



**Measure M**  
**Taxpayers Oversight Committee**  
at the Orange County Transportation Authority  
600 S. Main Street, Orange CA  
August 12, 2008  
6:00 p.m.



**AGENDA**

- 1. Welcome**
- 2. Pledge of Allegiance**
- 3. Approval of Minutes/Attendance Report for June 12, 2008**
- 4. Chairman's Report**
- 5. Co-Chair Election – *continued from June 12, 2008***
- 6. Action Items – *continued from June 12, 2008***
  - A. Quarterly Measure M Revenue and Expenditure Report – March 2008
    - a. Receive and File
  - B. Taxpayers Oversight Committee Mission Statement and By Laws
- 7. Presentation Items**
  - A. Revenue Forecast  
Presentation – Ken Phipps, Director of Finance, Administration & Human Resources
  - B. M2 Website  
Presentation – Ryan Armstrong, Web Developer
  - C. SR-22 Follow-up Report  
Presentation – Tom Bogard, Director of Highway Delivery
  - D. Combined Transportation Funding Programs (CTFP) Call for Projects  
Presentation – Jennifer Bergener, Manager, Local Initiatives
- 8. Growth Management Subcommittee Report**
- 9. Audit Subcommittee Report**
- 10. Committee Member Reports**
- 11. OCTA Staff Update**
- 12. Public Comments\***
- 13. Adjournment**

\*Public Comments: At this time, members of the public may address the Taxpayers Oversight Committee (TOC.) regarding any items within the subject matter jurisdiction of the TOC. provided that no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to five (5) minutes per person and 20 minutes for all comments, unless different time limits are set by the Chairman, subject to the approval of the TOC.

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 business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

# **Measure M Taxpayers Oversight Committee**

**June 10, 2008**

## **Meeting Minutes**

### **Committee Members Present:**

David Sundstrom, County Auditor-Controller, Chairman  
Greg Moore, Third District Representative  
Rose Coffin, Fourth District Representative  
Gilbert Ishizu, Second District Representative  
Merlin Henry, Third District Representative

### **Committee Members Absent:**

Narinder Mahal, First District Representative  
Charles Smith, First District Representative  
Brooks Corbin, Second District Representative  
James Kelly, Fifth District Representative  
Richard Gann, Fifth District Representative  
Frederick Von Coelin, Fourth District Representative

### **Orange County Transportation Authority Staff Present:**

Monte Ward  
Ellen Burton  
Ken Phipps  
Darrell Johnson  
Alice Rogan  
Kelly Hart  
Andrea West  
Sarah Swensson  
Ryan Maloney

### **Members of the Public**

None.

#### **1. Welcome by Chairman Sundstrom**

Chairman Sundstrom called the meeting to order at 6:05 p.m. David Sundstrom noted that the committee did not have enough members to meet quorum, so the committee would hear presentation items first to allow more committee members to arrive.

#### **2. Pledge of Allegiance**

The Pledge of Allegiance was performed.

#### **3. Approval of Minutes**

Moved to next meeting due to lack of quorum.

#### **4. Chairman's Report**

None to report.

#### **5. Co-Chair Election**

Alice Rogan said that the committee could make recommendations to be taken to the next meeting due to the lack of quorum. Gilbert Ishizu volunteered to continue as Co-Chair. Alice noted that this item would appear on the next agenda.

#### **6. Subcommittee Selection**

Gilbert Ishizu and Rose Coffin both chose to stay on the growth management subcommittee.

#### **7. Action Items**

##### **A. Quarterly Measure M Revenue and Expenditure Report – March 2008**

- a. Receive and File – *continued until next meeting due to lack of quorum.*

##### **B. Taxpayers Oversight Committee Mission Statement and By-Laws**

David Sundstrom suggested that the mission statement should use more active rather than future tense and suggested some grammatical changes. Alice said she would make the changes and bring it back to the committee for approval.

#### **8. Presentation Items**

##### **A. Go Local**

Darrell Johnson, Transit Project Delivery Director, presented an update to the committee on the Go Local program. The Go Local program recently completed Phase One and is beginning Phase Two. The Go Local program currently has \$25.4 million available. A total of 21 projects has been submitted and screened against Board criteria. On May 12, the Board approved \$5.9 million for further study of each fixed guideway proposal. The cities with fixed guideway applications include Anaheim and Santa Ana / Garden Grove. All cities must perform alternatives analysis to consider other options. Irvine's fixed guideway application has been included in Go Local Phase Two.

Gilbert Ishizu asked if the allocation to each city had been increased to \$5.9 million or if this was additional funding. Darrell said yes, this is an additional \$5.9 million for both Anaheim and Santa Ana / Garden Grove.

Greg Moore asked how resistant trains were to earthquakes. Darrell said that the trains and rail facilities were built to accommodate earthquakes, based on incorporating area seismic standards.

David Sundstrom asked if the committee should be concerned with the lack of city participation in Phase One. Darrell said that all 34 Orange County cities have agreed to participate, but not all have submitted final reports. David asked if the report deadline would be extended. Darrell said there was a request from four cities to extend the deadline, which would be considered by the 2020 committee.

Darrell said that staff was encouraging these cities to submit their final reports by the deadline since the 2020 committee was not inclined to extend the deadline.

*B. Metrolink Major Service Expansion Program Update*

David Sundstrom asked about the details of the next major Metrolink service expansion. Darrell said that track and infrastructure improvements would begin early construction in 2009. Right of way acquisitions in Fullerton and Anaheim are currently in negotiations with property owners. A new parking structure will be completed at Irvine Metrolink Station in fall 2008. A total of 59 new passenger cars will begin arriving in March 2009 and the first locomotive unit has already been put into service. Metrolink is onsite to monitor the testing of these new passenger units. Darrell said that a full program update on grade crossing enhancements and quiet zones will be coming to the TOC and the OCTA Board at a later date.

Greg Moore asked what environmental technology was used in the new "green" locomotive and how much cleaner it was compared to existing units. Darrell said the new locomotive unit had fewer emissions, provided more power versus its weight. The locomotive uses a low sulphur diesel fuel. Darrell said that the new unit was an improvement over rebuilt diesel locomotives that would have been available sooner, but was not as clean as electrified rail systems.

Greg Moore asked about the relative safety of travel in trains versus automobiles. Darrell said that the new train cars were built with crash energy management systems and crumple zones. The new cars will be intermixed with existing cars throughout the fleet.

*C. M2 Early Action Plan Quarterly Update*

Monte Ward, Director of Special Projects, presented a one year update on the early action plan for Renewed Measure M and directed committee members to the OCTA website for the quarterly report. The highways program is on track, despite a different environment than expected with a slow economy and high fuel prices. Due to the economic environment, there are more construction firms looking for work leading to increased bid competition. Tracking by the Orange County Business Council and UCI shows that the public sector is investing, while the private sector is not. Monte said that right of way acquisition is likely to benefit from reduced costs. Overall, fuel prices are increasing, but they are offset by reduced costs. The San Diego Freeway (I-405) project is currently in the environmental phase and OCTA is communicating with the involved cities to address community impacts and increased highway capacity.

Monte said that the Streets and Roads Program's Signal Synchronization projects have received state funding for 10 additional road segments in addition to two pilot programs. One of the pilot programs, Euclid Ave, has show significant improvements. A consultant is ready to develop a master plan for signal

synchronization which will include a framework for managing signal synchronization.

Monte discussed the two Renewed Measure M environmental programs which address water quality and freeway mitigation. The Board has asked both committees to move ahead as part of the Early Action plan to speed up property acquisition and land improvement efforts. Because of the cost savings of early action, the freeway mitigation committee is trying to establish agreements with resource agencies within the next six to 12 months. The water quality committee is working towards a competitive award process beginning in 2009 with an early focus on catch basins. This early focus on catch basins and filtration systems is due to their high cost effectiveness. This will also allow the committee additional time to develop a more advanced capital project program.

Monte said that the Renewed Measure M readiness study early findings predict an impact on services due to increased commodities prices. The study also shows a shortage of mid-level project managers and civil engineers. Additional workforce development and retraining is needed for these positions. Feedback on the Early Action program and the desirability of working on Orange County projects has been positive. Monte said that resource agencies are concerned about processing projects in a timely manner due to a lack of staffing. Monte said that OCTA may need to ensure with Caltrans that agencies are staffed to respond to projects.

Monte said that early reports on sales tax revenues show a decrease but it is not as severe as expected. Current projections are being revised to reflect economic conditions and possible disaster scenarios of flat growth for four to five years. There may be impacts to projects.

Merlin Henry asked what effect the current state financial situation would have on state funding for OCTA and any impact over the next three to four fiscal years. Monte said that the impact would be based on fiscal agreements by the governor which may reduce funding, particularly gas tax revenues. The current windfall of fuel taxes may be withheld and moved to general funds by the state. Monte noted that the governor seems to have already set the maximum amount of cuts and future financial agreements may be more moderate. The state transit improvement program can expect a slowdown in flow of funds since Caltrans takes money off the top of the fund.

Merlin Henry asked if a resolution had been passed to protect transportation funds. Monte said that there were various ways around the resolution while the funds couldn't be taken outright. He noted that funds may be tight; however, Measure M and Proposition 1B funding continues.

Greg Moore asked what contaminants would be removed by pre-filtering road runoff. Monte said that pre-filtering would remove trash and automobile

components and would help in later filtering of heavy metals, fertilizers and other runoff.

Greg Moore asked about the benefits to keeping the ocean clean by filtering runoff. Monte said that the roads are conduits for water to the ocean and that early action would be most beneficial. He noted the cities and county are under a court order to clean water and that may be linked to the road and freeway system.

#### **9. Growth Management Subcommittee Report**

Merlin Henry said there was no report from the Growth Management Subcommittee.

#### **10. Audit Subcommittee Report**

David Sundstrom said that he had reviewed the quarterly budget and revenue reports and barring an earthquake or disaster, OCTA would be able to complete Measure M. He reported that there was a \$20 million separation from worst case projections and that the committee needed to track closely.

#### **11. Committee Member Reports**

David Sundstrom commented on the importance of attending committee meetings and committee members calling in if they were unable to attend.

#### **12. OCTA Staff Update**

Alice Rogan reported that Merlin Henry would be leaving the TOC and his volunteer position on the Environmental Oversight Committee (EOC). The Renewed Measure M ordinance requires one representative from the TOC be on the EOC. She asked the committee for a volunteer to fill the vacancy on the EOC, but said she would wait until the next meeting. Monte said that the EOC meets twice a month between the main committee and any subcommittees.

Alice Rogan said that the Garden Grove Freeway (SR-22) closeout report has not been presented the Board yet, but she will bring it to the committee in the future. Alice reported that the TOC recruitment process by the Grand Jurors Association had concluded and 15 representatives had been selected for three openings. The final selections will be made by lottery at the Board meeting on June 23. Alice thanks departing committee members are Brooks Corbin, Merlin Henry and Greg Moore.

#### **13. Public Comments**

None to report.

#### **14. Adjournment**

The meeting adjourned at 6:56 p.m.



# Taxpayers Oversight Committee

## Fiscal Year 2007-2008

### Attendance Record



X = Present    E = Excused Absence    \* = Absence Pending Approval    U = Unexcused Absence    -- = Resigned

Meeting Date	10-Jul	28-Aug	11-Sep	9-Oct	13-Nov	11-Dec	8-Jan	12-Feb	11-Mar	8-Apr	13-May	10-Jun
Rose Coffin		X		X		X		E		X		X
Brooks Corbin		E		X		E		X		X		?
Richard Gann		X		E		X		X		X		?
Merlin Henry		X		X		X		X		X		X
Gilbert Ishizu		X		X		X		X		X		X
James Kelly		X		X		X		X		X		?
Narinder Mahal		X		X		X		E		X		*
Greg Moore		X		X		X		X		X		X
Chuck Smith		X		X		X		X		E		*
David Sundstrom		X		X		X		X		X		X
Frederick von Coelin		X		X		X		X		E		*

### Absences Pending Approval

Meeting Date	Name	Reason
June 10, 2008	Chuck Smith	Sick
June 10, 2008	Frederick von Coelin	Appointment
June 10, 2008	Narinder Mahal	Out of Country
June 10, 2008	Brooks Corbin	?
June 10, 2008	Richard Gann	?
June 10, 2008	Jim Kelly	? Conf.

# *Action Items*



**Measure M**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**as of March 31, 2008**

(\$ in thousands)	Quarter Ended Mar 31, 2008	Year to Date Mar 31, 2008	Period from Inception to Mar 31, 2008
	(A)		(B)
<b>Revenues:</b>			
Sales taxes	\$ 67,126	\$ 195,461	\$ 3,268,135
Other agencies share of Measure M costs			
Project related	(1,877)	(772)	381,413
Non-project related	517	517	614
Interest:			
Operating:			
Project related	67	140	752
Non-project related	9,651	21,785	215,742
Bond proceeds	-	-	136,067
Debt service	3,380	4,534	75,072
Commercial paper	26	102	6,013
Orange County bankruptcy recovery	-	-	42,268
Capital grants	720	1,900	131,573
Right-of-way leases	244	457	4,232
Miscellaneous	-	-	801
<b>Total revenues</b>	<b>79,854</b>	<b>224,124</b>	<b>4,262,682</b>
<b>Expenditures:</b>			
Supplies and services:			
State Board of Equalization (SBOE) fees	689	1,983	48,282
Professional services:			
Project related	4,443	7,655	143,744
Non-project related	844	1,583	26,556
Administration costs:			
Project related	331	1,427	15,226
Non-project related	1,485	4,021	71,180
Orange County bankruptcy loss	-	-	78,618
Other:			
Project related	10	43	1,120
Non-project related	83	160	15,206
Payments to local agencies:			
Turnback	14,718	28,175	481,509
Competitive projects	12,764	30,418	459,055
Capital outlay	11,954	31,831	1,847,394
Debt service:			
Principal payments on long-term debt	71,290	71,290	767,400
Interest on long-term debt and commercial paper	8,865	17,782	533,822
<b>Total expenditures</b>	<b>127,476</b>	<b>196,368</b>	<b>4,489,112</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(47,622)</b>	<b>27,756</b>	<b>(226,430)</b>
<b>Other financing sources (uses):</b>			
Transfers out:			
Project related	(152)	(1,152)	(251,520)
Non-project related	-	-	(5,116)
Transfers in project related	561	609	2,277
Proceeds on sale of capital assets	537	1,610	19,208
Bond proceeds	-	-	1,169,999
Advance refunding escrow	-	-	(931)
Payment to refunded bond escrow agent	-	-	(152,930)
<b>Total other financing sources (uses)</b>	<b>946</b>	<b>1,067</b>	<b>780,987</b>
<b>Excess (deficiency) of revenues over (under) expenditures and other sources (uses)</b>	<b>\$ (46,676)</b>	<b>\$ 28,823</b>	<b>\$ 554,557</b>

See accompanying notes to Measure M Schedules

**Measure M**  
**Schedule of Calculations of Net Tax Revenues and Net Bond Revenues (Debt Service)**  
**as of March 31, 2008**

