



AGENDA

Finance and Administration Committee Meeting

Committee Members

Michael Hennessey, Chairman
Steve Jones, Vice Chairman
Brian Goodell
Patrick Harper
Gene Hernandez
Joseph Muller

Orange County Transportation Authority
Headquarters
Conference Room 07
550 South Main Street
Orange, California

Wednesday, March 24, 2021 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 Orange County Transportation Authority (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 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 ClerkOffice@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 Muller

1. Public Comments

Special Calendar

There are no Special Calendar matters.

Consent Calendar (Items 2 through 7)

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 March 10, 2021.



3. Orange County Local Transportation Authority Measure M2 Maintenance of Effort, Agreed-Upon Procedures Report, City of Santa Ana, Year Ended June 30, 2020

Janet Sutter

Overview

Eide Bailly LLP, an independent accounting firm, has applied agreed-upon procedures related to Measure M2 maintenance of effort expenditures by the City of Santa Ana, for the fiscal year ended June 30, 2020.

Recommendation

Direct staff to monitor implementation of corrective action by the City of Santa Ana.

4. Orange County Local Transportation Authority Measure M2 Agreed-Upon Procedures Reports, Year Ended June 30, 2020

Janet Sutter

Overview

Crowe LLP, an independent accounting firm, has applied agreed-upon procedures related to Measure M2 Local Fair Share funds provided to seven cities, Senior Mobility Program funds provided to six cities, and Senior Non-Emergency Medical Transportation funds provided to the County of Orange for the fiscal year ended June 30, 2020. Local Fair Share program reports include observations of ineligible maintenance of effort expenditures, misreporting of direct or indirect costs, misreporting of expenditures, and a funded project not reflected in the city's Seven-Year Capital Improvement Program plan. Senior Mobility Program reports include observations relating to late submission of a monthly report, third-party contracting, misreporting of expenditures, failure to allocate interest, and overcharge of administrative costs.

Recommendation

Direct staff to monitor implementation of corrective actions proposed by the cities.



5. Amendment to Agreement for Financial Advisory Services
Robert Davis/Andrew Oftelie

Overview

On April 23, 2018, the Orange County Transportation Authority Board of Directors approved an agreement with Sperry Capital, Inc., to provide financial advisory services for a three-year initial term and one, two-year option term. Board of Directors' approval is requested to exercise the option term effective May 1, 2021 through April 30, 2023.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-7-2137 between the Orange County Transportation Authority and Sperry Capital, Inc., to exercise the option term of the agreement, to extend the term through April 30, 2023 and increase the amount by \$400,000, for a total contract value of \$1,065,000, to provide continued financial advisory services.

6. Orange County Transportation Authority Investment and Debt Programs Report - February 2021
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 February 28, 2021. 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 to Sell Surplus Land**

Joe Gallardo/James G. Beil

Overview

As part of the Measure M2 Freeway Environmental Mitigation Program, the Orange County Transportation Authority acquired the Trabuco Rose Preserve, formerly Ferber Ranch, to be maintained in perpetuity as a conservation property. A small portion of the Trabuco Rose Preserve, determined to have no biological value, is recommended to be sold as surplus land to an adjacent property by the Orange County Transportation Authority; therefore, staff is seeking approval to sell a portion of the Trabuco Rose Preserve as surplus land under the Surplus Land Act (Government Code Section 54220 et seq.).

Recommendations

- A. Declare the 0.36-acre parcel located within the Trabuco Rose Preserve as surplus land, pursuant to Government Code Section 54221(b), that is no longer necessary for the Orange County Transportation Authority's use.
- B. Direct staff to sell the surplus land parcel located within the Trabuco Rose Preserve.
- C. Authorize the Chief Executive Officer to execute the necessary documents to complete the sale of the surplus land for the offer price of \$13,400.

Regular Calendar

8. **Annual Insurance Program Review**

Al Gorski/Maggie McJilton

Overview

The Orange County Transportation Authority purchases various insurance coverage protection including workers' compensation, liability, property, business interruption, and cyber losses. The Orange County Transportation Authority contracts with insurance brokers for the marketing and placement of these coverages. This staff report provides an annual review of all major Orange County Transportation Authority insurance policies, including coverage and marketing strategies used to protect its assets.



8. (Continued)

Recommendation

Receive and file as an information item.

Discussion Items

9. Fiscal Year 2021-22 Budget Assumptions

Victor Velasquez/Andrew Oftelie

Staff is in the process of developing the fiscal year 2021-22 annual budget. Staff will be presenting revenue and expenditure assumptions for the committee's consideration.

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, April 14, 2021**, at the Orange County Transportation Authority Headquarters, Conference Room 07, 550 South Main Street, Orange, California.