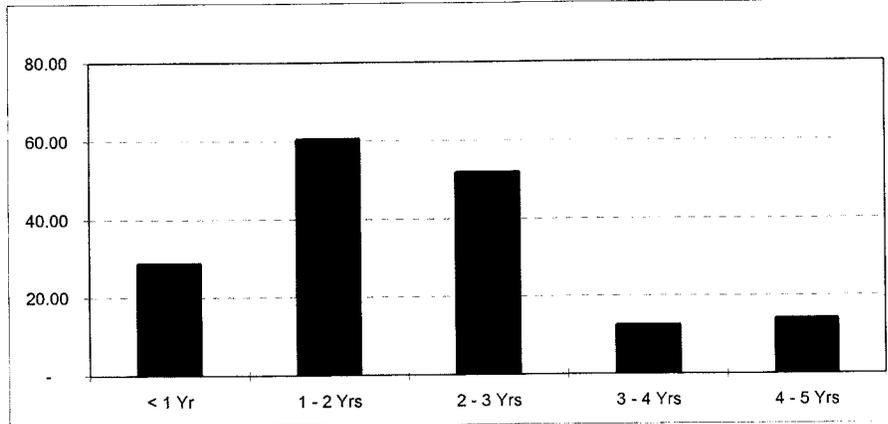
Payden & Rygel
June 30, 2009

SHORT-TERM PORTFOLIO (\$168.3 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$48,596,416	\$48,691,978
Agencies	34,673,745	34,640,978
Medium Term Notes	49,181,325	48,712,555
Mortg. & Asset-Back Sec.	26,933,961	28,700,722
Variable & Floating Rate	501,172	498,540
Money Market Funds	<u>8,362,586</u>	<u>8,362,586</u>
	<u>\$168,249,205</u>	<u>\$169,607,360</u>

Wtd Avg Maturity	2.04 Yrs
Duration	1.70 Yrs
Quarter-end Yield	1.58%
Benchmark Comparison	1.05%
Quarter Return	0.56%
Benchmark Comparison	-0.11%
12 Month Return	5.74%
Benchmark Comparison	4.39%



**Orange County Transportation Authority
Portfolio Listing
As of June 30, 2009**

LIQUID PORTFOLIO

<u>Description</u>	<u>Maturity Date</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Yield</u>
<u>Cash Equivalents</u>				
Cash Equivalent - Earnings Credit	7/1/2009	15,030,295.28	15,030,295.28	N/A
Bank of the West CD	7/9/2009	15,000,000.00	15,000,300.00	0.08%
FHLMC Discount Note	8/14/2009	750,399.83	750,924.90	0.21%
FNMA Discount Note	8/14/2009	750,574.43	750,924.90	0.17%
FHLB Discount Note	8/14/2009	750,695.01	750,924.90	0.17%
FHLB Discount Note	8/17/2009	750,093.06	751,924.80	0.51%
FNMA Discount Note	2/12/2010	19,594,369.41	19,622,734.80	0.43%
FHLB Discount Note	2/16/2010	6,531,679.54	6,577,497.60	0.91%
FNMA Discount Note	2/16/2010	6,532,182.71	6,530,601.00	0.30%
Fidelity Funds Treasury I	N/A	5,834,203.91	5,834,203.91	0.33%
First American Treasury Obligations	N/A	151,271.00	151,271.00	0.04%
Goldman Sachs Financial Govt Fund	N/A	15,787,953.15	15,787,953.15	0.21%
Milestone Funds Treasury Obligations	N/A	43,996,569.35	43,996,569.35	0.35%
<i>Sub-total</i>		<u>131,460,286.68</u>	<u>131,536,125.59</u>	
<u>Local Agency Investment Fund (LAIF)</u>	N/A	40,913.95	40,913.95	1.82%
<u>Orange County Investment Pool (OCIP)</u>	N/A	5,010,183.99	5,010,183.99	0.64%
Liquid Portfolio - Total		<u>\$ 136,511,384.62</u>	<u>\$ 136,587,223.53</u>	

SHORT-TERM PORTFOLIO

<u>Description</u>	<u>Maturity Date</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Yield</u>
<u>Cash Equivalents</u>				
FHLB Discount Note	7/31/2009	424,959.74	424,956.20	0.11%
FHLB Discount Note	2/23/2010	3,496,255.00	3,514,218.75	1.04%
FHLB Discount Note	5/18/2010	2,000,000.00	2,000,625.00	0.49%
US Treasury Bill	12/10/2009	16,976,464.44	16,974,069.42	0.27%
Milestone Funds Treasury Obligations	N/A	9,242,176.92	9,242,176.92	0.35%
<i>Sub-total</i>		<u>32,139,856.10</u>	<u>32,156,046.29</u>	
<u>U.S. Government & Agency Obligations</u>				
FFCB	1/10/2013	425,556.00	422,500.00	3.66%
FFCB	4/8/2013	997,400.00	995,312.50	2.21%
FFCB	4/17/2014	496,855.00	495,781.25	2.64%
FHLB	9/10/2010	10,942,239.00	11,351,328.13	4.85%
FHLB	12/10/2010	21,211,211.80	22,185,440.63	3.37%
FHLB	12/17/2010	4,093,920.00	4,158,750.00	3.48%
FHLB	5/16/2011	1,999,180.00	2,006,250.00	1.37%
FHLB	6/24/2011	4,517,312.50	4,667,343.75	3.25%
FHLB	7/1/2011	4,095,373.00	4,178,750.00	3.46%
FHLB	7/27/2011	7,992,400.00	8,045,000.00	1.61%
FHLB	9/16/2011	5,051,895.00	5,235,937.50	3.46%
FHLB	4/13/2012	1,496,518.50	1,518,281.25	2.22%
FHLB	2/27/2013	419,333.60	414,000.00	3.26%
FHLB	8/15/2013	1,095,600.00	1,091,250.00	4.58%
FHLB	9/16/2013	652,685.40	642,937.50	4.19%

**Orange County Transportation Authority
Portfolio Listing
As of June 30, 2009**

FHLB	12/13/2013	2,033,300.00	2,003,750.00	3.11%
FHLMC	4/11/2011	5,107,089.00	5,243,437.50	2.67%
FHLMC	4/26/2011	4,145,050.91	4,178,102.50	1.61%
FHLMC	6/29/2011	5,026,620.00	5,254,687.50	3.68%
FHLMC	1/15/2012	2,225,188.00	2,206,250.00	5.21%
FHLMC	3/23/2012	3,985,440.00	4,036,250.00	2.10%
FHLMC	3/23/2012	5,050,000.00	5,032,950.00	2.48%
FHLMC	10/25/2012	5,466,210.00	5,390,625.00	4.28%
FHLMC	9/27/2013	2,962,377.90	2,860,312.50	3.89%
FHLMC	1/30/2014	8,708,000.00	8,680,000.00	4.60%
FNMA	1/15/2010	3,591,100.40	3,527,500.00	6.98%
FNMA	2/15/2011	10,296,284.10	10,522,125.00	4.25%
FNMA	5/15/2011	2,537,752.88	2,521,550.00	5.52%
FNMA	4/20/2012	7,091,054.00	7,128,843.75	1.86%
FNMA	11/19/2012	6,609,876.00	6,525,000.00	4.36%
FNMA	2/21/2013	655,890.00	645,000.00	4.41%
FNMA	7/17/2013	322,263.00	320,343.75	4.09%
FNMA	12/11/2013	10,969,510.00	10,786,937.50	2.85%
US Treasury Note	10/31/2001	910,233.48	909,984.38	1.48%
US Treasury Note	12/15/2009	922,202.99	963,547.00	3.45%
US Treasury Note	2/28/2010	11,224,049.81	11,160,199.35	1.97%
US Treasury Note	4/15/2010	14,868,059.24	14,597,864.70	0.87%
US Treasury Note	5/15/2010	7,124,037.42	7,243,110.00	4.34%
US Treasury Note	7/31/2010	18,145,921.14	18,267,690.00	2.68%
US Treasury Note	9/30/2010	4,136,941.71	4,187,935.91	1.96%
US Treasury Note	10/31/2010	31,850,418.03	31,849,453.13	1.48%
US Treasury Note	11/15/2010	6,249,554.15	6,258,448.00	4.27%
US Treasury Note	11/30/2010	14,134,734.40	14,103,320.00	1.24%
US Treasury Note	12/31/2010	6,006,348.24	6,008,220.00	0.87%
US Treasury Note	1/31/2011	500,157.93	500,275.00	0.87%
US Treasury Note	2/28/2011	11,041,248.89	11,078,254.00	4.24%
US Treasury Note	4/15/2011	526,737.93	553,066.02	2.30%
US Treasury Note	4/30/2011	8,997,473.34	8,973,630.00	0.87%
US Treasury Note	6/30/2011	14,128,082.27	14,130,577.00	4.75%
US Treasury Note	10/31/2011	1,616,430.81	1,615,078.13	4.29%
US Treasury Note	11/15/2011	17,200,154.48	17,261,475.00	1.73%
US Treasury Note	11/30/2011	10,959,034.62	11,153,990.40	4.17%
US Treasury Note	12/15/2011	14,156,305.11	14,029,500.00	1.13%
US Treasury Note	1/15/2012	9,954,721.00	9,935,937.50	1.13%
US Treasury Note	2/15/2012	14,940,414.81	14,902,173.10	1.37%
US Treasury Note	4/15/2012	6,307,565.54	6,970,137.75	1.94%
US Treasury Note	5/15/2012	20,297,987.50	20,146,037.50	1.38%
US Treasury Note	6/15/2012	8,037,526.80	8,058,160.00	1.86%
US Treasury Note	3/31/2013	11,744,765.63	12,217,500.00	2.45%
US Treasury Note	5/31/2013	3,979,535.83	3,898,296.88	3.32%
US Treasury Note	8/31/2013	2,117,187.50	2,072,040.00	3.01%
US Treasury Note	4/30/2014	4,961,718.75	4,851,950.00	1.93%
US Treasury Note	5/31/2014	5,541,205.50	5,623,406.25	2.28%
	<i>Sub-total</i>	<u>434,851,240.84</u>	<u>437,793,784.51</u>	

Medium Term Notes

3M Company	11/6/2009	1,999,120.00	2,034,480.00	5.03%
3M Company	11/1/2011	1,482,871.00	1,541,531.25	4.23%
Abbott Labs	5/15/2011	1,051,630.00	1,068,390.00	5.24%
Alabama Power Co	11/15/2013	1,080,490.00	1,083,420.00	5.35%
Amgen Inc	11/18/2009	1,373,316.00	1,418,998.00	3.94%

**Orange County Transportation Authority
Portfolio Listing
As of June 30, 2009**

Bank America Corp	4/30/2012	1,779,466.00	1,782,705.60	2.09%
Bank America Corp	6/15/2012	5,191,950.00	5,156,750.00	3.03%
Bank America Corp	6/22/2012	1,997,780.00	2,020,000.00	2.35%
Bank America Corp	9/15/2012	2,413,872.00	2,373,576.00	4.92%
Bank New York Inc	4/1/2013	200,622.00	203,526.00	4.42%
BB&T Corp	10/1/2012	195,174.00	195,588.00	4.85%
BellSouth Corp	9/15/2009	1,223,650.00	1,256,712.50	4.17%
Berkshire Hathaway Financial Corp	1/15/2010	1,484,487.10	1,526,880.00	4.05%
Berkshire Hathaway Financial Corp	4/15/2012	1,795,806.00	1,860,282.00	3.87%
Berkshire Hathaway Inc	5/15/2012	631,692.00	637,050.00	4.47%
Campbell Soup Co	2/15/2011	1,879,535.00	1,893,281.25	6.23%
Caterpillar Financial Services	12/1/2010	2,790,788.00	2,916,312.00	4.84%
Chevron Corp	3/3/2012	699,958.00	722,050.00	3.34%
Cisco Systems Inc	2/22/2011	2,562,850.00	2,636,100.00	4.97%
Citigroup Inc	4/30/2012	3,373,442.80	3,394,838.20	2.11%
Citigroup Inc	5/7/2012	1,994,780.00	1,992,187.50	1.88%
Citigroup Inc	7/12/2012	1,995,380.00	2,000,280.00	2.12%
Citigroup Inc	10/17/2012	289,161.00	289,368.00	5.49%
CME Group Inc	8/1/2013	181,622.00	183,863.75	5.13%
Conoco Phillips	2/1/2014	698,033.00	728,826.00	4.56%
Credit Suisse First Boston USA	1/15/2010	301,644.00	303,639.00	4.07%
Credit Suisse First Boston USA	11/15/2011	104,469.00	107,064.00	5.72%
Eli Lilly & Co	3/6/2012	399,592.00	414,392.00	3.42%
General Electric Capital Corp	12/1/2010	629,166.00	617,616.00	4.85%
General Electric Capital Corp	2/22/2011	2,122,400.00	2,096,220.00	5.84%
General Electric Capital Corp	3/11/2011	1,006,290.00	1,009,020.00	1.78%
General Electric Capital Corp	12/9/2011	309,110.30	319,811.50	2.90%
General Electric Capital Corp	6/8/2012	6,283,999.90	6,286,020.48	2.18%
General Electric Capital Corp	5/13/2014	719,200.80	734,875.20	5.78%
Gillette Company	9/15/2009	484,250.00	503,390.00	3.77%
Goldman Sachs Group	6/15/2010	488,545.00	512,355.00	4.39%
Goldman Sachs Group	1/15/2012	1,410,097.00	1,384,149.00	6.19%
Goldman Sachs Group	6/15/2012	6,000,643.20	6,064,514.00	3.14%
Goldman Sachs Group	5/1/2014	908,893.44	940,337.66	5.74%
Heller Financial Inc	11/1/2009	2,081,240.00	2,029,940.00	7.26%
Hewlett Packard Co	5/27/2011	899,703.00	902,745.00	2.24%
Hewlett Packard Co	2/24/2012	799,648.00	834,992.00	4.07%
HSBC USA Inc	12/16/2011	1,747,003.64	1,809,582.04	3.01%
HSBC USA Inc	4/1/2014	99,052.00	98,179.00	4.71%
IBM	11/29/2012	127,898.75	134,032.50	4.42%
IBM International Group Capital LLC	10/22/2012	628,494.00	642,276.00	4.71%
John Deere Capital Corp	4/3/2013	1,557,441.60	1,591,496.40	4.41%
JP Morgan Chase & Co	12/1/2011	2,463,471.70	2,549,919.25	3.02%
JP Morgan Chase & Co	6/15/2012	5,739,769.30	5,764,019.10	2.18%
JP Morgan Chase & Co	1/2/2013	1,059,110.00	1,031,280.00	5.57%
JP Morgan Chase & Co	5/1/2013	652,260.00	708,883.00	4.69%
Kimberly Clark Corp	2/15/2012	84,393.10	90,605.75	5.27%
Lehman Brothers Holdings	1/24/2013	1,013,340.00	151,250.00	0.00%
Lowe's Company Inc	6/1/2010	127,993.75	132,800.00	7.76%
McDonalds Corp	3/1/2012	1,522,612.00	1,518,343.75	5.30%
Medtronic Inc	9/15/2010	1,389,312.00	1,380,996.00	4.27%
Merrill Lynch & Co Inc	8/15/2012	1,034,500.00	1,002,640.00	6.03%
Metropolitan Life Global	4/10/2013	2,851,458.40	2,888,507.20	5.03%
Morgan Stanley Co	3/13/2012	873,766.25	882,708.75	2.23%
Morgan Stanley Co	4/1/2012	1,075,180.00	1,058,760.00	6.23%
Morgan Stanley Co	6/20/2012	4,992,450.00	4,989,800.00	1.95%

**Orange County Transportation Authority
Portfolio Listing
As of June 30, 2009**

Morgan Stanley Co	5/13/2014	698,670.00	708,729.00	5.92%
Nation Rural Utilities Financial	8/28/2009	2,639,594.00	2,617,082.00	5.71%
Nation Rural Utilities Financial	3/1/2012	1,275,612.00	1,310,688.00	6.63%
National City Bank	8/24/2009	337,245.16	285,745.09	2.70%
Oracle Corp	1/15/2011	1,309,368.71	1,362,790.00	4.76%
Oracle Corp	4/15/2013	161,491.50	178,017.20	4.72%
Pepsico Inc	3/1/2014	764,851.75	780,376.50	3.67%
Pfizer Inc	3/15/2012	1,098,493.00	1,154,164.00	4.24%
PNC Corp	6/22/2012	3,028,920.00	3,024,420.00	2.28%
Suntrust Bank Senior Notes	11/16/2011	1,233,590.40	1,238,088.00	2.90%
United Parcel Service Inc	1/15/2013	913,334.40	922,873.60	4.29%
United Technologies Corp	3/1/2011	1,515,668.00	1,498,616.00	5.93%
US Bancorp Notes	3/13/2012	1,599,808.00	1,614,096.00	2.23%
USAA Capital Corp	3/30/2012	453,366.00	453,280.50	2.22%
Verizon Global Corp	12/1/2010	2,990,512.00	2,981,272.00	6.80%
Verizon Global Corp	5/20/2011	2,073,381.50	2,117,472.66	3.67%
Wachovia Corp	10/15/2011	619,793.55	628,386.30	5.08%
Wal Mart Stores	8/10/2009	2,137,505.78	1,941,773.00	6.83%
Wal Mart Stores	5/1/2013	707,024.20	702,066.20	4.34%
Walt Disney Co	12/1/2012	619,986.00	644,670.00	4.37%
Wells Fargo	6/21/2010	771,652.50	786,427.50	7.20%
Wells Fargo	8/9/2010	2,064,493.50	2,102,377.50	4.50%
Wells Fargo	12/9/2011	189,777.70	196,334.60	2.90%
Wells Fargo	6/15/2012	4,133,924.90	4,147,115.55	2.11%
World Savings Bank	12/15/2009	1,970,600.00	2,018,400.00	4.08%
<i>Sub-total</i>		129,664,538.58	129,819,416.83	

Variable Rate Notes

Allstate Life Global	2/26/2010	1,000,000.00	999,000.00	1.26%
American Express Credit Corp	6/19/2013	930,000.00	837,837.00	2.01%
American Honda Financial Corp	2/5/2010	1,230,000.00	1,227,921.30	1.42%
Bank America Corp	6/22/2012	1,002,362.00	1,009,460.00	0.81%
Bank New York Inc	2/5/2010	500,000.00	500,770.00	1.42%
Caterpillar Financial Services	2/8/2010	1,000,000.00	999,520.00	1.42%
Citigroup Inc	4/30/2012	422,352.00	425,199.60	1.37%
FFCB Note	9/3/2010	1,999,972.00	2,004,420.00	0.51%
Goldman Sachs Group	11/9/2011	1,003,504.84	1,010,230.00	1.21%
Hewlett Packard Co	9/3/2009	1,325,000.00	1,325,874.50	1.05%
John Deere Capital Corp	2/26/2010	1,200,000.00	1,202,812.50	1.11%
JP Morgan Chase & Co	6/22/2010	1,750,000.00	1,743,927.50	0.64%
Morgan Stanley	5/14/2010	501,172.00	498,540.00	1.42%
PNC Bank NA Pittsburgh	8/5/2009	1,498,950.00	1,499,415.00	1.42%
UBS AG Stamford Medium Term Note	7/23/2009	2,000,000.00	1,998,600.00	1.09%
Wachovia Bank NA	12/2/2010	1,472,835.00	1,479,690.00	0.73%
<i>Sub-total</i>		18,836,147.84	18,763,217.40	

Mortgage And Asset-Back Securities

American Express Issuance Trust	1/18/2011	190,000.00	203,029.98	3.96%
American Honda Auto Lease Trust	9/15/2010	1,299,941.63	1,307,543.64	2.63%
American Honda Auto Lease Trust	10/15/2010	365,499.83	366,593.92	5.08%
American Honda Auto Lease Trust	5/23/2011	153,605.47	153,399.13	5.35%
American Honda Auto Lease Trust	1/23/2012	1,020,494.66	1,063,019.07	5.16%
Bank of America Auto Trust	12/20/2010	1,455,000.00	1,513,688.70	5.12%
Capital One Prime Auto	7/15/2012	558,414.42	573,699.69	4.84%
Carmax Auto Owner Trust	12/15/2011	345,342.86	355,026.55	5.11%
Caterpillar Financial Trust	12/27/2010	308,328.17	315,712.03	4.05%

**Orange County Transportation Authority
Portfolio Listing
As of June 30, 2009**

Caterpillar Financial Trust	8/25/2011	286,503.54	290,136.53	5.60%
Chase Issuance Trust	11/15/2011	1,785,937.50	1,801,378.62	0.99%
Citibank Credit Card Issuance	10/22/2012	313,094.06	348,727.23	4.59%
CNH Equipment Trust	3/15/2013	524,925.87	525,932.35	2.96%
FHLB Mortgage Pool	8/25/2009	839,620.13	864,900.19	4.03%
FHLB Mortgage Pool	11/25/2009	2,541,054.18	2,659,890.38	3.80%
FHLB Mortgage Pool	10/25/2010	4,935,461.87	5,070,364.88	4.60%
FHLMC Mortgage Pool	1/1/2010	1,056,444.81	1,110,991.46	3.91%
FHLMC Mortgage Pool	12/1/2010	1,108,349.92	1,153,332.45	4.36%
FHLMC Mortgage Pool	12/1/2010	1,021,754.86	1,054,670.06	4.82%
FHLMC Mortgage Pool	2/1/2011	1,361,266.51	1,381,526.91	4.30%
FHLMC Mortgage Pool	4/1/2011	1,468,911.06	1,495,379.98	4.29%
FHLMC Mortgage Pool	4/1/2011	1,318,539.67	1,362,200.35	5.31%
FHLMC Mortgage Pool	5/1/2011	3,045,732.05	3,085,212.18	4.41%
FHLMC Mortgage Pool	6/1/2011	2,681,798.77	2,763,465.16	3.88%
FHLMC Mortgage Pool	8/15/2011	2,932,442.26	3,034,912.28	5.07%
FHLMC Mortgage Pool	9/15/2011	1,775,179.76	1,834,617.57	5.20%
FHLMC Mortgage Pool	8/15/2012	6,028,125.00	6,175,368.60	4.37%
FHLMC Mortgage Pool	6/15/2014	1,493,437.50	1,493,437.50	2.00%
FHLMC Mortgage Pool	6/15/2014	2,168,304.69	2,168,304.58	2.00%
FNMA Mortgage Pool	5/1/2010	1,151,559.10	1,218,075.89	4.38%
Ford Credit Auto Owner Trust	8/15/2011	2,716,446.87	2,738,376.30	5.26%
GE Capital Credit Card Master Trust	9/15/2012	3,039,843.75	3,012,105.00	5.05%
GS Auto Trust	12/15/2010	156,204.99	143,943.65	5.32%
Harley-Davidson Motorcycle Trust	5/15/2012	178,338.97	182,567.96	5.02%
Harley-Davidson Motorcycle Trust	6/15/2013	375,375.00	409,230.12	5.10%
HSBC Automotive Trust	11/18/2013	247,812.50	248,316.90	5.36%
Hyundai Auto Receivables	1/17/2012	495,829.53	498,957.96	4.93%
Hyundai Auto Receivables	12/17/2012	436,378.13	463,241.62	4.73%
M&I Auto Trust	2/15/2011	291,767.04	293,083.84	4.85%
Nissan Auto Receivables 2006-A	7/15/2011	125,593.23	126,770.93	4.71%
Nissan Auto Receivables 2008-A	7/15/2010	183,150.00	187,926.92	3.82%
Nissan Auto Receivables 2008-B	4/16/2012	893,250.00	925,192.26	4.33%
USAA Auto Owner Trust	2/15/2011	199,205.33	161,959.27	5.34%
USAA Auto Owner Trust	2/15/2012	75,746.74	81,006.51	5.23%
USAA Auto Owner Trust	10/15/2012	247,500.00	257,604.65	1.94%
USAA Auto Owner Trust	10/15/2012	130,200.00	144,697.83	4.48%
Volkswagen Auto Enhanced Trust	7/20/2012	531,667.50	567,154.06	4.37%
Vwalt 2009	7/15/2011	999,992.10	1,003,695.30	1.00%
World Omni Auto Trust	10/17/2011	382,903.31	385,259.70	4.95%
World Omni Auto Trust	4/15/2013	442,538.75	447,625.79	4.92%
<i>Sub-total</i>		57,684,813.89	59,023,254.43	
Short-Term Portfolio - Total		\$ 673,176,597.25	\$ 677,555,719.46	

DEBT SERVICE RESERVE FUNDS

<u>Description</u>	<u>Maturity Date</u>	<u>Book Value</u>	<u>Required Amount</u>	<u>Yield</u>
<i>91 Express Lanes 2003 Refunding Bonds</i>	2030		24,662,331.56	
First American Treasury Obligations	N/A	24,662,331.56		0.04%
<i>91 Express Lanes 2003 Refunding Bonds - Operating & Maintenance Reserves</i>			13,327,773.35	
Operating Reserve - Bank of the West CD		3,222,706.49		0.12%
Maintenance Reserve - Bank of the West CD		10,105,066.86		0.12%

**Orange County Transportation Authority
Portfolio Listing
As of June 30, 2009**

<u>Measure M Second Senior Sales Tax Bonds</u>			56,910,357.63
1992 Sales Tax Bonds -	2011		
FSA GIC	2/15/2011	8,998,875.61	3.88%
Fidelity Funds Treasury I	N/A	5,420,316.79	0.33%
1994 Sales Tax Bonds -	2011		
CSFP Agmt - Various Treasury Securities		6,100,551.57	5.98%
Fidelity Funds Treasury I	N/A	5,308,350.07	0.33%
1997 Sales Tax Bonds -	2011		
FSA GIC	2/15/2011	1,249,542.82	3.88%
Fidelity Funds Treasury I	N/A	752,927.35	0.33%
1998 Sales Tax Bonds -	2011		
Fidelity Funds Treasury I		24,592,502.31	0.33%
2001 Sales Tax Bonds -	2011		
Fidelity Funds Treasury I	2/15/2011	6,265,575.20	0.33%
Debt Service Reserve Funds - Total		<u>\$ 96,678,746.63</u>	

	<u>Book Value</u>	<u>Market Value</u>
TOTAL PORTFOLIO	<u>\$ 906,366,728.50</u>	<u>\$ 910,821,689.62</u>

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



MEMO

July 22, 2009

To: Members of the Board of Directors

From: *Wendy Knowles* Wendy Knowles, Clerk of the Board

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

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

Thank you.



July 22, 2009

To: Finance and Administration Committee

From: James S. Kenan, Interim Chief Executive Officer 

Subject: Transit Security Grant Award Authorization for 2008 and 2009

Overview

The United States Department of Homeland Security awarded the Orange County Transportation Authority \$1.289 million in grant funds from the 2008 and 2009 Transit Security Grant Programs. The funds were pursued to support a variety of security initiatives, including security and preparedness plan updates, staff training and exercises, and public awareness campaigns. Authorizing resolutions to accept grant funds and enter grant-related agreements are presented for adoption as required by the program.

Recommendation

Adopt Orange County Transportation Authority Resolutions No. 2009-47 and No. 2009-48 authorizing the Chief Executive Officer to accept grant funds and file grant-related agreements with the United States Department of Homeland Security to update security and preparedness plans, conduct staff training, exercises, and public awareness campaign.

Background

The Transit Security Grant Program (TSGP) is one of five grant programs that constitutes the United States Department of Homeland Security's (DHS) Infrastructure Protection Program. The intent of the TSGP is to help strengthen the nation's critical rail, bus, and ferry transit systems against the risks associated with potential terrorist attacks. The Consolidated Appropriations Act of 2008 (Public Law 110-161) made available \$388 million nationwide through the 2008 TSGP program. Similarly, the Consolidated Security, Disaster Assistance and Continuing Appropriations Act of 2009 (Public Law 110-329) provided \$388 million to fund the TSGP program in 2009. Based on an analysis of risk, DHS allocated the majority of funds to eight major urban regions across the nation, including the Los Angeles-Orange County urban area.

For each of the 2008 and 2009 grant cycles, DHS announced the availability of \$13.3 million to better secure eligible bus and rail systems in the Los Angeles-Orange County region. Eligible systems included the Orange County Transportation Authority (OCTA), Los Angeles County Metropolitan Transportation Authority, Southern California Regional Rail Authority, City of Los Angeles Department of Transportation, Foothill Transit, Santa Monica Big Blue Bus, and Long Beach Transit. Beginning in 2008, DHS established strict funding priorities which favored enhanced security patrols, personnel training and exercises, and security improvements to high-density, multimodal transit centers. Representatives from the member agencies convened to cooperatively develop regional transit security strategies and arrive at a consensus on the expenditure of funds allocated to the region. The Governor's Office of Homeland Security (OHS), as the designated administrative agency for DHS grant funds in the State of California, provided additional guidance to help ensure proposals were coordinated statewide and competitive nationally.

In the Fall of 2008, OCTA submitted several proposals for review by both OHS and DHS to pursue a combined \$1.289 million in grant funds to support a variety of security efforts. Proposals were forwarded for evaluation by a national review panel consisting of representatives from the Transportation Security Administration, Federal Emergency Management Agency, National Preparedness Directorate, and the Federal Transit Administration to determine which projects should be funded.

Discussion

On May 15, 2009, DHS awarded OCTA \$409,000 in grant funds from the 2008 TSGP program followed by an award of \$880,000 granted on June 19, 2009, for the 2009 program. The total combined award of \$1,289,000 will support a variety of security initiatives, including updates to OCTA's security and preparedness plans (\$200,000), staff training and exercises to support the updated plan (\$200,000), as well as counter-surveillance training (\$180,000). The grant funds are also intended to implement a public awareness campaign among transit riders (\$300,000), and to develop training programs aimed at reducing safety and security risks associated with alternative fuel vehicles and infrastructure (\$409,000). Each project will be presented in further detail to the OCTA Board for consideration as part of OCTA's project approval and procurement processes, and are intended to enhance the security of the Orange County transit system and the community it serves. The grant funds do not require local match contributions or cost-sharing arrangements.

As part of the TSGP program, OCTA is required to document, by resolution, authorization to submit applications and enter grant-related agreements for each grant awarded. The resolution also helps streamline the funding process and facilitate a prompt response to grant agency requests. Board resolutions are presented for consideration in Attachments A and B. OCTA has similar authorizing resolutions on file for prior year DHS grant awards, as well as with other grant agencies, including the Federal Transit Administration and the Governor's Office of Emergency Preparedness.

