

**REQUEST FOR PROPOSALS (RFP) 4-2038**

# **M2 PERFORMANCE ASSESSMENT**



**ORANGE COUNTY TRANSPORTATION AUTHORITY**

**550 South Main Street  
P.O. Box 14184  
Orange, CA 92863-1584  
(714) 560-6282**

**Key RFP Dates**

<b>Issue Date:</b>	<b>February 28, 2024</b>
<b>Question Submittal Date:</b>	<b>March 7, 2024</b>
<b>Proposal Submittal Date:</b>	<b>March 26, 2024</b>
<b>Interview Date:</b>	<b>April 18, 2024</b>

## **TABLE OF CONTENTS**

<b>SECTION I: INSTRUCTIONS TO OFFERORS .....</b>	<b>1</b>
<b>SECTION II: PROPOSAL CONTENT .....</b>	<b>8</b>
<b>SECTION III: EVALUATION AND AWARD .....</b>	<b>15</b>
<b>EXHIBIT A: SCOPE OF WORK.....</b>	<b>18</b>
<b>EXHIBIT B: COST AND PRICE FORMS .....</b>	<b>19</b>
<b>EXHIBIT C: PROPOSED AGREEMENT .....</b>	<b>20</b>
<b>EXHIBIT D: STATUS OF PAST AND PRESENT CONTRACTS FORM .....</b>	<b>21</b>
<b>EXHIBIT E: SAFETY SPECIFICATIONS .....</b>	<b>23</b>
<b>EXHIBIT F: PROPOSAL EXCEPTIONS AND/OR DEVIATIONS.....</b>	<b>24</b>



February 28, 2024

**NOTICE OF REQUEST FOR PROPOSALS (RFP)**

**RFP 4-2038: "M2 PERFORMANCE ASSESSMENT"**

**TO: ALL OFFERORS**

**FROM: ORANGE COUNTY TRANSPORTATION AUTHORITY**

The Orange County Transportation Authority (Authority) invites proposals from qualified consultants to provide a Measure M2 performance assessment.

The budget for this project is \$223,510 for a one (1)-year term.

**Please note that by submitting a Proposal, Offeror certifies that it is not subject to any Ukraine/Russia-related economic sanctions imposed by the State of California or the United States Government including, but not limited to, Presidential Executive Order Nos. 13660, 13661, 13662, 13685, and 14065. Any individual or entity that is the subject of any Ukraine/Russia-related economic sanction is not eligible to submit a Proposal. In submitting a Proposal, all Offerors agree to comply with all economic sanctions imposed by the State or U.S. Government.**

**Proposals must be submitted, electronically, through the following URL link: <http://www.octa.net/Proposal Upload Link>, at or before the deadline of 2:00 p.m. on March 26, 2024. The link has an upload file size limit of 80MB. Authority will not accept hard copy proposals for this RFP.**

Offerors are instructed to click the upload link, select "**RFP 4-2038**" from the drop-down menu, and follow the instructions as prompted to upload the proposal. The upload link will expire at the submittal deadline and will not allow proposals to be uploaded.

Should Offerors encounter technical issues with uploading the proposals via the link provided, Offerors are required to contact the Contract Administrator prior to the submission deadline. Proposals and supplemental information to proposals received after the date and time specified above will be rejected.

Firms interested in obtaining a copy of this RFP may do so by downloading the RFP from CAMM NET at <https://cammnet.octa.net>.

All firms interested in doing business with the Authority are required to register their business on-line at CAMM NET. The website can be found at <https://cammnet.octa.net>. From the site menu, click on CAMM NET to register.

To receive all further information regarding this RFP 4-2038, firms and subconsultants must be registered on CAMM NET with at least one of the following commodity codes for this solicitation selected as part of the vendor's on-line registration profile:

<u>Category:</u>	<u>Commodity:</u>
Professional Consulting	Accounting / Auditing / Budget Consulting
	Administrative Consulting
	Consultant Services - General
	Consultant Services - Transportation Planning
Professional Services	Accounting Services
	Auditing
	Government Relation Services

The Authority has established April 18, 2024, as the date to conduct interviews. All prospective Offerors will be asked to keep this date available.

Offerors are encouraged to subcontract with small businesses to the maximum extent possible.

All Offerors will be required to comply with all applicable equal opportunity laws and regulations.

The award of this contract is subject to receipt of federal, state and/or local funds adequate to carry out the provisions of the proposed agreement including the identified Scope of Work.

**SECTION I: INSTRUCTIONS TO OFFERORS**

**SECTION I. INSTRUCTIONS TO OFFERORS**

**A. EXAMINATION OF PROPOSAL DOCUMENTS**

By submitting a proposal, Offeror represents that it has thoroughly examined and become familiar with the work required under this RFP and that it is capable of performing quality work to achieve the Authority's objectives.

**B. ADDENDA**

The Authority reserves the right to revise the RFP documents. Any Authority changes to the requirements will be made by written addendum to this RFP. Any written addenda issued pertaining to this RFP shall be incorporated into the terms and conditions of any resulting Agreement. The Authority will not be bound to any modifications to or deviations from the requirements set forth in this RFP as the result of oral instructions. Offerors shall acknowledge receipt of addenda in their proposals. Failure to acknowledge receipt of Addenda may cause the proposal to be deemed non-responsive to this RFP and be rejected.

**C. AUTHORITY CONTACT**

All communication and/or contacts with Authority staff regarding this RFP are to be directed to the following Contract Administrator:

Luis Martinez, Senior Contract Administrator  
Contracts Administration and Materials Management Department  
Phone: 714.560.5767  
Email: lmartinez1@octa.net

Commencing on the date of the issuance of this RFP and continuing until award of the contract or cancellation of this RFP, no offeror, subcontractor, lobbyist or agent hired by the offeror shall have any contact or communications regarding this RFP with any Authority's staff; member of the evaluation committee for this RFP; or any contractor or consultant involved with the procurement, other than the Contract Administrator named above or unless expressly permitted by this RFP. Contact includes face-to-face, telephone, electronic mail (email) or formal written communication. Any offeror, subcontractor, lobbyist or agent hired by the offeror that engages in such prohibited communications may result in disqualification of the offeror at the sole discretion of the Authority.

**D. CLARIFICATIONS****1. Examination of Documents**

Should an Offeror require clarifications of this RFP, the Offeror shall notify the Authority in writing in accordance with Section D.2. below. Should it be found that the point in question is not clearly and fully set forth, the Authority will issue a written addendum clarifying the matter which will be sent to all firms registered on CAMM NET under the commodity codes specified in this RFP.

**2. Submitting Requests**

- a. All questions must be put in writing and received via email at [lmartinez1@octa.net](mailto:lmartinez1@octa.net) no later than 5:00 p.m., on March 7, 2024.
- b. Requests for clarifications, questions, and comments must be clearly labeled, "Written Questions RFP 4-2038," in the subject line of the email. The Authority is not responsible for failure to respond to a request that has not been labeled as such.

**3. Authority Responses**

Responses from the Authority will be posted on CAMM NET no later than March 12, 2024. Offerors may download responses from CAMM NET at <https://cammnet.octa.net>, or request responses be sent via email.

To receive email notification of Authority responses when they are posted on CAMM NET, firms and subconsultants must be registered on CAMM NET with at least one of the following commodity codes for this solicitation selected as part of the vendor's on-line registration profile:

Category:

Professional Consulting

Professional Services

Commodity:

Accounting / Auditing / Budget Consulting

Administrative Consulting

Consultant Services - General

Consultant Services -

Transportation Planning

Accounting Services

Auditing

Government Relation Services

Inquiries received after 5:00 p.m. on March 7, 2024 will not be responded to.

## E. SUBMISSION OF PROPOSALS

### 1. Date and Time

**Proposals must be submitted, electronically**, through the following URL link: <http://www.octa.net/Proposal Upload Link>, at or before the deadline of **2:00 p.m. on March 26, 2024. The link has an upload file size limit of 80MB. Authority will not accept hard copy proposals for this RFP.**

Offerors are instructed to click the upload link, select “**RFP 4-2038**” from the drop-down menu, and follow the instructions as prompted to upload the proposal. The upload link will expire at the submittal deadline and will not allow proposals to be uploaded.

Should Offerors encounter technical issues with uploading the proposals via the link provided, Offerors are required to contact the Contract Administrator prior to the submission deadline. Proposals and supplemental information to proposals received after the date and time specified above will be rejected.

### 2. Acceptance of Proposals

- a. The Authority reserves the right to accept or reject any and all proposals, or any item or part thereof, or to waive any informalities or irregularities in proposals.
- b. The Authority reserves the right to withdraw or cancel this RFP at any time without prior notice and the Authority makes no representations that any contract will be awarded to any Offeror responding to this RFP.
- c. The Authority reserves the right to issue a new RFP for the project.
- d. The Authority reserves the right to postpone proposal openings for its own convenience.
- e. Each proposal will be received with the understanding that acceptance by the Authority of the proposal to provide the services described herein shall constitute a contract between the Offeror and Authority which shall bind the Offeror on its part to furnish and deliver at the prices given and in accordance with conditions of said accepted proposal and specifications.
- f. The Authority reserves the right to investigate the qualifications of any Offeror, and/or require additional evidence of qualifications to perform the work.
- g. Submitted proposals are not to be copyrighted.



**F. PRE-CONTRACTUAL EXPENSES**

The Authority shall not, in any event, be liable for any pre-contractual expenses incurred by Offeror in the preparation of its proposal. Offeror shall not include any such expenses as part of its proposal.

Pre-contractual expenses are defined as expenses incurred by Offeror in:

1. Preparing its proposal in response to this RFP;
2. Submitting that proposal to the Authority;
3. Negotiating with the Authority any matter related to this proposal; or
4. Any other expenses incurred by Offeror prior to date of award, if any, of the Agreement.

**G. JOINT OFFERS**

Where two or more firms desire to submit a single proposal in response to this RFP, they should do so on a prime-subcontractor basis rather than as a joint venture. The Authority intends to contract with a single firm and not with multiple firms doing business as a joint venture.

**H. TAXES**

Offerors' proposals are subject to State and Local sales taxes. However, the Authority is exempt from the payment of Federal Excise and Transportation Taxes. Offeror is responsible for payment of all taxes for any goods, services, processes and operations incidental to or involved in the contract.

**I. PROTEST PROCEDURES**

The Authority has on file a set of written protest procedures applicable to this solicitation that may be obtained by contacting the Contract Administrator responsible for this procurement. Any protests filed by an Offeror in connection with this RFP must be submitted in accordance with the Authority's written procedures.

**J. CONTRACT TYPE**

It is anticipated that the Agreement resulting from this solicitation, if awarded, will be a firm-fixed price contract specifying firm-fixed prices for individual tasks specified in the Scope of Work, included in this RFP as Exhibit A. The Agreement will have a one (1)-year term.

**K. CONFLICT OF INTEREST**

All Offerors responding to this RFP must avoid organizational conflicts of interest which would restrict full and open competition in this procurement. An organizational conflict of interest means that due to other activities, relationships

or contracts, an Offeror is unable, or potentially unable to render impartial assistance or advice to the Authority; an Offeror's objectivity in performing the work identified in the Scope of Work is or might be otherwise impaired; or an Offeror has an unfair competitive advantage. Conflict of Interest issues must be fully disclosed in the Offeror's proposal.

All Offerors must disclose in their proposal and immediately throughout the course of the evaluation process if they have hired or retained an advocate to lobby Authority staff or the Board of Directors on their behalf.

Offerors hired to perform services for the Authority are prohibited from concurrently acting as an advocate for another firm who is competing for a contract with the Authority, either as a prime or subcontractor.

**L. CODE OF CONDUCT**

All Offerors agree to comply with the Authority's Code of Conduct as it relates to Third-Party contracts which is hereby referenced and by this reference is incorporated herein. All Offerors agree to include these requirements in all of its subcontracts.

**M. OWNERSHIP OF RECORDS/PUBLIC RECORDS ACT**

All proposals and documents submitted in response to this RFP shall become the property of the Authority and a matter of public record pursuant to the California Public Records Act, Government Code sections 7920.000 et seq. (the "Act"). Offerors should familiarize themselves with the provisions of the Act requiring disclosure of public information. Offerors are discouraged from marking their proposal documents as "confidential" or "proprietary."

If a Proposal does include "confidential" or "proprietary" markings and the Authority receives a request pursuant to the Act, the Authority will endeavor (but cannot guarantee) to notify the Offeror of such a request. In order to protect any information submitted within a Proposal, the Offeror must pursue, at its sole cost and expense, any and all appropriate legal action necessary to maintain the confidentiality of such information. The Authority generally does not consider pricing information, subcontractor lists, or key personnel, including resumes, as being exempt from disclosure under the Act. In no event shall the Authority or any of its officers, directors, employees, agents, representatives, or consultants be liable to Offeror for the disclosure of any materials or information submitted in response to the RFP or by failing to notify Offeror of a request seeking its Proposal. The Authority reserves the right to make an independent decision to disclose records and material.

Notwithstanding the above, all information regarding proposal responses will be held as confidential until such time as the evaluation has been completed; an

award has been made by the Board of Directors or Authority Staff, as appropriate; and the contract has been fully negotiated.

**N. STATEMENT OF ECONOMIC INTERESTS**

The awarded Offeror (including designated employees and subconsultants) may be required to file Statements of Economic Interests (Form 700) in accordance with the Political Reform Act (Government Code section 81000 et seq.). This applies to individuals who make, participate in making, or act in a staff capacity for making governmental decisions. The Authority determines which individuals are required to file a Form 700, and if such determination is made, the individuals must file Form 700s with the Authority's Clerk of the Board no later than thirty (30) days after the execution of the Agreement, annually thereafter for the duration of the Agreement, and within thirty (30) days of termination of the Agreement.

**SECTION II: PROPOSAL CONTENT**

## **SECTION II. PROPOSAL CONTENT**

### **A. PROPOSAL FORMAT AND CONTENT**

#### **1. Format**

Proposals should be typed with a standard 12-point font, double-spaced. Proposals should not include any unnecessarily elaborate or promotional materials. Proposals should not exceed fifty (50) pages in length, excluding any appendices, cover letters, resumes, or forms.

#### **2. Letter of Transmittal**

The Letter of Transmittal shall be addressed to Luis Martinez, Senior Contract Administrator, and must, at a minimum, contain the following:

- a. Identification of Offeror that will have contractual responsibility with the Authority. Identification shall include legal name of company, corporate address, telephone and fax number, and email address. Include name, title, address, email address, and telephone number of the contact person identified during period of proposal evaluation.
- b. Identification of all proposed subcontractors including legal name of company, contact person's name and address, phone number and fax number, and email address; relationship between Offeror and subcontractors, if applicable.
- c. Acknowledgement of receipt of all RFP addenda, if any.
- d. A statement to the effect that the proposal shall remain valid for a period of not less than 120 days from the date of submittal.
- e. Signature of a person authorized to bind Offeror to the terms of the proposal.
- f. Signed statement attesting that all information submitted with the proposal is true and correct.

#### **3. Technical Proposal**

##### **a. Qualifications, Related Experience and References of Offeror**

This section of the proposal should establish the ability of Offeror to satisfactorily perform the required work by reasons of: experience in performing work of a similar nature; demonstrated competence in the services to be provided; strength and stability of the firm; staffing

capability; work load; record of meeting schedules on similar projects; and supportive client references.

Offeror to:

- (1) Provide a brief profile of the firm, including the types of services offered; the year founded; form of the organization (corporation, partnership, sole proprietorship); number, size, and location of offices; and number of employees.
- (2) Provide a general description of the firm's financial condition and identify any conditions (e.g., bankruptcy, pending litigation, planned office closures, impending merger) that may impede Offeror's ability to complete the project.
- (3) Describe the firm's experience in performing work of a similar nature to that solicited in this RFP, and highlight the participation in such work by the key personnel proposed for assignment to this project.
- (4) Identify subcontractors by company name, address, contact person, telephone number, email, and project function. Describe Offeror's experience working with each subcontractor.
- (5) Identify all firms hired or retained to provide lobbying or advocating services on behalf of the Offeror by company name, address, contact person, telephone number and email address. This information is required to be provided by the Offeror immediately during the evaluation process, if a lobbyist or advocate is hired or retained.
- (6) Provide as a minimum three (3) references for the projects cited as related experience, and furnish the name, title, address, telephone number, and email address of the person(s) at the client organization who is most knowledgeable about the work performed. Offeror may also supply references from other work not cited in this section as related experience.

**b. Proposed Staffing and Project Organization**

This section of the proposal should establish the method, which will be used by the Offeror to manage the project, as well as identify key personnel assigned.

Offeror to:

- (1) Identify key personnel proposed to perform the work in the specified tasks and include major areas of subcontract work. Include the person's name, current location, proposed position for this project, current assignment, level of commitment to that assignment, availability for this assignment and how long each person has been with the firm.
- (2) Furnish brief resumes (not more than two [2] pages each) for the proposed Project Manager and other key personnel that includes education, experience, and applicable professional credentials.
- (3) Indicate adequacy of labor resources utilizing a table projecting the labor-hour allocation to the project by individual task.
- (4) Include a project organization chart, which clearly delineates communication/reporting relationships among the project staff.
- (5) Include a statement that key personnel will be available to the extent proposed for the duration of the project acknowledging that no person designated as "key" to the project shall be removed or replaced without the prior written concurrence of the Authority.

**c. Work Plan**

Offeror should provide a narrative, which addresses the Scope of Work, and shows Offeror's understanding of Authority's needs and requirements.

Offeror to:

- (1) Describe the approach to completing the tasks specified in the Scope of Work. The approach to the work plan shall be of such detail to demonstrate the Offeror's ability to accomplish the project objectives and overall schedule.
- (2) Outline sequentially the activities that would be undertaken in completing the tasks and specify who would perform them.
- (3) Furnish a project schedule for completing the tasks in terms of elapsed weeks.
- (4) Identify methods that Offeror will use to ensure quality control, as well as budget and schedule control for the project.

- (5) Identify any special issues or problems that are likely to be encountered in this project and how the Offeror would propose to address them.
- (6) Offeror is encouraged to propose enhancements or procedural or technical innovations to the Scope of Work that do not materially deviate from the objectives or required content of the project.

**d. Exceptions/Deviations**

State any technical and/or contractual exceptions and/or deviations from the requirements of this RFP, including the Authority's technical requirements and contractual terms and conditions set forth in the Scope of Work (Exhibit A) and Proposed Agreement (Exhibit C), using the form entitled "Proposal Exceptions and/or Deviations" included in this RFP. This Proposal Exceptions and/or Deviations form (Exhibit F) must be included in the original proposal submitted by the Offeror. If no technical or contractual exceptions and/or deviations are submitted as part of the original proposal, Offerors are deemed to have accepted the Authority's technical requirements and contractual terms and conditions set forth in the Scope of Work (Exhibit A) and Proposed Agreement (Exhibit C). Offerors will not be allowed to submit the Proposal Exceptions and/or Deviations form (Exhibit F) or any technical and/or contractual exceptions after the proposal submittal date identified in the RFP. Exceptions and/or deviations submitted after the proposal submittal date will not be reviewed by Authority.

All exceptions and/or deviations will be reviewed by the Authority and will be assigned a "pass" or "fail" status. Exceptions and deviations that "pass" do not mean that the Authority has accepted the change but that it is a potential negotiable issue. Exceptions and deviations that receive a "fail" status means that the requested change is not something that the Authority would consider a potential negotiable issue. Offerors that receive a "fail" status on their exceptions and/or deviations will be notified by the Authority and will be allowed to retract the exception and/or deviation and continue in the evaluation process. Any exceptions and/or deviation that receive a "fail" status and the Offeror cannot or does not retract the requested change may result in the firm being eliminated from further evaluation.



**4. Cost and Price Proposal**

As part of the cost and price proposal, the Offeror shall submit proposed pricing to provide the services for each work task described in Exhibit A, Scope of Work.

The Offeror shall complete the "Price Summary Sheet" form included with this RFP (Exhibit B), and furnish any narrative required to explain the prices quoted in the schedules.

It is anticipated that the Agreement resulting from this solicitation, if awarded, will be a firm-fixed price contract specifying firm-fixed prices for individual tasks specified in the Scope of Work, included in the RFP as Exhibit A.

**5. Appendices**

Information considered by Offeror to be pertinent to this project and which has not been specifically solicited in any of the aforementioned sections may be placed in a separate appendix section. Offerors are cautioned, however, that this does not constitute an invitation to submit large amounts of extraneous materials. Appendices should be relevant and brief.

**B. FORMS**

**1. Status of Past and Present Contracts Form**

Offeror shall complete and sign the form entitled "Status of Past and Present Contracts" provided in this RFP and submit as part of its proposal. Offeror shall identify the status of past and present contracts where the firm has either provided services as a prime vendor or a subcontractor during the past five (5) years in which the contract has been the subject of or may be involved in litigation with the contracting authority. This includes, but is not limited to, claims, settlement agreements, arbitrations, administrative proceedings, and investigations arising out of the contract. Offeror shall have an ongoing obligation to update Authority with any changes to the identified contracts and any new litigation, claims, settlement agreements, arbitrations, administrative proceedings, or investigations that arise subsequent to the submission of Offeror's proposal.

A separate form must be completed for each identified contract. Each form must be signed by the Offeror confirming that the information provided is true and accurate.

**2. Proposal Exceptions and/or Deviations Form**

Offerors shall complete the form entitled "Proposal Exceptions and/or Deviations" provided in this RFP and submit it as part of the original proposal. For each exception and/or deviation, a new form should be used, identifying the exception and/or deviation and the rationale for requesting the change. Exceptions and/or deviations submitted after the proposal submittal date will not be reviewed nor considered by the Authority.

**SECTION III: EVALUATION AND AWARD**

## **SECTION III. EVALUATION AND AWARD**

### **A. EVALUATION CRITERIA**

The Authority will evaluate the offers received based on the following criteria:

- 1. Qualifications of the Firm 25%**  
 Technical experience in performing work of a closely similar nature; strength and stability of the firm; strength, stability, experience, and technical competence of subcontractors; assessment by client references.
- 2. Staffing and Project Organization 25%**  
 Qualifications of project staff, particularly key personnel and especially the Project Manager; key personnel's level of involvement in performing related work cited in "Qualifications of the Firm" section; logic of project organization; adequacy of labor commitment; concurrence in the restrictions on changes in key personnel.
- 3. Work Plan 30%**  
 Depth of Offeror's understanding of Authority's requirements and overall quality of work plan; logic, clarity and specificity of work plan; appropriateness of resource allocation among the tasks; reasonableness of proposed schedule; utility of suggested technical or procedural innovations.
- 4. Cost and Price 20%**  
 Reasonableness of the total price as well as the individual tasks; competitiveness with other offers received; adequacy of data in support of figures quoted.

### **B. EVALUATION PROCEDURE**

An evaluation committee will be appointed to review all proposals received for this RFP. The committee is comprised of Authority staff and may include outside personnel. The committee members will evaluate the written proposals using criteria identified in Section III A. A list of top-ranked proposals, firms within a competitive range, will be developed based upon the totals of each committee members' score for each proposal.

During the evaluation period, the Authority may interview some or all of the proposing firms. The Authority has established April 18, 2024, as the date to conduct interviews. All prospective Offerors are asked to keep this date available. No other interview dates will be provided, therefore, if an Offeror is unable to attend

the interview on this date, its proposal may be eliminated from further discussion. The interview may consist of a short presentation by the Offeror after which the evaluation committee will ask questions related to the firm's proposal and qualifications.

At the conclusion of the proposal evaluations, the evaluation committee will score the proposals to develop a competitive range. Offerors remaining within the competitive range may be asked to submit a Best and Final Offer (BAFO). In the BAFO request, the firms may be asked to provide additional information, confirm or clarify issues and submit a final cost/price offer. A deadline for submission will be stipulated.

At the conclusion of the evaluation process, the evaluation committee will recommend to Authority's management the Offeror whose proposal is most advantageous to the Authority.

**C. AWARD**

The Authority may negotiate contract terms with the selected Offeror prior to award, and expressly reserves the right to negotiate with several Offerors simultaneously and, thereafter, to award a contract to the Offeror offering the most favorable terms to the Authority.

The Authority reserves the right to award its total requirements to one Offeror or to apportion those requirements among several Offerors as the Authority may deem to be in its best interest. In addition, negotiations may or may not be conducted with Offerors; therefore, the proposal submitted should contain Offeror's most favorable terms and conditions, since the selection and award may be made without discussion with any Offeror.

The selected Offeror will be required to submit to the Authority's Accounting department a current IRS W-9 form prior to commencing work.

**D. NOTIFICATION OF AWARD AND DEBRIEFING**

Offerors who submit a proposal in response to this RFP shall be notified via CAMM NET of the contract award. Such notification shall be made within three (3) business days of the date the contract is awarded.

Offerors who were not awarded the contract may obtain a debriefing concerning the strengths and weaknesses of their proposal. Unsuccessful Offerors, who wish to be debriefed, must request the debriefing in writing or electronic mail and the Authority must receive it within three (3) business days of notification of the contract award.

**EXHIBIT A: SCOPE OF WORK**

**SCOPE OF WORK  
Fiscal Years 2022-24 M2 PERFORMANCE ASSESSMENT**

**Background**

On November 7, 2006, Orange County voters approved the Renewed Measure M (M2) Transportation Investment Plan (Plan), a measure authorizing collection of a one-half cent sales tax over 30 years to fund transportation improvements.

Collection of sales tax revenues under M2 began on April 1, 2011. M2 was preceded by a similar measure known as Measure M1 (M1) that went into effect in April 1991 and expired on March 31, 2011.

Ordinance No. 3 (Ordinance), which defines and regulates how the M2 sales tax proceeds can be spent, was approved by the Orange County Transportation Authority (OCTA) Board of Directors (Board) on July 24, 2006. The Ordinance includes the M2 Plan, which describes four categories of project and program improvements to be funded: Freeways, Streets and Roads, Transit, and Environmental Cleanup. OCTA administers the various provisions of the Ordinance and M2 Plan ranging from receiving the revenues to allocation of funds and implementation of the projects and programs as appropriate.

Although collection of sales tax under M2 did not start until April 2011, OCTA started work on M2 in 2007 by adopting an Early Action Plan, using debt financing secured by the anticipated sales tax revenue stream. The projects undertaken include all four categories of improvements outlined above (Freeways, Streets and Roads, Transit, and Environmental Cleanup).

The M2 Ordinance includes a range of “Taxpayer Safeguards and Audits.” These include a requirement for a Taxpayers Oversight Committee (TOC), as well as a performance assessment among other things. A copy of the Ordinance is included as Attachment A to this Scope of Work.

Five (5) prior performance assessments have been completed covering:

- Fiscal years (FY) 2006-07 through FY 2008-09,
- FY 2009-10 through FY 2011-12,
- FY 2012-13 through FY 2014-15,
- FY 2015-16 through FY 2017-18,
- and FY 2018-19 through FY 2020-21.