(\$ in thousands)	Quarter Ended Mar 31, 2008 (actual)	Year Ended Mar 31, 2008 (actual)	Period from Inception through Mar 31, 2008 (actual)	Period from April 1, 2008 through March 31, 2011 (forecast)	Total
	(C.1)	(D.1)	(E.1)	(F.1)	
<b>Tax revenues:</b>					
Sales taxes	\$ 67,126	\$ 195,461	\$ 3,268,135	\$ 938,208	\$ 4,206,343
Other agencies share of Measure M costs	517	517	614	-	614
Operating interest	9,651	21,785	215,742	24,758	240,500
Orange County bankruptcy recovery	-	-	20,683	-	20,683
Miscellaneous	-	-	801	-	801
Total tax revenues	77,294	217,763	3,505,975	962,966	4,468,941
<b>Administrative expenditures:</b>					
SBOE fees	689	1,983	48,282	8,560	56,842
Professional services, non-project related	825	1,510	17,791	4,891	22,682
Administration costs, non-project related	1,485	4,021	71,180	17,210	88,390
Operating transfer out, non-project related	-	-	5,116	-	5,116
Orange County bankruptcy loss	-	-	29,792	-	29,792
Other, non-project related	83	160	6,107	4,844	10,951
	3,082	7,674	178,268	35,505	213,773
<b>Net tax revenues</b>	<b>\$ 74,212</b>	<b>\$ 210,089</b>	<b>\$ 3,327,707</b>	<b>\$ 927,461</b>	<b>\$ 4,255,168</b>
	(C.2)	(D.2)	(E.2)	(F.2)	
<b>Bond revenues:</b>					
Proceeds from issuance of bonds	\$ -	\$ -	\$ 1,169,999	\$ -	\$ 1,169,999
Interest revenue from bond proceeds	-	-	136,067	-	136,067
Interest revenue from debt service funds	3,380	4,534	75,072	9,837	84,909
Interest revenue from commercial paper	26	102	6,013	-	6,013
Orange County bankruptcy recovery	-	-	21,585	-	21,585
Total bond revenues	3,406	4,636	1,408,736	9,837	1,418,573
<b>Financing expenditures and uses:</b>					
Professional services, non-project related	19	73	8,765	-	8,765
Payment to refunded bond escrow	-	-	153,861	-	153,861
Bond debt principal	71,290	71,290	767,400	236,555	1,003,955
Bond debt interest expense	8,865	17,782	533,822	28,811	562,633
Orange County bankruptcy loss	-	-	48,826	-	48,826
Other, non-project related	-	-	9,099	-	9,099
Total financing expenditures and uses	80,174	89,145	1,521,773	265,366	1,787,139
<b>Net bond revenues (debt service)</b>	<b>\$ (76,768)</b>	<b>\$ (84,509)</b>	<b>\$ (113,037)</b>	<b>\$ (255,529)</b>	<b>\$ (368,566)</b>

See accompanying notes to Measure M Schedules

Measure M  
Schedule of Revenues and Expenditures Summary  
as of March 31, 2008

Project Description (G)	Net Tax Revenues Program to date Actual (H)		Total Net Tax Revenues (I)	Project Budget (J)	Estimate at Completion (K)	Variance Total Net Tax Revenues to Est at Completion (L)		Budget to Est at Completion (M)	Expenditures through Mar 31, 2008 (N)	Reimbursements through Mar 31, 2008 (O)	Net Project Cost (P)	Percent of Budget Expended (Q)																		
Freeways (43%)																														
I-5 between I-405 (San Diego Fwy) and I-605 (San Gabriel Fwy)	\$	785,110	\$	1,003,928	\$	810,010	\$	804,897	\$	199,031	\$	5,113	\$	79,705	\$	687,826	84.9%													
I-5 between I-5/I-405 Interchange and San Clemente		56,157		71,808		57,836		60,030		11,778		(2,194)		70,173		10,358	103.4%													
I-5/I-405 Interchange		71,276		91,141		72,802		73,075		18,066		(273)		98,157		25,082	100.4%													
S.R. 55 (Costa Mesa Fwy) between I-5 and S.R. 91 (Riverside Fwy)		47,517		60,761		44,511		50,196		10,565		(5,685)		55,355		6,172	110.5%													
S.R. 57 (Orange Fwy) between I-5 and Lambert Road		41,038		52,475		46,128		44,596		7,879		1,532		25,769		2,859	49.7%													
S.R. 91 (Riverside Fwy) between Riverside Co. line & Los Angeles Co. line		102,594		131,188		116,136		105,666		25,522		10,470		123,939		18,606	90.7%													
S.R. 22 (Garden Grove Fwy) between S.R. 55 and Valley View St.		327,220		418,420		249,325		253,991		164,429		(4,666)		535,806		286,158	100.1%													
Subtotal Projects													1,676,730	428,940	1,247,790															
Net (Bond Revenue)/Debt Service													304,434		304,434															
Total Freeways																														
%													1,430,912	\$	1,829,721	\$	1,706,896	\$	1,702,599	\$	127,122	\$	4,297	\$	1,981,164	\$	428,940	\$	1,552,224	51.4%
Regional Street and Road Projects (11%)																														
Smart Streets	\$	125,502	\$	160,481	\$	158,085	\$	158,085	\$	2,396	\$	-	\$	139,871	\$	3,489	\$	136,382	86.3%											
Regionally Significant Interchanges		73,210		93,614		93,614		93,614		-		-		49,770		146		49,624	53.0%											
Intersection Improvement Program		104,585		133,734		133,734		133,734		-		-		64,239		56		64,183	48.0%											
Traffic Signal Coordination		52,293		66,867		66,867		66,867		-		-		39,766		132		39,634	59.3%											
Transportation Systems Management and Transportation Demand Management		10,459		13,373		13,373		13,373		-		-		7,171		149		7,022	52.5%											
Subtotal Projects													300,817	3,972	296,845															
Net (Bond Revenue)/Debt Service													2,352		2,352															
Total Regional Street and Road Projects																														
%													366,049	\$	468,069	\$	468,069	\$	-	\$	303,169	\$	3,972	\$	299,197	9.9%				

**Measure M**  
**Schedule of Revenues and Expenditures Summary**  
**as of March 31, 2008**

Project Description (G)	Net Tax Revenues Program to date Actual (H)	Total Net Tax Revenues (I)	Project Budget (J)	Estimate at Completion (K)	Variance		Expenditures through Mar 31, 2008 (N)	Reimbursements through Mar 31, 2008 (O)	Net Project Cost (P)	Percent of Budget Expended (Q)
					Total Net Tax Revenues to Est at Completion (L)	Project Budget to Est at Completion (M)				
Local Street and Road Projects (21%)										
Master Plan of Arterial Highway Improvements	\$ 115,022	\$ 174,949	\$ 174,949	\$ 174,949	\$ -	\$ -	\$ 71,653	\$ 99	\$ 71,554	40.9%
Streets and Roads Maintenance and Road Improvements	483,797	618,636	618,636	618,636	-	-	481,525	-	481,525	77.8%
Growth Management Area Improvements	100,000	100,000	100,000	100,000	-	-	65,806	431	65,375	65.4%
Subtotal Projects	698,819	893,585	893,585	893,585	-	-	618,984	530	618,454	
Net (Bond Revenue)/Debt Service							-		-	
Total Local Street and Road Projects	\$ 698,819	\$ 893,585	\$ 893,585	\$ 893,585	\$ -	\$ -	\$ 618,984	\$ 530	\$ 618,454	
%				21.6%					20.5%	
Transit Projects (25%)										
Pacific Electric Right-of-Way	\$ 16,102	\$ 20,590	\$ 15,000	\$ 14,000	\$ 6,590	\$ 1,000	\$ 16,280	\$ 2,496	\$ 13,784	91.9%
Commuter Rail	296,669	384,928	373,522	383,110	1,818	(9,588)	350,175	60,553	289,622	77.5%
High-Technology Advanced Rail Transit	364,974	466,696	452,868	464,580	2,116	(11,712)	60,268	6,260	54,008	11.9%
Elderly and Handicapped Fare Stabilization	20,000	20,000	20,000	20,000	-	-	16,010	-	16,010	80.1%
Transitways	134,182	171,579	146,381	126,081	45,498	20,300	160,284	36,687	123,597	84.4%
Subtotal Projects	831,927	1,063,793	1,007,771	1,007,771	56,022	-	603,017	105,996	497,021	
Net (Bond Revenue)/Debt Service			56,022	56,022	(56,022)	-	54,990		54,990	
Total Transit Projects	\$ 831,927	\$ 1,063,793	\$ 1,063,793	\$ 1,063,793	\$ -	\$ -	\$ 658,007	\$ 105,996	\$ 552,011	
%				25.8%					18.3%	
Total Measure M Program										
	\$ 3,327,707	\$ 4,255,168	\$ 4,132,343	\$ 4,128,046	\$ 127,122	\$ 4,297	\$ 3,561,324	\$ 539,438	\$ 3,021,886	

See accompanying notes to Measure M Schedules

# **Measure M**

## **Taxpayers Oversight Committee**

### **Mission Statement**

**The Mission of the Taxpayers Oversight Committee (TOC) is to ensure Measure M is being implemented as outlined by the Measure M Ordinances approved by the voters of Orange County.**

### **General Duties**

The Taxpayer Oversight Committee (TOC) has been established to provide an enhanced level of accountability for expenditure of sales tax revenues generated under the Measure M Ordinance. The Committee helps to ensure that there is adherence to all voter mandates identified in Measure M Ordinances No. 1 and No. 2.

The Mission of the TOC is to ensure Measure M is being implemented as outlined by the Ordinances and approved by the voters of Orange County. The TOC reviews expenditures in sufficient detail to ensure that all expenditures made or forecasted are in compliance with the provisions of Measure M. The TOC ensures that all projects defined under Measure M are proceeding in accordance with the plan, and that amendments are made in accordance with the plan, and obtaining taxpayer approval if required.

Measure M incorporates annual independent audits, budgetary safeguards, and performance reporting by all recipients of Measure M funds.

The TOC has developed policies and procedures sufficient to carry out its mission. In addition to reviewing the annual audits and other agency performance reports, the TOC holds public hearings annually to determine if the OCLTA is proceeding in accordance to plan, and the Chairman will annually certify such compliance.

## **Measure M Taxpayers Oversight Committee**

### **Responsibilities, Operating Practices, Objectives and Procedures**

#### **Background**

The renewed Measure M (M2) is the continuation of the Traffic Improvement and Growth Management Plan (M1) initially approved by Orange County voters in November 1990. The combined measures raise the sale tax in Orange County by one-half cent for a total period of 50 years to alleviate traffic congestion. Approximately \$4.2 billion is estimated to be raised under the original Measure M and approximately \$12.0 billion is anticipated under the renewed Measure M. The Measure M Program is administered by the Orange County Transportation Authority (OCTA) and funds specific voter-approved transportation projects for freeway improvements, local street and road improvements and rail and transit program specified in the initial plan, and the renewed plan.

In order to ensure that the programs and projects undertaken are those approved by the voters, Measure M incorporates a set of strong taxpayer safeguards to ensure that promises made in the Plan are kept. They include an annual independent audit and report to the taxpayers; ongoing monitoring and review of spending by an independent taxpayer oversight committee; requirement for full public review and update of the Plan every 10 years; voter approval for any major changes to the Plan; strong penalties for any misuse of funds and a strict limit of no more than one percent for administrative expenses.

Measure M requires that an independent Taxpayer Oversight Committee (TOC) ensure the integrity of the measures by acting as watchdog over the expenditures specified in the revised Traffic Improvement and Growth Management Plan.

The annual audits, and annual reports detailing project progress, will be made available to the Orange County taxpayers every year. The TOC can raise fiscal issues, ask tough questions, and must independently certify, on an annual basis, that transportation dollars have been spent strictly according to the Renewed Measure M Investment Plan.

These and other important taxpayer safeguards are all designed to insure the integrity of the voter authorized plans. Each is focused on one goal: guaranteeing that new transportation dollars are devoted to solving Orange County's traffic problems and that no transportation dollars are diverted to anything else.

## Responsibilities

The Taxpayers Oversight Committee (TOC) is hereby charged with the following duties and responsibilities:

Based upon the policies previously adopted by the original Measure M Citizens Oversight Committee in 1991, the TOC shall update such procedural rules and regulations as are necessary to govern the conduct of TOC meetings, including, but not limited to, those governing the calling, noticing and location of the TOC meeting, as well as TOC quorum requirements and voting procedures. The TOC may select its own officers, including, but not limited to, a TOC co-chairman who will be the primary spokesman for the TOC. The rules and regulations shall outline responsibilities both common and unique to M1 and M2.

### Responsibilities Common to M1 and M2:

- The TOC shall approve, by 2/3 vote, any amendments proposed by the Authority to the Expenditure Plan or any portions of the Plan which could change the funding categories, programs or projects identified on page 18 of the M1 Plan and page 31 of the M2 Plan.
- The TOC shall hold an annual public hearing to determine whether the Authority is proceeding in accordance with the Plans. In addition, the TOC may issue reports, from time to time, on the progress of the transportation projects described in the Plan.
- The Chair shall annually certify whether the Revenues have been spent in compliance with the Plans.
- Except as otherwise provided by the Ordinance, the Taxpayers Committee may contract, through the Authority, for independent analysis or examination of issues within the TOC's purview, including a performance audit of the Authority. The TOC may also, through the Authority, hire staff to assist the TOC in discharging its duties here under.
- The TOC may submit a written request to the Authority to explain any perceived deviations from the Plan. The Authority's chairman must respond to such request, in writing, within sixty (60) days after receipt of the same.

### M1 Responsibilities:

- The TOC shall review the growth management plan for each jurisdiction solely to determine if the plan prepared and certified by each jurisdiction includes the elements specified in the countywide Growth Management Program.
- The TOC shall use a checklist to determine if the Growth Management Program; has:
  - a. Specified traffic level of services standard;

- b. Adopted planning standards for the fire, police, library, flood control, parks and open space, and other locally determined needs;
- c. Adopted a development mitigation program;
- d. Adopted a development phasing program;
- e. Developed a seven-year capital improvement program;
- f. Participated in inter-jurisdictional planning forums;
- g. Addressed a balancing of housing options and job opportunities;
- h. Adopted a transportation systems management ordinance.

A Growth Management Element as required by the Growth Management Program shall be adopted by each local jurisdiction in accordance with the provisions of the California Government Code which governs procedures for adopting elements of a general plan. Neither the Authority's nor TOC's review here under shall include a determination as to the adequacy of such Growth Management Elements and Components thereof. Each jurisdiction shall determine the adequacy of its Growth Management Element, and any legal challenge to such adequacy shall be brought against such jurisdiction in a accordance with the provisions of statutes and cases law governing legal challenges to the adequacy of general plan elements.

Once the TOC has reviewed the growth management, it shall forward its findings to the Authority. If the Authority determines that the checklist is fulfilled, and the requirements of the Policy Resolutions and the Ordinance are met, the Retail Tax Revenues shall be allocated to the jurisdiction pursuant to the Ordinance.

- The TOC shall place on each jurisdiction's development of a seven-year capital improvement program and shall ensure that all expenditures proposed in a jurisdiction's seven-year capital improvement program conform with the transportation purpose identified in the Policy Resolution No. 3.

#### M2 Responsibilities

- The TOC shall receive and review the following documents submitted by each Eligible Jurisdiction:
  1. Congestion Management Program;
  2. Mitigation Fee Program;
  3. Expenditure Report
  4. Local Traffic Signal Synchronization Plan; and
  5. Pavement Management Plan.
- The TOC shall receive and review the performance assessment conducted by the authority at least once every three years to review the performance of the authority in carrying out the purposes of the M2 Ordinance.



**MEASURE M**  
**TAXPAYERS OVERSIGHT COMMITTEE**  
**A Committee of**  
**THE ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY**

**COMMITTEE OPERATION POLICIES AND PROCEDURES**

**ADOPTED: JUNE 11, 1991**  
**REVISED: APRIL 8, 2008**

COMMITTEE PURPOSE

Local Transportation Ordinance Nos. 2 and 3 empowered the independent Taxpayers Oversight Committee (TOC), with a Chairman elected by all Orange County voters, to guarantee that all funds generated by Measure M would be used only for specified transportation purposes. In order to eliminate redundancy and to facilitate the transition, Ordinance #3 also specified that the TOC could assume the Responsibilities of the COC that was established under Ordinance #2.

COMMITTEE OPERATING POLICY

The TOC shall conduct its operations in the context of two basic policies:

Independence

The Taxpayers Oversight Committee, recognizing its responsibility to the citizens of Orange County, shall conduct its operations in a manner to ensure its independence.

Timeliness

Recognizing that the development and implementation of THE PLAN is a complex effort involving many agencies and jurisdictions and that, in such an undertaking, unnecessary delays in taking decisions and actions inevitably result in the wasting of scarce resources; the Committee shall make every effort to anticipate events which might require Committee action and to expedite the required action to the end that no required TOC reviews and approvals are unnecessarily delayed.

