Revision to ASR and/or Attachments

Date: **August 19, 2021**

To: Clerk of the Board of Supervisors

CC: County Executive Office

From: **Frank Kim, County Executive Officer**

Re: ASR Control #: 21-000590, Meeting Date 8/24/21 , Item No. # 31

Subject: "$28 Billion for a $2.8 Billion Road" Grand Jury Response

RECEIVED
2021 AUG 20 AM 10: 04
CLERK OF THE BOARD
ORANGE COUNTY
BOARD OF SUPERVISORS

Explanation:

Additional information was provided by the Transportation Corridor Agency. Please see Attachment D - Transportation Corridor Agency Response and revised Attachment B - Draft Response Version #3.

☐ Revised Recommended Action(s)

☐ Make modifications to the:

☐ Subject ☐ Background Information ☐ Summary ☐ Financial Impact

☐ Revised Attachments (attach revised attachment(s) and redlined copy(s))

Attachment B - Draft Response Version #3

Attachment B - Draft Response (red line) Version #3

Attachment D - Transportation Corridor Agency Response

DRAFT Responses to Findings and Recommendations
2020-21 Grand Jury Report:

"$28 Billion for a $2.8 Billion Road"

SUMMARY RESPONSE STATEMENT:

On June 14, 2021, the Grand Jury released a report entitled "$28 Billion for a $2.8 Billion Road." This report directed responses to findings and recommendations to the Orange County Board of Supervisors. While the Board of Supervisors was directed to respond to the Grand Jury Report, the Board of Supervisors is not the governing Board of the Transportation Corridor Agencies (TCA) and while certain members of the Board of Supervisors sit as representatives on the Board of Directors of the TCA, the three Board of Supervisors' members of the TCA Board of Directors sit with 28 other Directors, and thus, do not comprise even a simple majority membership of the TCA Board of Directors. Members of the Board of Supervisors who serve on the TCA Board of Directors voted on TCA's official response to this Grand Jury Report on August 12, 2021. The views and opinions, if any, of the three Board of Supervisors members who also sit on the TCA Board of Directors, were expressed at that meeting, and through TCA's official approved response to this Grand Jury Report.

The Board of Supervisors has no direct governance or supervision over the TCA or its staff. In addition, the Board of Supervisors, acting collectively, does not have personal knowledge of the issues raised in this report, unless individual members have gained such knowledge through their representation on the Board of Directors of the TCA. The Board of Supervisors cannot remediate the issues raised in this report or issue a directive that TCA must follow. The responses of the Board of Supervisors are below:

FINDINGS AND RESPONSES:

F1. When the TCA completes the 91 Express Connector, its major necessary construction work will be finished.

Response: The Board of Supervisors cannot agree or disagree with this finding. TCA is not a County department and, therefore, is not within the County Board of Supervisors' authority. TCA allocates three seats on the TCA Board of Directors to the County Board of Supervisors. The TCA Board of Directors is the governing body of the TCA. On August 12, 2021, the TCA Board of Directors

approved the TCA's response to the Grand Jury report. The County Board of Supervisors defers to the TCA response.

F2. By focusing on bond payoff, the TCA could retire its debt by 2037.

Response: The Board of Supervisors cannot agree or disagree with this finding. TCA is not within the County Board of Supervisors' authority. TCA allocates three seats on the TCA Board of Directors to the County Board of Supervisors. The TCA Board of Directors is the governing body of the TCA. On August 12, 2021, the TCA Board of Directors approved the TCA's response to the Grand Jury report. The County Board of Supervisors defers to the TCA response.

F3. Based on the TCA's current debt repayment plan, the total cost of the toll roads will amount to $28 billion by 2053.

Response: The Board of Supervisors cannot agree or disagree with this finding. TCA is not a County of Orange department and therefore, is not within the County Board of Supervisors' authority. TCA allocates three seats on the TCA Board of Directors to the County Board of Supervisors. The TCA Board of Directors is the governing body of the TCA. On August 12, 2021, the TCA Board of Directors approved the TCA's response to the Grand Jury report. The County Board of Supervisors defers to the TCA response.

F4. The TCA can cover its debt obligations with the use of Development Impact Fees.