All findings from all five (5) prior assessments have been addressed and summarized in Attachment B. A sixth assessment will begin in July 2024, and cover the period between July 1, 2021 and June 30, 2024.

OCTA established a Program Management Office (PMO) to oversee the implementation of M2. The PMO, a part of OCTA's Planning Division, is focused on overall program management, compliance with the Ordinance, fiscal responsibility, transparency, and safeguards. The PMO's role is primarily oversight rather than direct management. It monitors progress on projects and programs and ensures compliance with Ordinance requirements and other aspects of M2. The PMO facilitates coordination among OCTA divisions, provides guidance to ensure and support transparency, reporting requirements, and coordinates other aspects of M2. Reporting includes quarterly status reports to the Board, annual reports on revenues spent and progress in implementing M2, triennial performance assessments, and ten (10)-year comprehensive reviews.

Management of financial aspects and individual M2 projects and programs (facilities and services) is carried out by operating units. The PMO monitors and reports on the projects and programs. The PMO has also developed a document management process for tracking M2-related decisions and activities.

The PMO Manager will be the Project Manager (PM) for this Performance Assessment.

### **Purpose of the Performance Assessment**

Ordinance No. 3 includes the following provision: "A performance assessment shall be conducted at least once every three (3) years to evaluate the efficiency, effectiveness, economy, and program results of the Authority in satisfying the provisions and requirements of the Investment Summary of the Plan, the Plan, and the Ordinance."

The purpose of the performance assessment is to evaluate OCTA's performance on a range of activities covering planning, management, and delivery of the M2 Program. The assessment is intended to be both retrospective and prospective. It will assist OCTA in improving the current process and practices and ensure the necessary tools are in place to successfully implement the Plan through 2041. The assessment shall focus on the most relevant matters related to OCTA's efficiency, effectiveness, economy, and program results in delivering M2. OCTA expects the Consultant to provide a sound, overall assessment in this regard to strengthen OCTA's efforts as it continues forward with the implementation of M2.

**This scope of work is for a performance assessment, NOT a financial audit. It is also not a performance audit of the type required by Sections 6662.5 and 6664.5 of the California Transportation Development Act (TDA). All of the written requirements for the assessment originate in the Ordinance, and there are no specific audit standards that are applicable to the assessment.** Fiscal audits of the Orange County Local Transportation Authority (agency within OCTA that is legislatively designated to administer M2), as well as financial statements and reviews of M2 financial status reports are conducted as part of OCTA's annual



financial audits. In addition, the OCTA's Internal Audit Department carries out, either directly or through independent contractors, various M2 audits. These audits cover reviews of individual projects and/or programs and local agencies' compliance with expenditure requirements set forth in the Ordinance. TDA performance audits are required in association with the receipt of sales tax proceeds into the Local Transportation Fund and State Transit Assistance Fund and are not related to this performance assessment.

### **Consultant Qualifications**

Consultant shall have a strong background and understanding in transportation planning and program/construction management. Consultant shall provide qualified staff with experience in the following areas:

- Project development activities, assessing transportation programs, and evaluating best practices
- Project controls, program performance, and program delivery progress
- Collecting data, conducting management interviews, assessing operations and an understanding of organizational structures
- Analyzing information and producing recommendations to improve key areas of performance

### **Assessment Objectives**

The performance assessment objectives listed below are an important component of the assessment:

- Evaluate the status of the findings from the fifth performance assessment and the effectiveness of the changes implemented
- Assess the performance of OCTA on the efficient delivery of M2 projects and programs
- Identify and evaluate any potential barriers to success and opportunities for process improvements

### **A. SCOPE**

The scope of work for this project includes an M2 performance assessment of OCTA for the period of July 1, 2021 through June 30, 2024. Summarized below are the areas OCTA has identified as highly important to its performance and to which it directs Consultant's attention. As an independent assessor, Consultant may choose other areas, but OCTA expects Consultant to review the following:

### **Project Delivery**

Evaluate OCTA's effectiveness and efficiency in developing and implementing the projects and programs described in M2. Questions might include:

- a) What has been accomplished?
- b) Is overall progress to date in implementing M2 reasonable? Is sufficient progress being made to support full completion of the Plan within the thirty (30)-year life of M2 with minimum wasted effort or expense?
- c) Is OCTA meeting early delivery objectives? How well are the delivery objectives being satisfied?
- d) Are there appropriate systems in place to monitor, assess, control, and report on Capital Action Plan (CAP) progress?

### **Program Management / Responsiveness**

Evaluate OCTA's approach to program management. Questions might include:

- a) Assess OCTA's response to the findings in the FY 2018-19 through FY 2020-21 Performance Assessment. Were the findings adequately addressed? Are there any remaining follow-ups or carryover items?
- b) Are there effective mechanisms in place to ensure interdivisional coordination in planning and implementing projects/programs?
- c) Are there appropriate internal systems in place to coordinate the monitoring, assessment, control, and reporting of CAP progress? Is this information appropriately conveyed to the public (externally)?
- d) Does OCTA have a reasonable approach to implementing the M2 requirement to limit administrative costs to one percent of total tax revenues and address the related issues and challenges?
- e) Does the PMO function have clear definition of roles and responsibilities? Are these roles and responsibilities sufficiently defined to ensure effective and efficient delivery of the program, and are the roles and responsibilities consistent with peer agency approaches to this type of a function? Are adequate resources available to the function to carry out these responsibilities?
- f) Have program and project management systems (e.g. Primavera) been effectively implemented and are they being effectively used for program and project management control?
- g) Does the M2-related organizational structure (within OCTA) provide for efficient delivery of M2 programs and projects?
- h) Does OCTA have adequate policies and procedures for contract management and construction management?

- i) Does OCTA have the appropriate security in place to protect the M2 program documents from a cyber-attack?

### **Compliance**

Evaluate OCTA's approach to ensuring compliance with the Ordinance including Attachments A, B, and C to the Ordinance. Questions might include:

- a) Are the methods and procedures used to report on compliance with the Ordinance adequate?
- b) OCTA has developed a matrix itemizing all requirements set forth in the Ordinance and Plan to monitor compliance. Is the tool sufficient or are there improvements that can be made to improve compliance tracking?
- c) Does OCTA have an effective and efficient approach to determine local agency eligibility as required in the Ordinance?
- d) Has OCTA followed its adopted procurement requirements in awarding M2-related contracts?

### **Fiscal Responsibility**

Evaluate the extent to which OCTA is economical in structuring the approach to project and program delivery. Questions might include:

- a) Is OCTA's technical project selection process for awarding M2 grants to streets and roads, transit, and environmental projects effective?
- b) Is OCTA's payment process for grant funding disbursement under the M2 Streets and Roads programs appropriate and efficient?
- c) Is OCTA's process to monitor timely use of grants to local agencies effective?
- d) Is the local agency expenditure reporting process and format appropriate?
- e) Is OCTA's use of M2 funds, specifically in the development and use of other available funding sources to supplement sales tax revenues, efficient?
- f) Evaluate OCTA's policies and practices in investing M2 funds. Do fund investment policies and practices reflect a sound balance of security, return, and cash flow needs?
- g) Evaluate OCTA's use of financing to fund M2 projects. Are the financing costs and fees paid reasonable? Was the structure of the financing appropriate based on the funding requirements?

- h) Has OCTA effectively established countermeasures to address potential shortfall in anticipated sales tax collections? Was borrowing money to accelerate projects in order to take advantage of currently favorable bidding conditions appropriate?
- i) Evaluate OCTA's long term financial planning process through the Comprehensive Business Plan development. Is the process an effective way to determine and plan for the M2 cash flow needs?

### **Transparency and Accountability**

Evaluate how fully, intelligibly, and otherwise appropriately OCTA reports on M2 matters to the Board, the TOC, the general public, and other stakeholders.

Questions might include:

- a) Does OCTA effectively inform the public about M2 programs and projects via its public outreach approach?
- b) Does OCTA involve appropriate user groups and communities affected by M2 programs and projects in planning and decision-making?
- c) Does OCTA make good use of its website, e-mail, social media, and traditional methods (e.g., press releases and direct mail) to inform and involve the public?
- d) Has the TOC, which was created as a requirement of the Ordinance, functioned as envisioned and in conformance with the established policies and procedures?

### **Task 1 – Initial Set of Findings**

Upon assessment of, at a minimum, the five (5) areas identified above, submit an initial set of findings in outline format. This shall include findings to date on all matters described in the Scope of Services above and any additional matters the Consultant anticipates might need to be included in the final report. The Consultant shall also include an explanation as to why they came to their conclusions. Consultant and PM will meet to discuss these initial findings at a regularly scheduled progress meeting or a specially scheduled one.

### **Task 2 – Final Report**

Submit the final report within one hundred fifty (150) days of Notice to Proceed or within twenty (20) days after receiving staff comments on draft, including four (4) final hard copies and an electronic copy created in Microsoft Word.

### **Task 3 – Committee/Board Meetings**

- Attend and present interim updates at up to four (4) formal Committee/Board meetings on progress of activities.
- If requested after submission of the final report, attend up to four (4) formal Committee/Board meetings. This may require summarizing the assessment's findings and other pertinent information in a PowerPoint presentation. Consultant may be asked to make a formal presentation of the final report to multiple Committees/Board and respond to formal questions.

### **B. MATERIALS AND DOCUMENTATION**

To assist in the assessment, Consultant shall review existing materials and documentation including, but not limited to, the following:

- a) Orange County Local Transportation Authority Ordinance No. 3
- b) Updated Next 10 Delivery Plan
- c) M2 Ordinance No. 3 Matrix
- d) Measure M Website
- e) Agendas for OCTA Board meetings, TOC, Environmental Cleanup Allocation Committee, and Environmental Oversight Committee.
- f) Program guidelines and schedule documents
- g) Financial planning documents
- h) M2 Annual and Quarterly Reports
- i) M2 Performance Assessment – November 8, 2006 – June 30, 2009
- j) M2 Performance Assessment - FY 2009-10 through FY 2011-12
- k) M2 Performance Assessment - FY 2012-13 through FY 2014-15
- l) M2 Performance Assessment – FY 2015-16 through FY 2017-18
- m) M2 Performance Assessment – FY 2018-19 through FY 2020-21

### **C. DELIVERABLES AND SCHEDULE**

Conduct assessment of, at a minimum, the five (5) areas identified in the Scope of Services, and submit the below-mentioned deliverables within the number of days after contract execution or at the intervals specified below:

1. Overall, complete the project within one hundred fifty (150) calendar days from Notice to Proceed, not counting any attendance at the meetings outlined in deliverable 7 and 10 below.
2. Commence work within five (5) days of Notice to Proceed by conducting a kick-off meeting with OCTA's PM. The meeting shall include a review and refinement, if necessary, of Consultant's work plan, assessment objectives, and best approach for achieving goals.
3. Thereafter, conduct progress meetings (every two [2] weeks) with the PM to:
  - a. Discuss status of activities outlined in the scope of work described above and any significant issues that have come to Consultant's attention.
  - b. Identify any Consultant needs for documentation and information.
  - c. Describe progress against work plan and schedule.
  - d. Summarize budget status, i.e., approximate budget expended to date, amount billed to date, plus additional amounts expended since the last bill was submitted.
4. Conduct one-on-one meetings with Division representatives to seek information and documentation to assist in accomplishing the tasks outlined in the Scope of Work as necessary and under direction of the PM.
5. Submit bi-weekly status reports covering the items described above in outline form at least forty-eight (48) hours prior to the scheduled progress meeting.
6. Submit an initial set of findings in outline format within one hundred (100) days of Notice to Proceed. This shall include findings to date on all matters described in the Scope of Work above and any additional matters Consultant anticipates might need to be included in the final report. Consultant shall also include an explanation as to why they came to their conclusions. Consultant and PM shall meet to discuss these initial findings at a regularly scheduled progress meeting or a specially scheduled one.
7. Consultant shall attend and present, as requested, interim updates at up to four (4) Management/Committee/Board meetings on progress of activities.
8. Submit a full draft final report within one hundred thirty (130) days of Notice to Proceed in digital format (Microsoft Word and PDF). Ensure readability of the report (e.g. high quality/resolution images, font, contrast, etc.). Meet to discuss the draft report with the PM.
9. Submit the final report within one hundred fifty (150) days of Notice to Proceed or within twenty (20) days after receiving staff comments on draft in digital format (Microsoft Word and PDF)

10. After submission of the final report, present at up to four (4) Committee/Board meetings and respond to formal questions. This shall require summarizing the assessment's findings and other pertinent information in a PowerPoint presentation.

#### **Limitation On Governmental Decisions**

Nothing contained in this scope of work permits Consultant's personnel to authorize or direct any actions, votes, appoint any person, obligate, or commit OCTA to any course of action or enter into any contractual agreement on behalf of OCTA. In addition, Consultant 's personnel shall not provide information, an opinion, or a recommendation for the purpose of affecting a decision without significant intervening substantive review by OCTA personnel, counsel, and management.

**ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY**

**ORDINANCE NO. 3**

JULY 24, 2006

AMENDED:

November 9, 2012  
November 25, 2013  
December 14, 2015 (*corrected March 14, 2016*)  
June 22, 2020  
May 24, 2021

Orange County Local Transportation Authority  
550 South Main Street  
P.O. Box 14184  
Orange, CA 92863-1584  
Tel: (714) 560-6282



## Measure M2 Amendments

### Ordinance Amendment

1. November 25, 2013
  - Strengthens the eligibility and selection process for TOC members to prevent any person with a financial conflict of interest from serving as a member. Also requires currently elected or appointed officers who are applying to serve on the TOC to complete an “Intent to Resign” form.
2. December 14, 2015 (*corrected March 14, 2016*)
  - Accounts for additional funding from Project T allocated to the Fare Stabilization Program by changing Attachment B language to reflect a 1.47% delegation (rather than 1%) of Project U funding towards Fare Stabilization. Corrected amendment language was presented to the Board on March 14, 2016.
3. June 22, 2020
  - Temporarily changes the maintenance of effort requirements for fiscal year 2019-20 and fiscal year 2020-21 to assist local jurisdictions through the unprecedented period of uncertainty due to the economic impacts of the coronavirus pandemic.
4. May 24, 2021
  - Extends temporary changes for maintenance of effort requirements for fiscal year 2020-21 into fiscal year 2021-22 to continue assisting local jurisdictions during the coronavirus pandemic.

### Transportation Investment Plan Amendments

1. November 9, 2012
  - Reallocation of Funds within Freeway Program Between SR-91 and I-405
2. December 14, 2015 (*corrected March 14, 2016*)
  - Closeout of Project T and Reallocation of Remaining Funds within Transit Program between Metrolink Service Expansion (Project R) and Fare Stabilization Program (Project U). Corrected amendment language was presented to the Board on March 14, 2016.

## TABLE OF CONTENTS

Ordinance No. 3	<u>Page</u>
Preamble .....	1
Section 1. Title.....	1
Section 2. Summary .....	2
Section 3. Imposition of Retail Transactions and Use Tax .....	2
Section 4. Purposes .....	2
Section 5. Bonding Authority .....	3
Section 6. Maintenance of Effort Requirements .....	3
Section 7. Administration.....	4
Section 8. Annual Appropriations Limit.....	5
Section 9. Effective and Operative Dates.....	5
Section 10. Safeguards of Use of Revenues.....	5
Section 11. Ten-Year Comprehensive Program Review .....	6
Section 12. Amendments .....	7
Section 13. Request for Election .....	7
Section 14. Effect on Ordinance No. 2 .....	8
Section 15. Severability .....	9
ATTACHMENT A – Renewed Measure M Transportation Investment Plan .....	A-1
ATTACHMENT B - Allocation of Net Revenues	
Section I. Definitions.....	B-1

Section II.	Requirements .....	B-4
Section III.	Requirements for Eligible Jurisdictions.....	B-7
Section IV.	Allocation of Net Revenues; General Provisions .....	B-10
Section V.	Allocation of Net Revenues; Streets and Roads Programs/Projects.....	B-12
Section VI.	Allocation of Net Revenues; Transit Programs/ Projects .....	B-14
Section VII.	Allocation of Net Revenues; Environmental Cleanup Projects .....	B-17

#### ATTACHMENT C - Taxpayer Oversight Committee

Section I.	Purpose and Organization.....	C-1
Section II.	Committee Membership .....	C-1
Section III.	Appointment of Members .....	C-2
Section IV.	Duties and Responsibilities .....	C-4

## **Ordinance No. 3**

### **Renewed Measure M Transportation Ordinance and Investment Plan**

#### PREAMBLE

A. Pursuant to California Public Utilities Code Section 180050, the Orange County Transportation Authority ("Authority") has been designated as the Orange County Local Transportation Authority by the Orange County Board of Supervisors.

B. There has been adopted a countywide transportation expenditure plan, referred to as the Orange County Transportation Investment Plan, dated July 24, 2006, pursuant to California Public Utilities Code Section 180206 ("Plan"), which will be administered by the Authority.

C. The Plan provides for needed countywide transportation facility and service improvements which will be funded, in part, by a transactions and use tax of one-half of one percent (1/2%).

D. Local Transportation Ordinance Number 2 ("Ordinance No. 2") funds transportation facility and service improvements through a transactions and use tax of one-half of one percent (1/2%) that will be imposed through March 31, 2011.

E. Ordinance No. 3 ("Ordinance") provides for the continuation of the existing Ordinance No. 2 transactions and use tax of one-half of one percent (1/2%) for an additional period of thirty (30) years to fund transportation facility and service improvements.

#### SECTION 1. TITLE

The Ordinance shall be known and may be cited as the Renewed Measure M Transportation Ordinance and Investment Plan. The word "Ordinance," as used in the Ordinance, shall mean and include Attachment A entitled "Renewed Measure M Transportation Investment Plan," Attachment B entitled "Allocation of Net Revenues," and Attachment C entitled "Taxpayer Oversight Committee," which Attachments A, B and C are attached hereto and incorporated by reference as if fully set forth herein.

## SECTION 2. SUMMARY

The Ordinance provides for the implementation of the Orange County Transportation Investment Plan, which will result in countywide transportation improvements for freeways, highways, local streets and roads, bus and rail transit, transportation-related water quality ("Environmental Cleanup"), and transit services for seniors and disabled persons. These needed improvements will be funded by the continuation of the one-half of one percent (1/2%) transaction and use tax for a period of thirty years. The revenues shall be deposited in a special fund and used solely for the identified improvements authorized by the Ordinance.

## SECTION 3. IMPOSITION OF RETAIL TRANSACTIONS AND USE TAX

Subject to approval by the electors, the Authority hereby imposes, in the incorporated and unincorporated territories of Orange County ("County"), in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the California Revenue and Taxation Code and Division 19 (commencing with Section 180000) of the California Public Utilities Code, continuance of the existing retail transactions and use tax at the rate of one-half of one percent (1/2%) commencing April 1, 2011, for a period of thirty years. This tax shall be in addition to any other taxes authorized by law, including any existing or future state or local sales tax or transactions and use tax. The imposition, administration and collection of the tax shall be in accordance with all applicable statutes, laws, rules and regulations prescribed and adopted by the State Board of Equalization.

## SECTION 4. PURPOSES

All of the gross revenues generated from the transactions and use tax plus any interest or other earnings thereon (collectively, "Revenues"), after the deduction for: (i) amounts payable to the State Board of Equalization for the performance of functions incidental to the administration and operation of the Ordinance, (ii) costs for the administration of the Ordinance as provided herein, (iii) two percent (2%) of the Revenues annually allocated for Environmental Cleanup and (iv) satisfaction of debt service requirements of all bonds issued pursuant to the Ordinance that are not satisfied out of

separate allocations, shall be defined as “Net Revenues” and shall be allocated solely for the transportation purposes described in the Ordinance.

#### SECTION 5. BONDING AUTHORITY

“Pay as you go” financing is the preferred method of financing transportation improvements and operations under the Ordinance. However, the Authority may use bond financing as an alternative method if the scope of planned expenditures makes “pay as you go” financing unfeasible. Following approval by the electors of the ballot proposition authorizing imposition of the transactions and use tax and authorizing issuance of bonds payable from the proceeds of the tax, bonds may be issued by the Authority pursuant to Division 19 of the Public Utilities Code, at any time before, on, or after the imposition of taxes, and from time to time, payable from the proceeds of the tax and secured by a pledge of revenues from the proceeds of the tax, in order to finance and refinance improvements authorized by the Ordinance.

#### SECTION 6. MAINTENANCE OF EFFORT REQUIREMENTS

It is the intent of the Legislature and the Authority that the Net Revenues allocated to a jurisdiction pursuant to the Ordinance for street and road projects shall be used to supplement existing local discretionary funds being used for transportation improvements. Each jurisdiction is hereby required to annually maintain as a minimum no less than the maintenance of effort amount of local discretionary funds required to be expended by the jurisdiction for local street and road purposes pursuant to the current Ordinance No. 2 for Fiscal Year 2010-2011. The maintenance of effort level for each jurisdiction as determined through this process shall be adjusted effective July 1, 2014 and every three fiscal years thereafter in an amount equal to the percentage change for the Construction Cost Index compiled by Caltrans for the immediately preceding three calendar years, providing that any percentage increase in the maintenance of effort level based on this adjustment shall not exceed the percentage increase in the growth rate in the jurisdiction’s general fund revenues over the same time period. The Authority shall not allocate any Net Revenues to any jurisdiction for any fiscal year until that jurisdiction has certified to the Authority that it

has included in its budget for that fiscal year an amount of local discretionary funds for streets and roads purposes at least equal to the level of its maintenance of effort requirement. An annual independent audit may be conducted by the Authority to verify that the maintenance of effort requirements are being met by the jurisdiction. Any Net Revenues not allocated pursuant to the maintenance of effort requirement shall be allocated to the remaining eligible jurisdictions according to the formula described in the Ordinance.

In order to address the impacts of the novel coronavirus pandemic (commonly referred to as COVID-19), for fiscal year (FY) 2019-20, jurisdictions shall comply with all submittal requirements under the ordinance, including, but not limited to, those requirements under Attachment B (III) - Requirements for Eligible Jurisdictions, but will not be required to meet the required maintenance of effort (MOE) amount for that particular jurisdiction for the FY 2019-20. For FY 2020-21 and FY 2021-22, jurisdictions shall be required to comply with all submittal requirements under the ordinance, including, but not limited to, those requirements under Attachment B (III) - Requirements for Eligible Jurisdictions, but shall only be required to meet the MOE amount for that particular jurisdiction for the FY at the same proportional share of streets and roads discretionary expenditures to general fund revenues based upon the proportion of the FY 2020-21 MOE benchmark to general fund revenues that were reported in their respective Comprehensive Annual Financial Report for FY 2018-19. Jurisdictions are encouraged to use their best efforts during FY 2019-20, FY 2020-21, and FY 2021-22 to meet original MOE levels.

#### SECTION 7. ADMINISTRATION

The Authority shall allocate Revenues to fund facilities, services and projects as specified in the Ordinance, and shall administer the Ordinance consistent with the authority cited. Revenues may be expended by the Authority for salaries, wages, benefits, and overhead and for those services, including contractual services, necessary to carry out its responsibilities pursuant to Division 19; however, in no case shall the Revenues expended for salaries and benefits of Authority administrative staff exceed more than one percent

(1%) of the Revenues in any year. The Authority shall use, to the extent possible, existing state, regional and local transportation planning and programming data and expertise, and may, as the law permits, contract with any public agency or private firm for services necessary to carry out the purposes of the Ordinance. Expenses incurred by the Authority for administrative staff and for project implementation, including contracting with public agencies and private firms, shall be identified in the annual report prepared pursuant to Section 10, subpart 8, of the Ordinance.

#### SECTION 8. ANNUAL APPROPRIATIONS LIMIT

The annual appropriations limit established pursuant to Article XIII. B. of the California Constitution and Section 180202 of the Public Utilities Code shall be established as \$1,123 million for the 2006-07 fiscal year. The appropriations limit shall be subject to adjustment as provided by law. All expenditures of the Revenues are subject to the appropriations limit of the Authority.

#### SECTION 9. EFFECTIVE AND OPERATIVE DATES

The Ordinance shall be effective on November 8, 2006, if two thirds of the electors vote on November 7, 2006, to approve the ballot measure authorizing the extension of the imposition of the existing tax. The continuance of the imposition of the existing tax authorized by Section 3 of the Ordinance shall be operative on April 1, 2011.

#### SECTION 10. SAFEGUARDS OF USE OF REVENUES

The following safeguards are hereby established to ensure strict adherence to the limitations on the use of the Revenues:

1. A transportation special revenue fund (the "Local Transportation Authority Special Revenue Fund") shall be established to maintain all Revenues.
2. The County of Orange Auditor-Controller ("Auditor-Controller"), in the capacity as Chair of the Taxpayer Oversight Committee, shall annually certify whether the Revenues have been spent in compliance with the Ordinance.
3. Receipt, maintenance and expenditure of Net Revenues shall be distinguishable in each jurisdiction's accounting records from other funding sources, and



expenditures of Net Revenues shall be distinguishable by program or project. Interest earned on Net Revenues allocated pursuant to the Ordinance shall be expended only for those purposes for which the Net Revenues were allocated.

4. No Net Revenues shall be used by a jurisdiction for other than transportation purposes authorized by the Ordinance. Any jurisdiction which violates this provision must fully reimburse the Authority for the Net Revenues misspent and shall be deemed ineligible to receive Net Revenues for a period of five (5) years.

5. A Taxpayer Oversight Committee ("Committee") shall be established to provide an enhanced level of accountability for expenditure of Revenues under the Ordinance. The Committee will help to ensure that all voter mandates are carried out as required. The roles and responsibilities of the Committee, the selection process for Committee members and related administrative procedures shall be carried out as described in Attachment C.

6. A performance assessment shall be conducted at least once every three years to evaluate the efficiency, effectiveness, economy and program results of the Authority in satisfying the provisions and requirements of the Investment Summary of the Plan, the Plan and the Ordinance. A copy of the performance assessment shall be provided to the Committee.

7. Quarterly status reports regarding the major projects detailed in the Plan shall be brought before the Authority in public meetings.

8. Annually the Authority shall publish a report on how all Revenues have been spent and on progress in implementing projects in the Plan, and shall publicly report on the findings.

#### SECTION 11. TEN-YEAR COMPREHENSIVE PROGRAM REVIEW

At least every ten years the Authority shall conduct a comprehensive review of all projects and programs implemented under the Plan to evaluate the performance of the overall program and may revise the Plan to improve its performance. The review shall include consideration of changes to local, state and federal transportation plans and

policies; changes in land use, travel and growth projections; changes in project cost estimates and revenue projections; right-of-way constraints and other project constraints; level of public support for the Plan; and the progress of the Authority and jurisdictions in implementing the Plan. The Authority may amend the Plan based on its comprehensive review, subject to the requirements of Section 12.

