



MINUTES

Finance and Administration Committee Meeting

Committee Members Present

Via Teleconference:

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

Staff Present

Darrell E. Johnson, Chief Executive Officer
Laurena Weinert, Clerk of the Board
Gina Ramirez, Deputy Clerk of the Board
James Donich, General Counsel (teleconference)
OCTA Staff and Members of the General Public

Committee Members Absent

None

Call to Order

The April 22, 2020, regular meeting of the Finance and Administration Committee was called to order by Committee Chairman Hennessey at 10:31 a.m.

Roll Call

The Deputy Clerk of the Board conducted an attendance Roll Call and announced that there was a quorum of the Finance and Administration Committee.

Pledge of Allegiance

Director Hernandez led in the Pledge of Allegiance.

1. Public Comments

No public comments were received.

Special Calendar

2. Metrolink Update: Performance Overview, COVID-19 Response, Budget Development

Committee Chairman Hennessey introduced Stephanie Wiggins, Chief Executive Officer of Metrolink.

Ms. Wiggins acknowledged Director Do as the Vice Chairman of the Metrolink Audit and Finance Committee and presented a PowerPoint presentation as follows:

- Service Performance – February 2020;
- Ridership Update – February 2020;
- Tier 4 locomotives in Revenue Service;



2. (Continued)

- February 2020 Highlights;
- Coronavirus 19 (COVID-19): Impact and Response;
- Orange County Line Ridership;
- Inland Empire/Orange County Ridership;
- 91-Perris Valley Line Ridership;
- COVID-19 Key Actions;
- Recovery Plan Framework;
- Fiscal Year 20 Cost Containment Strategies;
- Operating Surplus;
- Continuing Appropriations Request; and
- Next Steps.

A discussion ensued regarding pedestrian and trespasser strikes, the retiring of Tier 0 locomotives, safety and cleaning enhancements, and ridership impacts.

Consent Calendar (Items 3 through 8)

3. Approval of Minutes

A motion was made by Director Hernandez, seconded by Director Do, and following a roll call vote, declared passed 7-0, to approve the minutes of the Finance and Administration Committee meeting of April 8, 2020.

4. Fiscal Year 2019-20 Internal Audit Plan, Third Quarter Update

A motion was made by Director Hernandez, seconded by Director Do, and following a roll call vote, declared passed 7-0, to receive and file the Orange County Transportation Authority Internal Audit Department Fiscal Year 2019-20 Internal Audit Plan, Third Quarter Update.



5. Approval of the Fiscal Year 2020-21 Local Transportation Fund Claim for Public Transportation and Community Transit Services

A motion was made by Director Hernandez, seconded by Director Do, and following a roll call vote, declared passed 7-0, to:

- A. Approve the Orange County Transit District Fiscal Year 2020-21 Local Transportation Fund Claim for public transportation services in the amount of \$165,118,625, and for community transit services in the amount of \$8,753,906, for a total claim amount of \$173,872,531.
- B. Authorize the Chief Executive Officer to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the full amount of the claims.

6. Approval of the Fiscal Year 2020-21 Local Transportation Fund Claim for Laguna Beach Public Transportation Services

A motion was made by Director Hernandez, seconded by Director Do, and following a roll call vote, declared passed 7-0, to:

- A. Approve the Laguna Beach Municipal Transit Lines Fiscal Year 2020-21 Local Transportation Fund Claim for public transportation services in the amount of \$1,205,587.
- B. Authorize the Chief Executive Officer of the Orange County Transportation Authority to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the amount of the claim.

7. Third Quarter Fiscal Year 2019-20 Procurement Status Report

Darrell E. Johnson, Chief Executive Officer (CEO), provided opening comments and introduced Andrew Oftelie, Chief Financial Officer, who reported the corrections verbally and stated staff will update the item and inform the Board of Directors in a transmittal going forward to the April 27, 2020 Board of Directors Meeting.

Staff Report:

Page 2, Paragraph 1, Second sentence, beginning with...“five construction change orders valued at \$27,986,960...” the amount should read \$13,586,960.



7. (Continued)

Attachment A:

Page 2, under “CONTRACT CHANGE ORDERS, OC 405 Partners, Contract Change Order No. 61”... the amount \$16,000,000 should read \$1,600,000, which changes the “TOTAL DOLLAR VALUE” of the Contract Change Orders from \$27,986,960 to \$13,586,960.

A motion was made by Director Hernandez, seconded by Director Do, and following a roll call vote, declared passed 7-0, to receive and file as an information item.