Response: The Board of Supervisors cannot agree or disagree with this finding. TCA is not a County of Orange department and therefore, is not within the County Board of Supervisors' authority. TCA allocates three seats on the TCA Board of Directors to the County Board of Supervisors. The TCA Board of Directors is the governing body of the TCA. On August 12, 2021, the TCA Board of Directors approved the TCA's response to the Grand Jury report. The County Board of Supervisors defers to the TCA response.

F5. Even when the TCA's debt is retired, the roads will likely not become toll-free.

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F6. Maintaining two agencies creates cost inefficiencies and extends the amount of time required by SJHTCA to pay off its debt.

Response: The Board of Supervisors cannot agree or disagree with this finding. TCA is not a County of Orange department and therefore, is not within the County Board of Supervisors' authority. TCA allocates three seats on the TCA Board of Directors to the County Board of Supervisors. The TCA Board of Directors is the governing body of the TCA. On August 21, 2021, the TCA Board of Directors approved the TCA's response to the Grand Jury report. The County Board of Supervisors defers to the TCA response

RECOMMENDATIONS AND RESPONSES:

R1. The Grand Jury recommends the TCA develop and implement a written plan to pay off all debt by 2040, the original maturity date of the initial debt offering. The written plan should be completed by December 31, 2021 with annual written updates on December 31 of each successive year. This allows for completion of the 90 Express Connector and other projects currently in planning. This will result in debt service savings of approximately $1 billion. (F1, F2)

Response: The recommendation will not be implemented because it is not warranted or is not reasonable. The Board of Supervisors cannot implement the recommendations because it is not reasonable. TCA is not a County of Orange department and therefore, is not within the County Board of Supervisors' authority. TCA allocates three seats on the TCA Board of Directors to the County Board of Supervisors. The TCA Board of Directors is the governing body of the TCA. On August 12, 2021, the TCA Board of Directors approved the TCA's response to the Grand Jury report. The County Board of Supervisors defers to the TCA response

R2. The Grand Jury recommends the TCA eliminate DIFs once the debt is paid off. Until that time, the DIFs should be used exclusively for the payoff of debt. (F4)

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R3. The Grand Jury recommends the TCA research the possibility of merging the two agencies and develop a written plan of action by December 31, 2021. Merging allows for the elimination of any cost redundancies present in the two agencies. It also allows SJHTCA to pay off its debt at the same time as F/ETCA. (F6)

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☒ SAN JOAQUIN HILLS TRANSPORTATION CORRIDOR AGENCY

☒ FOOTHILL/EASTERN TRANSPORTATION CORRIDOR AGENCY

AGENDA ITEM #: 16

Transportation Corridor Agencies

BOARDS OF DIRECTORS

August 12, 2021

FILE NUMBER: 2021J-033

PROPOSED RESPONSE TO THE JUNE 21, 2021, ORANGE COUNTY GRAND JURY REPORT ON THE TRANSPORTATION CORRIDOR AGENCIES

RECOMMENDATION

San Joaquin Hills Transportation Corridor Agency Recommendation:

Authorize the CEO to submit the proposed formal responses to the Orange County Grand Jury June 21, 2021, report findings and recommendations as required by California Penal Code 933(c).

Foothill/Eastern Transportation Corridor Agency Recommendation:

Authorize the CEO to submit the proposed formal responses to the Orange County Grand Jury June 21, 2021, report findings and recommendations as required by California Penal Code 933(c).

SUMMARY

Staff has prepared responses to the findings and recommendations contained in the June 21, 2021, Orange County Grand Jury (Grand Jury) report for the San Joaquin Hills and Foothill/Eastern Transportation Corridor Agencies (TCA or Agencies) Boards of Directors consideration. Based upon the Boards of Directors input and feedback, the responses will be finalized and submitted by September 20, 2021, as set forth by the Grand Jury.

BUDGET

N/A

BACKGROUND

California Penal Code 933(c) states that TCA's Boards of Directors shall comment on the findings and recommendations of the Grand Jury that pertain to public agency matters under control of the Boards of Directors within 90 days of the release of the Grand Jury's report.

The proposed response for the Boards of Directors will be submitted to the presiding judge of the Orange County Superior Court, who empanels the Grand Jury, with copies filed with the TCA Clerk of the Board and the Orange County Clerk of the Board of Supervisors.

DISCUSSION

The June 21, 2021, Grand Jury report contains six findings and three recommendations that require responses from the Agencies. The Agencies responses address these findings and recommendations and have been assembled for the Boards consideration.