## SECTION 12. AMENDMENTS

The Authority may amend the Ordinance, including the Plan, to provide for the use of additional federal, state and local funds, to account for unexpected revenues, or to take into consideration unforeseen circumstances. The Authority shall notify the board of supervisors and the city council of each city in the county and provide them with a copy of the proposed amendments, and shall hold a public hearing on proposed amendments prior to adoption, which shall require approval by a vote of not less than two thirds of the Authority Board of Directors. Amendments shall become effective forty five days after adoption. No amendment to the Plan which eliminates a program or project specified on Page 31 of the Plan shall be adopted unless the Authority Board of Directors adopts a finding that the transportation purpose of the program or project to be eliminated will be satisfied by a different program or project. No amendment to the Plan which changes the funding categories, programs or projects identified on page 31 of the Plan shall be adopted unless the amendment to the Plan is first approved by a vote of not less than two thirds of the Committee. In addition, any proposed change in allocations among the four major funding categories of freeway projects, street and road projects, transit projects and Environmental Cleanup projects identified on page 31 of the Plan, or any proposed change of the Net Revenues allocated pursuant to Section IV C 3 of Attachment B for the Local Fair Share Program portion of the Streets and Roads Projects funding category, shall be approved by a simple majority vote of the electors before going into effect.

## SECTION 13. REQUEST FOR ELECTION

Pursuant to California Public Utilities Code Section 180201, the Authority hereby requests that the County of Orange Board of Supervisors call a special election to be

conducted by the County of Orange on November 7, 2006, to place the Ordinance before the electors. To avoid any misunderstanding or confusion by Orange County electors, the Authority requests that the Ordinance be identified as “Measure M” on the ballot. The ballot language for the measure shall contain a summary of the projects and programs in the Plan and shall read substantially as follows:

“Measure “M,” Orange County Transportation Improvement Plan

Shall the ordinance continuing Measure M, Orange County’s half-cent sales tax for transportation improvements, for an additional 30 years with limited bonding authority to fund the following projects:

- \* relieve congestion on the I-5, I-405, 22, 55, 57 and 91 freeways;
- \* fix potholes and resurface streets;
- \* expand Metrolink rail and connect it to local communities;
- \* provide transit services, at reduced rates, for seniors and disabled persons;
- \* synchronize traffic lights in every community;
- \* reduce air and water pollution, and protect local beaches by cleaning up oil runoff from roadways;

and establish the following taxpayer protections to ensure the funds are spent as directed by the voters:

- \* require an independent Taxpayer Oversight Committee to review yearly audits to ensure that voter mandates are met;
- \* publish an annual report to the taxpayers on how all funds are spent; and
- \* update the transportation improvement plan every 10 years, with voter approval required for major changes;

be adopted for the purpose of relieving traffic congestion in Orange County?”

#### SECTION 14. EFFECT ON ORDINANCE NO. 2

The Ordinance is not intended to modify, repeal or alter the provisions of Ordinance No. 2, and shall not be read to supersede Ordinance No. 2. The provisions of the Ordinance shall apply solely to the transactions and use tax adopted herein. If the Ordinance is not approved by the electors of the County, the provisions of Ordinance No. 2

and all powers, duties, and actions taken thereunder shall remain in full force and effect.

#### SECTION 15. SEVERABILITY

If any section, subsection, part, clause or phrase of the Ordinance is for any reason held invalid, unenforceable or unconstitutional by a court of competent jurisdiction, that holding shall not affect the validity or enforceability of the remaining funds or provisions of the Ordinance, and the Authority declares that it would have passed each part of the

///

///

///

///

///

///

///

///

///

///

///

///

///

///

///

///

///

///

///

///

///

///

1 Ordinance irrespective of the validity of any other part.

2 APPROVED AND ADOPTED by the Orange County Local Transportation Authority  
3 on the 24 day of July, 2006.

4  
5 By: Arthur C. Brown  
6 Arthur C. Brown, Chairman  
7 Orange County Local Transportation  
8 Authority

9 ATTEST:

10 By: Wendy Knowles  
11 Wendy Knowles, Clerk of the Board  
12 Orange County Local Transportation Authority  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

# RENEWED MEASURE M

## Transportation Investment Plan

Approved by voters on November 7, 2006



As amended on December 14, 2015

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

550 South Main Street

P.O. Box 14184

Orange, CA 92863-1584

(714) 560-5066

[www.octa.net](http://www.octa.net)



## Table of Contents

<b>Introduction .....</b>	<b>2</b>
<b>Overview .....</b>	<b>3</b>
 <b>Freeway Projects</b>	
Overview .....	5
Orange County Freeway Projects Map.....	6
I-5 Santa Ana Freeway Interchange Improvements .....	7
I-5 Santa Ana/San Diego Freeway Improvements .....	8
SR-22 Garden Grove Freeway Access Improvements .....	9
SR-55 Costa Mesa Freeway Improvements .....	9
SR-57 Orange Freeway Improvements .....	10
SR-91 Riverside Freeway Improvements .....	11
I-405 San Diego Freeway Improvements .....	13
I-605 Freeway Access Improvements .....	15
All Freeway Service Patrol .....	15
 <b>Streets &amp; Roads Projects</b>	
Overview .....	16
Orange County Streets and Roads Projects Map.....	17
Regional Capacity Program .....	18
Regional Traffic Signal Synchronization Program .....	19
Local Fair Share Program .....	20
 <b>Transit Projects</b>	
Overview .....	21
Orange County Transit Projects Map .....	22
High Frequency Metrolink Service .....	23
Transit Extensions to Metrolink .....	23
Metrolink Gateways .....	24
Expand Mobility Choices for Seniors and Persons with Disabilities.....	24
Community Based Transit/Circulators .....	25
Safe Transit Stops .....	25
 <b>Environmental Cleanup</b>	
Overview .....	26
Project Description .....	27
 <b>Taxpayer Safeguards and Audits</b>	
Overview .....	28
Description .....	29
 <b>Measure M Investment Summary .....</b>	 <b>31</b>





## Introduction

### Measure M Promises Fulfilled

On November 6, 1990, Orange County voters approved Measure M, a half-cent local transportation sales tax for twenty years. All of the major projects promised to and approved by the voters are underway or complete. Funds that go to cities and the County of Orange to maintain and improve local street and roads, along with transit fare reductions for seniors and persons with disabilities, will continue until Measure M ends in 2011. The promises made in Measure M have been fulfilled.

### Continued Investment Needed

Orange County continues to grow. By the year 2030, Orange County's population will increase by 24 percent from 2.9 million in 2000 to 3.6 million in 2030; jobs will increase by 27 percent; and travel on our roads and highways by 39 percent. Without continued investment average morning rush hour speeds on Orange County freeways will fall by 31 percent and on major streets by 32 percent.

Responding to this continued growth and broad support for investment in Orange County's transportation system, the Orange County Transportation Authority considered the transportation projects and programs that would be possible if Measure M were renewed. The Authority, together with the 34 cities of Orange County, the Orange County Board of Supervisors and thousands of Orange County citizens, participated during the last eighteen months in developing a Transportation Investment Plan for consideration by the voters.

### A Plan for New Transportation Investments

The Plan that follows is a result of those efforts. It reflects the varied interests and priorities inherent in the diverse communities of Orange County. It includes continued investment to expand and

improve Orange County's freeway system; commitment to maintaining and improving the network of streets and roads in every community; an expansion of Metrolink rail service through the core of Orange County with future extensions to connect with nearby communities and regional rail systems; more transit service for seniors and disabled persons; and funds to clean up runoff from roads that leads to beach closures.

### Strong Safeguards

These commitments are underscored by 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 ten 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.

### No Increase in Taxes

The traffic improvements detailed in this plan do not require an increase in taxes. Renewal of the existing Measure M one-half cent transportation sales tax will enable all of the projects and programs to be implemented. And by using good planning and sensible financing, projects that are ready to go could begin as early as 2007.

### Renewing Measure M

The projects and programs that follow constitute the Transportation Investment Plan for the renewal of the Measure M transportation sales tax approved by Orange County voters in November of 1990. These improvements are necessary to address current and future transportation needs in Orange County and reflect the best efforts to achieve consensus among varied interests and communities throughout the County.





## Overview

The Renewed Measure M Transportation Investment Plan is a 30-year, \$11.8 billion program designed to reduce traffic congestion, strengthen our economy and improve our quality of life by upgrading key freeways, fixing major freeway interchanges, maintaining streets and roads, synchronizing traffic signals countywide, building a visionary rail transit system, and protecting our environment from the oily street runoff that pollutes Orange County beaches. The Transportation Investment Plan is focused solely on improving the transportation system and includes tough taxpayer safeguards, including a Taxpayer Oversight Committee, required annual audits, and regular, public reports on project progress.

The Renewed Measure M Transportation Investment Plan must be reviewed annually, in public session, and every ten years a detailed review of the Plan must take place. If changing circumstances require the voter-approved plan to be changed, those changes must be taken to the voters for approval.

### Freeways

Relieving congestion on the Riverside/Artesia Freeway (SR-91) is the centerpiece of the freeway program, and will include new lanes, new interchanges, and new bridges. Other major projects will make substantial improvements on Interstate 5 (I-5) in southern Orange County and the San Diego Freeway (I-405) in western Orange County. The notorious Orange Crush—the intersection of the I-5, the Garden Grove Freeway (SR-22) and the Orange Freeway (SR-57) near Angel Stadium—will be improved and upgraded. Under the Plan, major traffic chokepoints on almost every Orange County freeway will be remedied. Improving Orange County freeways will be the greatest investment in the Renewed Measure M program: Forty-three percent of net revenues, or \$4.871 billion, will be invested in new freeway construction.

### Streets and Roads

More than 6,500 lane miles of aging streets and roads will need repair, rejuvenation and improvement. City streets and county roads need to be maintained regularly and potholes have to be filled quickly. Thirty-two percent of net revenue from the Renewed Measure M Transportation Investment Plan, or \$3.625 billion, will be devoted to fixing potholes, improving intersections, synchronizing traffic signals countywide, and making the existing countywide network of streets and roads safer and more efficient.





### **Public Transit**

As Orange County continues to grow, building a visionary rail transportation system that is safe, clean and convenient, uses and preserves existing rights-of-way, and, over time, provides high-speed connections both inside and outside of Orange County, is a long term goal. Twenty-five percent of the net revenue from Renewed Measure M, or \$2.83 billion, will be dedicated to transit programs countywide. About twenty percent, or \$2.24 billion, will be dedicated to creating a new countywide high capacity transit system anchored on the existing, successful Metrolink and Amtrak rail line, and about five percent, or \$591 million, will be used to enhance senior transportation programs and provide targeted, safe localized bus service.

### **Environmental Cleanup**

Every day, more than 70 million gallons of oily pollution, litter, and dirty contaminants wash off streets, roads, and freeways and pour onto Orange County waterways and beaches. When it rains, the transportation-generated beach and ocean pollution increases tenfold. Under the plan, two percent of the gross Renewed Measure M Transportation Investment Plan, or \$237 million, will be dedicated to protecting Orange County beaches from this transportation-generated pollution (sometimes called "urban runoff") while improving ocean water quality.

### **Taxpayer Safeguards and Audits**

When new transportation dollars are approved, they should go for transportation and transportation purposes alone. No bait-and-switch. No using transportation dollars for other purposes. The original Measure M went solely for transportation purposes. The Renewed Measure M must be just as airtight. One percent of the gross Measure M

program, or \$118.6 million over 30 years, will pay for annual, independent audits, taxpayer safeguards, an independent Taxpayer Oversight Committee assigned to watchdog government spending, and a full, public disclosure of all Renewed Measure M expenditures. A detailed review of the program must be conducted every ten years and, if needed, major changes in the investment plan must be brought before Orange County voters for approval. Taxpayers will receive an annual report detailing the Renewed Measure M expenditures. Additionally, as required by law, an estimated one and a half percent of the sales taxes generated, or \$178 million over 30 years, must be paid to the California State Board of Equalization for collecting the one-half cent sales tax that funds the Renewed Measure M Transportation Investment Plan.

In this pamphlet, every specific project, program, and safeguard included in the Renewed Measure M Transportation Investment Plan is explained. Similar details will be provided to every Orange County voter if the measure is placed on the ballot.





## Freeway Projects Overview

Every day, traffic backs up somewhere on the Orange County freeway system. And, every day, freeway traffic seems to get a little worse.

In the past decade, Orange County has made major strides in re-building our aging freeway system. But there is still an enormous amount of work that needs to be done to make the freeway system work well. You see the need for improvement every time you drive on an Orange County freeway.

Forty-three percent of net revenues from the Renewed Measure M Transportation Investment Plan is dedicated to improving Orange County freeways, the largest portion of the 30-year transportation plan.

### **SR-91 is the Centerpiece**

Making the troubled Riverside/Artesia Freeway (SR-91) work again is the centerpiece of the Renewed Measure M Freeway program. The fix on the SR-91 will require new lanes, new bridges, new overpasses, and, in the Santa Ana Canyon portion of the freeway, a diversion of drivers to the Foothill Corridor (SR-241) so the rest of the Orange County freeway system can work more effectively.

And there's more to the freeway program than the fix of SR-91—much more. More than \$1 billion is earmarked for Interstate 5 in South County. More than \$800 million is slated to upgrade the San Diego Freeway (I-405) between Irvine and the Los Angeles County line. Another significant investment is planned on the congested Costa Mesa Freeway (SR-55). And needed projects designed to relieve traffic chokepoints are planned for almost every Orange County freeway.

To make any freeway system work, bottlenecks at interchanges also have to be fixed. The notorious Orange Crush Interchange—where the Santa Ana Freeway (I-5) meets the Orange Freeway (SR-57) and the Garden Grove Freeway (SR-22) in a traffic tangle

near Angel Stadium—is in need of a major face lift. And the intersection of Interstate 5 and the Costa Mesa Freeway (SR-55) is also slated for major repair.

### **Pays Big Dividends**

Local investment in freeways also pays big dividends in the search for other needed freeway dollars. Because of state and federal matching rules, Orange County's local investment in freeway projects acts as a magnet for state and federal transportation dollars—pulling more freeway construction dollars into the county and allowing more traffic-reducing freeway projects to be built sooner.

### **Innovative Environmental Mitigation**

A minimum of \$243.5 million will be available, subject to a Master Agreement, to provide for comprehensive, rather than piecemeal, mitigation of the environmental impacts of freeway improvements. Using a proactive, innovative approach, the Master Agreement negotiated between the Orange County Local Transportation Authority and state and federal resource agencies will provide higher-value environmental benefits such as habitat protection, wildlife corridors and resource preservation in exchange for streamlined project approvals for the freeway program as a whole.

Freeway projects will also be planned, designed and constructed with consideration for their aesthetic, historic and environmental impacts on nearby properties and communities using such elements as parkway style designs, locally native landscaping, sound reduction and aesthetic treatments that complement the surroundings.



# Orange County Freeway Projects



<b>A</b>	<b>B</b>	<b>Santa Ana Freeway (I-5)</b>	page 7	<b>H</b>	<b>I</b>	<b>Riverside Freeway (SR-91)</b>	page 11
<b>C</b>		<b>Santa Ana Freeway/San Diego Freeway (I-5)</b>	page 8	<b>J</b>		<b>Riverside Freeway (SR-91)</b>	page 12
<b>D</b>		<b>Santa Ana Freeway/San Diego Freeway (I-5)</b>	page 8	<b>K</b>	<b>L</b>	<b>San Diego Freeway (I-405)</b>	page 13-14
<b>E</b>		<b>Garden Grove Freeway (SR-22)</b>	page 9	<b>M</b>		<b>Freeway Access Improvements (I-605)</b>	page 15
<b>F</b>		<b>Costa Mesa Freeway (SR-55)</b>	page 9			(not mapped)	
<b>G</b>		<b>Orange Freeway (SR-57)</b>	page 10	<b>N</b>		<b>Freeway Service Patrol (not mapped)</b>	page 15



## Freeway Projects

### Santa Ana Freeway (I-5) Interchange Improvements

#### Project **A**

##### **Santa Ana Freeway (I-5) Improvements between Costa Mesa Freeway (SR-55) and "Orange Crush" Area (SR-57)**

###### **Description:**

Reduce freeway congestion through improvements at the SR-55/I-5 interchange area between the Fourth Street and Newport Boulevard ramps on I-5, and between Fourth Street and Edinger Avenue on SR-55. Also, add capacity on I-5 between SR-55 and SR-57 to relieve congestion at the "Orange Crush". The project will generally be constructed within the existing right-of-way. Specific improvements will be subject to approved plans developed in cooperation with local jurisdictions and affected communities.

The project will increase freeway capacity and reduce congestion. The current daily traffic volume on this segment of the I-5 between SR-55 and SR-57 is about 389,000. The demand is expected to grow by more than 19 percent by 2030, bringing the daily usage to 464,000 vehicles per day. Regional plans also include additional improvements on I-5 from the "Orange Crush" to SR-91 using federal and state funds.

###### **Cost:**

The estimated cost to improve this section of the I-5 is \$470.0 million.



#### Project **B**

##### **Santa Ana Freeway (I-5) Improvements from the Costa Mesa Freeway (SR-55) to El Toro "Y" Area**

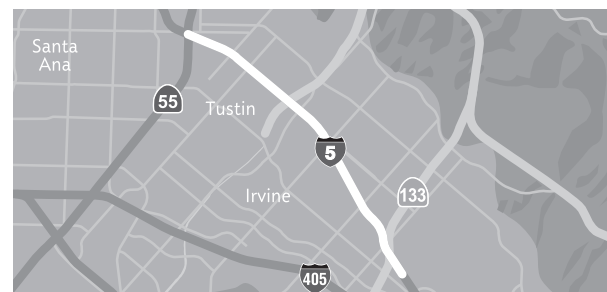
###### **Description:**

Build new lanes and improve the interchanges in the area between SR-55 and the SR-133 (near the El Toro "Y"). This segment of I-5 is the major route serving activity areas in the cities of Irvine, Tustin, Santa Ana and north Orange County. The project will also make improvements at local interchanges, such as Jamboree Road. The project will generally be constructed within the existing right-of-way. Specific improvements will be subject to approved plans developed in cooperation with local jurisdictions and affected communities.

The project will increase freeway capacity and reduce congestion. The current traffic volume on this segment of I-5 is about 356,000 vehicles per day and is expected to increase by nearly 24 percent, bringing it up to 440,000 vehicles per day. In addition to the projects described above, regional plans include additional improvements to this freeway at local interchanges, such as Culver Drive, using federal and state funds.

###### **Cost:**

The estimated cost to improve this section of I-5 is \$300.2 million.







## Freeway Projects

### Santa Ana Freeway/San Diego Freeway (I-5)

#### Project **C**

##### **San Diego Freeway (I-5) Improvements South of the El Toro "Y"**

###### **Description:**

Add new lanes to I-5 from the vicinity of the El Toro Interchange in Lake Forest to the vicinity of SR-73 in Mission Viejo. Also add new lanes on I-5 between Coast Highway and Avenida Pico interchanges to reduce freeway congestion in San Clemente. The project will also make major improvements at local interchanges as listed in Project D. The project will generally be constructed within the existing right-of-way. Specific improvements will be subject to approved plans developed in cooperation with local jurisdictions and affected communities.

The project will increase freeway capacity and reduce congestion. Current traffic volume on I-5 near the El Toro "Y" is about 342,000 vehicles per day. This volume will increase in the future by 35 percent, bringing it up to 460,000 vehicles per day. Regional plans also include construction of a new freeway access point between Crown Valley Parkway and Avery Parkway as well as new off ramps at Stonehill Drive using federal and state funds.

###### **Cost:**

The estimated cost to improve these segments of I-5 is \$627.0 million.



#### Project **D**

##### **Santa Ana Freeway / San Diego Freeway (I-5) Local Interchange Upgrades**

###### **Description:**

Update and improve key I-5 interchanges such as Avenida Pico, Ortega Highway, Avery Parkway, La Paz Road, El Toro Road, and others to relieve street congestion around older interchanges and on ramps. Specific improvements will be subject to approved plans developed in cooperation with local jurisdictions and affected communities.

In addition to the project described above, regional plans also include improvements to the local interchanges at Camino Capistrano, Oso Parkway, Alicia Parkway and Barranca Parkway using federal and state funds.

###### **Cost:**

The estimated cost for the I-5 local interchange upgrades is \$258.0 million.





## Freeway Projects

Garden Grove Freeway (SR-22)

Costa Mesa Freeway (SR-55)

### Project **E**

#### Garden Grove Freeway (SR-22) Access Improvements

##### Description:

Construct interchange improvements at Euclid Street, Brookhurst Street and Harbor Boulevard to reduce freeway and street congestion near these interchanges. Specific improvements will be subject to approved plans developed in cooperation with local jurisdictions and affected communities.

Regional plans also include the construction of new freeway-to-freeway carpool ramps to the SR-22/I-405 interchange, and improvements to the local interchange at Magnolia Avenue using federal and state funds.

##### Cost:

The estimated cost to improve the SR-22 interchanges is \$120.0 million.



### Project **F**

#### Costa Mesa Freeway (SR-55) Improvements

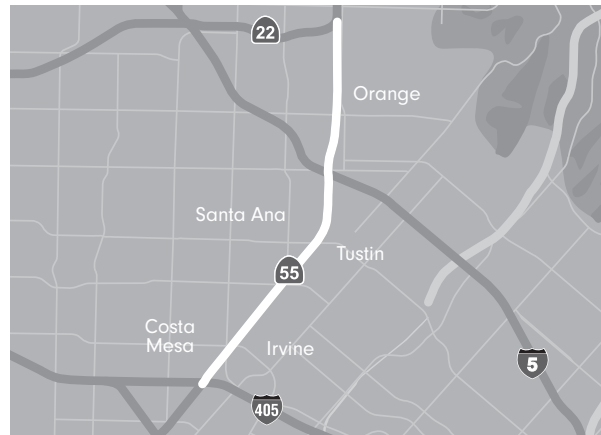
##### Description:

Add new lanes to SR-55 between Garden Grove Freeway (SR-22) and the San Diego Freeway (I-405), generally within existing right-of-way, including merging lanes between interchanges to smooth traffic flow. This project also provides for freeway operational improvements for the portion of SR-55 between SR-91 and SR-22. The project will generally be constructed within the existing right-of-way. Specific improvements will be subject to approved plans developed in cooperation with local jurisdictions and affected communities.

The project will increase freeway capacity and reduce congestion. This freeway carries about 295,000 vehicles on a daily basis. This volume is expected to increase by nearly 13 percent, bringing it up to 332,000 vehicles per day in the future. In addition to the projects described above, regional plans also include a new street overcrossing and carpool ramps at Alton Avenue using federal and state funds.

##### Cost:

The estimated cost for these SR-55 improvements is \$366.0 million.







## Freeway Projects

### Orange Freeway (SR-57)

#### Project

##### Orange Freeway (SR-57) Improvements

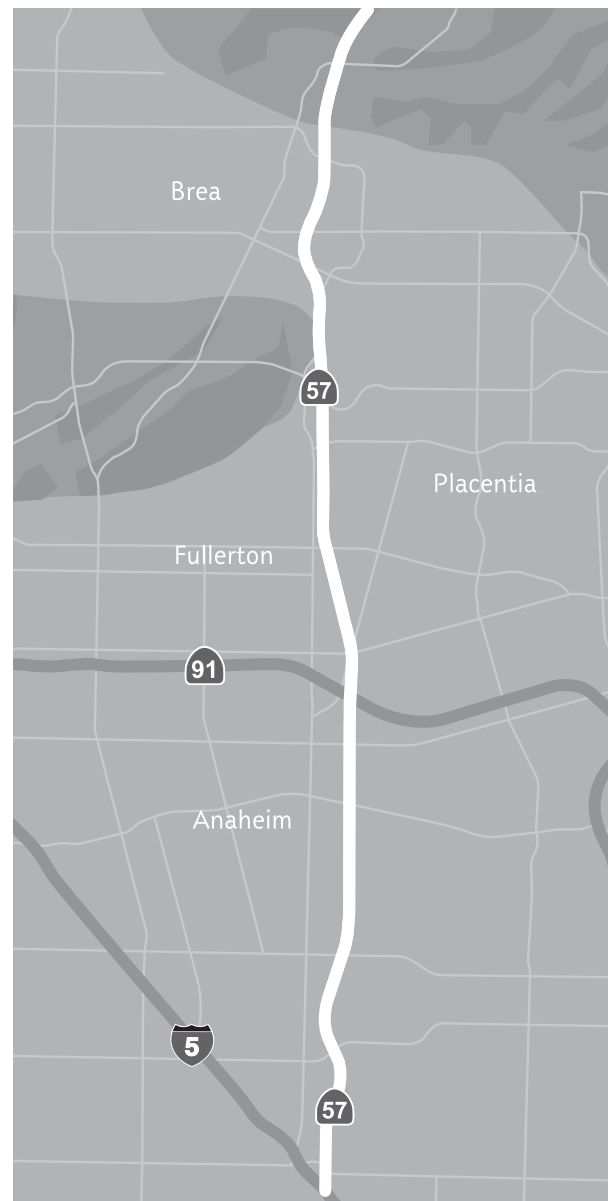
###### Description:

Build a new northbound lane between Orangewood Avenue and Lambert Road. Other projects include improvements to the Lambert interchange and the addition of a northbound truck climbing lane between Lambert and Tonner Canyon Road. The improvements will be designed and coordinated specifically to reduce congestion at SR-57/SR-91 interchange. These improvements will be made generally within existing right-of-way. Specific improvements will be subject to approved plans developed in cooperation with local jurisdictions and affected communities.

The project will increase freeway capacity and reduce congestion. The daily traffic volume on this freeway is about 315,000 vehicles. By 2030, this volume will increase by 15 percent, bringing it up to 363,000 vehicles per day. In addition to the project described above, regional plans include new carpool ramps at Cerritos Avenue using federal and state funds.

###### Cost:

The estimated cost to implement SR-57 improvements is \$258.7 million.





## Freeway Projects

### Riverside Freeway (SR-91)

#### Project **H**

##### **Riverside Freeway (SR-91) Improvements from the Santa Ana Freeway (I-5) to the Orange Freeway (SR-57)**

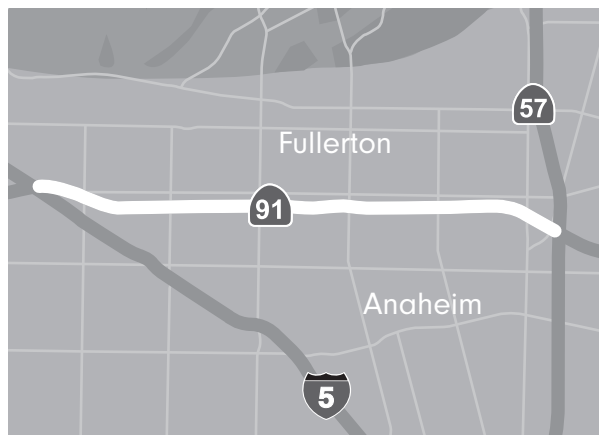
###### **Description:**

Add capacity in the westbound direction and provide operational improvements at on and off ramps to the SR-91 between I-5 and the Orange Freeway (SR-57), generally within existing right-of-way, to smooth traffic flow and relieve the SR-57/SR-91 interchange. Specific improvements will be subject to approved plans developed in cooperation with local jurisdictions and affected communities.

