



**Committee Members Present**

Michael Hennessey, Chair  
Jamey M. Federico  
William Go  
Carlos A. Leon  
Mark Tettemer

**Staff Present**

Darrell E. Johnson, Chief Executive Officer  
Jennifer L. Bergener, Deputy Chief Executive Officer  
Gina Ramirez, Assistant Clerk of the Board  
Elia Verduzco, Employee Rotation Program  
Sahara Meisenheimer, Clerk of the Board Specialist, Senior  
James Donich, General Counsel  
OCTA Staff

**Committee Members Absent**

Patrick Harper, Vice Chair  
Vicente Sarmiento

**Call to Order**

The May 21, 2026, regular meeting of the Finance and Administration Committee was called to order by Committee Chair Hennessey at 10:30 a.m.

**Consent Calendar (Items 1 through 12)**

A motion was made by Director Tettemer, seconded by Director Federico, and declared passed by those present, to approve the Consent Calendar (Items 1 through 12). Director Leon was not present to vote on these items.

**1. Approval of Minutes**

Approve the minutes of the April 16, 2026 Finance and Administration Committee meeting.

**2. Investments: Monthly Reporting July 1 through December 31, 2025, Internal Audit Report No. 26-510**

Direct staff to implement two recommendations provided in Investments: Monthly Reporting, July 1 through December 31, 2025, Internal Audit Report No. 26-510.

**3. Independent Accountants' Report on Applying Agreed-Upon Procedures, City of Buena Park**

Receive and file as an information item.

**4. Independent Accountants' Report on Applying Agreed-Upon Procedures, City of Huntington Beach**

Direct staff to monitor to ensure submission of an updated Fiscal Year 2024-25 Expenditure Report from the City of Huntington Beach.



**5. Orange County Local Transportation Authority Measure M2 Agreed-Upon Procedures Reports, Year Ended June 30, 2025**

Direct staff to monitor implementation of corrective actions by cities, as applicable.

**6. Orange County Local Transportation Authority Report on Compliance with the Measure M2 Ordinance, Year Ended June 30, 2025**

Receive and file as an information item.

**7. Audit of Toll Lanes Integrator System**

Direct staff to implement four recommendations provided in the Audit of Toll Lanes Integrator System, Internal Audit Report No. 26-501.

**8. Annual Insurance Program Renewal**

- A. Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C255099, in an amount not-to-exceed \$746,148, to Marsh Risk and Insurance Services, Inc., to purchase excess workers' compensation insurance on behalf of the Orange County Transportation Authority for the policy period of July 1, 2026, to June 30, 2027.
- B. Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C255098, in an amount not-to-exceed \$1,300,000, to Marsh Risk and Insurance Services, Inc., to purchase property insurance on behalf of the Orange County Transportation Authority for the policy period of July 1, 2026, to June 30, 2027.
- C. Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C255100, in an amount not-to-exceed \$600,000, to Marsh Risk and Insurance Services, Inc., to purchase the 91 and 405 Express Lanes' property and flood insurance on behalf of the Orange County Transportation Authority for the policy period of July 1, 2026, to June 30, 2027.
- D. Authorize the Chief Executive Officer to remain fully self-insured for general liability exposures and maintain a minimum liability reserve of \$31.6 million as directed by the Board in June 2025, for the policy period of July 1, 2026, to June 30, 2027.



**9. Resolution to Establish the Orange County Transportation Authority General Fund Appropriations Limit for Fiscal Year 2026-27**

Adopt Orange County Transportation Authority Resolution No. 2026-019 to establish the Orange County Transportation Authority General Fund appropriations limit at \$16,950,578 for fiscal year 2026-27.

**10. Resolution to Establish the Orange County Local Transportation Authority/Measure M2 Appropriations Limit for Fiscal Year 2026-27**

Adopt Orange County Local Transportation Authority/Measure M2 Resolution No. 2026-020 to establish the Orange County Local Transportation Authority/Measure M2 appropriations limit at \$2,561,703,810, for fiscal year 2026-27.

**11. Orange County Transportation Authority Investment and Debt Programs Report - March 2026**

Receive and file as an information item.

**12. Annual Update to Investment Policy**

An error was found in the attachments and staff requested that this item be continued at the next Finance and Administration Committee meeting.

**Regular Calendar**

**13. 91 Express Lanes Back-Office System and Customer Service Center Consolidation with the 15 Express Lanes**

Kirk Avila, General Manager of Express Lanes, and Anthony Rodriguez, Project Manager of 405 Express Lanes, provided a PowerPoint presentation.

A motion was made by Director Federico, seconded by Director Hennessey, and declared passed by those present, to:

- A. Authorize the consolidation of the 15 and 91 Express Lanes back-office system and customer service center operations with Kapsch TrafficCom USA, Inc., the vendor currently providing back-office system and customer service center operations for the Riverside County Transportation Commission.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C255087 with the Riverside County Transportation Commission and Kapsch TrafficCom USA, Inc., a three-party agreement, in a not-to-exceed amount of \$126,372,484, to provide back-office system and customer service center operations for the 15 and 91 Express Lanes.



- C. Authorize the Chief Executive Officer to negotiate and execute the Amended and Restated Cooperative Agreement No. C-1-3190 for express lanes between the Riverside County Transportation Commission and the Orange County Transportation Authority.

**14. Preview to the Public Hearing on Orange County Transportation Authority's Fiscal Year 2026-27 Budget and Personnel and Salary Resolution**

Victor Velasquez, Department Manager of Financial Planning and Analysis, provided a PowerPoint presentation.

A motion was made by Director Tetteimer, seconded by Director Go, and declared passed by those present, to:

- A. Approve by Resolution the Orange County Transportation Authority Fiscal Year 2026-27 Budget.
- B. Approve the Personnel and Salary Resolution for fiscal year 2026-27.
- C. Approve the update to the Policy for Compensation, Benefits, Reimbursement of Expenses and Mandatory Training for Members of the Board of Directors.
- D. Authorize the Chief Executive Officer, or his designee, to negotiate and execute the software and hardware licensing, maintenance, and emergency support purchase orders, and/or agreements.
- E. Approve up to \$14.5 million for the fiscal year 2026-27 Orange County Transportation Authority contribution to the Southern California Regional Rail Authority operating subsidy to support Metrolink service through the first quarter of the fiscal year. Funding for operations, as well as capital and rehabilitation expenditures for the remainder of the fiscal year, is contingent upon a formal budget request from Metrolink and approval by the Orange County Transportation Authority Board of Directors, and concurrence from all member agencies.

Director Leon requested to have an in-depth conversation with Darrell E. Johnson, Chief Executive Officer (CEO), to gather more background information.

Director Leon abstained from voting on this item.

**Discussion Items**

**15. Public Comments**

There were no public comments.



**16. Chief Executive Officer's Report**

Darrell E. Johnson, CEO, reported on the Washington, D.C. Advocacy trip and Coach Operator Darvy Traylor's performance at the American Public Transportation Association's 2026 International Bus Rodeo.

**17. Committee Members' Reports**

There were no Committee Member's reports.

**18. Adjournment**

The meeting adjourned at 11:45 a.m.

The next regularly scheduled meeting of this Committee will be held:

**10:30 a.m. on Thursday, June 18, 2026**

OCTA Headquarters  
550 South Main Street  
Orange, California