TCA respects the work of the volunteers who serve as the Grand Jury and appreciates the positive highlights in their report as an indication that the Agencies are on the right path. As noted in the 2021 Grand Jury report, this year's report was a continuation of the 2020 Grand Jury report that was cut short due to Covid; however, similar to the 2020 report, the 2021 Grand Jury report found no evidence of fiscal mismanagement by TCA. Highlights of the report include the Grand Jury's statement that "To some extent, the region owes its success to the toll roads that were built in the absence of government funding" and acknowledgement that:

- TCA has built excellent roads with minimal tax dollars
- TCA runs a state-of-the-art toll collection operation
- TCA has reduced future interest payments by taking advantage of low interest rates
- The roads are a regional transportation success

TCA's two Boards of Directors are devoted to retaining the financial strength and stability of the Agencies. This is evidenced by the Boards commitment over the past number of years to reduce debt and utilizing cash to fund important transportation projects rather than incur additional toll revenue debt. The Agencies have Debt Management Policies in place that memorialize longstanding practices that have resulted in continual credit rating upgrades and allowed the Agencies to weather financial storms while enhancing transparency and bolstering the Agencies' creditworthiness. The policies ensure that debt is managed prudently, with direction to staff to constantly explore reductions without extending maturity dates while also allowing for the consideration of accelerated repayment schedules.

The Boards recently approved budgets for Fiscal Year 2022 reinforce the Agencies' commitment to meeting bond obligations and follow an innovative bond refunding for the Foothill/Eastern Transportation Corridor Agency (F/ETCA) in 2021 that saved the Agency more than $210 million net of all transaction costs, in addition to the $400 million saved in two prior transactions. These refunding's have decreased annual debt payments without extending any bond maturity dates. Both Agencies are financially responsible and have never missed a bond payment – which occur semi-annually and are scheduled through the life of the bonds.

One source of revenue for TCA is Development Impact Fees (DIFs). As noted by the Orange County Grand Jury, "Although they resemble taxes, DIFs are not taxes." DIFs are one-time fees paid by developers on new development only in the "areas of benefit" surrounding The Toll Roads. In the 1980s, TCA's member agencies decided that for the benefit of their regional communities, they would pool their DIFs to partially fund the repayment of the debt incurred to build the transportation system infrastructure necessary to support the quality of life we enjoy today.

Each TCA member agency voted to impose DIFs as part of their requirements of new development within their communities because they understood the regional nature of transportation needed to support growing communities. Member agencies must continue to collect DIFs and remit them to TCA, as the fees are a financial commitment pledged to secure bonds issued by TCA. A member agency's obligation to collect DIFs continues as long as the fees are pledged as security for any financial commitment.

TCA worked with the land development community to gain their support and take guidance on how to structure the program for the mutual benefits transportation infrastructure provides. As the Agencies are focused on paying down their debt and funding required improvements to the existing system without new debt, it is appropriate that developers continue to pay their fair share for the infrastructure that supports their development.

The Agencies respect the Grand Jury's opinions and analysis; however, it must be noted that the report fails to fully acknowledge TCA's Capital Improvement Program (CIP) and the projects discussed therein. The most recent CIP was adopted by the Boards at its June 10 meeting, and identifies timing and funding needs for major projects over the next 15 years, along with later conceptual projects which require more analysis to determine phasing and scope. The Grand Jury's report largely ignores these projects and the associated funding requirements – which could fall in the $4 to $5 billion range – when it discusses the future of the Agencies and how the Agencies anticipate using future funds. These projects and the Agencies' CIP are reviewed and approved annually by the Boards of Directors, establishing the priority of projects to be advanced.

The most recent adopted CIPs include using $400 million of reserves to complete the 241/91 Express Connector along with the State Route (SR) 73 Catalina View and SR 241 Loma Segment widening projects over the next 10 years. The F/ETCA Board is also considering using reserves to retire $125 million in bonds in 2022 when they become callable.

The Grand Jury report begins with a tag line of "$28 Billion for a $2.8 Billion Road," but this tag line ignores the system of roads that were constructed, the financing costs associated with a first-of-its-kind public-private financing that would later become the model for the industry, and the fact that the $28 billion dollar revenue figure is based on 60 years of operations and assumptions as to how future Boards may operate over the next 30 years – decisions that the Boards have not made. Additionally, the report fails to acknowledge the billions of dollars the roads provide as an economic driver for Orange County. Our region's transportation system is core to the quality-of-life Orange County enjoys, making Orange County one of the best places in the world to live and work. The tangible economic value transportation infrastructure provides should always be a consideration when reviewing the total cost of the investment.

