



Orange County Transportation Authority

Finance and Administration Committee Agenda

Wednesday, November 13, 2024 at 10:30 a.m.

Board Room, 550 South Main Street, Orange, California

Committee Members

Michael Hennessey, Chair
Patrick Harper, Vice Chair
Jamey Federico
Stephanie Klopfenstein
Tam T. Nguyen
Vicente Sarmiento

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the Orange County Transportation Authority (OCTA) Clerk of the Board's office at (714) 560-5676, no less than two business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

Agenda Descriptions

Agenda descriptions are intended to give members of the public a general summary of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Committee may take any action which it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action.

Public Availability of Agenda Materials

All documents relative to the items referenced in this agenda are available for public inspection at www.octa.net or through the Clerk of the Board's office at the OCTA Headquarters, 600 South Main Street, Orange, California.

Meeting Access and Public Comments on Agenda Items

Members of the public can either attend in-person or listen to audio live streaming of the Board and Committee meetings by clicking this link: <https://octa.legistar.com/Calendar.aspx>

In-Person Comment

Members of the public may attend in-person and address the Board regarding any item within the subject matter jurisdiction of the Orange County Transportation Authority. Please complete a speaker's card and submit it to the Clerk of the Board and notify the Clerk regarding the agenda item number on which you wish to speak. Speakers will be recognized by the Chair at the time of the agenda item is to be considered by the Board. Comments will be limited to three minutes. The Brown Act prohibits the Board from either discussing or taking action on any non-agendized items.

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Written Comment

Written public comments may also be submitted by emailing them to ClerkOffice@octa.net, and must be sent by 5:00 p.m. the day prior to the meeting. If you wish to comment on a specific agenda item, please identify the item number in your email. All public comments that are timely received will be part of the public record and distributed to the Board. Public comments will be made available to the public upon request.

Call to Order

Pledge of Allegiance

Director Klopfenstein

Closed Session

There are no Closed Session items scheduled.

Special Calendar

There are no Special Calendar matters.

Consent Calendar (Items 1 through 4)

All items on the Consent Calendar are to be approved in one motion unless a Committee Member or a member of the public requests separate action or discussion on a specific item.

1. Approval of Minutes

Clerk of the Board

Recommendation(s)

Approve the minutes of the October 23, 2024 Finance and Administration Committee meeting.

Attachments:

[Minutes](#)

2. Update on the Loan Agreements with the Cities of Anaheim, Placentia, and the West Orange County Water Board

Sam Kaur/Andrew Oftelie

Overview

The Orange County Transportation Authority Board of Directors authorized loan agreements with the cities of Anaheim, Placentia, and the West Orange County Water Board. This report provides the annual update on the status of each of these agreements as requested by the Board of Directors.

Recommendation(s)

Receive and file as an information item.

Attachments:

[Staff Report](#)

[Attachment A](#)

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

3. Orange County Transportation Authority Investment and Debt Programs Report - September 2024

Robert Davis/Andrew Oftelie

Overview

The Orange County Transportation Authority has a comprehensive investment and debt program to fund its immediate and long-term cash flow demands. Each month, the Treasurer submits a report detailing investment allocation, performance, compliance, outstanding debt balances, and credit ratings for the Orange County Transportation Authority's debt program. This report is for the month ending September 30, 2024. The report has been reviewed and is consistent with the investment practices contained in the investment policy.

Recommendation(s)

Receive and file as an information item.

Attachments:

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

4. Orange County Employees Retirement System Early Payment for Fiscal Year 2025-26

Robert Davis/Andrew Oftelie

Overview

The Orange County Employees Retirement System has offered an early payment discount to member agencies of seven percent if they elect to prepay their contributions for fiscal year 2025-26. Advance payments must be received by January 15, 2025. The estimated savings for the Orange County Transportation Authority over the next year and a half under this payment option will total approximately \$851,000. Board of Directors' authorization is requested for the early payment option.

Recommendation(s)

Authorize the early payment of approximately \$36.3 million by January 15, 2025, to the Orange County Employees Retirement System, for employer contributions for fiscal year 2025-26.

