



Committee Members Present

Andrew Do, Chairman
Richard Murphy, Vice Chairman
Michael Hennessey
Steve Jones
Michelle Steel

Staff Present

Darrell E. Johnson, Chief Executive Officer
Ken Phipps, Deputy Chief Executive Officer
Laurena Weinert, Clerk of the Board
Gina Ramirez, Deputy Clerk of the Board
James Donich, General Counsel
OCTA Staff and Members of the General Public

Committee Members Absent

Lori Donchak
Todd Spitzer

Call to Order

The February 28, 2018 regular meeting of the Finance and Administration Committee was called to order by Committee Chairman Do at 10:33 a.m.

Pledge of Allegiance

Director Jones led in the Pledge of Allegiance.

1. Public Comments

No public comments were received.

Special Calendar

2. Investment Management Presentation

Andrew Oftelie, Executive Director of Finance and Administration, provided opening comments and introduced:

- James P. Sarni, Managing Principal of Payden & Rygel
- William E. Davis, III, Vice President of Payden & Rygel

Mr. Sarni presented a PowerPoint on the following:

- Orange County Transportation Authority (OCTA) Executive Summary-As of January 31, 2018, and
- OCTA Portfolio Summary.



2. (Continued)

Mr. Davis presented a PowerPoint on the following:

- Payden & Rygel Key Market & Economic Views for 2018,
- Short-Term Interest Rates, and
- Global Investment Demand/Supply Relationship Is Supportive of Corporate Bond Prices.

Consent Calendar (Items 3 through 9)

3. Approval of Minutes

A motion was made by Director Steel, seconded by Director Jones, and declared passed by those present, to approve the minutes of the Finance and Administration Committee of February 14, 2018.

4. Agreements for On-Call Consulting Services for 91 Express Lanes

A motion was made by Director Steel, seconded by Director Jones, and declared passed by those present, to:

- A. Approve the selections of HNTB Corporation; Parsons Transportation Group, Inc.; Silicon Transportation Consultants LLC; Traffic Technologies, Inc.; and WSP USA, Inc., as the firms to provide on-call consulting services for the 91 Express Lanes, in an aggregate amount of \$600,000.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-2050 between the Orange County Transportation Authority and HNTB Corporation to provide on-call consulting services for the 91 Express Lanes for a five-year initial term effective through March 31, 2023, with one, two-year option term.
- C. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-1462 between the Orange County Transportation Authority and Parsons Transportation Group, Inc., to provide on-call consulting services for the 91 Express Lanes for a five-year initial term effective through March 31, 2023, with one, two-year option term.
- D. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-1463 between the Orange County Transportation Authority and Silicon Transportation Consultants LLC, to provide on-call consulting services for the 91 Express Lanes for a five-year initial term effective through March 31, 2023, with one, two-year option term.

4. (Continued)

- E. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-1464 between the Orange County Transportation Authority and Traffic Technologies, Inc., to provide on-call consulting services for the 91 Express Lanes for a five-year initial term effective through March 31, 2023, with one, two-year option term.
- F. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-1465 between the Orange County Transportation Authority and WSP USA, Inc., to provide on-call consulting services for the 91 Express Lanes for a five-year initial term effective through March 31, 2023, with one, two-year option term.

5. Local Agency Investment Fund - January 2018

A motion was made by Director Steel, seconded by Director Jones, and declared passed by those present, to receive and file as an information item.

6. Orange County Treasurer's Management Report - January 2018

A motion was made by Director Steel, seconded by Director Jones, and declared passed by those present, to receive and file as an information item.

7. Orange County Transportation Authority Investment and Debt Programs Report - January 2018

A motion was made by Director Steel, seconded by Director Jones, and declared passed by those present, to receive and file as an information item.

8. Local Transportation Fund Claims for Fiscal Year 2018-19

Committee Vice Chairman R. Murphy pulled this item to inquire on who is responsible to ensure OCTA is receiving all federal and state funds available.

Darrell E. Johnson, Chief Executive Officer (CEO), explained the difference between formula and discretionary funds, and highlighted the responsibilities for the Planning division, which handles long-term forecasts and matching of specific grant sources for projects. Mr. Johnson also stated that the discretionary funds are handled by the Government Affairs department, and they are also responsible to submit the grant applications.



8. (Continued)

A motion was made by Committee Vice Chairman R. Murphy, seconded by Director Hennessey, and declared passed by those present, to adopt Orange County Transit District Resolution No. 2018-023 authorizing the filing of Local Transportation Fund claims, in the amounts of \$154,145,736, to support public transportation, and \$8,173,080 for community transit services.

9. Revised State Transit Assistance Fund Claims for Fiscal Year 2017-18

A motion was made by Director Steel, seconded by Director Jones, and declared passed by those present, to authorize staff to file State Transit Assistance Fund claims, for a revised amount of \$25,331,435 to support public transportation.

Regular Calendar

There were no Regular Calendar items scheduled.

Discussion Items

10. Fiscal Year 2018-19 Budget Assumptions

Andrew Oftelie, Executive Director of Finance and Administration, provided opening comments and introduced Victor Velasquez, Manager of Financial Planning & Analysis, who provided a PowerPoint on the following:

- Measure M2 Program Assumptions,
- Rail Program Assumptions,
- 91 Express Lanes Program Assumptions,
- Motorist Services Program Assumptions,
- Bus Program Assumptions,
- Bus Program Revenue Assumptions,
- Bus Operations Service Assumptions, and
- Next Steps.

A lengthy discussion ensued regarding past years sales tax forecasts, Metrolink station in Placentia and funding, Senate Bill 1 repeal activity, increasing ridership concerns, fixed-route service cost increase, Measure M2 funds cannot be used to operate the bus service, and growth in revenues.



11. Chief Executive Officer's Report

Mr. Johnson, CEO, reported on the following:

- The daytime lane closures for the Interstate 5 South County Improvements are in effect February 28th and February 29th from 9:00 a.m. to 3:00 p.m., weather permitting. These closures allow crews to do the paving and striping that is normally done at night but recent overnight low temperatures have necessitated the daytime closures.
- The State Route 91 Improvement Project, from the State Route 57 to the State Route 55, is in the environmental phase. OCTA is hosting an open house for the public to learn more about the project and the environmental study process. The open house will be on March 14th from 5:00 p.m. to 8:00 p.m. at Rio Vista Elementary School in Anaheim. The Public Hearing and draft environmental document circulation are anticipated for late 2018.
- Staff is pleased to report that OCTA was presented with the American Public Transportation Association's first place AdWheel Award in the Comprehensive Campaign category for "Best Marketing and Communications to Increase Ridership or Sales." Thank you to all of the staff that worked on these marketing efforts.

12. Committee Members' Reports

Committee Chairman Do thanked staff for inviting Payden & Rygel to present the Investment Management under Item 2.

13. Closed Session

There were no Closed Session items scheduled.



14. Adjournment

The meeting was adjourned at 11:32 a.m.

The next regularly scheduled meeting of this Committee will be held at **10:30 a.m. on Wednesday, March 14, 2018**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.

ATTEST

Gina Ramirez
Deputy Clerk of the Board

Andrew Do
Committee Chairman