OPERATING PROCEDURES

Data Gathering

The TOC requires two basic categories of data:

#### GENERAL:

- Operating policies and procedures of the LTA that relate to the allocation and recording the expenditure of Measure M funds.

#### SPECIFIC:

- The Measure M Quarterly Revenue and Expenditure Report.
- Project Plans: These are the plans describing the Freeway, Regional Street and Road, Local Street and Road, and Transit projects to be undertaken by the Local Transportation Authority and funded, at least in part, by Measure M sales tax revenues. The TOC requires general project description, timeliness, and funding plans for each..
- Local Jurisdiction Growth Management Plans: These are the plans to be prepared by each jurisdiction in accordance with the Checklist for Countywide Traffic Improvement and Growth Management Plan Compliance.

The TOC shall be provided both categories of data in a timely fashion through the Local Transportation Authority staff; the Office of External Affairs having been established as the principal point of contact.

The LTA staff has the responsibility to provide the TOC with the following:

- Copies of all relevant Measure M staff reports submitted to the Local Transportation Authority.
  - All LTA agendas, staff reports and minutes are available for members to review online.
  - Staff will provide additional reports as requested by committee members.
- Formal notification of any action anticipated, or taken, by the LTA which might not be in accordance with THE PLAN.

#### Review and Evaluation

In the broadest sense, the Taxpayers Oversight Committee shall undertake such financial and performance audits as it considers necessary to ensure that the overall administrative policies and procedures of the LTA, with respect to the use of Measure M funds, are proper and the recording thereof is adequate and proper. To this end, an Audit Subcommittee of the TOC has been established to conduct the required audits in accordance with agreed-upon policies and procedures. Findings, conclusions, and recommendations of the Audit Subcommittee will be submitted to the full TOC for final action as required.

When determined to require TOC action, specific items will be assigned, immediately upon receipt of the pertinent data, to individual committee members of subcommittees of the whole Committee as appropriate, for review and evaluation. The assignees (individuals or subcommittees) will conduct the required review and evaluation and present findings,

conclusions and recommendations to the whole Committee at its next regularly scheduled meeting.

In its role as a representative of the Citizens of Orange County, the TOC may, on occasion, review and forward its position to the LTA on any Measure M issue requiring resolution between the LTA and third parties.

Regular meetings of the TOC are held on the second Tuesday of every other month. Special meetings of the whole Committee may be convened if required to ensure timely processing.

Committee meetings are conducted in accordance with Robert's Rules of Order.

If and when circumstances dictate, as provided by Section V.E. of Policy Resolution No. 1 of Ordinance No. 2, the Committee will contract through the LTA for the services of outside consultants for independent analysis or examination of issues within its purview.

Under M2

- The TOC shall receive and review the performance assessment conducted by the authority at least once every three years to review the performance of the authority in carrying out the purposes of the M2 Ordinance
  - The TOC shall participate in the review of the audit scope and the selection of the consultant to perform the audit.
- The TOC shall be presented with the 10-Year Comprehensive Program Review results and recommendations.

#### Committee Findings, Conclusions, and Recommendations

Upon hearing the results of each specific item review and evaluation, the whole Committee will develop its statement of findings, conclusions, and recommendations to be forwarded to the Local Transportation Authority.

In the event an amendment to THE PLAN is involved, a 2/3 vote is required.

In all other cases, a simple majority vote is required.

Upon request of the preparer, minority reports may be forwarded with the Committee report.

# *Presentation Items*



## BOARD COMMITTEE TRANSMITTAL

**June 23, 2008**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board *WK*  
**Subject:** 2007 Combined Transportation Funding Program Call for Projects

### Highways Committee Meeting of June 16, 2008

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

### **Committee Vote**

This item was passed by all Committee Members present.

### **Committee Recommendations**

- A. Approve the recommended funding allocations for the 2007 Combined Transportation Funding Program call for projects in the categories of Intersection Improvement Program, Signal Improvement Program, Transportation Demand Management, and Growth Management Area.
- B. Authorize staff to amend the Regional Transportation Improvement Program as necessary to facilitate the programming recommended above.
- C. Authorize the Chief Executive Officer to execute all necessary agreements and amendments with local agencies to facilitate the programming recommended above.



**June 16, 2008**

**To:** Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** 2007 Combined Transportation Funding Program Call for Projects

### **Overview**

The Orange County Transportation Authority issued a Combined Transportation Funding Program call for projects in December 2007. This call for projects made funds available for streets and roads projects through four programs. A priority list of projects recommended for funding is presented for Board of Directors review and approval.

### **Recommendations**

- A. Approve the recommended funding allocations for the 2007 Combined Transportation Funding Program call for projects in the categories of Intersection Improvement Program, Signal Improvement Program, Transportation Demand Management, and Growth Management Area.
- B. Authorize staff to amend the Regional Transportation Improvement Program as necessary to facilitate the programming recommended above.
- C. Authorize the Chief Executive Officer to execute all necessary agreements and amendments with local agencies to facilitate the programming recommended above.

### **Background**

The Combined Transportation Funding Program (CTFP) is the mechanism the Orange County Transportation Authority (OCTA) uses to award and administer funding for streets and roads projects throughout the County. The CTFP encompasses the current Measure M streets and roads funding as well as federal sources.

In December 2007, the OCTA Board of Directors (Board) approved updated CTFP guidelines including evaluation criteria and directed staff to issue a call for projects (call). As part of this action, the Board also adopted updated programming guidelines to guide the future programming of funds. These guidelines are summarized in Attachment A. The fund estimate for the call identified \$40.9 million in available funding through four programs: Intersection Improvement Program (IIP), Signal Improvement Program (SIP), Transportation Demand Management (TDM), and Growth Management Area (GMA).

On February 29, 2008, OCTA received 177 project applications from 32 local agencies requesting approximately \$74.8 million in funding. Applications were reviewed for eligibility, consistency, and adherence to guidelines and program objectives consistent with the Board-approved guidelines. Twenty-three applications were found to be ineligible as the project applications did not meet program requirements and/or intent. Programming recommendations were presented to and approved by the Technical Advisory Committee and Technical Steering Committee in May.

### ***Discussion***

The fund estimate for the call was prepared consistent with the most current revenue projections and programming allocations at that time (December 2007). Since then, updated revenue projections have been made available and local agencies have requested various changes to existing project allocations through the semi-annual review process. Based on these changes, staff reviewed the available funding capacity for the call. This review resulted in an overall increase in available funding. This overall change is comprised of a net decrease of available funding capacity for one of the programs and an increase for the other three. The updated funding capacity is shown in the table below:

Program	Funding Capacity as of December 2007	Funding Capacity as of May 2008
IIP	\$ 23,513,400	\$ 23,605,772
SIP	\$ 5,530,543	\$ 6,534,244
TDM	\$ 3,266,269	\$ 3,625,664
GMA	\$ 8,639,710	\$ 8,198,561
TOTAL	\$ 40,949,922	\$ 41,964,241

Consistent with the updated funding capacity, staff has developed a recommended priority list of projects for funding. This recommendation includes 121 projects totaling \$40.5 million. The details of this recommendation are

presented in attachments B through E and a brief description of the recommendation for each program is provided below.

#### **Intersection Improvement Program**

The IIP will provide funds for improvements to congested intersections in the County. Projects funded through the IIP have an unacceptable level of service today and are required to meet a minimum increment of service level improvement. A 20 percent minimum match is required for this program. Thirty-four eligible project applications requesting \$40.4 million were received for this program. Staff recommends programming \$24 million towards 17 projects. This recommendation represents a slight over programming beyond the current fund estimate. It is anticipated that the over programming will be accommodated by adjustments made through the semi-annual reviews.

#### **Signal Improvement Program**

The SIP provides funding for improvements to signal systems including signal coordination, signal timing, and traffic detection. This program promotes improvements that lead to better operation and management of signal systems and traffic congestion relief. The SIP also requires a 20 percent match. Fifty-one eligible project applications requesting \$9.8 million were submitted for consideration. Staff recommends programming 35 projects for a total of \$6.4 million.

#### **Transportation Demand Management**

The TDM provides funding for projects that encourage the use of alternative modes of transportation and result in the reduction of vehicle miles traveled and air pollution. Local agencies submitted four eligible project applications requesting approximately \$2 million. Staff recommends programming \$2 million to fund four projects through the TDM Program. The remaining \$1.6 million in programming capacity is recommended to be held in reserve for the next Transportation Enhancements/Transportation Development Act (TDA) call to augment the TDA program capacity. Possible target project categories may include projects emerging from the countywide bike trail master plan and/or Go Local Program proposals to improve pedestrian access to stations.

#### **Growth Management Area**

The GMA is a locally managed discretionary program intended to fund multi-jurisdictional projects and is often used as a match source for projects



funded through other programs. GMA elected officials prioritize projects within their jurisdictions prior to OCTA Board approval. Sixty-five eligible applications requesting \$8.1 million were submitted. Staff recommends programming all of the requested projects. Approximately \$8.1 million will be allocated to fund 65 projects through the GMA.

The table below provides an overall summary of the funding recommendations:

**2007 CTFP Call for Projects Summary (\$ in millions)**

	IIP	SIP	TDM	GMA	Total
Eligible Applications Received	34	51	4	65	154
Eligible Applications Recommended	17	35	4	65	121
Updated Funding Capacity	\$23.6	\$6.5	\$3.6	\$8.2	\$41.9
Amount Requested	\$40.4	\$9.8	\$2	\$8.1	\$74.8
Amount Recommended	\$24	\$6.4	\$2	\$8.1	\$40.5

### **Next Steps**

Once the projects are approved by the Board, existing local agency cooperative agreements with OCTA will be amended to reflect the approved funding levels and years. As necessary, staff will program approved projects in the Regional Transportation Improvement Program.

### **Summary**

Staff has reviewed project applications submitted for the CTFP call and developed a recommended priority list of projects for funding. This recommendation includes funding for approximately 121 projects totaling \$40.5 million in Measure M funds for streets and roads projects throughout the County.

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***Attachments***

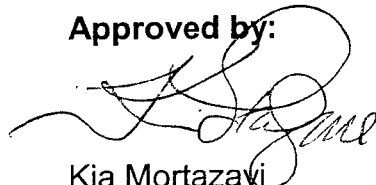
- A. Combined Transportation Funding Program Guidelines (Board of Directors Approved December 2007)
- B. Intersection Improvement Program (IIP) Recommended Funding Allocations - 2007 CTFP Call for Projects
- C. Signal Improvement Program (SIP) Recommended Funding Allocations - 2007 CTFP Call for Projects
- D. Transportation Demand Management (TDM) Recommended Funding Allocations - 2007 CTFP Call for Projects
- E. Growth Management Area (GMA) Recommended Funding Allocations - 2007 CTFP Call for Projects

**Prepared by:**



Jennifer Bergener  
Manager, Capital & Local Programs  
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**Approved by:**



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

Combined Transportation Funding Program Guidelines  
(Board of Directors Approved December 2007)

Any remaining revenues resulting from savings, cancellations, or delays will be utilized to further fund the development activities for the Renewed Measure M (M2) programs (regional capacity and signal synchronization) or to augment the first M2 call for projects.

All Measure M (M1)-funded projects must have contracts awarded against them by March 31, 2011, consistent with the sunset of M1. Projects that are not awarded by this deadline will lose their funding, with no exceptions.

All M1-funded projects must be complete and closed out within three years of the sunset date (by March 31, 2014). Projects that are not complete or closed out will forfeit their funding.

The Growth Management Area (GMA) program will have a \$550,000 set aside to develop a future needs assessment. The assessment includes traffic analysis at all major-to-major intersection of the Master Plan of Arterial Highways, including a forecast of future congestion and potential improvement options for each intersection. The Orange County Transportation Authority will coordinate this effort between the GMAs.

The Signal Improvement Program will have a \$4 million set aside to fund additional demonstration corridors.

**Intersection      rovement Program      Recommended      ding Allocations**  
**2007 CTFP Call for Projects**

Agency	Application Title	Project Phase	Score	FY08/09	FY09/10	FY10/11	Grand Total	Cumulative
1 Mission Viejo	Crown Valley/Marguerite Intersection Improvement	Construction	82	487,280			487,280	487,280
2 Santa Ana	Bristol St. / Warner Ave. Intersection Widening	Construction	79		660,000		660,000	1,147,280
2 Santa Ana	Bristol St. / Warner Ave. Intersection Widening	Engineering	79	120,000			120,000	1,267,280
2 Santa Ana	Bristol St. / Warner Ave. Intersection Widening	Right of Way	79		2,220,000		2,220,000	3,487,280
3 Santa Ana	Dyer and Grand Intersection Widening	Construction	69.5	721,000			721,000	4,208,280
4 Seal Beach	Seal Beach Blvd./405 Interchange Widening (North)	Construction	69	2,307,200			2,307,200	6,515,480
5 Seal Beach	Seal Beach Blvd./405 Interchange Widening (South)	Construction	65	2,307,200			2,307,200	8,822,680
6 Costa Mesa	Adams/Fairview Intersection Improvement	Construction	62	82,000			82,000	8,904,680
7 Santa Ana	Bristol St. / 17th St Intersection Improvement	Construction	62		1,333,800		1,333,800	10,238,480
7 Santa Ana	Bristol St. / 17th St Intersection Improvement	Right of Way	62		1,666,200		1,666,200	11,904,680
8 Costa Mesa	Harbor Boulevard - Adams Avenue Intersection	Engineering	55.5	400,000			400,000	12,304,680
9 Rancho Santa Margarita	Santa Margarita Parkway/ Avenida Empressa	Construction	53.5		366,470		366,470	12,671,150
10 County of Orange	Ortega Highway @ Antonio Parkway Intersection	Construction	53	2,000,000			2,000,000	14,671,150
11 Fountain Valley	Euclid/Slater IIP	Construction	52.5		565,522		565,522	15,236,671
12 La Habra	Whittier Blvd./Harbor Blvd. Intersection Improvement	Construction	52.5		1,419,760		1,419,760	16,656,431
12 La Habra	Whittier Blvd./Harbor Blvd. Intersection Improvement	Engineering	52.5		409,204		409,204	17,065,635
12 La Habra	Whittier Blvd./Harbor Blvd. Intersection Improvement	Right of Way	52.5		501,060		501,060	17,566,695
13 Newport Beach	Jamboree Road Widening at MacArthur Boulevard	Construction	52.5			2,200,476	2,200,476	19,767,172
13 Newport Beach	Jamboree Road Widening at MacArthur Boulevard	Right of Way	52.5		661,672		661,672	20,428,844
14 San Clemente	El Camino Real /Ave Pico Intersection Improvements	Construction	51.5	1,076,875			1,076,875	21,505,719
15 Aliso Viejo	Aliso Creek and Pacific Park Intersection Widening	Construction	50.5	285,000			285,000	21,790,719
16 Garden Grove	Euclid / Garden Grove IIP	Construction	50.5		1,030,042		1,030,042	22,820,761
16 Garden Grove	Euclid / Garden Grove IIP	Engineering	50.5	197,250			197,250	23,018,011
16 Garden Grove	Euclid / Garden Grove IIP	Right of Way	50.5	775,409			775,409	23,793,420
17 La Palma	Orangethorpe/Walker Intersection Improvements	Engineering	50.5	16,000			16,000	23,809,420
17 La Palma	Orangethorpe/Walker Intersection Improvements	Construction	50.5		189,520		189,520	23,998,940
<b>Available Funding = \$23,605,772</b>								
18 Huntington Beach	Beach Boulevard and Warner Avenue Intersection	Engineering	48.5	165,000			165,000	24,163,940
19 Huntington Beach	Brookhurst Street and Adams Avenue Intersection	Engineering	47.5		245,000		245,000	24,408,940
20 Yorba Linda	Bastanchury Rd at Imperial Highway	Construction	47.5	120,000			120,000	24,528,940
21 County of Orange	Oso Parkway @ Antonio Parkway	Engineering	46.5	100,000			100,000	24,628,940
22 Cypress	Cerritos Ave. at Walker St. Intersection Improvement	Construction	46.5	256,620			256,620	24,885,560
23 Garden Grove	Harbor / Garden Grove IIP	Construction	45.5		2,793,970		2,793,970	27,679,530
23 Garden Grove	Harbor / Garden Grove IIP	Engineering	45.5	200,000			200,000	27,879,530
24 Costa Mesa	17th/Irvine Intersection Improvement	Engineering	45	150,000			150,000	28,029,530
25 County of Orange	Moulton Parkway @ Ridge Route Intersection	Construction	42.5	1,900,000			1,900,000	29,929,530
26 Anaheim	Ball Road/Sunkist St Intersection Improvement	Construction	40.5		515,000		515,000	30,444,530
26 Anaheim	Ball Road/Sunkist St Intersection Improvement	Right of Way	40.5		1,175,000		1,175,000	31,619,530
27 La Habra	Whittier Blvd. @ Hacienda Rd. Intersection Improvement	Construction	39.5			798,385	798,385	32,417,914
27 La Habra	Whittier Blvd. @ Hacienda Rd. Intersection Improvement	Engineering	39.5		229,653		229,653	32,647,567
27 La Habra	Whittier Blvd. @ Hacienda Rd. Intersection Improvement	Right of Way	39.5		276,577		276,577	32,924,144
28 Placentia	Rose Drive/Yorba Linda Blvd. Improvements	Construction	39.5		215,297		215,297	33,139,440
28 Placentia	Rose Drive/Yorba Linda Blvd. Improvements	Engineering	39.5		24,640		24,640	33,164,080
28 Placentia	Rose Drive/Yorba Linda Blvd. Improvements	Right of Way	39.5		14,502		14,502	33,178,583
29 Mission Viejo	Los Alisos Blvd. NB dual left-turn lanes	Construction	38			126,558	126,558	33,305,141
29 Mission Viejo	Los Alisos Blvd. NB dual left-turn lanes	Engineering	38	17,894			17,894	33,323,035

