



# **AGENDA**

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

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### **Committee Members**

Michael Hennessey, Chairman  
Richard Murphy, Vice Chairman  
Andrew Do  
Gene Hernandez  
Steve Jones  
Michelle Steel  
Donald P. Wagner

Orange County Transportation Authority  
Headquarters  
550 South Main Street  
Board Room – Conf. Room 07  
Orange, California

**Wednesday, October 23, 2019 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**

Committee Vice Chairman R. Murphy

### **1. Public Comments**

### **Special Calendar**

There are no Special Calendar matters.



## **Consent Calendar (Items 2 through 11)**

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.

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

Approval of the minutes of the Finance and Administration Committee meeting of September 25, 2019.

### **3. Fiscal Year 2019-20 Internal Audit Plan, First Quarter Update** Janet Sutter

#### **Overview**

The Orange County Transportation Authority Board of Directors adopted the Orange County Transportation Authority Internal Audit Department Fiscal Year 2019-20 Internal Audit Plan on August 12, 2019. This update is for the first quarter of the fiscal year.

#### **Recommendation**

Receive and file the first quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2019-20 Internal Audit Plan as an information item.

### **4. Property Insurance Policy Renewal** Al Gorski/Maggie McJilton

#### **Overview**

The Orange County Transportation Authority holds a property insurance policy with Zurich Insurance Company. This policy is scheduled to expire on December 1, 2019.

#### **Recommendation**

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. A44100, in an amount not to exceed \$550,000, to Marsh Risk and Insurance Services, Inc., to purchase property insurance on behalf of the Orange County Transportation Authority for the policy period of December 1, 2019 to December 1, 2020.



**5. Fiscal Year 2018-19 Fourth Quarter Budget Status Report**

Anthony Baruch/Andrew Oftelie

**Overview**

The Orange County Transportation Authority's staff has implemented the fiscal year 2018-19 budget. This report summarizes the material variances between the budget and actual revenues and expenses through the fourth quarter of fiscal year 2018-19.

**Recommendation**

Receive and file as an information item.

**6. State Transit Assistance Fund and Senate Bill 1 State of Good Repair Claims for Fiscal Year 2019-20**

Sam Kaur/Andrew Oftelie

**Overview**

The Orange County Transit District is eligible to receive funding from the State Transit Assistance Fund for providing public transportation services throughout Orange County. In order to receive these funds, the Orange County Transit District, as the public transit and community transit services operator, must file claims with the Orange County Transportation Authority, the transportation planning agency for Orange County.

The Orange County Transportation Authority is eligible to receive funding from the Senate Bill 1 State of Good Repair Program that is funded by the Transportation Improvement Fee on vehicle registrations. Funding recommendations for fiscal year 2019-20 were presented to the Board of Directors on August 12, 2019. Upon approval of the statewide list of fiscal year 2019-20 projects by the California Department of Transportation, the Orange County Transportation Authority must file claims on a quarterly basis to receive the funding.



**6. (Continued)**

**Recommendations**

- A. Adopt Resolution No. 2019-079 to authorize the filing of State Transit Assistance Fund claims, in the amount of revised estimate of \$38,396,928, or up to the actual allocation published by the State Controller's Office, to support public transportation.
- B. Authorize the filing of Senate Bill 1 State of Good Repair claims, in the amount of the revised estimate of \$5,933,032, or up to the actual allocation published by the State Controller's Office, to help sustain and upgrade the Orange County Transportation Authority's bus system.

**7. 2019 Measure M2 Sales Tax Forecast**

Sam Kaur/Andrew Oftelie

**Overview**

The Orange County Transportation Authority contracts with MuniServices, LLC, and three universities to forecast Measure M2 taxable sales. MuniServices, LLC, and the three universities have provided updated forecasts, and staff has incorporated the new information into the annual update for the long-range forecast of Measure M2 taxable sales.

**Recommendation**

Receive and file as an information item.

**8. Orange County Transportation Authority Investment and Debt Programs Report - September 2019**

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 September 30, 2019. The report has been reviewed and is consistent with the investment practices contained in the Investment Policy.



**8. (Continued)**

**Recommendation**

Receive and file as an information item.

**9. First Quarter Fiscal Year 2019-20 Procurement Status Report**

Virginia Abadessa/Andrew Oftelie

**Overview**

The first 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 July 1 through September 30, 2019, that was approved by the Board of Directors during this period. The first quarter procurement status report also projects future procurement activity for the second quarter as identified in the fiscal year 2019-20 budget.

**Recommendation**

Receive and file as an information item.

**10. New York Meetings Update - September 2019**

Robert Davis/Andrew Oftelie

**Overview**

Since the early 1990s, the Orange County Transportation Authority has maintained an active investor relations program. As part of this program, each year the Orange County Transportation Authority conducts a series of meetings with the rating agencies and financial institutions in New York, New York. This year, the meetings took place on Thursday and Friday, September 19 - 20, 2019.

**Recommendation**

Receive and file as an information item.



**11. Agreement for Budget and Forecasting Software**

Victor Velasquez/Andrew Oftelie

**Overview**

The Orange County Transportation Authority requires a consultant to provide budget and forecasting software. A competitive procurement has been conducted and offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board of Directors' approval is requested to execute an agreement for budget and forecasting software.

**Recommendations**

- A. Approve the selection of Clarity Partners, LLC, as the firm to provide budget and forecasting software.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1083 between the Orange County Transportation Authority and Clarity Partners, LLC, in the amount of \$536,067, for a term of three years with two, two-year option terms to provide budget and forecasting software.

**Regular Calendar**

**12. Contractor Selection for the Back-Office System and Customer Service Center Operations for the 91 Express Lanes in Orange and Riverside Counties**

Kirk Avila/Kenneth Phipps

**Overview**

On April 22, 2019, the Orange County Transportation Authority Board of Directors approved the release of a request for proposals to retain contractor services to provide a back-office system and customer service center operations for the 91 Express Lanes. Board of Directors' approval is requested for the selection of a firm to perform the required work.



**12. (Continued)**

**Recommendations**

- A. Approve the selection of Cofiroute USA, LLC., as the firm to provide the back-office system and customer service center operations services for the 91 Express Lanes in Orange and Riverside counties.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1177 among the Orange County Transportation Authority, Riverside County Transportation Commission, and Cofiroute USA, LLC., in the amount of \$72,982,804, to provide the back-office system and customer service center operations services for the 91 Express Lanes in Orange and Riverside counties, for an initial term of seven years with two three-year option terms. The designated share for the Orange County Transportation Authority will be \$35,420,566.

**Discussion Items**

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

**14. Committee Members' Reports**

**15. Closed Session**

There are no Closed Session items scheduled.

**16. Adjournment**

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, November 13, 2019**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.