Orange County Transportation Authority

Board Agenda
Monday, April 27, 2026 at 9:30 a.m.

550 South Main Street, Orange, California

Board Members

Jamey M. Federico, Chair
Fred Jung, Vice Chair
Valerie Amezcua
Doug Chaffee
Katrina Foley
William Go
Patrick Harper
Michael Hennessey
Lauren Kleiman
Stephanie Klopfenstein
Carlos A. Leon
Janet Nguyen
Tam T. Nguyen
Vicente Sarmiento
Kathy Tavoularis
Mark Tettemer
Donald P. Wagner
Lan Zhou, Ex-Officio

Accessibility

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's office at (714) 560-5676, no less than two business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

Agenda Descriptions

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 Board 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.

Public Availability of Agenda Materials

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.

Meeting Access and Public Comments on Agenda Items

Members of the public can either attend in-person or access live streaming of the Board meetings by clicking this link: https://octa.legistar.com/Calendar.aspx

In-Person Comment

Members of the public may attend in-person and address the Board regarding any item within the subject matter jurisdiction of OCTA. Please complete a speaker's card and submit it to the Clerk of the Board and notify the Clerk regarding the agenda item number on which you wish to speak. Speakers will be recognized by the Chair at the time of the agenda item is to be considered by the Board. Comments will be limited to three minutes. The Brown Act prohibits the Board from either discussing or taking action on any non-agendized items.

Written Comment

Written public comments may also be submitted by emailing them to ClerkOffice@octa.net, and must be sent by 5:00 p.m. the day prior to the meeting. 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.

Call to Order

Invocation

Director Wagner

Pledge of Allegiance

Director Go

Closed Session

There are no Closed Sessions scheduled.

Special Calendar

Orange County Transportation Authority Special Calendar Matters

1. Presentation of Resolutions of Appreciation for Employee of the Month

Overview

Present Orange County Transportation Authority Resolutions of Appreciation Nos: 2026-021, Andy Castillo, Coach Operator, 2026-022, Tuan Nguyen, Maintenance, and 2026-023, Jason Lee, Administration, as Employees of the Month for April 2026.

Consent Calendar (Items 2 through 19)

All matters on the Consent Calendar are to be approved in one motion unless a Board Member or a member of the public requests separate action on a specific item.

Orange County Transportation Authority Consent Calendar Matters

2. Approval of Minutes

Clerk of the Board

Overview

Approve the minutes of the April 13, 2026, Orange County Transportation Authority and affiliated agencies' regular meeting.

Attachments:

Minutes

3. Contractor Safety Management Program, Internal Audit Report No. 26-506

Jonathan Thompson/Janet Sutter

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of the Contractor Safety Management Program. Based on the audit, the program could be improved by revising policy and safety specifications to better align with expectations, developing methods to ensure applicable project managers are identified and aware of their responsibilities, providing timely training and/or instructions to project managers, and formalizing the process for documenting safety activities and reporting within the Origami system.

Recommendation(s)

Direct staff to implement two recommendations provided in Contractor Safety Management Program, Internal Audit Report No. 26-506.

Attachments:

Transmittal
Staff Report
Attachment A

4. Fiscal Year 2025-26 Internal Audit Plan, Third Quarter Update

Janet Sutter

Overview

The Orange County Transportation Authority Board of Directors adopted the Orange County Transportation Authority Internal Audit Department Fiscal Year 2025-26 Internal Audit Plan on July 14, 2025. This report provides an update on activities for the third quarter of the fiscal year.

Recommendation(s)

Receive and file the third quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2025-26 Internal Audit Plan as an information item.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B
Attachment C

5. 405 Express Lanes Update for the Period Ending - December 31, 2025
Kirk Avila

Overview
The Orange County Transportation Authority oversees the operations of the 405 Express Lanes, which commenced on December 1, 2023. During the month of December 2025, transactions increased 11.5 percent while trips grew by 12.4 percent on the 405 Express Lanes. For the quarter ending December 2025, transactions totaled 18.5 million and trips were 4.7 million. This report focuses on the operational and financial activities for the period ending December 31, 2025.

Recommendation(s)
Receive and file as an information item.

Attachments:

Transmittal
Staff Report
Attachment A

6. 91 Express Lanes Update for the Period Ending - December 31, 2025
Anthony Rodriguez

Overview
The Orange County Transportation Authority has owned and managed the operations of the 91 Express Lanes since January 2003. Since then, traffic volumes and toll revenues have fluctuated with changes in the economy and the added capacity to the State Route 91 corridor. During the month of December 2025, approximately 1.86 million trips were taken, and over 5.57 million trips were made during the last quarter of calendar year 2025 on the 91 Express Lanes in Orange County. This report focuses on the operational and financial activities for the period ending December 31, 2025.

Recommendation(s)
Receive and file as an information item.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B

7. Amendment to the 91 Express Lanes Riverside County Transportation Commission / Orange County Transportation Authority Facility Agreement
Anthony Rodriguez

Overview
The 91 Express Lanes Riverside County Transportation Commission / Orange County Transportation Authority Facility Agreement prescribes the funding transfers between the two agencies for costs incurred for the rental of administrative offices and any shared operational expenses in relation to the 91 Express Lanes. An amendment is needed to account for the reimbursement of anticipated shared operating costs incurred by the Riverside County Transportation Commission for the period July 1, 2026, through June 30, 2027.

Recommendation
Authorize the Chief Executive Officer to negotiate and execute Amendment No. 11 to Agreement No. C-5-3828 between the Orange County Transportation Authority and the Riverside County Transportation Commission in the amount of $550,000 for the reimbursement of shared operational expenses through June 30, 2027.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B

8. Orange County Transportation Authority Investment and Debt Programs Report - February 2026
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, 2026. The report has been reviewed and is consistent with the investment practices contained in the investment policy.

Recommendation(s)
Receive and file as an information item.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B

9. State Legislative Status Report

Clara Brotcke/Kristin Jacinto

Overview

The Orange County Transportation Authority provides regular updates to the Legislative Committee on policy issues directly impacting its overall programs, projects, and operations. Staff recommends support positions on six bills that are related to California Environmental Quality Act streamlining, zero-emission transit implementation, wildfire resilience, transportation funding policy, and transit-oriented development. Staff opposes positions on two bills that would significantly alter state transportation funding priorities and reduce regional flexibility. An overview is also provided on legislation related to California Environmental Quality Act vehicle miles traveled mitigation requirements, for which a support position was taken pursuant to Orange County Transportation Authority's 2025-26 State Legislative Platform.

Recommendation(s)

A. Adopt a SUPPORT position on AB 1855 (Gonzalez, R-Indio), which would expand California Environmental Quality Act exemptions for passenger rail projects.

B. Adopt a SUPPORT position on AB 1944 (Lee, D-Milpitas), which would establish a phased extension of axle weight allowances for zero-emission transit buses to support fleet transition requirements.

C. Adopt a SUPPORT position on AB 2513 (Petrie-Norris, D-Irvine), which would expand eligibility for regional wildfire resilience funds.

D. Adopt an OPPOSE position on AB 2560 (Schultz, D-Burbank), which would codify the Climate Action Plan for Transportation Infrastructure goals and apply them to major state transportation funding programs.

E. Adopt a SUPPORT position on AB 2576 (Harabedian, D-Pasadena), which would delay implementation timelines associated with SB 79 (Chapter 512, Statutes of 2025).

F. Adopt a SUPPORT position on SB 935 (Choi, R-Irvine), which would indefinitely extend design-build authority for local agencies.

G. Adopt a SUPPORT position on SB 1167 (Blakespear, D-Encinitas), which would clarify the definition of electric bicycles and establish enhanced labeling, disclosure, and safety requirements.

H. Adopt an OPPOSE position on SB 1423 (Stern, D-Sherman Oaks), which would require a minimum allocation of State Transportation Improvement Program funds to "safe streets" projects and modify the Active Transportation Program.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B
Attachment C
Attachment D
Attachment E
Attachment F
Attachment G
Attachment H
Attachment I
Attachment J

10. Federal Legislative Status Report
Clara Brotcke/Kristin Jacinto

Overview
The Orange County Transportation Authority regularly updates the Legislative Committee on policy and regulatory issues directly impacting the agency's programs, projects, and operations. This report provides a summary of President Trump's Fiscal Year 2027 Budget Request and its implications for federal transportation funding and policy. It also includes an overview of a congressional letter supporting restoration of local Surface Transportation Block Grant and Congestion Mitigation and Air Quality Improvement Program project selection authority, and a summary of recent congressional leadership changes affecting federal transportation policy.

Recommendation(s)
Receive and file as an information item.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B

Orange County Transit District Consent Calendar Matters

11. Cooperative Agreements with Special Services Agencies for Provision of OC ACCESS-Eligible Transportation, Internal Audit Report No. 26-509

Gabriel Tang/Janet Sutter

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of contract compliance and invoice review controls related to cooperative agreements with special services agencies for provision of alternative OC ACCESS-eligible transportation services. Based on the audit, controls are adequate. Internal Audit identified areas of noteworthy accomplishment.

Recommendation(s)

Receive and file Cooperative Agreements with Special Services Agencies for Provision of OC ACCESS-Eligible Transportation, Internal Audit Report No. 26-509, as an information item.

Attachments:

Transmittal
Staff Report
Attachment A

12. Approval of the Fiscal Year 2026-27 Local Transportation Fund Claim for Laguna Beach Public Transportation Services

Sam Kaur/Andrew Oftelie

Overview

The Laguna Beach Municipal Transit Lines, a department within the City of Laguna Beach, is eligible to receive funding from the Local Transportation Fund in Orange County for providing public transportation services throughout the city. To receive the funds, the Laguna Beach Municipal Transit Lines must file a claim against the Local Transportation Fund with the Orange County Transportation Authority.

Recommendation(s)

A. Approve the Laguna Beach Municipal Transit Lines Fiscal Year 2026-27 Local Transportation Fund Claim for public transportation services in the amount of $1,480,411.

B. Authorize the Chief Executive Officer of the Orange County Transportation Authority to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the amount of the claim.

Attachments:

Transmittal
Staff Report

13. Approval of the Fiscal Year 2026-27 Local Transportation Fund Claim for Public Transportation and Community Transit Services

Sam Kaur/Andrew Oftelie

Overview

The Orange County Transit District is eligible to receive funding from the Local Transportation Fund for providing public transportation and community transit services throughout Orange County. To receive the funds, the Orange County Transit District must file a claim against the Local Transportation Fund with the Orange County Transportation Authority.

