



# **AGENDA**

## ***Finance and Administration Committee Meeting***

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### **Committee Members**

Michael Hennessey, Chairman  
Richard Murphy, Vice Chairman  
Andrew Do  
Gene Hernandez  
Steve Jones  
Joe Muller  
Michelle Steel

Orange County Transportation Authority  
Headquarters  
Conference Room 07  
550 South Main Street  
Orange, California

**Wednesday, June 10, 2020 at 10:30 a.m.**

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA Clerk of the Board, telephone (714) 560-5676, no less than two (2) business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

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.

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

### **Guidance for Public Access to the Board of Directors/Committee Meeting**

On March 12, 2020 and March 18, 2020, Governor Gavin Newsom enacted Executive Orders N-25-20 and N-29-20 authorizing a local legislative body to hold public meetings via teleconferencing and make public meetings accessible telephonically or electronically to all members of the public to promote social distancing due to the state and local State of Emergency resulting from the threat of Novel Coronavirus (COVID-19).

In accordance with Executive Order N-29-20, and in order to ensure the safety of the Orange County Transportation Authority (OCTA) Board of Directors (Board) and staff and for the purposes of limiting the risk of COVID-19, in-person public participation at public meetings of the OCTA will not be allowed during the time period covered by the above-referenced Executive Orders.

Instead, members of the public can listen to AUDIO live streaming of the Board and Committee meetings by clicking the below link:

<http://www.octa.net/About-OCTA/Who-We-Are/Board-of-Directors/Live-and-Archived-Audio/>



**Guidance for Public Access to the Board of Directors/Committee Meeting  
(Continued)**

Public comments may be submitted for the upcoming Board and Committee meetings by emailing them to [boardofdirectors@octa.net](mailto:boardofdirectors@octa.net)

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.

In order to ensure that staff has the ability to provide comments to the Board Members in a timely manner, please submit your public comments **30 minutes prior to the start time of the Board and Committee meeting date.**



**Call to Order**

**Roll Call**

**Pledge of Allegiance**

Director Do

**1. Public Comments**

**Special Calendar**

**2. Taxable Sales Forecast - University of California, Los Angeles**  
Sam Kaur/Andrew Oftelie

Orange County Transportation Authority contracts with several economic specialists to provide an annual 30-year taxable sales forecast for Measure M2. The latest forecasts were received in Spring 2020. Jerry Nickelsburg, PhD, and William Yu, PhD, from University of California at Los Angeles Anderson Forecast will provide an update on the annual forecast and economic outlook for Orange County to the Finance and Administration Committee.

**Consent Calendar (Items 3 through 9)**

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.

**3. Approval of Minutes**

Approval of the minutes of the Finance and Administration Committee meeting of May 27, 2020.

**4. Revenue Vehicle Maintenance, Internal Audit Report No. 20-506**  
Serena Ng/Janet Sutter

**Overview**

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of revenue vehicle maintenance. Based on the audit, controls in place to ensure compliance with revenue vehicle maintenance standards and related policy and procedures are generally adequate. One recommendation was made to further enhance work order templates.



**4. (Continued)**

**Recommendation**

Direct staff to implement the recommendation provided in Revenue Vehicle Maintenance, Internal Audit Report No. 20-506.

**5. Annual Update to Investment Policy for 2020**

Robert Davis/Andrew Oftelie

**Overview**

The Treasurer is presenting the Orange County Transportation Authority's Investment Policy for 2020. The Investment Policy sets forth the investment guidelines for all funds invested on and after June 10, 2020. As recommended under California Government Code Section 53646(a)(2), the Orange County Transportation Authority is submitting its Investment Policy to be reviewed at a public meeting. Further, the governing body of a local agency has the authorization to appoint, for a period of one year, a Treasurer to invest, reinvest, purchase, exchange, sell, or manage public funds.

**Recommendations**

- A. Adopt the 2020 Investment Policy dated June 10, 2020.
- B. Authorize the Treasurer to invest, reinvest, purchase, exchange, sell, and manage Orange County Transportation Authority funds during fiscal year 2020-21.