Summary

A total of \$1,289,000 in DHS grant funds have been awarded to OCTA in support of a variety of security efforts. The funds are intended to pursue updates to OCTA security plans, conduct staff training and exercise programs, and implement a public awareness campaign among its riders. Authorization is requested to accept the awards and adopt resolutions authorizing the execution of grant-related agreements.

Attachments

- A. Resolution of the Orange County Transportation Authority 2008 Transit Security Grant Program Authorization
- B. Resolution of the Orange County Transportation Authority 2009 Transit Security Grant Program Authorization

Prepared by:


Ric Teano
Grant Specialist
(714) 560-5716

Approved by:


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

**RESOLUTION
OF THE
ORANGE COUNTY TRANSPORTATION AUTHORITY**

2008 TRANSIT SECURITY GRANT PROGRAM AUTHORIZATION

WHEREAS, the United States Department of Homeland Security (DHS) provides federal financial assistance to eligible grantees, and;

WHEREAS, the State of California Governor's Office of Homeland Security (OHS) is the designated State Administrative Agency for federal DHS funds in the State of California, and;

WHEREAS, the Orange County Transportation Authority (OCTA) is an eligible grantee of DHS federal funds;

BE IT RESOLVED by the Board of Directors of the Orange County Transportation Authority that the Chief Executive Officer is hereby authorized to file and execute grant applications and agreements, certifications, assurances and other documents for and on behalf of OCTA, a public entity established under the laws of the State of California, any actions necessary for the purpose of obtaining federal financial assistance provided by the United States Department of Homeland Security and State of California Governor's Office of Homeland Security.

ADOPTED, SIGNED, AND APPROVED this _____ day of _____, 2009.

AYES:

NOES:

ABSENT:

ATTEST:

Wendy Knowles
Clerk of the Board

Peter Buffa, Chairman
Orange County Transportation Authority

**RESOLUTION
OF THE
ORANGE COUNTY TRANSPORTATION AUTHORITY**

2009 TRANSIT SECURITY GRANT PROGRAM AUTHORIZATION

WHEREAS, the United States Department of Homeland Security (DHS) provides federal financial assistance to eligible grantees, and;

WHEREAS, the State of California Governor's Office of Homeland Security (OHS) is the designated State Administrative Agency for federal DHS funds in the State of California, and;

WHEREAS, the Orange County Transportation Authority (OCTA) is an eligible grantee of DHS federal funds;

BE IT RESOLVED by the Board of Directors of the Orange County Transportation Authority that the Chief Executive Officer is hereby authorized to file and execute grant applications and agreements, certifications, assurances and other documents for and on behalf of OCTA, a public entity established under the laws of the State of California, any actions necessary for the purpose of obtaining federal financial assistance provided by the United States Department of Homeland Security and State of California Governor's Office of Homeland Security.

ADOPTED, SIGNED, AND APPROVED this _____ day of _____, 2009.

AYES:

NOES:

ABSENT:

ATTEST:

Wendy Knowles
Clerk of the Board

Peter Buffa, Chairman
Orange County Transportation Authority



BOARD COMMITTEE TRANSMITTAL

July 27, 2009

To: Members of the Board of Directors

From: *JK* Wendy Knowles, Clerk of the Board

Subject: Combined Transportation Funding Program – March 2009
Semi-Annual Review

Highways Committee Meeting of July 20, 2009

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

Absent: Director Glaab

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Approve adjustments to the Combined Transportation Funding Program project allocations as presented.



July 20, 2009

To: Highways Committee

From: James Kenan, Interim Chief Executive Officer 

Subject: Combined Transportation Funding Program – March 2009
Semi-Annual Review

Overview

The Orange County Transportation Authority recently completed the semi-annual review of projects funded through the Combined Transportation Funding Program. This process reviews the status of grant-funded streets and roads projects and provides an opportunity for local agencies to update project information. The requested changes and recommendations are provided for Board of Directors' review and approval.

Recommendation

Approve adjustments to the Combined Transportation Funding Program project allocations as presented.

Background

The Combined Transportation Funding Program (CTFP) is the mechanism the Orange County Transportation Authority (OCTA) uses to administer funding for streets and roads projects throughout Orange County. The CTFP contains a variety of funding programs and sources including Measure M local and regional streets and roads revenues, as well as federal Regional Surface Transportation Program (RSTP) funds. The CTFP provides local agencies with a comprehensive set of guidelines for administration and delivery of various transportation funding grants.

Consistent with the CTFP guidelines, OCTA staff meets with representatives from all local agencies twice each year to review the status of projects and proposed changes. This process is commonly referred to as the semi-annual review (SAR). The goals of the SAR process are to review project status, determine the continued viability of projects, and address local agency issues.

In an effort to improve timely delivery of Measure M project allocations the OCTA Board of Directors (Board) adopted a time extension policy in November 2004. Since federal RSTP funds are programmed by OCTA and administered through the state, projects funded with RSTP funds are governed by state and federal timely use provisions requiring funds to be obligated within the programmed year. Therefore, OCTA has very limited flexibility in accommodating delay or advancement requests for these projects.

Since 1991, OCTA has competitively awarded approximately \$705 million in Measure M funds and approximately \$339.3 million of federal RSTP funds to local agencies through the CTFP program. These projects are programmed for fiscal years 1992-93 through 2010-11. The federal programming amount has been adjusted since the last SAR to include all of the rehabilitation projects from 1995 forward. Previous SAR reports included only federally-funded rehabilitation allocations from 2005 forward.

Discussion

During the March 2009 SAR, 19 agencies requested 80 various adjustments to Measure M-funded and RSTP-funded projects. Detailed information for requested changes, justifications, and project details are shown in Attachment A. These changes were reviewed and recommended for approval by the Technical Advisory Committee on June 24, 2009. Staff recommends Board approval as described in Attachment A.

During the SAR, the status of all projects is reviewed. Projects may fall into four categories. Current allocations by status are outlined in the table below:

Status	Definition	Measure M Allocations (millions)	RSTP Allocations (millions)
Completed	Project work is complete, final report is filed, approved, and the final payment has been made.	\$ 389.5	\$ 239.9
Pending	Project work has been completed and only final report submittal/approval is pending.	49.0	31.9
Started	Project has begun and the funds have been obligated.	95.7	38.2
Planned	Projects are planned but have not entered the program year or a delay has been requested.	171.1	29.3
	TOTAL PROJECT ALLOCATIONS	\$ 705.3	\$ 339.3

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

- Three project allocations, totaling \$465,000, requested project advancement
- Thirteen project allocations, totaling \$2,001,003, requested cancellation
- Seven new project allocations, totaling \$950,827, were requested
- Forty-one project allocations, totaling \$14.4 million, requested a project delay
- Fourteen miscellaneous project allocation adjustments were requested. These included transferring funds between project phases, changes in lead agency status, and minor revisions to project scope

The frequent project delay requests that occur during the SAR have been recognized as a concern. With less than three years until the CTFP contract award deadline of March 31, 2011, an intensive effort was made to work with the local agencies on realistically assessing the continued viability of projects on which delay requests were being made. Additionally, much discussion went into the specific issues that caused the delay requests and how these could be mitigated. This was done in an effort to minimize the delay requests received as part of the SAR and to ensure that the program continues to deliver projects as promised.

Through these discussions, the grounds for the 41 delay requests that were made as part of the current SAR were reviewed and discussed with each local agency. The following provides an explanation of these requests as reported by the agencies.

- Eighteen delay requests to allow local agencies to coordinate the project with utility companies, other local projects, and other agencies
- Four delay requests for additional time to acquire right-of-way (ROW)
- Eleven delay requests to allow the local agency to address budget constraints and/or obtain additional funding
- Eight delay requests to allow local agencies to receive the California Department of Transportation's approval to proceed

Staff performed a detailed review of each of these requests with the respective local agencies and recommends the approval of all changes. This recommendation is based on the delivery commitments made by the local agencies in question, as well as understanding of the project issues involved. The requested changes are consistent with CTFP program guidelines and the Board-approved time extension policy. All delay requests are subject to approval by each jurisdiction's council and the OCTA Board.

Less than two years remain until the March 2011 obligation deadline. Approximately \$171 million in planned allocations remain. If project delay requests continue to be an issue, staff will return to the Board after the September SAR with specific actions to address this.

Adjustments for federal RSTP-funded projects are governed by state and federal timely use requirements. As previously stated, OCTA has limited ability to grant time extensions to these projects due to the strict state and federal “use it or lose it” provisions associated with these programs. As such, time extension and change requests for RSTP-funded projects may be accommodated on a case-by-case basis.

Recommended adjustments to federally funded projects include:

- One RSTP-funded Master Plan of Arterial Highways (MPAH) project requested a funds transfer from construction to ROW
- One RSTP-funded MPAH project requested a one year delay

Summary

OCTA has recently completed a semi-annual review of projects funded through the CTFP. In total, 19 agencies requested 80 project allocation adjustments. The next semi-annual review is scheduled for September 2009. Staff recommends approval of the adjustments to the CTFP project allocations as presented.

Attachment

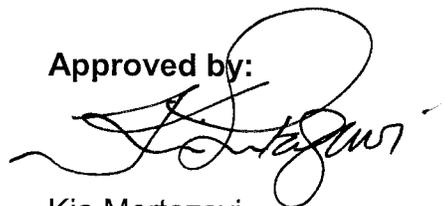
- A. Combined Transportation Funding Program - March 2009 Semi-Annual Review Adjustment Requests

Prepared by:



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(714) 560-5438

Approved by:



Kia Mortazavi
Executive Director, Development
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**Combined Transportation Funding Program
March 2009 Semi-Annual Review Adjustment Requests**

Agency	Project #	Program	Project Title	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason
Request For Advance											
BUENA PARK	08-BPRK-GMA-3050	GMA	Beach Boulevard/Riverside Freeway (State Route 91) Eastbound Ramp Widening	C	10/11	12	09/10	\$90,000.00	ADVANCE	\$90,000.00	City is requesting to advance the construction phase from fiscal year (FY) 10/11 to FY 09/10. Advance funding will enable the City to maximize all the funding sources. Previous allocation for this project is 05-BPRK-RIP-2656. Letter submitted to the Elected Officials.
DANA POINT	00-DPNT-GMA-3058	GMA	Pacific Coast Highway Improvements (Town Center)	E	09/10	12	08/09	\$125,000.00	ADVANCE	\$125,000.00	The City has finalized the Town Center Specific Plan and secured Coastal Commission approval, but only in recent months. Immediately following the approval, the City's design consultants and City staff have embarked on the preliminary design, and obtained Council approval on March 31, 2009, to begin the final design process.
Sub-Total GMA Program Advance (2)								\$215,000.00		\$215,000.00	
NEWPORT BEACH	08-NBCH-SIP-2999	SIP	Airport Area Traffic Signal Modernization Project	C	09/10	12	08/09	\$250,000.00	ADVANCE	\$250,000.00	Construction was combined with Jamboree Road Corridor Project (08-NBCH-SIP-2975). Request to be pulled forward into FY 2008-2009.
Sub-Total SIP Program Advance (1)								\$250,000.00		\$250,000.00	
Advance - Total All Measure M Programs (3)								\$465,000.00		\$465,000.00	
Request For Delay											
ALISO VIEJO	05-ALSO-GMA-2328	GMA	Aliso Creek and Pacific Park Intersection	C	08/09	12	09/10	\$240,000.00	DELAY	\$240,000.00	Project delay is due to necessity to relocate utilities discovered during the design phase.
ANAHEIM	05-ANAH-GMA-2705	GMA	Broadway East Interactive Traffic System (ITS) - Loara Street to East Street	C	08/09	12	09/10	\$60,000.00	DELAY	\$60,000.00	Project start was delayed due to budget constraint. Growth Management Area (GMA) match to State Improvement Plan (SIP) funding - updated to FY 09/10 in current Capital Improvement Program (CIP).
ANAHEIM	05-ANAH-GMA-2706	GMA	Brookhurst Street ITS - Falmouth Avenue to Ball Road	C	08/09	12	09/10	\$100,000.00	DELAY	\$100,000.00	Project start was delayed due to budget constraint. Project updated in CIP for FY 09/10. Design already started. GMA match to approved SIP project.
ANAHEIM	08-ANAH-GMA-3010	GMA	Southern California Edison (SCE) Right-of-Way (ROW) Bike Path - La Palma to Cerritos	E	08/09	12	09/10	\$50,000.00	DELAY	\$50,000.00	City's Transportation Demand Management (TDM) application for this project was not funded. Safe route to school and bicycle transit account applications for design and construction phases are pending approval July 2009. GMA allocation of \$50,000 is not adequate to start the design phase - potential in-house design.
ANAHEIM	05-ANAH-GMA-2707	GMA	Knott Avenue ITS - Ball Road to Crescent Avenue	C	08/09	12	09/10	\$100,000.00	DELAY	\$100,000.00	Project start was delayed due to budget constrain. Project updated in CIP for FY 09/10. Design already started. GMA match to approved SIP project.
ANAHEIM	08-ANAH-GMA-3022	GMA	Railroad Crossings Safety Improvements	C	08/09	12	09/10	\$200,000.00	DELAY	\$200,000.00	Issuance of notice to proceed (NTP) to the contractor was delayed by OCTA/Metrolink. City's construction match is moved to July 09 reflecting this postponement.
BREA	03-BREA-GMA-1029	GMA	Rose Drive Widening Preliminary Engineering	E	08/09	12	09/10	\$30,000.00	DELAY	\$30,000.00	Waiting for approval of as-needed engineering consulting firms to perform the current and proposed CIP for the City of Brea. Council approval is scheduled for June 2009. In addition, the City intends to incorporate this preliminary engineering study with the final engineering phase of the Rose Drive widening.
BREA	08-BREA-GMA-3053	GMA	Rose Drive Widening	E	08/09	12	09/10	\$300,000.00	DELAY	\$300,000.00	Waiting for the approval of as-needed engineering consulting firms to perform the current and proposed CIP for the City of Brea. Council approval is scheduled for June 2009. In addition, the City intends to incorporate this final engineering study with the preliminary engineering phase of the Rose Drive widening.
BUENA PARK	05-BPRK-GMA-2739	GMA	Beach Boulevard/Malvern Avenue/La Mirada Improvements	C	07/08	24	09/10	\$120,000.00	DELAY	\$120,000.00	Additional time needed to obtain the California Department of Transportation (Caltrans) permit. City is requesting to delay the construction phase from FY 07/08 to FY 09/10.
BUENA PARK	08-BPRK-GMA-3024	GMA	Beach Boulevard/Malvern Avenue-La Mirada Intersection Improvements	C	08/09	24	10/11	\$245,000.00	DELAY	\$245,000.00	Additional time needed to obtain Caltrans permit. City is requesting to delay the construction phase from FY 08/09 to FY 10/11.
BUENA PARK	05-BPRK-GMA-2750	GMA	Bus Bays on Beach Boulevard (Santa Ana Freeway (Interstate 5) to Rosecrans Avenue)	C	08/09	24	10/11	\$58,000.00	DELAY	\$58,000.00	City is requesting to delay the construction phase from FY 08/09 to FY 10/11 in order to combine the construction of two bus bays projects together.

**Combined Transportation Funding Program
March 2009 Semi-Annual Review Adjustment Requests**

Agency	Project #	Program	Project Title	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason
IRVINE	03-IRVN-GMA-1116	GMA	Barranca Parkway/Redhill Avenue Intersection	C	08/09	12	09/10	\$200,000.00	DELAY	\$200,000.00	This extension is requested due to additional required ROW coordination with SCE resulting in a revised ROW completion date of November 2009. The right of way process has also been lengthened due to negotiation with 3 separate property owners. With this extension the construction contract will be awarded prior to June 30, 2010. The City Council approved CIP will be submitted to OCTA to indicate programmed funds in FY 2009/10.
IRVINE	99-IRVN-GMA-1100	GMA	Barranca Parkway/Dyer Road Intersection and Redhill Avenue	C	08/09	12	09/10	\$125,000.00	DELAY	\$125,000.00	This extension is requested due to additional required right of way coordination with SCE resulting in a revised ROW completion date of November 2009. The ROW process has also been lengthened due to negotiation with 3 separate property owners. With this extension the construction contract will be awarded prior to June 30, 2010. The City Council approved CIP will be submitted to OCTA to indicate programmed funds in FY 2009/10.
LA HABRA	99-LHAB-GMA-1114	GMA	Harbor Boulevard at Lambert Road Intersection Widening	E	08/09	12	09/10	\$151,000.00	DELAY	\$151,000.00	The \$151,000 from City of Fullerton was listed by mistake in the FY 08/09 construction phase. The City can't construct the project before completing the design and acquire the ROW. Therefore, the City is requesting that GMA 1 change it to the engineering phase for FY 09/10.
LAGUNA HILLS	05-LHLL-GMA-2120	GMA	La Paz Road at Interstate 5 (I-5)	C	08/09	13	09/10	\$100,000.00	DELAY	\$100,000.00	Due to the fact that this project is under Caltrans oversight, there have been substantial delays for plan approvals. The plans are currently near approval, and the City plans to go to bid for this project in Fall 2009. Award of contract is anticipated in December 2009.
COUNTY OF ORANGE	07-ORCO-GMA-2834	GMA	Oso Parkway/Antonio Parkway Intersection Improvement	E	08/09	24	10/11	\$280,000.00	DELAY	\$280,000.00	County is waiting the outcome of the Foothill Transportation Corridor (State Route 241) project that is in the environmental stage - it impacts proposed improvements at this intersection.
ORANGE	08-ORNG-GMA-3056	GMA	Chapman Avenue/Cannon Street Traffic Signal Upgrade	C	08/09	12	09/10	\$43,000.00	DELAY	\$43,000.00	Coordination of rehabilitation project improvements will affect signal work. Request delay of construction to FY 09/10.
ORANGE	03-ORNG-GMA-1185	GMA	Main Street Widening (Culver Road to 260 N/O Palmyra Avenue)	R	08/09	12	09/10	\$114,000.00	DELAY	\$114,000.00	Environmental certification expected May 2009. Request delay in construction to FY 10/11. Delay is requested due to expected length of upcoming ROW phase. Project includes the partial take of 17 different properties. The appraisal, negotiation, and purchase of the 17 properties is expected to be completed in May 2010, pushing the construction phase to FY 10/11.
PLACENTIA	05-PLAC-GMA-2548	GMA	Richfield Road Widening	C	08/09	12	09/10	\$80,000.00	DELAY	\$80,000.00	The project includes Regional Surface Transportation Program (RSTP) funding and requires a change in the Regional Transportation Improvement Program (RTIP). The RTIP did not fully address what is actually in the field and the City has requested OCTA change the project description in the RTIP. The project description change is currently pending, causing the environmental approval process through Caltrans to be delayed.
SAN JUAN CAPISTRANO	08-SJCP-GMA-3072	GMA	Junipero Serra/Rancho Viejo Road Project	C	08/09	12	09/10	\$200,000.00	DELAY	\$200,000.00	The project is currently in the encroachment permit process with Caltrans. Issues related to processing with Caltrans and private entity involving land acquisition and/or easement dedication to facilitate proposed driveway into the existing park and ride facility across from Malaspina Road on Rancho Viejo Road are causing delays with finalizing plans and specs.
SANTA ANA	05-SNTA-GMA-2797	GMA	First Street Bridge Widening	C	08/09	12	09/10	\$400,000.00	DELAY	\$400,000.00	Request delay in construction funds from FY 08/09 to FY 09/10 due to delay of high bridge rehabilitation and replacement (HBRR) matching funds from Caltrans. Caltrans E-76 form (E-76) pending approval.
STANTON	05-STAN-GMA-2678	GMA	Dale Avenue/Katella Avenue Improvements	C	08/09	24	10/11	\$40,000.00	DELAY	\$40,000.00	This project has been on hold so that the City of Stanton could deliver the Katella Smart Street project. The City of Stanton requests delay of this project for 2 years to FY 10-11.
Sub-Total GMA Program Delays (22)								\$3,236,000.00		\$3,236,000.00	
ALISO VIEJO	08-ALSO-IIP-3015	IIP	Aliso Creek and Pacific Park Intersection Widening	C	08/09	12	09/10	\$285,000.00	DELAY	\$285,000.00	Design completion has been extended due to utility coordination - some utilities needing to be relocated.
BUENA PARK	03-BPRK-IIP-1039	IIP	Beach Boulevard/Malvern Avenue Improvement	C	08/09	12	09/10	\$134,480.00	DELAY	\$134,480.00	Additional time needed to obtain Caltrans permit. City is requesting to delay the construction phase from FY 07/08 to FY 09/10.

**Combined Transportation Funding Program
March 2009 Semi-Annual Review Adjustment Requests**

Agency	Project #	Program	Project Title	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason
IRVINE	03-IRVN-IIP-1124	IIP	Culver Road/Walnut Avenue Intersection	C	08/09	12	09/10	\$644,144.00	DELAY	\$644,144.00	This request is made due to additional ROW coordination that was required in order to accommodate requests made by residents living adjacent to the project area. The project is within a residential area and several meetings with community members were needed. The ROW schedule completion date is December 2009, and the construction contract will be awarded prior to June 30, 2010. The City Council approved the CIP will be submitted to OCTA to indicate Council approval of programmed funds in FY 2009/10.
ORANGE	03-ORNG-IIP-1186	IIP	Tustin Street and Meats Avenue	C	08/09	24	10/11	\$1,395,801.00	DELAY	\$1,395,801.00	Expect environmental clearance on May 2009. Delay is requested due to expected length of upcoming ROW phase and extended design phase. utility companies (SCE, AT&T and Time Warner) are requesting 12 months to design utility relocation/under grounding which will push the construction phase to FY 10/11. Also, project includes the partial take of 16 different properties. The appraisal, negotiation, and purchase of the 16 properties is expected to be completed in May 2010.
Sub-Total IIP Program Delays (4)								\$2,459,425.00		\$2,459,425.00	
LAGUNA HILLS	03-LHLL-MPH-1156	MPAH	La Paz Road (Cabot Drive to I-5)	C	08/09	12	09/10	\$1,051,647.00	DELAY	\$1,051,647.00	Due to the fact that this project is under Caltrans oversight, there have been substantial delays for plan approvals. The plans are currently near approval, and the City plans to go to bid for this project in Fall 2009. Award of contract is anticipated in December 2009.
ORANGE	00-ORNG-MPH-3144	MPAH	Main Street Widening (260N/O Palmyra Avenue to 300 S/O Chapman Avenue)	C	08/09	24	10/11	\$351,508.00	DELAY	\$351,508.00	Expect environmental clearance in May 2009. ROW to start May 2009 and be completed in May 2010. Delay is requested due to expected length of ROW phase. Project includes the partial take of 17 different properties. The appraisal, negotiation, and purchase of the 17 properties is expected to be completed in May 2010.
SANTA ANA	05-SNTA-MPAH-2204	MPAH	First Street Widening: Susan Street to Fairview Road	C	08/09	12	09/10	\$4,496,166.00	DELAY	\$4,496,166.00	Request delay in construction funds from FY 08/09 to 09/10 due to delay of matching HBRR funds from Caltrans. Pending E-76 approval - out to bid December 2009.
Sub-Total MPAH Program Delays (3)								\$5,899,321.00		\$5,899,321.00	
LAGUNA NIGUEL	05-LNIG-RIP-2538	RIP	Crown Valley Parkway Widening (Forbes Road to I-5)	R	08/09	12	09/10	\$308,725.00	DELAY	\$308,725.00	Project Study Report & Environmental (PS&E) clearance are complete. PS&E is currently underway with expected completion & Caltrans approval by January 2010. The City has been working with Caltrans to obtain approval but the process is taking longer than anticipated.
Sub-Total RIP Program Delays (1)								\$308,725.00		\$308,725.00	
ANAHEIM	08-ANAH-SIP-3023	SIP	Anaheim Boulevard ITS (NCL to SCL)	C	08/09	12	09/10	\$200,000.00	DELAY	\$200,000.00	Project start was delayed due to budget constraint. Construction delayed to FY 09/10 - updated in current CIP.
ANAHEIM	05-ANAH-SIP-2726	SIP	Broadway East ITS - Loara Street to East Street	C	08/09	12	09/10	\$220,000.00	DELAY	\$220,000.00	Project start was delayed due to budget constraint. Construction delayed to FY 09/10 - updated in current CIP.
ANAHEIM	05-ANAH-SIP-2729	SIP	Brookhurst Street ITS - Falmouth Avenue to Ball Road	C	08/09	12	09/10	\$207,700.00	DELAY	\$207,700.00	Project start was delayed due to budget constraint. Project updated in CIP for FY 09/10. Design already started.
ANAHEIM	05-ANAH-SIP-2727	SIP	Knott Avenue ITS - Ball Road to Crescent Avenue	C	08/09	12	09/10	\$220,000.00	DELAY	\$220,000.00	Project start was delayed due to budget constraint. Project updated in CIP for FY 09/10. Design already started.
ANAHEIM	08-ANAH-SIP-3026	SIP	Kraemer Boulevard ITS (La Jolla Street to Frontera Road)	C	08/09	12	09/10	\$250,000.00	DELAY	\$250,000.00	Project start was delayed due to budget constraint. In addition, this project should commence once the Kraemer/La Palma intersection widening project is completed.
GARDEN GROVE	08-GGRV-SIP-2870	SIP	Brookhurst Street/Magnolia Avenue/Garden Grove Boulevard Traffic Signal Coordination	E	08/09	24	10/11	\$100,000.00	DELAY	\$100,000.00	In March 2009, the City executed a consultant contract to design Phase II of the Traffic Management Center (TMC). In addition to enhancing the field elements and installing CENTRACS, the project will construct the newly relocated TMC. Construction is scheduled to be completed in Spring 2010. The City would like to push this project back to FY 10/11 at which time the TMC should be completed and we can better implement and realize the traffic signal coordination improvements that this project promises.
								\$1,197,700.00		\$1,197,700.00	

**Combined Transportation Funding Program
March 2009 Semi-Annual Review Adjustment Requests**

Agency	Project #	Program	Project Title	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason
ALISO VIEJO	05-ALSO-TDM-2330	TDM	Bike Trail in SCE ROW	C	08/09	12	09/10	\$196,914.00	DELAY	\$196,914.00	Coordinating with SCE for encroachment permit.
ALISO VIEJO	03-ALSO-TDM-1008	TDM	San Joaquin Transportation Corridor (State Route 73) Park-n-Ride at Aliso Creek	E	08/09	12	09/10	\$45,000.00	DELAY	\$45,000.00	OCTA recently approved a grant for 'Go Local' Step 2 technical studies. The City will use the TDM funds to study a location and perform preliminary engineering for a park-n-ride facility in the proposed shuttle route. The project was delayed pending the completion and approval of the 'Go Local' studies.
ANAHEIM	08-ANAH-TDM-2950	TDM	Anaheim Regional Intermodal Center (ARTIC) to West Anaheim Commuter Shuttle Service	C	08/09	12	09/10	\$500,000.00	DELAY	\$500,000.00	The City of Anaheim executed a cooperative agreement with OCTA to advance the ARTIC to West Anaheim Commuter Shuttle onto Step 2 detailed service planning under the Go Local Program. The City recommends deferring implementation until completion of the Step 2 Go Local Bus/Shuttle Service Planning study; in addition, project implementation is being deferred to the start-up of the expanded Metrolink services anticipated in 2010.
IRVINE	05-IRVN-TDM-2124	TDM	Walnut Trail Extension	E	08/09	12	09/10	\$200,000.00	DELAY	\$200,000.00	The commencement of the preliminary engineering/feasibility study phase of this project was delayed in order to allow for sufficient development of the Sand Canyon Grade Separation project design since this project will tie into it. Additionally, sufficient time was needed to allow for the development of the Orange County Great Park circulation pattern since this trail will also tie into the park's comprehensive trail system. The design contract will be awarded prior to the June 30, 2010.
ORANGE	00-ORNG-TDM-3148	TDM	Tustin Branch Trail	C	08/09	12	09/10	\$400,000.00	DELAY	\$400,000.00	Transportation Enhancement Activities (TEA) funding could not be obligated until FY 09/10. Request delay in construction to FY 09/10 to correspond to federal funds.
Sub-Total TDM Program Delays (5)								\$1,341,914.00		\$1,341,914.00	
Delays - Total All Measure M Programs (41)								\$14,443,085.00		\$14,443,085.00	
Cancellation											
FOUNTAIN VALLEY	08-FVLY-GMA-2917	GMA	Talbert Avenue/MacArthur Bridge Widening @ Santa Ana River	E	09/10	N/A	N/A	\$675,000.00	CANCEL	\$0.00	The County of Orange committed to the implementation to capacity improvements along the Talbert/MacArthur Bridge, via restriping, as a low cost interim improvement to the Talbert/MacArthur Bridge Widening project identified in the Garfield/Gisler memorandum of understanding. With these improvements, the commencement of engineering and permitting for the widening of the Talbert/MacArthur Bridge is not necessary at this time.
HUNTINGTON BEACH	08-HBCH-GMA-3069	GMA	Bushard Street and Adams Avenue Intersection	E	08/09	N/A	N/A	\$135,000.00	CANCEL	\$0.00	At the GMA#6 Elected Officials meeting held on 4/29/09, the officials voted to cancel this project and reallocate the \$135,000 in GMA funds to other City of Huntington Beach projects. This project is not feasible at this time.
HUNTINGTON BEACH	05-HBCH-GMA-2803	GMA	Left Turn Modification at Pacific Coast Highway/Brookhurst Street	E	08/09	N/A	N/A	\$150,000.00	CANCEL	\$0.00	At the GMA#6 Elected Officials meeting held on 4/29/09, the officials voted to cancel this project and reallocate the \$135,000 in GMA funds to other City of Huntington Beach projects. GMA funds were intended to be used as matching funds, but the application for competitive funding was denied.
IRVINE	05-IRVN-GMA-2033	GMA	Ridgeline Roadway/University Roadway Improvement	E	08/09	N/A	N/A	\$150,000.00	CANCEL	\$0.00	Staff is requesting cancellation of this project due to the sensitive nature of this project to add a 3rd eastbound lane and the potential environmental impacts to the adjacent County of Orange channel (Sand Canyon Wash). At the March 12, 2009, GMA 8 technical staff meeting, this cancellation request was approved.
IRVINE	00-IRVN-GMA-3095	GMA	San Diego Creek and Culverdale Bike Trail Lighting	C	08/09	N/A	N/A	\$150,000.00	CANCEL	\$0.00	Staff is requesting cancellation of this project due to insufficient funds and increased costs. At the March 12, 2009, GMA 8 technical staff meeting, this cancellation request was approved.
IRVINE	08-IRVN-GMA-3041	GMA	Laguna Canyon/San Diego Freeway (State Route 405) Widening	C	10/11	N/A	N/A	\$130,000.00	CANCEL	\$0.00	The City has programmed construction funds in its Strategic Business Plan in FY 11/12 and will not award the construction contract by March 31, 2011. The City requests cancellation of this allocation and re-allocation of this \$130,000 to the Walnut Trail Extension Project (GMA 9) for construction in FY 10/11, pending approval in June 2009's GMA 9 elected officials meeting.
COUNTY OF ORANGE	05-ORCO-GMA-2084	GMA	Red Hill Avenue	C	09/10	N/A	N/A	\$290,000.00	CANCEL	\$0.00	GMA funds will no longer be needed for this project. Funding will be reallocated to GMA 7.