Recommendation(s)

A. Approve the Orange County Transit District Fiscal Year 2026-27 Local Transportation Fund Claim for public transportation services in the amount of $205,036,189, and for community transit services in the amount of $10,869,295 for a total claim amount of $215,905,484.

B. Authorize the Chief Executive Officer to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the full amount of the claims.

Attachments:

Transmittal

Staff Report

14. Amendment to Cooperative Agreements with Regional Center of Orange County

Jack Garate/Johnny Dunning, Jr.

Overview

On June 24, 2024, the Board of Directors approved a cooperative agreement with the Regional Center of Orange County to share in the cost of providing paratransit service to individuals served by the Regional Center of Orange County. The agreement included an initial two-year term with two additional two-year option terms. The initial term of the agreement expires on June 30, 2026, and an amendment is required to exercise the first two-year option term of the agreement.

Recommendation(s)

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Cooperative Agreement No. C-4-2328, in the amount of $10,257,017, between the Orange County Transportation Authority and the Regional Center of Orange County to exercise the first two-year option term to share in the cost of paratransit services provided to individuals served by the Regional Center of Orange County from July 1, 2026, through June 30, 2028.

Attachments:

Transmittal

Staff Report

Attachment A

15. Agreement for Detail Bus and Streetcar Cleaning and Pesticide Application Services

Cliff Thorne/Johnny Dunning, Jr.

Overview

On December 8, 2025, the Board of Directors approved the release of a request for proposals to select a firm to provide detail bus and streetcar cleaning and pesticide application services. Board of Directors' approval is requested to execute an agreement to provide these services.

Recommendation(s)

A. Approve the selection of Gamboa Services, Inc., doing business as Corporate Image Maintenance, as the firm to provide detail bus and streetcar cleaning and pesticide application services.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C250080 between the Orange County Transportation Authority and Gamboa Services, Inc., doing business as Corporate Image Maintenance, in the amount of $1,462,070, for a three-year initial term with one, two-year option term to provide detail bus and streetcar cleaning and pesticide application services.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B
Attachment C

16. Approval to Release Request for Proposals for Interim Hydrogen Mobile Fueling Stations

Cliff Thorne/Johnny Dunning, Jr.

Overview

To comply with the California Air Resources Board's Innovative Clean Transit Rule, the Orange County Transportation Authority is actively operating and expanding a mixed fleet that includes battery-electric buses and fuel-cell-electric buses, while continuing to build the operational experience necessary to transition to a fully zero-emission fleet by 2040. As part of this required transition, a critical infrastructure gap has emerged following the expiration of the long-term hydrogen fueling station contract. To maintain operations for existing and incoming fuel-cell-electric buses, staff has developed a request for proposals to procure two hydrogen mobile fueling stations as an interim solution.

Recommendation(s)

A. Approve the proposed evaluation criteria and weightings for Request for Proposals 250236 to select a firm to provide two interim hydrogen mobile fueling stations.

B. Approve the release of Request for Proposals 250236 for two interim hydrogen mobile fueling stations.

Attachments:

Staff Report
Attachment A

Orange County Local Transportation Authority Consent Calendar Matters

17. Approval to Sell Surplus Land for the Interstate 5 Improvement Project Between State Route 73 and Oso Parkway

Joe Gallardo/James G. Beil

Overview

The Orange County Transportation Authority's Interstate 5 Improvement Project between State Route 73 and Oso Parkway required the acquisition of property rights from public and private parties, adjacent to the existing freeway and city streets. Now approximately 10,148 square feet of vacant commercial property, located at the corner of Camino Capistrano and Avery Parkway in the City of Laguna Niguel and identified as Assessor Parcel No. 637-231-01, is recommended to be sold as surplus land by the Orange County Transportation Authority. Therefore, staff is seeking approval to sell the vacant land as surplus land under the Surplus Land Act (Government Code Section 54220 et seq.).

Recommendation(s)

A. Direct staff to sell the surplus land located within the Interstate 5 Improvement Project between State Route 73 and Oso Parkway.

B. Authorize the Chief Executive Officer to negotiate and execute the necessary documents to complete the sale of the surplus land for the offer price of $172,516.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B
Attachment C
Attachment D

18. Amendment to Measure M2 Project U Senior Non-Emergency Medical Transportation Program

Jack Garate/Johnny Dunning, Jr.

Overview

On May 24, 2021, the Orange County Transportation Authority Board of Directors approved a cooperative agreement with the County of Orange for programs that expand mobility choices for seniors and individuals with disabilities under Project U, including Measure M2 funding support for the County of Orange Senior Non-Emergency Medical Transportation Program. The agreement includes a five-year initial term with a five-year option term. The initial term expires June 30, 2026. Staff is requesting the Board of Directors' approval to exercise the five-year option term effective July 1, 2026, through June 30, 2031.

Recommendation(s)

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-1-3446 between the Orange County Transportation Authority and the County of Orange to exercise the option term for continued Measure M2 funding for the Senior Non-Emergency Medical Transportation Program, effective July 1, 2026, through June 30, 2031.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B
Attachment C
Attachment D

19. Measure M2 Quarterly Progress Report for the Period of October 2025 through December 2025

Francesca Ching/Rose Casey

Overview

Staff has prepared the Measure M2 Quarterly Progress Report for the second quarter of fiscal year 2025-26 as information for the Orange County Transportation Authority Board of Directors. This progress report highlights the delivery of Measure M2 projects and programs as promised to voters and the monitoring of external challenges. The full report will be available to the public via the Orange County Transportation Authority website.

Recommendation(s)

Receive and file as an information item.

Attachments:

Transmittal
Staff Report
Attachment A

Regular Calendar

Orange County Local Transportation Authority Regular Calendar Matters

20. Measure M2 Ten-Year Review Report and Action Plan
Francesca Ching/Rose Casey

Overview
Approved by Orange County voters in 2006, the Renewed Measure M Transportation Investment Plan established a 30-year, half-cent sales tax program. Ordinance No. 3, the governing ordinance, includes a taxpayer safeguard provision to conduct a comprehensive review of the project and program elements of the Renewed Measure M Transportation Investment Plan at least every ten years. The results of the first ten-year review were presented to the Board of Directors on October 12, 2015. Efforts for the second review, consistent with the Board of Directors-approved framework, have been completed. The final Ten-Year Review Report is presented to the Orange County Transportation Authority Board of Directors for information along with an accompanying Action Plan for consideration.

Recommendation(s)
A. Receive and file the Measure M2 Ten-Year Review Report as an information item.

B. Approve the proposed Action Plan to guide potential Measure M2 performance enhancements.

C. Direct staff to proceed with implementation of the Action Plan.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B
Attachment C
Presentation

21. 15 Years of Measure M2

Francesca Ching/Rose Casey

Overview

On April 1, 2026, Renewed Measure M, also known as Measure M2, reached a significant milestone, marking the halfway point of the voter-approved 30-year program. Over the past 15 years, Measure M2 has delivered significant transportation investments across Orange County, including advancing major freeway improvements, enhancing streets and roads in every city, expanding transit options, and funding programs that protect our environment. This milestone provides an opportunity to reflect on the progress achieved to date and to reaffirm the Orange County Transportation Authority's commitment to fulfilling the improvements promised to voters.

Recommendation(s)

Receive and file as an information item.

Attachments:

Transmittal
Staff Report

Discussion Items

22. Public Comments

23. Chief Executive Officer's Report

24. Directors' Reports

25. Adjournment

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

9:30 a.m., on Monday, May, 11, 2026

OCTA Headquarters
Board Room
550 South Main Street
Orange, California

Call to Order

The April 13, 2026, regular meeting of the Orange County Transportation Authority (OCTA) Board of Directors and its affiliated agencies was called to order by Chair Federico at 9:30 a.m. at the OCTA Headquarters, located at 550 South Main Street, Orange, California.

Directors Present:	Jamey M. Federico, Chair Fred Jung, Vice Chair Valerie Amezcua Doug Chaffee William Go Michael Hennessey Lauren Kleiman Stephanie Klopfenstein Carlos A. Leon Janet Nguyen Tam T. Nguyen Vicente Sarmiento Kathy Tavoularis Mark Tettemer Donald P. Wagner Lan Zhou, Ex-Officio
Directors Absent:	Katrina Foley Patrick Harper
Staff Present:	Darrell E. Johnson, Chief Executive Officer Jennifer L. Bergener, Deputy Chief Executive Officer Andrea West, Clerk of the Board Gina Ramirez, Assistant Clerk of the Board Sahara Meisenheimer, Clerk of the Board Specialist, Senior Elia Verduzco, Employee Rotation Participant James Donich, General Counsel

1. Closed Session

A Closed Session was held as follows:

Pursuant to Government Code Section 54956.9(d)(1) - Conference with General Counsel - Existing Litigation - Walsh Construction Company v. Orange County Transportation Authority, OCSC Case No. 30-2022-01248455.

James Donich, General Counsel, stated there was no report on this item.

All members were present except for Directors Harper and J. Nguyen.

Special Calendar

There were no Special Calendar matters.

Consent Calendar (Items 2 through 6)

A motion was made by Director Amezcua, seconded by Director Wagner, and declared passed by those present to approve Items 2, 3, 4, and 6 on the Consent Calendar.

2. Approval of Minutes

Approve the minutes of the March 23, 2026, Orange County Transportation Authority and affiliated agencies' regular meeting.

3. Funding Updates for Capital Projects and Creation of a Policy to Guide Redistribution of Savings for Federal Funds

A. Approve the programming of $128.668 million in federal Surface Transportation Block Grant Program and Congestion Mitigation and Air Quality Improvement Program funding to seven regional projects.

B. Approve the Surface Transportation Block Grant Program and Congestion Mitigation and Air Quality Improvement Program Savings Policy.

C. Authorize the reallocation of $40.486 million in previously programmed SB 125 (Chapter 54, Statues of 2023) Transit Program funds from Construction Critical Rail Infrastructure: Rail Track and Structures to Stabilize Rail and Bus Operations: Metrolink Fare Revenue Loss Project.

D. Authorize the use of $27.866 million in Measure M2 funds for Construction Critical Rail Infrastructure: Rail Track and Structures to replace SB 125 Transit Program funds previously programmed to Construction Critical Rail Infrastructure: Rail Track and Structures for the rehabilitation budget in fiscal year 2024-25 and fiscal year 2025-26.

E. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program to facilitate the above actions.

4. Cooperative Agreement with the City of San Clemente and Contract Change Order Related to the Rehabilitation of Existing Sewer Line in Area 3 for the Coastal Rail Stabilization Priority Project

A. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C255046, in the amount of $690,911, with the City of San Clemente, to facilitate the stabilization of the sewer pipe.

B. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 3 to Agreement No. C-5-4033 with Condon-Johnson & Associates, Inc., in the amount of $690,911, to provide sewer bypass for the Coastal Rail Stabilization Priority Project.

5. Amendment to Agreement for Public Outreach Services for the State Route 55 Improvement Project between Interstate 405 and Interstate 5

Director Sarmiento pulled this item to inquire about the total average of 450,000 inquiries and whether it was over the five-year contract.

Calina North, Section Manager II, Public Outreach, responded that the total average of 450,000 inquiries over the life of the contract equates to 115,000 per year.

A motion was made by Director Sarmiento, seconded by Director Wagner, and declared passed by those present to authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Agreement No. C-0-2104 between the Orange County Transportation Authority and Costin Public Outreach Group to exercise the 36-month option term, in the amount of $440,000, to continue providing public outreach services effective June 1, 2026, and continuing through May 31, 2029. This will increase the maximum obligation of the agreement to a total contract value of $2,124,990.

6. Fiscal Year 2026-27 through Fiscal Year 2028-29 Measure M2 Maintenance of Effort Adjustment, Updates to the Eligibility, Countywide Pavement Management Plan and Local Signal Synchronization Plan Guidelines, and Approval of Measure M2 Local Fair Share Guidelines

Director Janet Nguyen commented on the guidelines for Seal Beach, Huntington Beach, and Los Alamitos.

Darrell E. Johnson, Chief Executive Officer, explained that the timeline for this item is to implement what the ordinance already states. He noted that at the next board meeting, the board will be reviewing the guidelines for Seal Beach, Huntington Beach, and Los Alamitos.

A. Approve maintenance of effort benchmark for Fiscal Years 2026-27 through 2028-29 per Measure M2 Ordinance No. 3 requirements.

B. Approve proposed revisions to the Measure M2 Eligibility, Countywide Pavement Management Plan, and Local Signal Synchronization Plan guidelines.

C. Approve proposed Measure M2 Local Fair Share Guidelines.

Regular Calendar

7. Service Authority for Freeways and Expressways Call Box Program

Patrick Sampson, Section Manager, Senior, provided a presentation.

A public comment was heard from Paul Hyek.

A motion was made by Director Wagner, seconded by Director Amezcua, and declared passed by those present to authorize staff to focus efforts on 511 Motorist Assistance and to discontinue the Call Box Program by June 30, 2027.

Discussion Items

8. Public Comments

Public comments were heard from Mario Ghizzi and Paul Hyek.

9. Chief Executive Officer's Report

Mr. Johnson, CEO, reported on the following:

- Metrolink Service Reduction

10. Directors' Reports

There were no Directors' Reports.

11. Adjournment

The meeting was adjourned at 10:03 a.m.

The next regularly scheduled meeting of this Board will be held:
9:30 a.m., on Monday, April 27, 2026
OCTA Headquarters
Board Room
550 South Main Street
Orange, California

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Contractor Safety Management Program, Internal Audit Report No. 26-506

Finance and Administration Committee Meeting of April 16, 2026

Present: Directors Federico, Go, Harper, Hennessey, Leon, and Sarmiento
Absent: Director Tettemer

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Direct staff to implement two recommendations provided in Contractor Safety Management Program, Internal Audit Report No. 26-506.

April 16, 2026

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Janet Sutter, Executive Director
Internal Audit Department

Subject: Contractor Safety Management Program, Internal Audit Report No. 26-506

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of the Contractor Safety Management Program. Based on the audit, the program could be improved by revising policy and safety specifications to better align with expectations, developing methods to ensure applicable project managers are identified and aware of their responsibilities, providing timely training and/or instructions to project managers, and formalizing the process for documenting safety activities and reporting within the Origami system.

Recommendation

Direct staff to implement two recommendations provided in Contractor Safety Management Program, Internal Audit Report No. 26-506.

Background

The Contractor Safety function is managed by staff in the Orange County Transportation Authority's (OCTA) Health, Safety and Environmental Compliance (HSEC) Department, within the People and Community Engagement Division. HSEC staff monitor the development, investigation, and evaluation of work to ensure safe design, operation, and working conditions at agency construction sites and bus operations locations. The development of health, safety, and environmental specifications to be included in contracts as appropriate is the responsibility of HSEC. HSEC provides the Contracts Administration and Materials Management (CAMM) Department staff with three

versions of safety specifications, and a guide to which specifications should be included within consultant contracts based on the commodity code of the service to be provided. The specifications range from Levels 1, 2 and 3, with Level 3 being the highest.

OCTA has adopted a Contractor Safety Management Policy (Policy). The purpose of this Policy is to establish the minimum health, safety, and environmental requirements for all OCTA consultants, contractors, and vendors and to identify assignments and responsibilities for safety monitoring and compliance.

If HSEC personnel identify instances of non-compliance by contractors, the violations will be brought to the attention of the applicable project manager (PM). Major violations are recorded and tracked using the Origami system.

Discussion

The Policy outlines significant responsibilities assigned to PMs for ensuring contractors comply with health, safety, and environmental compliance requirements outlined in their respective agreements; however, training is only offered to PMs assigned contracts with Level 3 specifications and the method for identifying applicable PMs is not effective. The Internal Audit Department (Internal Audit) recommended management consult with legal counsel and revise the Policy and safety specifications to align with expectations and develop methods to ensure all applicable PMs are aware of their responsibilities. HSEC should also develop a more effective method for identifying PMs requiring training. Management agreed and indicated legal counsel will be consulted and Policy and safety specifications updated accordingly. Also, management agreed to work with CAMM to develop a process for timely identification of PMs with assigned responsibilities and will develop tools and/or training for these PMs.

The system for recording and follow-up of safety violations identified by HSEC is not used effectively or consistently. Internal Audit recommended management develop and document procedures for use of the system to track observations, including guidelines for classification of observations as “minor” or “major”, as well as standards for timely entry of observations and documentation of follow-up procedures. Management agreed and will develop a standardized procedure for use of the system to record and track observations, as recommended.

Summary

Internal Audit has completed an audit of the Contractor Safety Management Program and offered two recommendations for improvement.

Attachment

A. Contractor Safety Management Program, Internal Audit Report No. 26-506

Prepared by:

Jonathan Thompson
Internal Auditor
714-560-5930

Approved by:

Janet Sutter
Executive Director, Internal Audit
714-560-5591

ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT

Contractor Safety Management Program

Internal Audit Report No. 26-506

March 30, 2026



Performed by: Jonathan Thompson, Internal Auditor *Jonathan Thompson*
Janet Sutter, CIA, Executive Director

Distributed to: Maggie McJilton, Executive Director, People and Community Engagement
Matt DesRosier, Erik Earnest

ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
Contractor Safety Management Program
March 30, 2026

Table of Contents

Conclusion 1

Background 1

Objectives, Scope, and Methodology 2

Audit Comments, Recommendations, and Management Responses 3

Project Manager Training 3

Safety Violations: Tracking and Remediation 4

ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
Contractor Safety Management Program
March 30, 2026

Conclusion

The Internal Audit Department (Internal Audit) of the Orange County Transportation Authority (OCTA) has completed an audit of the Contractor Safety Program. Based on the audit, the program could be improved by revising policy and safety specifications to better align with expectations, developing methods to ensure applicable project managers are identified and aware of their responsibilities, providing timely training and/or instructions to project managers, and formalizing the process for documenting safety activities and reporting within the Origami system.

Background

The Contractor Safety function is managed by staff in OCTA's Health, Safety and Environmental Compliance (HSEC) Department within the People and Community Engagement Division. HSEC staff monitor the development, investigation, and evaluation of work to ensure safe design, operation, and working conditions at agency construction sites and bus operations locations. The development of health, safety, and environmental specifications to be included in contracts as appropriate is the responsibility of HSEC. HSEC provides the Contracts Administration and Materials Management (CAMM) Department staff with three versions of safety specifications, and a guide to which specifications should be included within consultant contracts based on the commodity code of the service. The specifications range from Levels 1, 2 and 3, with Level 3 being the highest.

OCTA has adopted a Contractor Safety Management Policy (Policy). The purpose of this Policy is to establish the minimum health, safety, and environmental requirements for all OCTA consultants, contractors, and vendors and to identify assignments and responsibilities for safety monitoring and compliance. It is the policy of OCTA to provide a standardized approach for managing contractor safety compliance on OCTA property and projects.

If during the contract there is observed noncompliance of health, safety, and environmental requirements, HSEC personnel will bring the violations to the attention of the project manager (PM). Major violations are recorded and tracked with notes recorded in the Origami system. Failure of the contractor to correct a violation or continued violations may be grounds for termination of the contract.

Objectives, Scope, and Methodology

The objectives were to assess and test oversight and monitoring controls related to contractor safety.

The methodology consisted of reviewing the Project Manager Training List and related training material (PowerPoint) for frequency of trainings and adequacy of materials, interviewing HSEC staff as to how the PM's requiring training are identified, determining if the observations made in Origami were input/closed in a timely manner by confirmation with information provided by the Information Systems Department, if written (email) notification of the issue/observation was provided to the PM, and testing a haphazard sample of Level 1-3 safety specifications for contract compliance and related monitoring. Since the sample was non-statistical, any conclusions are limited to the sample items tested.

The scope is limited to oversight controls and compliance related to contractor safety only; it excludes other health and safety regulatory requirements. For the testing related to Origami input, the scope covered November 2022 through December 2025. For all other testing the audit scope covered November 1, 2023 through October 31, 2025.

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Comments, Recommendations, and Management Responses

Project Manager Training

The Policy outlines significant responsibilities assigned to PMs for ensuring contractors comply with health, safety, and environmental compliance requirements outlined in their respective agreements; however, training is only offered to PMs assigned contracts with Level 3 specifications and training is not offered in a timely manner. No training was offered between December 2021 and April 2024, and no training has been offered since September 2024.

In addition, there is no process to identify PMs responsible for overseeing contractors assigned to Level 1 and Level 2 safety specifications and provide them with information as to the requirements and their responsibilities.

HSEC receives a weekly email listing of newly hired and promoted employees by title to identify PMs requiring training as to their responsibilities for overseeing contractors assigned Level 3 safety specifications. This method is not effective at identifying all applicable PMs; because an employee's title is not, by itself, an indicator of whether one will be assigned contractor oversight responsibilities. Through interview, Internal Audit also found that PMs responsible for overseeing contractors assigned Level 1 and Level 2 safety specifications were largely unaware of the requirements and their responsibilities. To further investigate the level of compliance, Internal Audit requested selected safety documents from a sample of contractors assigned Level 2 specifications and found most were unable to provide the requested safety documentation and/or provide evidence that their designated health and safety representative was properly credentialed.