**Intersection Improvement Program (IIP) Recommended Funding Allocations**  
**2007 CTFP Call for Projects**

Agency	Application Title	Project Phase	Score	FY08/09	FY09/10	FY10/11	Grand Total	Cumulative
30 Costa Mesa	Hyland Avenue - I-405 NB Onramp/South Coast Drive	Construction	36.5		412,000		412,000	33,735,035
30 Costa Mesa	Hyland Avenue - I-405 NB Onramp/South Coast Drive	Engineering	36.5	50,000			50,000	33,785,035
31 Santa Ana	Grand/Edinger Intersection Widening	Construction	36.5			694,817	694,817	34,479,852
31 Santa Ana	Grand/Edinger Intersection Widening	Engineering	36.5	291,890			291,890	34,771,742
31 Santa Ana	Grand/Edinger Intersection Widening	Right of Way	36.5		2,013,293		2,013,293	36,785,035
32 Mission Viejo	Marguerite Parkway NB dual left-turn lanes	Construction	36			94,606	94,606	36,879,641
32 Mission Viejo	Marguerite Parkway NB dual left-turn lanes	Engineering	36	13,376			13,376	36,893,017
33 Mission Viejo	Felipe Road SB dual left-turn Lanes	Construction	35					37,239,220
33 Mission Viejo	Felipe Road SB dual left-turn Lanes	Engineering	35	48,949		346,204	346,204	37,288,169
33 Mission Viejo	Felipe Road SB dual left-turn Lanes	Right of Way	35		96,764		96,764	37,384,933
34 Anaheim	State College Blvd./La Palma Ave. Intersection	Construction	28.5		1,700,000		1,700,000	39,084,933
34 Anaheim	State College Blvd./La Palma Ave. Intersection	Engineering	28.5	150,000			150,000	39,234,933
34 Anaheim	State College Blvd./La Palma Ave. Intersection	Right of Way	28.5	1,150,000			1,150,000	40,384,933

**Signal Imp      nent Program (Sl.      commended I      ing Allocations**  
**2007 CTFP Call for Projects**

Agency	Application Title	Phase	Score	FY08/09	FY09/10	FY10/11	Grand Total	Cumulative
1 Mission Viejo	Alicia Pkwy and Trabuco Rd Signal Upgrades	Construction	79	152,119			152,119	152,119
2 Mission Viejo	Crown Valley and Marguerite Parkway Business Area	Construction	77	153,024			153,024	305,143
3 Fullerton	Harbor Bl. Signal Improvement & Coordination-SIP	Engineering	76		10,250		10,250	315,393
3 Fullerton	Harbor Bl. Signal Improvement & Coordination-SIP	Construction	76		116,434		116,434	431,827
4 Fullerton	Orangethorpe Ave Traffic Signal Coordination-SIP	Engineering	73	17,000			17,000	448,827
4 Fullerton	Orangethorpe Ave Traffic Signal Coordination-SIP	Construction	73	200,150			200,150	648,977
5 Seal Beach	Seal Beach Blvd/I-405 Signal Improvements (North)	Construction	72	250,000			250,000	898,977
6 Newport Beach	Airport Area Traffic Signal Modernization Project	Construction	69	250,000			250,000	1,148,977
7 Buena Park	Valley View Street Signal Timing	Construction	69	48,125			48,125	1,197,102
8 Mission Viejo	Oso Parkway and Felipe Signal Coordination & CCTV	Construction	68	112,712			112,712	1,309,814
9 Buena Park	Knott Avenue Signal Timing	Construction	66	56,875			56,875	1,366,689
10 Mission Viejo	La Paz Rd and Marguerite Pkwy Central Business Area	Construction	64	122,969			122,969	1,489,658
11 La Habra	Multijurisdictional Traffic Signal Timing	Engineering	64	237,000			237,000	1,726,658
12 Anaheim	WEIR CYN ITS (NEW RIVER TO SERRANO)	Engineering	63	50,000			50,000	1,776,658
12 Anaheim	WEIR CYN ITS (NEW RIVER TO SERRANO)	Construction	63	200,000			200,000	1,976,658
13 Orange	Northwest Orange Area Wide Signal Coordination	Construction	62	125,000			125,000	2,101,658
14 Garden Grove	Traffic Management Center Upgrade	Engineering	62	80,000			80,000	2,181,658
14 Garden Grove	Traffic Management Center Upgrade	Construction	62		170,000		170,000	2,351,658
15 Anaheim	KRAEMER BL ITS (LA JOLLA TO FRONTERA)	Construction	61	250,000			250,000	2,601,658
16 Newport Beach	Jamboree Road Corridor Traffic Signal Modernization	Construction	60	249,491			249,491	2,851,149
17 Irvine	MacArthur Signal Coordination	Engineering	60	31,838			31,838	2,882,987
17 Irvine	MacArthur Signal Coordination	Construction	60		211,103		211,103	3,094,090
18 Lake Forest	Traffic Signal Controller Upgrades	Construction	60	250,000			250,000	3,344,090
19 Westminster	Westminster ITS Phase 3	Engineering	60	45,000			45,000	3,389,090
19 Westminster	Westminster ITS Phase 3	Construction	60	205,000			205,000	3,594,090
20 Westminster	Westminster ITS Phase 4	Engineering	60	45,000			45,000	3,639,090
20 Westminster	Westminster ITS Phase 4	Construction	60	205,000			205,000	3,844,090
21 Laguna Hills	Alicia Parkway Signal Improvements	Engineering	59	19,200			19,200	3,863,290
21 Laguna Hills	Alicia Parkway Signal Improvements	Construction	59	163,976			163,976	4,027,266
22 Costa Mesa	Signal / CCTV Upgrade Project	Construction	57	250,000			250,000	4,277,266
23 Cypress	CCTV Installation (Phase 4)	Construction	57	244,585			244,585	4,521,851
24 Garden Grove	Harbor/Valley View/Trask ITS Coordination	Engineering	57	80,000			80,000	4,601,851
25 Irvine	Irvine Center Drive Signal Coordination	Engineering	57		101,582		101,582	4,703,433
26 Laguna Hills	La Paz Road Traffic Signal Improvements	Engineering	57	28,800			28,800	4,732,233
26 Laguna Hills	La Paz Road Traffic Signal Improvements	Construction	57		221,200		221,200	4,953,433
27 Anaheim	Anaheim Bl ITS (NCL to SCL)	Engineering	56	50,000			50,000	5,003,433
27 Anaheim	Anaheim Bl ITS (NCL to SCL)	Construction	56	200,000			200,000	5,203,433
28 Fountain Valley	Citywide Traffic Signal Timing	Construction	56	158,000			158,000	5,361,433
29 Irvine	Michelson Signal Coordination	Construction	56	244,757			244,757	5,606,190
30 Seal Beach	Seal Beach Blvd/I-405 Signal Improvements (South)	Construction	56	250,000			250,000	5,856,190

# Signal Improvement Program (SIP) Recommended Funding Allocations 2007 CTFP Call for Projects

Agency	Application Title	Phase	Score	FY08/09	FY09/10	FY10/11	Grand Total	Cumulative
31 Fountain Valley	ITS Signal Technology Upgrade Phase V	Construction	54		250,000		250,000	6,106,190
32 Fullerton	Rosecrans Ave. Signal Improvement & Coordination-SIP	Engineering	54			8,000	8,000	6,114,190
32 Fullerton	Rosecrans Ave. Signal Improvement & Coordination-SIP	Construction	54			55,167	55,167	6,169,357
33 Garden Grove	Brookhurst/Magnolia/Garden Grove TS Coordination	Engineering	53	100,000			100,000	6,269,357
34 Buena Park	La Palma Avenue Signal Timing	Construction	53	48,125			48,125	6,317,482
35 Mission Viejo	Marguerite Pkwy and Los Alisos Blvd Com/School	Construction	53	56,355			56,355	6,373,837
<b>Available Funding = \$6,534,244</b>								
36 Garden Grove	Traffic Management Center Software	Construction	52		250,000		250,000	6,623,837
37 Rancho Santa Margarita	Santa Margarita and Antonio Video Surveillance	Engineering	50	28,700			28,700	6,652,537
37 Rancho Santa Margarita	Santa Margarita and Antonio Video Surveillance	Construction	50		181,229		181,229	6,833,766
38 Santa Ana	Grand Ave ITS Upgrade	Engineering	49		20,000		20,000	6,853,766
38 Santa Ana	Grand Ave ITS Upgrade	Construction	49		230,000		230,000	7,083,766
39 Laguna Hills	Paseo De Valencia / Los Alisos Signal Improvements	Engineering	49	22,400			22,400	7,106,166
39 Laguna Hills	Paseo De Valencia / Los Alisos Signal Improvements	Construction	49		227,600		227,600	7,333,766
40 Anaheim	EAST STREET ITS (SR-91 TO BALL RD)	Engineering	48		50,000		50,000	7,383,766
40 Anaheim	EAST STREET ITS (SR-91 TO BALL RD)	Construction	48		200,000		200,000	7,583,766
41 Westminster	Westminster ITS Phase 5	Engineering	47	20,000			20,000	7,603,766
41 Westminster	Westminster ITS Phase 5	Construction	47	230,000			230,000	7,833,766
42 Tustin	Newport/Sycamore Traffic Signal Upgrade/Interconnect	Construction	45			250,000	250,000	8,083,766
43 Santa Ana	Warner Ave Traffic Management Project	Engineering	45		20,000		20,000	8,103,766
43 Santa Ana	Warner Ave Traffic Management Project	Construction	45		230,000		230,000	8,333,766
44 Laguna Hills	Cabot Rd Signal Improvements/Oso Pkwy Interconnect	Engineering	43	24,000			24,000	8,357,766
44 Laguna Hills	Cabot Rd Signal Improvements/Oso Pkwy Interconnect	Construction	43		226,000		226,000	8,583,766
45 Costa Mesa	Bear Street Signal Improvements	Construction	42			233,614	233,614	8,817,380
46 Anaheim	BROADWAY WEST ITS (WCL TO LOARA)	Engineering	42			50,000	50,000	8,867,380
46 Anaheim	BROADWAY WEST ITS (WCL TO LOARA)	Construction	42			200,000	200,000	9,067,380
47 Stanton	Traffic Signal Interconnect & Synchronization Project	Engineering	42	11,800			11,800	9,079,180
47 Stanton	Traffic Signal Interconnect & Synchronization Project	Construction	42	155,200			155,200	9,234,380
48 La Habra	Lambert Rd Fiberoptic Signal Interconnect	Engineering	40			26,569	26,569	9,260,949
48 La Habra	Lambert Rd Fiberoptic Signal Interconnect	Construction	40			223,431	223,431	9,484,380
49 Irvine	Sand Canyon Signal Coordination	Engineering	40	24,570			24,570	9,508,950
50 Irvine	Irvine Blvd. Signal Coordination	Engineering	36	20,987			20,987	9,529,937
51 La Habra	La Habra Blvd Fiberoptic Signal Interconnect	Engineering	32			26,160	26,160	9,556,097
51 La Habra	La Habra Blvd Fiberoptic Signal Interconnect	Construction	32			223,840	223,840	9,779,937

## Transportation

ATTACHMENT D



**Growth Management Area (GMA) Recommended Funding Allocations  
2007 CTFP for Projects**

GMA	Agency	Application Title	Project Phase	FY08/09	FY09/10	FY10/11	Grand Total
1	Anaheim	Lakeview Ave./Orangethorpe Intersection Imp.	Engineering	158,811			158,811
	Brea	Rose Drive Widening	Right of Way	62,800			62,800
	Buena Park	Artesia Boulevard Improvements	Engineering	300,000			300,000
	Fullerton	Beach/Malvern-La Mirada Intersection Improvements	Construction	110,000			110,000
		Orangethorpe Avenue GMA	Construction	245,000			245,000
	La Habra	Whittier Blvd/Beach Blvd Intersection Improvement	Construction	183,000			183,000
	Placentia	Bastanchury Road Signal System Extension	Engineering	17,000			17,000
		Rose Drive Signal Coordination	Engineering	125,000			125,000
	Yorba Linda	Rose Drive Improvements	Construction	180,000			180,000
			Construction	40,000			40,000
1 Total			Engineering	100,000			100,000
				1,421,611			1,521,611
2	Anaheim	Brookhurst Street Median Island	Construction	91,600			91,600
			Engineering	8,400			8,400
	Buena Park	Edison ROW Bike Path - La Palma to Cerritos	Engineering	50,000			50,000
		Beach Boulevard/SR-91 Eastbound Ramp Widening	Construction			90,000	90,000
		Bus Bays on Beach Boulevard (I-5 to Lincoln)	Construction		45,000		45,000
	Garden Grove	Administration of GMA #2	Engineering			7,000	7,000
		Traffic Management Center Upgrade	Construction		150,000		150,000
	La Palma	Orangethorpe/Walker Intersection Improvements	Construction		50,000		50,000
		Pedestrian Signal Upgrades on Walker Street	Construction	80,000			80,000
	Los Alamitos	Intersection Improvements at Ball Rd & Bloomfield	Construction	75,000			75,000
		Katella Ave at Siboney Intersection	Construction	100,000			100,000
	Santa Ana	Bristol St / 17th St Intersection Improvement	Right of Way	200,000			200,000
	Seal Beach	Seal Beach and Los Alamitos Blvd Signal Improvements	Construction	45,000			45,000
			Engineering	5,000			5,000
		Seal Beach Blvd Bridge at I 405 FWY	Construction		225,000		225,000
	Stanton	Traffic Signal Interconnect & Synch. Seg-1	Construction	22,500			22,500
		Traffic Signal Interconnect & Synch. Seg-2	Construction	22,500			22,500
2 Total				700,000	470,000	97,000	1,267,000
3	Anaheim	Ball / Sunkist Intersection Widening	Engineering	50,000			50,000
		Railroad Crossings Safety Improvements	Construction	200,000			200,000
		WEIR CYN ITS (NEW RIVER TO SERRANO)	Construction		80,000		80,000
	Orange	Batavia/Taft	Construction	80,000			80,000
		Chapman/Cannon Traffic Signal Upgrade	Construction	43,000			43,000
		Glassell/Palm Traffic Signal	Construction		36,000		36,000
			Engineering	4,000			4,000
		GMA 3 Administration	Engineering	4,000	4,000	4,000	12,000
		Northwest City Wireless Interconnect	Construction	125,000			125,000
		Orange Rail Safety Improvements	Construction		450,000		450,000
	Santa Ana	Bristol St / 17th St Intersection Improvement	Construction			250,000	250,000
	Villa Park	Santiago Blvd./Towne Centre Entrance Modification	Engineering	60,000			60,000
				566,000	570,000	254,000	1,390,000
3 Total							

