

News Release

For Immediate Release

Lori Olin

lolin@thetollroads.com | 949.754.3419

Transportation Corridor Agencies Approve Change in Board Membership to Commence July 2021

IRVINE, Calif. (May 13, 2021) — The Transportation Corridors Agencies' (TCA) Joint Boards of Directors voted today to waive the written notice required for the City of San Clemente to voluntarily withdraw from participation in the Agencies as a member city. The waiver is conditional based on receipt of the city's formal notice to withdraw following its regularly scheduled City Council meeting on Tuesday, May 18.

Under the Joint Exercise of Powers Agreements, written notice is required 120 days prior to the end of a fiscal year, with withdrawal effective the first day of a fiscal year. While a requirement of the Agreement, the Boards of Directors felt it was in the best interest of all parties to grant San Clemente's requested waiver. As a result of this waiver, and following San Clemente's formal notice, San Clemente's withdrawal from TCA will be effective July 1, 2021.

The Agencies are Joint Powers Authorities created to plan, finance, construct and operate the largest network of toll roads in the state. To date, TCA has successfully financed, constructed and operates more than 420 lane miles of toll roads.

While San Clemente's withdrawal would mean it will no longer have city council representation on either of TCA's two Boards of Directors, certain obligations under the Joint Exercise of Powers Agreements will remain.

Per the terms of the Agreements – and as the city is aware – San Clemente must continue to collect development impact fees (DIFs) and remit them to TCA as the fees are a financial commitment pledged to secure bonds issued by TCA. A member city's obligation to collect DIFs continues as long as the fees are pledged as security for any financial commitment.

DIFs are used to fund a portion of the cost of constructing and operating the system of roads, including the 73, 133, 241 and 261 Toll Roads. This system of Toll Roads benefits all the cities in South Orange County, including San Clemente, a fact that representatives of every member city have acknowledged since the Agencies were formed.

TCA's Boards of Directors are comprised of 18 member cities and three supervisorial districts. Through participation in TCA and in the spirit of collaboration for the good of the community, member cities have a voice and vote in the daily operations of The Toll Roads; planning for system improvements; toll rates, expenditure plans and other decisions that create financial stability and sustainability for the Agencies and South Orange County; award-winning environmental programs spanning more than 2,100 acres; and industry leading innovation

News Release

For Immediate Release

Lori Olin

lolin@thetollroads.com | 949.754.3419

such as FasTrak® and sticker transponders. With their withdrawal, as of midnight on July 1, 2021, the City of San Clemente will forfeit their voice and vote.

###

The Transportation Corridor Agencies (TCA) are two joint powers authorities formed by the California Legislature in 1986 to plan, finance, construct and operate Orange County's public toll road system comprised of the 73, 133, 241 and 261 Toll Roads.