**Combined Transportation Funding Program
March 2009 Semi-Annual Review Adjustment Requests**

Agency	Project #	Program	Project Title	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason
COUNTY OF ORANGE	99-ANAH-GMA-1007	GMA	Lincoln Avenue/Santa Ana River Bridge Railing	C	08/09	N/A	N/A	\$25,000.00	CANCEL	\$0.00	Due to change in the nature of the project, County would like to transfer this grant to 05-ORCO-GMA-3036.
STANTON	00-STAN-GMA-3187	GMA	Beach Boulevard/Stanford Avenue Intersection Improvements	C	09/10	N/A	N/A	\$60,000.00	CANCEL	\$0.00	The City is in a financial crisis and cannot deliver the matching requirements of the project. This project cannot be delayed further without Board of Directors action. The City would like to reapply in the future after economic conditions improve.
STANTON	08-STAN-GMA-2960	GMA	Traffic Signal Interconnect and Synchronization, Segment 2	C	08/09	N/A	N/A	\$22,500.00	CANCEL	\$0.00	This grant was submitted as matching contribution for an SIP grant that was not awarded. The City of Stanton requests cancellation of this project and transfer of the funds into 05-STAN-GMA-2678.
STANTON	08-STAN-GMA-2959	GMA	Traffic Signal Interconnect and Synchronization, Segment 1	C	08/09	N/A	N/A	\$22,500.00	CANCEL	\$0.00	This grant was submitted as matching contribution for an SIP grant that was not awarded. The City of Stanton requests cancellation of this project and transfer of the funds into 05-STAN-GMA-2678.
Sub-Total GMA Program Cancel (11)								\$1,810,000.00		\$0.00	
STANTON	03-STAN-IIP-1219	IIP	Beach Boulevard/Stanford Ave Intersection Improvement Project	C	09/10	N/A	N/A	\$124,000.00	CANCEL	\$0.00	The City is in a financial crisis and cannot deliver the matching requirements of the project. This project cannot be delayed further without board action. The City would like to reapply in the future after economic conditions improve.
Sub-Total IIP Program Cancel (1)								\$124,000.00		\$0.00	
IRVINE	00-IRVN-TDM-3108	TDM	San Diego Creek and Culverdale Bicycle Trail Lighting	C	08/09	N/A	N/A	\$67,003.00	CANCEL	\$0.00	The bids for construction came in significantly higher than anticipated and the City continues to search for additional sources of funding to complete the construction.
Sub-Total TDM Program Cancel (1)								\$67,003.00		\$0.00	
Cancellation - Total All Measure M Programs (13)								\$2,001,003.00		\$0.00	
Miscellaneous Adjustments											
ANAHEIM	03-ANAH-IIP-1016	IIP	Kraemer Boulevard/La Palma Avenue Intersection	E	05/06	N/A	05/06	\$175,000.00	TRANSFER	\$355,000.00	City requests to transfer ROW savings to engineering and construction phases.
ANAHEIM	03-ANAH-IIP-1016	IIP	Kraemer Boulevard/La Palma Avenue Intersection	R	06/07	N/A	06/07	\$1,283,053.00	TRANSFER	\$533,053.00	City requests to transfer ROW savings to engineering and construction phases.
ANAHEIM	03-ANAH-IIP-1016	IIP	Kraemer Boulevard/La Palma Avenue Intersection	C	07/08	N/A	07/08	\$598,181.00	TRANSFER	\$1,168,181.00	City requests to transfer ROW savings to engineering and construction phases.
Sub-Total IIP Program Transfer Adjustments (3)								\$2,056,234.00		\$2,056,234.00	
ANAHEIM	05-ANAH-GMA-2565	GMA	Kraemer Boulevard/La Palma Avenue Intersection	R	06/07	N/A	06/07	\$660,000.00	TRANSFER	\$0.00	City requests to transfer ROW allocation to construction phase.
ANAHEIM	05-ANAH-GMA-2565	GMA	Kraemer Boulevard/La Palma Avenue Intersection	C	06/07	N/A	09/10	\$0.00	TRANSFER	\$660,000.00	City requests to transfer ROW allocation to construction phase.
HUNTINGTON BEACH	08-HBCH-GMA-3070	GMA	Beach Boulevard/Warner Avenue	E	N/A	N/A	08/09	\$135,000.00	TRANSFER	\$300,000.00	This project was on hold because there were inadequate funds available to undertake the PS&E, ROW engineering and environmental study efforts. At the GMA#6 elected officials meeting on 4/29/09, the City of Huntington Beach was allocated additional funding to commence this effort.
HUNTINGTON BEACH	08-HBCH-GMA-3071	GMA	Brookhurst Street/Adams Avenue	E	N/A	N/A	09/10	\$205,000.00	TRANSFER	\$450,000.00	This money was intended to be seed money for a CTFP application which would fully fund the engineering, environmental and ROW studies. At the GMA#6 elected officials meeting on 4/29/09, the City of Huntington Beach was allocated additional funding to commence this effort.
IRVINE	08-IRVN-GMA-2869	GMA	Jamboree Road/Interstate 5 (I-5) (GMA 7)	R	N/A	N/A	09/10	\$44,435.00	TRANSFER	\$164,435.00	Additional funding from GMA 7 approved - \$120,000 for ROW.
IRVINE	05-IRVN-GMA-2150	GMA	Walnut Trail Extension	E	N/A	N/A	09/10	\$80,000.00	TRANSFER	\$210,000.00	During the GMA 9 technical staff meeting, the City requested an allocation of \$130,000 in engineering for FY 09/10, pending approval in the June 2009 GMA 9 elected officials meeting.
IRVINE	08-IRVN-GMA-2953	GMA	Culver Avenue (Scottsdale to I-5) Widening Improvement	E	N/A	N/A	09/10	\$120,000.00	TRANSFER	\$295,000.00	During the GMA 8 technical staff meeting, the City requested an allocation of \$175,000 in engineering for FY 09/10, pending approval in the June 2009 GMA 8 elected officials meeting.

**Combined Transportation Funding Program
March 2009 Semi-Annual Review Adjustment Requests**

Agency	Project #	Program	Project Title	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason
COUNTY OF ORANGE	00-ORCO-GMA-3036	GMA	Lincoln Avenue Bridge (at SAR)	E	N/A	N/A	09/10	\$204,000.00	TRANSFER	\$229,000.00	County would like to add funds from 99-ANAH-GMA-1007 to this project. Approved by GMA technical staff.
COUNTY OF ORANGE	08-ORCO-GMA-3073	GMA	Alton Parkway Extension - Irvine Boulevard to Commercentre	C	N/A	N/A	09/10	\$101,000.00	TRANSFER	\$331,534.00	Move engineering allocation to construction phase per GMA #9 request. County of Orange also received an additional allocation of \$231K at the same GMA #9 meeting.
SAN JUAN CAPISTRANO	08-SJCP-GMA-3072	GMA	Junipero Serra/Rancho Viejo Road Project	C	N/A	N/A	09/10	\$200,000.00	TRANSFER	\$277,000.00	The project is currently in the encroachment permit process with Caltrans. Issues related to processing with Caltrans and private entity involving land acquisition and/or easement dedication to facilitate proposed driveway into the existing park-and-ride facility across from Malaspina Road on Rancho Viejo Road are causing delays with finalizing plans and specs.
STANTON	05-STAN-GMA-2678	GMA	Dale Avenue/Katella Avenue Improvements	C	N/A	N/A	10/11	\$40,000.00	TRANSFER	\$145,000.00	GMA grants were submitted as matching contribution for an SIP grant that was not awarded. The City of Stanton requests that the cancelled allocations be transferred to 05-STAN-GMA-2678.
Sub-Total GMA Program Transfer Adjustments (11)								\$1,789,435.00		\$3,061,969.00	
COUNTY OF ORANGE	09-ORCO-GMA-3400	GMA	Talbert Avenue/MacArthur Avenue Capacity Improvement Project	E	N/A	N/A	09/10	\$15,000.00	NEW PROJECT	\$15,000.00	Approved at 2009 GMA #6 Elected Officials meeting.
COUNTY OF ORANGE	09-ORCO-GMA-3400	GMA	Talbert Avenue/MacArthur Avenue Capacity Improvement Project	C	N/A	N/A	09/10	\$65,000.00	NEW PROJECT	\$65,000.00	Approved at 2009 GMA #6 Elected Officials meeting.
COSTA MESA	09-CMSA-GMA-3403	GMA	Costa Mesa Freeway (State Route 55) Access Study	E	N/A	N/A	09/10	\$100,000.00	NEW PROJECT	\$100,000.00	Approved at 2009 GMA #8 elected officials meeting.
FOUNTAIN VALLEY	09-FVLY-GMA-3402	GMA	Citywide ITS Video Detection Upgrades	C	N/A	N/A	09/10	\$450,000.00	NEW PROJECT	\$450,000.00	Approved at 2009 GMA #6 elected officials meeting.
MISSION VIEJO	09-MVJO-GMA-1181	GMA	Oso Parkway	R	N/A	N/A	09/10	\$77,000.00	NEW PROJECT	\$77,000.00	Approved at 2009 GMA #9 Technical Steering Committee (TSC) meeting.
SANTA ANA	09-SNTA-GMA-1134	GMA	Alton Overcrossing	E	N/A	N/A	09/10	\$203,827.00	NEW PROJECT	\$203,827.00	Approved at 2009 GMA #7 TSC meeting.
SANTA ANA	09-SNTA-GMA-3404	GMA	Traffic Signal Upgrade	C	N/A	N/A	09/10	\$40,000.00	NEW PROJECT	\$40,000.00	Approved at 2009 GMA #3 TSC meeting
Sub-Total GMA Program New Project Adjustments (5)								\$950,827.00		\$950,827.00	
Miscellaneous Adjustment - Total All Measure M Programs (17)								\$4,796,496.00		\$6,069,030.00	
Federal Funded Projects											
SANTA ANA	05-SNTA-MPAH-2751	RSTP	Grand Avenue Widening	R	N/A	N/A	09/10	\$5,442,640.00	TRANSFER	\$6,594,366.00	There is a \$2 million shortfall in the ROW phase . City is requesting additional funding from OCTA. transfer request of construction funding to ROW. City will pursue Renewed Measure M (M2) funds for construction. ROW is pending environmental approval.
Total Federal Funded Project Miscellaneous Adjustment (1)								\$5,442,640.00		\$6,594,366.00	
SANTA ANA	05-SNTA-MPAH-2751	RSTP	Grand Avenue Widening	R	08/09	12	09/10	\$6,594,366.00	DELAY	\$6,594,366.00	There is a \$2 million shortfall in the ROW phase . City is requesting additional funding from OCTA. Transfer request of construction funding to ROW. City will pursue M2 funds for construction. ROW is pending environmental approval.
Total Delays Federal Funded Project Adjustment (1)								\$6,594,366.00		\$6,594,366.00	
Total Federal Funded Project Adjustments (2)											



BOARD COMMITTEE TRANSMITTAL

July 27, 2009

To: Members of the Board of Directors

From:  Wendy Knowles, Clerk of the Board

Subject: Katella Avenue and Imperial Highway (State Route 90) Smart Streets – Project Funding Transfers

Highways Committee Meeting of July 20, 2009

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

Absent: Director Glaab

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Approve the City of Anaheim's request to transfer up to an additional \$8,000,000 from its Brookhurst Street Master Plan of Arterial Highways widening project to a new Master Plan of Arterial Highways allocation created for the Katella Avenue Smart Street projects.
- B. Authorize staff to transfer all savings from other Anaheim Smart Street project phases to the right-of-way and construction phases of the Katella Avenue Smart Street projects.
- C. Approve the City of La Habra's request to transfer an additional \$3,618,362 from its Lambert Road Master Plan of Arterial Highways widening project to a new Master Plan of Arterial Highways allocation created for the Imperial Highway (State Route 90) Smart Street Project.



Committee Recommendations (Continued)

- D. Approve a change to the Combined Funding Transportation Program guidelines for smart street projects only to allow use of up to 100 percent of the savings from one phase of an agency's smart street project to fund any other of the same agency's smart street project phases that is or has encountered cost overruns.

- E. Approve a change to the Combined Funding Transportation Program guidelines for smart street projects only to allow an agency to cancel a current Master Plan of Arterial Highways allocation, in whole or in part, and transfer that allocation to a Smart Street Program project that is or has encountered cost overruns.



July 20, 2009

To: Highways Committee

From: James S. Kenan, Interim Chief Executive Officer 

Subject: Katella Avenue and Imperial Highway (State Route 90)
Smart Streets – Project Funding Transfers

Overview

The Orange County Transportation Authority has received requests from the cities of Anaheim and La Habra for additional funding for the Smart Street Program projects. Both cities are proposing to cancel all or portions of the existing Master Plan of Arterial Highways allocations to fund the shortfalls in the Smart Street Program projects. These requests require modifications in the adopted policy for administration of the Combined Funding Transportation Program.

Recommendations

- A. Approve the City of Anaheim's request to transfer up to an additional \$8,000,000 from its Brookhurst Street Master Plan of Arterial Highways widening project to a new Master Plan of Arterial Highways allocation created for the Katella Avenue Smart Street projects.
- B. Authorize staff to transfer all savings from other Anaheim Smart Street project phases to the right-of-way and construction phases of the Katella Avenue Smart Street projects.
- C. Approve the City of La Habra's request to transfer an additional \$3,618,362 from its Lambert Road Master Plan of Arterial Highways widening project to a new Master Plan of Arterial Highways allocation created for the Imperial Highway (State Route 90) Smart Street Project.
- D. Approve a change to the Combined Funding Transportation Program guidelines for smart street projects only to allow use of up to 100 percent of the savings from one phase of an agency's smart street project to fund any other of the same agency's smart street project phases that is or has encountered cost overruns.

- E. Approve a change to the Combined Funding Transportation Program guidelines for smart street projects only to allow an agency to cancel a current Master Plan of Arterial Highways allocation, in whole or in part, and transfer that allocation to a Smart Street Program project that is or has encountered cost overruns.

Background

In 1990, Orange County voters approved Measure M (M1), the half-cent sales tax for transportation improvements throughout Orange County. Included in M1 is the Smart Street Program (SSP), which made funding available for investment in designated high-capacity, high-volume streets. The goal of the SSP is to substantially improve travel time and traffic flow through a coordinated effort across multiple jurisdictions.

The original estimated revenues for the SSP limited the number of smart streets that could be implemented. As a result, the Board of Directors (Board) directed staff to focus on the completion of four of the originally identified smart street corridors. Those four corridors were Beach Boulevard, Imperial Highway (State Route 90), Katella Avenue, and Moulton Parkway. As the implementation of the four smart streets progressed, it was realized that due to rising cost of property acquisition, construction, and labor, the original smart streets funding would not be adequate to complete the projects.

In 1997 and again in 2007, the Board approved the use of revenues from the M1 Master Plan of Arterial Highways (MPAH) program to complete the implementation of the four corridors. The smart streets are part of the MPAH network making these eligible to receive these funds. This additional infusion of revenue was intended to help ensure the completion of the SSP.

Discussion

In February 2009, the Board approved using state Proposition 1B State and Local Partnership Program (SLPP) bond proceeds for the remaining unfunded elements of the SSP. In June 2009, the California Transportation Commission deferred the allocation or commitment of funds for the smart street projects due to the state's current financial problems. The delay in allocation is for an unspecified period of time which could be up to 20 months. The cities of Anaheim and La Habra are ready to move forward with SSP projects and are currently waiting for SLPP funding. The Orange County Transportation Authority's (OCTA) SLPP may be amended at any time and any unused or unprogrammed funds would remain available to OCTA for future projects.

SLPP funds are unlikely to be available in the near future. The recommendations being presented represent a funding strategy that replaces the SLPP funding on these projects. The specifics of each project is described below.

Katella Avenue Smart Street

The Katella Avenue SSP corridor runs from the San Gabriel River Freeway (Interstate 605) in Los Alamitos to the Santa Ana Freeway (Interstate 5) in Anaheim, passing through the cities of Los Alamitos, Cypress, Stanton, Garden Grove, Anaheim, and the County of Orange. The City of Anaheim opened bids on June 18, 2009, for construction of the segment from Jean Street to Humor Drive. The lowest responsible bid, excluding ineligible items, was \$5,997,415. Because of prior transfers from the construction phase to the right-of-way (ROW) phase, this amount exceeds the City of Anaheim's smart street allocation for construction by \$5,597,415. Additionally, there is expected to be a shortfall of approximately \$2 million for ROW due to pending litigation. The total project shortfall is approximately \$7.6 million.

In order to fund these shortfalls, the City of Anaheim is requesting a reduction of the Brookhurst Street MPAH widening project and the transfer of up to \$8 million to fund the Katella Avenue Smart Street projects. These funds would be transferred to a new MPAH allocation created for the Katella Avenue SSP project. The City of Anaheim is further requesting use of any savings that may be realized from other phases of the city's existing SSP allocations to help fund any ROW or construction cost shortfalls for the remaining Anaheim portions of the Katella Avenue SSP project.

Imperial Highway (State Route 90) Smart Street

The Imperial Highway (State Route 90) smart street corridor runs from the Los Angeles County line to Santa Ana Canyon Road, passing through the cities of La Habra, Fullerton, Brea, Placentia, Yorba Linda, and Anaheim. The City of La Habra opened bids on December 13, 2008, for construction of the segment from the Los Angeles County line to east of Harbor Boulevard. The lowest responsible bid, excluding ineligible items, was \$11,604,462. This amount exceeds SSP construction allocation by \$2,927,425. Additionally, there are existing shortfalls for design and ROW of \$143,260 and \$547,677, respectively. The City of La Habra is requesting an additional allocation of \$3,618,362 to fully fund the project.

In order to fund these shortfalls, the City of La Habra is requesting cancellation of the Lambert Road MPAH widening project and the reallocation of \$3,618,362 to fund the Imperial Highway SSP shortfall. These funds would be transferred to a new MPAH allocation created for the Imperial Highway (State Route 90) SSP project.

Although the Board has previously approved the use of MPAH funds in the SSP, and the CTFP guidelines allow for the use of project cost savings, the nature of both cities' requests requires additional Board authorization:

1. Allow use of up to 100 percent of the savings from one phase of an agency's SSP project to fund any other of the agency's SSP projects that have or are encountering cost overruns. Current policy allows use of up to 50 percent of savings from one project phase to be used to fund cost shortfalls in other phases of the same project.
2. Allow an agency to cancel a current MPAH allocation, in whole or in part, and transfer that allocation to a newly created MPAH allocation specific to an approved SSP project that has or is encountering cost overruns. Current policy allows cancellation of projects but requires return of the allocation to the program of origin for reallocation at the next competitive call for projects.

Staff has reviewed both cities' requests including a complete analysis of the bid packages and recommends approval of both requests. Given the approaching sunset of M1, staff believes these requests should be accommodated. This will be accomplished through a cancellation of the respective cities' MPAH allocations and the use of any available savings from other SSP allocations.

Summary

The cities of Anaheim and La Habra are requesting an increase in funding for the remaining Katella Avenue and Imperial Highway (State Route 90) SSP projects. The cities are each requesting cancellation or partial cancellation of an MPAH allocation and transfer of those funds to the smart street projects, as well as the use of 100 percent of available project savings from other phases of the projects. Staff reviewed these requests and determined the requests to be reasonable and the costs consistent with the original estimates when escalated. Staff concurs with the MPAH cancellation or partial cancellation requests and recommends the MPAH fund transfer.

Attachment

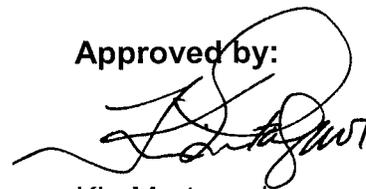
None.

Prepared by:



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(714) 560-5462

Approved by:



Kia Mortazavi
Executive Director, Development
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MEMO

July 22, 2009

To: Members of the Board of Directors

From: *Wendy Knowles*
Wendy Knowles, Clerk of the Board

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

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

Thank you.



July 23, 2009

To: Transit Committee

From: James S. Kenan, Interim Chief Executive Officer 

Subject: Selection of Consultant for Orange County Metrolink Stations Parking Management Study

Overview

Consultant services are required to conduct a parking management study for Orange County Metrolink stations. The study will identify and evaluate a range of strategies to best utilize existing and future parking capacity at the 11 Metrolink stations in Orange County. Proposals were solicited in accordance with the Orange County Transportation Authority's procurement procedures for retention of consultants for professional and technical services.

Recommendation

Authorize the Chief Executive Officer to execute Agreement No. C-9-0267 between the Orange County Transportation Authority and IBI Group for a nine-month contract, in an amount not to exceed \$281,490, to conduct an Orange County Metrolink stations parking management study on 11 Metrolink stations in Orange County.

Discussion

In late 2008, the Orange County Transportation Authority (OCTA) Executive Committee directed staff to review parking management strategies at Orange County Metrolink stations. In response, staff developed a scope of work for an Orange County Metrolink stations parking management study (Study), which was approved by the Executive and Transit committees in early 2009. The Study will help OCTA identify a range of strategies to best manage the finite parking capacity that currently exists at the 11 Orange County Metrolink stations. It will also address the projected increase in parking demand expected with the increased rail service beginning in 2010 through the Metrolink Service Expansion Program (MSEP).

The consultant team will research and analyze parking management policies at comparable transit systems to compile a list of the industry's best practices and lessons learned. Strategies to be examined include parking fees, reserved parking, car sharing, and valet parking. Other on-site services such as car washes or oil changes will also be evaluated. The consultant will work closely with Metrolink station cities and Metrolink customers to determine which strategies are feasible and most advantageous based on the specific issues and challenges at each of the 11 Orange County Metrolink stations. Each strategy will be evaluated based on its expected impacts on ridership, surrounding land uses, and neighboring stations, as well as its potential to generate revenue and to operate and maintain the station. A final report will be completed in approximately nine months and presented to the Board of Directors for review.

Procurement Approach

This procurement was handled in accordance with the Authority's policies and procedures for professional and technical services. Request for Proposals (RFP) 9-0267 was released on April 17, 2009, and posted on CAMM NET. An electronic notification was also sent to 2,255 firms. The project was advertised on April 19 and April 27, 2009, in a newspaper of general circulation. A pre-proposal conference was held on April 30, 2009, with 31 attendees representing 31 firms. Addendum No. 1 was issued on May 7, 2009, to post the pre-proposal conference registration sheets and to respond to questions that were received.

On May 5, 2009, there were 12 proposals received. An evaluation committee comprised of staff from the Rail Programs Division and the Contracts Administration and Materials Management (CAMM) Department met to review the proposals submitted. The proposals were evaluated based on the following criteria and weights:

- Qualifications of the Firm 25 percent
- Staffing and Project Organization 25 percent
- Work Plan 30 percent
- Cost and Price 20 percent

The standard 25 percent for each criterion was not used for this procurement. The work plan provides the basis of the Study and recommendations and has therefore been assigned a higher rating. This is a firm-fixed price contract for a term of nine months with a not-to-exceed amount of \$281,490.

The evaluation committee reviewed all proposals based on the evaluation criteria and found three firms most qualified to do the work. The three most qualified firms in alphabetical order are:

Firm and Location

IBI Group
Irvine, California

Nelson Nygaard Consulting Associates, Inc.
San Francisco, California

Walker Parking Consultants
Los Angeles, California

On June 23, 2009, the evaluation committee interviewed the three firms. Questions were asked relative to each firm's experience conducting similar parking studies, the understanding of the project issues, project approach to specific station issues and the corridor as a whole, and proposed staffing. Based on the evaluation of the proposals and interviews, the evaluation committee recommends IBI Group for consideration of an award.

Qualifications of the Firm

The three firms short listed are qualified and have relevant experience in parking related functions. IBI Group demonstrated significant experience with transit and parking studies. The firm has handled similar parking studies, including studies at Metrolink stations in Southern California. In addition, IBI Group's past work with Orange County cities on land-use and transportation planning issues provides the firm with an awareness of the cities' needs and concerns, which will be key to the success of the project given that the cities own and operate the stations. IBI Group also demonstrated a familiarity with the MSEP and its potential impact on parking capacity as additional service begins in 2010.

Nelson Nygaard Consulting Associates, Inc., is also a very experienced firm and has led parking studies for a number of transit and rail stations; however, the firm has less experience working directly with Orange County station cities. Walker Parking Consultants specializes in parking consulting as well as the design and engineering of parking facilities. Though Walker Parking Consultants has completed a number of parking demand studies for numerous cities, the firm has more limited experience with studies focused on managing parking demand at suburban rail stations.

Staffing and Project Organization

The overall team proposed by IBI Group is very strong and brings a broad range of experience with parking studies and transit programs, including research, planning, and evaluation of innovative parking strategies at transit stations. The project manager has experience leading a variety of parking related studies, including several at Metrolink stations. The IBI Group team also demonstrated strong experience in stakeholder and public agency outreach, which is a major component of the Study. The sub-consultant team on this project is very well qualified in each of its represented areas. The sub-consultants are experienced and will provide assistance in policy development, understanding of local parking guidelines, parking technology, and coordination with the cities.

The Nelson Nygaard Consulting Associates, Inc., team is very good and is supported by a strong team of sub-consultants. However, the majority of the team members are not local and therefore could present challenges in coordinating multiple meetings with each of the 11 Orange County station cities, which is a major component of this project. The staffing proposed by Walker Parking Consultants was competent, but was weighted toward design and construction of parking structures. The proposed project manager was relatively new to parking consulting and did not demonstrate as much prior experience with parking and transit studies.

Work Plan

IBI Group produced an excellent work plan that was not only well organized and presented, but also provided for a station-specific approach that was outlined in significant detail. The work plan discussed the existing conditions at each of the 11 Orange County Metrolink stations and highlighted the need to implement parking management strategies that are flexible and tailored to the site-specific needs of each station. IBI Group's work plan discussed how the parking strategies should be integrated with the MSEP and proposed a multi-phase parking management plan that can be implemented as demand fluctuates. The work plan also highlighted the interaction, coordination, and outreach process the team would pursue with station cities and other public agencies. The city interaction would address the parking approach, potential challenges, and land use and zoning restrictions.

The overall work plan presented by Nelson Nygaard Consulting Associates, Inc., was not as detailed and well researched as the plan provided by IBI Group. The Nelson Nygaard Consulting Associates, Inc., work plan did not

expand on possible approaches with the cities or address how the cities' individual challenges would be addressed through the Study.

Walker Parking Consultant's general approach to the work plan focused on demand and costs rather than a feasibility analysis. The plan did not demonstrate connectivity with land use and zoning issues and was not as well researched or organized. The subsequent interview showed that the firm lacks the transportation planning background that is crucial to the success of the Study.

Cost and Price

IBI Group's total firm-fixed price was the highest of the three proposals, but was well within the range of the independent cost estimate established by OCTA at \$284,000.

Fiscal Impact

While not specifically listed in OCTA's Fiscal Year 2009-10 Budget, this project can be accommodated within Rail Division Account 0093-7519 (Professional Services) and funded through the Commuter Urban Rail Endowment Fund.

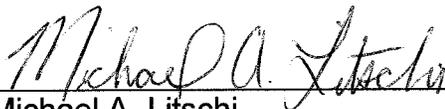
Summary

Based on the information provided, staff recommends award of Agreement No. C-9-0267 to IBI Group, in an amount not to exceed \$281,490, to conduct an Orange County Metrolink stations parking management study on 11 Metrolink stations in Orange County.

Attachments

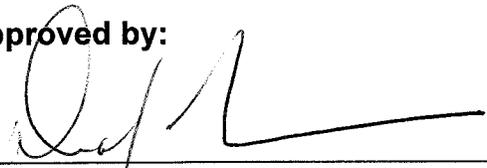
- A. Review of Proposals RFP 9-0267 – Orange County Metrolink Stations Parking Management Study
- B. Proposal Evaluation Criteria Matrix (Short-Listed Firms) – RFP 9-0267 – Orange County Metrolink Stations Parking Management Study
- C. Contract History for the Past Two Years – RFP 9-0267 – Orange County Metrolink Stations Parking Management Study

Prepared by:

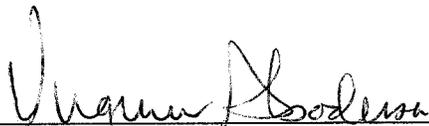


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**Review of Proposals RFP 9-0267
ORANGE COUNTY METROLINK STATIONS PARKING MANAGEMENT STUDY**

Presented to Transit Committee - July 23, 2009
12 proposals were received, 3 firms were interviewed.