**Growth Management Area (GMA) Recommended Funding Allocations**  
**2007 CTFP Call for Projects**

GMA	Agency	Application Title	Project Phase	FY08/09	FY09/10	FY10/11	Grand Total
4	Irvine	Jeffrey Road Extension	Engineering	28,000	-	-	28,000
4 Total				28,000	-	-	28,000
6	Fountain Valley	ITS Signal Technology Upgrade Phase V	Construction		50,000		50,000
	Seal Beach	Talbert/MacArthur Bridge Widening @ Santa Ana River	Engineering		675,000		675,000
	Westminster	Seal Beach Blvd Bridge at I 405 FWY	Construction		350,000		350,000
		Westminster ITS Phase 2 Shortfall	Construction	160,000			160,000
		Westminster ITS Phase 3	Construction	70,000			70,000
		Westminster ITS Phase 4	Construction	70,000			70,000
		Westminster ITS Phase 5	Construction	50,000			50,000
	Huntington Beach	Brookhurst Street and Adams Avenue Intersection	Engineering		205,000		205,000
		Bushard Street and Adams Avenue Intersection	Engineering	135,000			135,000
		Beach Boulevard and Warner Avenue Intersection	Engineering	135,000			135,000
6 Total				620,000	1,280,000	-	1,900,000
7	Irvine	Jamboree / I-5 (GMA 7)	Right of Way		44,435		44,435
	Orange	East Orange Signal Improvements	Construction		20,000		20,000
	Santa Ana	Grand Avenue Widening	Engineering	44,435			44,435
	Tustin	Tustin Ranch Rd Extension from Walnut to Valencia	Construction		44,435		44,435
7 Total				44,435	108,870	-	153,305
8	Costa Mesa	17th / Irvine Intersection Improvement	Engineering	40,000			40,000
		Harbor Boulevard/South Coast Drive	Construction	129,719			129,719
		Hyland - I-405 NB Ramp/South Coast Drive	Engineering	25,000			25,000
	Irvine	Culver (Scottsdale to I-5) Widening Improvement	Engineering	120,000			120,000
		Jamboree / I-5 (GMA 8)	Right of Way		72,240		72,240
	Newport Beach	Jamboree Road Widening at MacArthur Boulevard	Construction			150,000	150,000
			Engineering	267,240			267,240
	Santa Ana	Bristol St. / Warner Ave. Intersection Widening	Right of Way		182,240		182,240
8 Total				581,959	254,480	150,000	986,439
9	County of Orange	Alton Parkway Ext. - Irvine Blvd. to Commercentre	Engineering		100,534		100,534
	Irvine	Laguna Canyon/I-405 Widening	Construction			130,000	130,000
	Mission Viejo	Oso/Marguerite Intersection Improvement	Construction	100,000			100,000
	Rancho Santa Margarita	Santa Margarita Parkway/ Avenida Empresa	Engineering	50,000			50,000
	San Juan Capistrano	Junipero Serra/Rancho Viejo Road Project	Construction	200,000			200,000
9 Total				350,000	100,534	130,000	580,534
11	County of Orange	La Pata Avenue between Ortega Hwy & Calle Saluda	Engineering	126,172			126,172
	San Clemente	Ave De La Estrella/Presidio/I-5 SB Traffic Signals	Construction		150,000		150,000
		GMA 11 Administration	Engineering	25,000	5,000	5,000	35,000
11 Total				151,172	155,000	5,000	311,172
<b>GRAND TOTALS</b>				<b>4,463,177</b>	<b>3,038,884</b>	<b>636,000</b>	<b>\$ 8,138,061</b>



## BOARD COMMITTEE TRANSMITTAL

**June 23, 2008**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles<sup>WK</sup>, Clerk of the Board  
**Subject:** Garden Grove Freeway (State Route 22) Design-Build Project Update

### Highways Committee Meeting of June 16, 2008

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

### **Committee Vote**

This item was passed by all Committee Members present.

### **Committee Recommendation**

Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-7-1368 between the Orange County Transportation Authority and the City of Garden Grove, in which the Orange County Transportation Authority will reimburse the City of Garden Grove \$1,350,000, for the design, construction, construction management, and maintenance of the placement of rubberized asphalt concrete on Trask Avenue, and the City of Garden Grove will reimburse the Orange County Transportation Authority \$572,286 for the completion of the third through-lane on eastbound Garden Grove Boulevard.



**June 16, 2008**

**To:** Highway Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Garden Grove Freeway (State Route 22) Design-Build Project Update

### **Overview**

The major improvements on the Garden Grove Freeway (State Route 22) from Valley View Street to the Costa Mesa Freeway (State Route 55) were completed in September 2007 and all lanes were opened to traffic. Since this time, all corrective work has been completed and the improved facilities have been turned over to the California Department of Transportation and other local agencies. This report provides an update on the completion of the project and gives the status of several ongoing work items associated with the project. This report also requests approval of a cooperative agreement with the City of Garden Grove for improvements related to the Garden Grove Freeway (State Route 22).

### **Recommendation**

Authorize the Chief Executive Officer to execute Cooperative Agreement No. C-7-1368 between the Orange County Transportation Authority and the City of Garden Grove, in which the Orange County Transportation Authority will reimburse the City of Garden Grove \$1,350,000, for the design, construction, construction management, and maintenance of the placement of rubberized asphalt concrete on Trask Avenue, and the City of Garden Grove will reimburse the Orange County Transportation Authority \$572,286 for the completion of the third through-lane on eastbound Garden Grove Boulevard.

### **Background**

The Garden Grove Freeway (State Route 22) project was constructed under a design-build contract with the joint venture of Granite-Meyers-Rados (GMR). The project involved the widening of 12 miles of State Route 22 from Valley View Street to the Costa Mesa Freeway (State Route 55), including the reconstruction of 13 interchanges. Major improvements on State Route 22 were completed in September 2007 with the opening of all lanes to traffic.

Since that time, GMR, the California Department of Transportation (Caltrans), the Orange County Transportation Authority (Authority), local cities, and utility agencies have been inspecting the facilities and processing necessary corrections prior to accepting the final facilities.

### ***Discussion***

The final construction and inspection of the State Route 22 Design-Build Project is complete and the operation and maintenance of the facilities were turned over to Caltrans and other local agencies on May 16, 2008. The formal turnover of the State Route 22 facilities marks the start of a one-year warranty period by GMR and the beginning of a three-year plant establishment period. During this three-year plant establishment period, the contractor is responsible for ensuring that all plant material and irrigation systems become well established and are viable.

Over several months, GMR submitted a number of claims for additional costs for extra work that GMR considered outside of its control. The total value of the claims submitted by GMR was \$93 million. The Authority reviewed these claims and has worked with GMR and a third-party mediator to resolve these disputes. The Board of Directors (Board) was apprised on the progress of the discussions and provided direction to staff during closed sessions. The goal of these efforts was to reach a negotiated agreement on the claims and to avoid lengthy and costly formal litigation.

In late March 2008, the Authority and GMR reached an agreement to settle the claims filed. The Authority agreed to pay a lump sum amount of \$39.3 million to settle all claims filed by GMR for work on the State Route 22 Design-Build Project. This agreement settles all outstanding disputes on the project between GMR and the Authority (Attachment A).

### **Completion of Other Construction Tasks**

There are currently several other items of work being completed related to the State Route 22 project that are not part of the GMR design-build contract. The Authority and other local public agencies are completing these work items. The following discussion provides the status of this work.

#### **Additional Soundwalls**

After the design-build contract was underway, the Authority determined that added or extended soundwalls were needed at four different locations along State Route 22. These locations are the eastbound Beach Boulevard on-ramp,

The City Drive eastbound off-ramp, westbound State Route 22 between Tustin Avenue and Cambridge Street, and westbound State Route 22 at Devon Road. It was decided not to include these additional soundwalls in the design-build contract.

On October 15, 2007, the Board approved an implementation plan for the four additional soundwalls, where the Authority will lead the design effort and Caltrans will lead the construction and construction management efforts. The design of these soundwalls was recently added to the contracts of the firms currently designing other soundwall projects for the Authority. The final design work is currently underway with the construction of the four State Route 22 soundwalls expected to be completed in early 2010.

#### **Thunderbird Sewer Improvements**

A new sanitary sewer lift station and re-routed sewer line is needed in an area adjacent to the Thunderbird Mobile Home Park to eliminate a conflict with the Lewis Street Storm Water Channel (Lewis Channel). A cooperative agreement was approved by the Authority and the Garden Grove Sanitary District in April 2008 for implementation of these improvements. Under this agreement, the Authority will fund the construction, construction management, and facility maintenance of the relocated sewer and lift station, and the Garden Grove Sanitary District will lead the construction and operation of the facilities. This project is expected to be under construction later this year and completed by June 2009.

#### **Lewis Channel Improvements**

The State Route 22 project required modifications to a portion of the Lewis Channel to free up additional right-of-way for project improvements. Since the Lewis Channel improvements and right-of-way requirements affect freeway operations, a three-party cooperative agreement is being prepared between Caltrans, the County of Orange (County), and the Authority to fund the improvements, identify responsibility for long term maintenance, and transfer property ownership. The County has issued an encroachment permit to the Authority for the Lewis Channel property until such time as the three-party cooperative agreement is executed and the channel improvements are completed.

Improvement of a portion of the Lewis Channel was not originally considered to be necessary as part of the State Route 22 project. After further design studies, the County and Authority concluded that improvements were necessary along this portion of the Lewis Channel to accommodate increased flood flows. In the proposed three-party cooperative agreement, the Authority will be the lead for

the design of this unimproved portion of the Lewis Channel, and the County will be the lead for the construction and construction management of the improvements. Currently, the cooperative agreement is being finalized and will be brought to the Board for approval in the next few months.

On January 28, 2008, the Board approved an amendment to the contract with Parsons Transportation Group to commence design of the improvements to the final section of the Lewis Channel. Design was initiated in February 2008, and construction is expected to start next year and be completed in late 2010. Until these improvements are finished, the Authority remains the permit-holder with the County for this portion of the Lewis Channel and will be responsible for maintaining and insuring this portion of the Lewis Channel until the improvements are completed.

#### **Noise Abatement Measures for Schools**

A noise impact report was prepared as part of the environmental document for the State Route 22 project to identify noise impacts associated with the proposed freeway improvements, as well as potential noise abatement measures. The report identified the need for noise abatement at 13 classrooms at Sunnyside and Mitchell elementary schools. The abatement measures specified the installation of air conditioning units in these school classrooms.

The environmental document for the project also required that a post-construction study be conducted at Excelsior and Jordan elementary schools to determine if noise abatement is warranted at these sites. This study has determined that abatement is warranted at eight classrooms at Jordan Elementary School and no abatement is warranted at Excelsior Elementary School.

On January 23, 2006, the Board approved the installation of air conditioning units for the schools as recommended by the environmental document. Authority staff is currently negotiating with the Garden Grove Unified School District (GGUSD) on the terms and conditions for funding the air conditioning units in the classrooms. A draft cooperative agreement has been submitted to the GGUSD for review and comment. This agreement will be brought to the Board for approval within the next few months.

#### **Trask Avenue Rubberized Asphalt Overlay**

During construction of State Route 22, concerns were raised by residents along Trask Avenue in the City of Garden Grove (City) regarding noise attenuation adjacent to the corridor. After further review of sound study

information, the Authority approved the funding and placement of rubberized asphalt concrete on Trask Avenue as a pilot study for noise mitigation between Euclid Street and Magnolia Street. It was agreed that the Authority would work with the City to establish terms of a cooperative agreement whereby the City would implement this pavement overlay project.

Also, during the implementation of the State Route 22 project, the City requested the Authority add a third through-lane on eastbound Garden Grove Boulevard, between Fairview Street and Haster Street, as part of the GMR design-build contract. This work was agreed to be funded by the City as part of a future cooperative agreement with the Authority.

Over the past several months, the Authority and the City have developed terms, conditions, and funding responsibilities for the completion of these tasks. Under the terms of this agreement, the City will reimburse the Authority for the completed third through-lane on eastbound Garden Grove Boulevard between Fairview Street and Haster Street, and the Authority will reimburse the City for the design, construction, construction management, and maintenance of the placement of rubberized asphalt concrete on Trask Avenue between Euclid Street and Magnolia Street.

In the proposed Cooperative Agreement No. C-7-1368 (Attachment B), the Authority agrees to:

- Reimburse the City for actual costs for the design, construction, construction management, and maintenance required for the placement of the Trask Avenue rubberized asphalt concrete between Euclid Street and Magnolia Street, in an amount not to exceed \$1,350,000.

The City agrees to:

- Act as the lead agency for the placement of the Trask Avenue rubberized asphalt concrete between Euclid Street and Magnolia Street.
- Contribute \$150,000 in grant funds received from the California Integrated Waste Management Board for the use of placement of rubberized asphalt concrete on Trask Avenue between Euclid Street and Magnolia Street. This is a newly acquired grant by the City and will be used to offset a portion of the \$1,500,000 cost of the improvements.



- Design, build, and maintain the placement of rubberized asphalt concrete on Trask Avenue between Euclid Street and Magnolia Street by April 3, 2009.
- Reimburse the Authority for the actual cost, in the amount of \$572,286, for the completed third through-lane on eastbound Garden Grove Boulevard between Fairview Street and Haster Street.

#### **Fiscal Impact**

Revenues associated with Cooperative Agreement No. C-7-1368 have been recognized in the Authority's Fiscal Year (FY) 2007-08 Budget Account 0010-6062-F7100, Local Transportation Authority (LTA), Reimbursement from Cities. Expenses associated with the agreement can be accommodated in the Authority's FY 2008-09 Budget, Development Division, Account 0010-7831-F7100, and are funded through the LTA.

#### **Summary**

The Garden Grove Freeway (State Route 22) Design-Build Project, the largest design-build project on an operating freeway in California, was opened to traffic in September 2007, and the facility has just recently been turned over to the California Department of Transportation. There are several items of work not associated with the design-build contract which are still ongoing. As part of these ongoing items, staff requests the approval of Cooperative Agreement No. C-7-1368 with the City of Garden Grove. Staff will continue to provide the Board of Directors with project updates as work is completed.

#### **Attachments**

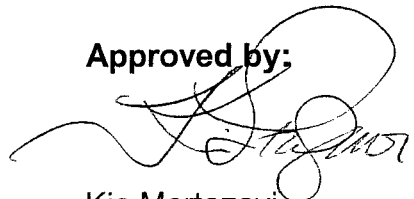
- A. Press Release, Garden Grove Freeway (SR-22), Claims Settlement Facts
- B. Cooperative Agreement No. C-7-1368 Between Orange County Transportation Authority and City of Garden Grove

#### **Prepared by:**



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Program Manager  
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#### **Approved by:**



Kia Mortazavi  
Executive Director, Development  
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## **Garden Grove Freeway (SR-22)**

### **Claims Settlement Facts**



#### **Context: The Bottom Line**

<b>\$390.4 million</b>	The base contract amount that the Orange County Transportation Authority (OCTA) awarded in August 2004 to the joint-venture team of Granite Construction Company, C.C. Myers, Inc. and Steve P. Rados, Inc. or GMR.
<b>\$185 million higher</b>	The proposal submitted by Kiewit – the other bidder – was \$185 million higher with a construction schedule 25 per cent longer than GMR's bid.
<b>\$58.8 million</b>	The amount that the Board of Directors approved in contract change orders for extra work requested by OCTA.
<b>\$39.3 million</b>	The value of the settlement agreement.
<b>\$488.5 million</b>	The total contract amount with this settlement.