Finally, the Grand Jury report fails to acknowledge the Boards of Directors proactive steps to develop a plan for the Agencies' financial futures through strategic planning discussions. Currently, staff is preparing to conduct workshops with each of the Boards to develop each Agency's respective strategic plan for adoption later this year. It is envisioned that these strategic plans would be updated annually thereafter, providing clear direction on the Agencies' individual priorities for investments in infrastructure improvements, debt reduction, and operational enhancements.

CONCLUSION

Upon approval by the Boards of Directors, staff will finalize and submit the Agencies formal responses to the 2020-2021 Grand Jury report prior to the September 20 date.

Report Written By: Valarie McFall, Deputy Chief Executive Officer

REVIEWED BY:

/s/ Valarie McFall
Valarie McFall, Deputy Chief Executive Officer
(949) 754-3475

APPROVED BY:

/s/ Samuel Johnson
Samuel Johnson, Chief Executive Officer

Attachment: Transportation Corridor Agencies (TCA) Formal Responses to the 2020-2021 Orange County Grand Jury's Findings and Recommendations

TRANSPORTATION CORRIDOR AGENCIES (TCA) FORMAL RESPONSES TO THE 2020-2021 ORANGE COUNTY GRAND JURY'S FINDINGS AND RECOMMENDATIONS

FINDINGS

F1. When the TCA completes the 91 Express Connector, its major necessary construction work will be finished.

Joint TCA Response: The San Joaquin Hills Transportation Corridor Agency (SJHTCA) and the Foothill/Eastern Transportation Corridor Agency (F/ETCA) Boards of Directors review and adopt each Agency's Capital Improvement Plan (CIP) on an annual basis, including the Fiscal Year 2022 CIP that was reviewed and adopted by the Boards at its June 10, 2021, meeting. Within the adopted CIP, both the SJHTCA and F/ETCA have on-system projects identified for completion post-2035 that will require significant financial commitments and are well beyond the completion date for the 241/91 Express Connector. As the recommendation(s) tied to this finding are focused on the expenditure of funds, it should also be noted that the analysis appears to ignore the cost of future replacements and improvements to the extensive array of equipment and technology that exists across the 420+ lane miles of highways the Agencies have already constructed. Based on these planned system improvements, TCA wholly disagrees with the finding.

F2. By focusing on bond payoff, the TCA could retire its debt by 2037.

Joint TCA Response: This finding is more complex than presented by the Grand Jury. The Boards have taken proactive steps to develop a plan for the Agencies' financial futures that include early bond payments, targeting longest dated bond maturities. Like all other bond issuers, TCAs bonds cannot simply be paid early without a significant cost impact. Combined, the Agencies have over 10 bond series/issuances with multiple subseries and maturities that have to be considered in light of specific call dates (when the issuer can buy the bonds back prior to maturity) and other provisions. These provisions need to be considered because the indentures (contracts) for the bonds specify the call dates or other provisions for which the investors are paid a return on their investment through those call dates, if applicable, or until their bonds mature.

Bond issuers, such as the TCAs, can place funds into an escrow account that pays investors interest for the entire period until the call date as scheduled and then pays the principal at the call date. However, the longer the period of time until the call date, the more costly the funding of the escrow. The cost of applying this approach today could eliminate the benefit of retiring the bonds early. Placing these funds in escrow also precludes policy makers' use of those monies for funding capital projects, operational enhancements and retaining the Agency's unique position of having its pension liability fully funded

It should also be noted that when paying down bonds, restricted debt service reserve funds cannot be used to pay down the bonds and must still be held in trust as security for the bondholders. These funds would only become available after the bonds are paid down.

In light of these detail aspects, the TCA Boards have been developing strategies, policies and priorities that allow for financially feasible early bond payments as part of their strategic planning efforts. In addition to the technical aspects and significant costs related to early retirement of debt, the Boards have other financial considerations, including the cost of future improvements to the system which were not included in the Grand Jury's analysis. Current and future SJHTCA and F/ETCA Boards will continue to take steps to reduce debt and evaluate options for early retirement while considering needs for system improvements and implementation costs along with the cost of operational enhancements while also ensuring sufficient funds are set aside to weather changing market conditions. For the various reasons noted above, TCA cannot agree with this finding.