Overall Ranking	Proposal Score	Firm & Location	Sub-Contractors	Evaluation Committee Comments	Fixed Price
1	79	IBI Group Irvine, California	Eric N. Schreffler (ESTC) Transportation Management Services K.T. Analytics, Inc. Transportation Sustainability Research Center	Highest ranked overall proposal. Demonstrates a thorough understanding of the scope of work. Firm experienced with land use, planning, and zoning matters that are critical to the study. Overall team presented is strong and dynamic. The team of sub-consultants are experienced and innovative. Excellent work plan that was organized, logical, and provided a comprehensive approach. Very good understanding about the outcome; Plan provides for a tiered strategy. Excellent interview with all sub-consultants participating. Project manager experienced with local cities and public agencies. Strong transportation background.	\$281,490
2	76	Nelson Nygaard Consulting Associates, Inc. San Francisco, California	LTK Engineering Services Redhill Group Rick Williams Consulting	Second highest ranked firm. Firm is qualified and has good rail experience. Staffing was good. Overall work plan lacked depth, approach, and specificity. Firm's interview did not expand on station-specific issues and strategies.	\$275,167
3	73	Walker Parking Consultants Los Angeles, California	The Planning Center	Third highest ranked firm. Firm is qualified in parking studies with focus on structures and parking efficiencies. Proposed project manager has limited related experience. Firm's interview did not cover outreach component and station analysis. Work plan did not address overall approach, land use, city interaction. Most competitively priced firm.	\$207,953

Evaluation Panel:
CAMM (1)
RAIL PROGRAMS (4)

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

Weight Factor
25%
25%
30%
20%

PROPOSAL EVALUATION CRITERIA MATRIX (Short-Listed Firms)										
RFP 9-0267 - Orange County Metrolink Stations Parking Management Study										
FIRM: IBI Group							Weights	Overall Score		
Evaluation Number	1	2	3	4	5					
Qualifications of Firm	4.00	4.00	4.50	4.00	3.50			5		20.00
Staffing/Project Organization	4.00	4.50	4.00	3.00	4.00			5		19.50
Work Plan	4.00	5.00	5.00	4.00	4.50			6		27.00
Cost and Price	3.20	3.20	3.20	3.20	3.20			4		12.80
Overall Score	76.80	85.30	85.30	71.80	77.30					79
FIRM: Nelson Nygaard Consulting Associates, Inc.							Weights	Overall Score		
Evaluation Number	1	2	3	4	5					
Qualification of Firm	4.00	4.00	4.00	4.00	4.00			5		20.00
Staffing/Project Organization	4.00	3.50	4.00	4.00	3.50			5		19.00
Work Plan	3.50	4.00	4.00	5.00	4.00			6		24.60
Cost and Price	3.20	3.20	3.20	3.20	3.20			4		12.80
Overall Score	73.80	74.30	76.80	82.80	74.30					76
FIRM: Walker Parking Consultants							Weights	Overall Score		
Evaluation Number	1	2	3	4	5					
Qualification of Firm	3.50	3.50	4.00	3.00	4.00			5		18.00
Staffing/Project Organization	3.50	3.00	3.50	3.00	3.50			5		16.50
Work Plan	4.00	3.50	4.00	3.00	3.50			6		21.60
Cost and Price	4.30	4.30	4.30	4.30	4.30			4		17.20
Overall Score	76.20	70.70	78.70	65.20	75.70					73
Range of scores for non-short-listed firms ranged from 30-70										

CONTRACT HISTORY FOR THE PAST TWO YEARS
RFP 9- 0267 - Orange County Metrolink Stations Parking Management Study

Prime Firm (Alphabetical)	Contract No.	Description	Contract Start Date	Contract Completion Date	Contract Amount
IBI Group	C-4-0894	On-Call Transportation Services	8/23/2004	6/30/2009	\$258,615
	C-7-0658	OC/LA Intercounty Transportation Study	6/27/2007	6/30/2009	\$344,723
	C-7-0972	Design Services Support for Bus Shelters	6/19/2008	6/30/2011	\$2,469,558
	C-8-1217	On-Call Planning Services	2/11/2009	11/10/2010	\$49,000
Sub Total					\$3,121,896
Nelson Nygaard Consulting Associates, Inc.	None	No Contracts Awarded	NA	NA	\$0
Sub Total					\$0
Walker Parking Consultants	None	No Contracts Awarded	NA	NA	\$0
Sub Total					\$0



MEMO

July 22, 2009

To: Members of the Board of Directors

From: *Wendy Knowles*
Wendy Knowles, Clerk of the Board

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

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

Thank you.



July 23, 2009

To: Transit Committee

From: James S. Kenan, Interim Chief Executive Officer 

Subject: Selection of Consultants for On-Call Commuter Rail Planning Support Services

Overview

Consultant services are required to provide on-call planning support to the Orange County Transportation Authority staff on a range of commuter rail planning efforts for the Rail Programs Division. Proposals were solicited for on-call planning support services in accordance with the Orange County Transportation Authority's procurement procedures for selection of consultants for professional and technical services.

Recommendation

Authorize the Chief Executive Officer to execute agreements between the Orange County Transportation Authority and Booz Allen Hamilton, Inc. (Agreement No. 9-0356), PB Americas, Inc. (Agreement No. 9-0581), STV Incorporated (Agreement No. 9-0582), and Wilbur Smith Associates (Agreement No. 9-0583), in an aggregate amount not to exceed \$900,000, for a three-year contract term plus one two-year option to provide on-call services for commuter rail planning support.

Discussion

The Orange County Transportation Authority's (OCTA) Rail Programs Division is responsible for managing the operation and implementation of commuter rail-related services in Orange County. As the Metrolink Service Expansion Program (MSEP) and other rail programs and projects commence, additional planning resources will be required in support of division staff. Staff desires to procure a bench of consultants to perform anticipated tasks.

The contracts awarded under this procurement will provide services in one or more of six basic categories: commuter rail planning and technical studies, operation and capital funding subsidy analysis, capital projects, right-of-way

support, and general planning support. Procuring a bench of consultants provides flexibility and assurance that multiple qualified firms will be available to perform tasks in each service category.

Procurement Approach

This procurement was handled in accordance with OCTA's policies and procedures for professional and technical services. Consultants shall function as an extension of staff and provide expertise in accordance with the scope of work in the request for proposals (RFP).

The awarded contracts will have an initial three-year term and will be issued on an as-needed basis by a competitive contract task order (CTO). When specific projects are identified, all contracted firms will be requested to submit a technical and price proposal of the work requested for review.

On April 24, 2009, RFP 9-0356 was released and sent electronically to 2,130 firms registered on CAMM NET. The project was advertised on April 24 and May 1, 2009, in a newspaper of general circulation. A pre-proposal conference was held on May 9, 2009, with 36 attendees representing 33 firms. Addendum No. 1 to RFP 9-0356 was issued to post the registration sheets from the pre-proposal conference and to respond to questions submitted by the firms.

On May 26, 2009, there were nine proposals received. An evaluation committee consisting of staff from the Rail Programs Division and the Contracts Administration and Materials Management (CAMM) Department met to review all submitted proposals. The proposals were evaluated based on the following criteria and weights, which were approved at the March 23, 2009, Board of Directors (Board) meeting.

- Qualifications of the Firm 35 percent
- Staffing and Project Organization 30 percent
- Work Plan 15 percent
- Cost 20 percent

The standard 25 percent for each criterion was not used for this procurement. In developing the weights, several factors were considered. The Board-approved weighting gave the greatest importance to the qualifications of the firm followed closely by the staffing and project organization, as these factors are very important to the successful completion of the on-call project.

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

Firm and Location

Booz Allen Hamilton, Inc.
Orange, California

PB Americas, Inc.
Orange, California

STV Incorporated
Irvine, California

Wilbur Smith Associates
Los Angeles, California

On June 24, 2009, the evaluation committee interviewed each of the four firms. Questions were asked relative to the firm's qualifications, ability to handle a wide range of small to large projects, and experience with all aspects of the anticipated tasks. Based on the evaluation of the proposals and interviews, the evaluation committee recommends all four short-listed firms for the multi-award on-call contract bench.

Qualifications of Firms

The four firms short listed are well qualified and have experience relative to the required planning services.

PB Americas, Inc., demonstrated expertise with commuter rail planning and technical support as the project management consultant for the OCTA MSEP. The team's knowledge of Metrolink's subsidy calculations and operations modeling was highlighted in the proposal and interview. PB Americas, Inc., is also quite familiar with OCTA's rail projects and priorities. The firm addressed the current Los Angeles – San Diego – San Luis Obispo (LOSSAN) effort for service integration.

Booz Allen Hamilton, Inc., has previous commuter rail planning experience with OCTA. The firm has provided OCTA with outstanding planning support relative to the Metrolink's budget review and analysis, and has worked on commuter rail systems nationwide.

STV Incorporated demonstrated a full range of planning services, right-of-way, funding, and fare experience. The firm has extensive local experience and was the original systems consultant for Metrolink.

Wilbur Smith Associates has extensive experience in rail planning and analysis and is quite familiar with OCTA's Metrolink Strategic Assessment and the LOSSAN Strategic Assessment. The firm also exhibits commuter rail ridership forecasting, modeling, and operations skills.

Staffing and Project Organization

Each team assembled by the short-listed firms has outstanding collective experience.

PB Americas, Inc., chose a project manager with strong rail expertise to lead a well-balanced team. The firm's sub-consultant for financial analysis, Sharon Greene and Associates, possesses exceptional experience relating to funding. PB Americas, Inc., staff have a good planning and modeling background.

Booz Allen Hamilton, Inc., presented a comprehensive staffing plan with a variety of experience in different areas. The firm's sub-consultant, Sharon Greene and Associates, possesses exceptional experience relating to funding.

STV Incorporated has assembled a team with great experience with Metrolink and other railroads operating in the area. The firm's organization covers quite a range of services, as identified in the scope of work, including right-of-way and environmental.

Wilbur Smith Associates' team includes staff with expertise in modeling, ridership, and cost analysis. Key staff members have worked extensively on the LOSSAN corridor projects and work well with all local agencies.

Work Plan

The work plans proposed by all of the short-listed firms conformed to the written scope of work identified in the RFP. Each of the recommended firms highlighted extensive experience in the transportation planning projects outlined in the scope of work and provided a thorough overview of the staffing and technical approach used to complete similar work tasks.

PB Americas, Inc., provided a well articulated understanding of the anticipated tasks. The firm emphasized its expertise in the area of right-of-way support

services, as well as the strong understanding of the evolution of the Metrolink cost sharing methodology.

Booz Allen Hamilton, Inc., provided a good discussion of its team and each task requested in the scope of work with examples of similar projects previously completed. While a general discussion of the process was presented, the firm will submit a detailed work plan for each task order.

STV Incorporated demonstrated its ability to easily access and utilize its management resources, which is an essential part of the work plan in an on-call contract. The firm stressed the importance of utilizing communication strategies in managing projects.

Wilbur Smith Associates addressed each of the required tasks with a thorough understanding and provided innovative solutions to potential issues. The firm has good experience with managing projects and meeting its deliverables.

Cost and Price

The average hourly rates for each firm were based on the hourly rates for various categories of labor provided by each of the firms. While price was an important evaluation criterion, the other criteria weighed more toward the evaluation of each proposal.

The proposal offered by STV Incorporated, while lowest in price at an average of \$133 per hour, ranked third in the overall ranking amongst the recommended firms. In contrast, the highest-priced proposal, at \$191 per hour, offered by Booz Allen Hamilton, Inc., ranked second amongst the recommended firms. PB Americas, Inc., ranked first at \$167 per hour. Wilbur Smith Associates ranked fourth with a price proposed at \$170 per hour.

As this is a CTO-based contract, each CTO will be competed and awarded based on work plan and price.

Fiscal Impact

The project was approved in OCTA's Fiscal Year 2009-10 Budget, Rail Division, Account 0093-7519-A0001-DH6, and is funded through the Commuter Urban Rail Endowment.

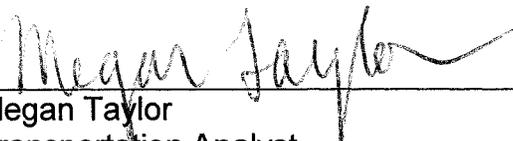
Summary

Based on the information provided, staff recommends award of the following agreements to Booz Allen Hamilton, Inc. (Agreement No. 9-0356), PB Americas, Inc. (Agreement No. 9-0581), STV Incorporated (Agreement No. 9-0582), and Wilbur Smith Associates (Agreement No. 9-0583), in an aggregate amount of \$900,000, for on-call commuter rail planning support services.

Attachments

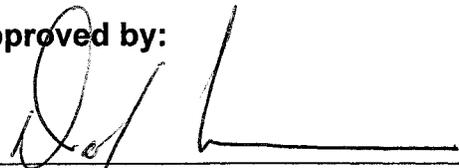
- A. Review of Proposals – RFP 9-0356, On-Call Commuter Rail Planning Support Services
- B. Proposal Evaluation Criteria Matrix (Short-Listed Firms), RFP 9-0356 On-Call Commuter Rail Planning Support Services
- C. Contract History For The Past Two Years – RFP 9-0356, On-Call Commuter Rail Planning Support Services

Prepared by:

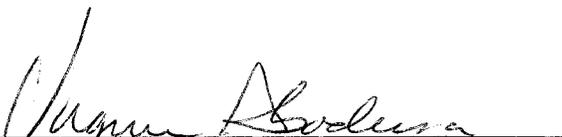


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**Review of Proposals - RFP 9-0356
On-Call Commuter Rail Planning Support Services**

9 proposals received, 4 firms interviewed and recommended

Overall Ranking	Overall Score	Firm & Location	Sub-Contractors	Evaluation Committee Comments	Average Hourly Rate
1	84	PB Americas, Inc. Orange, California	Sharon Greene and Associates	Highest ranked overall proposal. Knowledge of the Southern California Regional Rail Authority's subsidy calculations; financial analysis experience. Team demonstrates outstanding corridor modeling and expertise. Prime is the project management consultant on Metrolink service expansion project; addressed service integration at rail stations. Possesses good understanding of project and scope; OCTA's priorities (eg. grade crossing safety); right-of-way impacts; agreements. Team provided detailed and in-depth responses to interview questions.	\$ 167.00
2	81	Booz Allen Hamilton, Inc. Orange, California	Chambers Group, Inc. Extended Resources Gruen Associates RailPros, Inc. Sharon Greene and Associates The Solis Group	Second ranked proposal. Team emphasized extensive fare studies and funding experience. Prime presented a good staffing plan with a mix of experience in different areas. Previous experience with OCTA commuter rail planning and Go Local. Proposal discussed each task in the work plan. Team provided detailed and in-depth responses to interview questions.	\$ 191.00
3	81	STV Incorporated Irvine, California	Ultra Systems Environmental Safety Environmental Consulting Germania Corporation Epic Land Solutions VA Consulting	Third ranked proposal. Possesses good understanding of civic issues associated with right-of-way. Team possesses expertise in funding and fare experience. Firm understands railroad engineering to benefit planning. Firm has extensive similar planning experience. Team provided detailed and in-depth responses to interview questions.	\$ 133.00
4	79	Wilbur Smith Associates Los Angeles, California	LTK Engineering Services Koegel & Associates Stephen Roberts	Fourth ranked proposal. Team familiar with Metrolink cost sharing strategies. Experience with LOSSAN Strategic Assessment; worked with all agencies involved. Proposal emphasized usage of rail modeling for operational planning; modeled Southern California for rail development. Team responded well to interview questions.	\$ 170.00

Evaluation Panel:

Contracts Administration and Materials Management (1)
Rail Programs (4)

Proposal Criterion	Weight
Qualifications of Firm	35%
Staffing and Project Organization	30%
Work Plan	15%
Cost	20%

PROPOSAL EVALUATION CRITERIA MATRIX (Short-Listed Firms)									
RFP 9-0356 On-Call Commuter Rail Planning Support Services									
FIRM: PB Americas, Inc.							Weights	Overall Score	
Evaluation Number	1	2	3	4	5				
Qualification of Firm	4.50	4.00	4.50	4.50	4.00			7	30.10
Staffing/Project Organization	4.00	4.50	4.00	4.00	4.50			6	25.20
Work Plan	4.50	4.50	4.50	4.00	4.00			3	12.90
Cost and Price	4.00	4.00	4.00	4.00	4.00			4	16.00
Overall Score	85.00	84.50	85.00	83.50	83.00				84
FIRM: Booz Allen Hamilton, Inc.							Weights	Overall Score	
Evaluation Number	1	2	3	4	5				
Qualification of Firm	4.50	4.50	4.50	4.50	4.50			7	31.50
Staffing/Project Organization	4.00	4.00	4.00	4.00	4.50			6	24.60
Work Plan	4.00	3.00	3.00	3.50	4.00			3	10.50
Cost and Price	3.50	3.50	3.50	3.50	3.50			4	14.00
Overall Score	81.50	78.50	78.50	80.00	84.50				81
FIRM: STV Incorporated							Weights	Overall Score	
Evaluation Number	1	2	3	4	5				
Qualification of Firm	4.00	3.00	4.00	4.00	4.00			7	26.60
Staffing/Project Organization	3.50	4.00	4.50	3.50	4.00			6	23.40
Work Plan	4.00	3.00	3.00	4.00	3.50			3	10.50
Cost and Price	5.00	5.00	5.00	5.00	5.00			4	20.00
Overall Score	81.00	74.00	84.00	81.00	82.50				81
FIRM: Wilbur Smith Associates							Weights	Overall Score	
Evaluation Number	1	2	3	4	5				
Qualification of Firm	4.50	4.00	4.00	4.50	4.00			7	29.40
Staffing/Project Organization	3.50	3.50	4.00	3.50	3.50			6	21.60
Work Plan	4.00	4.00	4.00	4.00	4.00			3	12.00
Cost and Price	3.90	3.90	3.90	3.90	3.90			4	15.60
Overall Score	80.10	76.60	79.60	80.10	76.60				79
Range of scores for non-short-listed firms ranged from 55 to 74									

**CONTRACT HISTORY FOR THE PAST TWO YEARS - RFP 9-0356
On-Call Commuter Rail Planning Support Services**

Firm - Prime Only	Contract No.	Description	Contract Start Date	Contract End Date	Contract Amount
Booz Allen Hamilton, Inc.	C-6-0606	On-Call Financial Management Consultant Services *	November 13, 2006	November 30, 2009	\$ -
	C-4-0893	On-Call Commuter Rail Planning and Technical Support	September 10, 2004	June 30, 2009	\$ 325,371
Sub Total					\$ 325,371
PB Americas, Inc.	C-9-0265	Consultant Services Orange County Transportation Analysis Model - Federal Transportation Administration New Starts	June 30, 2009	June 30, 2010	\$ 249,722
	C-6-0165	Program Manager for Metrolink Service Expansion Program	June 26, 2006	June 30, 2011	\$ 5,693,777
	C-2-0778	On-Call Sound Wall Noise Barrier Services	December 26, 2002	December 31, 2007	\$ 509,310
Sub Total					\$ 6,452,809
STV Incorporated	C-6-0086	On-Call Design Services	July 1, 2006	June 30, 2010	\$ 573,707
	C-4-0552	On-Call Commuter Rail Planning and Technical Support Services	September 26, 2004	June 30, 2009	\$ 99,618
Sub Total					\$ 673,325
Wilbur Smith Associates	C-8-0548	LOSSAN South Comprehensive Strategic Assessment	June 26, 2008	December 31, 2009	\$ 357,464
	C-7-1154	LOSSAN Integration Study	November 15, 2007	June 30, 2008	\$ 50,000
Sub Total					\$ 407,464
* No CTOs have been issued					



MEMO

July 22, 2009

To: Members of the Board of Directors

From: *Wendy Knowles* Wendy Knowles, Clerk of the Board

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

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

Thank you.



July 23, 2009

To: Transit Committee

From: James S. Kenan, Interim Chief Executive Officer 

Subject: Maintenance Services for the Orange County Transportation Authority's Operating Railroad Right-of-Way

Overview

The Orange County Transportation Authority owns approximately 46 miles of operating railroad right-of-way and contracts for the maintenance services of this property. The current maintenance contract expires December 31, 2009. Staff recommends the transfer of responsibility of the maintenance services for railroad right-of-way to the Southern California Regional Rail Authority, effective January 1, 2010.

Recommendation

Authorize the transfer of the operating railroad right-of-way maintenance services from the Orange County Transportation Authority to the Southern California Regional Rail Authority, effective January 1, 2010.

Background

Since the Orange County Transportation Authority (Authority) first acquired the railroad right-of-way (ROW) in 1993, the Authority has directly contracted for ROW maintenance services in Orange County.

The ROW maintenance services include weed abatement, litter and debris removal, graffiti removal, maintenance of drainage channels and embankments, tree trimming, repair and installation of safety fencing, and various other services as needed to keep the ROW in compliance with the Federal Railroad Administration, California Public Utilities Commission, and local agency requirements. The safety compliance is associated with ensuring visibility of railroad signals, engineers' line of sight, and keeping the ROW clear of any potential hazards.

The current service provider, Joshua Grading & Excavating, Inc., was awarded this contract effective April 2004. Two one-year options to the agreement have been exercised, which were completed in April 2009. Subsequently, the Board of Directors (Board) approved a time extension through June 30, 2009, and an additional time extension through December 31, 2009. The second extension was granted by the Board to allow staff to explore options on how best to provide ROW maintenance on this busy rail corridor.

Discussion

To date, ROW maintenance has been satisfactorily performed by the various contractors who have been awarded the service agreement. However, beginning in August 2009, the Southern California Regional Rail Authority (SCRRA) plans to undertake major construction projects along the rail corridor in Orange County for the Metrolink Service Expansion Program (MSEP) and the Rail-Highway Grade Crossing Safety Enhancement Program (Grade Crossing Program).

The SCRRA will undertake construction of both programs using the same contracts and an integrated schedule. The proposed construction schedule for the MSEP and Grade Crossing Program is 18 months and 28 months, respectively. There will be five separate contracts and contractors involved in the construction of the MSEP and Grade Crossing Program. In addition to this, SCRRA also has a maintenance-of-way contractor who maintains the track infrastructure and performs, as needed, ROW maintenance as prescribed in its service agreement. Besides SCRRA contractors, other agencies are constructing major projects that require contractors on the ROW, including but not limited to, the Oso Parkway off ramp widening and the Jeffrey Road grade separation.

Once these projects are completed, there are other major projects that will advance to construction. A grade separation at Sand Canyon Avenue should be underway, with other potential grade separations in design. Construction activities associated with the early phase of the Anaheim Regional Transportation Intermodal Center will also be initiated. Station improvement projects such as station and parking expansion will require contractors to have access to the ROW as well.

This matter was previously brought to the Board on May 22, 2009. Staff was directed to return to the Board with options on how to proceed with maintenance of the operating railroad ROW, which are presented in this report.

Options for ROW Maintenance Services

The two options available to the Board for continued ROW maintenance include transferring the ROW maintenance responsibility to SCRRA, or have the Authority re-procure these services by issuing a new request for proposals. Prior to making a recommendation to the Board, Authority staff explored the option of having SCRRA perform these services. The Authority's cost estimate for ROW maintenance services is \$1.1 million annually. The current contractor for SCRRA provided an estimate which was also \$1.1 million; therefore, services performed by SCRRA's current contractor can be performed at the same cost the Authority anticipated paying under a separate service agreement.

Option 1: Transfer ROW Maintenance to SCRRA

The SCRRA's maintenance-of-way contractor, Veolia Transportation Maintenance and Infrastructure (VTMI), can perform ROW maintenance services for the Authority under its existing contract with SCRRA. This contract was competitively procured in late 2008 by SCRRA and was in full effect on January 1, 2009. The contract between SCRRA and VTMI is for six years, with one four-year option.

Given the high level of construction activity along this busy rail corridor, and considering the number of contractors needed to support these efforts, staff believes that there is a substantial benefit to transferring this service from the Authority to the SCRRA. Having ROW maintenance directly controlled by SCRRA will reduce the risk associated with controlling and managing multiple contractors working on the operating corridor. Additionally, the Metrolink rail service expansion is slated to begin in the summer of 2010, which will place more constraints on when, where, and how maintenance can be performed.

Consolidation of these services will allow one contractor to perform both track and property maintenance at the same time, thus reducing the number of contractors on the operating railroad ROW and placing all contractors under a single point of supervision and management. Taking advantage of opportunities to limit track access will assist the various construction contractors in performing the work by reducing competition for limited work windows (when trains are restricted to one track or both tracks are closed to allow contractors to work on or adjacent to the tracks), or ROW access. Consolidation of control of multiple contractors will reduce duplication of efforts and reduce potential conflicts between contractors and agencies.

Option 2: Re-Solicit Proposals for ROW Maintenance Services

Alternatively, the Board may direct staff to re-solicit proposals for maintenance services for the operating ROW and return to the Board with a recommendation to award a service agreement and have the Authority continue to manage the operating railroad ROW maintenance.

If the Authority continues to provide this service, there will be no transition period. Local cities along the ROW are familiar with the current maintenance procedures and process, so existing working relationships will continue. It may take slightly longer to perform services due to the increased activity on the ROW and the need to share the available work windows.

Given the increasing coordination, management, and safety risks associated with ongoing operating railroad ROW maintenance, staff recommends that the Board transfer this maintenance service to SCRRA. This will allow for better coordination and management of these services, which would be consolidated into SCRRA's maintenance of way contract services, effective January 1, 2010.

Other ROW Considerations

Maintenance services along the former Pacific Electric (PE) ROW is included in the existing contract with Joshua Grading & Excavating, Inc. However, the requirements for maintenance of this non-operating ROW are not as stringent as the services for the operating railroad ROW, since the contractor is not required to provide track-qualified personnel to perform this service, nor is there any need to coordinate and communicate with a SCRRA dispatcher for safety purposes. Staff proposes that the Authority maintain control of these services and solicit proposals to ensure a contract is in place effective January 1, 2010.

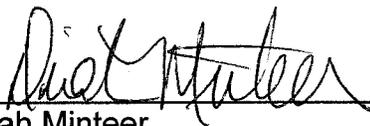
Summary

The Board directed staff to explore options for ongoing operating railroad ROW maintenance services, including the option of re-soliciting proposals and directly contracting for service or transferring this activity to SCRRA. After considering the anticipated level of construction activity and the coordination and impacts of multiple contractors and projects currently underway, staff believes it is in the best interest of the Authority and SCRRA to have these services performed under SCRRA's existing contract, effective January 1, 2010.

Attachment

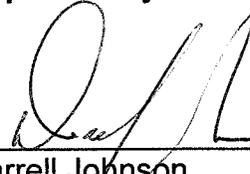
None.

Prepared by:



Dinah Minter
Manager, Metrolink Expansion Program
(714) 560-5740

Approved by:



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



BOARD COMMITTEE TRANSMITTAL

July 27, 2009

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: *JK* Renewed Measure M Progress Report *JK*

Transportation 2020 Committee Meeting of July 20, 2009

Present: Directors Amante, Brown, Buffa, Campbell, Cavecche, Dixon,
and Pringle
Absent: None

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Receive and file as an information item.

Note: The Committee requested the following edit to page 2, bullet 3 of the staff report:

City of Anaheim selecting a short list of various alternatives for the ~~Anaheim Regional Transportation Intermodal Center (ARTIC)~~, which development of the Anaheim fixed-guideway project, this phase of study is funded by M1



July 20, 2009

To: Transportation 2020 Committee
From: James S. Kenan, Interim Chief Executive Officer 
Subject: Renewed Measure M Progress Report

Overview

Staff has prepared a Renewed Measure M progress report for April 2009 through June 2009 for review by the Orange County Transportation Authority Board of Directors. Despite worsening economic conditions, implementation of the Early Action Plan of Renewed Measure M continues at a fast pace. The report highlights progress on Renewed Measure M projects and programs and is made available to the public via the Orange County Transportation Authority website.

Recommendation

Receive and file as an information item.

Background

Measure M Ordinance No. 3 requires quarterly status reports regarding the major projects detailed in the Renewed Measure M Transportation Investment Plan be filed with the Orange County Transportation Authority (OCTA) Board of Directors (Board). All Renewed Measure M progress reports are posted online for public review.

Discussion

Voter safeguards are a critical factor for public acceptance of Renewed Measure M (M2). The quarterly report is an opportunity to show progress in implementing the M2 Transportation Investment Plan. In order to be cost-effective and improve the accessibility of information to stakeholders and the public, all M2 progress reports are web-based; however, hard copies are mailed upon request. The report reflects progress being made on Board-approved Early Action Plan (EAP) projects and programs. Each item on the web-based report features a brief paragraph that provides an overview of

significant progress for the time period. Attachment A is a summary of program and project status.

Highlights of the M2 progress report in this quarter include:

- Completion of final design for a new eastbound lane on the Riverside Freeway (State Route 91) between the Foothill-Eastern Toll Road (State Route 241) and the Corona Expressway (State Route 71)
- California Transportation Commission award of \$4 million, combined with \$4 million from the original Measure M (M1), funds the first set of signal synchronization projects beginning in July 2009
- City of Anaheim selecting a short list of various alternatives for the Anaheim Regional Transportation Intermodal Center (ARTIC), which is funded by M1
- Execution of cooperative agreements with the cities of Aliso Viejo, Anaheim, Fullerton, Lake Forest, Mission Viejo, San Clemente, and Westminster to begin service planning for the Go Local program
- Workshop was hosted by the Environmental Oversight Committee (EOC) for property owners, managers, and interested parties to learn about funding eligibility for land acquisition or restoration projects
- Conservation assessment analysis began and an early acquisition and restoration prioritization process was established and approved by the EOC
- Nominal M2 sales tax revenue is projected to decrease from a 2005 estimate of \$24.3 billion to a revised estimate of \$14.7 billion for the 30-year period

To encourage public review of the quarterly report online, information will be placed in OCTA's existing "Transportation Update" advertisement that appears approximately every three weeks in the *Orange County Business Journal*, *Orange County Register*, *Excelsior*, *The Korean Daily*, *The Chinese Daily News*, and *Nguoi Viet Daily News*. Staff also will notify all Orange County cities and use other existing communication tools such as project newsletters and Board action updates to notify the public about the online availability of the M2 progress report. Because the public may view both the original Measure M and M2 as one program, the Original Measure M annual report also includes an update on the progress of M2.

Summary

As required by Measure M Ordinance No. 3, a quarterly report covering activities from April 2009 through June 2009 is provided to update progress in implementing the M2 Transportation Investment Plan. To facilitate accessibility and transparency of information available to stakeholders and the public, the M2 progress report is presented on the OCTA website.

Attachment

- A. Renewed Measure M (M2) Quarterly Progress Report, April – June 2009

Prepared by:



Andrea West
Local Government Relations
(714) 560-5611

Approved by:



Andrew Otelie
Acting Director, Program Management
(714) 560-5649

**Renewed Measure M (M2) Quarterly Progress Report
*April – June 2009***

The following is a summary of the progress made on the Renewed Measure M (M2) Early Action Plan (EAP) covering the second quarter (April – June) of 2009.