#### **Basis for the Claims: More Work, Faster**

<b>63</b>	The number of claims GMR submitted to OCTA containing hundreds of tasks of new work.
<b>\$93 million</b>	The total value of claims.
<b>135,800</b>	Cubic meters of unsuitable wet soil removed by the contractor.
<b>16</b>	The number of football fields worth of subgrade removed by the contractor piled 5 feet high.
<b>Removed materials</b>	This required replacement with rock, base material, recycled material, etc. Many areas required a geotech fabric placement prior to the placement of this base to stabilize the soil. This had a major impact – causing additional time, material and work.
<b>Cumulative impact</b>	This is a result of an activity or multiple activities that affect several construction activities on the job. For example, poor subgrade can impact the placement schedule of concrete. It also can cause crews to work overtime because of delays. It also may delay the placement of the shoulder, and in turn, the electrical items constructed for ramp metering could be delayed. Because there are impacts to efficiency, acceleration of work must occur to meet overall deadlines.

**Overhead costs** These are costs associated with a schedule extension. An example of this is the additional time that project managers must oversee construction because of additional work causing more scheduled activities. Also, more complex construction activities require additional management oversight.

## **Quick Resolution**

**3 days** The number of days it took to settle the claims.

**\$10 million** Legal fees easily could have exceeded this number. A court battle could have stretched on for years. GMR submitted its claims last fall and both parties have been working during the past eight months to reach an agreement rather than go to court.

**Taxpayers interest** A lengthy and costly legal battle would not have been in the best interest of Orange County's taxpayers. For freeway projects of this magnitude, a contractor submitting claims is not unusual.

## **Fair Settlement & Next Steps**

**\$39.3 million** OCTA has agreed to pay a lump sum to settle all claims filed by the GMR contractor related to the SR-22 improvement project.

**1,500** The number of cases mediator Randall W. Wulff, the nation's foremost expert in construction disputes, has served with 90 percent of the cases being resolved. Wulff is based in Oakland. We believe this is a fair settlement based on independent expert analysis of the claims and settlement agreement.

**Resolution** The settlement resolves all outstanding issues related to SR-22. The lump-sum payment and settlement does not address specific allegations and is not an admission of any wrongdoing by either OCTA or GMR.

**April** We are scheduled this month to hand over the completed freeway to Caltrans in the last phase known as "project acceptance." The only remaining items are ensuring electrical devices are functioning optimally and newly installed landscape thrives during a three-year "plant establishment" period.

## **Project Summary**

**Final contract cost:** \$488.5 million  
**Total project cost:** \$606.7 million  
**Start / open:** Construction began September 2004 and all lanes opened April 2007  
**Length:** 12 miles  
**Lanes:** 10 to 12  
**Bridges:** 22 widened bridges, 9 replaced bridges and 3 new bridges

###

**COOPERATIVE AGREEMENT NO. C-7-1368**

**BETWEEN**

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

**AND**

**CITY OF GARDEN GROVE**

**THIS AGREEMENT**, is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2008, by and between the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584, a public corporation of the State of California (hereinafter referred to as "AUTHORITY"), and the City of Garden Grove, 11222 Acacia Parkway, Garden Grove, California 92842, a municipal corporation (hereinafter referred to as "CITY").

**RECITALS:**

**WHEREAS**, AUTHORITY, in cooperation and partnership with the California Department of Transportation (Caltrans), the Federal Highways Administration, and the joint venture design builder, Granite-Meyers-Rados, has implemented capacity and operational improvements on State Route 22 (SR-22) between State Route 55 (SR-55) in the City of Orange and the Valley View Street interchange in the City of Garden Grove; and

**WHEREAS**, AUTHORITY has requested and CITY agreed to design, construct, and maintain the placement of rubberized asphalt concrete (RAC) on Trask Avenue between Euclid Street and Magnolia Street as shown on Exhibit A and described in Exhibit D (herein referred to as RAC PROJECT); and

**WHEREAS**, CITY has been awarded \$150,000 in grant funds from the California Integrated Waste Management Board to be used for RAC PROJECT; and

**WHEREAS**, the AUTHORITY has made the additional improvements at the Garden Grove Boulevard and the SR-22 at the request of the CITY, as shown in Exhibit B and described in Exhibit C (herein referred to as GARDEN GROVE BOULEVARD WIDENING); and

/

1       **WHEREAS**, this Cooperative Agreement defines the specific terms, conditions and funding  
2 responsibilities between the AUTHORITY and CITY for the completion of RAC PROJECT and  
3 GARDEN GROVE BOULEVARD WIDENING.

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

6       **ARTICLE 1. COMPLETE AGREEMENT**

7       This Agreement, including all exhibits and documents incorporated herein and made applicable  
8 by reference, constitutes the complete and exclusive statement of the terms and conditions of the  
9 Agreement between AUTHORITY and CITY and supersedes all prior representations, understandings  
10 and communications. The invalidity in whole or in part of any term or condition of this Agreement shall  
11 not affect the validity of other terms or conditions.

12       **ARTICLE 2. RESPONSIBILITIES OF AUTHORITY**

13       AUTHORITY agrees to the following responsibilities:

14       A.     To reimburse the CITY, within 30 days of receipt of a written invoice for the actual costs,  
15 incurred by the CITY for the design, construction, construction management, and maintenance required  
16 for the satisfactory completion of the RAC PROJECT in the not to exceed amount of One Million Three  
17 Hundred Fifty Thousand Dollars (\$1,350,000) less the sum of Five Hundred Seventy Two Thousand,  
18 Two Hundred Eighty Six Dollars (\$572,286) which represents the amount of reimbursement from the  
19 CITY for the completion of GARDEN GROVE BOULEVARD WIDENING by AUTHORITY, for a net total  
20 of not to exceed Seven Hundred Seventy Seven Thousand Seven Hundred Fourteen Dollars  
21 (\$777,714). AUTHORITY agrees that the amount of reimbursement may be adjusted either up or down  
22 by written amendment to this Agreement based upon the construction bid of the lowest responsible  
23 bidder for the RAC PROJECT.

24       B.     AUTHORITY shall indemnify, defend and hold harmless CITY, its respective officers,  
25 directors, employees and agents from and against any and all claims (including attorney's fees and  
26 reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, includir

1 death, damage to or loss of use of property caused by the negligent acts, omissions or willful  
2 misconduct by AUTHORITY, its officers, directors, employees or agents in connection with or arising  
3 out of the performance of this Agreement.

4 **ARTICLE 3. RESPONSIBILITIES OF CITY**

5 CITY agrees to the following responsibilities for RAC PROJECT and GARDEN GROVE  
6 BOULEVARD WIDENING:

7 A. To act as the lead agency for the design, construction, and maintenance of the  
8 PROJECT and to ensure compliance with all terms and conditions set forth in any applicable local,  
9 state, federal regulations, which govern the performance of work necessary to complete the RAC  
10 PROJECT.

11 B. To contribute \$150,000 in grant funds received from the California Integrated Waste  
12 Management Board plus the net sum described in ARTICLE 2, paragraph A, for rubberized asphalt  
13 concrete with respect to the RAC PROJECT.

14 C. To credit the AUTHORITY, in accordance with ARTICLE 2, paragraph A, above, the  
15 amount of Five Hundred Seventy Two Thousand Two Hundred Eighty Six Dollars (\$572,286), in  
16 connection with the completion of the GARDEN GROVE BOULEVARD WIDENING by AUTHORITY.

17 D. CITY, shall perform, the work necessary to complete RAC PROJECT.

18 E. CITY shall obtain all required reviews, clearances, permits, licenses, and approval from  
19 all applicable agencies. Costs of obtaining all required reviews, clearance, permits, licenses and  
20 approvals shall be borne by the CITY.

21 F. CITY shall conduct all of its activities in association with RAC PROJECT in a good and  
22 competent manner and in compliance with all applicable federal, state and local rules and regulations.

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

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

#### **ARTICLE 4. MUTUAL RESPONSIBILITIES REGARDING RAC PROJECT**

A. This Agreement shall continue in full force and effect through final acceptance of RAC PROJECT by AUTHORITY or April 3, 2009, whichever is later. This Agreement may be extended upon mutual agreement by both parties.

B. The cost share between the AUTHORITY and CITY as provided in Exhibit E, represents upon agreed actual costs for RAC PROJECT and GARDEN GROVE BOULEVARD WIDENING.

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

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

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

To CITY:	To AUTHORITY:
City of Garden Grove	Orange County Transportation Authority
11222 Acacia Parkway	550 South Main Street
P.O. Box 3070	P. O. Box 14184
Garden Grove, CA 92842	Orange, CA 92863-1584
Attention: Keith Jones	Attention: Kathleen Murphy-Perez
Director of Public Works	Manager, Contracts & Procurement
714-741-5375	714-560-5743

/

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

G. The provision of this Agreement shall bind and inure to the benefit of each of the parties hereto and all successors or assigns of the parties hereto.

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

I. This Agreement may be executed and delivered in any number of counterparts, each of which, when executed and delivered shall be deemed an original and all of which together shall constitute the same agreement. Facsimile signatures will not be permitted.

This Agreement shall be made effective upon execution by both parties.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement No. C-7-1368 to be executed on the date first above written.

**CITY OF GARDEN GROVE**

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

By: \_\_\_\_\_

By: \_\_\_\_\_

William Dalton  
Mayor

Arthur T. Leahy  
Chief Executive Officer

**ATTEST:**

**APPROVAL RECOMMENDED:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Kathleen Bailor  
City Clerk

Kia Mortazavi  
Executive Director, Development

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



EXHIBIT A

RAC PROJECT

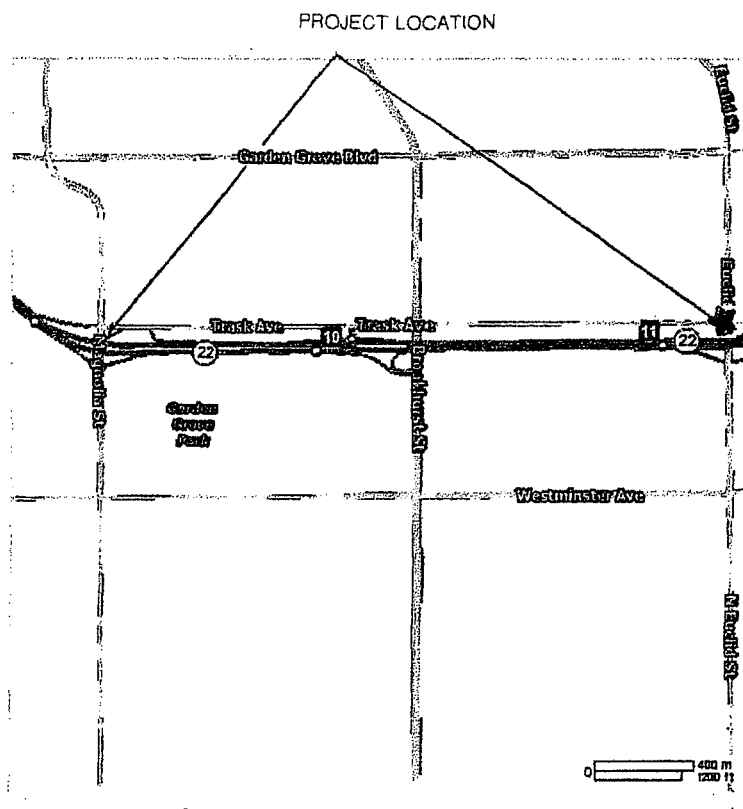


EXHIBIT B

**GARDEN GROVE BOULEVARD WIDENING**

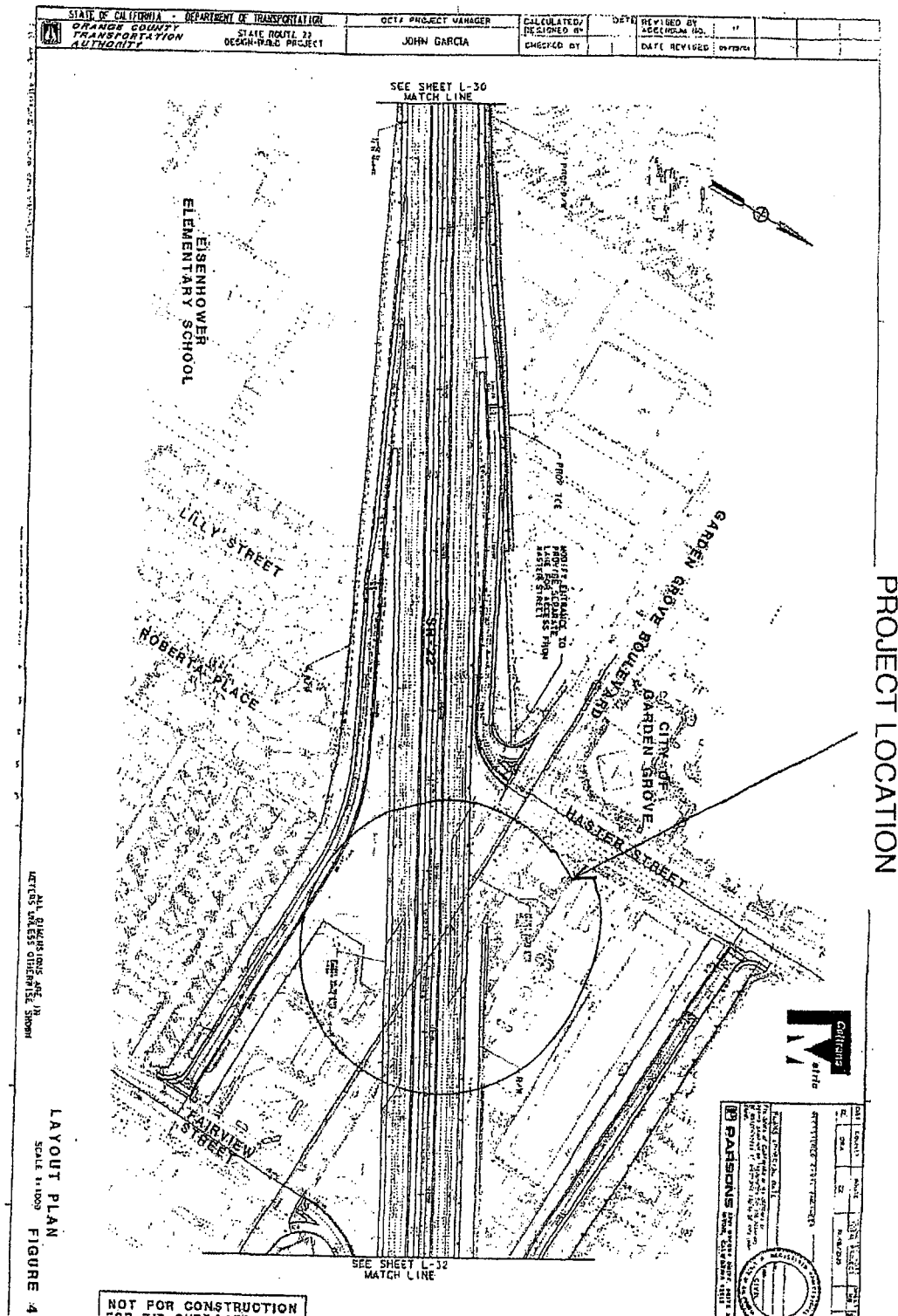


EXHIBIT C

**SCOPE OF WORK**

GARDEN GROVE BOULEVARD WIDENING

The work consisted of the following:

- Widening of Garden Grove Boulevard eastbound to accommodate dual left turn lanes from Haster Street to SR-22 westbound.
- Relocation of the eastbound sidewalk behind bent No. 2 bridge columns to accommodate the additional lane.
- Construction of a retaining wall into the slope paving to accommodate the new sidewalk location.
- Installation of audible pedestrian signals where Garden Grove East intersects Haster Street and Fairview Street.
- Installation of upgraded traffic signals at the Fairview Street and Haster Street intersections to accommodate the dual left turn lanes on Garden Grove Boulevard.
- Installation of wall packs lighting for the new sidewalk location.

