



AGENDA

Finance and Administration Committee Meeting

Committee Members

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

Orange County Transportation Authority
Headquarters
Conference Room 07
550 South Main Street
Orange, California
Wednesday, May 27, 2020 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.

Guidance for Public Access to the Board of Directors/Committee Meeting

On March 12, 2020 and March 18, 2020, Governor Gavin Newsom enacted Executive Orders N-25-20 and N-29-20 authorizing a local legislative body to hold public meetings via teleconferencing and make public meetings accessible telephonically or electronically to all members of the public to promote social distancing due to the state and local State of Emergency resulting from the threat of Novel Coronavirus (COVID-19).

In accordance with Executive Order N-29-20, and in order to ensure the safety of the Orange County Transportation Authority (OCTA) Board of Directors (Board) and staff and for the purposes of limiting the risk of COVID-19, in-person public participation at public meetings of the OCTA will not be allowed during the time period covered by the above-referenced Executive Orders.

Instead, members of the public can listen to AUDIO live streaming of the Board and Committee meetings by clicking the below link:

<http://www.octa.net/About-OCTA/Who-We-Are/Board-of-Directors/Live-and-Archived-Audio/>



**Guidance for Public Access to the Board of Directors/Committee Meeting
(Continued)**

Public comments may be submitted for the upcoming Board and Committee meetings by emailing them to boardofdirectors@octa.net.

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.

In order to ensure that staff has the ability to provide comments to the Board Members in a timely manner, please submit your public comments **30 minutes prior to the start time of the Board and Committee meeting date.**



Call to Order

Roll Call

Pledge of Allegiance

Director Hernandez

1. Public Comments

Special Calendar

2. Taxable Sales Forecast - MuniServices

Sam Kaur/Andrew Oftelie

Orange County Transportation Authority contracts with several economic specialists to provide an annual 30-year taxable sales forecast for Measure M2. The latest forecasts were received in Spring 2020. Fran Mancia, Vice President of Government Relations and Tom Adams, Client Success Manager, from MuniServices, will provide an update on the annual forecast and economic outlook for Orange County to the Finance and Administration Committee.

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

Approval of the minutes of the Finance and Administration Committee meeting of May 13, 2020.



4. Medical Exams, Internal Audit Report No. 20-508
Janet Sutter/Serena Ng

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of controls in place related to the Federal Motor Carrier Safety Administration regulations, California Department of Motor Vehicle requirements, and policies and procedures for employees required to hold a commercial driver license and a current medical certificate. Based on the audit, controls are adequate to ensure employees obtain required medical exams and certificates, and procedures to ensure compliance with requirements to reimburse costs and time to employees that obtain medical recertification are adequate. Finally, invoice review controls for the contract with the provider, ProCare, are generally adequate.

Recommendation

Receive and file Medical Exams, Internal Audit Report No. 20-508, as an information item.

5. Orange County Transportation Authority Investment and Debt Programs Report - April 2020
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 April 30, 2020. 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.



6. Environmental Mitigation Program Endowment Fund Investment Report for March 31, 2020

Robert Davis/Andrew Oftelie

Overview

The Orange County Transportation Authority has developed a Natural Community Conservation Plan/Habitat Conservation Plan, acquired conservation properties, and funded habitat restoration projects to mitigate the impacts of Measure M2 freeway programs. The California Community Foundation manages the non-wasting endowment required to fund the long-term management of the conservation properties. Each quarter, the California Community Foundation publishes a comprehensive report detailing the composition of the pool and its performance.

Recommendation

Receive and file as information item

7. Amendment to Cooperative Agreement with the Anaheim Transportation Network for Public Transit Services

Sam Kaur/Andrew Oftelie

Overview

On August 28, 2017, the Orange County Transportation Authority Board of Directors approved a cooperative agreement with the Anaheim Transportation Network for the continued operation of public transit services. Board of Directors' approval is requested to amend the cooperative agreement to provide the Anaheim Transportation Network with additional funds from the Coronavirus Aid, Relief, and Economic Security Act.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Cooperative Agreement No. C-7-1760 between the Orange County Transportation Authority and the Anaheim Transportation Network, in the amount of \$2,119,322, for the pass through of Coronavirus Aid, Relief, and Economic Security Act funding. This will increase the maximum obligation of the cooperative agreement to a total contract value of \$6,324,382.



8. **Resolution to Establish the Orange County Transportation Authority General Fund Appropriations Limitation for Fiscal Year 2020-21**
Sam Kaur/Andrew Oftelie

Overview

The State Constitution requires that each year the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following year pursuant to Article XIII B.

