



# **Orange County Transportation Authority**

## **Finance and Administration Committee Agenda**

### **Wednesday, May 28, 2025 at 10:30 a.m.**

Board Room, 550 South Main Street, Orange, California

#### **Committee Members**

Michael Hennessey, Chair  
Patrick Harper, Vice Chair  
Jamey M. Federico  
William Go  
Carlos A. Leon  
Vicente Sarmiento  
Mark Tettemer

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 Sarmiento

## Closed Session

There are no Closed Session items scheduled.

## Special Calendar

### 1. Investment Management Presentation - PFM Asset Management

Robert Davis/Andrew Oftelie

#### **Overview**

PFM Asset Management is one of four firms contracted by the Orange County Transportation Authority to oversee the Managed Investment Portfolio. Representatives from PFM Asset Management will provide an overview of their firm, share market insights, and present an update on Orange County Transportation Authority's portfolio.

#### **Attachments:**

[Presentation](#)

## Consent Calendar (Items 2 through 8)

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.

### 2. Approval of Minutes

Clerk of the Board

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

Approve the minutes of the May 12, 2025 Finance and Administration Committee meeting.

#### **Attachments:**

[Minutes](#)

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### 3. **Contracted Fixed-Route Services, Internal Audit Report No. 25-510**

Serena Ng/Janet Sutter

#### **Overview**

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of contracted fixed-route services provided by Keolis Transit Services, LLC. Based on the audit, procurements and amendments were handled in accordance with procurement policies and procedures, and invoice review controls are in place and operating effectively. However, recommendations have been made to improve monitoring of contract performance standards and bond and insurance requirements.

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

Direct staff to implement two recommendations provided in Contracted Fixed-Route Services, Internal Audit Report No. 25-510.

#### **Attachments:**

[Staff Report](#)

[Attachment A](#)

### 4. **91 Express Lanes Update for the Period Ending - March 31, 2025**

Kirk Avila

#### **Overview**

The Orange County Transportation Authority has owned and managed the operations of the 91 Express Lanes since January 2003. Since then, traffic volumes and toll revenues have fluctuated with changes in the economy and the added capacity to the State Route 91 corridor. Over the last quarter, over 5.2 million trips were made on the 91 Express Lanes in Orange County. This report focuses on the operational and financial activities for the period ending March 31, 2025.

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

Receive and file as an information item.

#### **Attachments:**

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

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### 5. Amendment to the 91 Express Lanes Riverside County Transportation Commission / Orange County Transportation Authority Facility Agreement

Kirk Avila

#### **Overview**

The 91 Express Lanes Riverside County Transportation Commission / Orange County Transportation Authority Facility Agreement prescribes the funding transfers between the two agencies for costs incurred for the rent and any shared operational expenses in relation to the 91 Express Lanes. An amendment is needed to account for the reimbursement of anticipated shared operating costs incurred by the Riverside County Transportation Commission for the period July 1, 2025, through June 30, 2026.

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

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 10 to Agreement No. C-5-3828 between the Orange County Transportation Authority and the Riverside County Transportation Commission, in the amount of \$584,138, for the reimbursement of shared operational expenses through June 30, 2026.

#### **Attachments:**

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

### 6. Resolution to Establish the Orange County Transportation Authority General Fund Appropriations Limit for Fiscal Year 2025-26

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(s)**

Adopt Orange County Transportation Authority Resolution No. 2025-031 to establish the Orange County Transportation Authority General Fund appropriations limit at \$16,211,341, for fiscal year 2025-26.

#### **Attachments:**

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

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### 7. Resolution to Establish the Orange County Local Transportation Authority/Measure M2 Appropriations Limit for Fiscal Year 2025-26

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(s)**

Adopt Orange County Local Transportation Authority/Measure M2 Resolution No. 2025-030 to establish the Orange County Local Transportation Authority/Measure M2 appropriations limit at \$2,449,984,516, for fiscal year 2025-26.

#### **Attachments:**

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

### 8. Annual Insurance Program Renewal

Greg Bych/Maggie McJilton

#### **Overview**

The Orange County Transportation Authority holds an Excess Workers' Compensation Insurance Policy with Safety National Insurance Company and a Property Insurance Policy with Zurich Insurance Company. The policies are scheduled to expire on June 30, 2025, and renewals are necessary to maintain coverage.

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

- A. Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. A59005, in an amount not to exceed \$716,580, to Marsh Risk and Insurance Services, Inc., to purchase excess workers' compensation insurance on behalf of the Orange County Transportation Authority for the policy period of July 1, 2025, to June 30, 2026.
- B. Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. A59025, in an amount not to exceed \$1,200,000, to Marsh Risk and Insurance Services, Inc., to purchase property insurance on behalf of the Orange County Transportation Authority for the renewal of the coverage for the period of July 1, 2025, to June 30, 2026.

#### **Attachments:**

[Staff Report](#)

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### Regular Calendar

**9. 405 Express Lanes Update for the Period Ending March 31, 2025**

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 16.1 million transactions and 4.2 million trips generated on the 405 Express Lanes. This report focuses on the operational and financial activities for the period ending March 31, 2025.

***Recommendation(s)***

Receive and file as an information item.

***Attachments:***

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Presentation](#)

**10. Preview to the Public Hearing on Orange County Transportation Authority's Fiscal Year 2025-26 Budget and Personnel and Salary Resolution**

Victor Velasquez/Andrew Oftelie

***Overview***

The Orange County Transportation Authority Fiscal Year 2025-26 Proposed Budget presents a balanced plan of sources and uses of funds while providing for the current and future transportation needs of Orange County. The Board of Directors may approve the Orange County Transportation Authority Fiscal Year 2025-26 Proposed Budget following the public hearing to be held at the Board of Directors' meeting on June 9, 2025, at the following Board of Directors' meeting on June 23, 2025, or in a special meeting convened at their discretion, on or before June 30, 2025. The Board of Directors is also asked to approve the Personnel and Salary Resolution as part of the budget approval process.

***Recommendation(s)***

- A. Approve by Resolution the Orange County Transportation Authority's Fiscal Year 2025-26 Budget.
- B. Approve the Personnel and Salary Resolution for fiscal year 2025-26.
- C. Authorize the Chief Executive Officer, or his designee, to negotiate and execute the software and hardware licensing, maintenance, and emergency support purchase orders, and/or agreements.
- D. Approve the fiscal year 2025-26 Orange County Transportation Authority member agency contribution to the Southern California Regional Rail Authority operating subsidy, in an amount up to \$51,972,543, contingent upon all other member

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agencies agreeing to their respective operating subsidy contributions. In addition, approve the capital and rehabilitation expenditure budgets contingent upon all member agencies' approval of their respective capital and rehabilitation budgets. The Orange County Transportation Authority's budget for capital expenditures is \$3,084,444 and for rehabilitation expenditures is \$32,455,508.

### ***Attachments:***

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Attachment C](#)

[Attachment D](#)

[Attachment E](#)

[Presentation](#)

[Handout](#)

### **Discussion Items**

- 11. Public Comments**
- 12. Chief Executive Officer's Report**
- 13. Committee Members' Reports**
- 14. Adjournment**

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

**10:30 a.m. on Wednesday, June 11, 2025**

OCTA Headquarters

Board Room

550 South Main Street

Orange, California