Recommendation 1:

Internal Audit recommends management consult with legal counsel and revise Policy and safety specifications to align with expectations and develop methods to ensure all applicable PMs are aware of their responsibilities. In addition, HSEC should develop a more effective method for identifying PMs and ensure training and/or instructions are provided timely.

Management Response:

Management agrees with Internal Audit's recommendation and will consult with legal counsel to update the Policy and safety specifications to align with regulatory requirements, mitigate agency liability, and clarify roles and responsibilities.

Following an update to the safety specifications, HSEC will work with the CAMM to develop a process for the timely identification of project managers with responsibility for overseeing contractors' assigned safety specifications. HSEC will develop appropriate tools and/or training to be provided to these project managers to ensure they meet these responsibilities.

Safety Violations: Tracking and Remediation

The system for recording and follow-up of safety violations identified by HSEC is not used effectively or consistently.

A software system, Origami, is available for use by HSEC staff to record observations of safety violations identified during periodic safety walks of various OCTA project sites. The system is designed to notify the applicable PM of an observed violation and send automated reminders until confirmation is received that the violation has been corrected.

According to staff, "minor violations" observed and corrected immediately are not recorded in the system. "Major violations" and/or a violation not corrected immediately, are recorded in the system; however, these categories are not formally defined.

Review of observations recorded in the system identified five entries during the period of November 2022 through December 2025. The entries were logged in the system from six to 14 days after the observation occurred and two observations were entered and closed the same day, along with pictures depicting correction of the issue. The remaining three observations remained open for over 30 days, ranging from 35 days to 122 days, and were eventually closed by HSEC staff following a subsequent safety walk.

Recommendation 2:

Internal Audit recommends management develop and document procedures for use of the system to record and track observations, including guidelines for classification of observations as "minor" or "major", as well as standards for timely entry of observations and documentation of follow-up procedures.

Management Response:

Management agrees with this recommendation and will develop a standardized procedure for use of the Origami system to record and track observations. The procedure will establish clear criteria for classifying observations as “minor” or “major,” define timelines for timely and accurate entry, standardize requirements for documenting corrective actions through closure, and clearly outline roles and responsibilities to ensure accountability throughout the process.

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Fiscal Year 2025-26 Internal Audit Plan, Third Quarter Update

Finance and Administration Committee Meeting of April 16, 2026

Present: Directors Federico, Go, Harper, Hennessey, Leon, and Sarmiento
Absent: Director Tettemer

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Receive and file the third quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2025-26 Internal Audit Plan as an information item.

April 16, 2026

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Janet Sutter, Executive Director
Internal Audit Department

Subject: Fiscal Year 2025-26 Internal Audit Plan, Third Quarter Update

Overview

The Orange County Transportation Authority Board of Directors adopted the Orange County Transportation Authority Internal Audit Department Fiscal Year 2025-26 Internal Audit Plan on July 14, 2025. This report provides an update on activities for the third quarter of the fiscal year.

Recommendation

Receive and file the third quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2025-26 Internal Audit Plan as an information item.

Background

The Internal Audit Department (Internal Audit) is an independent appraisal function, the purpose of which is to examine and evaluate the Orange County Transportation Authority's (OCTA) operations and activities to assist management in the discharge of its duties and responsibilities.

Internal Audit performs a wide range of auditing services that include overseeing the annual financial and compliance audits, conducting operational and contract compliance reviews, investigations, pre-award price reviews, and Buy America reviews. In addition, audits initiated by entities outside of OCTA are coordinated through Internal Audit.

Discussion

The OCTA Internal Audit Department Fiscal Year (FY) 2025-26 Internal Audit Plan (Plan) (Attachment A) reflects all planned projects and the status of each project.

During the third quarter of the FY, Internal Audit issued results of an audit of Board Member compensation, mileage reimbursements, and training requirements. Based on the audit, controls over processing compensation and mileage reimbursements are adequate and functioning; however, weaknesses were identified in the notification and tracking of mandatory training requirements, and documentation and implementation of practices for determining Board Member eligibility to receive mileage reimbursements. Internal Audit recommended management update policy and procedures to ensure timely notification and follow-up of training requirements, enforce policy requiring compensation be withheld until evidence of training has been obtained, and update mileage reimbursement practices to ensure consistent application. Management agreed and responded that policy and procedures will be updated accordingly.

An audit of program management and planning support services provided by Mott MacDonald Group Limited (Mott MacDonald) was also issued and concluded that procurements were handled in accordance with policy and procedures and Mott MacDonald is providing services in accordance with the contracts; however, three recommendations were made to recover consultant overbillings, enhance review of allowances, and strengthen requirements over consultant timesheets. Management agreed to recover most of the identified overbillings and agreed to implement oversight controls. Management also agreed to require consultants to provide complete timesheets to support labor hours billed.

The audit of five cooperative agreements with special services agencies for provision of OC ACCESS-eligible transportation concluded that contract compliance and invoice review controls are adequate and functioning. Internal Audit noted that management has developed and implemented operating procedures and system checks to confirm participant eligibility and validate monthly trip data provided by the agencies. Management also conducts annual site visits to confirm agencies are in compliance with key contract requirements.

Finally, an audit of the Contractor Safety Management Program noted that the program could be improved by revising policy and safety specifications to better align with expectations, developing methods to ensure applicable project managers are identified and aware of their responsibilities, providing timely training and/or instructions to project managers, and formalizing the process for

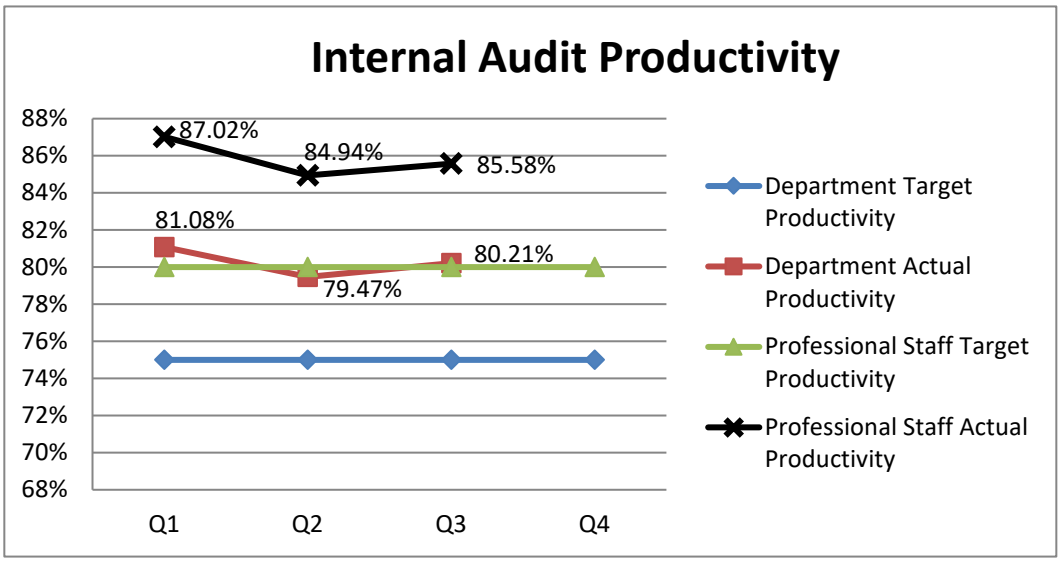
documenting safety activities and reporting within the Origami system. Management agreed and indicated that policy and safety specifications will be revised and the system for identifying and providing applicable project managers with training will be improved. Management also agreed to develop standardized procedures for recording and resolving safety observations.

Another focus during the quarter was to provide coordination and assistance related to the annual Measure M2 compliance audit and agency agreed-upon procedures (AUP) reviews conducted by OCTA's independent auditor, Crowe LLP. These reports are expected to be issued in April 2026.

Internal Audit Productivity

Internal Audit measures the productivity of the department by calculating a productivity ratio. The ratio, used broadly throughout the audit industry, measures the amount of time auditors spend on audit projects versus time spent on administrative duties. Productivity goals are established for both the professional staff and for the department as a whole. Because the executive director regularly participates in non-audit management activities such as planning and committee meetings, the department-wide target is set at 75 percent. The target for internal audit professional staff, not including the executive director, is 80 percent.

As of the third quarter ended March 31, 2026, Internal Audit achieved productivity of 80 percent, and the professional staff achieved productivity of 86 percent.



Price Reviews

At the request of the Contracts Administration and Materials Management (CAMM) Department, and consistent with OCTA's procurement policy, Internal Audit applies AUPs to single-bid procurements to ensure that CAMM handled the procurement in a fair and competitive manner. Internal Audit also applies AUPs to prices proposed by architectural and engineering firms, as well as sole source contractors, to ensure that prices are fair and reasonable. During the third quarter, Internal Audit issued results of six price reviews.

Fraud Hotline

During the quarter ended March 31, 2026, Internal Audit received four reports through OCTA's fraud hotline, www.ethicspoint.com. Two complaints were referred to, and addressed by, management. A third complaint was referred to legal counsel for investigation and is in-process as of quarter end. A fourth complaint was received on March 31, 2026, and was referred to management for follow-up.

Internal Audit is committed to responding to all hotline complaints within eight business days. During the quarter ended March 31, 2026, Internal Audit responded to all reports within two business days.

Findings and Recommendations Tracking

At the request of the Finance and Administration Committee, updates on unresolved audit recommendations are included with the quarterly updates to the Plan (Attachment B).

During the quarter ended March 31, 2026, Internal Audit completed follow-up reviews of six outstanding recommendations and is in the process of conducting follow-up of four more. All six recommendations reviewed were adequately addressed by management and were closed (Attachment C).

Seven recommendations were added to the listing resulting from audits issued during the third quarter, as summarized above.

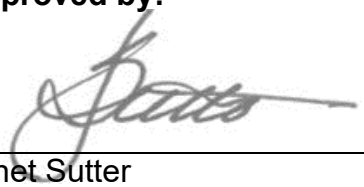
Summary

Internal Audit will continue to implement the Plan, report on performance metrics, follow up on outstanding audit recommendations, and report progress on a quarterly basis.