The current daily freeway volume along this segment of SR-91 is about 256,000. By 2030, this volume is expected to increase by nearly 13 percent, bringing it up to 289,900 vehicles per day.

###### **Cost:**

The estimated cost for improvements in this segment of SR-91 is \$140.0 million.



#### Project **I**

##### **Riverside Freeway (SR-91) Improvements from Orange Freeway (SR-57) to the Costa Mesa Freeway (SR-55) Interchange Area**

###### **Description:**

Improve the SR-91/SR-55 to SR-91/SR-57 interchange complex, including nearby local interchanges such as Tustin Avenue and Lakeview, as well as adding freeway capacity between SR-55 and SR-57. The project will generally be constructed within the existing right-of-way. Specific improvements will be subject to approved plans developed in cooperation with local jurisdictions and affected communities.

Current freeway volume on this segment of the SR-91 is about 245,000 vehicles per day. This vehicular demand is expected to increase by 22 percent, bringing it up to 300,000 vehicles per day in the future.

###### **Cost:**

The estimated cost for these improvements to the SR-91 is \$416.5 million.





## Freeway Projects

### Riverside Freeway (SR-91)

#### Project **J**

#### **Riverside Freeway (SR-91) Improvements from Costa Mesa Freeway (SR-55) to the Orange/ Riverside County Line**

##### **Description:**

This project adds capacity on SR-91 beginning at SR-55 and extending to I-15 in Riverside County.

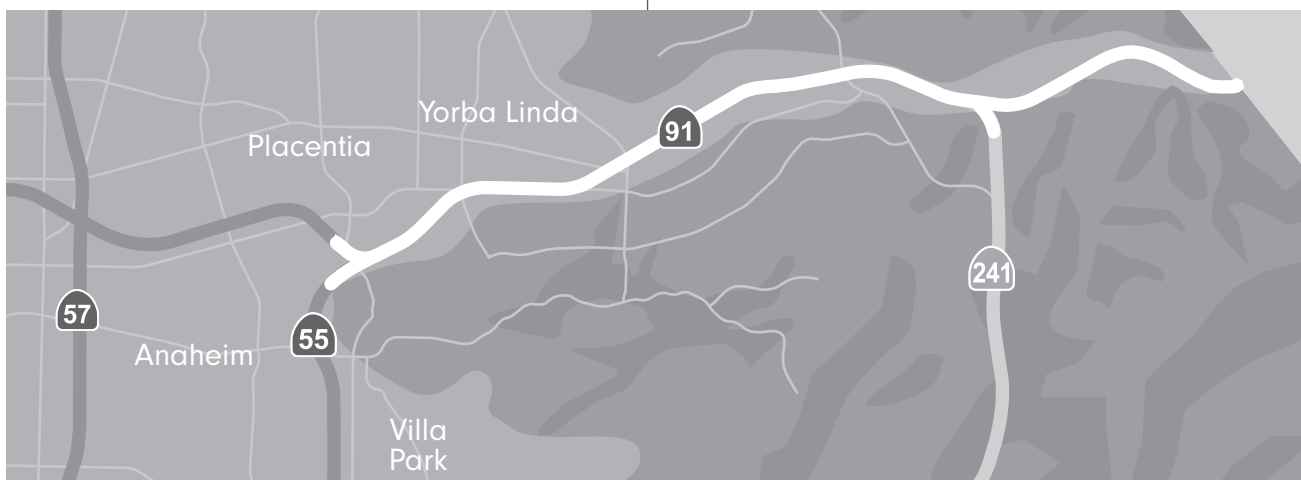
The first priority will be to improve the segment of SR-91 east of SR-241. The goal is to provide up to four new lanes of capacity between SR-241 and Riverside County Line by making best use of available freeway property, adding reversible lanes, building elevated sections and improving connections to SR-241. These projects would be constructed in conjunction with similar coordinated improvements in Riverside County extending to I-15 and provide a continuous set of improvements between SR-241 and I-15. The portion of improvements in Riverside County will be paid for from other sources. Specific improvements will be subject to approved plans developed in cooperation with local jurisdictions and affected communities.

This project also includes improvements to the segment of SR-91 between SR-241 and SR-55. The concept is to generally add one new lane in each direction and improve the interchanges.

Today, this freeway carries about 314,000 vehicles every day. This volume is expected to increase by 36 percent, bringing it up to 426,000 vehicles by 2030.

##### **Cost:**

The estimated cost for these improvements to the SR-91 is \$352.0 million.





## Freeway Projects

### San Diego Freeway (I-405)

#### Project **K**

##### **San Diego Freeway (I-405) Improvements between the I-605 Freeway in Los Alamitos area and Costa Mesa Freeway (SR-55)**

##### **Description:**

Add new lanes to the San Diego Freeway between I-605 and SR-55, generally within the existing right-of-way. The project will make best use of available freeway property, update interchanges and widen all local overcrossings according to city and regional master plans. The improvements will be coordinated with other planned I-405 improvements in the I-405/SR-22/I-605 interchange area to the north and I-405/SR-73 improvements to the south. The improvements will adhere to recommendations of the Interstate 405 Major Investment Study

(as adopted by the Orange County Transportation Authority Board of Directors on October 14, 2005) and will be developed in cooperation with local jurisdictions and affected communities.

Today, I-405 carries about 430,000 vehicles daily. The volume is expected to increase by nearly 23 percent, bringing it up to 528,000 vehicles daily by 2030. The project will increase freeway capacity and reduce congestion. Near-term regional plans also include the improvements to the I-405/SR-73 interchange as well as a new carpool interchange at Bear Street using federal and state funds.

##### **Cost:**

The estimated cost for these improvements to the I-405 is \$1,072.8 million.





## Freeway Projects

### San Diego Freeway (I-405)

#### Project **L**

##### **San Diego Freeway (I-405) Improvements between Costa Mesa Freeway (SR-55) and Santa Ana Freeway (I-5)**

##### **Description:**

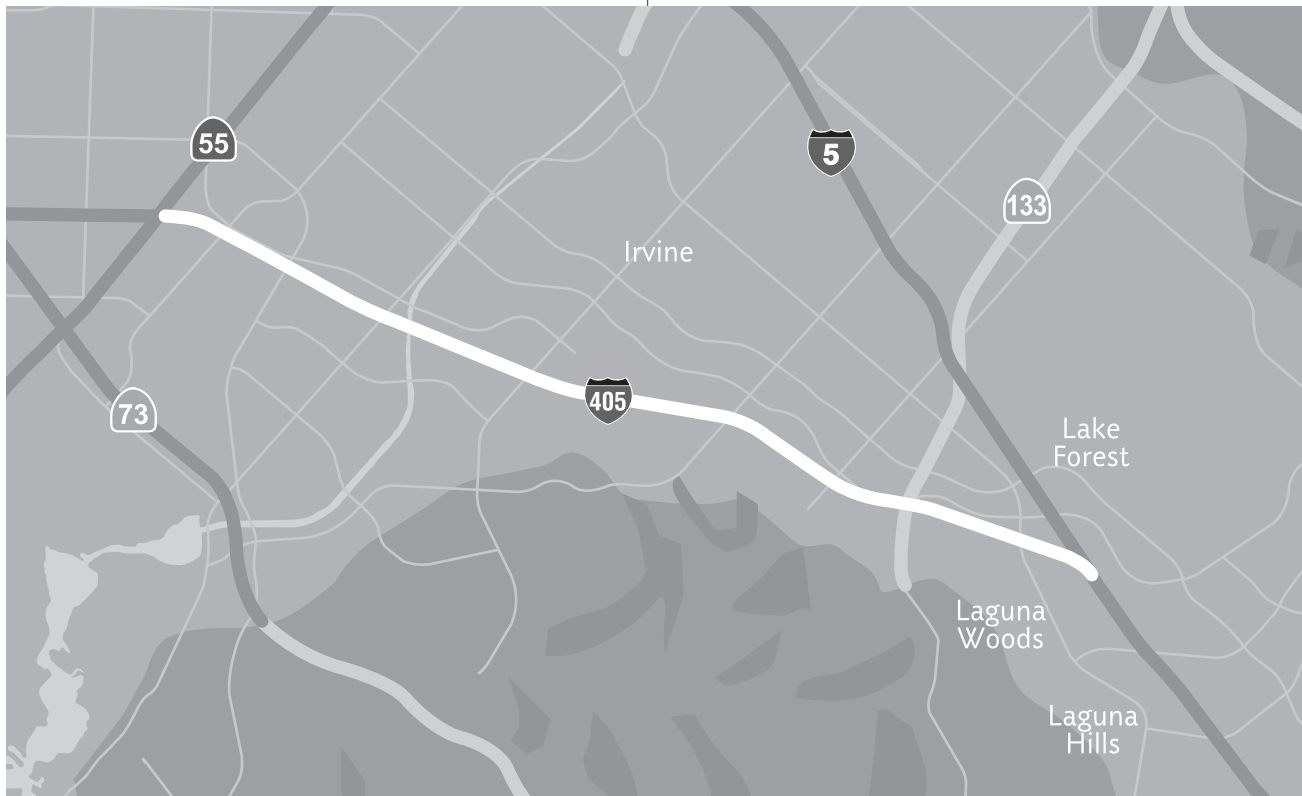
Add new lanes to the freeway from SR-55 to the I-5. The project will also improve chokepoints at interchanges and add merging lanes near on/off ramps such as Lake Forest Drive, Irvine Center Drive and SR-133 to improve the overall freeway operations in the I-405/I-5 El Toro "Y" area. The projects will generally be constructed within the existing right-of-way. Specific improvements will be

subject to approved plans developed in cooperation with local jurisdictions and affected communities.

This segment of the freeway carries 354,000 vehicles a day. This number will increase by nearly 13 percent, bringing it up to 401,000 vehicles per day by 2030. The project will increase freeway capacity and reduce congestion. In addition to the projects described above, regional plans include a new carpool interchange at Von Karman Avenue using federal and state funds.

##### **Cost:**

The estimated cost for these improvements to the I-405 is \$319.7 million.





## Freeways Projects

### I-605 Freeway Access Improvements Freeway Service Patrol

#### Project **M**

##### I-605 Freeway Access Improvements

###### Description:

Improve freeway access and arterial connection to I-605 serving the communities of Los Alamitos and Cypress. The project will be coordinated with other planned improvements along SR-22 and I-405. Specific improvements will be subject to approved plans developed in cooperation with local jurisdictions and affected communities.

Regional plans also include the addition of new freeway-to-freeway carpool ramps to the I-405/I-605 interchange using federal and state funds. This improvement will connect to interchange improvements at I-405 and SR-22 as well as new freeway lanes between I-405 and I-605.

###### Cost:

The estimated cost to make these I-605 interchange improvements is \$20.0 million.

#### Project **N**

##### Freeway Service Patrol

###### Description:

The Freeway Service Patrol (FSP) provides competitively bid, privately contracted tow truck service for motorists with disabled vehicles on the freeway system. This service helps stranded motorists and quickly clears disabled vehicles out of the freeway lanes to minimize congestion caused by vehicles blocking traffic and passing motorists rubbernecking.

Currently Freeway Service Patrol is available on Orange County freeways Monday through Friday during peak commuting hours. This project would assure that this basic level of service could be continued through 2041. As demand and congestion levels increase, this project would also permit service hours to be extended throughout the day and into the weekend.

###### Cost:

The estimated cost to support the Freeway Service Patrol Program for thirty years beyond 2011 is \$150.0 million.





## Streets and Roads Projects Overview

Orange County has more than 6,500 lane miles of aging streets and roads, many of which are in need of repair, rejuvenation and improvement. Intersections need to be widened, traffic lights need to be synchronized, and potholes need to be filled. And, in many cases, to make Orange County's transportation system work smoothly, we need to add additional lanes to existing streets.

Thirty-two percent of net revenues from the Renewed Measure M Transportation Investment Plan is dedicated to maintaining streets, fixing potholes, improving intersections and widening city streets and county roads.

### **Making the System Work**

Making the existing system of streets and roads work better—by identifying spot intersection improvements, filling potholes, repaving worn-out streets—is the basis of making a countywide transportation system work. That basis has to be the first priority. But to operate a successful, countywide system of streets and roads, we need more: street widenings and traffic signals synchronized countywide. And there's more. Pedestrian safety near local schools needs to be improved. Traffic flow must be smoothed. Street repairs must be made sooner. And, perhaps most importantly, cities and the county must work together—collaboratively—to find simple, low-cost traffic solutions.

Renewed Measure M provides financial incentives for traffic improvements that cross city and county lines, providing a seamless, county-wide transportation system that's friendly to regional commuters and fair to local residents.

### **Better Cooperation**

To place a higher priority on cooperative, collaborative regional decision-making, Renewed Measure M creates incentives that encourage traffic lights to be coordinated across jurisdictional lines, major street improvements to be better coordinated on a regional basis, and street repair programs to be a high priority countywide. To receive Measure M funding, cities and the county have to cooperate.

The Streets and Roads program in Renewed Measure M involves shared responsibilities—local cities and the county set their local priorities within a competitive, regional framework that rewards cooperation, honors best practices, and encourages government agencies to work together.





## Orange County Streets and Roads Projects



**○ Regional Capacity Program**  
(not mapped)  
Nearly 1,000 miles of new lanes

page 18

**○ Local Fair Share Program**  
(not mapped)  
Street maintenance and improvements

page 20

**P Regional Traffic Signal Synchronization Program** page 19  
(see grid above)  
Over 750 miles of roadway  
Over 2,000 coordinated signals





## Streets and Roads Projects

### Regional Capacity Program

#### Project

#### Regional Capacity Program

##### Description:

This program, in combination with local matching funds, provides a funding source to complete the Orange County Master Plan of Arterial Highways (MPAH). The program also provides for intersection improvements and other projects to help improve street operations and reduce congestion. The program allocates funds through a competitive process and targets projects that help traffic the most by considering factors such as degree of congestion relief, cost effectiveness, project readiness, etc.

Local jurisdictions must provide a dollar-for-dollar match to qualify for funding, but can be rewarded with lower match requirements if they give priority to other key objectives, such as better road maintenance and regional signal synchronization.

Roughly 1,000 miles of new street lanes remain to be completed, mostly in the form of widening existing streets to their ultimate planned width. Completion of the system will result in a more even traffic flow and efficient system.

Another element of this program is funding for construction of railroad over or underpass grade separations where high volume streets are impacted by freight trains along the Burlington Northern Santa Fe railroad in northern Orange County.

##### Cost:

The estimated cost for these street improvement projects is \$1,132.8 million.





## Streets and Roads Projects

### Regional Traffic Signal Synchronization Program

#### Project **P**

#### Regional Traffic Signal Synchronization Program

##### Description:

This program targets over 2,000 signalized intersections across the County for coordinated operation. The goal is to improve the flow of traffic by developing and implementing regional signal coordination programs that cross jurisdictional boundaries.

Most traffic signal synchronization programs today are limited to segments of roads or individual cities and agencies. For example, signals at intersections of freeways with arterial streets are controlled by Caltrans, while nearby signals at local street intersections are under the control of cities. This results in the street system operating at less than maximum efficiency. When completed, this project can increase the capacity of the street grid and reduce the delay by over six million hours annually.

To ensure that this program is successful, cities, the County of Orange and Caltrans will be required to work together and prepare a common traffic signal synchronization plan and the necessary governance and legal arrangements before receiving funds. In addition, cities will be required to provide 20 percent of the costs. Once in place, the program will provide funding for ongoing maintenance and operation of the synchronization plan. Local jurisdictions will be required to publicly report on the performance of their signal synchronization efforts at least every three years. Signal equipment to give emergency vehicles priority at intersections will be an eligible expense for projects implemented as part of this program.

##### Cost:

The estimated cost of developing and maintaining a regional traffic signal synchronization program for Orange County is \$453.1 million.





## Streets and Roads Projects

### Local Fair Share Program

#### Project

##### Local Fair Share Program

##### Description:

This element of the program will provide flexible funding to help cities and the County of Orange keep up with the rising cost of repairing the aging street system. In addition, cities can use these funds for other local transportation needs such as residential street projects, traffic and pedestrian safety near schools, signal priority for emergency vehicles, etc.

This program is intended to augment, rather than replace, existing transportation expenditures and therefore cities must meet the following requirements to receive the funds.

1. Continue to invest General Fund monies (or other local discretionary monies) for transportation and annually increase this commitment to keep pace with inflation.
2. Agree to use Measure M funds for transportation purposes only, subject to full repayment and a loss of funding eligibility for five years for any misuse.
3. Agree to separate accounting for Measure M funds and annual reporting on actual Measure M expenditures.
4. Develop and maintain a Pavement Management Program to ensure timely street maintenance and submit regular public reports on the condition of streets.

5. Annually submit a six-year Capital Improvement Program and commit to spend Measure M funds within three years of receipt.
6. Agree to assess traffic impacts of new development and require that new development pay a fair share of any necessary transportation improvements.
7. Agree to plan, build and operate major streets consistent with the countywide Master Plan of Arterial Highways to ensure efficient traffic flow across city boundaries.
8. Participate in Traffic Forums with neighboring jurisdictions to facilitate the implementation and maintenance of traffic signal synchronization programs and projects. This requires cities to balance local traffic policies with neighboring cities—for selected streets—to promote more efficient traffic circulation overall.
9. Agree to consider land use planning strategies that are transit-friendly, support alternative transportation modes including bike and pedestrian access and reduce reliance on the automobile.

The funds under this program are distributed to cities and the County of Orange by formula once the cities have fulfilled the above requirements. The formula will account for population, street mileage and amount of sales tax collected in each jurisdiction.

##### Cost:

The estimated cost for this program for thirty years is \$2,039.1 million.





## Transit Overview

Building streets, roads and freeways helps fix today's traffic problems. Building a visionary transit system that is safe, clean and convenient focuses on Orange County's transportation future.

Twenty-five percent of net revenues from the Renewed Measure M Transportation Investment Plan is allocated towards building and improving rail and bus transportation in Orange County. Approximately twenty percent of the Renewed Measure M funds is allocated to developing a creative countywide transit program and five percent of the revenues will be used to enhance programs for senior citizens and for targeted, localized bus service. All transit expenditures must be consistent with the safeguards and audit provisions of the Plan.

### **A New Transit Vision**

The key element of the Renewed Measure M transit program is improving the 100-year old Santa Fe rail line, known today as the Los Angeles/San Diego (LOSSAN) rail corridor, through the heart of the county. Then, by using this well-established, operational commuter rail system as a platform for future growth, existing rail stations will be developed into regional transportation hubs that can serve as regional transportation gateways or the centerpiece of local transportation services. A series of new, well-coordinated, flexible transportation systems, each one customized to the unique transportation vision the station serves, will be developed. Creativity and good financial sense will be encouraged. Partnerships will be promoted. Transportation solutions for each transportation hub can range from monorails to local mini-bus systems to new technologies. Fresh thinking will be rewarded.

The new, localized transit programs will bring competition to local transportation planning, creating a marketplace of transportation ideas where the best ideas emerge and compete for funding. The plan is to encourage civic entrepreneurship and stimulate private involvement and investment.

### **Transit Investment Criteria**

The guiding principles for all transit investments are value, safety, convenience and reliability. Each local transit vision will be evaluated against clear criteria, such as congestion relief, cost-effectiveness, readiness, connectivity, and a sound operating plan.

In terms of bus services, more specialized transit services, including improved van services and reduced fares for senior citizens and people with disabilities, will be provided. Safety at key bus stops will be improved. And a network of community-based, mini-bus services will be developed in areas outside of the central county rail corridor.



This map illustrates the proposed light rail network in Orange County, California, managed by the Orange County Transportation Authority (OCTA). The system is shown as a series of interconnected lines with stations marked by circular icons. The map includes labels for various cities and communities, such as La Habra, Brea, Fullerton, Yorba Linda, Placentia, Villa Park, Orange, Santa Ana, Tustin, Irvine, Lake Forest, Laguna Woods, Laguna Hills, Aliso Viejo, Laguna Niguel, San Juan Capistrano, Dana Point, and San Clemente. A north arrow is located in the bottom left corner, and a scale bar is provided in the bottom right corner.

- page 23  
page 23  
page 24  
page 24  
page 25  
page 25



## Transit Projects

### High Frequency Metrolink Service Transit Extensions to Metrolink

#### Project **R**

##### High Frequency Metrolink Service

###### Description:

This project will increase rail services within the county and provide frequent Metrolink service north of Fullerton to Los Angeles. The project will provide for track improvements, more trains, and other related needs to accommodate the expanded service.

This project is designed to build on the successes of Metrolink and complement service expansion made possible by the current Measure M. The service will include upgraded stations and added parking capacity; safety improvements and quiet zones along the tracks; and frequent shuttle service and other means, to move arriving passengers to nearby destinations.

The project also includes funding for improving grade crossings and constructing over or underpasses at high volume arterial streets that cross the Metrolink tracks.

###### Cost:

The estimated cost of capital and operations is \$1,129.8 million.

#### Project **S**

##### Transit Extensions to Metrolink

###### Description:

Frequent service in the Metrolink corridor provides a high capacity transit system linking communities within the central core of Orange County. This project will establish a competitive program for local jurisdictions to broaden the reach of the rail system to other activity centers and communities. Proposals for extensions must be developed and supported by local jurisdictions and will be evaluated against well-defined and well-known criteria as follows:

- Traffic congestion relief
- Project readiness, with priority given to projects that can be implemented within the first five years of the Plan
- Local funding commitments and the availability of right-of-way
- Proven ability to attract other financial partners, both public and private
- Cost-effectiveness
- Proximity to jobs and population centers
- Regional as well as local benefits
- Ease and simplicity of connections
- Compatible, approved land uses
- Safe and modern technology
- A sound, long-term operating plan

This project shall not be used to fund transit routes that are not directly connected to or that would be redundant to the core rail service on the Metrolink corridor. The emphasis shall be on expanding access to the core rail system and on establishing connections to communities and major activity centers that are not immediately adjacent to the Metrolink corridor. It is intended that multiple transit projects be funded through







## Transit Projects

### Metrolink Gateways

#### Expand Mobility Choices for Seniors and Persons with Disabilities

a competitive process and no single project may be awarded all of the funds under this program.

These connections may include a variety of transit technologies such as conventional bus, bus rapid transit or high capacity rail transit systems as long as they can be fully integrated and provide seamless transition for the users.

#### Cost:

The estimated cost to implement this program over thirty years is \$1,000.0 million.

### Project T

#### Convert Metrolink Station(s) to Regional Gateways that Connect Orange County with High-Speed Rail Systems

#### Description:

This program will provide the local improvements that are necessary to connect planned future high-speed rail systems to stations on the Orange County Metrolink route.

The State of California is currently planning a high-speed rail system linking northern and southern California. One line is planned to terminate in Orange County. In addition, several magnetic levitation (MAGLEV) systems that would connect Orange County to Los Angeles and San Bernardino Counties, including a link from Anaheim to Ontario airport, are also being planned or proposed by other agencies.

#### Cost:

The estimated Measure M share of the cost for these regional centers and connections is \$57.9 million.



### Project U

#### Expand Mobility Choices for Seniors and Persons with Disabilities

#### Description:

This project will provide services and programs to meet the growing transportation needs of seniors and persons with disabilities as follows:

- One and forty-seven hundredths percent (1.47%) of net revenues will stabilize fares and provide fare discounts for bus services, specialized ACCESS services and future rail services
- One percent of net revenues will be available to continue and expand local community van service for seniors through the existing Senior Mobility Program
- One percent will supplement existing countywide senior non-emergency medical transportation services

Over the next 30 years, the population age 65 and over is projected to increase by 93 percent. Demand for transit and specialized transportation services for seniors and persons with disabilities is expected to increase proportionately.

#### Cost:

The estimated cost to provide these programs over 30 years is \$392.8 million.



## Transit Projects

### Community Based Transit/Circulators Safe Transit Stops

#### Project **V**

##### Community Based Transit/Circulators

###### Description:

This project will establish a competitive program for local jurisdictions to develop local bus transit services such as community based circulators, shuttles and bus trolleys that complement regional bus and rail services, and meet needs in areas not adequately served by regional transit. Projects will need to meet performance criteria for ridership, connection to bus and rail services, and financial viability to be considered for funding. All projects must be competitively bid, and they cannot duplicate or compete with existing transit services.

###### Cost:

The estimated cost of this project is \$226.5 million.

#### Project **W**

##### Safe Transit Stops

###### Description:

This project provides for passenger amenities at 100 busiest transit stops across the County. The stops will be designed to ease transfer between bus lines and provide passenger amenities such as improved shelters, lighting, current information on bus and train timetables and arrival times, and transit ticket vending machines.

###### Cost:

The estimated cost of this project is \$25.0 million.







## Environmental Cleanup Overview

Every day, more than 70 million gallons of oily pollution, litter, and dirty contamination washes off streets, roads and freeways and pours onto Orange County waterways and beaches. When it rains, the transportation-generated pollution increases tenfold, contributing to the increasing number of beach closures and environmental hazards along the Orange County coast.

Prior to allocation of funds for freeway, street and transit projects, two percent of gross revenues from the Renewed Measure M Transportation Investment Plan is set aside to protect Orange County beaches from transportation-generated pollution (sometimes called “urban runoff”) and improving ocean water quality.

### Countywide Competitive Program

Measure M Environmental Cleanup funds will be used on a countywide, competitive basis to meet federal Clean Water Act standards for controlling transportation-generated pollution by funding nationally recognized Best Management Practices, such as catch basins with state-of-the-art biofiltration systems; or special roadside landscaping systems called bioswales that filter oil runoff from streets, roads and freeways.

The environmental cleanup program is designed to supplement, not supplant, existing transportation-related water quality programs. This clean-up program must improve, and not replace, existing pollution reduction efforts by cities, the county, and special districts. Funds will be awarded to the highest priority programs that improve water quality, keep our beaches and streets clean, and reduce transportation-generated pollution along Orange County’s scenic coastline.





## Environmental Cleanup

### Project **X**

#### Environmental Cleanup

##### Description:

Implement street and highway related water quality improvement programs and projects that will assist Orange County cities, the County of Orange and special districts to meet federal Clean Water Act standards for urban runoff.