Highway Projects

Tom Bogard (714) 560-5918

Interstate 5 Projects

The California Department of Transportation (Caltrans) is preparing a project study report to identify ways to relieve freeway congestion along the Santa Ana Freeway (Interstate 5) between the Costa Mesa Freeway (State Route 55) and the Orange Freeway (State Route 57) in Santa Ana. The study is looking at ways to increase capacity and improve traffic flow through this section of Interstate 5 (I-5) that connects four major freeways in central Orange County. The study is expected to be completed in late 2009.

The Orange County Transportation Authority (OCTA) selected a consultant to begin preparation of an environmental document for improvements along I-5 between Avenida Pico and Pacific Coast Highway, through the communities of San Clemente and Dana Point. The environmental study will evaluate the benefits of extending the current high-occupancy vehicle (HOV) lanes on I-5, that presently end at the Pacific Coast Highway interchange, all the way down to Avenida Pico in San Clemente. Environmental approval is expected in mid 2012.

OCTA is also preparing a project study report to evaluate options to improve the I-5/Avenida Pico interchange. The study will look at ways to improve local traffic flow entering and leaving the freeway in this area. This study will be coordinated with the environmental study being done for the I-5 HOV lane project in the same vicinity. The study is expected to be completed in late 2010.

OCTA is preparing a project study report to look at ways to improve traffic flow along I-5 between the San Joaquin Toll Road (State Route 73) and El Toro Road through the communities of Lake Forest, Laguna Hills, and Mission Viejo. The study will look at capacity enhancements and interchange improvements to ease the flow of traffic through this area. The study is expected to be completed in mid 2010.

Caltrans is preparing final design for the reconstruction of the I-5/Ortega Highway (State Route 74) interchange. The project will reconstruct the State Route 74 (SR-74) bridge over the freeway and improve local traffic flow on SR-74 and other adjacent streets leading to the freeway. Design is expected to be completed in late 2011.

State Route 57 Projects

OCTA is preparing the final design for a new northbound lane on State Route 57 (SR-57) from Orangethorpe Avenue to Lambert Avenue through the communities of Brea and Fullerton. The widening of the freeway in the northbound direction will be generally accommodated within the existing right-of-way. Construction is expected to begin in mid 2010.

OCTA is preparing an environmental analysis to add a new northbound lane on SR-57 between Katella Street and Lincoln Avenue in the Anaheim area. This study will identify any potential environmental impacts of the project and will propose mitigation measures to minimize any unavoidable impacts. Environmental approval is expected in late 2009.

State Route 91 Projects

OCTA is preparing an environmental document to add a new westbound lane to the Riverside Freeway (State Route 91) between I-5 and SR-57 in Anaheim. This effort is looking at the environmental and design issues related to adding a new general purpose lane and will identify the most practical approach that has the least impact on existing properties along the freeway. Environmental approval is expected in late 2009.

Caltrans is preparing an environmental document to improve traffic flow through the State Route 55 (SR-55)/State Route 91 (SR-91) interchange. The improvements to the interchange will focus on the northbound to westbound connector along SR-91 between SR-55 and Tustin Avenue. Environmental approval is expected in late 2010.

Caltrans has completed the final design and is advertising for construction bids for a new eastbound lane on SR-91 between the Foothill-Eastern Toll Road (State Route 241) and the Corona Expressway (State Route 71) in Riverside County. This project will extend the existing eastbound auxiliary lane that terminates before Green River Road to the State Route 71 (SR-71) interchange. Construction is expected to begin in late 2009.

Caltrans is preparing final design to add one new lane each way along SR-91 from SR-55 to State Route 241 (SR-241). This project will add significant new capacity along SR-91 through the cities of Anaheim and Placentia. Final design is expected to be completed in mid 2011.

The Riverside County Transportation Commission (RCTC) is planning to extend the express lanes eastward along SR-91 from their current terminus in Anaheim all the way to the Corona Freeway (Interstate 15). This project will also add one general purpose lane in each direction from Interstate 15 to SR-241 in Orange County. RCTC is currently preparing an environmental analysis for the proposed improvements which is expected to be completed in early 2011. The segment in Orange County will be funded by M2, where the Riverside County segment will be funded with their Measure A and toll revenues.

Interstate 405 Projects

OCTA is preparing an environmental study to add one or two new lanes each way on the San Diego Freeway (Interstate 405) between SR-55 and the San Gabriel Freeway (Interstate 605). These improvements will add mainline capacity and improve the local interchanges along the corridor that serves the communities of Fountain Valley, Huntington Beach, Los Alamitos, Santa Ana, Seal Beach, and Westminster. One option being studied is to add high-occupancy toll (HOT) lanes in each direction in the median of the freeway to provide express lanes similar to those currently operating on SR-91 in Anaheim.

Signal Synchronization

Anup Kulkarni (714) 560-5867

In April 2008, the California Transportation Commission (CTC) awarded OCTA \$4 million as part of the Proposition 1B traffic signal synchronization program for signal synchronization. This combined with \$4 million from the original Measure M (M1) will provide \$8 million to fund signal synchronization along 10 significant street corridors comprised of 533 signalized intersections over the next three years. OCTA has developed a schedule to fund and implement these projects and will start the first set of these projects in July 2009.

Lastly, OCTA has been working on a master plan for the regional traffic signal synchronization program. The \$450 million (plus 20 percent local match) program is funded by M2. The goal of the program is to improve the flow of traffic by developing and implementing regional signal coordination through more than 2,000 intersections. The master plan effort will be complete in fall 2009.

Metrolink

Dinah Minter (714) 560-5740

Due to the planned increases in passenger and freight rail traffic on the three rail lines in Orange County, a renewed focus has been placed on at-grade rail-highway crossing (grade crossing) improvements. Improvements to grade crossings can cover a wide spectrum from basic safety improvements (improving crossing surfaces, reapplying pavement markings, and enhancing signage), to the installation of supplemental safety measures that allow for the reduction of locomotive horn blowing (quiet zones).

On August 27, 2007, the OCTA Board of Directors (Board) approved the implementation strategy for the grade crossing enhancement program and quiet zone improvements at 52 grade crossings in Orange County.

Final design for the grade crossing safety enhancements was completed, but there was a delay in advancing this project of approximately 90 days in order to accommodate use of Proposition 116 funds (in combination with funds from M2) on this project. While the delay affects the construction schedule, this effort allowed the region to keep Proposition 116 funds within Orange County, which was a critical issue in light of current revenue forecasts and future funding opportunities.

Southern California Regional Rail Authority (SCRRA) awarded Herzog Contracting Corporation a contract to support the Metrolink service expansion program (MSEP) and grade crossing safety enhancements. In addition to the civil construction contract, contracts for special track work, signal construction, signal maintenance, rail, and ties have also been awarded.

OCTA staff continues to meet with cities to discuss pre-construction requirements and plan reviews. This effort is intended to resolve issues early and avoid delays once construction begins. Construction of the projects will be undertaken at the same time. SCRRA expects to issue a notice to proceed to the contractor to begin construction in August 2009. Construction is expected to take slightly over two years to complete.

Once the construction is completed, cities may apply for the establishment of a quiet zone through the Federal Railroad Administration.

A comprehensive public outreach program also was developed to notify communities of construction impacts such as road detours, nighttime work, and dust impacts throughout the two-year program. The goal of the public outreach program is to inform and engage the public throughout the development of construction, raise awareness of increased train service, and partner with participating cities to create a quiet zone outreach program. In addition, a rail safety public education program, "Be Rail Safe," was also developed to educate youths and adults to help reduce the number of trespassings on or around the train tracks. An interactive web site and speakers bureau has been developed for both outreach programs.

Go Local

Kelly Long (714) 560-5725

Project development continued with the two Board-approved Go Local fixed-guideway project concepts, from the City of Anaheim and the cities of Garden Grove and Santa Ana. Both teams are underway with step two efforts to complete detailed planning including alternatives analysis (AA), selection of a locally preferred alternative, and environmental clearance.

During this quarter, the City of Anaheim selected a short list of alternatives that propose various alignments and technologies to connect the Anaheim Regional Transportation Intermodal Center (ARTIC) to the Platinum Triangle and Anaheim resort area. The short-list of alternatives will be reviewed at a public scoping meeting in July.

The City of Santa Ana continues to work on assembling a consultant team that will conduct the AA and environmental clearance for their fixed-guideway concept. The city anticipates that the consultant will be on-board by July. The City of Santa Ana's fixed-guideway concept proposes to connect the Santa Ana Regional Transportation Center through downtown Santa Ana to Harbor Boulevard in the City of Garden Grove.

During the reporting period, cooperative agreements were executed with the lead agencies of Aliso Viejo, Anaheim, Fullerton, Lake Forest, Mission Viejo, San Clemente, and Westminster to define the roles of responsibilities for step two service planning of the lead agencies' Board-approved bus/shuttle concepts. Work is underway to develop the ridership methodology that will be used to assess the viability and feasibility of all step two bus/shuttle concepts.

All planning work done as part of steps one and two of the Go Local program is funded by Measure M (M1) in preparation for the implementation of project S (transit extensions to Metrolink), funded by Renewed Measure M (M2). Staff continues to develop guidelines for the evaluation of Go Local projects that will compete for M2, project S funds. Staff expects to bring draft guidelines for the Board's consideration in early 2010.

Environmental Committees

Marissa Espino (714) 560-5607

The Environmental Cleanup Allocation/Water Quality Committee (Allocation Committee) and the Environmental Oversight Committee (EOC) both began meeting on a monthly basis starting in January 2008.

Environmental Cleanup Allocation/Water Quality Committee

The Allocation Committee is designed to make recommendations to the Board on the allocation of funds for water quality improvements, and is currently developing a draft framework for competitive allocation of water quality funding.

During the second quarter of 2009, the Allocation Committee continued to review and comment on the draft environmental cleanup program prerequisites, which will be incorporated into the M2 funding guidelines for evaluating new capital and operation projects related to mitigating transportation pollution.

Environmental Oversight Committee

The purpose of the EOC is to make recommendations to the Board on the allocation of environmental freeway mitigation funds and monitor the implementation of a master agreement between OCTA and state and federal resource agencies. The master agreement will provide higher-value environmental benefits such as habitat protection, wildlife corridors, and resource preservation in exchange for streamlined project approvals and greater certainty in the delivery of the freeway program as a whole.

In April 2009, the EOC invited property owners, managers, and interested parties with habitat conservation opportunities to give a short presentation on Orange County properties that may be available and eligible for land acquisition or restoration funds. Approximately 70 people attended the public workshop and listened to 14 presentations.

As a result of OCTA's public outreach efforts to expand the existing inventory of potential conservation properties, property information on more than 50 Orange County properties has been collected, with approximately 58,000 acres being evaluated for restoration and acquisition.

In May 2009, a conservation assessment analysis began and an early acquisition and restoration prioritization process was established, which is to be approved by the EOC, Transportation 2020 Committee, and OCTA Board of Directors in the third quarter of 2009. This scientific-based screening process identifies the necessary steps needed to ultimately prioritize the property submittals for early restoration and acquisition funding.

Financing

Ken Phipps (714) 560-5637

In early June, staff received a revised projection of taxable sales growth rate from the State Board of Equalization. The revised projections are sharply lower than what was forecasted last January. Staff has applied the revised State Board of Equalization sales tax forecast for the balance of the M1 period, and used the three university average sales tax forecasts from Chapman University, the University of California, Los Angeles (Anderson Forecast), and California State University, Fullerton to develop a revised M2 forecast.

As compared to the 2005 nominal revenue estimates, the first 12 months of M2 sales tax revenue is now projected to be more than \$100 million less than the 2005 projections and the average annual growth rate over the 30-year period is projected to decrease by approximately 0.5 percent. Overall, the nominal M2 sales tax revenue is projected to decrease from a 2005 estimate of \$24.3 billion to a revised estimate of \$14.7 billion for the 30-year period.

On Wednesday, June 24, 2009, OCTA issued another \$25 million in tax-exempt commercial paper (TECP) to fund M2 EAP projects. The \$25 million was issued at 1.10 percent for a period of 28 days. With this issuance, the total principal amount outstanding for the TECP program is \$50 million. Proceeds from the TECP program have funded Metrolink, SR-57, I-5 South, SR-91, and I-405 projects.



MEMO

July 22, 2009

To: Members of the Board of Directors

From: *Wendy Knowles* Wendy Knowles, Clerk of the Board

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

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

Thank you.



July 22, 2009

To: Finance and Administration Committee
From: James S. Kenan, Interim Chief Executive Officer
Subject: Review of Vanpool Program

A handwritten signature in black ink, appearing to be "JK", is written over the "From:" line of the header.

Overview

The Internal Audit Department has completed a review of the Orange County Transportation Authority's Vanpool Program. Internal Audit provided four recommendations to improve contract management and strengthen internal controls. Management implemented one recommendation during the review and indicated the remaining three recommendations will be implemented or otherwise satisfactorily addressed.

Recommendation

Direct staff to implement recommendations made in the Review of Vanpool Program, Internal Audit Report No. 08-023.

Background

In July 2007, the Orange County Transportation Authority (OCTA) launched the Vanpool Program (Program) to offer commuters with worksites in Orange County a transportation option for their daily commute and to assist Orange County employers in meeting South Coast Air Quality Management District regulations. The Program, approved by the OCTA Board of Directors on June 11, 2007, was developed by OCTA's External Affairs Division and is managed by staff in its Marketing Department.

Vanpool service providers act as leasing agents to vanpools, providing vehicles through lease agreements. The vanpool's lease payment includes use of the vehicle, vehicle maintenance, and insurance. Each vanpool operates independently and maintains its own operating and financial records. OCTA offers a \$400 monthly subsidy per van, effectively reducing the amount of the monthly lease payment to vanpools. The subsidy is paid to the vanpool service providers after the providers submit monthly invoices summarizing the active vans in the program.

At December 31, 2008, there were 275 vans in the program serving 48 unique worksites. OCTA developed a web-based Vanpool Program Reporting System to collect the data needed for the National Transit Database reporting and to monitor compliance with Program requirements.

Discussion

The primary objective of the review was to determine that OCTA has implemented adequate monitoring and oversight of contracts with vanpool service providers. The scope of the review included a review of current Program policies and procedures and compliance with the terms of the agreements with vanpool service providers.

During the review, Internal Audit determined that subsidy payments made by OCTA for the Program are, with one minor exception, properly supported and consistent with the terms of the agreements. Internal Audit has made recommendations related to compliance with automobile liability insurance and drug and alcohol contract requirements. Internal Audit also recommended enhancements to security over the Vanpool Program Reporting System.

Summary

Based on the review, Internal Audit offered four recommendations and management has indicated they have been, or will be, implemented.

Attachment

- A. Review of Vanpool Program, Internal Audit Report No. 08-023

Prepared by:

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



INTEROFFICE MEMO

June 29, 2009

To: Ellen Burton, Executive Director
External Affairs Division

From: Gerry Dunning, Senior Internal Auditor *GD*
Internal Audit

Subject: **Review of Vanpool Program, Internal Audit Report No. 08-023**

Attached hereto is the Vanpool Program Review, Internal Audit Report No. 08-023. Management responses to the three recommendations made in the review have been incorporated into the attached final audit report. Internal Audit concurs with the responses.

Internal Audit appreciates the cooperation received during this review and will follow up on management's planned corrective action in six months.

Appendix: Vanpool Program Review, Internal Audit Report No. 08-023

c: Stella Lin
Sandy Boyle
Kathleen O'Connell

Orange County Transportation Authority Internal Audit Department



Review of Vanpool Program

INTERNAL AUDIT REPORT NO. 08-023

June 26, 2009



Internal Audit Team:

Kathleen M. O'Connell, CPA, Executive Director, Internal Audit
Gerald Dunning, CIA, CISA, CFE, Senior Internal Auditor
Charles Patterson, Intern, Internal Audit.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
Review of Vanpool Program
June 26, 2009**

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**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
Review of Vanpool Program
June 26, 2009**

CONCLUSION

The Internal Audit Department (Internal Audit) has completed a review of the Orange County Transportation Authority's (OCTA) Vanpool Program (Program). The Program was implemented using third-party vanpool service providers through Agreement No. C-7-0272 with Enterprise Rent-A-Car Company (Enterprise), Agreement No. C-7-0734 with Midway Rent-A-Car Company (Midway), and Agreement No. C-7-0735 with VPSI, Inc. (VPSI) (collectively, Agreements).

Based on this review, Internal Audit has determined that subsidy payments made by OCTA for the Program are, with one minor exception, properly supported and consistent with the terms of the Agreements. However, Internal Audit has made recommendations related to compliance with automobile liability insurance and drug and alcohol contract requirements. Internal Audit also recommended enhancements to computer security.

BACKGROUND

In July 2007, OCTA launched the Program to offer commuters to worksites in Orange County a transportation option for their daily commute and to assist Orange County employers in meeting South Coast Air Quality Management District regulations. The Program, approved by the OCTA Board of Directors on June 11, 2007, was developed by OCTA's External Affairs Division and is managed by staff in its Marketing Department.

Vanpool Service Providers

When the Program was launched in July 2007, OCTA contracted with three vanpool service providers, including Enterprise, Midway, and VPSI, to provide vehicles and other services for the program. In January 2008, Midway requested removal from the list of providers due to lack of participation and were removed through a contract amendment effective May 30, 2008.

The vanpool service providers act as leasing agents to vanpools, providing vehicles through lease agreements. The vanpool's lease payment includes use of the vehicle, vehicle maintenance, and insurance. The monthly lease ranges from \$750 to \$1,750, depending on the type and size of the vehicle and its daily mileage. OCTA provided seed funding for the startup of the Program using funding provided through the Congestion Mitigation and Air Quality (CMAQ) improvement program. OCTA includes vanpool statistics in the National Transit Database (NTD). NTD transit data forms the basis for generating Federal Section 5307 grant funding. Based on federal apportionments rates, OCTA is expected to receive Federal Section 5307 funding at a rate of slightly more than two dollars for every dollar expended on the Vanpool Program. These funds will be received approximately 18 months following the completion of the first fiscal year of operation.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
Review of Vanpool Program
June 26, 2009**

Vanpool Operations

Each vanpool operates independently and maintains its own operating and financial records. Costs, including the subsidized monthly lease payment, fuel, car washes, parking fees, and toll road costs are accumulated and allocated to each participant. Generally, there is a primary driver and a backup driver for each vehicle. Drivers may get a reduced allocation of the total monthly cost in exchange for their service. In some cases, employers provide additional subsidies to encourage ridesharing or they may assist in the coordination of the vanpools.

Financial Subsidies

OCTA offers a \$400 monthly subsidy per van, effectively reducing the amount of the monthly lease payment to vanpools. The subsidy is paid to the vanpool service providers after they submit a monthly invoice summarizing the active vans in the program.

Based on the Agreements with the vanpool service providers, OCTA's target is to subsidize 20 to 30 percent of total vanpool operating costs including the monthly lease, fuel, car washes, parking fees, and toll road costs. The Agreements state that in no case shall the subsidy amount paid by OCTA exceed 50 percent of the total monthly lease for each van.

For fiscal year (FY) 2007-08, the total subsidy to the Program was \$670,519. Of this, \$451,733 was paid to VPSI, \$214,506 was paid to Enterprise, and \$4,280 was paid to Midway. At June 30, 2008, there were 205 vans in the program. The program continues to grow and at December 31, 2008, there were 275 active vans serving 48 unique worksites. The monthly subsidy for 275 vans brings the monthly total to \$110,000.

OCTA Developed Program Guidelines

OCTA's Vanpool Program guidelines require that vehicles accommodate a minimum of 7 and no more than 15 people. In order to receive subsidy payments, vanpools must have a minimum of 80 percent of the available seats filled to be accepted in the program. This minimum criteria requires a ten-passenger van to have at least eight riders to be accepted in the program. After the van is accepted in the program, a ten-passenger van must maintain a minimum of six riders, or 60 percent of the available seats to be eligible for the subsidy. Vehicles that fail to fill at least 60 percent of available seats for three consecutive months may be changed to a more appropriately sized vehicle or terminated from the Program. Monthly reports allow the Program to monitor the actual attendance for each trip taken by each rider in the van. The attendance records show the name of each rider and reports by month and day if they rode to work and rode home on the van. This information is reported on the web-based Vanpool Program Reporting System, each month, by each vanpool.

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The vanpool service providers send monthly reports to OCTA on the vans being leased. The service providers facilitate the application process for new vans and any changes to existing vans. Vanpools are also required to be open to the public and must accept any person wishing to join the vanpool provided work schedules and routes are compatible.

National Transit Database and Program Reporting

OCTA includes vanpool statistics in the NTD. NTD transit data forms the basis for generating Federal Section 5307 grant funding. Based on federal apportionments rates, OCTA is expected to receive Federal Section 5307 funding of at least \$1,533,486 for FY 2007-08 against subsidy payments of only \$670,519. This is the result of the private sector contribution to the Program operating cost and results in OCTA receiving the equivalent of more than 200 percent return for every dollar paid in subsidy.

OCTA, with the assistance of a third-party contractor, developed a web-based Vanpool Program Reporting System (System) to collect the data needed for NTD reporting and to monitor compliance with Program requirements. The System allows collection of data from multiple sources. Individual vans report data to OCTA on a monthly and annual basis. On a monthly basis, vanpools must report the passengers' trips for both inbound and outbound trips and a summary of unreimbursed expenses, including fuel, car washes, parking fees, and toll road costs. Vanpool service providers do not have access to the System.

Insurance Requirements

The vanpool service providers have specific insurance requirements including commercial general liability, automobile liability, workers' compensation, and employers' liability. Proof of the required insurance coverage is required at the initiation of each Agreement and on an annual basis thereafter.

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OBJECTIVES, SCOPE, AND METHODOLOGY

The objective of this review was to determine that OCTA has implemented adequate monitoring and oversight of Agreements with vanpool service providers. The scope of the review included the period from inception of the program in July 2007 through June 30, 2008. The review included verifying and testing current operating policies and procedures as well as testing compliance with the terms of the Agreements and testing paid invoices for the fiscal year ended June 30, 2008, for compliance with the terms of the Agreements. The review methodology included, but was not limited to, the following:

- Interview of the OCTA Vanpool Program Manager
- Review of Vanpool Program policies and procedures
- Review of contracts and amendments with vanpool service providers
- Review of information on the vanpool program reporting system
- Testing of paid invoices and supporting documentation
- Testing of liability insurance required by the vanpool service providers
- Review of alcohol and drug policies required by the vanpool service providers
- Testing of the reports required by the vanpool service providers
- Site visits and interviews of Enterprise and VPSI staff to review the invoice preparation process

This review was conducted in accordance with Generally Accepted Government Auditing Standards, except for the triennial peer review requirement, which has not yet been fulfilled. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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Audit Comments, Recommendations and Management Responses

Noteworthy Accomplishments

The Program has grown from its inception in June of 2007, to 275 vans in December of 2008. During this time, the Program has employed three vanpool service providers, engaged at least forty-eight Orange County employers, processed several hundred individual van applications, and assisted several thousand individual vanpool riders in their commute to and from work. According to management, the Program is on track to return more than two dollars for every dollar invested when the Federal Section 5307 funding is received. Considering this is a relatively new Program with new service providers and a new System, Internal Audit is reporting only a few minor findings.

The External Affairs Division and its Marketing Department have done an excellent job of establishing a new Program that has a goal of getting drivers out of their cars and into vanpools. At the same time, the Program has developed an efficient on-line internet based application to capture the data needed to do required reporting. This application allowed the Program to be "green" from the start by reducing the amount of paper files required to support the reporting requirements.

Internal Audit noted that policies and procedures for the Program were developed in February 2007, and have been revised as needed during the course of startup of the Program. Having written policies and procedures ensures that the Program is administered in a consistent and appropriate manner. It also provides guidance to staff for training purposes.

Compliance with Alcohol and Drug Policy Requirements

The Agreements with Enterprise and VPSI require that the vanpool service providers establish and implement a drug and alcohol program that complies with 49 Code of Federal Regulations Part 655. This regulation requires that the contractors have a drug and alcohol-testing program in place for all safety-sensitive employees. The Agreements require that the vanpool service providers certify their compliance annually.

Through review of the Agreements and interviews of the OCTA Vanpool Program Manager and Enterprise and VPSI staff, Internal Audit determined that neither provider has a drug and alcohol program that complies with 49 Code of Federal Regulations Part 655. The providers indicated that they do not have any safety-sensitive employees. The vanpool drivers for the 275 vans are volunteers and are specifically excluded from this regulation according to the Federal Transit Administration.

It appears that the requirement to establish and implement a drug and alcohol program that complies with 49 Code of Federal Regulations Part 655 may not be appropriate for these Agreements.

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Review of Vanpool Program
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Recommendation 1: Internal Audit recommends that the Vanpool Program Manager consult with the Contracts Administration and Materials Management Department, legal counsel, or other appropriate OCTA departments to determine if this requirement is appropriate for these Agreements and amend the contract as appropriate.

Management Response: Management concurs. A requisition to change the Drug and Alcohol requirements to comply with 41 U.S.C. sections 701-707 (the Drug Free Workplace Act of 1988) which was approved by legal counsel in October 2008 for all OCTA federally funded contracts has been processed.

Vanpool Service Providers Automobile Liability Insurance Requirements

VPSI has not met the Agreement requirement for automobile liability insurance.

The VPSI Agreement includes a requirement that the vanpool service provider carry \$5,000,000 of automobile liability coverage and provide proof of this insurance to OCTA's Contracts Administration and Materials Management (Camm) Department. The certificate of insurance for VPSI indicates that they have \$3,000,000 in total automobile liability coverage.

Recommendation 2: Internal Audit recommends that VPSI be required to provide the insurance coverage required by the Agreement.

During the course of the audit, Program management requested that proof of the required insurance be provided and it was provided by VPSI. No additional action or response is needed from Program management.

Access to the Vanpool Program Reporting System

One password and one user identification (I.D.) are being used for all Vanpool Program administrative staff at OCTA. The System is not capable of assigning unique user I.D.'s and passwords for the administrative users at OCTA. To ensure adequate controls over system access and input, the System should have the ability to track user activity through unique user I.D.'s and passwords.

OCTA Access Control Security Policy #900.07, Section V.E.2. states, "All users and systems shall be uniquely identified and authenticated to OCTA networks, network devices, operating systems, and applications."

Recommendation 3: Internal Audit recommends that the System be enhanced to include the capability to have unique user I.D.'s and passwords for all administrative users. The System should comply with the Access Control Security Policy, Policy #900-07.

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Management Response: Management concurs. The vanpool on-line reporting tool was created by a consultant. During the development of the system, staff requested that multiple user names and passwords be established. The consultant informed staff that it was not possible for the system to have multiple administrators. Staff is currently working with OCTA Information System (IS) staff who believe it is possible to set up multiple administrators. However, implementing this recommendation will require changes to program source coding provided by the contractor. IS would like us to defer implementation of this request until they have developed competencies in manipulating the source code. Expected timeline for implementation is less than 12 months.

Monthly Subsidy Limit Exceeded for One Vanpool

The \$400 monthly subsidy amount exceeded the program guidelines for Vanpool #277. The monthly van lease charge by the vanpool service provider is \$750 per month for this van. This puts the subsidy percentage at 53.33 percent, or \$25 per month over the contract limit.

Recommendation 4: Internal Audit recommends that the monthly subsidy for this van be reduced to meet the program guidelines. The guidelines require the subsidy amount paid by OCTA not exceed 50 percent of the total lease charge for each van unit.

Management Response: Management concurs that the Scope of Work for the vanpool contracts did contain this limit however the intent of the program, as approved by the Board, was a flat \$400/monthly subsidy. A requisition to revise the Scope of Work for the vanpool contracts has been processed. The revision replaces the 50 percent limit with the flat subsidy of \$400 per month.



July 27, 2009

To: Members of the Board of Directors

From: James S. Kenan, Interim Chief Executive Officer Handwritten initials, possibly "JK", are written in black ink over the name "James S. Kenan".

Subject: Candidate Project for Transportation Investment Generating Economic Recovery Funding

Overview

President Obama signed the American Recovery and Reinvestment Act into law in February 2009. The Transportation Investment Generating Economic Recovery portion of the act authorizes \$1.5 billion for a discretionary grant program. The submittal deadline is September 17, 2009; however, the State of California has set an earlier deadline of July 27, 2009, for the creation of a statewide list of projects. The proposed project submittal is provided for Board of Directors' review and approval.

Recommendations

- A. Review and approve a substitute project nomination for Transportation Investment Generating Economic Recovery funding.
- B. Direct the Chief Executive Officer to include the substitute project as part of a statewide list for Transportation Investment Generating Economic Recovery funding.

Background

At its meeting on July 13, 2009, the Orange County Transportation Authority (OCTA) Board of Directors (Board) directed staff to support Metrolink's application for positive train control for inclusion in the Southern California's region list of projects for Transportation Investment Generating Economic Recovery (TIGER) funding.

The Board further directed staff to select a substitute project for OCTA's nomination for the 2.8 mile - Laguna Niguel - San Juan Capistrano Double Track project. The Board communicated to staff that the City of San Juan Capistrano (City) had raised concerns regarding the limits of

the project. The City requested that OCTA consider shortening the project north of the City to Junipero Serra Road, a redirection of nearly one mile. After discussing the City's request, staff felt that shortening the project to Junipero Serra Road would not meet the goal of the original project, which is to improve rail operations and train headways.

Discussion

Based on the recommendation not to pursue the double track project through the TIGER program, staff is recommending that the Board approve and support the City of Anaheim in its nomination for TIGER funding for the Gene Autry Way and Santa Ana Freeway (Interstate 5) interchange construction project (Project).

The \$75 million Project, of which \$29 million will be nominated for TIGER funding, will begin construction in December 2009, be completed by February 2012, and create approximately 2,700 jobs. The Project includes the construction of Gene Autry Way and the completion of the existing overpass structure over Interstate 5 (I-5). The Project enables the use of high-occupancy vehicle lanes through the I-5/Orange Freeway (State Route 57)/Garden Grove Freeway (State Route 22). The Project will serve to enhance the connectivity by carpools and buses through one of the most congested interchanges in the United States. A profile of the project is contained in Attachment A.

Staff will return to the Board with any future requests for letters of support from Orange County local agencies for TIGER-funded project nominations.

