



AGENDA

Finance and Administration Committee Meeting

Committee Members

Michael Hennessey, Chairman
Steve Jones, Vice Chairman
Katrina Foley
Brian Goodell
Patrick Harper
Gene Hernandez
Joe Muller

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

Wednesday, May 12, 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 **90 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 2021. 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 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.

3. Approval of Minutes

Approval of the minutes of the Finance and Administration Committee meeting of April 28, 2021.

4. Review of Oversight Controls and Contract Compliance Related to the Bridgestone/Firestone Tire Lease and Services Agreement No. C-9-1354, Internal Audit Report No. 21-506

Gabriel Tang/Janet Sutter

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed a review of oversight controls and contract compliance related to the Bridgestone American Tire Operations, LLC, tire lease and services agreement. Based on the review, the procurement of tire lease and services was handled in accordance with Orange County Transportation Authority procurement policies and procedures, and payments are properly reviewed and authorized by Orange County Transportation Authority staff. However, Bridgestone American Tire Operations, LLC, has not provided minimum staffing levels required by the contract, did not provide documents required to be submitted upon contract award, and was unable to provide certain required documents upon request. Additionally, contract requirements for torque re-check of new tires installed on ACCESS buses has not been implemented. Orange County Transportation Authority management has also not implemented monitoring controls to ensure contract compliance.

Recommendation

Direct staff to implement four recommendations provided in the Review of Oversight Controls and Contract Compliance Related to the Bridgestone/Firestone Tire Lease and Services Agreement No. C-9-1354, Internal Audit Report No. 21-506.



5. **Investments: Compliance, Controls, and Reporting, July 1 through December 31, 2020, Internal Audit Report No. 21-509**
Gabriel Tang/Janet Sutter

Overview

The Internal Audit Department has completed an audit of investments for the period July 1 through December 31, 2020. Based on the audit, the Orange County Transportation Authority complied with its debt, investment, and reporting policies and procedures; however, the Internal Audit Department is recommending management consider incorporating assertions previously provided in quarterly reports to the Board of Directors that were eliminated in favor of providing monthly reports to the Board of Directors.

Recommendation

Direct staff to implement a recommendation provided in Investments: Compliance, Controls, and Reporting, July 1 through December 31, 2020, Internal Audit Report No. 21-509.

6. **Fiscal Year 2020-21 Third 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 third quarter of fiscal year 2020-21, covering January through March 2021.

Recommendation

Receive and file as an information item.



7. Environmental Mitigation Program Endowment Fund Investment Report for March 31, 2021

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 an information item.

Regular Calendar

8. 91 Express Lanes Update for the Period Ending - March 31, 2021

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, added capacity to the State Route 91 corridor, and the recent coronavirus pandemic. Over the last quarter, there were approximately 3.6 million trips taken on the 91 Express Lanes in Orange County. This report focuses on the operational and financial activities for the period ending March 31, 2021.

Recommendation

Receive and file as an information item.



Discussion Items

9. Fiscal Year 2021-22 Budget Workshop Follow-up

Victor Velasquez/Andrew Oftelie

Budget staff is available for follow-up questions, issues, or concerns that may have arisen at and/or since the budget workshop conducted with the Board of Directors on May 10, 2021.

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, June 9, 2021**, at the Orange County Transportation Authority Headquarters, Conference Room 07, 550 South Main Street, Orange, California.