



Orange County Transportation Authority

Finance and Administration Committee Agenda

Wednesday, January 25, 2023 at 10:30 a.m.

Board Room, 550 South Main Street, Orange, California

REVISED

Committee Members

Michael Hennessey, Chairman
Patrick Harper, Vice Chairman
Andrew Do
Jamey Federico
Brian Goodell
Steve Jones
Vicente Sarmiento

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 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

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FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

In-Person Comment

Members of the public may attend in-person and address the Board regarding any item. Please complete a speaker's card and submit it to the Clerk of the Board or notify the Clerk of the Board the item number on which you wish to speak. Speakers will be recognized by the Chairman at the time the agenda item is to be considered. A speaker's comments shall be limited to three minutes.

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

Special Calendar

There are no Special Calendar matters.

Consent Calendar (Items 1 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.

1. Approval of Minutes - November 30, 2022

Recommendation

Approve the November 30, 2022 minutes of the Finance and Administration Committee meeting.

Attachments:

[Minutes](#)

2. Approval of Minutes - November 9, 2022

Recommendation

Approve the November 9, 2022 minutes of the Finance and Administration Committee meeting.

Attachments:

[Minutes](#)

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

3. Fiscal Year 2022-23 Internal Audit Plan, Second Quarter Update

Janet Sutter

Overview

The Orange County Transportation Authority Board of Directors adopted the Orange County Transportation Authority Internal Audit Department Fiscal Year 2022-23 Internal Audit Plan on July 25, 2022. This report provides an update of activities for the second quarter of the fiscal year.

Recommendation

Receive and file the second quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2022-23 Internal Audit Plan as an information item.

Attachments:

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Attachment C](#)

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

4. Fiscal Year 2021-22 Single Audit and Agreed-Upon Procedures Reports

Janet Sutter

Overview

The Orange County Transportation Authority is required to obtain an independent auditor's opinion on its compliance with requirements of major federal programs. Crowe LLP, an independent accounting firm, has issued the required Single Audit Report with its opinion on the Orange County Transportation Authority's compliance with major federal programs. In addition, reports have been issued on the results of agreed-upon procedures applied by Crowe LLP, to assist management in determining compliance with certain state, federal, and local requirements.

Recommendations

A. Receive and file the fiscal year 2021-22 Single Audit and agreed-upon procedures reports, and management responses (as applicable) as information items.

B. Direct staff to implement two auditor recommendations related to excess transfers of State Transit Assistance funds to the Orange County Transit District and complete preparation of the Schedule of Expenditures of Federal Awards.

C. Direct staff to implement management responses to auditor findings in the application of agrees-upon procedures related to the National Transit Database report, the Treasury Department, and the Measure M2 Status report.

Attachments:

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Attachment C](#)

[Attachment D](#)

[Attachment E](#)

[Attachment F](#)

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

5. **Administrative Employee Mandatory Training and Employee Educational Reimbursements, Internal Audit Report No. 23-503**

Jonathan Thompson/Janet Sutter

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of administrative employee mandatory training and employee educational reimbursements. Based on the audit, controls over administrative employee mandatory training and administration of educational reimbursements should be improved. The Internal Audit Department offered two recommendations to address overpayments of educational reimbursements to improve controls.

Recommendation

Direct staff to implement two recommendations provided in Administrative Employee Mandatory Training and Employee Educational Reimbursements, Internal Audit Report No. 23-503.

Attachments:

[Staff Report](#)

[Attachment A](#)

6. **Amendment to Agreement for Information Technology Technical Staffing**

Eden Wang/Andrew Oftelie

Overview

On January 22, 2018, the Orange County Transportation Authority Board of Directors approved an agreement with Intratek Computer, Inc., to provide contract staffing services for Information Technology technical positions for a five-year term. An amendment is required to increase the maximum cumulative payment obligation to continue services.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 4 to Agreement No. C-7-1949 between the Orange County Transportation Authority and Intratek Computer, Inc., in the amount of \$1,606,723, to continue providing contract staffing services for Information Technology technical positions through June 30, 2023. This will increase the maximum cumulative obligation of the agreement to a total contract value of \$14,366,775.

Attachments:

[Staff Report](#)

[Attachment A](#)

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

7. **Orange County Transportation Authority Investment and Debt Programs Report - November 2022**

Robert Davis/Andrew Oftelie

Overview

The Orange County Transportation Authority has a comprehensive investment and debt program to fund its immediate and long-term cash flow demands. Each month, the Treasurer submits a report detailing investment allocation, performance, compliance, outstanding debt balances, and credit ratings for the Orange County Transportation Authority's debt program. This report is for the month ending November 30, 2022.

Recommendation

Receive and file as an information item.

Attachments:

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

8. **Fiscal Year 2022-23 First Quarter Budget Status Report**

Anthony Baruch/Andrew Oftelie

Overview

Orange County Transportation Authority staff has implemented the fiscal year 2022-23 budget. This report summarizes the material variances between the budget and actual revenues and expenses through the first quarter of fiscal year 2022-23.

Recommendation

Receive and file as an information item.

Attachments:

[Staff Report](#)

[Attachment A](#)

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

9. Agreement for System Manager and Business Analyst Support Services

Victor Velasquez/Andrew Oftelie

Overview

Consultant services are needed to support the various financial systems used by the Financial Planning and Analysis Department of the Orange County Transportation Authority. Proposals have been received and evaluated in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Approval is requested to execute a new agreement for system manager and business analyst support services.

Recommendations

A. Approve the selection of Carpe Datum as the firm to provide system manager and business analyst support services.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-2-2575 between the Orange County Transportation Authority and Carpe Datum in the amount of \$591,600, for a two-year initial term from April 1, 2023 through March 31, 2025 with three, one-year option terms, to provide system manager and business analyst support services.

Attachments:

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Attachment C](#)

Regular Calendar

There are no Regular Calendar items scheduled.

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

Discussion Items

10. Accelerated Transportation Infrastructure Finance and Innovation Act Loan Disbursement - Update

Robert Davis/Andrew Oftelie

Overview

The Orange County Transportation Authority has a \$628.93 million Transportation Infrastructure Finance and Innovation Act Loan with an interest rate of 1.95 percent. The Orange County Transportation Authority has utilized Bond Anticipation Notes with an interest rate of 0.30 percent in lieu of drawing on the Transportation Infrastructure Finance and Innovation Act Loan to reduce financing costs. The significant increase in short-term treasury yields provided the opportunity for an additional reduction in financing costs. Staff will provide an update on the additional reduction in financing costs reached for the Interstate 405 Improvement Project.

Attachments:

[Presentation](#)

11. Public Comments

12. Chief Executive Officer's Report

13. Committee Members' Reports

14. Closed Session

There are no Closed Session items scheduled.

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

15. Adjournment

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

10:30 a.m. on Wednesday, February 22, 2023

OCTA Headquarters

Board Room

550 South Main Street

Orange, California