**6. Resolution to Establish the Orange County Local Transportation Authority/Measure M2 Appropriations Limitation for Fiscal Year 2020-21**

Sam Kaur/Andrew Oftelie

**Overview**

The State Constitution requires that each year the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following year pursuant to Article XIII B.



**6. (Continued)**

**Recommendation**

Adopt Orange County Local Transportation Authority/Measure M2 Resolution No. 2020-022 to establish the Orange County Local Transportation Authority/Measure M2 appropriations limit at \$1,890,379,261, for fiscal year 2020-21.

**7. Resolution to Establish the Orange County Transportation Authority General Fund Appropriations Limitation for Fiscal Year 2020-21**  
Sam Kaur/Andrew Oftelie

**Overview**

The State Constitution requires that each year the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following year pursuant to Article XIII B.

**Recommendation**

Adopt Orange County Transportation Authority Resolution No. 2020-023 to establish the Orange County Transportation Authority General Fund appropriations limit at \$12,508,480, for fiscal year 2020-21.

**8. Approval of the Amended and Restated Orange County Local Transportation Authority 2021 Credit and Fee Agreements**  
Robert Davis/Andrew Oftelie

**Overview**

In July 2017, the Orange County Local Transportation Authority secured a line of credit from the Bank of America, N.A. for \$900 million to satisfy a requirement of the Transportation Infrastructure Finance and Innovation Act loan for the Interstate-405 Improvement Project. The line of credit was structured in two commitment tranches, the Orange County Local Transportation Authority 2019 Credit Agreement, in an amount of \$400 million, and the Orange County Local Transportation Authority 2021 Credit Agreement, in an amount of \$500 million.

The 2019 Credit and Fee Agreements were terminated in 2019 when Orange County Local Transportation Authority issued its Measure M2 Sales Tax Revenue Bonds to finance the project. Staff is recommending an amendment to the 2021 Credit and Fee Agreements, which will lower the commitment fee paid to the bank in exchange for changing the expiration date of the agreements from July 16, 2021 to June 28, 2021.



**8. (Continued)**

**Recommendations**

- A. Approve the Amended and Restated 2021 Credit and Fee Agreements by and among Bank of America, N.A., the Orange County Transportation Authority, and the Orange County Local Transportation Authority each dated as of June 29, 2020, in substantially the form presented to this board at this meeting and in the total amount of \$500 million and authorize the Chief Executive Officer to negotiate and execute the final 2021 Amended and Restated Credit and Fee Agreements.
  
- B. Authorize the Chair, Vice Chair, Chief Executive Officer, Chief Financial Officer, and Director of Finance and Administration to sign and deliver all documents relating to said agreements, including the credit agreement, fee agreement, incumbency certificate, closing certificate, bank note, receipts, notices, and agreements related thereto.

**9. Extension of 91 Express Lanes Temporary Measures**

Kirk Avila/Darrell E. Johnson

**Overview**

In April 2020, the Orange County Transportation Authority and the Riverside County Transportation Commission respective Board of Directors approved the temporary waiving of monthly account maintenance fees for 91 Express Lanes customers. The Orange County Transportation Authority Board of Directors also approved the temporary modification of the 91 Express Lanes Toll Policy to allow the ability to suspend automatic toll rate increases. An additional extension of these measures is being requested for approval.

**Recommendations**

- A. Authorize the Chief Executive Officer to temporarily waive for a period of up to 90 days, 91 Express Lanes monthly account fees, for the months of July 2020, August 2020, and September 2020.
  
- B. Authorize the Chief Executive Officer to temporarily modify for a period of up to 90 days the 91 Express Lanes Toll Policy to allow for the ability to remove automatic toll rate increases, if necessary.



## **Regular Calendar**

There are no Regular Calendar items scheduled.

## **Discussion Items**

**10. Chief Executive Officer's Report**

**11. Committee Members' Reports**

**12. Closed Session**

There are no Closed Session items scheduled.

**13. Adjournment**

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, July 8, 2020**, at the Orange County Transportation Authority Headquarters, Conference Room 07, 550 South Main Street, Orange, California.