EXHIBIT D

**SCOPE OF WORK**

RAC PROJECT

CITY agrees to serve as lead agency for the design, construction, construction management and maintenance of the placement of rubberized asphalt concrete on Trask Avenue between Euclid Street and Magnolia Street, in the City of Garden Grove. CITY must complete this project by April 3, 2009.

## EXHIBIT L

## Cost share between AUTHORITY and CITY

	AUTHORITY	CITY	TOTAL
Placement of Rubberized Asphalt Concrete on Trask Avenue between Euclid Street and Magnolia Street (RAC PROJECT)	\$1,350,000	\$150,000	\$1,500,000
Garden Grove Boulevard Widening	\$0	\$572,286	\$572,286
TOTAL	\$1,350,000	\$722,286	\$2,072,286



BOARD COMMITTEE TRANSMITTAL

July 14, 2008

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board <sup>WK</sup>  
**Subject:** Report to Legislative Analyst's Office on the Garden Grove Freeway (State Route 22) Design-Build Project

Highways Committee

July 7, 2008

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

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Approve the report to Legislative Analyst's Office on the use of the design-build delivery approach on the Garden Grove Freeway (State Route 22) project and direct the Chief Executive Officer to transmit the report.

**Committee Discussion**

The Highways Committee suggested that special emphasis be added in the draft letter to the Legislative Analyst's Office regarding the following topics: value added to project by owner directed changes, flexibility of design-build to adapt to changes, public satisfaction with the accelerated schedule, awards given to the project by professional groups, and that the project cost amounts include all final construction claims.



**July 7, 2008**

**To:** Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Report to Legislative Analyst's Office on the Garden Grove Freeway (State Route 22) Design-Build Project

**Overview**

The Orange County Transportation Authority is required by Public Contracts Code, Section 20209, to prepare a report to the California Legislative Analyst's Office on the design-build approach used to construct the Garden Grove Freeway (State Route 22). This report is intended to serve as a comprehensive statement on the use of a design-build delivery approach on transit projects and to assess its future benefits.

**Recommendation**

Approve the report to Legislative Analyst's Office on the use of the design-build delivery approach on the Garden Grove Freeway (State Route 22) project and direct the Chief Executive Officer to transmit the report.

**Background**

The Orange County Transportation Authority (Authority) developed the Garden Grove Freeway (State Route 22) project using a design-build delivery approach. The essential element of this method is to include the final design of the project with the procurement of construction services. The intent of this delivery approach is to shorten the overall timeline of a project by advancing design and construction concurrently.

The Authority was authorized to use a design-build approach for the State Route 22 project under Public Contracts Code, Section 20209, which allows a transit operator to use design-build methods for its projects. One of the requirements of this code section is that the transit operator must prepare a report to the California Legislative Analyst's Office (LAO) on the project within 120 days of its completion. The State Route 22 project was completed and

turned over to the California Department of Transportation on May 16, 2008, and the LAO report is due by September 15, 2008.

On March 10, 2008, The Authority's Board of Directors (Board) directed staff to include a comprehensive analysis of the benefits of using design-build on the State Route 22 project and include this with the LAO report. The purpose of this analysis is to provide the Board with information to judge the best use of this delivery method for future projects. The Board asked staff to include a third-party consultant in the preparation of the comprehensive analysis to provide added perspective to the assessment of the use of design-build on the State Route 22 project.

### ***Discussion***

Staff engaged the consulting firm of Tom Warne and Associates to assist in the preparation of the comprehensive analysis and LAO report. Mr. Tom Warne has provided management consulting support to the Authority on the State Route 22 project in the past and is a recognized specialist in the use of design-build on highway and transit projects in the United States. In addition, Parsons Transportation Group, Inc., the project management consultant on the State Route 22 project, assisted in the preparation of the LAO report.

The LAO report is formatted to follow the requirements of the Public Contracts Code, Section 20209. This section of the code lists a series of issues that must be addressed in the final report. In addition, staff requested Mr. Tom Warne prepare a transmittal letter for the report to provide an analysis of the use of design-build on the project. A draft of the transmittal letter and LAO report are provided in attachments A and B.

### **Important Findings Included in the LAO Report:**

The successful bidder on the State Route 22 design-build project was the joint venture of Granite-Meyers-Rados (GMR), who offered a bid of \$390,379,000 and a construction period of 800 days to substantial completion. The final engineer's estimate for the project was \$447,000,000, with 1,100 days to substantial completion. The bid provided by GMR was a substantial savings in cost and time over the engineer's estimate.

After award of the design-build contract, several changes were requested by the Authority to provide additional mainline and local street improvements to the project. One significant addition was the full reconstruction of the Magnolia Street bridge in Garden Grove. This occurred late in the construction process and caused the Authority to change the substantial completion



sequencing and extend the completion date by 151 days. Even with the various changes that occurred during construction and the addition of the new work elements, the substantial completion of the initial operating segment was accomplished in 810 days, and the remainder of the facilities were opened 141 days later, on schedule. The overall duration to substantial completion was 951 days (the original 800 days plus an extension of 151 days), which was well short of the original engineer's estimate of 1,100 days. The Authority believes it achieved its objective of accelerating construction of this critical facility by using design-build. A more traditional design-bid-build approach would have taken many months, if not years, longer to complete.

The final design-build cost for the project was \$488,538,000, which was a \$98,159,000 (25.1 percent) increase over the original bid amount. The majority of this increase was a result of the additional work requested by the Authority after the contract was awarded. These owner-requested changes were added to the design-build contract to provide enhanced project features at a cost that was less than if the changes were done after the project was finished. The value of the owner-requested changes was \$80,091,000 or 81.6 percent of the total amount of the increase in the design-build budget.

The remaining cost increase amount of \$18,068,000 was for contract change orders related to the original design-build scope of work. These change orders amounted to only 4.6 percent of the original bid amount, which compares favorably to a normal change order contingency amount of 5 percent for traditional construction projects. In summary, the changes in the cost of the State Route 22 project were:

	<u>Amount</u>	<u>Increase</u>
Original Bid Price	\$390,379,000	
Owner-Requested Scope Changes	80,091,000	20.5 percent
Contract Change Orders	18,068,000	4.6 percent
Final Price	<u>\$488,538,000</u>	<u>25.1 percent</u>

The draft LAO report also provides a number of observations about the design-build process on the State Route 22 project and gives suggestions to improve future projects. The conclusion of the report is that the design-build process was appropriate for the State Route 22 project, and resulted in a significant acceleration of the completion of design and construction. Design-build is a tool that was found to be useful by the Authority and should be considered for use on other projects.

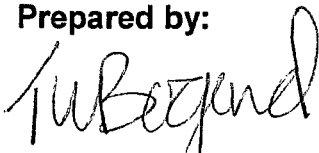
***Summary***

The Public Contracts Code requires the Authority to prepare a report on the State Route 22 design-build project after its final completion. A draft report and transmittal letter have been prepared by two consultants that summarizes the performance of the project and provides suggestions on how to improve the design-build process for future projects.

***Attachments***

- A. Draft Letter to the Legislative Analyst's Office
- B. State of California, Legislative Analyst's Office, Report on Transit Design-Build Contracts, May 30, 2008

**Prepared by:**



Tom Bogard, PE  
Director, Highway Project Delivery  
(714) 560-5918

**Approved by:**



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

**DRAFT LETTER TO THE**  
**LEGISLATIVE ANALYST'S OFFICE**

**ATTACHMENT A**

June XX, 2008

Legislative Analyst's Office  
925 L Street  
Suite 1000  
Sacramento, California 95814

Subject: Report on Transit Design-Build Contracts,  
Public Contract Code Section 20209.12

In accordance with California Public Contract Code, Section 20209.12, the Orange County Transportation Authority (OCTA) is submitting the attached report on its use of design-build on the Garden Grove Freeway (State Route 22) project. The State Route 22 project was a significant transportation effort by any definition in the industry. It involved adding twelve miles of high-occupancy vehicle lanes in each direction, reconstructing thirty-four bridge structures, realigning ramps and crossroads, plus many other local street improvements. The application of design-build on this important Orange County project was found to be successful and contributed to the early completion of the design and construction elements of State Route 22.

Design-build is a project delivery methodology that has been successfully used by the private sector for many years. It has proven to be a valuable tool in constructing many significant facilities including sports venues, hotels and commercial properties. Since the early 1990s, this tool has been widely used by public agencies in a variety of applications including significant transportation projects. Those familiar with infrastructure projects in California and, more specifically in Orange County, also know that the Riverside Freeway (State Route 91) Express Lanes and the San Joaquin Hills (State Route 73) and the Foothill/Eastern (State Route 241 and State Route 261) transportation corridors were completed using the design-build approach. Additionally, other large transportation projects throughout the country have been built this way.

For many years transportation projects in California have been constructed using the more common design-bid-build approach. Using this method, an owner (typically the California Department of Transportation) completes the design of the facility and offers it to qualified contractors for bid; contractors would then tender bids and the lowest responsible and responsive bidder would

be awarded the contract. Conversely, under the design-build approach, an owner completes a preliminary design of a project and describes the final configuration and attributes of the desired facility. The owner then hires a design-build team, comprised of one or more contractors and one or more engineering design firms, who will complete the design and do the construction. The gains derived by an owner in the design-build approach include: more efficient design and construction coordination effort, accelerated construction, innovation and creativity in the engineering approaches to project elements, and more certainty regarding the final project cost. Study after study illustrates these benefits of the design-build approach to infrastructure delivery.

The OCTA and other agencies who have used design-build for their projects understand that the accelerated schedule aspects of this approach focus on the design and construction elements of the work and do not apply to the other steps necessary to complete a project. For example, virtually every project must go through extensive planning and environmental studies before beginning even the first engineering efforts. These steps are unaffected by the use of design-build and are often the reason that a project takes so long to go from concept to a completed facility.

#### State Route 22 Project Performance

The successful design-build team on the State Route 22 project was a joint venture of Granite-Meyers-Rados (GMR) who offered a bid of \$390,379,000, with a construction period of 800 days to substantial completion. The engineer's estimate for the project was \$447,000,000 with 1,100 days to substantial completion. The bid provided by GMR was a substantial savings in cost and time over the engineer's estimate.

After award of the design-build contract, several changes were requested by OCTA to provide additional mainline and local street improvements to the project. One of the significant additions was the full reconstruction of the Magnolia Street bridge in Garden Grove, which occurred late in the construction process and impacted the completion sequencing. Even with the various changes that occurred during construction, and the adding of new work elements, the substantial completion of the first operating segment was accomplished in 810 days, just ten days beyond the original estimate. The remainder of the facilities were completed in only 951 days, well short of the original engineer's estimate of 1,100 days. OCTA believes it achieved its

objective of accelerating construction of this critical facility by using design-build. The more traditional design-bid-build approach would have taken many months, if not years, longer to complete the same improvements.

The final design-build cost for the project was \$488,538,000, which was a \$98,159,000 (25.1 percent) increase over the original bid amount. The majority of this increase was a result of the additional work requested by OCTA after the contract was awarded. These owner-requested changes were added to the design-build contract to provide enhanced project features at a cost that was less than if they were done after the project was finished. The value of the owner-requested changes was \$80,091,000 or 81.6 percent of the total increased amount. The remaining amount of increase of \$18,068,000, which is 4.6 percent of the bid amount, was for contract change orders related to the original design-build scope of work. This amount compares favorably to a normal change order contingency amount for construction projects of 5 percent.

A cost summary of the State Route 22 project follows:

	<u>Amount</u>	<u>Increase</u>
Original bid price	\$390,379,000	
Owner-requested scope changes	80,091,000	20.5%
Contract change orders	18,068,000	4.6%
Final price	\$488,538,000	25.1%

#### Legislative Analyst's Office Report

The attached report to the Legislative Analyst's Office offers some important information and comments on the use of design-build which will guide OCTA in future decisions about whether to use design-build on other projects. While all of the points included in the attached report are important, several are deserving of mention here.

The relationships involved in doing a design-build project on a facility like State Route 22 are critical to the success of the effort. In this case, they were complex and added risk to all parties. The basic elements of these relationships are captured in a cooperative agreement where the duties and responsibilities of each party are articulated. In brief, OCTA provided a major part of the funding for the project and was responsible for the administration of the contract with the design-build team. The State of California also provided funding for the

project and the California Department of Transportation (Caltrans) served in an oversight role with the design-build team. It should always be remembered that Caltrans is the ultimate owner of the finished facility. As such, no matter how an agency like OCTA frames the design-build elements of their contract with the design-build team, the ultimate authority, and organization to please, is Caltrans. Future design-build projects should further refine the provisions of the cooperative agreement between OCTA and Caltrans so that technical and procedural requirements, and specific roles and responsibilities, are defined in greater detail.

Innovation in project delivery is an important aspect of design-build. Many examples in California and around the country show that the design-build team, comprised of both contractor and engineering resources, has come up with creative solutions in response to complex engineering issues. On the State Route 22 project, much of the possible innovation in design-build was unavailable to OCTA, or the design-build contracting team, due to Caltrans' strict adherence to its established standards and procedures. Absent any flexibility in accepting new ideas or approaches on the part of Caltrans, OCTA was unable to implement any real measure of creativity on the State Route 22 project. The same could be said about the incorporation of emerging technologies, materials and processes that are not customarily used in California.

Design-build projects are known for their ability to accelerate project schedules. In fact, studies of completed design-build projects reflect greater probability for on-time or early completion than the more traditional design-bid-build projects common in the state. As noted before, a design-build contract focuses on the element of time attributed to the actual design and construction portions of the work. In this case, the State Route 22 project was a resounding success having achieved substantial time savings in these areas over the more traditional design-bid-build approach. However, it must also be recognized that using the design-build process did nothing to mitigate more than ten years of planning and environmental work that led up to actual design and construction. Design-build does not accelerate or improve the planning and environmental processes that serve to delay many significant projects in the state.

In conclusion, the design-build process was appropriate for the State Route 22 project and accelerated the design and construction elements of that work. It is

Legislative Analyst's Office  
June xx, 2008  
Page 5

a tool that OCTA found useful and an option that OCTA would like to retain for consideration on future projects.

Sincerely,

Arthur T. Leahy  
Chief Executive Officer

ATL:tb  
Attachment

# **State of California Legislative Analyst's Office**

## **Report on Transit Design-Build Contracts**

Pursuant to Public Contract Code  
Section 20209.12

Submitted by

**Orange County Transportation Authority**

Prepared by:

Parsons Transportation Group  
and  
Tom Warne and Associates

May 30, 2008



# **Legislative Analyst's Office**

## **Report on Transit Design-Build Contracts**

Submitted by  
Orange County Transportation Authority

May 30, 2008

### **Introduction**

This report is intended to fulfill the requirements of Assembly Bill No. 958, Chapter 541, Article 6.8, Transit Design-Build Contracts, California Public Contract Code Section 20209.12.

The report provides findings and analysis for Orange County Transportation Authority (OCTA) Garden Grove Freeway project which was awarded in accordance with the provisions of Assembly Bill 958, Public Contract Code Section 20209 and Public Contract Code 20133.

#### **(a) Type of Facility**

The Garden Grove Freeway (State Route 22) is a 12-mile east-west transportation corridor in Orange County, California. This freeway corridor provides connections to all major north-south freeways, including, Interstate 405, Interstate 5, State Route 57, and State Route 55, and many major north-south arterial streets. The State Route 22 freeway is a vital link to residents, businesses, and visitors in central Orange County. No major improvements had been made to the corridor since it was built in the early 1960's when it was designed to handle only 115,000 cars per day. Currently, State Route 22 carries more than 200,000 cars daily and its volume is expected to reach 250,000 by 2020. State Route 22 was also the last remaining freeway in Orange County that did not have high occupancy vehicle (HOV) lanes. When the State Route 22 project was completed, it marked the completion of the region's HOV transportation network.