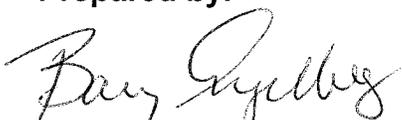
Summary

The Board of Directors is being asked to consider and approve a new project for Transportation Investment Generating Economic Recovery funding for the Gene Autry Way and Santa Ana Freeway (Interstate 5) interchange project nomination sponsored by the City of Anaheim.

Attachment

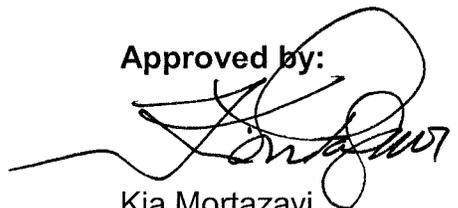
- A. California Department of Transportation Recovery Act TIGER Program -
Notice of Intent to Submit Application for Funding

Prepared by:



Barry Engelberg
Manager of Regional Initiatives
(714) 560-5362

Approved by:



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

California Department of Transportation Recovery Act TIGER Program Notice of Intent to Submit Application for Funding		
Please return to Beverly_Wilson@dot.ca.gov by COB July 7, 2009		
Project Title:	Gene Autry Way & Interstate 5 Interchange Construction Project	
Description of Project:		
Recovery Act TIGER funds are requested to construct Gene Autry Way (West) and complete the existing overpass structure over the I-5. The project includes constructing a new east/west roadway (Gene Autry Way West) and limited improvements to an existing north/south roadway (Haster Street) within the City of Anaheim, and an extension of the existing Gene Autry Way overcrossing structure to the west. This project enables use of the HOV lanes through the I-5/SR-57/SR-22 junction (the "Orange Crush"), which is the 13th most congested interchange in the nation. This project will enhance the corridor connectivity by giving carpools and buses more direct access to five major event centers and the future Anaheim Regional Transportation Intermodal Center (ARTIC). The project will serve visitors and employees at the Anaheim Convention Center, Disneyland, Disney's California Adventure, Honda Center, and Angel Stadium. The proposed project will relieve congestion, improve regional air quality, increase regional work productivity and enhance the national economy through job creation and ensuring the movement of goods and services.		
Total Estimated Cost (list all revenue sources)		
Transportation Recovery Act (non-TIGER):		0.00
Federal Demonstration Funds:		9,800,000.00
Surface Transportation Program Funds:		27,600,000.00
Local: (Orange County Transportation Authority)		8,600,000.00
Private Sector:		0.00
TIGER Program Request:		29,000,000.00
TOTAL Project Cost:		\$75,000,000.00
Other Recovery Act Funds Associated with Project:*	Amount	Source
	\$0.00	
	\$0.00	
	\$0.00	
	\$0.00	
Estimated Construction Start and Completion	Dec-09	Feb-12
Lead Agency:	City of Anaheim	
Regional Agency:	Orange County Transportation Authority	
Contact Person:	Mark Vukojevic	
Telephone:	(714) 765-5148	
Email:	mvukojevic@anaheim.net	
* List any non-transportation Recovery Act funds (energy, housing, water, etc) that are either directly funding the project or would be supplemented by this TIGER program request, include projects that may be enhanced by the TIGER request; such as a case where the proposed project supports a Recovery Act funded housing project in a blueprint planning process.		



BOARD COMMITTEE TRANSMITTAL

July 27, 2009

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Garden Grove Freeway (State Route 22) Continuous Access High-Occupancy Vehicle Lane Follow-up Survey

Highways Committee Meeting of July 6, 2009

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

Committee Vote

No action was taken on this receive and file information item.

Staff Recommendation

Receive and file as an information item.



July 6, 2009

To: Highways Committee
From:  James S. Kenan, Interim Chief Executive Officer
Subject: Garden Grove Freeway (State Route 22) Continuous Access High-Occupancy Vehicle Lane Follow-up Survey

Overview

As part of the Garden Grove Freeway (State Route 22) Improvement Project, the Orange County Transportation Authority, in cooperation with the California Department of Transportation and Federal Highway Administration, fully opened the Garden Grove Freeway (State Route 22) Continuous Access High-Occupancy Vehicle Lane Project in March 2007. Following the completion of a baseline survey in July 2007 and the complete implementation of the Garden Grove Freeway (State Route 22) traffic detection system in November 2007, a follow-up commuter awareness and attitude survey was conducted between November 2008 and January 2009. This report provides the findings of the follow-up survey.

Recommendation

Receive and file as an information item.

Background

In March 2007, the Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation (Caltrans) and the Federal Highway Administration, fully opened the Garden Grove Freeway (State Route 22) Continuous Access High-Occupancy Vehicle (HOV) Lanes Project from approximately the Costa Mesa Freeway (State Route 55) on the east to Valley View Boulevard on the west. The purpose of the project is to collect both the qualitative and quantitative data required to address the feasibility of operating continuous access HOV lanes on State Route (SR-22).

OCTA and Caltrans have conducted a number of tasks required to capture, measure, and track commuter attitudes toward and operational performance on the continuous access HOV lanes. The survey tasks include manually

observing operations on the SR-22 HOV lanes, performing baseline, as well as follow-up, commuter awareness and attitude surveys, and the electronic collection of traffic speed and volume data via the SR-22 traffic detection system.

A summary timeline of these data collection tasks is provided in the table below.

Summary of SR-22 Continuous Access HOV Lane Project		
Date	Action	Status
March 2007	SR-22 HOV Lanes Opened	Complete
March 2007	Manual Observations	Ongoing
July 2007	Baseline Commuter Survey	Complete
November 2007	Implement Traffic Detection System	Complete
November 2007	One-Year Study Period	Complete
November 2008 – January 2009	Follow-up Commuter Survey	Complete
To be determined	Caltrans Report	Pending

Discussion

In November 2008, OCTA initiated the SR-22 Continuous Access HOV Follow-up Survey. As part of the SR-22 Continuous Access HOV Lanes Project, OCTA began conducting its qualitative survey 12 months after the complete implementation of the SR-22 traffic detection system. The traffic detection system monitors and transmits traffic volumes and speeds to the Caltrans traffic management center and helps Caltrans determine traffic densities and levels of service.

The purpose of the follow-up survey was to measure changes in motorists' awareness of and attitudes toward continuous access HOV lanes on the SR-22 since 2007. More specifically, the survey was designed to capture changes in motorists' awareness levels, attitudes related to safety, and other operational issues as well as levels of support for continuous access HOV lanes on the SR-22 and other freeways in Orange County.

Overall, the survey found that awareness of, experience with, and support for continuous access HOV lanes has continued to expand since 2007. Similarly, 80 percent of surveyed motorists recommend maintaining continuous access on the SR-22, representing an increase of nine percentage points since 2007. Lastly, motorists who support incorporating continuous access lanes to other Orange County freeways has climbed from 59 percent to 71 percent.

Conducted between November 2008 and January 2009, the telephone survey interviewed motorists from 1,091 households and provides a statistical

reporting accuracy of plus or minus 3 percent. As in the baseline survey, households were selected geographically to be representative of SR-22 drivers based on a previous origin-destination survey of SR-22 users.

The complete SR-22 Continuous Access HOV Lane Follow-up Survey Report by the Redhill Group is attached (Attachment A).

A summary of key findings:

- Awareness of SR-22 HOV continuous access lanes among motorists has gone up to 49 percent, an increase of seven points since 2007.
- Frequency of use of both the SR-22 HOV lanes and SR-22 has also increased since 2007.
- In 2009, 71 percent of motorists agree that continuous access HOV lanes make freeway driving safer, representing a seven percentage point increase since 2007.
- Seventy-one percent of respondents indicate that continuous access HOV lanes improve travel times for all freeway users, while 76 percent indicated lanes improve travel times for carpoolers, a 5 and 3 percent increase respectively.
- A full 80 percent of motorists would like continuous access HOV lanes to stay open on SR-22, and 71 percent would like other Orange County freeways to incorporate continuous access HOV Lanes.
- Nearly 60 percent of motorists support opening SR-22 HOV lanes to all freeway users during off-peak hours. However, this indicates a three percent drop in support from 2007.

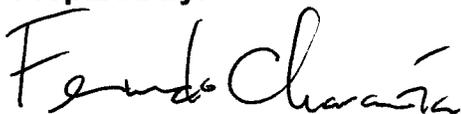
Summary

The SR-22 Continuous Access HOV Lane Follow-up Survey is complete and included for the Board of Directors' review. These findings will be incorporated in the overall assessment of the operations of HOV lanes in Orange County.

Attachment

- A. Orange County Transportation Authority State Route 22 Continuous Access HOV Lane Follow-up Survey Report – Draft Final Report

Prepared by:



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Community Relations Officer
(714) 560-5306

Approved by:



Ellen Burton
Executive Director, External Affairs
(714) 560-5923

Orange County Transportation Authority

State Route 22 Continuous Access HOV Lane Follow-Up Survey Report

DRAFT FINAL REPORT

Redhill Group
Irvine, CA

June 2009



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1.0 KEY FINDINGS

USE OF FACILITY

- Frequency of use of both SR-22 and SR-22 HOV lanes increased from 2007.
- A majority of motorists say they will not change HOV lane use as a result of continuous access, but the 46 percent that say usage will change are ten times more likely to increase use (42%) than to decrease use (4%).

AWARENESS

- In 2008, almost half of motorists knew about continuous access HOV lanes on SR-22 prior to the survey (49%), an increase of seven points from 2007.

SAFETY

- Seventy-one percent of motorists agree that continuous access HOV lanes make freeway driving safer, up seven percent from 2007.
- Agreement with all positive safety statements improved from 2007 and agreement with the one negative statement declined.

PRODUCTIVITY

- Seventy-six percent feel that continuous access HOV lanes improve travel time for carpoolers, and 71 percent say continuous access HOV lanes improves travel time for all freeway users, up three and five percent respectively from 2007.

SUPPORT FOR CONTINUOUS ACCESS

- Up nine points, 80 percent of motorists would now like continuous access HOV lanes to stay on SR-22, and 71 percent (up 12 points) would like other Orange County freeways to incorporate continuous access HOV lanes.

SUPPORT FOR OFF-PEAK ACCESS FOR ALL VEHICLES

- Fifty-nine percent of motorists are in support of opening HOV lanes on SR-22 to all freeway users during off-peak hours. However, support for this potential policy change has declined from 2007 by three percent.

2.0 EXECUTIVE SUMMARY

A telephone survey of 1,091 households was conducted between November 24th, 2008 and January 13th, 2009 with motorists who use the SR-22 at least once a year, and with 72 percent using it at least once a month. Households were selected geographically to be representative of SR-22 drivers based on a previous origin-destination survey of SR-22 users. The survey addresses policy issues related to HOV Lane access with the focus on 'Continuous Access' HOV Lanes. A sample of 1,091 provides statistical reporting accuracy of ± 3 percent.

Frequency of use of both SR-22 and the HOV lanes on SR-22 show increases in 2008, with 50 percent of survey respondents using SR-22 at least once a week (five points higher than 2007) and 20 percent using the HOV lanes at least once a week (also five points higher than 2007). Prior awareness (before survey) of the continuous access HOV lanes on SR-22 has also increased from 42 percent in 2007 to 49 percent in 2008.

Overall, support for continuous access has continued to expand as motorists have increased awareness and experience with the facility. The proportion of motorists that recommend maintaining continuous access for SR-22 HOV Lanes has increased from 71 percent in 2007 to 80 percent in 2008. Further the percentage of motorists recommending that continuous access be expanded to other Orange County freeways has expanded by 12 percent from 59 percent in 2007 to 71 percent in 2008.

Motorists' stated support for continuous access is also supplemented by intended increased use. Although a majority of SR-22 motorists say they will not change their use of HOV Lanes as a result of continuous access, 42 percent of motorists say they are more likely to use the HOV lanes on SR-22 knowing they are continuous access. This is ten times more than the percentage that say they are less likely (4%) to use the HOV Lanes. The primary reason (68%) motorists cite for being more likely to use HOV lanes on SR-22 say it is because continuous access makes them "easier to use." This is followed at a much lower level (19%), by the perception that continuous access makes travel on SR-22 faster.

For all SR-22 motorists, safety appears to be an important factor in the increased support for continuous access. Seventy-one percent of motorists now agree that the continuous access HOV lanes on SR-22 improve overall safety of freeway driving, up five points from the previous year. At a more detailed level, 81 percent of survey respondents feel that continuous access HOV lanes make it safer because drivers don't have to quickly cross several lanes of traffic to get from their freeway entrance to a carpool entry point. And 74 percent say continuous access lanes make freeway driving safer because entering and exiting can happen anywhere, rather than having to do it within a short distance. These are five and six points higher respectively than the percentages in 2007.

Motorists' perceptions of continuous access on freeway productivity has also improved. The percentage that say that continuous access HOV lanes improve travel time for

carpoolers has increased three points from 2007 to 76 percent. Similarly, 71 percent feel that continuous access HOV lanes improve travel time for all freeway users, an increase of six points from 2007.

Survey respondents were also asked their opinion about a potential policy change in which HOV lanes would be opened to everyone during off-peak hours (defined as weekdays between 9AM and 3PM, overnight between 8PM and 5AM, and all day on the weekend). Fifty-nine percent of motorists are in support of this policy change, citing improvement of freeway efficiency as being the primary reason (81%). Although this is down three points from 2007, it is still a clear majority of survey respondents.

3.0 BACKGROUND

The Orange County Transportation Authority (OCTA), contracted with The Redhill Group to conduct a follow-up study to the 2007 SR-22 Continuous Access HOV Lane Study. This study assesses changes in motorist's awareness, knowledge and attitudes about alternative access modes for high-occupancy vehicle (HOV) lanes on the Garden Grove Freeway (State Route 22/SR-22). The study addresses maintaining continuous access on the SR-22, the potential expansion of this policy to other Orange County HOV lanes, and also the possibility of opening HOV lanes to all motorists during off-peak periods.

High-occupancy vehicle lanes are lanes reserved for drivers with one or more passengers. Vehicles included may be private automobiles or public transportation buses. In some cases, single occupant vehicles are allowed if they are hybrid vehicles.

In 2005, California had 1,169 miles of HOV designated lanes with 803 miles in Southern California and 366 miles in Northern California. Rules governing HOV lanes vary by location, with one difference being buffer-separated access entry vs. continuous access entry. Under the buffer-separated entry system, the HOV lanes are separated by two double yellow lines and vehicles may only enter or exit the lane in specific locations, which are marked by dashed white lines. In contrast, under continuous access vehicles can enter or exit at any location.

Based on a policy decision in March 2006, the Garden Grove Freeway's HOV lanes opened from approximately the Costa Mesa Freeway (SR-55) to Valley View Street in late April 2007 as a continuous access project.

This follow-up study was conducted a year and a half later in 2008 to examine changes in motorist's awareness, knowledge and attitude about continuous access lanes on the Garden Grove Freeway (SR-22) between the first study and the present.

4.0 STUDY AREA

The Garden Grove Freeway (SR-22) is a 12-mile freeway which carries an average of more than 200,000 vehicles daily. It runs east-west through the cities of Orange, Santa Ana, Garden Grove, and Westminster and is a connector to four major freeways, including State Route 55, State Route 57, Interstate 5 and Interstate 405.

Based on a previous origin-destination study of SR-22 users, the sampling plan was designed to survey respondents in approximate proportion to frequency of use by city of residence. Based on the origin-destination survey, approximately 90 percent of SR-22 use is from the list of following cities:

- Anaheim
- Fountain Valley
- Garden Grove
- Huntington Beach
- Irvine
- Long Beach
- Orange
- Santa Ana
- Stanton
- Tustin
- Westminster
- Unincorporated Orange County (selected zip codes)

Accordingly a target of approximately 90 percent was set for residents of these cities with the remainder coming from other Orange County residents and a small number of Los Angeles County residents living between Long Beach and the western terminus of SR-22.

Additional quotas were established to ensure that at least 70 percent use SR-22 at least once a month, and that all respondents use SR-22 at least once a year. Survey participants were also balanced by gender. The final survey results include 91 percent from the targeted cities, a 50/50 split by gender, and 72 percent indicating that they use the SR-22 at least once a month.

5.0 RESEARCH METHODOLOGY

5.1: KICKOFF MEETING

Redhill Group began the project with a kickoff meeting to ensure all objectives were fully understood. We took all reporting audiences into consideration including technical staff, executive management, board committees, the Board of Directors, and the media. The kickoff meeting provided an opportunity to review all project objectives and methodology, address sampling frame and size, discuss survey screener and survey instrument design, and finalized the project schedule.

5.2: SURVEY DEVELOPMENT

Since this survey was the second in a series, almost all questions were identical to the previous wave so that results would remain comparable. Redhill Group met with the OCTA Project Manager and Director of Special Projects to revise the original survey instrument as appropriate to capture the changes in opinions and attitudes that OCTA wanted to target.

Two questions were deleted as it was determined that asking them again would not provide any new actionable information. These were why people support limited access (for those who did) and why they support continuous access. Three new questions were added that would not have produced meaningful results when continuous access had first been introduced. These were: asking motorist's likely increase or decrease of HOV lane usage based on the change to continuous access, and then why they would use it more, or why they would use it less.

Redhill Group incorporated desired changes by the OCTA Project Manager and only proceeded after receiving approval on the final survey. A copy of the final survey questions can be found in Appendix A.

5.3: SURVEY SAMPLE SIZE

A sample size of 1,070 was selected to provide statistical accuracy of $\pm 3\%$ at a 95% confidence level, the industry standard for consumer research. A total of 1,667 surveys were conducted between November 30th and January 13th. Eight percent of respondents in the current wave (10% in 2007) reported using SR-22 less than once per year and were excluded from the survey. Surveys were also screened out if they were not in the desired geographic target area or were over the quota for a specific segment of survey respondents. The remaining 1,091 surveys are included in the survey results.

5.4: SURVEYING

Prior to surveying, a total of 28 surveys were pre-tested to determine if skipping patterns were all correct and if any wording modifications were appropriate. Pretest results were reported to OCTA management with only minor modifications in wording to clarify questions for respondents. OCTA approved the modifications and surveying proceeded.

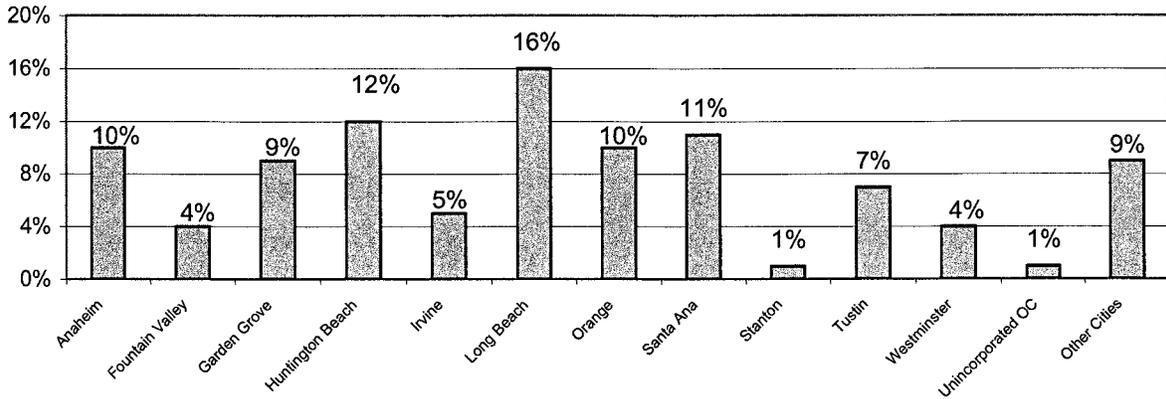
Evening and weekend surveys were conducted as the primary means of reaching the target sample. If a potential respondent was reached and could not complete the survey at that time, Redhill Group scheduled a callback at the respondent's convenience. If a partially completed survey was interrupted by any respondent activity, Redhill Group rescheduled for completion at a more convenient time, and re-entered the survey from the place where the respondent left off. If an answering machine was reached, Redhill Group left a message indicating the purpose of the call and re-contacted them to complete the survey. An 800 number was left in case they wanted to accelerate the process by calling us.

Surveyors were monitored on a random basis using a silent monitoring system. In addition, all surveys were reviewed by quality assurance staff to ensure that they were accurate and internally consistent. Some participants were re-contacted on a random basis to confirm responses to key questions.

6.0 SURVEY RESULTS

6.1: SURVEY BREAKDOWN BY CITY

Figure 6.1: Percent Respondents by City 2008

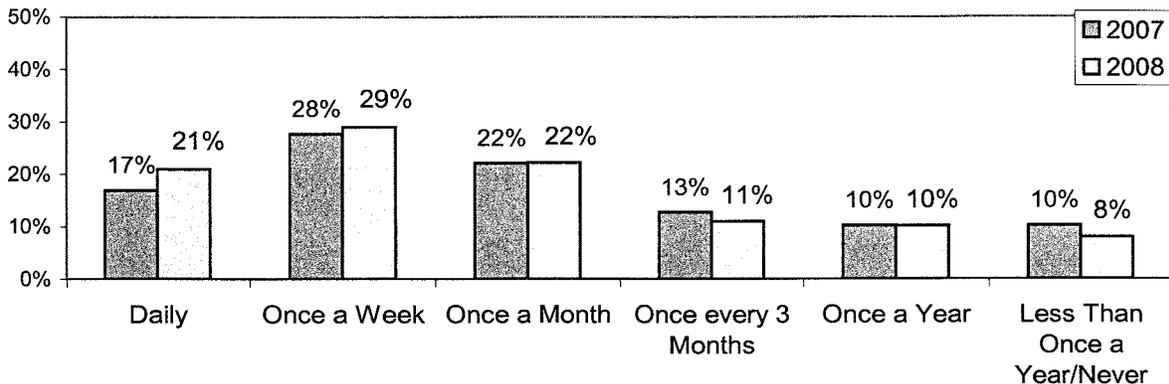


Survey results show an even distribution across target cities. Long Beach accounted for the largest portion of the sample in 2008 (16%), as it had in 2007 (14%), while Stanton and the Unincorporated areas in Orange County make up one percent each. A complete breakdown by city can be seen in Figure 6.1 above. The distribution of surveys by city is almost identical to 2007, with no changes of more than two percent.

6.2: Frequency of Driving on SR-22 and SR-22 HOV Lane Use

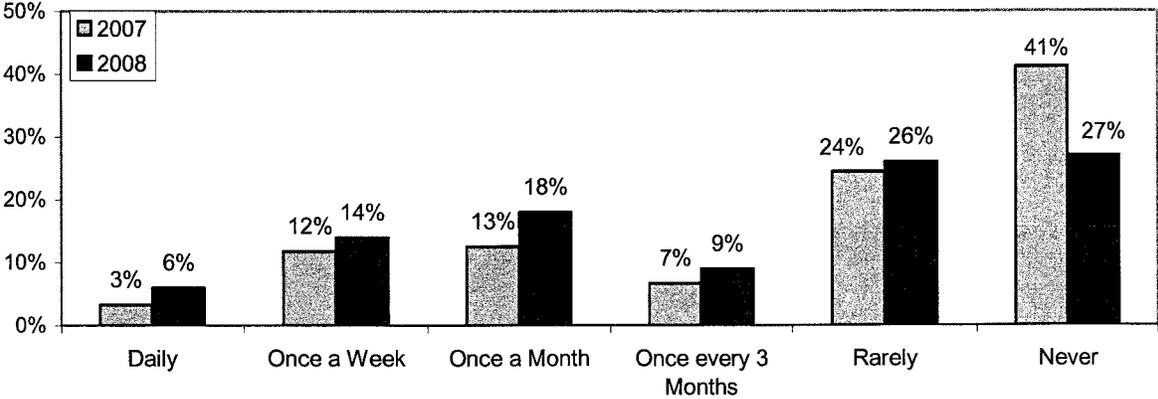
Figure 6.2 below shows the distribution of responses prior to screening in order to show how the entire target area population uses SR-22. Screening ensures that 100 percent of survey respondents use SR-22 at least once a year and over 70 percent of respondents use SR-22 at least monthly. After screening, 77 percent report using SR-22 at least monthly, a three point increase from 2007. Twenty-two percent of those say they use SR-22 daily, three points higher than the previous year, while the percentage that only use it "Once Every 3 Months" decreased two points to 12 percent.

Figure 6.2: Frequency of SR-22 Use Before Screening



In 2008, 53 percent of respondents “Rarely” or “Never” use the HOV lanes on SR-22, compared with 65 percent in 2007. This decrease is primarily due to a 14 point drop in the percentage of motorists who “Never” use the HOV lanes (27% in 2008). In conjunction with this, respondents who report daily HOV lane use doubled from three to six percent. Details are presented in Figure 6.3 below. It is likely that the increase in HOV lane usage is the result of improved access made possible by continuous access striping.

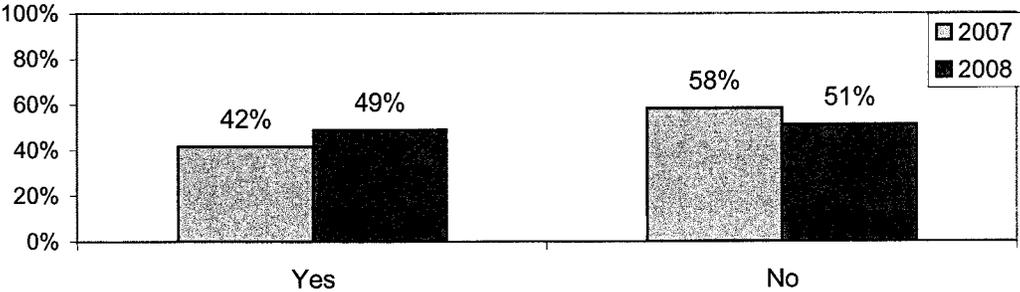
Figure 6.3: Frequency of SR-22 HOV Lane Use After Screening



6.3: Continuous Access Entry Awareness

In 2008, 49 percent of survey respondents report awareness of continuous access entry on the SR-22 prior to hearing about it in the survey. This is an increase of seven points from 2007. Awareness of continuous access is correlated to frequency of use of SR-22. Daily SR-22 users report 68 percent awareness of continuous access in 2008 (up from 64% in 2007). Conversely, only 13 percent of respondents who use SR-22 once a year report awareness of continuous access. For those who use the HOV Lanes on SR-22 at least once a week, 77 percent are aware of continuous access, up from 68 percent in 2007, while only 34 percent who never or rarely use the HOV lanes report awareness. Men are also more likely (60%) than women (39%) to say they had previously heard of continuous access.

Figure 6.4: Respondents Aware SR-22 is Continuous Access

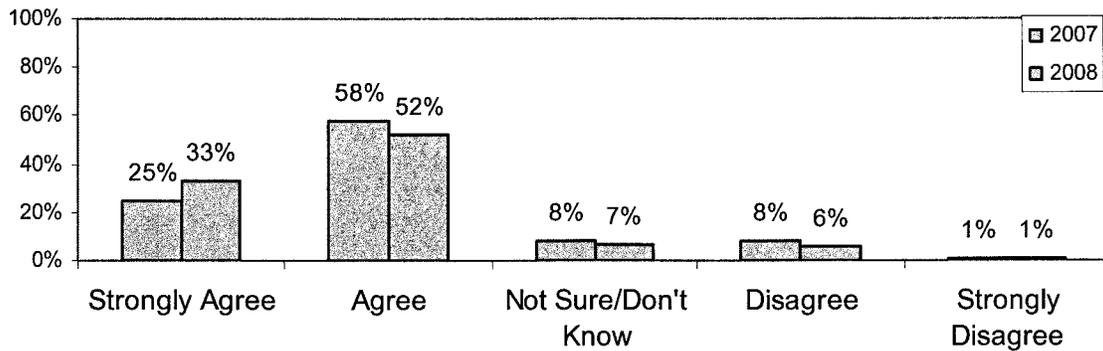


6.4: Attitudes Towards Continuous Access

Ease & Safety

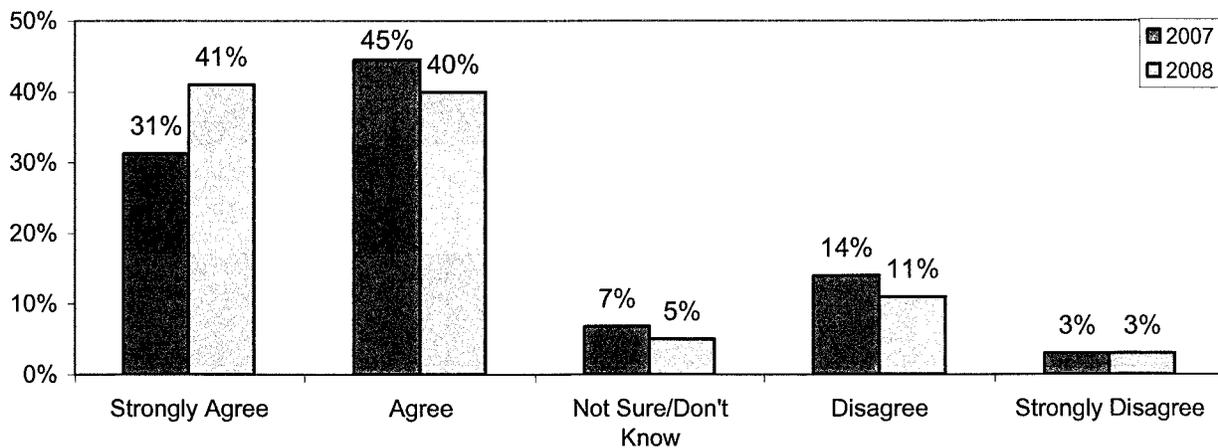
In 2008, 85 percent of respondents agree that continuous access makes it easier for people who live near SR-22 to use the HOV lanes because it makes it easier to get in or out near their freeway entrance or exit. This is two points higher than 2007 and is primarily due to an eight point increase in the percentage of survey respondents who say they “Strongly Agree”.