Recommendation

Adopt Orange County Transportation Authority Resolution No. 2020-023 to establish the Orange County Transportation Authority General Fund appropriations limit at \$12,508,480, for fiscal year 2020-21.

9. **Resolution to Establish the Orange County Local Transportation Authority/Measure M2 Appropriations Limitation for Fiscal Year 2020-21**
Sam Kaur/Andrew Oftelie

Overview

The State Constitution requires that each year the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following year pursuant to Article XIII B.

Recommendation

Adopt Orange County Local Transportation Authority/Measure M2 Resolution No. 2020-022 to establish the Orange County Local Transportation Authority/Measure M2 appropriations limit at \$1,890,379,261, for fiscal year 2020-21.



10. Agreement for Deferred Compensation Services

Bea Maselli/Maggie McJilton

Overview

The Orange County Transportation Authority provides all employees the opportunity to participate in a defined contribution program through a third-party deferred compensation service provider. Voluntary employee contributions are allocated to the 457(b) Deferred Compensation Plan. Additionally, employer contributions are allocated to the 401(a) Plan as employees become eligible. A 3121 Plan is also available for the Board of Directors, extra help employees, coach operator trainees, and interns who are not eligible to participate in the Orange County Employees Retirement System through the Orange County Transportation Authority. The 3121 Plan is also available to newly-hired employees over the age of 60 that waive membership into the Orange County Employees Retirement System. Approval is needed to execute a new agreement for these services.

Recommendations

- A. Approve the selection of Nationwide Retirement Solutions as the firm to provide deferred compensation services.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-0-2014 between the Orange County Transportation Authority and Nationwide Retirement Solutions, to perform a broad range of defined contribution services related to the administration of the 457(b), 401(a), and 3121 plans, for an initial term of five years with two, five-year option terms.

11. Agreement for Occurrence Tracking System Replacement

Lloyd Sullivan/Andrew Oftelie

Overview

The Orange County Transportation Authority utilizes an in-house, custom developed browser-based software application for the Operations, Safety and Environmental Compliance, and Risk Management departments to gather and analyze information about any activities which may be related to litigation used by claims management and safety. The current Occurrence Tracking System used by the Orange County Transportation Authority was developed over 25 years ago and a replacement is now needed. Board of Directors' approval is requested to execute an agreement for a replacement system.



11. (Continued)

Recommendations

- A. Approve the selection of Origami Risk LLC, as the firm to provide cloud-based claims management software as a service in support of the Orange County Transportation Authority's Occurrence Tracking System for Risk Management and Safety departments.

- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-0-2023 between the Orange County Transportation Authority and Origami Risk LLC, in the amount of \$495,170, to provide cloud-based claims management software as a service to replace Orange County Transportation Authority's Occurrence Tracking System for a three-year term.

12. 91 Express Lanes Update for the Period Ending - March 31, 2020

Kirk Avila/Darrell E. Johnson

Overview

On a quarterly basis, a 91 Express Lanes informational report is provided to the Orange County Transportation Authority Board of Directors. The report focuses on traffic and revenue performance, toll adjustments, account and transponder changes, outstanding debt, and recent events. This report provides a summary for the operational and financial activities for the period ending March 31, 2020, and includes the initial impacts of the novel coronavirus pandemic.

Recommendation

Receive and file as an information item.



Regular Calendar

13. Preview to the Public Hearing on Orange County Transportation Authority's Fiscal Year 2020-21 Budget and Personnel and Salary Resolution

Victor Velasquez/Andrew Oftelie

Overview

The Orange County Transportation Authority Fiscal Year 2020-21 Budget presents a balanced plan of sources and uses of funds while providing for the current and future transportation needs of Orange County. The Board of Directors may approve the fiscal year 2020-21 budget following the public hearing to be held at the Board of Directors' meeting on June 8, 2020, at the following Board of Directors' meeting on June 22, 2020, or in a special meeting convened at their discretion, on or before June 30, 2020. The Board of Directors are also asked to approve changes to the Personnel and Salary Resolution as part of the budget approval process.

Recommendations

- A. Approve by Resolution the Orange County Transportation Authority's Fiscal Year 2020-21 Budget.
- B. Approve the Personnel and Salary Resolution for Fiscal Year 2020-21.
- C. Authorize the Chief Executive Officer to negotiate and execute the software and hardware licensing, maintenance, and emergency support purchase orders and/or agreements.
- D. Approval of fiscal year 2020-21 Orange County Transportation Authority member agency contribution to the Southern California Regional Rail Authority, first quarter operating subsidy, in an amount up to \$7,274,000.

Discussion Items

14. Chief Executive Officer's Report

15. Committee Members' Reports

16. Closed Session

There are no Closed Session items scheduled.



17. Adjournment

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