



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, November 11, 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 Do

1. Public Comments

Special Calendar

There are no Special Calendar matters.

Consent Calendar (Items 2 through 8)

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 October 28, 2020.

3. Audit of Banking Services and Agreement with Bank of the West, Internal Audit Report No. 20-507

Ricco Bonelli/Janet Sutter

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of banking services and Agreement No. C-7-2159, with Bank of the West. Based on the audit, controls, policies, and procedures over banking activities are generally adequate and operating, and Bank of the West is in compliance with the agreement. The Internal Audit Department offered two recommendations to further enhance controls related to bank-authorized signers and bank statement analyses.

Recommendation

Direct staff to implement two recommendations provided in the Audit of Banking Services and Agreement with Bank of the West, Internal Audit Report No. 20-507.



4. 91 Express Lanes Update for the Period Ending - September 30, 2020
Kirk Avila

Overview

The Orange County Transportation Authority has owned and managed the operations of the 91 Express Lanes since January 2003. Since that time, traffic volumes and toll revenues have fluctuated with the changes in the economy, additional capacity added to the State Route 91 corridor, and the recent coronavirus pandemic. Over the last quarter, there were approximately 3.4 million trips taken on the 91 Express Lanes in Orange County. This report focuses on the operational and financial activities for the period ending September 30, 2020.

Recommendation

Receive and file as an information item.

5. Fiscal Year 2019-20 Fourth Quarter Budget Status Report
Anthony Baruch/Andrew Oftelie

Overview

Orange County Transportation Authority staff has implemented the fiscal year 2019-20 budget. This report summarizes the material variances between the budget and actual revenues and expenses through the fourth quarter of fiscal year 2019-20.

Recommendation

Receive and file as an information item.

6. Orange County Employees Retirement System Early Payment for Fiscal Year 2021-22
Robert Davis/Andrew Oftelie

Overview

The Orange County Employees Retirement System has offered an early payment discount to member agencies of 5.8 percent if they elect to prepay their contributions for fiscal year 2021-22. Advance payments must be received before January 15, 2021. The estimated savings for the Orange County Transportation Authority over the next year and a half under this payment option will total approximately \$1.3 million. Board of Directors' authorization is requested for the early payment option.



6. (Continued)

Recommendation

Authorize the early payment of approximately \$30.2 million by January 15, 2021, to the Orange County Employees Retirement System, for member contributions for fiscal year 2021-22.

7. Fiscal Year 2020-21 First Quarter Grant Reimbursement Status Report
Sam Kaur/Andrew Oftelie

Overview

The Quarterly Grant Reimbursement Status Report summarizes grant activities for the Orange County Transportation Authority Board of Directors. This report focuses on activity for the first quarter of fiscal year 2020-21, covering July through September 2020.

Recommendation

Receive and file as an information item.

8. 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, 2020, and a renewal is necessary to maintain coverage.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. A46200 in the amount of \$629,269, to Marsh Risk and Insurance Services, Inc., to purchase property insurance on behalf of the Orange County Transportation Authority with Zurich Insurance Company for the policy period of December 1, 2020 to December 1, 2021.



Regular Calendar

- 9. Excess Liability Insurance Renewal**
Al Gorski/Maggie McJilton

Overview

The Orange County Transportation Authority currently has excess liability insurance policies with Gemini Insurance Company and Princeton Excess and Surplus Lines Insurance Company. These policies will expire on December 1, 2020.

Recommendation

Authorize the Chief Executive Officer to fully self-insure for liability claims by allowing the excess liability insurance policies with Gemini Insurance Company and Princeton Excess and Surplus Lines Insurance Company to expire until such time the insurance market pricing is more favorable.

Discussion Items

- 10. Chief Executive Officer's Report**
- 11. Committee Members' Reports**
- 12. Closed Session**

There are no Closed Session items scheduled.

- 13. Adjournment**

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, December 9, 2020**, at the Orange County Transportation Authority Headquarters, Conference Room 07, 550 South Main Street, Orange, California.