Attachments:

[Staff Report](#)

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

Regular Calendar

5. **Fiscal Year 2023-24 Audited Financial Statements and Independent Auditor's Reports on Internal Control over Financial Reporting**

Rima Tan/Andrew Oftelie

Overview

The Orange County Transportation Authority is required to obtain an independent auditor's opinion on various financial statements and schedules. Crowe LLP, an independent accounting firm, has completed its annual audit of the Orange County Transportation Authority for fiscal year 2023-24. In addition, a report has been issued on the results of additional analysis performed by Crowe LLP, to assist management in determining compliance with certain state requirements.

In connection with the annual audit of the Orange County Transportation Authority, Crowe has issued an auditor's report on internal control over financial reporting with no deficiencies.

Recommendation(s)

Receive and file the fiscal year 2023-24 audited financial statements and independent auditor's report on internal controls over financial reporting as informational items.

Attachments:

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Attachment C](#)

[Attachment D](#)

[Attachment E](#)

[Attachment F](#)

[Attachment G](#)

6. **Amendment to Fare Policy**

Isaac Herrera/Andrew Oftelie

Overview

The Orange County Transportation Authority is modernizing its fare collection system, with the new Rider Validation System anticipated to be implemented in summer 2025. The new system will enhance customer convenience, improve fare validation, and provide greater flexibility for introducing new fare products. Staff is recommending amendments to the existing fare policy to incorporate daily and monthly fare caps as well as a free transfer period. The recommended changes promote fare equity and streamline payment options for riders.

Recommendation(s)

- A. Approve the implementation of daily and monthly fare caps at the current cost of passes, which is \$5 for the day pass and \$69 for the monthly pass.

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- B. Approve the implementation of a free two-hour transfer period.
- C. Approve Orange County Transportation Authority's Schedule of Tariffs dated November 25, 2024.

Attachments:

- [Staff Report](#)
- [Attachment A](#)
- [Attachment B](#)
- [Presentation](#)

7. Microsoft Enterprise Agreement Renewal

Josh Duke/Andrew Oftelie

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2024-25 Budget, a renewal of its existing Microsoft Enterprise Agreement is planned. Responsive quotes were received by four Microsoft Licensing Solutions Providers that are approved vendors of the Microsoft Enterprise Agreement on the County of Riverside's Master Agreement. Board of Directors' approval is requested for the renewal of Orange County Transportation Authority's Microsoft Enterprise Agreement.

Recommendation(s)

- A. Approve the selection of Crayon Software Experts, LLC to provide the Microsoft Enterprise renewal license for all of the Orange County Transportation Authority's Microsoft software.
- B. Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C42565 between the Orange County Transportation Authority and Crayon Software Experts, LLC, in the amount of \$8,204,212, for the renewal of the Microsoft Enterprise Agreement for a three-year term.

Attachments:

- [Staff Report](#)

8. Excess Liability Insurance Renewal

Greg Bych/Maggie McJilton

Overview

The Orange County Transportation Authority procured excess liability insurance continuously from 1991 through 2020. Beginning in December 2020, the Orange County Transportation Authority became fully self-insured and has maintained that self-insurance since then.

Recommendation(s)

- A. Authorize the Chief Executive Officer to establish a \$10 million self-insured retention for excess liability claims.

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- B. Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. A59005, in the amount not to exceed \$960,000, to Marsh Risk and Insurance Services, Inc., to purchase a \$5 million excess liability insurance policy on behalf of the Orange County Transportation Authority for the policy period of November 1, 2024 to October 31, 2025.

Attachments:

[Staff Report](#)

[Presentation](#)

Discussion Items

9. Proposed State Route 241/91 Express Connector Update

Kirk Avila

Overview

In October 2019, the Orange County Transportation Authority Board of Directors approved a Term Sheet that serves as a framework for delivering a future direct, tolled connector linking the State Route 241 Toll Road to the 91 Express Lanes. Since the approval in 2019, staffs from the Orange County Transportation Authority, Riverside County Transportation Commission, Foothill/Eastern Transportation Corridor Agency, and the California Department of Transportation have been meeting regularly to advance the project to construction.

Attachments:

[Presentation](#)

10. Public Comments

11. Chief Executive Officer's Report

12. Committee Members' Reports

13. Adjournment

The next regularly scheduled meeting of this Committee will be held:

10:30 a.m. on Wednesday, December 4, 2024

OCTA Headquarters

Board Room

550 South Main Street

Orange, California