#### **(b) Square Footage of Facility**

The State Route 22 design-build project upgraded the existing six-lane freeway by adding twelve miles of HOV lanes in each direction between State Route 55 and Valley View Street, and by adding six miles of general-purpose lanes in each direction between I-5 and Beach Boulevard. In addition, new auxiliary lanes were constructed between on and off ramps throughout the corridor.

Other features of the project included improvements at the Interstate 5/22/57 interchange - known locally as the "Orange Crush", which was designated by the Guinness World Records as the most complicated interchange in the world. The project also added a complex set of braided ramps separating the southbound

State Route 57 connector and the City Drive westbound offramp on State Route 22.

The project included widening and reconfiguring existing ramps, constructing eleven new bridges, widening twenty-three existing bridges, seismic retrofitting existing bridges, new sound walls, new retaining walls, architectural treatment, landscaping, and drainage improvements. Also included in the project is a state-of-the-art Traffic Management System, linked to the California Department of Transportation (Caltrans) and the California Highway Patrol Traffic Management Center that monitors conditions on 400 miles of southern California freeways.

**Project highlights:**

- \$490 million design-build contract
- Largest design-build project on an operating freeway in California
- Largest highway project under construction in California, 2004 through 2008
- Accelerated project completion by one to two years by using the design-build delivery method
- Delivered the first operating segment in an unprecedented 810 days
- At peak, used 200 designers and 750 union laborers on the project daily
- Put in place \$500,000 worth of construction on a daily basis
- Worked over 3.6 million hours, with a recordable incidence rate (RIR) of only 4.4 and project days away from work rate (DAWR) of only 0.8. Both of these safety ratings are below the North American Industry Classification System ratings for the industry.
- Expanded freeway to accommodate 250,000 vehicles per day
- Constructed, widened, or replaced 35 bridges
- Put into place:
  - 12 miles of retaining walls
  - 32,000 loads of concrete
  - 20,000 loads of asphalt
  - 70,000 loads of imported fill
  - 7,000 foundation piles

**(c) Company or Contractor Awarded Project**

The successful design-build construction team was a joint venture of Granite-Meyers-Rados (GMR). The members of the joint venture are Granite Construction Company, Inc., Steve P. Rados, Inc., and CC Myers, Inc. The lead designer was URS Corp., the construction quality assurance group was Diaz-Yourman and Associates, who were both subcontractors to the construction joint venture.

**(d) Estimated and Actual Length of Time to Complete the Project**

The engineer's estimated construction duration to substantial completion was 1,100 calendar days. Following substantial completion, the project included three

other milestones - project completion, project acceptance and final acceptance. Project completion followed 90 days after substantial completion, project acceptance followed 120 days after project completion, and final acceptance follows after the three year plant establishment period. Due to additional work authorized by change order, a second substantial completion milestone was added, 151 days after the first substantial completion date.

Notice to Proceed was authorized September 22, 2004. The first substantial completion was achieved on December 9, 2006 (810 calendar days). The second substantial completion was achieved on April 30, 2007. All lanes of traffic were open for public use east of Magnolia at the first substantial completion date and all remaining lanes were open to the public at the second substantial completion date. Project completion occurred on September 26, 2007. Project acceptance occurred on May 16, 2008. The three year landscape maintenance plant establishment period will be completed on February 10, 2011. Final acceptance will occur immediately following completion of the plant establishment period.

**(e) Findings Established Pursuant to Section 20133 of the Public Contract Code**

There are no additional findings established pursuant to Section 20133 of the Public Contract Code than those noted herein.

**(f) Labor Code Violations, Fines or Penalties**

No significant labor code violations were found during the life of the project. The following table summarizes minor prevailing wage issues that were identified.

Date	Contractor	Issue & Resolution
April 2006	GMR	Five employees were paid at apprentice rate without proper apprentice registration. This resulted in an underpayment of \$2,808.20. <i>Resolution: Restitution payments were made to each effected employee on May 13, 2006.</i>
January 2007	Little House Rental	Did not pay overtime wage rate to six employees after eight hours in a single day. This resulted in an underpayment of \$966.53. <i>Resolution: Restitution payments were made to each effected employee on January 31, 2007.</i>

### **(g) Estimated and Actual Project Costs**

The final engineer's cost estimate for the project was \$447,000,000. The bid price of the selected design-build contractor was \$390,379,000 or 12.7% below the engineer's cost estimate.

The final design-build cost for the project was \$488,538,000. The majority of the increase in the final cost was a result of the addition of work requested by the OCTA after the contract was awarded. These owner-requested changes were added to provide additional benefits to the project at a cost that was less than if they were done after the project was finished. The items added included such things as: increased seismic design requirements, addition of a new mainline bridge, addition of local street and ramp improvements, addition of rubberized asphalt paving, addition of landscape and aesthetics features, and the addition of new sound walls. OCTA approved additional funds to accelerate the finishing of these additional features to avoid impacting the overall completion date of the project. A summary of the adjustments made to the original bid price were:

	<u>Amount</u>	<u>Increase</u>
Original bid price	\$390,379,000	
Owner-requested scope changes	54,441,000	13.9%
Acceleration costs for scope changes	25,650,000	6.6%
Contract change orders	<u>18,068,000</u>	<u>4.6%</u>
Final price	\$488,538,000	25.1%

The actual cost of contract change orders related to the design-build contractor's original scope of work was only 4.6%. This amount compares favorably to the normal change order contingency amount for construction projects of 5%.

### **(h) Written Protests Concerning the Bid**

There were no written protests concerning any aspect of the solicitation, bid, proposal, or award of the design-build project.

### **(i) Pre-Qualification Process**

In accordance with the provisions of AB 958 / Public Contract Code Section 20209, OCTA established a design-build team pre-qualification process. Five design-build teams responded to OCTA's Request for Qualifications documents issued in August 2002. After evaluation of the submitted Statements of Qualifications from the design-build teams, all five teams were deemed to be qualified. Delays in bidding resulted from the belated approval of the environmental document and funding shortfalls. This necessitated restructuring the scope of the project. Because of the delay and the scope restructuring, the five design-build teams were allowed to revise their team make-up and submit revised Statements of Qualifications. Four of the design-build teams responded

and after review, all four teams were determined to be qualified. The pre-qualification process was successful in assessing the qualification of potential bidders and in identifying four well qualified design-build teams for the project.

**(j) Impact of Retaining Five Percent Retention**

The OCTA retained five percent retention from each progress invoice for the project. This amount was placed in a secure account and the interest from the retained amount was paid to the contractor. No significant effect was observed related to the requirement to retain five percent from the contractor's invoices. The contractor did not experience any difficulties with his major subcontractors resulting from the five percent retention requirement that was passed down to the contractors.

Following the first substantial completion milestone, the contractor requested release of one-half of the then current retention amount. The release of this amount was granted as part of the change order that split substantial completion into two milestones. The remaining retention amount was released at completion, per the terms of the contract and California contracting codes.

**(k) Labor Force Compliance Program**

Section 20209.07 (c) of the Public Contract Code requires agencies instituting a design-build project to "establish and enforce" a Labor Compliance Program (LCP) containing the requirements outlined in Section 1771.5 of the California Labor Code. However, this requirement does not "apply to projects where the county or the design-build entity has entered into any collective bargaining agreement or agreements that bind all of the contractors performing work on the projects." Since the design-build entity, GMR, entered into a Project Labor Agreement (PLA) that binds all contractors performing work on the Project, OCTA was not required to establish or enforce an LCP in conformance with California Labor Code Section 1771.5. To ensure GMR met prevailing wage requirements, OCTA instituted a program to monitor and enforce compliance with state and federal prevailing wage requirements on the project. This program included collection and review of contractor/subcontractor weekly certified payroll records, employee field interviews, site inspections, and audits.

**(l) Method Used to Award the Contract**

The contract was awarded on a best-value basis to the bidder that was found to be "most advantageous" to OCTA. Best value was determined by the following formula:

$$A_p = \frac{A + 2B}{C}$$

Where:

- $A_p$  = adjusted price
- A = bid price
- B = dollar value of the proposed days-to-completion
- C = technical score technical and management proposals

The bidder with the lowest adjusted price,  $A_p$ , would be deemed the most advantageous bidder. The time factor, B, was calculated from the number of days proposed by the bidders to reach the substantial completions milestone multiplied by a \$50,000 per day time-value factor to arrive at this value. The technical score factor, C, was assessed by an evaluation team of more than 70 specialized experts from OCTA, Caltrans, the Federal Highways Administration, the adjoining cities, and selected technical specialists who scored the technical and management proposal to determine the technical score for each design-build team.

Of the four pre-qualified bidders, only two bidders submitted proposals. The two bids were higher than expected, and OCTA made changes to the contract requirements to lower the cost. OCTA then requested a Best and Final Offer (BAFO) proposal from the two design-build teams.

Opening of the sealed bid prices determined the values for A and B in the formula above, and when combined with the technical score, the bidder with the lowest  $A_p$  was determined and recommended for contract award. The OCTA Board of Directors approved the award to the "most advantageous" bidder, the joint venture of GMR.

The table below summarizes the results of the adjusted price ranking of the two bidders.

Bidder	Days to Substantial Completion	Technical Score Value	Adjusted Price
A	800	0.879	\$537,338,960
B	995	0.874	\$1,122,161,356

#### (m) Skilled Labor Force Availability

Per Section 20133 (v) of the Public Contract Code, "Skilled labor force availability" shall be determined by the existence of an agreement with a registered apprenticeship program, approved by the California Apprenticeship Council. GMR and its subcontractors are signatory to the following unions: Carpenters, Cement Masons, Chainmen (Field Surveyors), Electricians, Ironworkers, Laborers, Landscape Laborers, Operating Engineers, Pavement Strippers, and Teamsters. GMR and its subcontractors have agreements with each of these trades' apprenticeship programs, which have been approved by

the California Apprenticeship Council, with the exception of Teamsters. The Teamsters do not have apprentice classifications. The result was that 646 apprentices from ten different trades were trained as part of the project in the following classifications:

<u>Trade</u>	<u>Number of Apprentices</u>
Carpenters	193
Cement Masons	30
Chainmen (Field Surveyors)	8
Construction Inspectors	4
Electricians	49
Ironworkers	94
Laborers	151
Landscape Laborers	40
Operating Engineers	73
Pavement Stripers	<u>4</u>
Total	646

**(n) Design-Build Dollar Limits on Transit Projects**

There were no candidate transit projects impacted by design-build dollar limits.

**(o) Most Appropriate Uses for the Design-Build Approach**

An assessment of the use of design-build on the State Route 22 project is presented below. These observations can be used to better formulate and manage future design-build projects in California.

Formal/Contractual Relationships - Four important relationships existed on the State Route 22 project. First, OCTA and Caltrans entered into a cooperative agreement that defined their relationship and respective roles and responsibilities. OCTA retained the services of Parsons Transportation Group as a project management consultant (PMC) to assist them in administering their contract with the design-build contractor. On typical highway projects in California, Caltrans functions as the owner for the contract and works directly with the designers and contractors to complete a project. On this project, the design-build relationship was between OCTA and GMR, with PMC providing staff and management assistance for OCTA. This multi-party relationship resulted in additional complexities in terms of administering the design-build contract. Caltrans had approval authority over the work of the contractor, even though they were not a party to the design-build contract. Simplification of these roles or

clearer delineation of responsibilities between Caltrans and the lead agency would enhance the use of design-build in the future.

Project Partnering - The common practice of project partnering was used on the State Route 22 project and is credited with improving relationships, enhancing communications and generally assisting the various entities in working more effectively together. Regular partnering meetings held at the project and executive levels brought the various representatives together in a process that allowed them to effectively resolve issues and address impediments to the project.

Design and Construction Innovations - Design-build is a process that creates an environment for innovation, creativity and opportunities for the introduction of emerging or updated standards and procedures. It is a marriage of the best attributes of the engineering designer with those of qualified and experienced contractors. Most design-build projects in the country are known for their new and different approaches to achieving the desired project outcomes. One of the observations about design-build on the State Route 22 project is that many of the ideas that came from the design-build team were not given favorable consideration by the responsible approving authority, Caltrans. This situation is not anticipated to change in the near future. That being the case, the value received by an owner through innovation by using design-build is limited if there is no consideration for new ideas or the application of standards or specifications that are not currently in use in California.

Appropriate Personnel - Not surprising is the fact that specific people assigned by the respective organizations to the State Route 22 project were critical to the success of the project. Individuals at Caltrans who assisted OCTA and facilitated decisions and approvals were noteworthy. Others representing OCTA, the PMC and GMR were equally important. A design-build project moves at a pace, and under circumstances that require individuals with exceptional technical skills, a high degree of professionalism, and a commitment to the concept of design-build and the success of the project. Staff from all organizations should be selected with care to ensure effective application of the design-build approach.

Approval Authority - Issues with approving authority existed in all organizations on this project. Decisions regarding changes to mandatory standards at Caltrans could not be approved in the local district office, adding to the time needed for critical approvals in Sacramento. Contract change authority at OCTA was limited to \$150,000 at the CEO level, with larger changes requiring OCTA Board approval. It is clear that more delegation of authority to local officials in Caltrans and OCTA staff would facilitate more expeditious decision-making on contract administration issues.

Technical Provisions - The cooperative agreement between Caltrans and OCTA required the design-build team to comply with the state's design criteria and



standards. Caltrans' design criteria and standards were written with a design-bid-build approach to contracting in mind. Applying these same standards to the design-build process is cumbersome and inefficient. Caltrans and OCTA should address some mechanism for "bridging" between the design-build process and standard technical provisions used on traditional projects prior to using design-build again. Changes to the Local Assistance Manual reflecting the design-build approach would be a major step forward.

Co-location of Project Staff - The co-location of project staff into a single project office by Caltrans, OCTA, PMC and GMR served a useful purpose and facilitated more effective communications and coordination between the organizations. This should be a mandatory requirement on future design-build projects. One particular benefit of co-location was the continuous engineering reviews performed on plans prepared by the design-build team by the PMC and Caltrans.

Project Selection - Design-build is not an approach to be used on just any transportation project. Owners using design-build should consider its application on projects with well-defined design characteristics and outcomes, where there is less risk of unforeseen contract conditions, and where there are few unresolved contractual issues or features. Future design-build projects should be objectively assessed against a specified criteria that will allow OCTA or any other public agency to make an informed and appropriate decision. Some of the factors that should be considered when selecting the most appropriate use of design-build are:

- Measurable benefit to the local community and traveling public from an accelerated project completion
- Approved environmental clearance with identified mitigation measures
- Well defined right-of-way and utility relocation requirements
- Well defined scope of required project facilities
- Broadly defined project performance requirements that can allow the contractor latitude in providing the best value to the owner
- Flexible approving authority that will allow contractors reasonable latitude in the methods used to meet project requirements
- Clearly defined and complementary roles for each public agency involved in the project

Time Savings - Design-build projects are often known for their ability to finish ahead of schedule. In fact, studies of completed design-build projects reflect greater probability for on-time or early completion than the more traditional design-bid-build projects common in the state. A design-build contract focuses on the element of time attributed to the actual design and construction portions of the work. In this case the State Route 22 Project was a resounding success having achieved substantial time savings in these areas over the more traditional design-bid-build approach. However, it must also be recognized that using the

design-build process did nothing to mitigate over ten years of planning and environmental work that led up to actual design and construction.

Public Outreach - The State Route 22 project was constructed in an urbanized area of Orange County and required substantial public outreach efforts. OCTA hired a special public outreach consultant to support the construction efforts on the project. The public outreach consultant coordinated scores of community meetings, issued hundreds of construction alerts, and fielded thousands of inquiries from the public. In addition, the design-build contractor was required to provide input and support to the public outreach team to coordinate outreach efforts and to provide timely public information about the project. Involving the design-build team in the public outreach efforts creates a greater sense of ownership by the team in addressing concerns expressed by those living and working around the project.

**(p) Design-Build Authority Not Used**

The State Route 22 project was the only project eligible under this legislation.