



MINUTES

Finance and Administration Committee Meeting

Committee Members Present

Via Teleconference:

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

Committee Members Absent

None

Staff Present

Jennifer L. Bergener, Deputy Chief Executive Officer
Allison Cheshire, Interim Deputy Clerk of the Board
Gina Ramirez, Deputy Clerk of the Board

Via Teleconference:

Darrell E. Johnson, Chief Executive Officer
Andrew Oftelie, Chief Financial Officer
James Donich, General Counsel
OCTA Staff Members

Call to Order

The May 12, 2021, regular meeting of the Finance and Administration (F&A) Committee was called to order by Committee Chairman Hennessey at 10:34 a.m.

Roll Call

The Deputy Clerk of the Board conducted an attendance roll call and announced a quorum of the F&A Committee.

Pledge of Allegiance

Director Hernandez led in the Pledge of Allegiance.

1. Public Comments

There were no Public Comments.

Special Calendar

2. Taxable Sales Forecast - MuniServices

Andrew Oftelie, Chief Financial Officer, provided opening comments and introduced Fran Mancia, Vice President of Government Relations, and Tom Adams, Client Success Manager, from MuniServices.

Mr. Mancia and Mr. Adams presented a PowerPoint presentation on the update to the annual forecast and economic outlook for Orange County to the Finance and Administration Committee.

2. (Continued)

A discussion ensued among the Committee Members and staff regarding the following:

- Effects of inflation;
- Work from home creating structural changes to the workplace;
- State restrictions due to the coronavirus would be eliminated by the end of 2021;
- Fiscal 2021-22 actuals may primarily be affected by actuals collected in 2021;
- Draft budget presented to the Board of Directors is based on more conservative sales tax projections; and
- People are leaving California, but housing prices are increasing.

Following the discussion, no action was taken on this information item.

Consent Calendar (Items 3 through 7)

3. Approval of Minutes

A motion was made by Director Muller, seconded by Director Hernandez, and following a roll call vote, declared passed 6-0, to approve the minutes of the Finance and Administration Committee meeting of April 28, 2021.

Director Foley was not present to vote on this item.

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

Director Harper pulled this item to gain additional information.

Janet Sutter, Executive Director, Internal Audit, reported that staff reviewed the agreement with Bridgestone/Firestone for tire lease and services from May 2020. The audit was a review of OCTA oversight controls and testing of contract compliance. Since the contract's inception in October 2020, the vendor has not provided agreed-upon staffing levels or reports.

Ms. Sutter discussed the torque requirements on the ACCESS vehicles' not being met. Management took immediate steps to address the findings. The Maintenance Department committed to implementing the changes. She also stated that the last audit performed did not find these issues, and the current results are based on staffing issues.



4. (Continued)

A motion was made by Director Harper, seconded by Director Goodell and following a roll call vote, declared passed 6-0, to 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.

Director Foley was not present to vote on this item.

5. Investments: Compliance, Controls, and Reporting, July 1 through December 31, 2020, Internal Audit Report No. 21-509

A motion was made by Director Muller, seconded by Director Hernandez and following a roll call vote, declared passed 6-0, 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.

Director Foley was not present to vote on this item.

6. Fiscal Year 2020-21 Third Quarter Grant Reimbursement Status Report

A motion was made by Director Muller, seconded by Director Hernandez, and following a roll call vote, declared passed 6-0, to receive and file as an information item.

Director Foley was not present to vote on this item.

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

A motion was made by Director Muller, seconded by Director Hernandez, and following a roll call vote, declared passed 6-0, to receive and file as an information item.

Director Foley was not present to vote on this item.

Regular Calendar

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

Due to time constraints, this item was deferred to a future Finance and Administration Committee meeting.

Discussion Items

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

Anthony Baruch, Section Manager III, Financial Planning & Analysis, provided a verbal report on the follow-up questions, issues, or concerns that may have arisen from the budget workshop conducted with the Board of Directors on May 10, 2021.

10. Chief Executive Officer's Report

Darrell E. Johnson, Chief Executive Officer (CEO), provided an update on the following:

WTS Webinar

- On May 19, Mr. Johnson and Jennifer L. Bergener, Deputy CEO, will present an update on OCTA activities and programs during a lunch webinar for Women's Transportation Seminar (WTS), Orange County. The focus is on the updated Measure M Next 10 plan recently approved by the Board of Directors (Board) and the draft budget presented to the Board at the budget workshop on Monday, May 10th.
- Mr. Johnson, CEO, noted that if any Committee members would like any information on this or want to attend, please let staff know.

Bike Month

- May is Bike Month, and the staff has several efforts underway to promote and highlight this. Through the Bike Everywhere campaign, OCTA staff ask people to pledge to ride their bikes, whether around the neighborhood, to the store, or to work. To date, OCTA has almost 500 pledges, and the goal is 700. Those who pledge will be entered to win prizes. Mr. Johnson stated that OCTA encourages people to check out octa.net/bikeeverywheremonth to find more information, safety tips, and resources for employers.

11. Committee Members' Reports

There were no Committee Members' Reports.

12. Closed Session

There were no Closed Session items scheduled.



13. Adjournment

The meeting was adjourned at 11:45 a.m.

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.

ATTEST

Michael Hennessey
Committee Chairman

Allison Cheshire
Interim Deputy Clerk of the Board