



**Committee Members Present**

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

**Staff Present**

Darrell E. Johnson, Chief Executive Officer  
Ken Phipps, Deputy Chief Executive Officer  
Laurena Weinert, Clerk of the Board  
Gina Ramirez, Deputy Clerk of the Board  
Cassie Trapesonian, Assistant General Counsel  
OCTA Staff and Members of the General Public

**Committee Members Absent**

Donald P. Wagner

**Call to Order**

The January 22, 2020, regular meeting of the Finance and Administration Committee was called to order by Committee Chairman Hennessey at 10:32 a.m.

**Pledge of Allegiance**

Director Jones led in the Pledge of Allegiance.

**1. Public Comments**

No public comments were received.

**Special Calendar**

There were no Special Calendar matters.

**Consent Calendar (Items 2 through 7)**

**2. Approval of Minutes**

A motion was made by Committee Vice Chairman R. Murphy, seconded by Director Do, and declared passed by those present, to approve the minutes of the Finance and Administration Committee meeting of January 8, 2020.



**3. Fiscal Year 2019-20 Internal Audit Plan, Second Quarter Update**

This item was pulled by Committee Chairman Hennessey to inquire about the productivity measures and what is the industry standard.

Janet Sutter, Executive Director of Internal Audit, stated the productivity measures are an industry measurement. The standard formula used will take all the available hours minus training and vacation time while staff keeps track of how much time is spent on actual audits versus administrative activities.

Director Do acknowledged staff on how well the productivity targets have been in line and met with high-quality work.

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

**4. Same-Day Taxi Service, Internal Audit Report No. 20-503**

A motion was made by Committee Vice Chairman R. Murphy, seconded by Director Do, and declared passed by those present, to direct staff to implement the recommendation provided in Same-Day Taxi Service, Internal Audit Report No. 20-503.

**5. Second Quarter Fiscal Year 2019-20 Procurement Status Report**

A motion was made by Committee Vice Chairman R. Murphy, seconded by Director Do, and declared passed by those present, to receive and file as an information item.

**6. Orange County Transportation Authority Investment and Debt Programs Report - December 2019**

This item was pulled by Committee Chairman Hennessey to inquire about the term GSE means.

Sean Murdock, Director of Finance and Administration, responded government-sponsored enterprises (GSE's) are companies that are sponsored or supported by the government such as Fannie Mae and Freddie Mac.

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

**7. 91 Express Lanes Property Insurance Renewal**

A motion was made by Committee Vice Chairman R. Murphy, seconded by Director Do, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Purchase Order No. A44160, in the amount of \$500,000, to Marsh USA, Inc., to purchase the 91 Express Lanes' property, flood, and earthquake insurance on behalf of the Orange County Transportation Authority, for the policy period of March 1, 2020 to March 1, 2021.

**Regular Calendar**

**8. Fiscal Year 2018-19 Annual Financial and Agreed-Upon Procedures Reports**

Andrew Oftelie, Chief Financial Officer, provided an overview and introduced Kathy Lai of Crowe, LLP.

Ms. Lai reported on the following:

- All deliverables provided an unmodified clean audit opinion.
- No deficiencies were identified in the internal controls that would be considered material weaknesses.
- It was a very successful audit year for the Orange County Transportation Authority (OCTA) and congratulations to management for all their hard work.

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

**Discussion Items**

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

Darrell E. Johnson, Chief Executive Officer, reported on the following:

Equestrian Ride:

- On Saturday, January 25<sup>th</sup> at 10:00 a.m., OCTA will host the first equestrian ride of the year at the Trabuco Rose Preserve in Trabuco Canyon to allow the horse-riding community to explore that open space.



### **9. (Continued)**

#### Hydrogen Event:

- On Friday, January 31<sup>st</sup> at 10:30 a.m., OCTA will host an event at the Santa Ana Base to celebrate the zero-emission bus fleet and the completion of OCTA's hydrogen fueling station.
- The station will fuel the ten hydrogen fuel cell buses that OCTA has recently added.
- These are battery-electric, zero-emission buses, and the event will commemorate OCTA's continuing efforts to expand an environmentally sustainable transportation system.

#### Lunar New Year Event:

- On Saturday, February 1<sup>st</sup>, OCTA will host the annual Lunar New Year event at the Irvine Metrolink Station.
- The event is to encourage people to take the train to Los Angeles for the 121<sup>st</sup> Golden Dragon Parade.
- Festivities start at 8:00 a.m., and the train departs for Union Station at 9:28 a.m.

#### 2020 Committee Roles and Responsibilities:

- At the next Finance and Administration Committee, the Committee Roles and Responsibilities will be presented for consideration.

### **10. Committee Members' Reports**

There were no Committee Members' reports.

### **11. Closed Session**

There were no Closed Session items scheduled.



**12. Adjournment**

The meeting adjourned at 10:41 a.m.

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, February 12, 2020**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.

ATTEST

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Gina Ramirez  
Deputy Clerk of the Board

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Michael Hennessey  
Committee Chairman