Attachments

A. Orange County Transportation Authority, Internal Audit Department, Fiscal Year 2025-26 Internal Audit Plan, Third Quarter Update
B. Outstanding Audit Recommendations, Audit Reports Issued Through March 31, 2026
C. Audit Recommendations Closed During Third Quarter, Fiscal Year 2025-26

Approved by:



Janet Sutter
Executive Director, Internal Audit
714-560-5591

ATTACHMENT A

Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2025-26 Internal Audit Plan
Third Quarter Update

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Under (Over)	Status (Date Issued)
Mandatory External Independent Audits							
Annual Financial Audits and Agreed-Upon Procedures (AUP) Reviews	FY26-001 through FY26-003	Coordinate and report on annual financial and compliance audits and AUP reviews for FY 2024-25.	Financial	420	286	135	In Process
External Regulatory Audits	FY26-004	Coordinate and report on audits by regulators or funding agencies.	Compliance	80	1	79	
Internal Audit Department Projects							
Risk Assessment and Annual Audit Plan	FY26-100	Preparation of the annual audit plan, quarterly updates to the audit plan, and periodic assessment of risk throughout the year.	Audit Plan and Updates	180	76	104	
Quality Assurance and Self-Assessment	FY26-101	Update of Internal Audit Policies & Procedures to reflect Generally Accepted Government Auditing Standards (GAGAS). Ongoing quality management activities required by GAGAS.	Quality Assurance	160	140	20	
Fraud Hotline Activities	FY26-102	Administrative duties related to maintenance of the Orange County Transportation Authority (OCTA) Fraud Hotline and work related to investigations of reports of fraud, waste, or abuse.	Fraud Hotline	120	6	114	11 Reports Received
Peer Review	FY26-103	Participate in peer reviews of other internal audit agencies in exchange for reciprocal credit towards required peer reviews of OCTA's Internal Audit Department.	Peer Review	60		60	
Automated Workpaper Solution	FY26-104	System updates/training related to automated workpaper solution.	Workpaper System	30	54	(24)	
Internal Audits							
Organization-Wide							
Ralph M. Brown Act (Brown Act) Compliance	FY26-512	Assess and test controls to ensure compliance with Brown Act requirements, including notice and agenda posting requirements, conduct of meetings, closed session, public participation, and recordkeeping requirements.	Compliance	220	74.5	146	In Process
Board of Directors (Board) Compensation, Mileage Reimbursement, and Training	FY26-507	Assess and test procedures and recordkeeping processes evidencing compliance with regulatory requirements.	Compliance	220	207	13	Issued 2-10-26

Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2025-26 Internal Audit Plan
Third Quarter Update

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Under (Over)	Status (Date Issued)
Express Lanes Program							
Toll Lanes Integrator System	FY26-501	Assess and test oversight, contract compliance, and invoice review controls related to the contract with Kapsch Trafficom USA, Inc., for the design, implementation, installation, operation, and maintenance of a toll collection system for the existing 91 Express Lanes and the 405 Express Lanes.	Internal Control / Compliance	280	479	(199)	In Process
People and Community Engagement							
Commuter Club	FY26-505	Assess and test controls in place to ensure compliance with policies and procedures related to this employee benefit program.	Operational	180	296	(116)	Issued 12-19-25
Contractor Safety	FY26-506	Assess and test policies, procedures, and controls related to the Contractor Safety Program function.	Operational	260	427.5	(168)	Issued 03-30-26
Public Outreach - OC Streetcar	FY25-512	Assess and test overisght controls, contract compliance, and invoice review controls related to agreements for public outreach for the OC Streetcar Project.	Internal Control / Compliance	8	11	(3)	Issued 07-22-25
OCTA Bus Marketing and Promotions	FY26-511	Assess and test controls over bus marketing and promotions operations, including procurement and oversight of firms providing services.	Operational	280	110	170	In Process
Capital Programs							
Project Management and Planning Support	FY26-508	Assess and test oversight controls, contract compliance, and invoice review controls related to contracts with Mott MacDonald Group Limited, for project management and planning support.	Internal Control / Compliance	240	377	(137)	Issued 3-11-26
State Route 55 Improvements: Interstate 405 to Interstate 5	FY26-504	Assess and test project administration, oversight controls, and contract compliance.	Internal Control / Compliance	300	261	39	Issued 11-19-25
Planning							
Environmental Mitigation Program	FY26-5XX	Assess and test controls and compliance with contract agreements for property management, monitoring, and/or reporting relating to the program.	Internal Control / Compliance	280		280	

Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2025-26 Internal Audit Plan
Third Quarter Update

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Under (Over)	Status (Date Issued)
Operations							
Right-of-Way (ROW) Maintenance	FY25-515	Assess and test the adequacy and effectiveness of controls related to maintenance of the railroad ROW and the contract with Joshua Grading and Excavating, Inc.	Operational	160	131	29	Issued 9-23-25
Same-Day Taxi Services	FY26-503	Assess and test adequacy of oversight, compliance, and invoice review controls related to the agreement with Cabco Yellow, Inc., doing business as California Yellow Cab, for provision of same-day taxi services.	Internal Control / Compliance	240	284	(44)	Issued 11-17-25
Travel Training	FY26-514	Assess and test oversight, invoice review, and contract compliance controls related to the agreement with Mobility Management Partners for provision of travel training services.	Internal Control / Compliance	240	10	230	
Specialized Transit Services	FY26-509	Assess and test controls related to cost-sharing agreements with agencies for provision of transit services to seniors/OC ACCESS-eligible individuals.	Internal Control / Compliance	320	176.5	144	Issued 3-19-26
Fluid Management System	FY26-513	Assess and test controls in place for the dispensing of fuel and other consumables, as well as mileage monitoring, utilizing the Fleetwatch Fluid Management System.	Operational	240	57	183	In Process
Compressed Natural Gas Station: Maintenance and Operations	FY26-5XX	Assess and test oversight, invoice review, and contract compliance controls related to the contract with Trillium USA Company, LLC, for provision of operation and maintenance of fueling facilities.	Operational	240		240	
Finance and Administration							
Budget Development and Monitoring	FY25-514	Assess and test controls over budget development, monitoring, and reporting.	Operational	8	36	(28)	Issued 7-31-25
Treasury	FY26-5XX	Semi-annual audit of investments: compliance, controls, and reporting.	Compliance	360	357	4	1 Report Issued
Warranty Administration	FY25-516	Assess and test controls in place for identifying, tracking, and recording of warranty repairs and credits.	Operational	220	317	(97)	Issued 10-13-25
Price Reviews	PR26-5XX	As requested by the Contracts Administration and Materials Management (CAMM) Department, apply AUP to sole source, single bid, and architectural and engineering firm proposals.	Price Review	500	749	(249)	21 Reports Issued
Buy America	FY26-5XX	As requested by the CAMM Department, apply AUP to determine compliance with Buy America requirements.	Buy America	260		260	

Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2025-26 Internal Audit Plan
Third Quarter Update

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Under (Over)	Status (Date Issued)
Unscheduled Reviews and Special Requests							
Unscheduled Reviews and Special Requests	FY26-800	Time allowed for unplanned audits and requests from the Board or management.	Varies	180	59	121	
Monitoring Activities							
Measure M2 Taxpayer Oversight Committee (TOC)	FY26-601	Coordination of audit activities on behalf of the Audit Subcommittee of the TOC.	Administrative Support	50	12	38	
Capital Asset Inventory Observation	FY26-602	At the request of the Finance and Administration Division, observe and apply limited procedures related to bi-annual capital asset inventory counts.	Non-Audit Service	80		80	
Follow-Up Reviews							
Follow-Up Reviews and Reporting	FY26-700	Follow-up on the status of management's implementation of audit recommendations.	Follow-Up	325	286	40	
			Total Audit Project Planned Hours (A)	**6,741**	**5,278**		

Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2025-26 Internal Audit Plan
Third Quarter Update

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Under (Over)	Status (Date Issued)
Internal Audit Administration							
Board and Committee Meetings				180	96	84	
Executive Steering and Agenda Setting Meetings				170	76	95	
Internal Audit Staff Meetings				150	101	49	
Other Administration				1,500	1,041	460	
			Total Hours (B)	**8,741**	**6,591**		
			Department Target Efficiency (A/B)	75%	80.21%		
			Target Efficiency - Professional Staff	80%	85.58%		
Contingency Audits: Internal							
Records Management	FY26-5XX	Assess and test the adequacy of recordkeeping practices.					
Enhanced Mobility for Seniors and Individuals with Disabilities Program	FY26-5XX	Audit program design, award and execution of grants, as well as activities and reimbursements.					

ATTACHMENT B

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2026

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
4/23/25	N/A	Planning Division	Measure M2 City Agreed-Upon Procedures Reports	Direct staff to consult with legal counsel, develop guidelines for allowable uses of Local Fair Share funds for "other transportation purposes", and provide communication to cities.	Apr-26	Management will consult with legal counsel and develop guidelines.	Update December 2025: Management will address this recommendation in the Measure M2 Eligibility Guidelines scheduled to be presented to the Board of Directors in April 2026. Upon approval, staff will communicate the updates to local jurisdictions.
4/28/25	25-506	Capital Programs Division (Capital Programs)	Real Estate Administration	Management should implement standards for the conduct and documentation of fair market valuations (FMV) and require consultant firms to provide opinions of value in writing, including descriptions of the methodology and support for the rates used. Management should also develop and implement procedures to ensure FMVs and related adjustments are conducted and applied in accordance with agreement terms and policy requirements.	Apr-26	Management indicated that an updated corridor appraisal is underway and will be used as the basis for calculating FMV increases. Management will also develop a procedure to memorialize steps taken and any source material used to determine FMVs, including decisions as to imposing such increases.	Update November 2025: Management responded that procedures have been updated and staff will document all steps in determining FMV calculations and retain documentation of rate negotiations through a memo each January. The rail corridor appraisal is still underway and one license is currently under review. The recommendation will remain open, pending confirmation of the new procedures.
4/28/25	25-506	Capital Programs	Real Estate Administration	Management should comply with policy requiring documentation and approval of lease rate adjustments modified or not applied and should implement procedures to ensure lease amendments are processed to reflect negotiated rate adjustments.	Apr-26	Management will develop procedures for documentation and approval of rate adjustments, or waivers of such, on a monthly basis. Negotiated adjustments to lease rates will be included in an amendment to the license agreement.	Update November 2025: Management responded that procedures have been updated and staff will document all steps in determining rate adjustments and decisions as to final rates. Procedures indicate that adjustments will be memorialized through an amendment to the license agreement. Since June 2025, there have been no negotiated rate adjustments; as such, the recommendation will remain open, pending testing to confirm the process.
4/28/25	25-506	Capital Programs	Real Estate Administration	Management should obtain documentation of the Risk Management Department's (RMD) review and direction as to insurance requirements. In addition, management should consider reviewing and updating license agreements that do not contain insurance requirements or other standard terms and conditions.	Apr-26	Management will obtain a memo from the RMD each January to confirm insurance requirements for above-ground uses and utilities. For unique or unusual uses, or for improved properties, the RMD will be consulted to determine sufficiency of insurance requirements. Management will initiate and document discussions with licensees as to any changes needed to contract terms.	Update November 2025: Management responded that procedures have been updated and staff will obtain a memo each January from the Risk Manager (RM) to confirm minimum requirements for above-ground leases and underground utilities. Staff will also consult the RM regarding any unique or unusual uses and will separately address improved properties. Staff sent a memo in August 2025 to the RM outlining minimum insurance requirements; however, the memo did not request review and/or concurrence from the RM. Finally, two licenses lacking insurance requirements have not been updated.
4/28/25	25-506	Capital Programs	Real Estate Administration	Management should implement procedures for periodic inspection of properties to ensure compliance with agreement terms and to identify unauthorized uses. Inspections should be documented.	Apr-26	Each January, management will review and identify tenants that require more recurrent inspections based on the specific site and the tenants' use of the property. Properties requiring more recurrent inspection will be documented in the tenant file and management will log inspections performed. Other 'as needed' or case-by-case inspections will be performed and documented in the tenant file.	Update November 2025: Management developed a list of tenants whose use "most likely" requires inspection and indicated inspections will be performed "as needed". According to a log provided by management, some properties have been inspected by a consultant; however documentation of these inspections is not on file. Under revised practices, it is not clear how "most likely" is to be defined or how often "as needed" will be, and inspection reports are not prepared as recommended.