The Environmental Cleanup monies may be used for water quality improvements related to both existing and new transportation infrastructure, including capital and operations improvements such as:

- Catch basin screens, filters and inserts
- Roadside bioswales and biofiltration channels
- Wetlands protection and restoration
- Continuous Deflective Separation (CDS) units
- Maintenance of catch basins and bioswales
- Other street-related "Best Management Practices" for capturing and treating urban runoff

This program is intended to augment, not replace existing transportation related water quality expenditures and to emphasize high-impact capital improvements over local operations and maintenance costs. In addition, all new freeway, street and transit capital projects will include water quality mitigation as part of project scope and cost.

The Environmental Cleanup program is subject to the following requirements:

- Development of a comprehensive countywide capital improvement program for transportation related water quality improvements
- A competitive grant process to award funds to the highest priority, most cost-effective projects
- A matching requirement to leverage other federal, state and local funds for water quality improvements
- A maintenance of effort requirement to ensure that funds augment, not replace existing water quality programs
- Annual reporting on actual expenditures and an assessment of the water quality benefits provided
- A strict limit on administrative costs and a requirement to spend funds within three years of receipt
- Penalties for misuse of any of the Environmental Cleanup funds

##### Cost:

The estimated cost for the Environmental Cleanup program is \$237.2 million. In addition it is estimated that new freeway, road and transit projects funded by the Renewed Measure M Transportation Investment Plan will include more than \$165 million for mitigating water quality impacts.





## Taxpayer Safeguards and Audits Overview

When new transportation dollars are approved, they should go for transportation and transportation alone. No bait-and-switch. No using transportation dollars for other purposes. The original Measure M went solely for transportation. The Renewed Measure M will be just as airtight.

And there will be no hidden costs in the program.

Prior to allocation of funds for freeway, street and transit projects, one percent of gross revenues from the Renewed Measure M Transportation Investment Plans is set aside for audits, safeguards, and taxpayer protection. By state law, one and one half percent of the gross sales taxes generated by Measure M must be paid to the California State Board of Equalization for collecting the countywide one-half percent sales tax that funds the Transportation Investment Program.

### Special Trust Fund

To guarantee transportation dollars are used for transportation purposes, all funds must be kept in a special trust fund. An independent, outside audit of this fund will protect against cheaters who try to use the transportation funds for purposes other than specified transportation uses. A severe punishment will disqualify any agency that cheats from receiving Measure M funds for a five-year period.

The annual audits, and annual reports detailing project progress, will be sent to Orange County taxpayers every year and will be reviewed in public session by a special Taxpayer Oversight Committee that 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.

### Back to the Voters

Of course, over the next 30 years, things will change. Minor adjustments can be made by a 2/3 vote of the Taxpayer Oversight Committee and a 2/3 vote of the Orange County Local Transportation Authority Board of Directors. Major changes must be taken back to voters for authorization. And, every ten years, and more frequently if necessary, the Orange County Local Transportation Authority must conduct a thorough examination of the Renewed Measure M Investment Plan and determine if major changes should be submitted to the voters.

There are other important taxpayer safeguards, all designed to insure the integrity of the voter-authorized plans. But 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.





## Taxpayer Safeguards and Audits

### Taxpayer Safeguards and Audits

#### Description:

Implement and maintain strict taxpayer safeguards to ensure that the Renewed Measure M Transportation Investment Plan is delivered as promised. Restrict administrative costs to one percent (1%) of total tax revenues and state collection of the tax as prescribed in state law [currently one-and-one-half (1.5%) percent].

Administration of the Transportation Investment Plan and all spending is subject to the following specific safeguards and requirements:

#### Oversight

- All spending is subject to an annual independent audit
- Spending decisions must be annually reviewed and certified by an independent Taxpayer Oversight Committee
- An annual report on spending and progress in implementing the Plan must be submitted to taxpayers

#### Integrity of the Plan

- No changes to the Plan can be made without review and approval by 2/3 vote of the Taxpayer Oversight Committee
- Major changes to the Plan such as deleting a project or shifting projects among major spending categories (Freeways, Streets & Roads, Transit, Environmental Cleanup) must be ratified by a majority of voters
- The Plan must be subject at least every ten years to public review and assessment of progress in delivery, public support and changed circumstances. Any significant proposed changes to the Plan must be approved by the Taxpayer Oversight Committee and ratified by a majority of voters.

### Fund Accounting

- All tax revenues and interest earned must be deposited and maintained in a separate trust fund. Local jurisdictions that receive allocations must also maintain them in a separate fund.
- All entities receiving tax funds must report annually on expenditures and progress in implementing projects
- At any time, at its discretion, the Taxpayer Oversight Committee may conduct independent reviews or audits of the spending of tax funds
- The elected Auditor/Controller of Orange County must annually certify that spending is in accordance with the Plan

### Spending Requirements

- Local jurisdictions receiving funds must abide by specific eligibility and spending requirements detailed in the Streets & Roads and Environmental Cleanup components of the Plan
- Funds must be used only for transportation purposes described in the Plan. The penalty for misspending is full repayment and loss of funding eligibility for a period of five years.
- No funds may be used to replace private developer funding committed to any project or improvement
- Funds shall augment, not replace existing funds
- Every effort shall be made to maximize matching state and federal transportation dollars





## Taxpayer Safeguards and Audits

### Taxpayer Oversight Committee

- The committee shall consist of eleven members—two members from each of the five Board of Supervisor's districts, who shall not be elected or appointed officials—along with the elected Auditor/Controller of Orange County
- Members shall be recruited and screened for expertise and experience by the Orange County Grand Jurors Association. Members shall be selected from the qualified pool by lottery.
- The committee shall be provided with sufficient resources to conduct independent reviews and audits of spending and implementation of the Plan

### Collecting the Tax

- The State Board of Equalization shall be paid one-and-one-half (1.5) percent of gross revenues each fiscal year for its services in collecting sales tax revenue as prescribed in Section 7273 of the State's Revenue and Taxation Code

### Cost:

The estimated cost for Safeguards and Audits over thirty years is \$296.6 million.





## Measure M Investment Summary

LOCATION		PROJECTS	COSTS 2005 estimates in millions	
<b>Freeway Projects (in millions)</b>				<b>\$4,871.1</b>
I-5	Santa Ana Freeway Interchange Improvements	A	\$470.0	
I-5	Santa Ana/San Diego Freeway Improvements	B C D	1,185.2	
SR-22	Garden Grove Freeway Access Improvements	E	120.0	
SR-55	Costa Mesa Freeway Improvements	F	366.0	
SR-57	Orange Freeway Improvements	G	258.7	
SR-91	Riverside Freeway Improvements	H I J	908.7*	
I-405	San Diego Freeway Improvements	K L	1,392.5*	
I-605	Freeway Access Improvements	M	20.0	
All	Freeway Service Patrol	N	150.0	
<b>Streets &amp; Roads Projects (in millions)</b>				<b>\$3,625.0</b>
	Regional Capacity Program	O	\$1,132.8	
	Regional Traffic Signal Synchronization Program	P	453.1	
	Local Fair Share Program	Q	2,039.1	
<b>Transit Projects (in millions)</b>				<b>\$2,832.0</b>
	High Frequency Metrolink Service	R	\$1,129.8*	
	Transit Extensions to Metrolink	S	1,000.0	
	Metrolink Gateways	T	57.9*	
	Expand Mobility Choices for Seniors and Persons with Disabilities	U	392.8*	
	Community Based Transit/Circulators	V	226.5	
	Safe Transit Stops	W	25.0	
<b>Environmental Cleanup (in millions)</b>				<b>\$237.2</b>
	Clean Up Highway and Street Runoff that Pollutes Beaches	X	\$237.2	
<b>Taxpayer Safeguards and Audits (in millions)</b>				<b>\$296.6</b>
	Collect Sales Taxes (State charges required by law)		\$178.0	
	Oversight and Annual Audits		118.6	
<b>Total (2005 dollars in millions)</b>				<b>\$11,861.9</b>

\*Asterisk notes project estimates that have been amended since 2006.



## ATTACHMENT B

### ALLOCATION OF NET REVENUES

#### I. DEFINITIONS.

For purposes of the Ordinance the following words shall mean as stated.

A. “Capital Improvement Program”: a multi-year-year funding plan to implement capital transportation projects and/or programs, including but not limited to capacity, safety, operations, maintenance, and rehabilitation projects.

B. “Circulation Element”: an element of an Eligible Jurisdiction’s General Plan depicting planned roadways and related policies, including consistency with the MPAH.

C. “Congestion Management Program”: a program established in 1990 (California Government Code 65089), for effective use of transportation funds to alleviate traffic congestion and related impacts through a balanced transportation and land use planning process.

D. “Eligible Jurisdiction”: a city in Orange County or the County of Orange, which satisfies the requirements of Section III A.

E. “Encumbrance”: the execution of a contract or other action to be funded by Net Revenues.

F. “Environmental Cleanup”: street, highway, freeway and transit related water quality improvement programs and projects as described in the Plan.

G. “Environmental Cleanup Revenues”: Two percent (2%) of the Revenues allocated annually plus interest and other earnings on the allocated revenues, which shall be maintained in a separate account.

H. “Expenditure Report”: a detailed financial report to account for receipt, interest earned and use of Measure M and other funds consistent with requirements of the Ordinance.

I. “Freeway Project”: the planning, design, construction, improvement,



operation or maintenance necessary for, incidental to, or convenient for a state or interstate freeway.

J. “Local Fair Share Program”: a formula-based allocation to Eligible Jurisdictions for Street and Road Projects as described in the Plan.

K. “Local Traffic Signal Synchronization Plan”: identification of traffic signal synchronization street routes and traffic signals within a jurisdiction.

L. “Master Plan of Arterial Highways (MPAH)”: a countywide transportation plan administered by the Authority defining the ultimate number of through lanes for arterial streets, and designating the traffic signal synchronization street routes in Orange County.

M. “Net Revenues”: The remaining Revenues after the deduction for: (i) amounts payable to the State Board of Equalization for the performance of functions incidental to the administration and operation of the Ordinance, (ii) costs for the administration of the Ordinance, (iii) two percent (2%) of the Revenues annually allocated for Environmental Cleanup, and (iv) satisfaction of debt service requirements of all bonds issued pursuant to the Ordinance that are not satisfied out of separate allocations.

N. “Pavement Management Plan”: a plan to manage the preservation, rehabilitation, and maintenance of paved roads by analyzing pavement life cycles, assessing overall system performance and costs, and determining alternative strategies and costs necessary to improve paved roads.

O. “Permit Streamlining”: commitments by state and federal agencies to reduce project delays associated with permitting of freeway projects through development of a comprehensive conservation strategy early in the planning process and the permitting of multiple projects with a single comprehensive conservation strategy.

P. “Programmatic Mitigation”: permanent protection of areas of high ecological value, and associated restoration, management and monitoring, to comprehensively compensate for numerous, smaller impacts associated with individual transportation projects. Continued function of existing mitigation features, such as wildlife

passages, is not included.

Q. “Project Final Report”: certification of completion of a project funded with Net Revenues, description of work performed, and accounting of Net Revenues expended and interest earned on Net Revenues allocated for the project.

R. “Regional Capacity Program”: capital improvement projects to increase roadway capacity and improve roadway operation as described in the Plan.

S. “Regional Traffic Signal Synchronization Program”: competitive capital and operations funding for the coordination of traffic signals across jurisdictional boundaries as included in the Traffic Signal Synchronization Master Plan and as described in the Plan.

T. “Revenues”: All gross revenues generated from the transactions and use tax of one-half of one percent (1/2%) plus any interest or other earnings thereon.

U. “State Board of Equalization”: agency of the State of California responsible for the administration of sales and use taxes.

V. “Street and Road Project”: the planning, design, construction, improvement, operation or maintenance necessary for, incidental to, or convenient for a street or road, or for any transportation purpose, including, but not limited to, purposes authorized by Article XIX of the California Constitution.

W. “Traffic Forums”: a group of Eligible Jurisdictions working together to facilitate the planning of traffic signal synchronization among the respective jurisdictions.

X. “Traffic Signal Synchronization Master Plan”: an element of the MPAH to promote smooth traffic flow through synchronization of traffic signals along designated street routes in the County.

Y. “Transit”: the transportation of passengers by bus, rail, fixed guideway or other vehicle.

Z. “Transit Project”: the planning, design, construction, improvement, equipment, operation or maintenance necessary for, or incidental to, or convenient for transit facilities or transit services.

AA. “Watershed Management Areas”: areas to be established by the

County of Orange, in cooperation with local jurisdictions, or by another public entity with appropriate legal authority, for the management of water run-off related to existing or new transportation projects.

## II. REQUIREMENTS.

The Authority may allocate Net Revenues to the State of California, an Eligible Jurisdiction, or the Authority for any project, program or purpose as authorized by the Ordinance, and the allocation of Net Revenues by the Authority shall be subject to the following requirements:

### A. Freeway Projects

1. The Authority shall make every effort to maximize state and federal funding for Freeway Projects. No Net Revenues shall be allocated in any year to any Freeway Project if the Authority has made findings at a public meeting that the state or the federal government has reduced any allocations of state funds or federal funds to the Authority as the result of the addition of any Net Revenues.

2. All Freeway Projects funded with Net Revenues, including project development and overall project management, shall be a joint responsibility of Caltrans, the Authority, and the affected jurisdiction(s). All major approval actions, including the project concept, the project location, and any subsequent change in project scope shall be jointly agreed upon by Caltrans, the Authority, and the project sponsors, and where appropriate, by the Federal Highway Administration and/or the California Transportation Commission.

3. Prior to the allocation of Net Revenues for a Freeway Project, the Authority shall obtain written assurances from the appropriate state agency that after the Freeway Project is constructed to at least minimum acceptable state standards, the state shall be responsible for the maintenance and operation of such Freeway Project.

4. Freeway Projects will be built largely within existing rights of way using the latest highway design and safety requirements. However, to the greatest extent possible within the available budget, Freeway Projects shall be implemented using

Context Sensitive Design, as described in the nationally recognized Federal Highway Administration (FHWA) Principles of Context Sensitive Design Standards. Freeway Projects will be planned, designed and constructed using a flexible community-responsive and collaborative approach to balance aesthetic, historic and environmental values with transportation safety, mobility, maintenance and performance goals. Context Sensitive Design features include: parkway-style designs; environmentally friendly, locally native landscaping; sound reduction; improved wildlife passage and aesthetic treatments, designs and themes that are in harmony with the surrounding communities.

5. At least five percent (5%) of the Net Revenues allocated for Freeway Projects shall fund Programmatic Mitigation for Freeway Projects. These funds shall be derived by pooling funds from the mitigation budgets of individual Freeway Projects, and shall only be allocated subject to the following:

a. Development of a Master Environmental Mitigation and Resource Protection Plan and Agreement (Master Agreement) between the Authority and state and federal resource agencies that includes:

(i) commitments by the Authority to provide for programmatic environmental mitigation of the Freeway Projects,

(ii) commitments by state and federal resource agencies to reduce project delays associated with permitting and streamline the permit process for Freeway Projects,

(iii) an accounting process for mitigation obligations and credits that will document net environmental benefit from regional, programmatic mitigation in exchange for net benefit in the delivery of transportation improvements through streamlined and timely approvals and permitting, and

(iv) a description of the specific mitigation actions and expenditures to be undertaken and a phasing, implementation and maintenance plan.

(v) appointment by the Authority of a Mitigation and Resource Protection Program Oversight Committee ("Environmental Oversight

Committee”) to make recommendations to the Authority on the allocation of the Net Revenues for programmatic mitigation, and to monitor implementation of the Master Agreement. The Environmental Oversight Committee shall consist of no more than twelve members and be comprised of representatives of the Authority, Caltrans, state and federal resource agencies, non-governmental environmental organizations, the public and the Taxpayers Oversight Committee.

b. A Master Agreement shall be developed as soon as practicable following the approval of the ballot proposition by the electors. It is the intent of the Authority and state and federal resource agencies to develop a Master Agreement prior to the implementation of Freeway Projects.

c. Expenditures of Net Revenues made subject to a Master Agreement shall be considered a Freeway Project and may be funded from the proceeds of bonds issued subject to Section 5 of the Ordinance.

B. Transit Projects

1. The Authority shall make every effort to maximize state and federal funding for Transit Projects. No Net Revenues shall be allocated in any year for any Transit Project if the Authority has made findings at a public meeting that the state or the federal government has reduced any allocations of state funds or federal funds to the Authority as the result of the addition of any Revenues.

2. Prior to the allocation of Net Revenues for a Transit Project, the Authority shall obtain a written agreement from the appropriate jurisdiction that the Transit Project will be constructed, operated and maintained to minimum standards acceptable to the Authority.

C. Street and Road Projects

Prior to the allocation of Net Revenues for any Street and Road Project, the Authority, in cooperation with affected agencies, shall determine the entity(ies) to be responsible for the maintenance and operation thereof.

///

### III. REQUIREMENTS FOR ELIGIBLE JURISDICTIONS.

A. In order to be eligible to receive Net Revenues, a jurisdiction shall satisfy and continue to satisfy the following requirements.

1. Congestion Management Program. Comply with the conditions and requirements of the Orange County Congestion Management Program (CMP) pursuant to the provisions of Government Code Section 65089.

2. Mitigation Fee Program. Assess traffic impacts of new development and require new development to pay a fair share of necessary transportation improvements attributable to the new development.

3. Circulation Element. Adopt and maintain a Circulation Element of the jurisdiction's General Plan consistent with the MPAH.

4. Capital Improvement Program. Adopt and update biennially a six-year Capital Improvement Program (CIP). The CIP shall include all capital transportation projects, including projects funded by Net Revenues, and shall include transportation projects required to demonstrate compliance with signal synchronization and pavement management requirements.

5. Traffic Forums.

Participate in Traffic Forums to facilitate the planning of traffic signal synchronization programs and projects. Eligible Jurisdictions and Caltrans, in participation with the County of Orange and the Orange County Division of League of Cities, will establish the boundaries for Traffic Forums. The following will be considered when establishing boundaries:

- a. Regional traffic routes and traffic patterns;
- b. Inter-jurisdictional coordination efforts; and
- c. Total number of Traffic Forums.

6. Local Traffic Signal Synchronization Plan. Adopt and maintain a Local Traffic Signal Synchronization Plan which shall identify traffic signal synchronization street routes and traffic signals; include a three-year plan showing costs, available funding

and phasing of capital, operations and maintenance of the street routes and traffic signals; and include information on how the street routes and traffic signals may be synchronized with traffic signals on the street routes in adjoining jurisdictions. The Local Traffic Signal Synchronization Plan shall be consistent with the Traffic Signal Synchronization Master Plan.

7. Pavement Management Plan. Adopt and update biennially a Pavement Management Plan, and issue, using a common format approved by the Authority, a report every two years regarding the status of road pavement conditions and implementation of the Pavement Management Plan.

a. Authority, in consultation with the Eligible Jurisdictions, shall define a countywide management method to inventory, analyze and evaluate road pavement conditions, and a common method to measure improvement of road pavement conditions.

b. The Pavement Management Plan shall be based on: either the Authority's countywide pavement management method or a comparable management method approved by the Authority, and the Authority's method to measure improvement of road pavement conditions.

c. The Pavement Management Plan shall include:

- (i) Current status of pavement on roads;
- (ii) A six-year plan for road maintenance and rehabilitation, including projects and funding;
- (iii) The projected road pavement conditions resulting from the maintenance and rehabilitation plan; and
- (iv) Alternative strategies and costs necessary to improve road pavement conditions.

8. Expenditure Report. Adopt an annual Expenditure Report to account for Net Revenues, developer/traffic impact fees, and funds expended by the Eligible Jurisdiction which satisfy the Maintenance of Effort requirements. The Expenditure

Report shall be submitted by the end of six (6) months following the end of the jurisdiction's fiscal year and include the following:

- a. All Net Revenue fund balances and interest earned.
- b. Expenditures identified by type (i.e., capital, operations, administration, etc.), and program or project .

9. Project Final Report. Provide Authority with a Project Final Report within six months following completion of a project funded with Net Revenues.

10. Time Limits for Use of Net Revenues.

a. Agree that Net Revenues for Regional Capacity Program projects and Regional Traffic Signal Synchronization Program projects shall be expended or encumbered no later than the end of the fiscal year for which the Net Revenues are programmed. A request for extension of the encumbrance deadline for no more than twenty-four months may be submitted to the Authority no less than ninety days prior to the deadline. The Authority may approve one or more requests for extension of the encumbrance deadline.

b. Agree that Net Revenues allocated for any program or project, other than a Regional Capacity Program project or a Regional Traffic Signal Synchronization Program project, shall be expended or encumbered within three years of receipt. The Authority may grant an extension to the three-year limit, but extensions shall not be granted beyond a total of five years from the date of the initial funding allocation.

c. In the event the time limits for use of Net Revenues are not satisfied then any retained Net Revenues that were allocated to an Eligible Jurisdiction and interest earned thereon shall be returned to the Authority and these Net Revenues and interest earned thereon shall be available for allocation to any project within the same source program.

11. Maintenance of Effort. Annual certification that the Maintenance of Effort requirements of Section 6 of the Ordinance have been satisfied.

12. No Supplanting of Funds. Agree that Net Revenues shall not be



used to supplant developer funding which has been or will be committed for any transportation project.

13. Consider, as part of the Eligible Jurisdiction's General Plan, land use planning strategies that accommodate transit and non-motorized transportation.

B. Determination of Non-Eligibility

A determination of non-eligibility of a jurisdiction shall be made only after a hearing has been conducted and a determination has been made by the Authority's Board of Directors that the jurisdiction is not an Eligible Jurisdiction as provided hereinabove.

IV. ALLOCATION OF NET REVENUES; GENERAL PROVISIONS.

A. Subject to the provisions of the Ordinance, including Section II above, use of the Revenues shall be as follows:

1. First, the Authority shall pay the State Board of Equalization for the services and functions;
2. Second, the Authority shall pay the administration expenses of the Authority;
3. Third, the Authority shall satisfy the annual allocation requirement of two percent (2%) of Revenues for Environmental Cleanup; and
4. Fourth, the Authority shall satisfy the debt service requirements of all bonds issued pursuant to the Ordinance that are not satisfied out of separate allocations.

B. After providing for the use of Revenues described in Section A above, and subject to the averaging provisions of Section D below, the Authority shall allocate the Net Revenues as follows:

1. Forty-three percent (43%) for Freeway Projects;
  2. Thirty-two percent (32%) for Street and Road Projects; and
  3. Twenty-five percent (25%) for Transit Projects.
- C. The allocation of thirty-two percent (32%) of the Net Revenues for

Street and Road Projects pursuant to Section B 2 above shall be made as follows:

1. Ten percent (10%) of the Net Revenues shall be allocated for Regional Capacity Program projects;
2. Four percent (4%) of the Net Revenues shall be allocated for Regional Traffic Signal Synchronization Program projects; and
3. Eighteen percent (18%) of the Net Revenues shall be allocated for Local Fair Share Program projects.

D. In any given year, except for the allocations for Local Fair Share Program projects, the Authority may allocate Net Revenues on a different percentage basis than required by Sections B and C above in order to meet short-term needs and to maximize efforts to capture state, federal, or private transportation dollars, provided the percentage allocations set forth in Sections B and C above shall be achieved during the duration of the Ordinance.

E. The Authority shall allocate Net Revenues for programs and projects as necessary to meet contractual, program or project obligations, and the Authority may withhold allocations until needed to meet contractual, program or project obligations, except that Net Revenues allocated for the Local Fair Share Program pursuant to Section C above shall be paid to Eligible Jurisdictions within sixty days of receipt by the Authority.

F. The Authority may exchange Net Revenues from a Plan funding category for federal, state or other local funds allocated to any public agency within or outside the area of jurisdiction to maximize the effectiveness of the Plan. The Authority and the exchanging public agency must use the exchanged funds for the same program or project authorized for the use of the funds prior to the exchange. Such federal, state or local funds received by the Authority shall be allocated by the Authority to the same Plan funding category that was the source of the exchanged Net Revenues, provided, however, in no event shall an exchange reduce the Net Revenues allocated for Programmatic Mitigation of Freeway Projects.

G. If additional funds become available for a specific project or program

described in the Plan, the Authority may allocate the Net Revenues replaced by the receipt of those additional funds, in the following order of priority: first, to Plan projects and programs which provide congestion relief in the geographic region which received the additional funds; second, to other projects and programs within the affected geographic region which may be placed in the Plan through an amendment to the Ordinance; and third, to all other Plan projects and programs.

H. Upon review and acceptance of the Project Final Report, the Authority shall allocate the balance of Net Revenues for the project, less the interest earned on the Net Revenues allocated for the project.

V. ALLOCATION OF NET REVENUES; STREETS AND ROADS PROGRAMS/PROJECTS

A. Regional Capacity Program.

1. Matching Funds. An Eligible Jurisdiction shall contribute local matching funds equal to fifty percent (50%) of the project or program cost. This local match requirement may be reduced as follows:

a. A local match reduction of ten percent (10%) of the eligible cost if the Eligible Jurisdiction implements, maintains and operates in conformance with the Traffic Signal Synchronization Master Plan.

b. A local match reduction of ten percent (10%) of the eligible cost if the Eligible Jurisdiction either:

(i) has measurable improvement of paved road conditions during the previous reporting period as determined pursuant to the Authority's method of measuring improvement of road pavement conditions, or

(ii) has road pavement conditions during the previous reporting period which are within the highest twenty percent of the scale for road pavement conditions as determined pursuant to the Authority's method of measuring improvement of road pavement conditions.

c. A local match reduction of five percent (5%) of the

eligible cost if the Eligible Jurisdiction does not use any Net Revenues as part of the funds for the local match.

2. Allocations shall be determined pursuant to a countywide competitive procedure adopted by the Authority. Eligible Jurisdictions shall be consulted by the Authority in establishing criteria for determining priority for allocations.

B. Regional Traffic Signal Synchronization Program.

1. Traffic Signal Synchronization Master Plan.

The Authority shall adopt and maintain a Traffic Signal Synchronization Master Plan, which shall be a part of the Master Plan of Arterial Highways. The Traffic Signal Synchronization Master Plan shall include traffic signal synchronization street routes and traffic signals within and across jurisdictional boundaries, and the means of implementing, operating and maintaining the programs and projects, including necessary governance and legal arrangements.

2. Allocations.

a. Allocations shall be determined pursuant to a countywide competitive procedure adopted by the Authority. Eligible Jurisdictions shall be consulted by the Authority in establishing criteria for determining priority for allocations.

b. The Authority shall give priority to programs and projects which include two or more jurisdictions.

c. The Authority shall encourage the State to participate in the Regional Traffic Signal Synchronization Program and Authority shall give priority to use of transportation funds as match for the State's discretionary funds used for implementing the Regional Traffic Signal Synchronization Program.