8. Cooperative Agreement with the Riverside County Transportation Commission for the State Route 91 Corridor Operations Project

A motion was made by Director Hernandez, seconded by Director Do, and following a roll call vote, declared passed 7-0, to authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-0-2227, to define roles and responsibilities between the Orange County Transportation Authority and the Riverside County Transportation Commission, in the amount of \$15,000,000, for the construction of the State Route 91 Corridor Operations Project between the Green River on-ramp and southbound State Route 241 toll road.

Regular Calendar

9. Orange County Transportation Authority Investment and Debt Programs Report - March 2020

Sean Murdock, Director of Finance and Administration, provided an overview of the item as follows:

- The Overview of the Orange County Transportation Authority (OCTA) Investment dashboard;
- Downgrades due to Coronavirus;
- Portfolio Liquidity;
- Portfolio Diversification; and
- OCTA staff will continue to be vigilant in managing the portfolio and continue to work with our investment managers to protect OCTA's investments.

Following the discussion, no action was taken on this receive and file information item.



10. Orange County Local Transportation Authority Measure M2 Agreed-Upon Procedures Reports, Year Ended June 30, 2019

Janet Sutter, Executive Director of Internal Audit, introduced Jennifer Richards from Crowe, LLP, who would be available to answer any questions the Committee members may have regarding the item.

Ms. Sutter referenced Attachment A & C to the Staff Report findings. She also highlighted the results regarding the maintenance of effort.

A motion was made by Director Do, seconded by Committee Vice Chairman R. Murphy, and following a roll call vote, declared passed 7-0, to:

- A. Direct staff to monitor implementation of corrective actions proposed by the cities.
- B. Direct staff to review observations and develop recommendations, as appropriate, for Board of Directors' consideration related to the City of Anaheim's compliance with the Measure M2 Ordinance and Eligibility Guidelines.

11. Orange County Transportation Authority Fiscal Year 2020-21 Budget Workshop Preview

Victor Velasquez, Manager of Financial Planning and Analysis, provided a PowerPoint presentation on the following:

- Budget Themes;
- Coronavirus (COVID-19) Impacts;
- Budget Overview;
- Budget Sources and Uses;
- Total Budget by Program; and
- Next Steps.

A motion was made by Director Hernandez, seconded by Director Steel, and following a roll call vote, declared passed 7-0, to review the fiscal year 2020-21 proposed budget in a workshop setting following the regularly scheduled Orange County Transportation Authority Board of Directors' meeting on May 11, 2020.



Discussion Items

12. Chief Executive Officer's Report

Mr. Johnson, CEO, reported on the following:

Coronavirus Update

- OCTA continues to be flexible and proactive to the daily challenges faced due to the COVID-19 pandemic.
- In the coming days, OCTA will be rolling out two efforts for the employees and the public.
- The first campaign will focus on employees at operating bases, and it will highlight the importance of personal responsibility regarding following the health guidelines recommended by public health officials.
- The second campaign is based on new guidance released last Friday by the Federal Transit Administration and will focus on social distancing for passengers.
- This effort will use signage on the buses to remind passengers to distance themselves, and staff will try and limit the number of passengers when possible by providing additional buses on busier routes, called trippers.

405 Fire

- This morning the Interstate 405 was shut down at Talbert Avenue in Fountain Valley after the falsework on the bridge caught fire. (As of 10:30 a.m., all southbound lanes are open and one northbound lane open).
- The cause of the fire is unknown, and OCTA staff, OC405 partners, and the authorities are on-scene investigating. There are no known injuries currently.
- The Talbert bridge was demolished in September, and workers were putting up falsework as part of the reconstruction.
- Staff will keep the Board apprised of any impacts.



13. Committee Members' Reports

Committee Chairman Hennessey inquired about receiving an interim report from our economic forecasters.

Andrew Oftelie, Chief Financial Officer, responded that staff has scheduled the three universities to present in June and July. He also stated the universities are likely to ask for an extension given the financial status of the economy.

Committee Chairman Hennessey discussed the poll the Orange County Business Council completed, and stated companies are keeping employees at home, which might be considerably different than where OCTA was before COVID-19.

Mr. Johnson, CEO, stated the poll claims about 30% of businesses would continue to offer some type of telecommuting going forward, which could potentially have some impact on everything from the freeway, streets, roads, and commuter rail. He also stated OCTA will restore service on-demand.

14. Closed Session

There were no Closed Session items scheduled.

15. Adjournment

The meeting was adjourned at 11:35 a.m.

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, May 13, 2020**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Conference Room 07, Orange, California.

ATTEST

Gina Ramirez
Deputy Clerk of the Board

Michael Hennessey
Committee Chairman