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2026

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
4/28//25	25-506	Capital Programs	Real Estate Administration	Management should implement procedures to ensure late payment provisions of tenant agreements are enforced.	Apr-26	Management will obtain a report on tenants whose payments are 30 days late and will calculate fees based on the agreement and communicate this rate to the tenant and Accounts Receivable (AR) Department staff. At 90 days, staff will contact legal counsel to determine whether to pursue a lease or license violation and will document the process in tenant files.	Update November 2025: Management indicated that they receive monthly reports from AR outlining tenants that are 30 days or more late in making payment. Revised procedures indicate that management will calculate late fees and provide amounts to AR; however, this procedure has not been implemented. Also, procedures state that legal counsel will be consulted regarding tenants that are 90 days or more late; however, no evidence of these discussions and the directions provided were on file and invoices from legal counsel do not reflect the discussions.
5/14/25	25-510	Operations Division (Operations)	Contracted Fixed-Route Services	Management should identify required reports to allow for monitoring and application of penalties in accordance with the agreement. Management should also comply with agreement language in determining whether accidents are considered preventable and apply penalties as required. Finally, management should consider options to improve contractor performance as to the unclassified revenue percentage.	May-26	Management will work with other departments to identify a list of required reports subject to pentalty and will incorporate the list in the next available amendment to the agreement. Management will also comply with agreement language as to preventable accidents and related penalties going forward. Finally, management will request the contractor conduct training sessions and will include a performance standard related to unclassified revenue percentage, with corrective measures, in the next contract.	Update December 2025: Management has requested an amendment to finalize the required reports listing, plans to include a revision to the definition of accidents in the upcoming amendment, and will request that the contractor conduct training on unclassified revenue at the next safety meeting.
9/23/25	25-515	Operations	Right-of-Way (ROW) Maintenance	The ROW team should record daily field activities and reconcile daily reports of contractor activities to the monthly invoices received.	Mar-26	The ROW team began recording daily field activities in May 2025, and daily reports of contractor activities are now being retained and reconciled to monthly invoices received.	Update April 2026: In process.
9/23/25	25-516	Operations	ROW Maintenance	Management should ensure subcontractors are authorized under the respective contracts and disposal costs are charged to the correct project. The project manager (PM) should ensure invoice review checklists are properly utilized, an identified double billing is recovered, and ensure Accounts Payable Department staff correct retention issues identified.	Mar-26	The PM will ensure only approved subcontractors are utilized and that disposal costs are charged to the appropriate account.	Update April 2026: In process.
9/23/25	25-517	Operations	ROW Maintenance	Management should ensure procurement documents are complete and filed in a timely manner.	Mar-26	The Contracts Administration and Materials Mangement Department will conduct refresher training to review the evaluation process, as well as procedures for maintaining electronic contract files.	Update April 2026: In process.

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2026

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
10/1/2025	26-502	Finance & Administration Division (F&A)	Investments: Compliance, Controls, and Reporting January through June 30, 2025	Management should strengthen controls to ensure all investments are reflected in monthly reports.	Mar-26	Management will review all accounts and implement a systematic process to ensure all investements are reflected going forward.	Update March 2026: In process.
10/13/2025	25-516	F&A	Warranty Administration	Management should develop and document procedures for deriving standard labor hours consumed for both in-house and vendor repair work. Labor rates should be calculated in accordance with agreements with the bus manufacturer's and should be updated annually.	Apr-26	Management agrees and will develop procedures as recommended. Effective June 2025, staff updated labor rates to align with formulas in accordance with agreements.	
10/13/2025	25-517	F&A	Warranty Administration	Management should implement prcedures for more frequent follow-up of outstanding claims.	Apr-26	Management agrees and will implement written procedures requiring follow-up of all open claims every 30 days. Claims unresolved after 90 days will be escalated to the manager.	
10/13/2025	25-518	F&A	Warranty Administration	Management should revise the method of valuing warranty work related to add-on systems to better reflect actual savings achieved.	Apr-26	Management agrees and will revise its approach to valuing this work. Full unit replacement costs will no longer be used where repair details are not provided. Recovery will only be counted when itemized repair costs are available.	
11/19/25	26-504	F&A	State Route 55 Improvement Project between Interstate 405 and Interstate 5 Design and Construction Management	Controls over amendment processing should be strengthened to ensure labor rates are validated and compliant with contract provisions, amendments comply with effective dating procedures, and other direct cost estimates are reasonable and supported.	May-26	Management will provide refresher training to reinforce amendment processing procedures and will collaborate with Captial Programs Division staff to ensure all required information is obtained and verified prior to amendment processing. Management will also ensure the PM provides justification and supporting documentation for alll other direct costs.	

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2026

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
12/19/25	26-505	People and Community Engagement (PACE)	Employee Commuter Club Program	Management should implement periodic reviews of program activities to ensure compliance with policy.	Jun-26	Management agrees and will ensure compliance monitoring is performed twice annually. Management is taking steps to transition administration of the program to a third-party provider to further enhance oversight and operational integrity.	
12/19/25	26-505	PACE	Employee Commuter Club Program	Management should implement controls to ensure the accuracy of identification of employees eligible for awards. Management should also reevaluate the method for distributing monetary awards to ensure compliance with Internal Revenue Service (IRS) regulations.	Jun-26	Management agrees and will implement enhanced review and verification controls. Management will also correct the errors identified in the audit. To address IRS regulations, management will transition all monetary awards to be processed through payroll.	
12/19/25	26-505	PACE	Employee Commuter Club Program	Management should implement system controls to prevent program system administrators from editing their own activities and implement procedures requiring documentation of administrative changes to be retained.	Jun-26	Management agrees and affirms that the system has been updated to prevent system administrators from editing their own entries. In addition, a formal procedure is being implemented to document and retain support for all administrative actions.	
12/19/2025	26-506	PACE	Employee Commuter Club Program	Management should update the Commuter Club Policy to include descriptions of all program events and eligibility rules.	Jun-26	Management agrees and is updating the policy as recommended.	
2/10/2026	26-507	Clerk of the Board (COB) Department	Board Member Compensation, Mileage Reimbursements, and Training Requirements	Management should implement procedures for timely notification and regular follow-up with all applicable Board Members of expiring training. In addition, management should comply with policy requiring compensation be withheld until evidence of training is obtained.	Aug-26	Management agrees and is in the process of updating policy and procedures to provide timely notification of required and expiring training. Staff will return to the Board of Directors (Board) with an updated policy to address compensation withholding.	

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2026

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
2/10/2026	26-507	COB Department	Board Member Compensation, Mileage Reimbufsements, and Training Requirements	Management should obtain Board Member input and approval of the policy relating to eligibility to receive mileage reimbursements. Consideration should be given to ensuring the policy is consistently applied.	Aug-26	Management agrees and will return to the Board with an updated policy to address mileage reimbursement.	
3/11/2026	26-508	Capital Programs	Mott MacDonald Group, Inc. Contracts for Program Management and Planning Support Services	Management should recover overbillings and establish a process to evaluate and enforce when consultant staff should be billed using a field overhead rate.	Sep-26	Management agrees and will recover $224,765 related to five of the six consultants cited in the report. One of the consultants identified will continue to utilize an office overhead rate, as that individual works primarly out of the consultant's home office. Going forward, staff will monitor consultant level of effort and work location to ensure billing remains consistemt with the appropriate overhead rate.	
3/11/2026	26-508	Capital Programs	Mott MacDonald Group, Inc. Contracts for Program Management and Planning Support Services	Management should recover identified overbillings, negotiate and remive cell phone allowance from the contract schedule, reconsider the necessity of providing a vehicle allowance versus providing mileage reimbursement, and ensure per-diem costs associated with same-day travel comply with federal guidance.	Sep-26	Management agrees and will recover the identified overbillings and cell phone allowance payments. Regarding vehicle allowance, the identified allowance is for a vehicle that is being utilized by 11 different individuals. Regarding per-diem costs, management has confirmed that, in some cases, the subconsultant overbilled for per diem. Management will recover the overbillings associated with this issue and, going forward, will review per-diem claims to ensure compliance with federal requirements.	
3/11/2026	26-508	Capital Programs	Mott MacDonald Group, Inc. Contracts for Program Management and Planning Support Services	Management should require consultants to submit original, complete employee timesheets that reflect all hours worked.	Sep-26	Management agrees and will require consultants to submit complete timesheets.	

Outstanding Audit Recommendations
Audit Reports Issued Through
March 31, 2026

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Initiate Next Update	Management Response	Internal Audit Status
3/30/2026	26-506	PACE	Contractor Safety Management Program	Management should consult with legal counsel and revise policy and safety specifications to align with expectations and develop methods to ensure all applicable project managers (PMs) are aware of their responsibilities. In addition, management should develop a more effective method for identifying PMs to ensure training and/or instructions are provided timely.	Sep-26	Management agrees and will consult legal counsel to update policy and safety specifications. Following an update to the safety specifications, management will work with CAMM to develop a process for timely identification of PMs with responsibilty for overseeing contractors assigned safety specifications. Management will develop appropriate tools and/or training to be provided to these PMs.	
3/30/2026	25-506	PACE	Contractor Safety Management Program	Management should develop and document procedures for use of the Origami system to record and track observations, including guidelines for classifcation of observations as "minor" or "major", as well as standards for timely entry of observations and documentation of follow-up procedures.	Sep-26	Management agrees and will develop a standardized procedure for use of the Origami system to record and track observations. Procedures will establish criteria for classifying observations and will define roles and responsibilities to ensure accountability throughout the process.	