3. An Eligible Jurisdiction shall contribute matching local funds equal to twenty percent (20%) of the project or program cost. The requirement for matching local funds may be satisfied all or in part with in-kind services provided by the Eligible Jurisdiction for the program or project, including salaries and benefits for employees of the Eligible Jurisdiction who perform work on the project or programs.

4. An Eligible Jurisdiction shall issue a report once every three years regarding the status and performance of its traffic signal synchronization activities.

5. Not less than once every three years an Eligible Jurisdiction shall review and revise, as may be necessary, the timing of traffic signals included as part of the Traffic Signal Synchronization Master Plan.

6. An Eligible Jurisdiction withdrawing from a signal synchronization project shall be required to return Net Revenues allocated for the project.

C. Local Fair Share Program.

The allocation of eighteen percent (18%) of the Net Revenues for Local Fair Share Program projects shall be made to Eligible Jurisdictions in amounts determined as follows:

1. Fifty percent (50%) divided between Eligible Jurisdictions based on the ratio of each Eligible Jurisdiction's population for the immediately preceding calendar year to the total County population (including incorporated and unincorporated areas) for the immediately preceding calendar year, both as determined by the State Department of Finance;

2. Twenty-five percent (25%) divided between Eligible Jurisdictions based on the ratio of each Eligible Jurisdiction's existing Master Plan of Arterial Highways ("MPAH") centerline miles to the total existing MPAH centerline miles within the County as determined annually by the Authority; and

3. Twenty-five percent (25%) divided between Eligible Jurisdictions based on the ratio of each Eligible Jurisdiction's total taxable sales to the total taxable sales of the County for the immediately preceding calendar year as determined by the State Board of Equalization.

VI. ALLOCATION OF NET REVENUES; TRANSIT PROGRAMS/PROJECTS.

A. Transit Extensions to Metrolink.

1. The Authority may provide technical assistance, transportation planning and engineering resources for an Eligible Jurisdiction to assist in designing Transit

Extensions to Metrolink projects to provide effective and user-friendly connections to Metrolink services and bus transit systems.

2. To be eligible to receive Net Revenues for Transit Extension to Metrolink projects, an Eligible Jurisdiction must execute a written agreement with the Authority regarding the respective roles and responsibilities pertaining to construction, ownership, operation and maintenance of the Transit Extension to Metrolink project.

3. Allocations of Net Revenues shall be determined pursuant to a countywide competitive procedure adopted by the Authority. This procedure shall include an evaluation process and methodology applied equally to all candidate Transit Extension to Metrolink projects. Eligible Jurisdictions shall be consulted by the Authority in the development of the evaluation process and methodology.

B. Metrolink Gateways.

1. The Authority may provide technical assistance, transportation planning and engineering resources for an Eligible Jurisdiction to assist in designing Regional Transit Gateway facilities to provide for effective and user-friendly connections to the Metrolink system and other transit services.

2. To be eligible to receive Net Revenues for Regional Gateway projects, an Eligible Jurisdiction must execute a written agreement with the Authority regarding the respective roles and responsibilities pertaining to construction, ownership, operation and maintenance of the Regional Gateway facility.

3. Allocations of Net Revenues shall be determined pursuant to a countywide competitive procedure adopted by the Authority. This procedure shall include an evaluation process and methodology applied equally to all candidate Regional Gateway projects. Eligible Jurisdictions shall be consulted by the Authority in the development of the evaluation process and methodology.

C. Mobility Choices for Seniors and Persons with Disabilities.

1. An Eligible Jurisdiction may contract with another entity to perform all or part of a Mobility Choices for Seniors and Persons with Disabilities project.

2. A senior is a person age sixty years or older.

3. Allocations.

a. One percent (1%) of the Net Revenues shall be allocated to the County to augment existing senior non-emergency medical transportation services funded with Tobacco Settlement funds as of the effective date of the Ordinance. The County shall continue to fund these services in an annual amount equal to the same percentage of the total annual Tobacco Settlement funds received by the County. The Net Revenues shall be annually allocated to the County in an amount no less than the Tobacco Settlement funds annually expended by the County for these services and no greater than one percent of net revenues plus any accrued interest.

b. One percent (1%) of the Net Revenues shall be allocated to continue and expand the existing Senior Mobility Program provided by the Authority. The allocations shall be determined pursuant to criteria and requirements for the Senior Mobility Program adopted by the Authority.

c. One and forty-seven hundredths percent (1.47%) of the Net Revenues shall be allocated to partially fund bus and ACCESS fares for seniors and persons with disabilities in an amount equal to the percentage of partial funding of fares for seniors and persons with disabilities as of the effective date of the Ordinance, and to partially fund train and other transit service fares for seniors and persons with disabilities in amounts as determined by the Authority.

d. In the event any Net Revenues to be allocated for seniors and persons with disabilities pursuant to the requirements of subsections a, b and c above remain after the requirements are satisfied then the remaining Net Revenues shall be allocated for other transit programs or projects for seniors and persons with disabilities as determined by the Authority.

D. Community Based Transit/Circulators.

1. The Authority may provide technical assistance, transportation planning, procurement and operations resources for an Eligible Jurisdiction to assist in

designing Community Based Transit/Circulators projects to provide effective and user-friendly transit connections to countywide bus transit and Metrolink services.

2. To be eligible to receive Net Revenues for Community Based Transit/Circulators projects, an Eligible Jurisdiction must execute a written agreement with the Authority regarding the respective roles and responsibilities pertaining to construction, ownership, operation and maintenance of the Community Based Transit/Circulators project.

3. Allocations of Net Revenues shall be determined pursuant to a countywide competitive procedure adopted by the Authority. This procedure shall include an evaluation process and methodology applied equally to all candidate Community Based Transit/Circulator projects. Eligible Jurisdictions shall be consulted by the Authority in the development of the evaluation process and methodology.

4. An Eligible Jurisdiction may contract with another entity to perform all or part of a Community Based Transit/Circulators project.

VII. ALLOCATION OF NET REVENUES; ENVIRONMENTAL CLEANUP PROGRAMS/PROJECTS.

A. An Eligible Jurisdiction may contract with any other public entity to perform all or any part of an Environmental Cleanup project.

B. Allocation Committee.

1. The Allocation Committee shall not include any elected public officer and shall include the following twelve (12) voting members:

- (i) one (1) representative of the County of Orange;
- (ii) five (5) representatives of cities, subject to the requirement for one (1) representative for the cities in each supervisorial district;
- (iii) one (1) representative of the California Department of Transportation;
- (iv) two (2) representatives of water or wastewater public entities;
- (v) one (1) representative of the development industry;



(vi) one (1) representative of the scientific or academic community;

(vii) one (1) representative of private or non-profit organizations involved in environmental and water quality protection/enforcement matters;

In addition, one (1) representative of the Santa Ana Regional Water Quality Control Board and one (1) representative of the San Diego Regional Water Quality Control Board shall be non-voting members of the Allocation Committee.

2. The Allocation Committee shall recommend to the Authority for adoption by the Authority the following:

a. A competitive grant process for the allocation of Environmental Cleanup Revenues, including the highest priority to capital improvement projects included in a Watershed Management Area. The process shall give priority to cost-effective projects and programs that offer opportunities to leverage other funds for maximum benefit.

b. A process requiring that Environmental Cleanup Revenues allocated for projects and programs shall supplement and not supplant funding from other sources for transportation related water quality projects and programs.

c. Allocation of Environmental Cleanup Revenues for proposed projects and programs.

d. An annual reporting procedure and a method to assess the water quality benefits provided by completed projects and programs.

## ATTACHMENT C

### TAXPAYER OVERSIGHT COMMITTEE

I. PURPOSE AND ORGANIZATION. A Taxpayer Oversight Committee (“Committee”) is hereby established for the purpose of overseeing compliance with the Ordinance as specified in Section IV hereof. The Committee shall be organized and convened before any Revenues are collected or spent pursuant to the Ordinance.

II. COMMITTEE MEMBERSHIP. The Committee shall be governed by eleven members (“Member”). The composition of the Committee membership shall be subject to the following provisions.

A. Geographic Balance. The membership of the Committee shall be geographically balanced at all times as follows:

1. There shall be two Members appointed from each of the County’s supervisorial districts (individually, “District”); and
2. The Auditor-Controller shall be a Member and chairman (“Chair”) of the Committee.

B. Member Term. Each Member, except the Auditor-Controller and as provided in Section III B 2 below, shall be appointed for a term of three years; provided, however, that any Member appointed to replace a Member who has resigned or been removed shall serve only the balance of such Member’s unexpired term, and no person shall serve as a Member for a period in excess of six consecutive years.

C. Resignation. Any Member may, at any time, resign from the Committee upon written notice delivered to the Auditor-Controller. Acceptance of any public office, the filing of an intent to seek public office, including a filing under California Government Code Section 85200, or change of residence to outside the District shall constitute a Member’s automatic resignation.

D. Removal. Any Member who has three consecutive unexcused absences from meetings of the Committee shall be removed as a Member. An absence

from a Committee meeting shall be considered unexcused unless, prior to or after such absence (i) the Member submits to each of the other Members a written request to excuse such absence, which request shall state the reason for such absence and any special circumstances existing with respect to such absence; and (ii) a majority of the other Members agree to excuse such absence.

E. Reappointment. Any former Member may be reappointed.

III. APPOINTMENT OF MEMBERS.

A. Membership Recommendation Panel.

1. The Authority shall contract with the Orange County Grand Jurors' Association for the formation of a committee membership recommendation panel ("Panel") to perform the duties set forth in this subsection III A. If the Orange County Grand Jurors' Association refuses or fails to act in such capacity, the Authority shall contract with another independent organization selected by the Authority for the formation of the Panel.

2. The Panel shall have five members who shall screen and recommend potential candidates for Committee membership.

3. The Panel shall solicit, collect and review applications from potential candidates for membership on the Committee. No currently elected or appointed officer of any public entity ("Public Officer") will be eligible to serve as a Member, except the Auditor-Controller, and a Public Officer shall complete an Intent to Resign form, which shall be provided as part of the application and submitted as part of the initial application process. Failure to submit an Intent to Resign form will deem such Public Officer ineligible for consideration to serve as a Member. In addition, a person who has a financial conflict of interest with regard to the allocation of Revenues will be deemed ineligible for consideration to serve as a Member. A Member shall reside within the District the Member is appointed to represent. Subject to the foregoing restrictions, the Panel shall evaluate each potential candidate on the basis of the following criteria:

a. Commitment and ability to participate in Committee meetings;

b. Demonstrated interest and history of participation in community activities, with special emphasis on transportation-related activities; and

c. Lack of conflicts of interest with respect to the allocation of Revenues.

4. For initial membership on the Committee, the Panel shall recommend to the Authority at least five candidates from each of the two Districts that are represented by one member on the Ordinance No. 2, Citizens Oversight Committee ("COC") as of the date the Authority appoints the initial Members. Thereafter, the Panel shall recommend to the Authority at least five candidates for filling each vacancy on the Committee.

B. Initial Members.

1. The COC members, as of the date the Authority appoints the initial Members of the Committee, shall be appointed as initial Members of the Committee. These Members shall each serve until each of their respective terms as a member of the COC expires.

2. Two additional initial Members shall be appointed. The Authority shall place the names of the candidates recommended by the Panel on equally-sized cards which shall be deposited randomly in a container. In public session, the Chairman of the Authority will draw a sufficient number of names from said container to allocate Committee membership in accordance with the membership requirements and restrictions set forth in Section II hereof. The first person whose name is drawn shall be appointed to serve a term of three years. Thereafter, the person whose name is drawn who is not from the same District as the first person whose name is drawn shall be appointed to serve a term of two years.

C. Member Vacancy. A member vacancy, however caused, shall be filled by the Authority. A Member shall be appointed on or about July 1 to replace a Member whose term has expired. A Member may be appointed at any time as necessary to replace a Member who has resigned or been removed. The Authority shall place the

names of the candidates recommended by the Panel for the appointment on equally-sized cards which shall be deposited randomly in a container. In a public session, the Chairman of the Authority will draw one name from said container for each vacancy on the Committee. The person whose name is so drawn shall be appointed by the Authority to fill the vacancy.

IV. DUTIES AND RESPONSIBILITIES. The Committee is hereby charged with the following duties and responsibilities:

A. The initial Members shall convene to adopt such procedural rules and regulations as are necessary to govern the conduct of Committee meetings, including, but not limited to, those governing the calling, noticing and location of Committee meetings, as well as Committee quorum requirements and voting procedures. The Committee may select its own officers, including, but not limited to, a Committee co-chair who will be the primary spokesperson for the Committee.

B. The Committee shall approve, by a vote of not less than two thirds of all Committee members, any amendment to the Plan proposed by the Authority which changes the funding categories, programs or projects identified on page 31 of the Plan.

C. The Committee 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.

D. The Committee shall review yearly audits and hold an annual public hearing to determine whether the Authority is proceeding in accordance with the Plan. The Chair shall annually certify whether the Revenues have been spent in compliance with the Plan. In addition, the Committee may issue reports, from time to time, on the progress of the transportation projects described in the Plan.

E. The Committee 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 Ordinance.

F. Except as otherwise provided by the Ordinance, the Committee may contract, through the Authority, for independent analysis or examination of issues within the Committee's purview or for other assistance as it determines to be necessary.

G. The Committee may submit a written request to the Authority to explain any perceived deviations from the Plan. The Authority's Chair must respond to such request, in writing, within sixty days after receipt of the same.



## Measure M2 Amendments Staff Reports

September 24, 2012	Measure M2 Transportation Investment Plan Amendment
<b>November 9, 2012</b>	Public Hearing on Amendment of the Measure M Freeway Category: State Route 91 (Project J), Interstate 405 (Project K)
October 11, 2013	Proposal to amend Orange County Local Transportation Authority Ordinance No. 3 ( <i>Attachment C</i> ) to Modify Taxpayer Oversight Committee Membership Eligibility
<b>November 25, 2013</b>	Public Hearing to amend Orange County Local Transportation Authority Ordinance No. 3 ( <i>Attachment C</i> ) to Modify Taxpayer Oversight Committee Membership Eligibility
October 26, 2015	Proposed Amendment to the Measure M2 Transportation Investment Plan ( <i>and Ordinance No. 3</i> )
<b>December 14, 2015</b>	Public Hearing to Amend Orange County Local Transportation Authority Ordinance No. 3 and Renewed Measure M Transportation Investment Plan for the Transit Program
March 14, 2016	Renewed Measure M Local Transportation Authority Ordinance No. 3 and Transportation Investment Plan Amendment Update ( <i>corrected scrivener error</i> )
May 11, 2020	Proposed Amendment to the Orange County Local Transportation Authority Measure M2 Ordinance No. 3
<b>June 22, 2020</b>	Public Hearing to Amend the Measure M2 Orange County Local Transportation Authority Ordinance No. 3 ( <i>temporary change to the maintenance of effort requirement due to economic impacts of coronavirus pandemic</i> )
April 12, 2021	Proposed Amendment to the Orange County Local Transportation Authority Ordinance No. 3
<b>May 24, 2021</b>	Public Hearing to Amend the Measure M2 Orange County Local Transportation Authority Ordinance No. 3 ( <i>temporary change to the maintenance of effort requirement due to economic impacts of coronavirus pandemic</i> )



## November 2006 – July 2009 Final M2 Performance Assessment Response to Findings

As presented to the Board of Directors on June 11, 2012

Summary of Findings/Recommendations		OCTA Action
1.	Request for proposals for the Measure M2 (M2) Performance Assessment should be issued on or about June 30 of the third year of each assessment period.	The procurement is underway for the performance assessment and on target to have a consultant on board by the end of July 2012.
2.	The actions and procedures spelled out in the first Early Action Plan (EAP) and subsequent modifications have been initiated and carried out in an appropriate and prudent manner by the Orange County Transportation Authority (OCTA).	Staff will continue to monitor financial projections in order to maintain schedules and determine the scale of programs and projects.
3.	M2 debt financing program should assess the necessary size of borrowing, the costs of fees and charges, and various financing options.	All efforts in issuing debt for M2 will include a thorough analysis of expenditure requirements and associated costs. The 2010 M2 bond debt issues took advantage of the Build America Bond Program to reduce cost of borrowing.
4.	Charges for M2 administration and overhead should be carefully monitored.	OCTA staff has been provided with updated project codes for M2 projects and provided staff training sessions regarding the proper use of project codes on timesheets. Also, a timesheet policy was developed and approved. The Finance and Administration Division is providing a quarterly report to Executive Management detailing all M2 timesheet charges. Executive Management meets on a quarterly basis to review the timesheet charges and corrective measures have been made where appropriate.
5.	Delivery of Project K – San Diego Freeway (Interstate 405) widening between the Costa Mesa Freeway (State Route 55) and the San Gabriel River Freeway (Interstate 605) – appears to require substantial supplemental funding.	On February 27, 2012, staff presented an overview of the M2 program and shared with the Board of Directors (Board) a financing plan that ensured delivery of all Measure M projects and programs including the Interstate 405 (I-405) project. The I-405 draft environmental document was completed and is currently in circulation for public comments. Staff plans to present a recommended locally preferred alternative to the Board for consideration July 2012.
6.	During the time period of the assessment, OCTA was making good progress towards implementing recommendations and initiatives arising from both the readiness and market condition studies.	Staff continues to implement appropriate recommendations and initiatives as needed to ensure timely M2 Program delivery. The EAP was updated in July 2010 to include additional capital projects. The next Board-directed delivery plan is in development – M2020 – and will be brought to the Board in August for consideration.
7.	While there was consistent and thorough updates on important events to both internal boards and committees and to	Staff continues to improve how public input is incorporated in plans by highlighting key findings in staff reports and working with project staff to address

Summary of Findings/Recommendations		OCTA Action
	external stakeholders, communication on how public input is addressed and incorporated in plans for the overall program could be improved. Better tracking and summary reports of public input can help make the program more transparent and maintain trust with voters.	comments. In addition, outreach reports are posted online for projects and studies at key milestones, and when planning efforts are complete.
8.	M2 and the EAP are complex programs that are constantly adapting to a changing environment to fulfill promises made to voters. Quarterly and annual reports on the status of M2 EAP projects do provide updates, but could provide a shorter report card style fact sheet and make better use of graphics or tables to communicate the overall status of the program.	The EAP has been renamed to the Capital Action Plan (CAP). The CAP provides delivery actions and project milestone progress including planned, forecast and achieved. The updated CAP is presented to the Board quarterly and posted on the OCTA web page for public review.
9.	The newly designed M2 portal on the OCTA website does an effective job of getting users to project-specific information. Overall, M2 Program information is less readily available. Linking of documents could be improved, as well as better document management and access.	The M2 website navigability and content has been improved with enhanced project information, increased document accessibility, and dashboard tracking statistics. Staff will continue to assess the website on an ongoing basis to continually improve M2 Program and project information, document management, and functionality.
10.	The transition from Citizens Oversight Committee to the Taxpayers Oversight Committee (TOC), as required by Ordinance No. 3, was completed in an appropriate manner. Subsequent TOC activity during the assessment period was consistent with the committee objectives as described to taxpayers.	Staff continues to support the TOC consistent with the intent of M2 Ordinance.
11.	OCTA should continue to monitor State Board of Equalization (SBOE) fees and, if the fees do not return to the 2006-2007 level of less than 1%, OCTA should engage the Self-Help Counties Coalition and seek legislation capping SBOE fees at 1%.	Staff will continue to monitor SBOE fees, which are currently 1.4% (FY 2010-11), and engage the Self-Help Counties Coalition as necessary to seek appropriate legislation. It should be noted that the M2 Investment Plan (p 31) projected a 1.5% cost for the SBOE over the life of the program.
12.	The Environmental Oversight Committee and Environmental Cleanup Allocation Committee were created as required by the voter-approved OCTA M2 Ordinance No.3. The process whereby the committees were formed, convene, and communicate is appropriate. Both committees are well positioned to advise the Board on the allocation of M2 funds for freeway environmental mitigation and street and highway environmental cleanup respectively, as required by Ordinance No. 3.	These committees have been instrumental in developing and recommending key policies to the Board (e.g. acquisition and restoration projects and a two-tiered funding program).

<b>Summary of Findings/Recommendations</b>		<b>OCTA Action</b>
13.	OCTA staff should continue to work close with the three universities to try and bring their forecast more in line with actuals. Accurate revenue forecasting is critical to delivery of the M2 Program. OCTA should seek outside advice from strategic partners and consultants to undertake a thorough review of the academic forecasts and their inputs, models, and assumptions.	OCTA returned to the blended three university forecasts, which provide an independent, academic perspective in developing the forecast and is widely accepted in the business community. Additionally, all three universities came and presented to the Finance and Administration Committee and the Board in August of last year. As a result, the Board reaffirmed their position and directed staff to continue to use the same three forecasts to project sales tax revenues and use the blended university forecast in the CBP.
14.	Placing environmental review in construction, and not planning, impacts the effectiveness of monitoring early M2 project definition efforts by the Capital Programs Division's project controls group, and the smoothness of project transition between divisions should be revisited when the duties of the M2 Program Office are reviewed.	Staff believes the environmental review and project approval phase is appropriately positioned in the Capital Programs Division. During the environmental phase, the scope, schedule, and cost of a project are defined. The present organizational structure ensures internal continuity from the environmental phase to eventual construction and project completion.
15.	The Primavera Project Management Program uses a simple red-light, yellow-light, green-light system as a visual representation of project status at any given moment. This red-yellow-green system should also be used as a more broadly-based, OCTA-wide early warning system on project status.	The CAP provides delivery actions and project milestone progress including planned, forecast, and achieved. The updated CAP is presented to the Board quarterly and posted on the OCTA web page for public use. The status of all capital projects, incorporating the red-yellow-green-light system, are also included in the quarterly M2 reports presented to the Board.
16.	A more comprehensive review of OCTA's internal invoice approval process, with emphasis on the roles of the Accounts Payable Department, Contracts Administration & Materials Management Department (CAMM), and project managers, should be undertaken, with the goal of maintaining strong and consistent internal controls.	The current invoice review process is consistent with Board-directed policies which incorporate some level of redundancy as a "second set of eyes" directed by the Board.
17.	Consider developing a more formal process for analyzing change orders, perhaps an internal review committee made up of OCTA executive staff for construction contract change orders over a certain threshold in terms of increased contract dollar size and scope values, perhaps \$1,000,000.	Staff has a formal process in place for analyzing change orders. This process is in conformance with industry standards and in compliance with the California Department of Transportation Local Assistance requirements. The process is documented in OCTA's Construction Management Manual.
18.	CAMM contract administration practices are consistent with the broader framework of OCTA M2 rules and practices and industry and government standards.	Staff continues to implement appropriate actions to ensure compliance with regulations while fast-tracking the process.

## July 2009 – June 2012 Final M2 Performance Assessment Response to Findings

As presented to the Board of Directors on January 27, 2014

Summary of Findings/Recommendations		OCTA Action
1.	<p>The Orange County Transportation Authority (OCTA) has experienced some prolonged vacancies in project manager positions.</p> <p>It is important for OCTA to recruit highly qualified personnel to fill position vacancies in a timely manner and implement proven staff retention strategies.</p>	<p>The OCTA Board of Directors (Board) has reinstated a performance-based rewards program with a merit pool and a special award program. Additionally, to assist OCTA's ability to be competitive, human resources is doing a compensation and class study to hire at a higher level within the grade pay range of a position. This will allow greater flexibility to recruit qualified personnel.</p>
2.	<p>OCTA's project controls group and Measure M Program Management Office (PMO) are critical components of the Measure M2 (M2) Program.</p> <p>The project controls group and the PMP need to work closely to ensure successful delivery of capital projects. Additionally, OCTA should ensure that every M2 project manager has up-to-date training with the P6 schedule module.</p>	<p>To ensure the project controls group and the PMO work closely, the PMO is meeting regularly with project controls staff and Capital Program Division program managers. Additionally, the PMO staff attends monthly California Department of Transportation/OCTA project meeting to keep informed. Additionally, a determination was made that adding a staff person in the PMO to serve as a liaison to the Capital Programs Division would be beneficial. The position was approved in the fiscal year (FY) 2013-14 budget. Recruitment and selection is complete.</p> <p>Staff will ensure that regular P6 training (OCTA's in house program for monitoring capital programs cost and schedule) is provided for M2 project managers and emphasize the importance of the information provided.</p> <p>The Project Manager Academy included a session on P6. Additionally, to provide open access, the Project Controls Department has added schedules and progress reports to the intranet for all OCTA to review if desired.</p>
3.	<p>During the assessment period, OCTA issued a number of calls for projects for streets and roads projects, transit extensions, and water quality projects. Calls for projects are an important part of the M2 Program.</p> <p>Ensure that calls for projects are well advertised and well understood by local agencies.</p>	<p>Staff has redesigned the streets and roads funding section of the website and added a page specifically for call for projects programs. The site lists past, current, and future calls to provide local jurisdictions with a place to find out what opportunities there are for capturing these funds. The site also includes the guidelines for each program in this specific area to provide easy access.</p>
4.	<p>Due to the nature of phasing freeway projects into segments for construction</p>	<p>Staff enhanced the reporting for projects as a whole on OCTA's website by adding all Measure M projects and</p>

Summary of Findings/Recommendations		OCTA Action
	<p>purposes, current progress with M2 Ordinance projects as a whole is not documented on OCTA's M2 Dashboard.</p> <p>OCTA should consider adding information on the M2 Dashboard to clarify cost reporting, add a percent program expenditure field, and list a description and completion status at the designated M2 project level.</p>	<p>providing schedule information as shown in the Transportation Investment Plan as Projects A-M. Additionally, the M2 quarterly reports include project progress information which is also on OCTA's website.</p>
5.	<p>Through a formalized organizational review of M2 program management functions, OCTA should identify M2 program management gaps.</p> <p>Review organizational-level M2 Program management functions and administrative functions. The review should also address budget constraints prescribed by M2 Ordinance provisions.</p>	<p>OCTA completed an organizational review to ensure it is functionally capable of delivering on the promises of M2. The staff report highlighting the findings, along with proposed actions, was presented to the Board on November 8, 2013. The review included recommendations for adjustments which will be addressed as part of the FY 2013-14 budget process.</p>
6.	<p>Streamlined communications between M2 project managers, the PMO, and division executives could promote improved coordination and communication protocols and mediums.</p> <p>This can be done by enhancing uses of the P6 system outputs, enhancing internal program coordination and communication vehicles, and promoting early project issues identification and resolution.</p>	<p>Executive staff continues to meet every two weeks to discuss the M2 Program and ensure that all key players are informed and any issues are addressed.</p> <p>To provide open access, the Project Controls Department has added schedules and progress reports to the intranet for all OCTA to review if desired.</p>
7.	<p>Staff training and education is necessary in enhancing the cohesiveness of a team.</p> <p>It is recommended that OCTA conduct training for new staff and refresher training for existing staff, on M2 Ordinance provisions and compliance approaches, M2 Program delivery policies and associated policy administration strategies, cost allocation, time management, and timesheet reporting requirements.</p>	<p>The PMO and Capital Programs Division have worked together to refresh past Program Manager Academy (Academy) materials. Because interest in the Academy spanned over multiple divisions, more presenters were invited and session topics were added. A new session on the PMO was added, along with a session on California Environmental Quality Act/National Environmental Policy Act and importance and background on timesheet reporting requirements. There are a total of ten session that were covered over then weeks, lasting from September 18 until November 20, 2013.</p>
8.	<p>OCTA developed a detailed Ordinance Tracking Matrix to ensure that OCTA is complying with the M2 Ordinance requirements.</p>	<p>The Ordinance Tracking Matrix now includes status with documentation for each item. The ordinance matrix is updated annually by the PMO every January. The 2012 Ordinance Tracking Matrix has been circulated throughout OCTA for updates covering January 1, 2012 –</p>

Summary of Findings/Recommendations		OCTA Action
	It is recommended that the matrix be updated on a regular basis and to have project managers fill out current status. Also, the matrix should be made available to the M2 Taxpayers Oversight Committee (TOC)	December 31, 2013. The next update will be in January 2014.  The Ordinance Tracking Matrix will be provided to the TOC annually following each update.
9.	Keeping the administrative salaries and benefits over the life of the M2 Program under the one percent cap is difficult, particularly given the decline in economic conditions. It is recommended to continue efforts to manage administrative costs, ensure that project-specific administrative costs are charged appropriately, and confirm a strategy for funding administrative costs that exceed the one percent cap over the course of the M2 Program, including M2 administrative expense incurred prior to April 2011 and after March 2041.	While there is a one percent cap on administration, the delivery pace and related transparency is a priority. As was the case in Measure M, it is expected that administrative costs as a percent of total costs will steadily decline over the life of the program. This is because many projects have been advanced and overlap other projects, which places a heavier administrative burden than would be the case using a sequential delivery approach. Closeout activities at the end of the program will require administrative charges, but it is expected that overall, costs will balance over time.
10.	Detailed information is not readily available to the PMO on costs allocated through the Cost Allocation Plan (indirect costs versus direct costs) against the one percent administrative cap.  OCTA should determine the extent of these charges and consider alternatives to the cap that more effectively allocate indirect charges to capital projects.	Finance and Administration Division staff has created a report that details the indirect charges by function as outlined in the Cost Allocation Plan. This report will be available annually each fall, in conjunction with the completion of the FY cost allocation plan.  At the recommendation of the assessment consultant team, staff applied state planning funds which brought down the charges to the one percent administrative cost. This allowed OCTA to begin pay back of the Orange County Unified Transportation Trust Fund. At the end of 2013, \$800,000 of the amount borrowed was paid back, reducing the total amount borrowed to \$4.4 million. Additionally, quarterly labor meetings are held to closely monitor one percent administrative charges.
11.	M2 sales tax revenue projections have fluctuated significantly since the original year 2005 forecast.  With respect to M2 revenue projections, consider providing the range for forecast scenarios (high and low) in addition to OCTA's average forecast approach. This would underscore the variability of sales tax forecasts that OCTA uses to project M2 revenues and help OCTA manage towards	On an annual basis, OCTA receives forecasts from three universities and each university presents their forecast to the Finance and Administration Committee. Staff provided a report to the Board that compared the forecasts from all three universities and how they are combined to create the "three-university average" that OCTA uses for planning purposes. Staff added a comparison of what different forecasts would yield independently to underscore the variability of sales tax forecasts.