Figure 6.5: Continuous Access Makes it Easier to Get In/Out Near Entrance or Exit



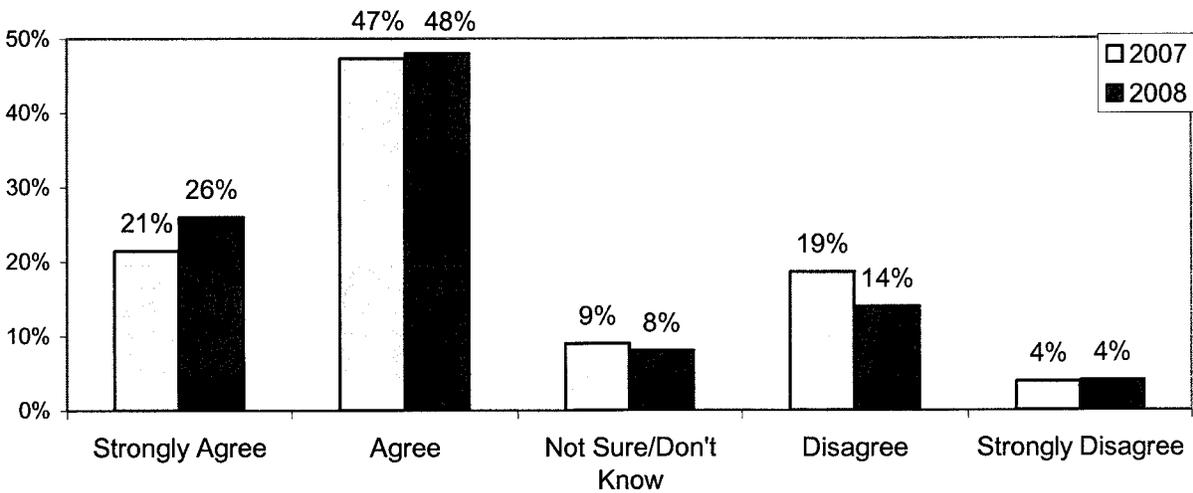
At 81 percent, a significant majority in 2008 are in agreement that continuous access increases safety because people no longer need to quickly cross several lanes of traffic to get from a freeway entrance to a carpool entry point. This is up from 76 percent in 2007. Correspondingly, there is a three point decrease in the percentage of motorists who “Disagree” or “Strongly Disagree” (14% in 2008 compared to 17% in 2007). Familiarity in this case breeds support, as the percentage that agrees with this statement increases to 94 percent of respondents who indicated that they were aware of continuous access prior to participating in the survey.

Figure 6.6: Continuous Access Makes it Safer Because Drivers Won't Have to Quickly Cross Lanes to Get In/Out



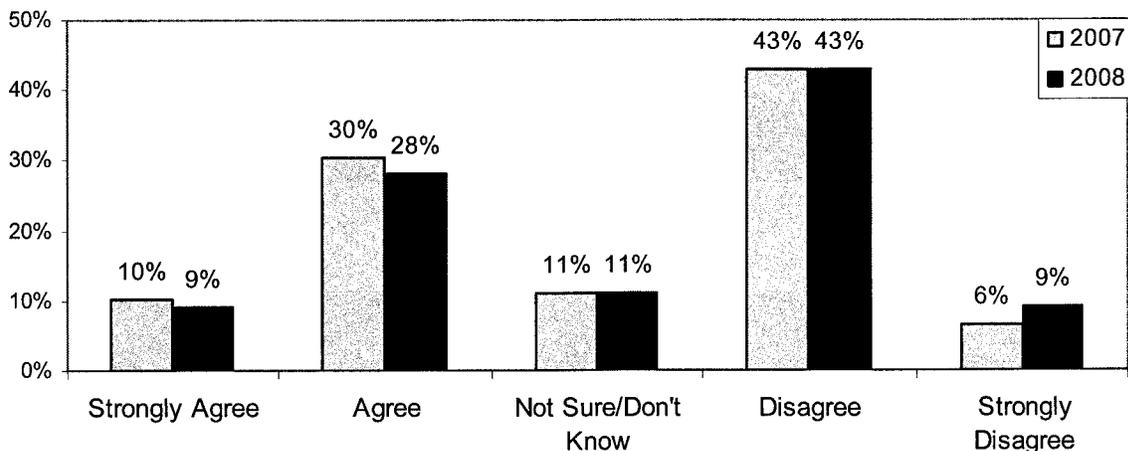
As shown in Figure 6.7 below, 74 percent believe that continuous access makes entering/exiting safer for all drivers because it can happen anywhere rather than having to do it in a short distance. This is an increase of six points from 2007 where 68 percent agreed, and is primarily due to a five point increase in the percentage of motorists who "Strongly Agree" (26%).

Figure 6.7: Continuous Access Makes it Safer For All Drivers Because Entering/Exiting Doesn't Have to Occur in a Short Distance



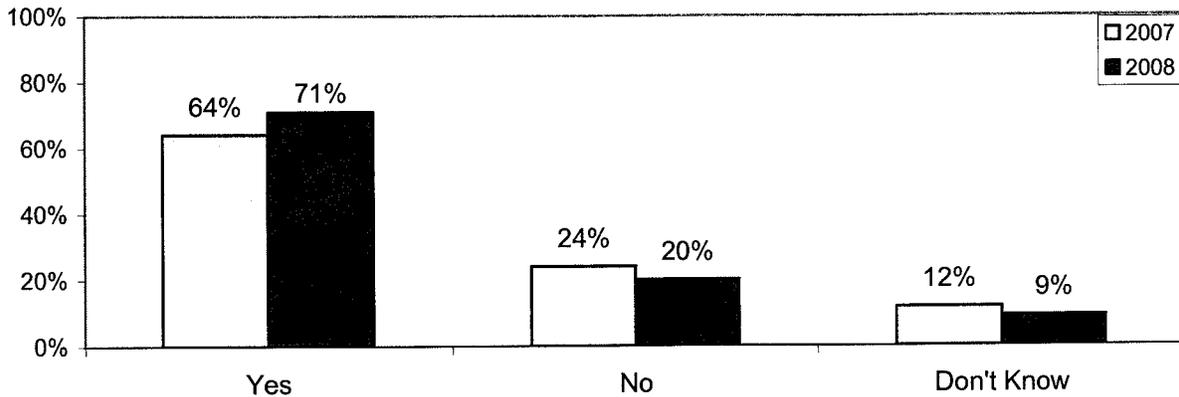
Some motorists do feel that continuous access will make it more dangerous because slower cars can enter at any point (37%). However, at 52 percent in 2008, a majority of SR-22 motorists disagree with this, and this is a three point increase from 2007.

Figure 6.8: Continuous Access Makes it More Dangerous because Slower Cars Can Enter at Any Point



Overall, 71 percent of motorists believe that continuous access lanes will improve freeway safety, up seven points from 2007. In addition, those that use the HOV lanes are more likely to believe that continuous access improves overall freeway safety (77%), than those who use the HOV lanes less than once a month (67%).

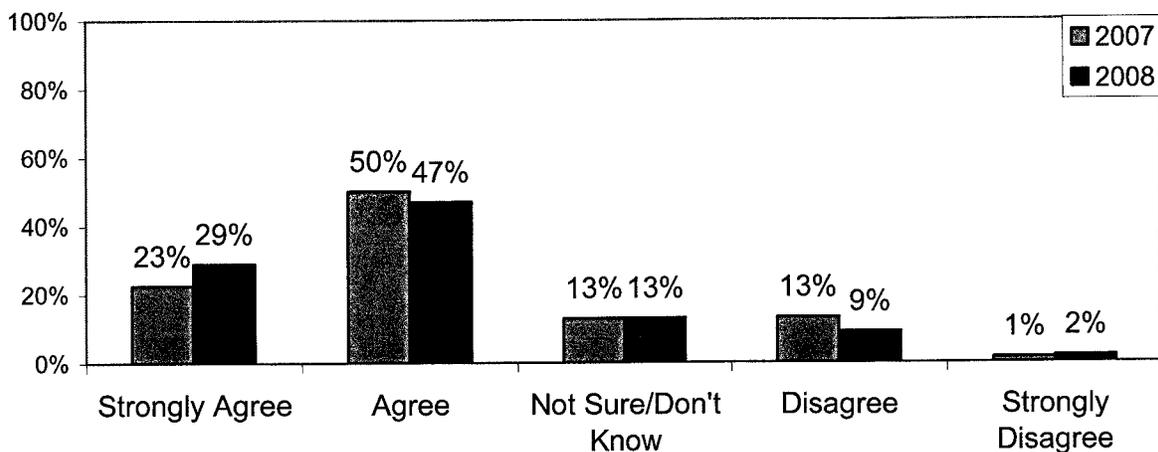
Figure 6.9: Continuous Access Improves Freeway Safety



Travel Time

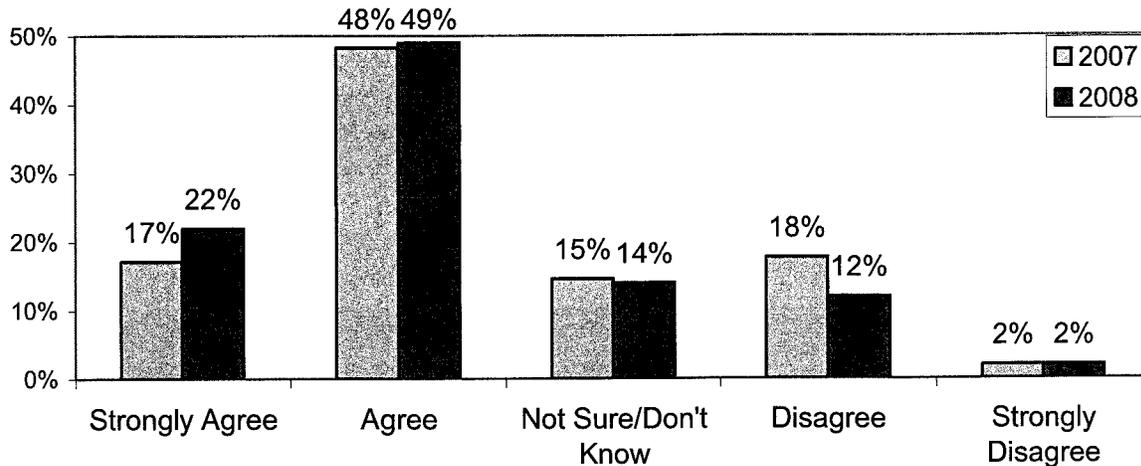
Respondents were asked to assess the effect that continuous access has on travel time for carpoolers and all freeway users. Seventy-six percent think that having continuous access HOV lanes will improve travel times for carpoolers, three points higher than 2007. At a much lower level, 11 percent disagree, and this is down from 14 percent in 2007.

Figure 6.10: Continuous Access Improves Travel Time for Carpoolers



In 2008, 71 percent of SR-22 motorists agree that continuous access will improve travel time for all freeway users. This is a six point increase from 2007. At the same time, the percentage of those who “Disagree” or “Strongly Disagree” (14 percent total) shows a decrease of six points.

Figure 6.11: Continuous Access Improves Travel Time for all Freeway Users



Future HOV Access Mode for SR-22 and Other Orange County Freeways

Given the positive responses to continuous access with regard to safety and travel time, it is not surprising that 80 percent (71% in 2007) would like to see the SR-22 HOV lanes remain continuous access. In addition, 71 percent (up 12% from 59% in 2007) want to extend it to all other OC freeways. This shows that support has grown and may continue to grow as people become more familiar with the new access mode.

Figure 6.12: SR-22 HOV Lane Should Continue to be Continuous Access

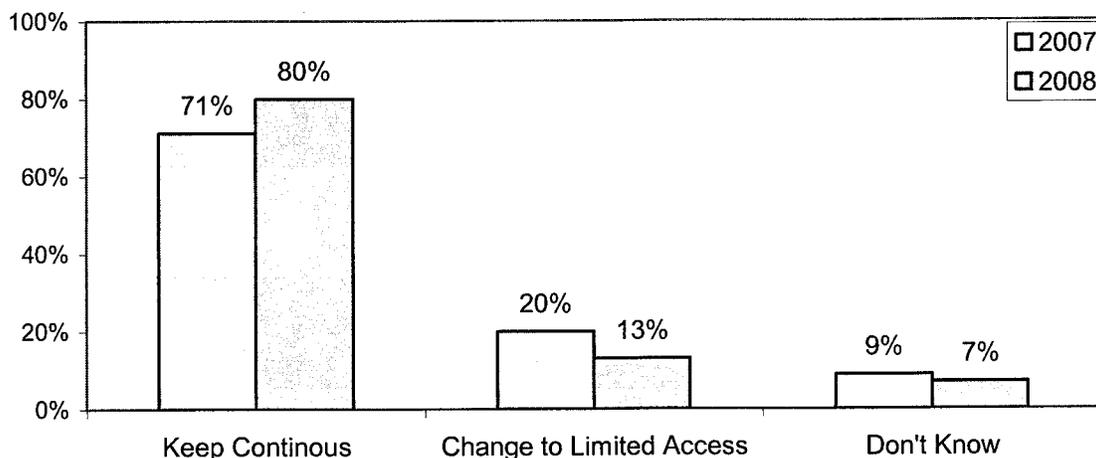
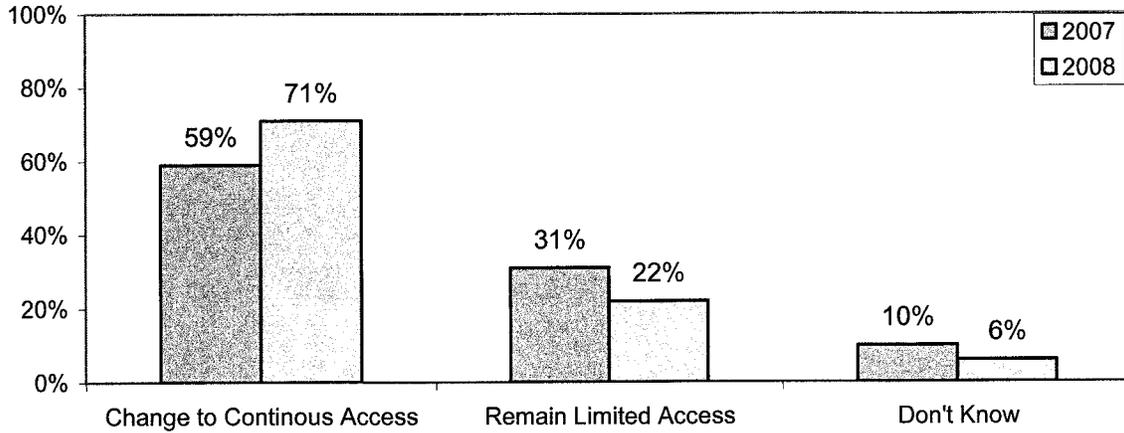


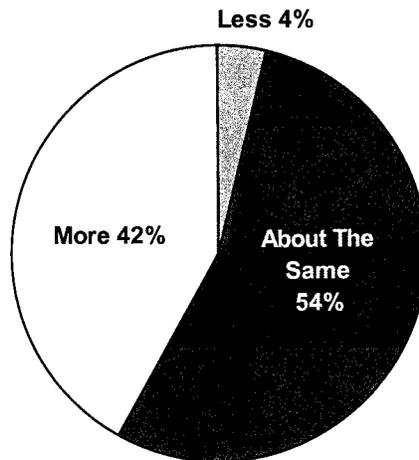
Figure 6.13: Other OC Freeway HOV Lanes Should be Changed to Continuous Access or Remain as Limited Access



Continuous Access vs. Limited Access

Respondents were asked to report whether they planned on using the HOV lane more, less or about the same now that it is continuous access. Although a majority of respondents say they will use it about the same (54%), there are ten times as many motorists who say they will use it more (42%) than those who say they will use it less (4%).

Figure 6.14: Will You be More or Less Likely to Use the HOV Lane Now That It Is Continuous Access



Reasons for Being More or Less Likely to Use the HOV Lane

Respondents who say they will use the carpool lanes either more or less were asked why they would change their usage level. Of those who say they will use it more, 68 percent cite ease of use as their main reason for doing so, followed by 19 percent who say it would be faster.

As for those who say they will use it less, a majority (51%) indicate that they just have no need for an HOV lane while another 36 percent feel it may be unsafe.

Figure 6.15: Reason for Being More Likely to Use the HOV Lane

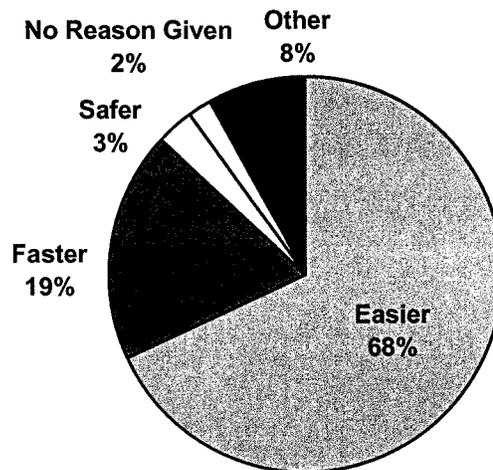
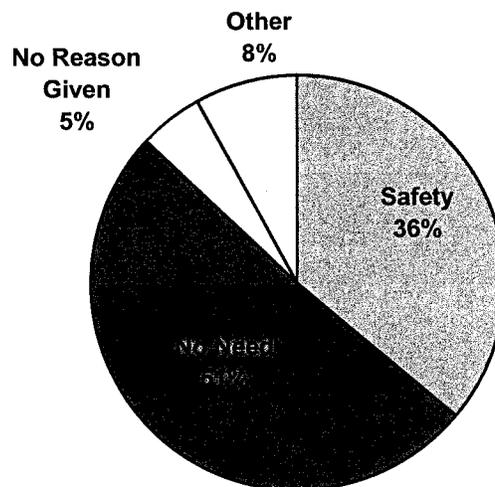
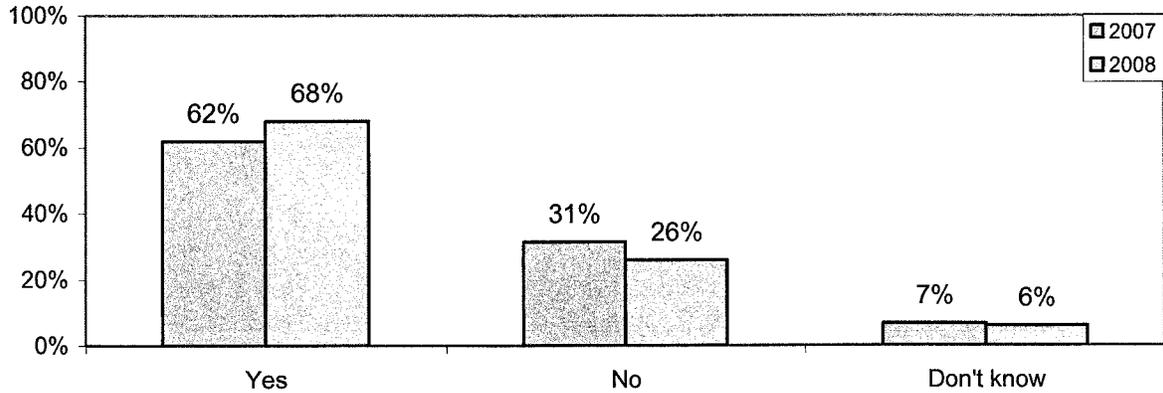


Figure 6.16: Reason for Being Less Likely to Use the HOV Lanes



Sixty-eight percent of motorists in 2008 say they would be more likely to use HOV lanes if all HOV lanes in Orange County were continuous access. This is up from 62 percent in 2007 and is more than twice as high as the percent of motorists that say that they would not be more likely to use HOV lanes with if they all had continuous access. Those that carpool more often also indicate that they would be more likely to carpool more with this change ranging from 74 percent for motorists who carpool at least once a week to 64 percent who rarely or never carpool.

Figure 6.17: More Likely Use if all OC HOV Lanes were Continuous Access

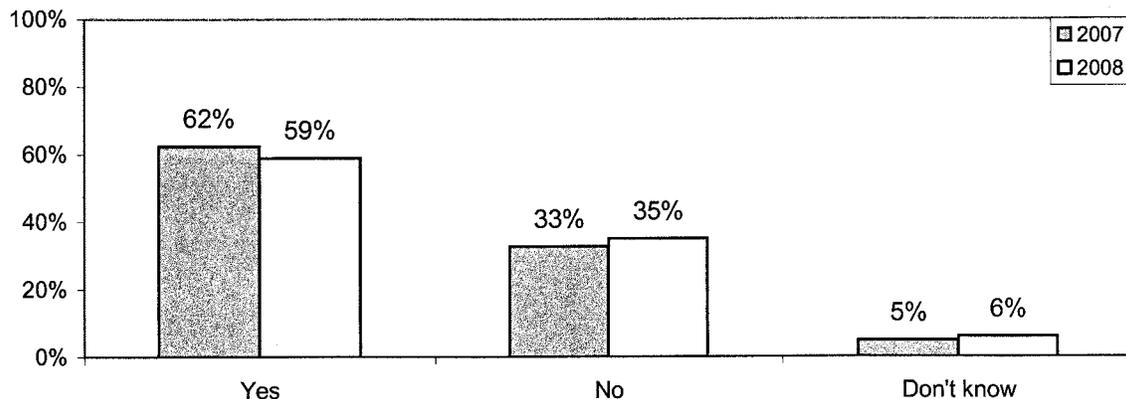


6.5: Off-Peak Use of HOV Lanes by Single Occupant Vehicles

Another potential policy change with regard to HOV lane use is opening HOV Lanes to all drivers during off-peak periods (defined as weekdays between 9AM and 3PM, overnight between 8PM and 5AM, and all day on the weekend).

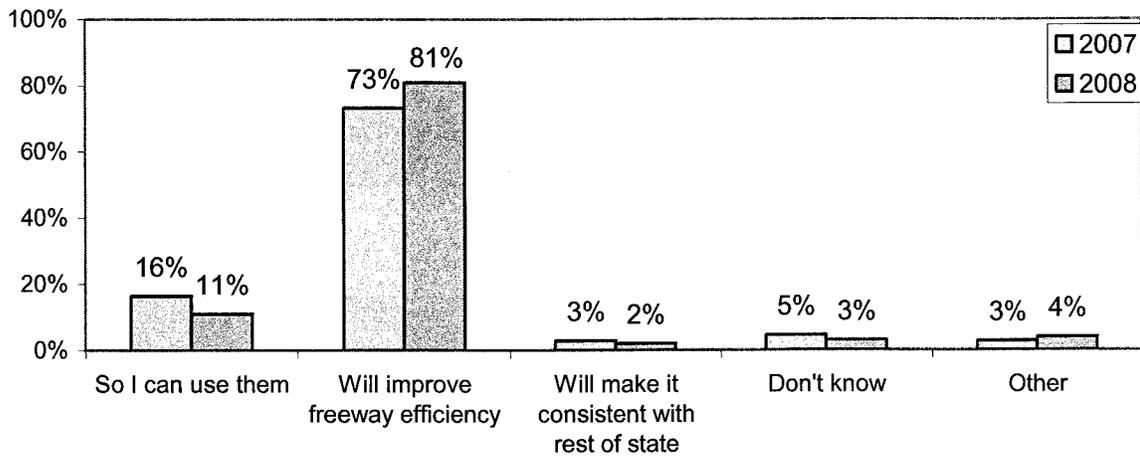
Respondents were asked if they think opening HOV Lanes to all drivers during off-peak periods is a good idea, and 59 percent answered "Yes". This is three points less than the percentage who replied "Yes" in 2007.

Figure 6.18: Respondents Believe HOV Lanes Should Be Open To Everyone During Off-Peak Hours



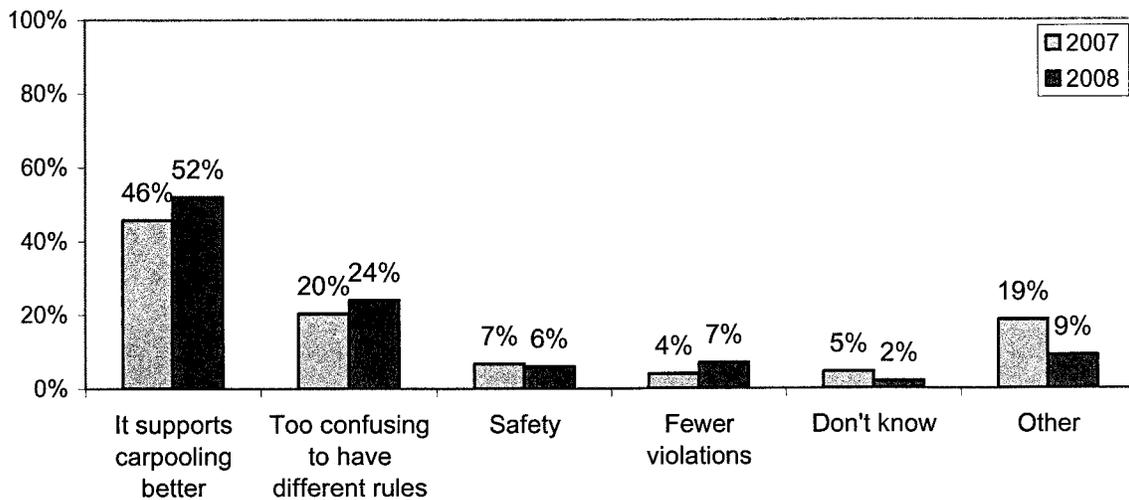
Of the respondents who support off-peak HOV use for all drivers, 81 percent cited freeway efficiency as the primary factor, an increase of eight points from 2007. Additionally, 11 percent of motorists who support off-peak use of HOV lanes by all freeway users say it allows them to use the HOV lanes themselves, a decrease of five points. The remaining categories are all within two points from the previous year.

Figure 6.19: Primary Reason in Support of Off-Peak Hour HOV Lane Use



Fifty-two percent of those opposed to off-peak HOV lane use report that keeping HOV lanes limited at all times helps to support carpooling better. This is six points higher than the previous year. An additional 24 percent believe it is too confusing to have different rules for different times and days (four points higher than 2007).

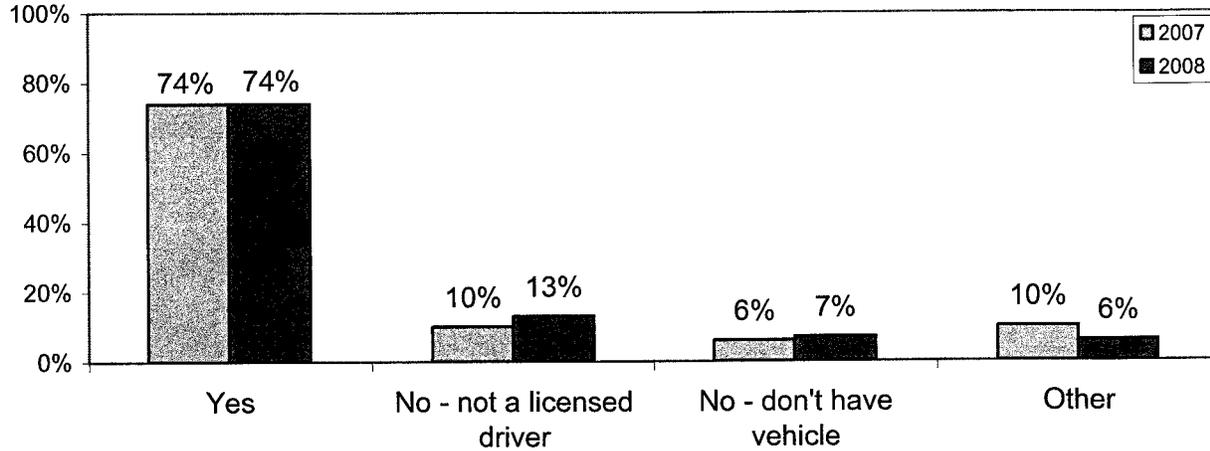
Figure 6.20: Primary Reason Opposed to Off-Peak Hour HOV Lane Use



6.6: Impact on Mode Shift if Carpooling Not Possible

Respondents were also asked “would you and the other members of your carpool drive alone if you weren’t able to carpool?” Seventy-four percent said yes in both 2007 and 2008. Thirteen percent said no because they do not have a license, and seven percent said no because they don’t have a vehicle.

Figure 6.21: If Unable to Carpool, Would You Drive Alone?



7.0 DEMOGRAPHICS

Table 7.1: Demographics

	Description	2007 SR-22 Survey Respondents	2008 SR-22B Survey Respondents	Change from 2007
Gender	Male	50%	50%	0%
	Female	50%	50%	0%
Age	Under 20	2%	2%	0%
	20's	10%	8%	-2%
	30's	17%	15%	-2%
	40's	25%	24%	-1%
	50's	22%	22%	0%
	60's	14%	17%	+3%
	70 or older	8%	12%	+4%
	Refuse to Answer	1%	1%	0%
Ethnicity	White, not Hispanic	63%	66%	+3%
	African American (Black)	2%	3%	+1
	Hispanic	18%	15%	-3%
	Asian	11%	11%	0%
	American Indian	1%	1%	0%
	Refuse to Answer	4%	4%	0%
	Other	1%	0%	-1%
Rent vs. Own Home	Rent	25%	22%	-3%
	Own	73%	75%	+2%
	Refuse to Answer	2%	3%	+1%
Political Orientation	Liberal	21%	26%	+5%
	Moderate	36%	32%	-4%
	Conservative	36%	35%	-1%
	Refuse to Answer/Don't Know	7%	7%	0%
Mode of Travel During Peak Rush Hour	Drive Alone	80%	74%	-6
	Carpool/Vanpool	17%	23%	+6
	Bus	1%	1%	0
	Bicycle	1%	0%	-1%
	Motorcycle	0%	1%	+1%
	Train	0%	1%	+1%

APPENDIX A – SURVEY QUESTIONS

QUESTIONNAIRE WITH SKIP PATTERNS

QUESTIONNAIRE = SR22B
VERSION : 1.0

GOOD EVENING. THIS IS _____ WITH REDHILL GROUP, AN INDEPENDENT RESEARCH FIRM. WE ARE CONDUCTING A SHORT SURVEY ABOUT POSSIBLE CHANGES TO ORANGE COUNTY FREEWAYS.

IT ONLY TAKES A FEW MINUTES, AND YOUR OPINIONS ARE IMPORTANT TO US. CAN YOU HELP US OUT?