F3. Based on the TCA's current debt repayment plan, the total cost of the toll roads will amount to $28 billion by 2053.

Joint TCA Response: The forecasted revenue of $28 billion was derived from the financial data contained within each Agency's official statement (2013 and 2014 bond documents) and provided to the Grand Jury, as requested. The Grand Jury's calculated figure represents historical actuals and potential revenue collected over 60 years of operations, including forecasted revenue from 2021 through 2053. The forecast for bond revenue assumes excess revenue over operations and debt service to ensure sufficient margins through a long-term economic period, requiring reserves for downturns. However, this figure does not reflect future Board decisions that could allocate expenditures against those funds or that could alter those projections, including early payment of bonds, operational enhancements, and transportation infrastructure improvements beyond the 241/91 Express Connector.

If these funds are collected, excess amounts would be available for future Boards' consideration of early payment of bonds or additional infrastructure improvements that would be paid with cash, rather than incurring additional toll revenue debt or paid with taxpayer funded obligations such as state or federal grants, or sales tax secured bonds. For these reasons, TCA disagrees with this finding.

F4. The TCA can cover its debt obligations without the use of Development Impact Fees.

Joint TCA Response: TCA constructed The Toll Roads in advance of collecting Development Impact Fees (DIF) by issuing non-recourse toll revenue bonds that are pledged for repayment through the collection of tolls and DIFs. The Agencies' master indentures of trust pledge and assign "Pledged Funds" to the applicable indenture trustee, and each of the definitions of the term "Pledged Funds" includes Development Impact Fees. Accordingly, all of each Agency's outstanding bonds are secured by such fees.

When developers build revenue generating projects, they have a responsibility to underwrite some of the cost of the infrastructure that is required to support their projects. Water lines, sewer lines, schools and roads are all part of the infrastructure needed. Thus, DIFs are paid by developers to ensure they pay for the infrastructure from which they benefit, and DIFs ensure that developers' projects have the infrastructure support they need to succeed. TCA's structure

for DIFs and the annual escalation was created in partnership with developers understanding the value transportation infrastructure would have for their business and Orange County's quality of life.

While both Agencies have successfully navigated two of the greatest economic downturns of the 21st century, it is not fiscally prudent to take a position that assumes that any future downturn could be managed as successfully without the availability of both the Agencies' revenue streams. For these reasons, TCA cannot agree with the finding of the Grand Jury.

F5. Even when the TCA's debt is retired, the roads will likely not become toll-free.

Joint TCA Response: The assessment and decision on covering the cost of maintaining and improving South County's transportation infrastructure will be coincident to the repayment of all outstanding bonds and discussions between South Orange County policy makers and Caltrans. The needs and ability to cover these costs, as well as decisions regarding revenue, will be addressed through appropriate planning studies and negotiations for which the member cities' and county's representatives will have a full seat at the table. However, based on 1) the increased costs associated with maintenance and rehabilitation of the 420 lane-miles of highways and 130+ bridges/structures the TCA has built, most of which will be 50+ years old; 2) the transition to electric vehicles which will not support "gas tax based" transportation revenues; and 3) the continued scarcity of state and federal funds for transportation infrastructure projects, TCA agrees with the finding.

F6. Maintaining two agencies creates cost inefficiencies and extends the amount of time required by SJHTCA to pay off its debt.

Joint TCA Response: The TCAs have been in place for nearly 30 years, and during this maturation process, efficiencies in administration and operations have been honed and are extremely effective. As the Grand Jury noted, a single staff manages both Agencies; procurement processes and contracts are shared; and joint board and committee meetings are employed to further promote efficiency and avoid rework. Merging the two distinct Agencies would be a complicated endeavor, both legally and financially, with little reward. Each Agency issued non-recourse toll revenue bonds to pay for the construction of The Toll Roads. Because those bonds are only secured by toll revenues and DIFs, the bond indentures do not allow either Agency to transfer its right to receive revenues to another agency while any of the Agency's bonds remain outstanding. In order to merge the Agencies, all outstanding bonds would need to be defeased (i.e., replaced with new bonds as substitute income-producing collateral). The cost of this process would greatly outweigh any potential benefits because a defeasance of all of the bonds would require the issuance of new bonds to generate enough cash to be placed in an escrow to the call dates of the various bonds, making this process very expensive and likely extending the maturity dates beyond those of the existing bonds. For these reasons, TCA wholly disagrees with the finding.