Summary of Findings/Recommendations		OCTA Action
	revised revenue projects over the life of the M2 Program.	
12.	<p>Navigability of OCTA M2 web pages could be improved through greater use of the M2 brand as a link to program content.</p> <p>It is recommended that OCTA consider enhancements to the OCTA website and M2 Program information and outreach web pages, with broader utilization of the M2 brand.</p>	Staff is continually improving the M2 section of the website. Since the start of the performance assessment, the OCTA website, including the Measure M portion of the website, has been overhauled. The M2 section of the website was a key focus of improvements, and will continue to be reviewed quarterly to ensure transparency and ease of use for the public. Staff continues to look into enhancing the Measure M brand throughout the website.



## July 2012 – June 2015 Final M2 Performance Assessment Response to Findings

As presented to the Board of Directors on September 11, 2017

	Summary of Findings/Recommendations	OCTA Action
1.	<p>Conflicts between OCTA's commitment to its constituents and the state's priorities (e.g., greenhouse gas reductions) have led to delays in project definition and environmental processes.</p> <p>Continuing to partner with Caltrans at the technical level for system planning and modeling, and throughout all project phases can identify projects where advance coordination could help mitigate schedule delays while the agencies reconcile goals and objectives.</p> <p>An example of this partnership is for OCTA to work with Caltrans and explore the possibility of including OCTA projects on Caltrans list of approved projects in the fiscal year contract for delivery.</p>	<p>Underway - Staff continues to partner with Caltrans District 12 at all levels during project delivery. To ensure successful freeway program delivery, staff initiated discussions with Caltrans to create a Local Contract for Delivery. Caltrans believes that Contract for Delivery is not suited for this purpose. As a result, neighboring self-help counties and Caltrans agreed to work together to create a master agreement, demonstrating a commitment from both agencies to deliver local measure freeway projects.</p>
2.	<p>Increasing occurrences of changes and/or growth in a project's scope have been issues during the design and development phases. Sometimes, requests for modification to constructed elements were requested during the final Caltrans safety and maintenance walk through.</p> <p>Include language that defines the term "betterment" in project-specific third-party agreements with relevant agencies. Particular agreements may define how betterments will be negotiated, if appropriate.</p>	<p>Complete - Staff included language related to "betterments" in the recently completed I-405 project cooperative agreement between Caltrans and OCTA. Staff has incorporated a step in the development of cooperative agreements with third party agencies to include a discussion on betterments. As appropriate, cooperative agreements will define betterments and what is, and is not, included in the project scope.</p>
3.	<p>The M2 PMO performance has matured and continued to perform at a high degree of professionalism and responsiveness. With the arrival of two new program analysts, OCTA is poised to oversee the growing program more fully, such as with more comprehensive (recently redesigned) quarterly reports and through deeper involvement in project management review and analysis.</p>	<p>Complete - With the addition of staff, this has allowed the PMO department to expand its role within the organization. The PMO reached out to each of the Executive Directors to seek input on how the department can further assist them in their M2 delivery goals.</p> <p>Additionally, communication with partner agencies has taken place and is ongoing to ensure lessons learned are shared.</p>



Summary of Findings/Recommendations		OCTA Action
	OCTA should communicate PMO staff member roles and responsibilities, which should define backup and mutual support activities. Clear roles should be communicated across divisions to help promote coordination and communication. OCTA should broaden the PMO by expanding participation with external stakeholder groups, think strategically about building awareness, build stronger relationships with other self-help county partner agencies, and increase collaboration with Caltrans.	While PMO staff roles and responsibilities are defined, PMO staff is also cross trained to allow flexibility and respond to fluctuating workflows.
4.	<p>PMO staff have a strong base of skills to administer the M2 Program, including work experience across other OCTA divisions and history dating back to the early days of the PMO. Periodic training could enhance the PMO and key stakeholders, strengthening OCTA commitment to its broad mission.</p> <p>OCTA should implement the program management academy in the short term. Such a program will benefit new staff and strengthen collaboration between the PMO, Finance and Administration Division, and the respective project/program managers. The M2 Ordinance and policy administration strategies should be shared as part of the training. In addition, OCTA should consider project management professional training for all PMO staff.</p>	<p>Underway - The most recent program management academy took place in late 2013 and is designed to be conducted every few years based on need due to staff and/or policy changes. Following discussion with the Executive Directors, the PMO intends to conduct the next academy in spring 2018.</p> <p>The PMO staff continues to look for training opportunities to keep up with current program management techniques and tools. Staff is enrolled in a project management academy course in fall 2017.</p>
5.	OCTA should continue to monitor ongoing expenditures for administrative expenses, including labor charges by project, and determine whether any changes are required in the future.	Ongoing - The PMO and Executive Directors from each of the divisions meet quarterly and review labor charges to ensure that project-specific administrative costs are charged appropriately. Additionally, administrative expenses are reported in the M2 quarterly reports to ensure transparency and management of the one percent administrative cap. This level of ongoing monitoring will continue throughout the life of M2.
6.	OCTA regularly evaluates the optimum level of debt financing and the timing of debt issuance required to deliver the M2 Program in a cost-effective manner. OCTA continues to seek alternate sources of funding to supplement M2 funds when available and has processes in place to periodically update its cash-flow needs for the M2 Program.	Ongoing - The M2 cash flows are updated annually in response to the ever-changing social, political, economic environment, and most important to ensure the program is financially sustainable to be delivered as promised to the voters of Orange County. Reviewing and reporting on current and future needs for debt financing is part of these updates, along with separate plans of finance taken

Summary of Findings/Recommendations		OCTA Action
	In addition to evaluating the optimum level of debt to issue and timing of debt issuance to deliver the M2 Program, OCTA should continue efforts to seek alternate sources of funding to supplement M2 funds.	to the Board for consideration whenever new debt is required. Annual updates are done through the Comprehensive Business Plan updates, as well as through M2 Plan updates such as the Next 10 Plan.
7.	<p>Since three local agencies failed to request timely use of funds during the semi-annual review process, they did not receive their full allocation.</p> <p>Overtime, OCTA should work to identify patterns developing by local agencies neglecting to request timely use of funds extensions and address the underlying root causes.</p>	Complete - Staff continues to ensure cities are aware of the impending deadline well in advance of expiration. Enhancements to the OC Fundtracker database has enabled the Local Programs' staff to closely monitor and track the progress of over 400 projects. Standard operating procedures were developed, and a new deadline tracking process was implemented in time for fall 2017 semi-annual review. Notifications to local agencies of at-risk projects goes out 180 days or more prior to the semi-annual review.
8.	<p>Some external stakeholders noted that there is a lack of association of M2 with its projects, programs, and funding within their organizations, and among the general public.</p> <p>Guidelines or a media toolkit can help standardize and coordinate branding and awareness efforts to educate the general public and stakeholders to better highlight M2 projects and programs at project sites.</p>	Underway - Staff has made enhancements to the M website to provide more comprehensive information on the program. Additionally, staff is working on a new identity for M2 to increase awareness of our local sales tax measure. The new identity, once approved, as well as cohesive color scheme across all projects and modes within the M Program, is intended to increase awareness and a better understanding of how the transportation sales tax measure is put to use.
9.	<p>Small cities reported not having sufficient staff to review all M2 materials and documents.</p> <p>To make it more easy and accessible for constituents and city staff to be informed, OCTA can develop an information card for each M2 program and project.</p>	<p>Complete - Staff created new pages related to funding, project/program fact sheets and webpages on the OCTA website. Staff also reorganized existing content and added new pages and/or information to make it easier for cities and constituents to understand and obtain information from a cohesive source. Additionally, Staff performs regular quality control checks on M2 project pages, fact Sheets, and Measure M overview pages.</p> <p>OCTA continues to conduct regular workshops to ensure local agencies are equipped with all the necessary tools and to maintain their eligibility for funding, as well as apply for new project grants.</p>

## July 2015 – June 2018 Final M2 Performance Assessment Response to Findings

As presented to the Board of Directors on January 13, 2020

Consultant Recommendation		OCTA Action
<b>Chapter 1: Program Goals Have Been Met Thus Far</b>		
1.	Consider identifying measures to capture progress towards the six key M2 Ordinance goals and report on how results achieved correlate to those goals - relieving congestion, fixing potholes and resurfacing streets, reducing air and water pollution, synchronizing traffic lights, expanding Metrolink and providing transit at reduced rates to seniors/persons with disabilities.	Complete - In addition to OCTA's regular reports on progress towards delivery of individual projects and programs, staff has incorporated the six key M2 Ordinance goals on the OC Go website and will update progress on the goals throughout the life of M2.
<b>Chapter 2: OCTA Demonstrated Strong Program Management</b>		
2.	Implement in-progress plans to update cyber security training policy and require annual training as well as establish a timeline for implementation.	Complete - OCTA has updated the security training policy and includes mandatory training requirements.
3.	Regularly monitor the training status of all employees to ensure cybersecurity training is complete within the required timeframe including defining specific roles and responsibilities, timelines and frequency of monitoring, verification methods, and documentation of status.	Complete - Information Systems is responsible for updating the content of the cybersecurity training annually. In coordination with Learning and Development, annual mandatory cybersecurity training is required of all staff and tied to annual performance reviews and merit increases.
<b>Chapter 3: While Still Early in the M2 Life Cycle, Substantial Progress was Made Across All Program Areas</b>		
4.	Create a methodology to gather quantitative accomplishment data and track project accomplishments against Transportation Investment Plan (Plan) anticipated goals.	Complete - Staff created a methodology to capture project outputs and accomplishments against the Plan goals.
5.	Demonstrate a stronger link between capital project selection guiding principles and the actual implementation order for capital projects by formally memorializing discussions and decisions made.	Complete - As part of the 2019 Next 10 Delivery Plan, staff memorialized the application of the guiding principles and decisions made for advancing projects.
<b>Chapter 4: OCTA Approaches Ensured Compliance with M2 Ordinance</b>		
6.	Include additional links, where appropriate, to underlying support documentation to validate compliance efforts in the Program Management Office's Compliance Matrix.	Complete - Staff has incorporated additional links to supporting documentation in the annual Ordinance Compliance Matrix as appropriate.
<b>Chapter 5: OCTA's Sound Fiscal Practices Helped Mitigate Risks Associated with Rising Costs and Decreased Sales Tax Revenue – No Recommendation</b>		
<b>Chapter 6: OCTA was Transparent and Accountable to The Public</b>		
7.	Enhance awareness of the M2/OC Go Program, M2 funded projects, and related M2 accomplishments on social media through posts on currently existing OCTA social media pages or through using separate social media dedicated to M2.	Ongoing - In May 2019, OCTA ran a six-week social media campaign. Staff will incorporate more M2 related information in social media to enhance awareness as appropriate.

8.	Add a short biography on the OCTA website highlighting TOC members' experience and expertise to enhance transparency of those providing oversight.	Complete - Staff has incorporated short biographies on the OCTA website.
----	----------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------

Acronyms

M2 – Measure M2

OCTA – Orange County Transportation Authority

TOC – Taxpayers Oversight Committee

## July 2018 - June 2021 M2 Performance Assessment Recommendations and Action Plan

*As presented to the Board of Directors on July 10, 2023*

Consultant Recommendation		OCTA Action
<b>Chapter 1: Program Goals Have Been Met Thus Far</b>		
1.	In conjunction with the 2015 framework, identify when to begin efforts to engage with potential external caretakers for long-term management of the seven conservation properties.	Underway - OCTA is currently interviewing potential long-term land managers while navigating new Wildlife Agency regulations. In addition, OCTA is monitoring the endowment performance and has drafted land protection documents, which are currently under review by the Wildlife Agencies' legal counsel.
<b>Chapter 2: OCTA Demonstrated Strong Program Management</b>		
2.	Develop a process for role-based access changes and ensure that program managers and supervisors understand access protocols and expectations. The Information Systems team should continue to work with Human Resources to develop a better notification system for determining when staff access should be altered due to staff role changes.	Complete - The Information Systems team worked with Human Resources to create a new formal process along with step-by-step training documentation to all hiring managers. This process allows for employee's user accounts and network access to be tracked and adjusted throughout their employment if they change positions/roles at OCTA. This was implemented on March 1, 2023.
3.	Require that contractors with OCTA email addresses and network access must take and pass internal OCTA security training as a contract condition.	Complete - The Information Systems team created a new formal process along with step-by-step training documentation to all hiring managers. Contractors requesting OCTA user accounts are required to take and pass cybersecurity training prior to being onboarded. This process was implemented on March 1, 2023.
<b>Chapter 3: A Third of the Way Through the M2 Life Cycle, Substantial Progress Has Been Made Across All Program Areas – No Recommendation</b>		
<b>Chapter 4: OCTA Approaches Ensured Compliance with the M2 Ordinance – No Recommendation</b>		
<b>Chapter 5: Sound Fiscal Practices Have Allowed OCTA to Mitigate Impacts of the COVID-19 Pandemic; However, Rising Costs Remain a Risk – No Recommendation</b>		
<b>Chapter 6: OCTA is Transparent and Accountable to The Public</b>		
4.	Rephrase the survey question, or add an additional question, concerning Orange County residents' awareness of OC Go, such that the question provides an OC Go frame of reference in the context of transportation and infrastructure improvements made possible by OC Go, rather than basing residents' awareness solely off of awareness of OC Go in the context of the voter-approved, half-cent sales tax.	Ongoing - Additional questions which provide transportation context for OC Go programs will be added to future surveys as appropriate.

### **Acronyms**

COVID-19 – Coronavirus

M2 - OC Go – Measure M2

OCTA – Orange County Transportation Authority

**EXHIBIT B: COST AND PRICE FORMS**

PRICE SUMMARY SHEET

REQUEST FOR PROPOSALS (RFP) 4-2038

Enter below the proposed price for the tasks described in the Scope of Work, Exhibit A. Prices shall include direct costs, indirect costs, profits, and tax. The Authority's intention is to award a firm-fixed price contract.

**Term: One (1) year**

Tasks	Description	Firm-Fixed Price
1	Initial Set of Findings	\$ _____
2	Final Report	\$ _____
3	Committee/Board Meetings	\$ _____
<b>Total Firm-Fixed Price</b>		\$ _____

The undersigned, upon acceptance, agrees to provide the service in accordance with the terms, conditions, and requirements as contained in RFP 4-2038 and the supporting documents for all prices proposed.

1. I acknowledge receipt of RFP 4-2038 and Addenda No.(s) \_\_\_\_\_
2. This offer shall remain firm for \_\_\_\_\_ days from the date of proposal  
(Minimum 120)

COMPANY NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

TELEPHONE \_\_\_\_\_

FACSIMILE # \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_

SIGNATURE OF PERSON  
AUTHORIZED TO BIND OFFEROR \_\_\_\_\_

NAME AND TITLE OF PERSON

AUTHORIZED TO BIND OFFEROR \_\_\_\_\_

\_\_\_\_\_

DATE SIGNED \_\_\_\_\_



**EXHIBIT C: PROPOSED AGREEMENT**

**PROPOSED AGREEMENT NO. C-4-2038**

**BETWEEN**

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

**AND**

**THIS AGREEMENT** is effective this \_\_\_\_\_ day of \_\_\_\_\_, 2024 ("Effective Date"),  
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 , , , , (hereinafter referred to as "CONSULTANT").

**WITNESSETH:**

**WHEREAS**, AUTHORITY requires assistance from CONSULTANT to provide a Measure M2  
performance assessment; and

**WHEREAS**, said work cannot be performed by the regular employees of AUTHORITY; and

**WHEREAS**, CONSULTANT has represented that it has the requisite personnel and experience,  
and is capable of performing such services; and

**WHEREAS**, CONSULTANT wishes to perform these services.

**NOW, THEREFORE**, it is mutually understood and agreed by AUTHORITY and CONSULTANT  
as follows:

**ARTICLE 1. COMPLETE AGREEMENT**

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

B. AUTHORITY's failure to insist in any one or more instances upon CONSULTANT's  
performance of any terms or conditions of this Agreement shall not be construed as a waiver or

**EXHIBIT C**

1 relinquishment of AUTHORITY's right to such performance or to future performance of such terms or  
2 conditions and CONSULTANT's obligation in respect thereto shall continue in full force and effect.  
3 Changes to any portion of this Agreement shall not be binding upon AUTHORITY except when  
4 specifically confirmed in writing by an authorized representative of AUTHORITY by way of a written  
5 amendment to this Agreement and issued in accordance with the provisions of this Agreement.

**ARTICLE 2. AUTHORITY DESIGNEE**

7 The Chief Executive Officer of AUTHORITY, or designee, shall have the authority to act for and  
8 exercise any of the rights of AUTHORITY as set forth in this Agreement.

**ARTICLE 3. SCOPE OF WORK**

10 A. CONSULTANT shall perform the work necessary to complete in a manner satisfactory to  
11 AUTHORITY the services set forth in Exhibit A, entitled "Scope of Work," attached to and, by this  
12 reference, incorporated in and made a part of this Agreement. All services shall be provided at the times  
13 and places designated by AUTHORITY.

14 B. CONSULTANT shall provide the personnel listed below to perform the above-specified  
15 services, which persons are hereby designated as key personnel under this Agreement.

**Names****Functions**

17  
18  
19  
20  
21 C. No person named in paragraph B of this Article, or his/her successor approved by  
22 AUTHORITY, shall be removed or replaced by CONSULTANT, nor shall his/her agreed-upon function or  
23 level of commitment hereunder be changed, without the prior written consent of AUTHORITY. Should  
24 the services of any key person become no longer available to CONSULTANT, the resume and  
25 qualifications of the proposed replacement shall be submitted to AUTHORITY for approval as soon as  
26 possible, but in no event later than seven (7) calendar days prior to the departure of the incumbent key

person, unless CONSULTANT is not provided with such notice by the departing employee. AUTHORITY shall respond to CONSULTANT within seven (7) calendar days following receipt of these qualifications concerning acceptance of the candidate for replacement.

#### **ARTICLE 4. TERM OF AGREEMENT**

This Agreement shall commence upon issuance of Notice to Proceed, and shall continue in full force and effect through \_\_\_\_\_, unless earlier terminated or extended as provided in this Agreement.

#### **ARTICLE 5. PAYMENT**

A. For CONSULTANT's full and complete performance of its obligations under this Agreement and subject to the maximum cumulative payment obligation provisions set forth in Article 6, AUTHORITY shall pay CONSULTANT on a firm-fixed price basis in accordance with the following provisions.

B. The following schedule shall establish the firm-fixed payment to CONSULTANT by AUTHORITY for each work task set forth in the Scope of Work. The schedule shall not include any CONSULTANT expenses not approved by AUTHORITY, including, but not limited to reimbursement for local meals.

<u>Tasks</u>	<u>Description</u>	<u>Firm-Fixed Price</u>
1	Initial Set of Findings	\$ .00
2	Final Report	\$ .00
3	Committee/Board Meetings	<u>\$ .00</u>
<b>TOTAL FIRM-FIXED PRICE PAYMENT</b>		<b><u>\$ .00</u></b>

C. CONSULTANT shall invoice AUTHORITY on a monthly basis for payments corresponding to the work actually completed by CONSULTANT. Percentage of work completed shall be documented in a monthly progress report prepared by CONSULTANT, which shall accompany each invoice submitted by CONSULTANT. CONSULTANT shall also furnish such other information as may be requested by AUTHORITY to substantiate the validity of an invoice. At its sole discretion, AUTHORITY may decline to make full payment for any task listed in paragraph B of this Article until such time as CONSULTANT has documented to AUTHORITY's satisfaction that CONSULTANT has fully completed all work required

## EXHIBIT C

1 under the task. AUTHORITY's payment in full for any task completed shall constitute AUTHORITY's final  
2 acceptance of CONSULTANT's work under such task.

3 D. Invoices shall be submitted by CONSULTANT on a monthly basis and shall be submitted in  
4 duplicate to AUTHORITY's Accounts Payable office. CONSULTANT may also submit invoices  
5 electronically to AUTHORITY's Accounts Payable Department at vendorinvoices@octa.net. Each invoice  
6 shall be accompanied by the monthly progress report specified in paragraph C of this Article.  
7 AUTHORITY shall remit payment within thirty (30) calendar days of the receipt and approval of each  
8 invoice. Each invoice shall include the following information:

- 9 1. Agreement No. C-4-2038;
- 10 2. Specify the task number for which payment is being requested;
- 11 3. The time period covered by the invoice;
- 12 4. Total monthly invoice (including project-to-date cumulative invoice amount);
- 13 5. Monthly Progress Report;
- 14 6. Certification signed by the CONSULTANT or his/her designated alternate that a)  
15 The invoice is a true, complete and correct statement of reimbursable costs and progress; b) The backup  
16 information included with the invoice is true, complete and correct in all material respects; c) All payments  
17 due and owing to subcontractors and suppliers have been made; d) Timely payments will be made to  
18 subcontractors and suppliers from the proceeds of the payments covered by the certification and; e) The  
19 invoice does not include any amount which CONSULTANT intends to withhold or retain from a  
20 subcontractor or supplier unless so identified on the invoice.
- 21 7. Any other information as agreed or requested by AUTHORITY to substantiate the  
22 validity of an invoice.

### 23 **ARTICLE 6. MAXIMUM OBLIGATION**

24 Notwithstanding any provisions of this Agreement to the contrary, AUTHORITY and  
25 CONSULTANT mutually agree that AUTHORITY's maximum cumulative payment obligation (including  
26 obligation for CONSULTANT's profit) shall be \_\_\_\_\_ Dollars (\$\_\_\_\_\_.00) which shall include

all amounts payable to CONSULTANT for its subcontracts, leases, materials and costs arising from, or due to termination of, this Agreement.

#### **ARTICLE 7. NOTICES**

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, returned receipt requested, postage prepaid and addressed as follows:

To CONSULTANT:

To AUTHORITY:

Orange County Transportation Authority

550 South Main Street

P.O. Box 14184

Orange, CA 92863-1584

ATTENTION:

ATTENTION: Luis Martinez

Title:

Title: Senior Contract Administrator

Phone:

Phone: (714) 560 - 5767

Email:

Email: lmartinez1@octa.net

#### **ARTICLE 8. INDEPENDENT CONTRACTOR**

A. CONSULTANT's relationship to AUTHORITY in the performance of this Agreement is that of an independent contractor. CONSULTANT's personnel performing services under this Agreement shall at all times be under CONSULTANT's exclusive direction and control and shall be employees of CONSULTANT and not employees of AUTHORITY. CONSULTANT shall pay all wages, salaries and other amounts due its employees in connection with this Agreement and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, workers' compensation and similar matters.

B. Should CONSULTANT's personnel or a state or federal agency allege claims against AUTHORITY involving the status of AUTHORITY as employer, joint or otherwise, of said personnel, or

1 allegations involving any other independent contractor misclassification issues, CONSULTANT shall  
2 defend and indemnify AUTHORITY in relation to any allegations made.

3 **ARTICLE 9. INSURANCE**

4 A. CONSULTANT shall procure and maintain insurance coverage in full force and effect during  
5 the entire term of the Agreement. Coverage shall be full coverage and not subject to self-insurance  
6 provisions. CONSULTANT shall provide the following insurance coverage:

7 1. Commercial General Liability, to include Products/Completed Operations,  
8 Independent Contractors', Contractual Liability, and Personal Injury Liability, and Property Damage with  
9 a minimum limit of \$1,000,000 per occurrence, \$2,000,000 general aggregate and \$2,000,000  
10 Products/Completed Operations aggregate;

11 2. Automobile Liability Insurance to include owned, hired and non-owned autos with  
12 a combined single limit of \$1,000,000 for each accident;

13 3. Workers' Compensation with limits as required by the State of California including  
14 a Waiver of Subrogation in favor of AUTHORITY, its officers, directors and employees; and

15 4. Employers' Liability with minimum limits of \$1,000,000 per accident, \$1,000,000  
16 policy limit-disease, and \$1,000,000 policy limit employee-disease.

