

AGENDA

Finance and Administration Committee Meeting

Committee Members

Andrew Do, Chairman Richard Murphy, Vice Chairman Michael Hennessey Steve Jones Todd Spitzer Michelle Steel Orange County Transportation Authority
Headquarters
550 South Main Street
Board Room – Conf. Room 07
Orange, California
Wednesday, April 25, 2018 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 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 Steel

1. Public Comments

Special Calendar

2. Proposed Fiscal Year 2018-19 Southern California Regional Rail Authority Budget

Jennifer Bergener/James G. Beil

Metrolink staff will present a verbal overview of the draft Southern California Regional Rail Authority Fiscal Year 2018-19 Budget, including the Orange County Transportation Authority's proposed share of operating, rehabilitation, and capital expenses for Metrolink's commuter rail service.





Consent Calendar (Items 3 through 12)

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.

3. **Approval of Minutes**

Approve the minutes of the Finance and Administration Committee meeting of April 11, 2018.

4. Fleetwatch Fluid Management System, Internal Audit **Report No. 18-506**

Ricco Bonelli/Janet Sutter

Overview

The Internal Audit Department has completed an audit of the Fleetwatch Fluid Management System. Based on the audit, controls in place over the dispensing of fuel and other consumables are adequate; however, one recommendation was made to enhance system access controls.

Recommendation

Direct staff to implement the recommendation provided in Fleetwatch Fluid Management System, Internal Audit Report No. 18-506.

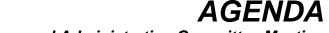
5. Fiscal Year 2017-18 Internal Audit Plan, Third Quarter Update Janet Sutter

Overview

The Orange County Transportation Authority Board of Directors adopted the Orange County Transportation Authority Internal Audit Department Fiscal Year 2017-18 Internal Audit Plan on August 14, 2017. This update is for the third quarter of the fiscal year.

Recommendation

Receive and file the third quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2017-18 Internal Audit Plan as an information item.





6. Investigation and Limited Scope Review of Take-Home Vehicle **Assignment** Janet Sutter

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed an investigation of a complaint alleging that a Transit Division manager used an agency-issued transponder for personal commuting and participated in the Commuter Club rideshare program, in violation of policy. The allegations were confirmed, and the details provided to management. During the investigation, control weaknesses related to the assignment of take-home vehicles and oversight of transponder use, as well as areas where oversight controls could be strengthened to better enforce compliance with policies and procedures, were identified and are reported herewith.

Recommendation

Direct staff to implement four recommendations provided in the Investigation and Limited Scope Review of Take-Home Vehicle Assignment.

7. **Local Agency Investment Fund - March 2018**

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 March 31, 2018. 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.





8. Orange County Treasurer's Management Report - March 2018 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 March 31, 2018. 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.

9. Orange County Transportation Authority Investment and Debt Programs - March 2018

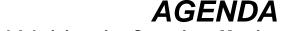
Rodney Johnson/Andrew Oftelie

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 March 31, 2018. 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.





10. Agreement for Commercial Banking Services

Benjamin Torres/Andrew Oftelie

Overview

The Orange County Transportation Authority uses banking services for the deposit, disbursement, and safekeeping of public funds. On January 22, 2018, a request for proposals for commercial banking services was issued. Offers were received and evaluated in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. The evaluation process has been completed, and recommendations are presented for the Board of Directors' approval.

Recommendations

- A. Approve the selection of Bank of the West as the firm to provide commercial banking services.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-2159 between the Orange County Transportation Authority and Bank of the West, in the amount of \$277,000, for a five-year initial term effective September 1, 2018 through August 31, 2023, with one, three-year option term, to provide commercial banking services.

11. Third Quarter Fiscal Year 2017-2018 Procurement Status Report Virginia Abadessa/Andrew Oftelie

Overview

The third quarter procurement status report summarizes the procurement activities for information purposes to the Orange County Transportation Authority Board of Directors. This report focuses on procurement activity from January 1 through March 31, 2018, that were approved by the Board of Directors during this period. The third quarter procurement status report also projects future procurement activity for the fourth quarter as identified in the fiscal year 2017-18 budget.

Recommendation

Receive and file as an information item.



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12. 91 Express Lanes Corona Customer Service Center Relocation Christina Runge Haidl/Kenneth Phipps

Overview

The current lease for the 91 Express Lanes Customer Service Center in Corona expires September 30, 2018. The leased space accommodates the walk-in customer service center and the call center, and the facility is shared with the Riverside County Transportation Commission. Staff has retained the brokerage services of CBRE, Inc., and has researched various relocation opportunities for the customer service center. The terms of the proposed relocation include a ten-year lease for a total of 5,009 square feet, as well as tenant improvements, at a facility owned by the Riverside County Transportation Commission.

Recommendations

- A. Authorize the Chief Executive Officer to execute Agreement No. C-8-1660 with Riverside County Transportation Commission, to cover the ten-year lease, as well as tenant improvements for the 91 Express Lanes Corona Office, located at 301 Corporate Terrace Circle, Corona, California, in an amount not to exceed \$999,000, which represents Orange County Transportation Authority's share of the costs.
- B. Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement C-4-0384 with CPI Properties, LLC, to cover a six-month extension to the current lease, in an amount not to exceed \$55,000. This amount reflects the total lease cost and will be shared equally with the Riverside County Transportation Commission.
- C. Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-6-1349 with CBRE, Inc., to cover real estate brokerage fees, in an amount not to exceed \$14,700.





Regular Calendar

13. Adopt Resolution Approving the Updated Real Property Policies and Procedures Manual

Joe Gallardo/James G. Beil

Overview

The Orange County Transportation Authority is currently acquiring and managing numerous properties required for the construction and delivery of capital improvement projects. As part of the acquisition and management process, the Orange County Transportation Authority must, by general resolution, authorize certain policies and procedures to implement this process in compliance with federal and state laws. The current Real Property Policies and Procedures Manual of May 2013 was approved by the Board of Directors on June 10, 2013. An update of the Real Property Policies and Procedures Manual is required.

Recommendation

Adopt Resolution No. 2018-050 approving the Real Property Policies and Procedures Manual, dated April 2018, to replace the current Real Property Policies and Procedures Manual of May 2013, previously adopted by the Board of Directors.

14. Orange County Transportation Authority Fiscal Year 2018-19 Budget Workshop Preview

Victor Velasquez/Andrew Oftelie

Overview

The Orange County Transportation Authority is developing the fiscal year 2018-19 budget, which identifies available revenues and the costs associated with providing transportation services and programs for Orange County. The proposed budget will be reviewed in detail in a two-hour informal workshop following the May 14, 2018, Orange County Transportation Authority Board of Directors' meeting.

Recommendation

Review the fiscal year 2018-19 proposed budget in a workshop setting following the regularly scheduled Orange County Transportation Authority Board of Directors' meeting on May 14, 2018.



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Discussion Items

15. Update: Senior Mobility Program Operated by Korean American Senior Association

Janet Sutter

Staff will provide an update on the status of corrective actions taken by the Korean American Senior Association related to their senior mobility program.

- 16. Chief Executive Officer's Report
- 17. Committee Members' Reports
- 18. Closed Session

There are no Closed Session items scheduled.

19. Adjournment

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, May 23, 2018,** at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.