



# **REVISED AGENDA**

## ***Finance and Administration Committee Meeting***

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### **Committee Members**

Andrew Do, Chairman  
Steve Jones, Vice Chairman  
Michael Hennessey  
Richard Murphy  
Miguel Pulido  
Todd Spitzer  
Michelle Steel

Orange County Transportation Authority  
Headquarters  
550 South Main Street, Board Room –  
Conf. Room 07, Orange, California  
**Wednesday, March 8, 2017 at 10:30 a.m.**

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA Clerk of the Board, telephone (714) 560-5676, no less than two (2) business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

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.

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.

### **Call to Order**

#### **Pledge of Allegiance**

Director Hennessey

#### **1. Public Comments**

#### **Special Calendar**

There are no Special Calendar matters.

#### **Consent Calendar (Items 2 through 10)**

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.



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### **2. Approval of Minutes**

Approval of the minutes of the February 8, 2017 Finance and Administration Committee meeting.

### **3. Budget Development, Monitoring, and Reporting, Internal Audit Report No. 16-509**

Serena Ng/Janet Sutter

#### **Overview**

The Internal Audit Department has completed an audit of budget development, monitoring, and reporting. Based on the audit, controls are generally adequate; however, recommendations were made to enhance and expand written procedures, to improve controls over salary grade changes, to adhere to the Position Control Policy, and to improve estimates and explanations included with the Sole Source List.

#### **Recommendation**

Direct staff to implement four recommendations provided in Budget Development, Monitoring, and Reporting, Internal Audit Report No. 16-509.

### **4. Local Agency Investment Fund - January 2017**

Rodney Johnson/Andrew Oftelie

#### **Overview**

The Orange County Transportation Authority invests a portion of its liquid portfolio in the State of California Local Agency Investment Fund. Each month, the State Treasurer's office publishes a report detailing the composition of the pool. The attached summary statements from the report are for the month ending January 31, 2017. The report has been reviewed and is consistent with the investment practices of the State Treasurer's Office.

#### **Recommendation**

Receive and file as an information item.



**5. Orange County Treasurer's Management Report - January 2017**  
Rodney Johnson/Andrew Oftelie

**Overview**

The Orange County Transportation Authority invests a portion of its liquid portfolio in the Orange County Investment Pool. Each month the Orange County Treasurer publishes a comprehensive report detailing the composition of the pool and the prevailing economic and market conditions. The attached Treasurer's Management Report for the Orange County Investment Pool is for the month ending January 31, 2017. The report has been reviewed and is consistent with the investment practices of the Orange County Treasurer.

**Recommendation**

Receive and file as an information item.

**6. Orange County Transportation Authority Investment and Debt Programs - January 2017**  
Rodney Johnson/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 January 31, 2017. The report has been reviewed and is consistent with the investment practices contained in the Investment Policy.

**Recommendation**

Receive and file as an information item.



7. **Approval of Local Transportation Fund Fiscal Year 2017-18 Apportionment Estimates**  
Rene Vega/Andrew Oftelie

**Overview**

The Orange County Transportation Authority, as the transportation planning agency and county transportation commission for Orange County, is responsible for developing estimates used in apportioning revenues earned and deposited in the Orange County Local Transportation Fund. Transportation Development Act regulations require that the apportionments for fiscal year 2017-18 be determined and prospective claimants be advised of the amounts.

**Recommendation**

Approve the Local Transportation Fund Fiscal Year 2017-18 apportionment estimates and authorize the Chief Executive Officer to advise all prospective claimants of the amounts of all area apportionments from the Orange County Local Transportation Fund for the following fiscal year.

8. **Fiscal Year 2016-17 Second Quarter Grant Reimbursement Status Report**  
Rene Vega/Andrew Oftelie

**Overview**

The Quarterly Grant Reimbursement Status Report summarizes grant activities for information purposes for the Orange County Transportation Authority Board of Directors. This report focuses on activity for the period of October through December 2016.

**Recommendation**

Receive and file as an information item.



**9. Agreement for Cyber Security Assessment**  
Mike Bosche/Andrew Oftelie

**Overview**

Consultant services are needed to perform a cyber security assessment of the Orange County Transportation Authority's industrial control systems and related networks. Proposals were 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 these services.

**Recommendations**

- A. Approve the selection of Ankura Consulting Group, LLC, as the firm to provide cyber security assessment services for the Orange County Transportation Authority's industrial control systems and related networks.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-6-1489 between the Orange County Transportation Authority and Ankura Consulting Group, LLC, in the amount of \$300,000, to provide cyber security assessment services for the Orange County Transportation Authority's industrial control systems and related networks for a one-year term.

**10. Agreement for Treasury Management Software System**  
Rodney Johnson/Andrew Oftelie

**Overview**

Consultant services are needed to provide a treasury management software system to assist in the compliance monitoring, performance measurement, audit, and reporting of the Orange County Transportation Authority's investment portfolio. One proposal was received and evaluated in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board of Director's approval is requested to execute an agreement for these services.



**10. (Continued)**

**Recommendations**

- A. Approve the selection of Clearwater Analytics, LLC, as the firm to provide a treasury management software system.
  
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-6-1547 between the Orange County Transportation Authority and Clearwater Analytics, LLC, in the amount of \$588,306, for a five-year term, effective April 1, 2017 through March 31, 2022, to provide a treasury management software system.

**Regular Calendar**

- 11. Fiscal Year 2016-17 Second Quarter Budget Status Report**  
Scott Arbuckle/Andrew Oftelie

**Overview**

The Orange County Transportation Authority's staff has implemented the fiscal year 2016-17 budget. This report summarizes the material variances between the budget and actual revenues and expenses through the second quarter of fiscal year 2016-17.

**Recommendation**

Receive and file as an information item.



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## **Discussion Items**

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

**13. Committee Members' Reports**

**14. Closed Session**

There are no Closed Session items scheduled.

**15. Adjournment**

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, March 22, 2017**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.