Audit Recommendations Closed During
Third Quarter, Fiscal Year 2025-26

ATTACHMENT C

Audit Issue Date	Report Number	Division/ Department/ Agency	Audit Name	Recommendation	Internal Audit Status Comments
5/29/24	24-511	People and Community Engagement (PACE)	Flexible Spending Account (FSA) Program	Management should implement a process for regular tracking of custodial account contributions, distributions, and running account balance and ensure the balance is updated for purposes of financial reporting.	Management has implemented a process for regular tracking of custodial account contributions, distributions, and running account balance, and has begun reporting the FSA account balance to accounting for purposes of financial reporting.
2/3/25	24-508	Express Lanes Programs	Agreement No. C-9-1177 with Cofiroute USA, LLC for 91 Express Lanes Operations	Management should enhance oversight to ensure the vendor is held accountable to contract requirements and develop policy and procedures to address the parameters and authorization thresholds for waiving liquidated damages.	Management has implemented procedures to obtain evidence of deliverables prior to approving invoices and has finalized a penalty waiver policy effective January 1, 2026.
2/3/25	24-508	Express Lanes Programs	Agreement No. C-9-1177 with Cofiroute USA, LLC for 91 Express Lanes Operations	Management should strengthen enforcement of contract requirements related to performance measures and reporting. Management should also develop a policy and procedures to address parameters and authorization levels for waiving penalties.	Management has implemented procedures to obtain Corrective Action Plans and is correctly applying performance penalties. Management also finalized a penalty waiver policy effective January 1, 2026.
7/22/25	25-512	PACE	Oversight and Contract Compliance Related to Public Outreach Activities for the OC Streetcar Project	Management should train project managers (PM) on preparation of cost estimates and monthly monitoring of contract burn rate. Contracts Administration and Materials Management (CAMM) staff should enforce requirements to develop an indepenedent cost estimate (ICE).	Management is now utilizing, and CAMM is enforcing, requirements to complete ICE forms, and has implemented procedures to monitor contract burn rates.
7/22/25	25-512	PACE	Oversight and Contract Compliance Related to Public Outreach Activities for the OC Streetcar Project	Management should strengthen invoice review procedures to ensure compliance with contract terms and to ensure amendments to add personnel are timely processed.	Management has implemented a revised invoice review checklist to include verification of billed personnel.
7/22/25	25-512	PACE	Oversight and Contract Compliance Related to Public Outreach Activities for the OC Streetcar Project	Management should ensure required deliverables are obtained and outreach activities are evaluated. PMs should be reminded of their contract management responsibilities.	Management has implemented procedures to ensure contract deliverables are included in invoice packages by incorporating contract deliverables into a revised invoice review checklist.

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: 405 Express Lanes Update for the Period Ending – December 31, 2025

Finance and Administration Committee Meeting of April 16, 2026

Present: Directors Federico, Go, Harper, Hennessey, Leon, and Sarmiento
Absent: Director Tettemer

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Receive and file as an information item.

OCTA

April 16, 2026

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: 405 Express Lanes Update for the Period Ending - December 31, 2025

Overview

The Orange County Transportation Authority oversees the operations of the 405 Express Lanes, which commenced on December 1, 2023. During the month of December 2025, transactions increased 11.5 percent while trips grew by 12.4 percent on the 405 Express Lanes. For the quarter ending December 2025, transactions totaled 18.5 million and trips were 4.7 million. This report focuses on the operational and financial activities for the period ending December 31, 2025.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority, in cooperation with the California Department of Transportation and the cities of Costa Mesa, Fountain Valley, Huntington Beach, Seal Beach, and Westminster, implemented the Interstate 405 (I-405) Improvement Project between State Route 73 (SR-73) and Interstate 605 (I-605) (Project). The Project added one general-purpose lane in each direction from Euclid Street to I-605, consistent with Measure M2 Project K, and added an additional lane in each direction that combines with the existing high-occupancy vehicle lane to provide dual express lanes in each direction of I-405 from SR-73 to I-605, otherwise known as the 405 Express Lanes (405 EL). The 405 EL commenced operations on December 1, 2023.

Motorists using the 405 EL pay tolls using a transponder that automatically deducts the toll amount from a prepaid account. The transponder can be used on any California tolled facility through existing interoperability agreements.

Discussion

The sections below discuss various operational data and information for the 405 EL in greater detail.

Transactions and Trips

The total number of 405 EL transactions for the month of December 2025 totaled 6,153,353, which represents a daily average of 198,495 transactions. This is an 11.5 percent increase in transactions from the same period last year when transactions totaled 5,516,898. In looking at the 12-month period ending December 2025, transactions totaled 72.0 million. Traffic in the northbound direction accounted for 53.6 percent of the transactions and the southbound direction accounted for 46.4 percent.

The transactions corresponded to 1,568,458 trips or 50,595 average daily trips. This is a 12.4 percent increase in trips from the same period last year. In looking at the 12-month period ending December 2025, trips totaled 18.1 million.

The carpool percentage (two person high-occupancy vehicles and three or more high-occupancy vehicles) for the period ending December 2025 was 26.0 percent.

Gross Potential Toll Revenues (GPTR)

GPTR is defined as the number of trips multiplied by the posted toll for that trip. GPTR will always exceed actual revenues (shown in the monthly report under the Financial Highlights section) because of violations, discounts, or unrecognizable license plates. GPTR results are utilized for the purpose of comparisons to the forecasted amounts for the 405 EL. For the month of December 2025, GPTR for the 405 EL was $4,183,253, and for the 12-month period ending of December 2025, the amount totaled $48,691,811.

Toll Adjustments

The Board of Directors (Board)-adopted Toll Policy requires staff to review traffic volumes on the 405 EL for potential toll adjustments. Based on the traffic volumes and speeds in the 405 EL, toll adjustments were applied to several hours effective November 1, 2025. There were 11 hours in total that reached the trigger point for a toll adjustment. Eight hours were in the northbound direction and three were in the southbound direction. Per the Toll Policy, toll rates were increased by either $1.30 or $1.70, depending on the average level of traffic. As

of the end of December 2025, toll rates for a full-length trip ranged from a minimum of $2.65 to a maximum of $25.95.

Number of Accounts and Transponders

The number of active accounts on the 405 EL totaled 26,530 and 57,768 transponders were assigned to those accounts as of December 31, 2025. The largest concentration of accounts continues to be in the City of Long Beach.

Outstanding Debt

As of December 31, 2025, the outstanding amount for the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan totaled $643.7 million. Debt service payments are not due on the TIFIA loan until December 2028 (five years after the substantial completion date of December 1, 2023). The TIFIA loan is rated “Baa2“ by Moody’s.

Operational Update

WSP USA Services Inc. (WSP) is the back-office system (BOS) and customer service center (CSC) operations provider for the 405 EL. Electronic Transaction Consultants, LLC (ETC), as a subcontractor to WSP, is responsible for the design, development, implementation, and maintenance of the 405 EL BOS. In November 2023, the BOS and CSC operations began preparations and officially went live in December 2023. Although go-live was achieved in December 2023, WSP/ETC has yet to deliver a BOS with full system functionalities. The delay in implementing some of the functionalities has resulted in WSP/ETC being unable to meet some of the key performance indicators.

During the month of December 2025, some of the operational key performance indicators were not met. These include service level/speed of answer, abandon rate percentage, timeliness of case resolution, processing of transponder requests, and processing customer refunds. The performance measures were not met due to staffing shortages, higher-than-forecasted call volumes, and other system issues. Failure to meet performance measures results in associated non-compliance points being applied to the monthly performance scorecard. If accumulated non-compliance points reach a specified threshold, the invoice for the month will be adjusted by the corresponding penalty percentage.

Since go-live, staff, in conjunction with the project management consultant for the 405 EL, has worked with the WSP/ETC team to resolve system defects and software issues, while supporting system design, testing, and implementation of new software functionalities. In December, the check print functionality was

deployed into production. This functionality enables the BOS to interface with the banking system for the issuance of customer and violator refunds.

Summary

The operational report for the 405 Express Lanes for the period ending December 31, 2025, is provided for Board of Directors' review. The report provides a summary of key operational and financial activities.

Attachment

A. 405 Express Lanes Status Report, December 2025

Prepared by:



Kirk Avila
General Manager,
Express Lanes Programs
(714) 560-5674

ATTACHMENT A

Orange County Transportation Authority

Status Report
December 2025

As of December 31, 2025

Table of Contents

OPERATIONS OVERVIEW 3
OCTA OPERATIONAL HIGHLIGHTS 5
FINANCIAL HIGHLIGHTS 6
CUSTOMER SERVICE CENTER ACTIVITIES 7
405 EXPRESS LANES TRANSPONDER DISTRIBUTION 7
NUMBER OF ACTIVE ACCOUNTS BY MONTH 8
KEY PERFORMANCE STATISTICS 9

OPERATIONS OVERVIEW

Transactions on the 405 Express Lanes (405 EL) for December 2025 totaled 6,153,353, which represents a daily average of 98,495 transactions. Traffic in the northbound direction accounted for 53.6 percent of the transactions, and the southbound direction accounted for 46.4 percent. The total transactions corresponded to 1,568,458 trips, of which 35.8 percent were full-segment trips. Average daily trips for the month totaled 50,595 vehicles. Gross potential toll revenue for December 2025 was $4,183,253.

Month-to-date (MTD) and fiscal year-to-date (YTD) traffic and revenue data are summarized in the tables below. The following tables include traffic and revenue data, number of transactions, and associated gross potential revenue for December 2025, as well as fiscal YTD totals for the period from July 2025 through December 2025.