1. FIRST OF ALL, WHICH CITY DO YOU LIVE IN?

- | | | |
|---------------------|--------------------|----------------------------|
| 1. ANAHEIM | 17. COSTA MESA | 33. MONARCH BEACH |
| 2. FOUNTAIN VALLEY | 18. COTO DE CAZA | 34. NEWPORT BEACH |
| 3. GARDEN GROVE | 19. CYPRESS | 35. PLACENTIA |
| 4. HUNTINGTON BEACH | 20. DANA POINT | 36. PORTOLA HILLS |
| 5. IRVINE | 21. DOVE CANYON | 37. RANCHO SANTA MARGARITA |
| 6. LONG BEACH | 22. FOOTHILL RANCH | 38. SAN CLEMENTE |
| 7. ORANGE | 23. FULLERTON | 39. SAN JUAN CAPISTRANO |
| 8. SANTA ANA | 24. LA HABRA | 40. SEAL BEACH |
| 9. STANTON | 25. LA PALMA | 41. TALEGA |
| 10. TUSTIN | 26. LADERA RANCH | 42. TRABUCO CANYON |
| 11. WESTMINSTER | 27. LAGUNA BEACH | 43. VILLA PARK |
| 12. ALISO VIEJO | 28. LAGUNA HILLS | 44. YORBA LINDA |
| 13. BALBOA | 29. LAGUNA WOODS | 45. UNINCORPORATED OC |
| 14. BREA | 30. LAKE FOREST | 46. OTHER |
| 15. BUENA PARK | 31. LOS ALAMITOS | |
| 16. CORONA DEL MAR | 32. MISSION VIEJO | (OTHER LINE = 49) |

(DON'T READ PRE-CODED RESPONSES)

2. AND WHAT IS YOUR ZIP CODE ?

3. HOW OFTEN DO YOU USE THE GARDEN GROVE FREEWAY, ALSO KNOWN AS SR-22?

1. DAILY
2. AT LEAST ONCE A WEEK
3. AT LEAST ONCE A MONTH
4. AT LEAST ONCE EVERY 3 MONTHS
5. AT LEAST ONCE A YEAR
6. LESS THAN ONCE A YEAR/NEVER

(PROMPT ONLY IF NO ANSWER)

SKIP AFTER Q3 IF Q<3> EQ "6" THEN GO END

4. HOW OFTEN DO YOU USE THE CARPOOL LANES ON THE 22?

1. DAILY
2. AT LEAST ONCE A WEEK
3. AT LEAST ONCE A MONTH
4. AT LEAST ONCE EVERY 3 MONTHS
5. RARELY
6. NEVER

(PROMPT ONLY IF NO ANSWER)

5. SINCE THE CARPOOL LANES OPENED ON THE 22 IN DECEMBER 2006, THEY HAVE BEEN WHAT'S CALLED "CONTINUOUS ACCESS" CARPOOL LANES. THIS MEANS THAT YOU CAN ENTER OR EXIT THE CARPOOL LANES AT ANY POINT ALONG THE FREEWAY RATHER THAN ONLY AT LIMITED LOCATIONS.

THIS IS THE WAY THAT CARPOOL LANES WORK IN OTHER PARTS OF THE STATE. PRIOR TO THIS SURVEY HAD YOU NOTICED THIS DIFFERENCE ON THE 22?

1. YES
2. NO

6. DO YOU THINK YOU WILL USE THE CARPOOL LANES MORE, LESS, OR ABOUT THE SAME AMOUNT NOW THAT THEY ARE CONTINUOUS ACCESS?

1. LESS
2. ABOUT THE SAME
3. MORE

SKIP AFTER Q6 IF Q<6> EQ "2" THEN GO 9

SKIP AFTER Q6 IF Q<6> EQ "1" THEN GO 8

7. WHAT IS YOUR REASON FOR USING THE CARPOOL LANES MORE, NOW THAT THEY ARE CONTINUOUS ACCESS?

SKIP AFTER Q7 GO 9

8. WHAT IS YOUR REASON FOR USING THE CARPOOL LANES LESS, NOW THAT THEY ARE CONTINUOUS ACCESS?

9. NOW I AM GOING TO READ YOU A LIST OF STATEMENTS ABOUT THE CARPOOL LANES. FOR EACH ONE, PLEASE TELL ME HOW STRONGLY YOU AGREE OR DISAGREE WITH THE STATEMENT. THE OPTIONS ARE STRONGLY AGREE, AGREE, NOT SURE, DISAGREE, OR STRONGLY DISAGREE.

OK THE FIRST ONE IS . . .

ENTER "XX" TO CONTINUE:

QUESTIONS 10-15 ARE RANDOMLY ROTATED

10. CONTINUOUS ACCESS TO THE CARPOOL LANES MAKES IT POSSIBLE FOR MORE PEOPLE WHO LIVE NEAR THE 22 TO USE THE CARPOOL LANES BECAUSE IT MAKES IT EASIER TO GET IN OR OUT NEAR THEIR FREEWAY ENTRANCE OR EXIT.

- 1. STRONGLY AGREE
- 2. AGREE
- 3. NOT SURE/DON'T KNOW
- 4. DISAGREE
- 5. STRONGLY DISAGREE

(PROMPT ONLY IF NO ANSWER)

11. HAVING CONTINUOUS ACCESS TO THE CARPOOL LANES MAKES IT SAFER BECAUSE PEOPLE NO LONGER HAVE TO QUICKLY CROSS SEVERAL LANES OF TRAFFIC TO GET FROM THEIR FREEWAY ENTRANCE TO A CARPOOL LANE ENTRY POINT.

- 1. STRONGLY AGREE
- 2. AGREE
- 3. NOT SURE/DON'T KNOW
- 4. DISAGREE
- 5. STRONGLY DISAGREE

(PROMPT ONLY IF NO ANSWER)

12. HAVING CONTINUOUS ACCESS TO THE CARPOOL LANES MAKES IT MORE DANGEROUS BECAUSE SLOWER TRAVELING CARS IN THE GENERAL LANES CAN ENTER AT ANY POINT INSTEAD OF JUST AT LIMITED ENTRY AND EXIT POINTS.

- 1. STRONGLY AGREE
- 2. AGREE
- 3. NOT SURE/DON'T KNOW
- 4. DISAGREE
- 5. STRONGLY DISAGREE

(PROMPT ONLY IF NO ANSWER)

13. HAVING CONTINUOUS ACCESS TO THE CARPOOL LANES MAKES IT SAFER FOR ALL DRIVERS BECAUSE ENTERING AND EXITING THE CARPOOL LANES CAN HAPPEN ANYWHERE, RATHER THAN HAVING TO DO IT WITHIN A SHORT DISTANCE.

- 1. STRONGLY AGREE
- 2. AGREE
- 3. NOT SURE/DON'T KNOW
- 4. DISAGREE
- 5. STRONGLY DISAGREE

(PROMPT ONLY IF NO ANSWER)

14. HAVING CONTINUOUS ACCESS CARPOOL LANES IMPROVES TRAVEL TIMES FOR CARPOOLERS.

- 1. STRONGLY AGREE
- 2. AGREE
- 3. NOT SURE/DON'T KNOW
- 4. DISAGREE
- 5. STRONGLY DISAGREE

(PROMPT ONLY IF NO ANSWER)

15. HAVING CONTINUOUS ACCESS CARPOOL LANES IMPROVES TRAVEL TIMES FOR ALL FREEWAY USERS.

- 1. STRONGLY AGREE
- 2. AGREE
- 3. NOT SURE/DON'T KNOW
- 4. DISAGREE
- 5. STRONGLY DISAGREE

(PROMPT ONLY IF NO ANSWER)

16. TAKING ALL SAFETY ISSUES INTO CONSIDERATION, DO YOU THINK THAT CONTINUOUS ACCESS CARPOOL LANES IMPROVE FREEWAY SAFETY?

- 1. YES
- 2. NO
- 3. DON'T KNOW

17. DO YOU THINK THE CARPOOL LANES ON THE 22 SHOULD REMAIN CONTINUOUS ACCESS LIKE OTHER PARTS OF THE STATE, OR REVERT TO LIMITED ACCESS?

- 1. REMAIN CONTINUOUS
- 2. REVERT TO LIMITED ACCESS
- 3. DON'T KNOW

(PROMPT ONLY IF NO ANSWER)

18. DO YOU THINK THAT THE CARPOOL LANES ON ALL OTHER ORANGE COUNTY FREEWAYS SHOULD BE CHANGED TO CONTINUOUS ACCESS CARPOOL LANES LIKE THE 22 AND OTHER PARTS OF THE STATE, OR SHOULD THEY REMAIN AS LIMITED ACCESS CARPOOL LANES?

- 1. CHANGE TO CONTINUOUS ACCESS
- 2. REMAIN LIMITED ACCESS
- 3. DON'T KNOW

(PROMPT ONLY IF NO ANSWER)

19. WOULD YOU BE MORE LIKELY TO USE THE CARPOOL LANES IF ALL CARPOOL LANES IN ORANGE COUNTY WERE CONTINUOUS ACCESS INSTEAD OF LIMITED ACCESS?

- 1. YES
- 2. NO
- 3. DON'T KNOW

20. ANOTHER OPTION USED IN OTHER PARTS OF THE STATE IS OPENING THE CARPOOL LANES TO EVERYONE DURING OFF-PEAK HOURS. THIS WOULD MEAN ANYONE COULD USE THE CARPOOL LANES ON WEEKDAYS BETWEEN 9AM AND 3PM, AND OVERNIGHT BETWEEN 8PM AND 5AM, AND ALL DAY ON THE WEEKEND.

DO YOU THINK THAT THE CARPOOL LANES SHOULD BE OPEN TO EVERYONE DURING OFF-PEAK HOURS?

- 1. YES
- 2. NO
- 3. DON'T KNOW

21. WHAT IS YOUR PRIMARY REASON FOR SUPPORTING OPENING THE CARPOOL LANES DURING OFF-PEAK HOURS?

- 1. SO I CAN USE THEM
- 2. IT WILL IMPROVE FREEWAY EFFICIENCY
- 3. IT WILL MAKE IT CONSISTENT WITH THE REST OF THE STATE
- 4. DON'T KNOW
- 5. OTHER (OTHER LINE = 53)

(DON'T READ PRE-CODED RESPONSES)

SKIP BEFORE Q21 IF Q<20> NE "1" THEN GO 22

22. WHAT IS YOUR PRIMARY REASON FOR WANTING TO KEEP THE CARPOOL LANES ONLY FOR CARPOOLERS 24 HOURS A DAY?

- 1. IT SUPPORTS CARPOOLING BETTER
- 2. IT IS TOO CONFUSING HAVING DIFFERENT RULES AT DIFFERENT TIMES
- 3. SAFETY
- 4. FEWER VIOLATIONS (UNQUALIFIED VEHICLES USING CARPOOL LANES)
- 5. DON'T KNOW
- 6. OTHER (OTHER LINE = 54)

(DON'T READ PRE-CODED RESPONSES)

SKIP BEFORE Q22 IF Q<20> NE "2" THEN GO 23

23. OK, WE JUST HAVE A FEW QUICK QUESTIONS FOR DEMOGRAPHIC PURPOSES.

ARE YOU . . . ?

1. UNDER 20
2. IN YOUR 20'S
3. 30'S
4. 40'S
5. 50'S
6. 60'S
7. 70 OR OLDER
8. REFUSED

(READ PRE-CODED RESPONSES-EXCEPT FOR 'DON'T KNOW','REFUSED',ETC)

24. TO WHICH OF THE FOLLOWING ETHNIC GROUPS DO YOU BELONG ?

1. WHITE, NOT HISPANIC
2. AFRICAN AMERICAN (BLACK)
3. HISPANIC
4. ASIAN
5. AMERICAN INDIAN
6. REFUSED
7. OTHER (OTHER LINE = 55)

(READ PRE-CODED RESPONSES-EXCEPT FOR 'DON'T KNOW','REFUSED',ETC)

25. AND DO YOU RENT OR OWN YOUR HOME ?

1. RENT
2. OWN
3. REFUSED

26. HOW DO YOU TRAVEL DURING THE PEAK RUSH HOUR PERIOD ?

1. DRIVE ALONE
2. CARPOOL/VANPOOL
3. BUS
4. TRAIN
5. MOTORCYCLE
6. BICYCLE
7. WALK OR JOG
8. OTHER (OTHER LINE = 56)

(PROMPT ONLY IF NO ANSWER)

27. WOULD YOU AND THE OTHER MEMBERS OF YOUR CARPOOL DRIVE ALONE IF YOU WEREN'T ABLE TO CARPOOL?

1. YES
2. NO - I AM/PASSENGER IS NOT A LICENSED DRIVER
3. NO - I DON'T/PASSENGER DOESN'T HAVE A VEHICLE AVAILABLE TO DRIVE
4. OTHER (OTHER LINE = 57)

(DON'T READ PRE-CODED RESPONSES)

SKIP BEFORE Q27 IF Q<26> NE "2" THEN GO 28

28. AND FINALLY WOULD YOU SAY YOU ARE . . . ?

1. LIBERAL,
2. MODERATE, OR
3. CONSERVATIVE
4. REFUSED/DON'T KNOW

(READ PRE-CODED RESPONSES-EXCEPT FOR 'DON'T KNOW','REFUSED',ETC)

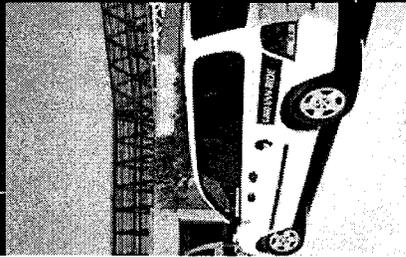
29. GENDER:

1. MALE
2. FEMALE

(DON'T READ PRE-CODED RESPONSES)

**POWERPOINT
PRESENTATION**

Garden Grove Freeway (State Route 22) Continuous Access High Occupancy Vehicle Lane Follow-up Survey

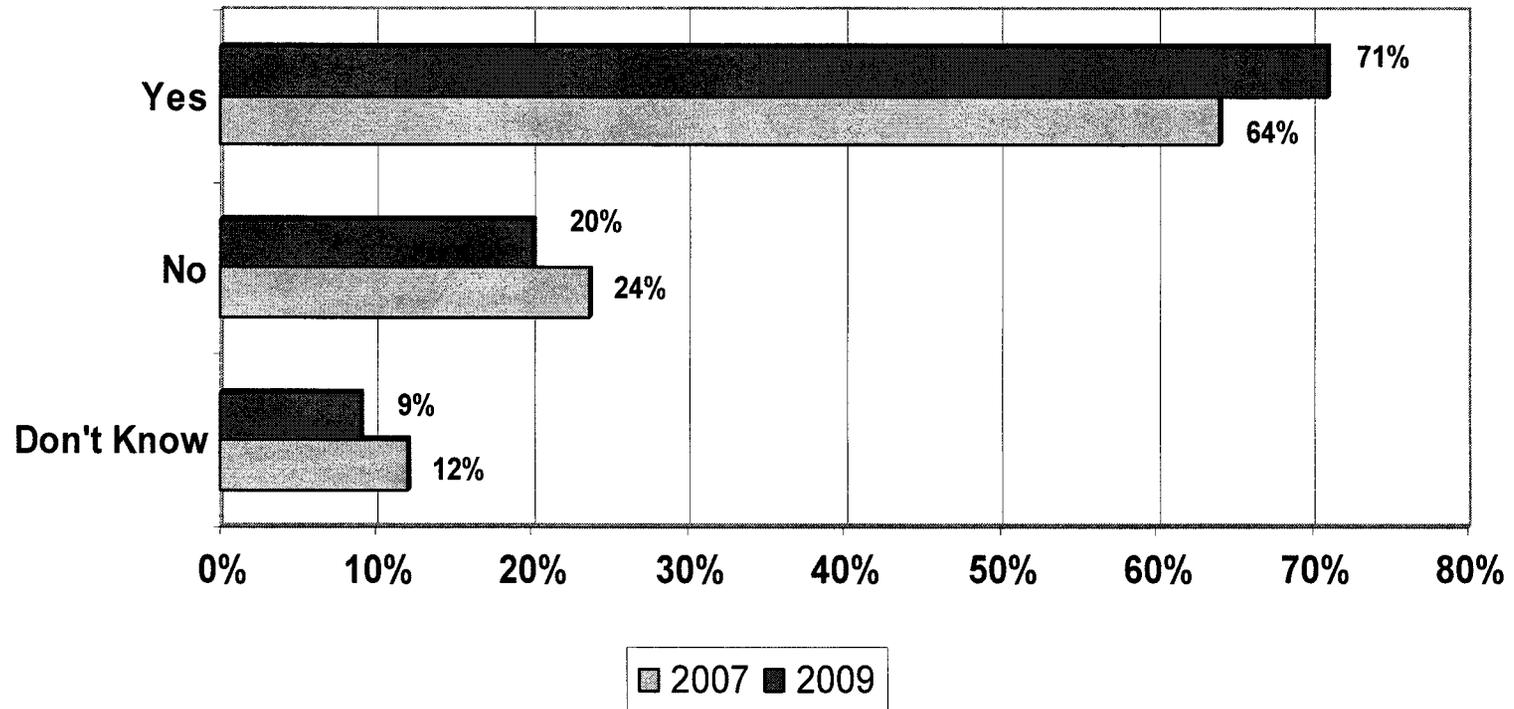


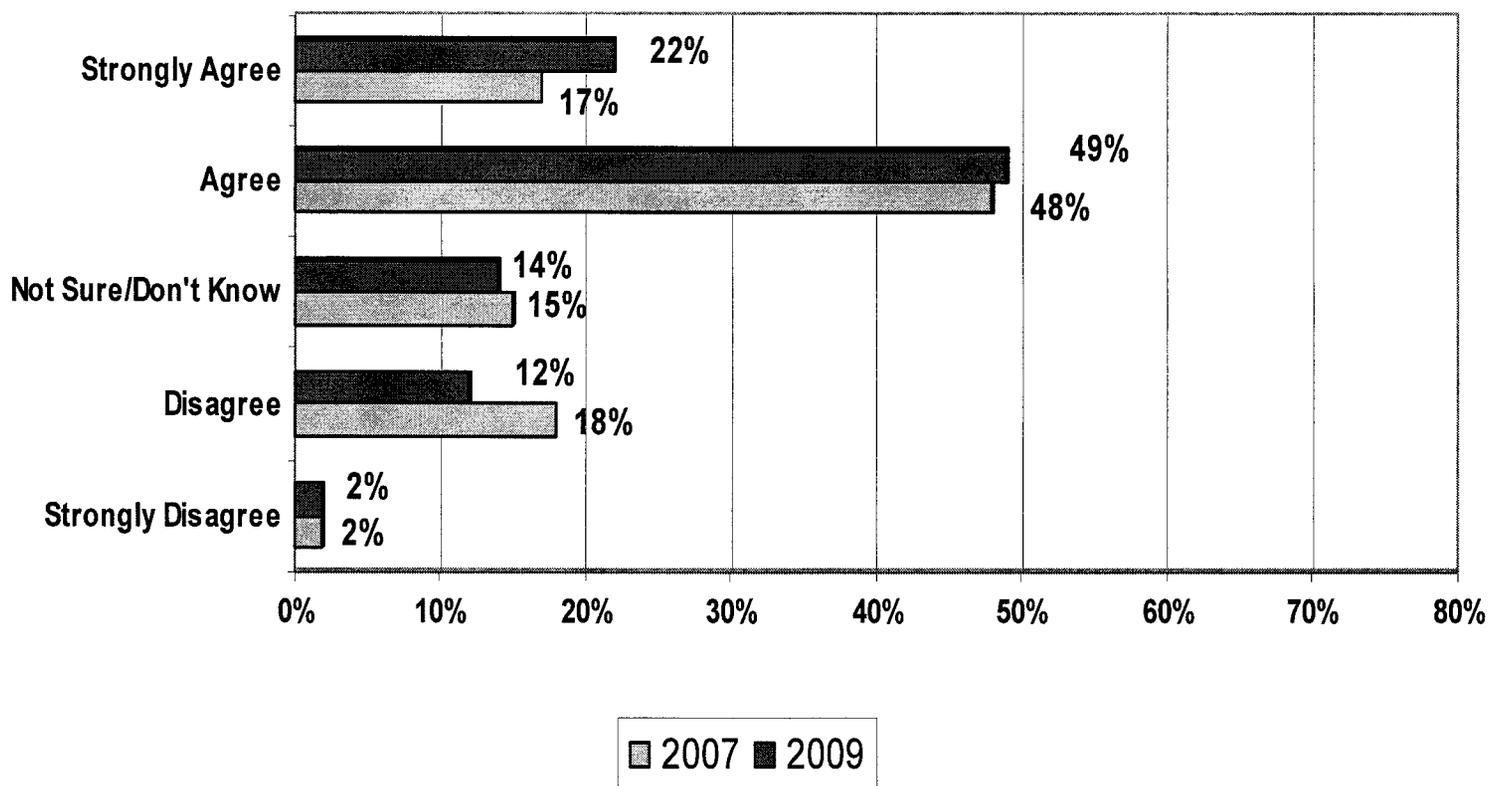
Board of Directors Meeting

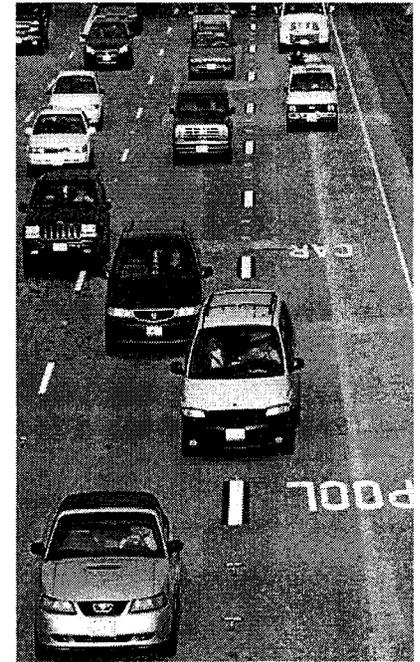
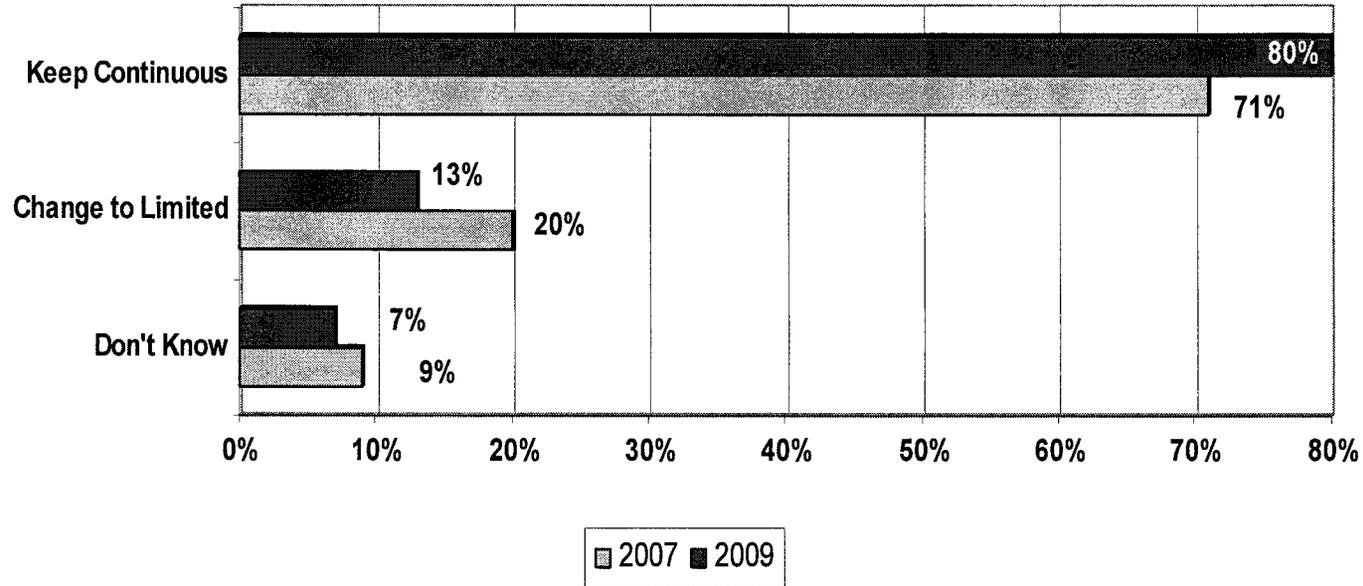
July 27, 2009

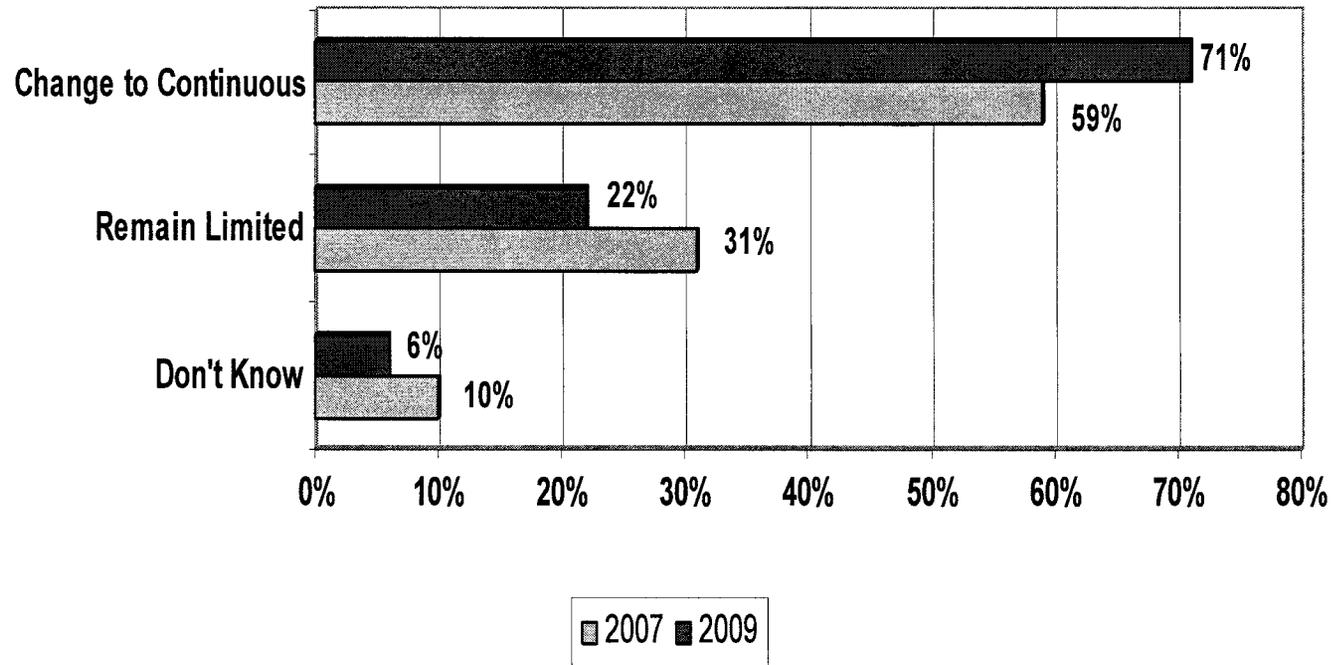
- **Conducted November 2008 – January 2009**
- **1,091 households**
- **Plus/minus 3 percent accuracy at a 95 percent confidence level**
- **Sample based geographically**
- **Linked to origin/destination data**

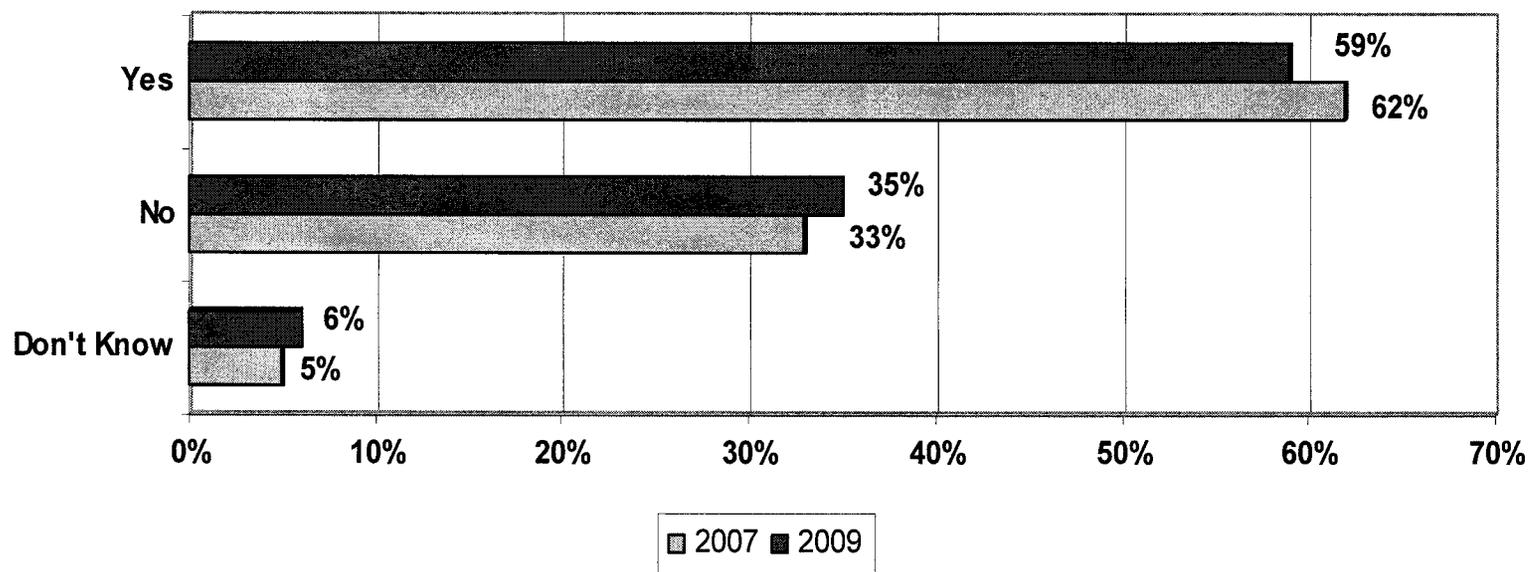
- **Awareness**
- **Safety**
- **Ease of use, Productivity**
- **Views on policy issues**
 - **maintaining continuous access**
 - **expanding continuous access**
 - **peak hours and off-peak hour**











Issue	2007	2009	Point Change
Awareness of Continuous Access	42%	49%	+7 points
Improves Safety	64%	71%	+7 points
Support continuous access on SR-22	71%	80%	+9 points
Support continuous access on other freeways	59%	71%	+12 points
Support off-peak usage of lanes by all	62%	59%	-3 points



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