



# Orange County Transportation Authority

## Finance and Administration Committee Agenda

Wednesday, February 26, 2025 at 10:30 a.m.

Board Room, 550 South Main Street, Orange, California

### **Committee Members**

Michael Hennessey, Chair

Patrick Harper, Vice Chair

Mike Carroll

Jamey M. Federico

Carlos A. Leon

Vicente Sarmiento

Mark Tettermer

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](http://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 access live streaming of the 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 Tettermer

## 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 February 12, 2025 Finance and Administration Committee meeting.

#### **Attachments:**

[Minutes](#)

### 2. Audit of Oversight Controls and Contract Compliance Related to Agreement No. C-9-1177 with Cofiroute USA, LLC for 91 Express Lanes Operations

Ricco Bonelli/Janet Sutter

#### **Overview**

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of oversight controls and contract compliance related to Agreement No. C-9-1177 with Cofiroute USA, LLC for 91 Express Lanes operations. Based on the audit, management exercises oversight of Cofiroute; however, recommendations have been made to enforce all contract requirements, develop procedures for waivers of liquidated damages and penalties, improve performance reporting, and enhance invoice review controls.

#### **Recommendation(s)**

Direct staff to implement four recommendations provided in Audit of Oversight Controls and Contract Compliance Related to Agreement No. C-9-1177 with Cofiroute USA, LLC for 91 Express Lanes Operations, Internal Audit Report No. 24-508.

# FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

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**Attachments:**

[Staff Report](#)

[Attachment A](#)

**3. Fiscal Year 2024-25 Second Quarter Grant Reimbursement Status Report**

Sam Kaur/Andrew Oftelie

**Overview**

The Quarterly Grant Reimbursement Status Report summarizes grant activities for the Orange County Transportation Authority Board of Directors. This report focuses on activity for the second quarter of fiscal year 2024-25, covering October through December 2024.

**Recommendation(s)**

Receive and file as an information item

**Attachments:**

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Attachment C](#)

[Attachment D](#)

[Attachment E](#)

**4. Amendment to Agreements for Investment Management Services**

Robert Davis/Andrew Oftelie

**Overview**

On January 8, 2018, the Orange County Transportation Authority Board of Directors approved agreements with Chandler Asset Management, Inc., MetLife Investment Management, LLC, Payden & Rygel, and U.S. Bancorp Asset Management, Inc., formerly known as PFM Asset Management, LLC, to provide investment management services for the Orange County Transportation Authority's investment portfolio. These agreements are for a five-year initial term with two, two-year option terms. Board of Directors' approval is requested to exercise the second option term of each agreement.

**Recommendation(s)**

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-7-1813 between the Orange County Transportation Authority and Chandler Asset Management, Inc., to exercise the second option term to continue providing investment management services effective April 1, 2025 through March 31, 2027.
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-7-2062 between the Orange County Transportation Authority and MetLife Investment Management, LLC, to exercise the second option term to continue providing investment management services effective April 1, 2025 through March 31, 2027.

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- C. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-7-2063 between the Orange County Transportation Authority and Payden & Rygel, to exercise the second option term to continue providing investment management services effective April 1, 2025 through March 31, 2027.
- D. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-7-2064 between the Orange County Transportation Authority and U.S. Bancorp Asset Management, Inc., formerly known as PFM Asset Management, LLC, to exercise the second option term to continue providing investment management services effective April 1, 2025 through March 31, 2027.
- E. Approve an increase of \$3,476,000 to the aggregate amount, which will be used to cover the cost of the option term for all four investment firms for a total amount of \$15,601,608 shared among the four agreements.

***Attachments:***

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Attachment C](#)

[Attachment D](#)

### Regular Calendar

**5. 91 Express Lanes Update for the Period Ending - December 31, 2024**

Kirk Avila

***Overview***

The Orange County Transportation Authority has owned and managed the operations of the 91 Express Lanes since January 2003. Since that time, traffic volumes and toll revenues have fluctuated with the changes in the economy and added capacity to the State Route 91 corridor. Over the last quarter, over 5.5 million trips made on the 91 Express Lanes in Orange County. This report focuses on the operational and financial activities for the period ending December 31, 2024.

***Recommendation***

Receive and file as an information item.

***Attachments:***

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Presentation](#)

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### 6. 405 Express Lanes Update for the Period Ending - December 31, 2024

Kirk Avila

#### **Overview**

The Orange County Transportation Authority oversees the operations of the 405 Express Lanes, which commenced operations on December 1, 2023. Over the last quarter, there were approximately 17.2 million transactions and 4.4 million trips generated on the 405 Express Lanes. This report focuses on the operational and financial activities for the period ending December 30, 2024.

#### **Recommendation**

Receive and file as an information item.

#### **Attachments:**

[Staff Report](#)

[Attachment A](#)

[Presentation](#)

### Discussion Items

#### 7. Public Comments

#### 8. Chief Executive Officer's Report

#### 9. Committee Members' Reports

#### 10. Adjournment

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

**10:30 a.m. on Wednesday, March 12, 2025**

OCTA Headquarters

Board Room

550 South Main Street

Orange, California