RECOMMENDATIONS

R1. The Grand Jury recommends the TCA develop and implement a written plan to pay off all debt by 2040, the original maturity date of the initial debt offering. The written plan should be completed by December 31, 2021, with annual written updates on December 31 of each successive year. This allows for completion of the 91 Express Connector and other projects currently in planning. This will result in debt service savings of approximately $1 billion. (F1, F2)

Joint TCA Response: As noted in response to Findings 1 and 2, the Grand Jury's analysis did not take several aspects into consideration, including the fact that the Boards have recently taken proactive steps to develop a plan for the Agencies' financial futures through strategic planning discussions and adoption of debt management strategies, which include early bond payments and Capital Improvement Plans that consider needed future improvements whose cost could amount to $4-$5 billion in needed revenue.

Like all other bond issuers, TCAs bonds cannot simply be paid early without a significant cost. Call provisions need to be considered because the indentures for the bonds specify call dates or other provisions for which the investors are paid a return on their investment through those call dates or until their bonds mature. Issuers can place funds into an escrow that pays investors interest until the call date as scheduled and then pays the principal at the call date, but the longer the period of time until the call date, the more costly the funding of the escrow. Once funds are placed in escrow for this purpose, future policy makers would be precluded from considering these monies for funding capital projects, operational enhancements and retaining the Agency's unique position of having its pension liability fully funded.

In light of these detail aspects, the TCA Boards have been developing strategies, policies and priorities that allow for financially feasible early bond payments as part of their strategic planning efforts. In addition to the technical aspects and significant costs related to early retirement of debt, the Boards have other financial considerations, including the cost of future improvements to the system which were not included in the Grand Jury's analysis. Current and future SJHTCA and F/ETCA Boards will continue to take steps to reduce debt and evaluate options for early retirement while considering needs for improvements and implementation costs along with the cost of operational enhancements, while also ensuring sufficient funds are set aside to weather changing market conditions. Early bond payments will remain a priority; however, as TCA continues to refine the timing and cost of future improvements needed to maintain free-flow traffic conditions on The Toll Roads, without issuing additional toll revenue debt or creating additional unmet needs for the state or other tax-based revenue sources, TCA will need to retain flexibility in how future policy makers achieve those goals. Therefore, this recommendation will not be implemented because it is not warranted.

R2. The Grand Jury recommends the TCA eliminate DIFs once the debt is paid off. Until that time, the DIFs should be used exclusively for the payoff of debt. (F4)

Joint TCA Response: The Agencies' respective Joint Powers Agreements already authorize the elimination of DIFS once the bonds are retired; however, using DIFs exclusively for the payoff of debt ignores the potential for any contribution towards infrastructure investments and also ignores the potential impacts from economic downturns; therefore, this recommendation does not warrant implementation.

R3. The Grand Jury recommends the TCA research the possibility of merging the two agencies and develop a written plan of action by December 31, 2021. Merging allows for the elimination of any cost redundancies present in the two agencies. It also allows SJHTCA to pay off its debt at the same time as F/ETCA. (F6)

Joint TCA Response: Merging the two Agencies is a complicated financial endeavor with little reward and a loss of representation and decision-making authority. Each Agency issued non-recourse toll revenue bonds to pay for the construction of The Toll Roads. Because those bonds are only secured by toll revenues and DIFs, the bond indentures do not allow either Agency to transfer its right to receive revenues to another agency while any of the Agency's bonds remain outstanding. In order to merge the Agencies, all outstanding bonds would need to be defeased (i.e., replaced with new bonds as substitute income-producing collateral). The cost of this process would greatly outweigh any potential benefits because a defeasance of all of the bonds would require the issuance of new bonds to generate enough cash to be placed in an escrow to the call dates of the various bonds, making this process very expensive and likely extending the maturity dates beyond those of the existing bonds.

While the Grand Jury offered its thoughts on a revised voting structure, it contradicted the Grand Jury's perspectives that the Agencies needed to act more independently. The recommendation would also be in contradiction to the Agencies political design in ensuring that the cities mostly impacted by decisions related to the individual corridors had an equal vote in decision making. For these reasons, this recommendation will not be implemented because it is not reasonable.