17 B. Proof of such coverage, in the form of a certificate of insurance and an insurance policy  
18 blanket additional insured endorsement, designating AUTHORITY, its officers, directors and employees  
19 as additional insureds on general liability and automobile liability, as required by Agreement. Proof of  
20 insurance coverage must be received by AUTHORITY within ten (10) calendar days from the effective  
21 date of the Agreement and prior to commencement of any work. Such insurance shall be primary and  
22 non-contributive to any insurance or self-insurance maintained by AUTHORITY. Furthermore,  
23 AUTHORITY reserves the right to request certified copies or review all related insurance policies, in  
24 response to a related loss.

25 C. CONSULTANT shall include on the face of the certificate of insurance the  
26 Agreement No. C-4-2038 and, the Senior Contract Administrator's Name, Luis Martinez.

1 D. CONSULTANT shall also include in each subcontract, the stipulation that subconsultants shall  
2 maintain insurance coverage in the amounts required of CONSULTANT as provided in the Agreement.  
3 Subconsultants will be required to include AUTHORITY as additional insureds on the Commercial  
4 General Liability, and Auto Liability insurance policies.

5 E. Insurer must provide AUTHORITY with at least thirty (30) days' prior notice of cancellation or  
6 material modification of coverage, and ten (10) days' prior notice for non-payment of premium.

#### 7 **ARTICLE 10. ORDER OF PRECEDENCE**

8 Conflicting provisions hereof, if any, shall prevail in the following descending order of precedence:  
9 (1) the provisions of this Agreement, including all exhibits; (2) the provisions of RFP 4-2038;  
10 (3) CONSULTANT's proposal dated \_\_\_\_\_; (4) all other documents, if any, cited herein or  
11 incorporated by reference.

#### 12 **ARTICLE 11. CHANGES**

13 By written notice or order, AUTHORITY may, from time to time, order work suspension and/or  
14 make changes in the general scope of this Agreement, including, but not limited to, the services furnished  
15 to AUTHORITY by CONSULTANT as described in the Scope of Work. If any such work suspension or  
16 change causes an increase or decrease in the price of this Agreement, or in the time required for its  
17 performance, CONSULTANT shall promptly notify AUTHORITY thereof and assert its claim for  
18 adjustment within ten (10) calendar days after the change or work suspension is ordered, and an  
19 equitable adjustment shall be negotiated. However, nothing in this clause shall excuse CONSULTANT  
20 from proceeding immediately with the Agreement as changed.

#### 21 **ARTICLE 12. DISPUTES**

22 A. Except as otherwise provided in this Agreement, when a dispute arises between  
23 CONSULTANT and AUTHORITY, the project managers shall meet to resolve the issue. If project  
24 managers do not reach a resolution, the dispute will be decided by AUTHORITY's Director of Contracts  
25 Administration and Materials Management (CAMM), who shall reduce the decision to writing and mail or  
26 otherwise furnish a copy thereof to CONSULTANT. The decision of the Director, CAMM, shall be the



1 final and conclusive administrative decision.

2 B. Pending final decision of a dispute hereunder, CONSULTANT shall proceed diligently with  
3 the performance of this Agreement and in accordance with the decision of AUTHORITY's Director,  
4 CAMM. Nothing in this Agreement, however, shall be construed as making final the decision of any  
5 AUTHORITY official or representative on a question of law, which questions shall be settled in  
6 accordance with the laws of the State of California.

7 **ARTICLE 13. TERMINATION**

8 A. AUTHORITY may terminate this Agreement for its convenience at any time, in whole or part,  
9 by giving CONSULTANT written notice thereof. Upon said notice, AUTHORITY shall pay CONSULTANT  
10 its allowable costs incurred to date of termination and those allowable costs determined by AUTHORITY  
11 to be reasonably necessary to effect such termination. Thereafter, CONSULTANT shall have no further  
12 claims against AUTHORITY under this Agreement.

13 B. In the event either Party defaults in the performance of any of their obligations under this  
14 Agreement or breaches any of the provisions of this Agreement, the non-defaulting Party shall have the  
15 option to terminate this Agreement upon thirty (30) days' prior written notice to the other Party. Upon  
16 receipt of such notice, CONSULTANT shall immediately cease work, unless the notice from AUTHORITY  
17 provides otherwise. Upon receipt of the notice from AUTHORITY, CONSULTANT shall submit an invoice  
18 for work and/or services performed prior to the date of termination. AUTHORITY shall pay  
19 CONSULTANT for work and/or services satisfactorily provided to the date of termination in compliance  
20 with this Agreement. Thereafter, CONSULTANT shall have no further claims against AUTHORITY under  
21 this Agreement. AUTHORITY shall not be liable for any claim of lost profits or damages for such  
22 termination.

23 **ARTICLE 14. INDEMNIFICATION**

24 CONSULTANT shall indemnify, defend and hold harmless AUTHORITY, its  
25 officers, directors, employees and agents (indemnities) from and against any and all claims (including  
26 attorneys' fees and reasonable expenses for litigation or settlement) for any loss or

**EXHIBIT C**

damages, bodily injuries, including death, damage to or loss of use of property caused by the negligent acts, omissions or willful misconduct by CONSULTANT, its officers, directors, employees, agents, subconsultants or suppliers in connection with or arising out of the performance of this Agreement.

**ARTICLE 15. ASSIGNMENTS AND SUBCONTRACTS**

A. Neither this Agreement nor any interest herein nor claim hereunder may be assigned by CONSULTANT either voluntarily or by operation of law, nor may all or any part of this Agreement be subcontracted by CONSULTANT, without the prior written consent of AUTHORITY. Consent by AUTHORITY shall not be deemed to relieve CONSULTANT of its obligations to comply fully with all terms and conditions of this Agreement.

B. AUTHORITY hereby consents to CONSULTANT's subcontracting portions of the Scope of Work to the parties identified below for the functions described in CONSULTANT's proposal. CONSULTANT shall include in the subcontract agreement the stipulation that CONSULTANT, not AUTHORITY, is solely responsible for payment to the subcontractor for the amounts owing and that the subcontractor shall have no claim, and shall take no action, against AUTHORITY, its officers, directors, employees or sureties for nonpayment by CONSULTANT.

**Subcontractor Name/Addresses**

**Subcontractor Amounts**

\$ .00

\$ .00

\$ .00

**ARTICLE 16. AUDIT AND INSPECTION OF RECORDS**

CONSULTANT shall provide AUTHORITY, or other agents of AUTHORITY, such access to CONSULTANT's accounting books, records, payroll documents and facilities, as AUTHORITY deems necessary. CONSULTANT shall maintain such books, records, data and documents in accordance with generally accepted accounting principles and shall clearly identify and make such items readily accessible to such parties during CONSULTANT's performance hereunder and for a period of four (4)

1 years from the date of final payment by AUTHORITY. AUTHORITY's right to audit books and records  
2 directly related to this Agreement shall also extend to all first-tier subcontractors identified in Article 15  
3 of this Agreement. CONSULTANT shall permit any of the foregoing parties to reproduce documents  
4 by any means whatsoever or to copy excerpts and transcriptions as reasonably necessary.

5 **ARTICLE 17. CONFLICT OF INTEREST**

6 A. CONSULTANT agrees to avoid organizational conflicts of interest. An organizational conflict  
7 of interest means that due to other activities, relationships or contracts, the CONSULTANT is unable, or  
8 potentially unable to render impartial assistance or advice to AUTHORITY; CONSULTANT's objectivity  
9 in performing the work identified in the Scope of Work is or might be otherwise impaired; or  
10 CONSULTANT has an unfair competitive advantage. CONSULTANT is obligated to fully disclose to  
11 AUTHORITY in writing Conflict of Interest issues as soon as they are known to CONSULTANT. All  
12 disclosures must be submitted in writing to AUTHORITY pursuant to the Notice provision herein. This  
13 disclosure requirement is for the entire term of this Agreement.

14 B. If AUTHORITY determines that CONSULTANT, its employees, or subconsultants are subject  
15 to disclosure requirements under the Political Reform Act (Government Code section 81000 et seq.),  
16 CONSULTANT and its required employees and subconsultants shall complete and file Statements of  
17 Economic Interest (Form 700) with AUTHORITY's Clerk of the Board disclosing all required financial  
18 interests.

19 **ARTICLE 18. CODE OF CONDUCT**

20 CONSULTANT agrees to comply with AUTHORITY's Code of Conduct as it relates to Third-  
21 Party contracts which is hereby referenced and by this reference is incorporated herein.  
22 CONSULTANT agrees to include these requirements in all of its subcontracts.

23 **ARTICLE 19. PROHIBITION ON PROVIDING ADVOCACY SERVICES**

24 CONSULTANT and all subconsultants performing work under this Agreement, shall be  
25 prohibited from concurrently representing or lobbying for any other party competing for a contract with  
26 AUTHORITY, either as a prime consultant or subconsultant. Failure to refrain from such

representation may result in termination of this Agreement.

**ARTICLE 20. FEDERAL, STATE AND LOCAL LAWS**

CONSULTANT warrants that in the performance of this Agreement, it shall comply with all applicable federal, state and local laws, statutes and ordinances and all lawful orders, rules and regulations promulgated thereunder.

**ARTICLE 21. EQUAL EMPLOYMENT OPPORTUNITY**

In connection with its performance under this Agreement, CONSULTANT shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age or national origin. CONSULTANT shall take affirmative action to ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, age or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

**ARTICLE 22. PROHIBITED INTERESTS**

CONSULTANT covenants that, for the term of this Agreement, no director, member, officer or employee of AUTHORITY during his/her tenure in office or for one (1) year thereafter shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

**ARTICLE 23. OWNERSHIP OF REPORTS AND DOCUMENTS**

A. The originals of all letters, documents, reports and other products and data produced under this Agreement shall be delivered to, and become the property of AUTHORITY. Copies may be made for CONSULTANT's records but shall not be furnished to others without written authorization from AUTHORITY. Such deliverables shall be deemed works made for hire and all rights in copyright therein shall be retained by AUTHORITY.

B. All ideas, memoranda, specifications, plans, manufacturing, procedures, drawings, descriptions, and all other written information submitted to CONSULTANT in connection with the performance of this Agreement shall not, without prior written approval of AUTHORITY, be used for any

**EXHIBIT C**

1 purposes other than the performance under this Agreement, nor be disclosed to an entity not connected  
2 with the performance of the project. CONSULTANT shall comply with AUTHORITY's policies regarding  
3 such material. Nothing furnished to CONSULTANT, which is otherwise known to CONSULTANT or is or  
4 becomes generally known to the related industry shall be deemed confidential. CONSULTANT shall not  
5 use AUTHORITY's name, photographs of the project, or any other publicity pertaining to the project in  
6 any professional publication, magazine, trade paper, newspaper, seminar or other medium without the  
7 express written consent of AUTHORITY.

8 C. No copies, sketches, computer graphics or graphs, including graphic artwork, are to be  
9 released by CONSULTANT to any other person or agency except after prior written approval by  
10 AUTHORITY, except as necessary for the performance of services under this Agreement. All press  
11 releases, including graphic display information to be published in newspapers, magazines, etc., are to be  
12 handled only by AUTHORITY unless otherwise agreed to by CONSULTANT and AUTHORITY.

**ARTICLE 24. PATENT AND COPYRIGHT INFRINGEMENT**

14 A. In lieu of any other warranty by AUTHORITY or CONSULTANT against patent or copyright  
15 infringement, statutory or otherwise, it is agreed that CONSULTANT shall defend at its expense any claim  
16 or suit against AUTHORITY on account of any allegation that any item furnished under this Agreement  
17 or the normal use or sale thereof arising out of the performance of this Agreement, infringes upon any  
18 presently existing U.S. letters patent or copyright and CONSULTANT shall pay all costs and damages  
19 finally awarded in any such suit or claim, provided that CONSULTANT is promptly notified in writing of  
20 the suit or claim and given authority, information and assistance at CONSULTANT's expense for the  
21 defense of same. However, CONSULTANT will not indemnify AUTHORITY if the suit or claim results  
22 from: (1) AUTHORITY's alteration of a deliverable, such that said deliverable in its altered form infringes  
23 upon any presently existing U.S. letters patent or copyright; or (2) the use of a deliverable in combination  
24 with other material not provided by CONSULTANT when such use in combination infringes upon an  
25 existing U.S. letters patent or copyright.

26 B. CONSULTANT shall have sole control of the defense of any such claim or suit and all

**EXHIBIT C**

1 negotiations for settlement thereof. CONSULTANT shall not be obligated to indemnify AUTHORITY  
2 under any settlement made without CONSULTANT's consent or in the event AUTHORITY fails to  
3 cooperate fully in the defense of any suit or claim, provided, however, that said defense shall be at  
4 CONSULTANT's expense. If the use or sale of said item is enjoined as a result of such suit or claim,  
5 CONSULTANT, at no expense to AUTHORITY, shall obtain for AUTHORITY the right to use and sell  
6 said item, or shall substitute an equivalent item acceptable to AUTHORITY and extend this patent and  
7 copyright indemnity thereto.

**ARTICLE 25. FINISHED AND PRELIMINARY DATA**

8  
9 A. All of CONSULTANT's finished technical data, including but not limited to illustrations,  
10 photographs, tapes, software, software design documents, including without limitation source code,  
11 binary code, all media, technical documentation and user documentation, photoprints and other graphic  
12 information required to be furnished under this Agreement, shall be AUTHORITY's property upon  
13 payment and shall be furnished with unlimited rights and, as such, shall be free from proprietary restriction  
14 except as elsewhere authorized in this Agreement. CONSULTANT further agrees that it shall have no  
15 interest or claim to such finished, AUTHORITY-owned, technical data; furthermore, said data is subject  
16 to the provisions of the Freedom of Information Act, 5 USC 552.

17 B. It is expressly understood that any title to preliminary technical data is not passed to  
18 AUTHORITY but is retained by CONSULTANT. Preliminary data includes roughs, visualizations,  
19 software design documents, layouts and comprehensives prepared by CONSULTANT solely for the  
20 purpose of demonstrating an idea or message for AUTHORITY's acceptance before approval is given  
21 for preparation of finished artwork. Preliminary data title and right thereto shall be made available to  
22 AUTHORITY if CONSULTANT causes AUTHORITY to exercise Article 13, and a price shall be  
23 negotiated for all preliminary data.

**ARTICLE 26. HEALTH AND SAFETY REQUIREMENT**

24  
25 CONSULTANT shall comply with all the requirements set forth in Exhibit \_\_, Level 1 Safety  
26 Specifications.

**ARTICLE 27. LIMITATION ON GOVERNMENTAL DECISIONS**

CONSULTANT shall not make, participate in making, or use its position to influence any governmental decisions as defined by the Political Reform Act, Government Code section 8100 et seq., and the implementing regulations in Title 2 of the California Code of Regulations section 18110 et seq. CONSULTANT's personnel performing services under this Agreement shall not authorize or direct any actions, votes, appoint any person, obligate, or commit AUTHORITY to any course of action or enter into any contractual agreement on behalf of AUTHORITY. In addition, CONSULTANT's personnel shall not provide information, an opinion, or a recommendation for the purpose of affecting a decision without significant intervening substantive review by AUTHORITY personnel, counsel, and management.

**ARTICLE 28. FORCE MAJEURE**

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

/

/

/

/

/

/

/

/

/

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

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

Georgia Martinez  
Department Manager, Contracts and Procurement

**APPROVED AS TO FORM:**

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

James M. Donich  
General Counsel



**EXHIBIT D: STATUS OF PAST AND PRESENT CONTRACTS FORM**

**STATUS OF PAST AND PRESENT CONTRACTS FORM**

On the form provided below, Offeror/Bidder shall list the status of past and present contracts where the firm has either provided services as a prime vendor or a subcontractor during the past five (5) years in which the contract has been the subject of or may be involved in litigation with the contracting authority. This includes, but is not limited to, claims, settlement agreements, arbitrations, administrative proceedings, and investigations arising out of the contract.

A separate form must be completed for each contract. Offeror/Bidder shall provide an accurate contact name and telephone number for each contract and indicate the term of the contract and the original contract value. Offeror/Bidder shall also provide a brief summary and the current status of the litigation, claims, settlement agreements, arbitrations, administrative proceedings, or investigations. If the contract was terminated, list the reason for termination.

Offeror/Bidder shall have an ongoing obligation to update the Authority with any changes to the identified contracts and any new litigation, claims, settlement agreements, arbitrations, administrative proceedings, or investigations that arise subsequent to the submission of the bid. Each form must be signed by an officer of the Offeror/Bidder confirming that the information provided is true and accurate.

<b>Project city/agency/other:</b>	
<b>Contact Name:</b>	<b>Phone:</b>
<b>Project Award Date:</b>	<b>Original Contract Value:</b>
<b>Term of Contract:</b>	
<b>(1) Litigation, claims, settlements, arbitrations, or investigations associated with contract:</b>	
<b>(2) Summary and Status of contract:</b>	
<b>(3) Summary and Status of action identified in (1):</b>	
<b>(4) Reason for termination, if applicable:</b>	

By signing this Form entitled "Status of Past and Present Contracts," I am affirming that all of the information provided is true and accurate.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**EXHIBIT E: SAFETY SPECIFICATIONS**

## **LEVEL 1 HEALTH, SAFETY AND ENVIRONMENTAL SPECIFICATIONS**

### **PART I – GENERAL**

#### **1.1 GENERAL HEALTH, SAFETY & ENVIRONMENTAL REQUIREMENTS**

- A. The Contractor, its subcontractors, suppliers, and employees have the obligation to comply with all Authority health, safety and environmental compliance department (HSEC) requirements of this safety specification, project site requirements, bus yard safety rules, as well as all federal, state, and local regulations pertaining to scope of work, contracts or agreements with the Authority. Additionally, manufacturer requirements are considered incorporated by reference as applicable to this scope of work.
- B. Observance of repeated unsafe acts or conditions, serious violation of safety standards, non-conformance of Authority health, safety and environmental compliance department (HSEC) requirements, or disregard for the intent of these safety specifications to protect people and property, by Contractor or its subcontractors may be cause for termination of scope or agreements with the Authority, at the sole discretion of the Authority.
- C. The health, safety, and environmental requirements, and references contained within this scope of work shall not be considered all-inclusive as to the hazards that might be encountered. Safe work practices shall be planned and performed, and safe conditions shall be maintained during this work scope.
- D. The Authority Project Manager shall be responsible to ensure a safety orientation is conducted of known potential hazards and emergency procedures for all Contractor personnel, subcontractors, suppliers, vendors, and new employees assigned to the project prior to commencement of the project.
- E. The Contractor shall ensure that all Contractor vehicles, including those of its subcontractors, suppliers, vendors and employees are parked in designated parking areas, and comply with traffic routes, and posted traffic signs in areas other than the employee parking lots.
- F. California Code of Regulations (CCR) Title 8 Standards are minimum requirements; each Contractor is encouraged to exceed minimum requirements. When the Contractor's safety requirements exceed statutory standards, the more stringent requirements shall be applied for the safeguard of public and employees.

#### **1.2 REGULATORY**

- A. Injury/Illness Prevention Program  
The Contractor shall comply with CCR Title 8, Section with California Code of Regulations (CCR) Title 8, Section 3203. The intent and elements of the IIPP shall be implemented and enforced by the Contractor and its sub-tier contractors, suppliers, and vendors. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.
- B. Substance Abuse Prevention Program

Contractor shall comply with the Policy or Program of the Company's Substance Abuse Prevention Policy that complies with the most recent Drug Free Workplace Act. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.

**C. Heat Illness Prevention Program**

Contractor shall comply with CCR Title 8, Section, Section 3395, Heat Illness Prevention. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.

**D. Hazard Communication Program**

Contractor shall comply with CCR Title 8, Section 5194 Hazard Communication Standard. Prior to use on Authority property and/or project work areas Contractor shall provide the Authority Project Manager copies of SDS for all applicable chemical products used, if any. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.

- a. All chemicals including paint, solvents, detergents and similar substances shall comply with South Coast Air Quality Management District (SCAQMD) rules 103, 1113, and 1171.

**E. Storm Water Pollution Prevention Plan**

The Contractor shall protect property and water resources from fuels and similar products throughout the duration of the contract. Contractor shall comply with Storm Water Pollution Prevention Plan (SWPPP) requirements. The program or plan if required by scope shall be provided to the Authority's Project Manager, upon request, within 72 hours.

**1.3 INCIDENT NOTIFICATION AND INVESTIGATION**

- A. The Authority shall be promptly notified of any of the following types of incidents including but not limited to:
  1. Damage incidents of property (incidents involving third party, contractor or Authority property damage);
  2. Reportable and/or Recordable injuries (as defined by the U. S. Occupational Safety and Health Administration), a minor injury, and near miss incidents;
  3. Incidents impacting the environment, i.e. spills or releases on Authority projects or property.
  4. Outside Agency Inspections; agencies such as Cal/OSHA, DTSC, SCAQMD, State Water Resources Control Board, FTA, CPUC, EPA, USACE and similar agencies.
- B. Notifications shall be made to Authority representatives, employees and/or agents. This includes incidents occurring to contractors, vendors, visitors, or members of the public that arise from the performance of Authority contract work. An immediate verbal notice followed by an initial written incident investigation report shall be submitted to the Authority's Project Manager within 24 hours of the incident.

- C. A final written incident investigative report shall be submitted within seven (7) calendar days and include the following information. The Current Status of anyone injured, photos of the incident area, detailed description of what happened, Photos of the existing conditions and area of the injury/incident, the contributing factors that lead to the incident occurrence, a copy of the company policy or procedure associated with the incident and evaluation of effectiveness, copy of task planning documentation, copy of the Physician's first report of injury, copy of Cal/OSHA 300 log of work related injuries and illnesses, the Cal/OSHA 301 Injury Illness Incident Report, and corrective actions initiated to prevent recurrence. This information shall be considered the minimum elements required for a comprehensive incident report provided to OCTA.
- D. A Serious Injury, Serious Incident, OSHA Recordable Injury/Illness, or a Significant Near Miss shall require a formal incident review at the discretion of the Authority's Project Manager. The incident review shall be conducted within seven (7) calendar days of the incident. This review shall require a company senior executive, company program or project manager from the Contractors' organization to participate and present the incident review as determined by the OCTA Project Manager. The serious incident presentation shall include action taken for the welfare of the injured, a status report of the injured, causation factors that lead to the incident, a root cause analysis (using 5 whys and fishbone methods), and a detailed recovery plan that identifies corrective actions to prevent a similar incident, and actions to enhance safety awareness.
1. Serious Injury: includes an injury or illness to one or more employees, occurring in a place of employment or in connection with any employment, which requires inpatient hospitalization for a period in excess of twenty-four hours for other than medical observation, or in which an employee suffers the loss of any member of the body, or suffers any serious degree of physical disfigurement. A serious injury also includes a lost workday or reassignment or restricted injury case as determined by the Physician's first report of injury or Cal/OSHA definitions.
  2. Serious Incident: includes but not limited to property damage of \$500.00 or more, an incident requiring emergency services (local fire, paramedics and ambulance response), news media or OCTA media relations response, and/or incidents involving other agencies (Cal/OSHA, EPA, AQMD, DTSC, Metrolink, FTA, FRA etc.) notification or representation.
  3. OSHA Recordable Injury / Illness: includes and injury / illness resulting in medical treatment beyond First Aid, an injury / illness which requires restricted duty, or an injury / illness resulting in days away from work.
  4. Significant Near Miss Incident: includes incidents where no property was damaged and no personal injury sustained, but where, given a slight shift in time or position, damage and/or injury easily could have occurred.

#### 1.4 DESIGNATED HEALTH AND SAFETY REPRESENTATIVE

- A. Upon contract award, the contractor within 10 business days shall designate a health and safety representative and provide a resume and qualifications to the Authority project manager, upon request, within 72 hours.

- B. This person shall be a competent or qualified individual as defined by the Occupational, Safety, and Health Administration (OSHA), familiar with applicable CCR Title 8 Standards (Cal/OSHA) and has the authority to affect changes in work procedures that may have associated cost, schedule and budget impacts.

#### 1.5 PERSONAL PROTECTIVE EQUIPMENT

- A. The Contractor, its subcontractors, suppliers, and employees are required to comply with applicable personal protective equipment (PPE) requirements while performing work at any Authority project or property. Generally minimum PPE requirements include eye protection; hearing protection, head protection, class 2 or 3 safety reflective vests, and appropriate footwear.
- B. The Contractor, its subcontractors, suppliers, and employees are required to provide their own PPE, including eye, head, foot, and hand protection, safety vests, or other PPE required to perform their work safely on Authority projects or property. The Authority requires eye protection on construction projects and work areas that meet ANSI Z-87.1 Standards.

#### 1.6 REFERENCES

- A. CCR Title 8 Standards (Cal/OSHA)
- B. FCR Including 1910 and 1926 Standards
- C. NFPA, NEC, ANSI, NIOSH Standards
- D. Construction Industry Institute (CII)
- E. OCTA Yard Safety Rules

END OF SECTION

**EXHIBIT F: PROPOSAL EXCEPTIONS AND/OR DEVIATIONS**



**PROPOSAL EXCEPTIONS AND/OR DEVIATIONS**

The following form shall be completed for each technical and/or contractual exception or deviation that is submitted by Offeror for review and consideration by Authority. The exception and/or deviation must be clearly stated along with the rationale for requesting the exception and/or deviation. If no technical or contractual exceptions or deviations are submitted as part of the original proposal, Offerors are deemed to have accepted Authority's technical requirements and contractual terms and conditions set forth in the Scope of Work (Exhibit A) and Proposed Agreement (Exhibit C). Offerors will not be allowed to submit this form or any contractual exceptions and/or deviation after the proposal submittal date identified in the RFP. Exceptions and/or deviations submitted after the proposal submittal date will not be reviewed by Authority.

Offeror: \_\_\_\_\_

RFP No.: \_\_\_\_\_ RFP Title: \_\_\_\_\_

Deviation or Exception No. : \_\_\_\_\_

*Check one:*

- Scope of Work (Technical) \_\_\_\_\_
- Proposed Agreement (Contractual) \_\_\_\_\_

Reference Section/Exhibit: \_\_\_\_\_ Page/Article No. \_\_\_\_\_

Complete Description of Deviation or Exception:

---

---

---

---

---

---

---

---

Rationale for Requesting Deviation or Exception:

---

---

---

---

---

---

Area Below Reserved for Authority Use Only:
