

**SAN JOAQUIN HILLS TRANSPORTATION CORRIDOR AGENCY
BOARD OF DIRECTORS
AGENDA**

September 11, 2008

9:30 a.m.

(immediately following the Foothill/Eastern Board Meeting)

**TCA Offices
125 Pacifica, Irvine, CA 92618**

AGENDA DESCRIPTIONS

The Agenda descriptions are intended to give notice to members of the public of a general summary of items of business to be transacted or discussed. The listed Action represents staff's recommendation. The Board may take any action it deems to be appropriate on the agenda item, and is not limited in any way by the recommended action.

In compliance with the Americans with Disabilities Act, those requiring special accommodation for this meeting should notify the Clerk of the Board 24 hours prior to the meeting at (949) 754-3400. The agenda is posted at the TCA office and is also available on the web site at www.thetollroads.com. Materials distributed to the majority of the members of the TCA Board or Committee in connection with any matter subject to consideration at this meeting in open session are available for public inspection at the TCA offices.

I. CALL TO ORDER

PLEDGE OF ALLEGIANCE

(Chairman Lautenschleger)

INVOCATION

(Director Lindholm)

ROLL CALL

Chairman Joel Lautenschleger	City of Laguna Hills
Director Sam Allevato	City of San Juan Capistrano
Director Pat Bates	County of Orange, 5 th District
Director Eric Bever	City of Costa Mesa
Secretary Carlos Bustamante	City of Santa Ana
Director Bill Campbell	County of Orange, 3 rd District
Director Carmen Cave	City of Aliso Viejo
Director Jim Dahl	City of San Clemente
Director Bert Hack	City of Laguna Woods
Director Diane Harkey	City of Dana Point
Director Beth Krom	City of Irvine
Vice Chair Linda Lindholm	City of Laguna Niguel
Director John Paul Ledesma	City of Mission Viejo
Director Don Webb	City of Newport Beach
Cindy Quon	Ex-Officio Member, Caltrans

II. PUBLIC COMMENTS

At this time members of the public may address the Board regarding any items within the subject matter jurisdiction of the Board, but no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three (3) minutes per person and twenty (20) minutes for all comments unless the Chairman, subject to the approval of the Board, sets different time limits.

III. CONSENT CALENDAR (Items 1-4)

All matters listed under the Consent Calendar are considered to be routine and will be enacted by one vote. There will be no discussion of these items unless Board Members request specific items to be removed from the Consent Calendar for separate action.

1. MINUTES, SAN JOAQUIN HILLS BOARD MEETING, AUGUST 14, 2008
(Annita Henzie, Clerk of the Board)

REPORT NO. 1: (2008S-001)

ACTION: Approve Minutes.

2. INVESTMENT REPORT SJHTCA
(Brenda Shott, Acting Chief Financial Officer)

REPORT NO. 5: (2008S-003)

The investment portfolio is in compliance with the California Government Code as of July 31, 2008. The portfolio is also in compliance with the SJHTCA Investment Policy as of July 31, 2008.

ACTION: Receive and file.

3. CONTRACT AMENDMENT FOR UPGRADE OF CONTROL CENTER
(Jim Rhodes, Deputy Director, Technology)

REPORT NO. 10: (2008J-010)

In April 2008, the Boards authorized a contract with Commercial Construction Services to modify the Irvine Ranch toll plaza as part of the Control Center and Surveillance Video upgrade. Part of the modification was to move the electrical power for the air conditioning system to the generator backed-up electrical panel. The contractor proposed solution would require a total shutdown of the Irvine Ranch toll plaza for two hours. Staff proposed an alternate and less risky solution to the contractor which would avoid the shutdown but increase the cost beyond the current Board authorized funding. An amendment to the contract and additional funding is required to implement the alternate solution. Funding to cover the contract amendment is available in the approved FY '09 budget.

ACTION: Authorize the CEO to execute an amendment to contract K000374 with Commercial Construction Services (CCS) for \$1,461 to add an air conditioning

system electrical panel. This amendment would increase the contract value from \$12,618 to \$14,079.

4. APPROVAL OF ADDITIONAL INVESTMENT BROKER/DEALERS

(Diane Farson, Manager, Treasury Operations)

REPORT NO. 14: (2008S-012)

Staff recommends adding five additional broker/dealer firms to the Agency's listing of approved broker/dealer firms. These firms, recommended by the Agency's financial advisors, will provide additional levels of expertise with the investment of Agency reserve funds. The inclusion of these firms will increase the number of authorized firms to 17, providing the Agency with more flexibility and the opportunity to better maximize its return on investments through additional competition. The broker/dealer listing will be reviewed again in December 2008 in conjunction with the annual adoption of the Investment Policy.

ACTION: Approve the following five additional banks and investment firms to the listing of Board authorized broker/dealers:

- Cantor Fitzgerald
- Citibank
- JPMorgan/Chase
- Lehman Brothers
- Wachovia Bank

IV. BOARD BUSINESS (Items 5, 6)

5. FOURTH QUARTER FISCAL YEAR 2008 BUDGET STATUS REPORT

(Amy Suchomel, Controller)

REPORT NO. 9: (2008S-004)

Through the end of Fiscal Year 2008, the Agency received a total of \$142.7 million in revenue or 93.9% of the annual budget. Net Toll Revenues, Fees and Penalties, Development Impact Fees, and Interest Earnings are below the amounts expected at 96.1%, 97.6%, 44.1%, and 99%, respectively of the annual budget. Mitigation and Loan Agreement revenue is at an expected 100% of the annual budget. Other Revenue of \$8,000 was received. Total budgeted uses are under budget at \$129.8 million or 94.1% of the annual amended budget. The annual audit is currently in process; therefore, the numbers in this report are preliminary.

Debt accretion was understated in the annual budget by \$3.5 million. Accretion is a non-cash use and does not affect the debt service coverage ratio. This budget amendment is necessary in order to properly reflect the accretion scheduled in the bond documents. A similar understatement exists in the Fiscal Year 2009 budget.

A budget amendment will be requested for Fiscal Year 2009 along with the first quarter budget status report.

ACTION: Approve Resolution No. S2008-07 which amends the Fiscal Year 2008 budget to increase debt accretion by \$3,484,000.

6. PRINTING AND MAILHOUSE SERVICES
(Joyce Hill, Toll Operations Manager)

REPORT NO. 12: (2008J-027)

In order to continue providing excellent customer service, and in an effort to achieve operational savings and efficiencies, staff is requesting authorization for the CEO to execute a three-year contract with DataProse in an amount not-to-exceed \$535,931. The total contract values of \$375,152 for F/ETCA and \$160,779 for SJHTCA would provide printing and mailing services for FasTrak statements and violation notices through October 31, 2011. A 5% contingency in the total amount of \$26,797 is requested to cover volume fluctuations and minor contract amendments, as needed.

ACTION:

1. Authorize the CEO to execute a three-year contract with DataProse to provide printing and mailing services for the Agency in an amount not-to-exceed \$160,779 through October 31, 2011.
2. Authorize the CEO to execute additional changes to this contract within 5% of the authorized expenditure value (\$8,039) without further Board action.

7. TOLL ATTENDANT RECOGNITION

Miguel Robles and Fujiko Lemile will be recognized for their exemplary efforts as Toll Attendants on the San Joaquin Hills Toll Road.

8. CHIEF EXECUTIVE OFFICER'S REPORT
(Thomas Margro, CEO)

Bonita Creek Interactive Classroom

9. DIRECTORS' REPORTS AND NEW BUSINESS
(Joel Lautenschleger, Chairman)

V. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Government Code Section 54956.9(a)

Pamela Mathews Avery et. al. v. San Joaquin Hills Transportation Corridor Agency, Foothill/Eastern Transportation Corridor Agency et. al. (Orange County Superior Court Case No. 07CC00004)

VI. ADJOURNMENT

This meeting will be adjourned in memory of the victims of the terrorist attacks on September 11, 2001. The next regularly scheduled meeting of the San Joaquin Hills Board of Directors will be October 9, 2008 at 9:30 a.m., TCA Offices, 125 Pacifica, Irvine, CA 92618