Current MTD as of December 31, 2025

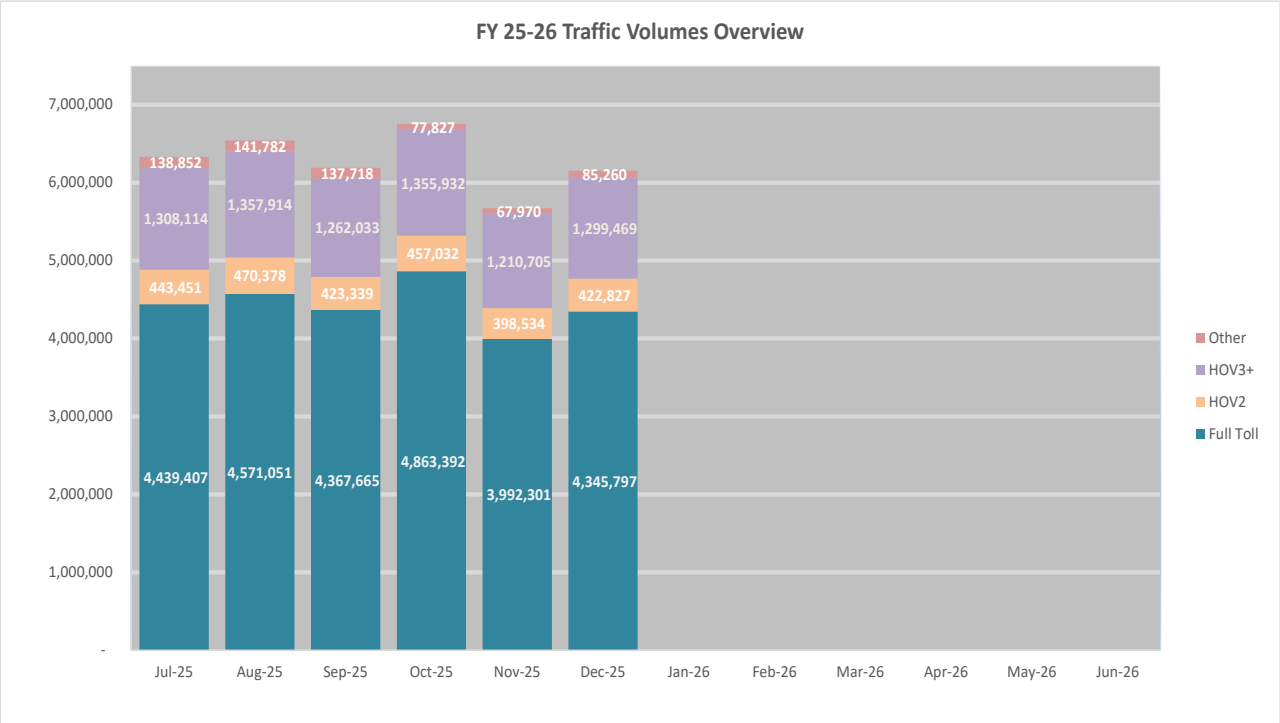
Transactions	Dec-25 MTD Actual	Dec-24 MTD Actual	Yr-to-Yr % Variance
Full Toll	4,345,797	3,947,889	10.1%
Two Persons High Occupancy Vehicle (HOV2)	422,827	395,350	7.0%
Three or More Persons High Occupancy Vehicle (HOV3+)	1,299,469	1,042,665	24.6%
Other (Clean Air Vehicles, Motorcycles, Designated/Disabled Plates)	85,260	130,994	-34.9%
Total Transactions	6,153,353	5,516,898	11.5%
Trips			
Full Toll	1,133,466	1,023,263	10.8%
Two Persons High Occupancy Vehicle (HOV2)	100,199	92,145	8.7%
Three or More Persons High Occupancy Vehicle (HOV3+)	308,011	243,944	26.3%
Other (Clean Air Vehicles, Motorcycles, Designated/Disabled Plates)	26,782	35,662	-24.9%
Total Trips	1,568,458	1,395,014	12.4%
Revenue			
Full Toll	$ 3,950,973	$ 3,036,157	30.1%
Special Rate (Clean Air Vehicles and Peak HOV2)	$ 232,279	$ 220,380	5.4%
Total Gross Potential Toll Revenue	$ 4,183,253	$ 3,256,537	28.5%

Fiscal Year (FY) 2025-26 YTD as of December 31, 2025

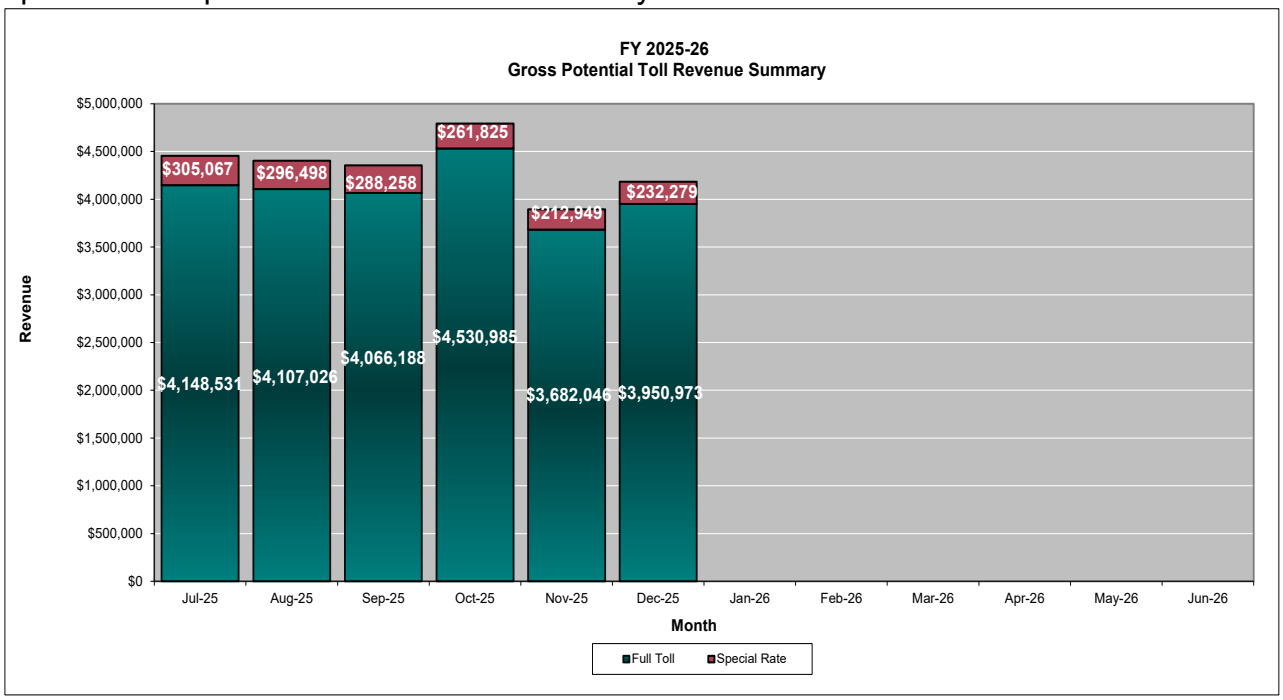
Transactions	FY 2025-26 YTD Actual
Full Toll	26,579,613
Two Persons High Occupancy Vehicle (HOV2)	2,615,561
Three or More Persons High Occupancy Vehicle (HOV3+)	7,794,167
Other (Clean Air Vehicles, Motorcycles, Designated/Disabled Plates)	649,409
Total Transactions	37,638,750
Trips	
Full Toll	6,799,585
Two Persons High Occupancy Vehicle (HOV2)	614,170
Three or More Persons High Occupancy Vehicle (HOV3+)	1,824,637
Other (Clean Air Vehicles, Motorcycles, Designated/Disabled Plates)	181,323
Total Trips	9,419,715
Revenue	
Full Toll	$ 24,485,750
Special Rate (Clean Air Vehicles and Peak HOV2)	$ 1,596,877
Total Gross Potential Toll Revenue	$ 26,082,627

405 EXPRESS LANES TRANSACTIONS AND REVENUE SUMMARY

The chart below reflects the breakdown of traffic volumes between full toll transactions and special rate transactions for FY 2025-26 on a monthly basis.



The chart below reflects the breakdown of gross potential revenue between full toll trips and special rate trips for FY 2025-26 on a monthly basis.



OCTA OPERATIONAL HIGHLIGHTS

On-Road Operations

OCTA Freeway Service Patrol responded to 72 calls during the month of December. Of those, 48 were to assist disabled vehicles, eight addressed traffic hazards, one was to address an unattended vehicle, and 15 involved vehicle collisions in the 405 EL.

405 Express Lanes Back Office System Update

WSP USA Services Inc. (WSP) is the back-office system (BOS) and customer service center operations provider for the 405 EL. Electronic Transaction Consultants, LLC (ETC), as a subcontractor to WSP, is responsible for the design, development, implementation, and maintenance of the 405 EL BOS. In November 2023, the BOS and customer service center operations began preparations and officially went live in December 2023. Although go-live was achieved in December 2023, WSP/ETC have yet to deliver a BOS with full system functionality. The delay in implementing some functionalities has resulted in WSP/ETC being unable to meet certain key performance indicators.

During the month of December 2025, some of the operational key performance indicators were not met. These include service level/speed of answer, abandon rate percentage, timeliness of case resolution, processing of transponder requests, and processing customer refunds. The performance measures were not met due to staffing shortages, higher-than-forecasted call volumes, and other system issues. Failure to meet performance measures results in associated non-compliance points being applied to the monthly performance scorecard. If accumulated non-compliance points reach a specified threshold, the invoice for the month will be adjusted by the corresponding penalty percentage.

Since go-live, staff, in conjunction with the project management consultant for the 405 EL, have worked with the WSP/ETC team to resolve system defects and software issues, while supporting system design, testing, and implementation of new software functionalities. In December, the check print functionality was deployed into production. This functionality enables the BOS to interface with the banking system for the issuance of customer and violator refunds.

FINANCIAL HIGHLIGHTS

405 Express Lanes
Operating Statement

Description	YTD as of : 12/31/2025 Actual [1]	Budget [1]	YTD Variance Dollar $	Percent (%)
Operating revenues:				
Toll Revenue	$ 24,614,047	$ 21,545,744	$ 3,068,304	14.2
Fee Revenue	$ 4,741,634	$ 2,733,166	$ 2,008,468	73.5
Total operating revenues	$ 29,355,681	$ 24,278,909	$ 5,076,772	20.9
Operating expenses:				
Contracted Services	$ 3,655,368	$ 7,590,997	$ 3,935,629	51.8
Administrative Fee	$ 1,604,442	$ 1,882,556	$ 278,114	14.8
Other Professional Services	$ 913,525	$ 1,446,460	$ 532,935	36.8
Credit Card Processing Fees	$ 539,491	$ 749,700	$ 210,209	28.0
Toll Road Account Servicing	$ -	$ 249,900	$ 249,900	100.0
Other Insurance Expense	$ 88,391	$ 254,227	$ 165,836	65.2
Toll Road Maintenance Supply Repairs	$ 394,581	$ 454,840	$ 60,259	13.2
Patrol Services	$ 597,421	$ 683,880	$ 86,459	12.6
Building Equipment Repairs and Maint	$ 1,424,913	$ 1,367,086	$ (57,827)	(4.2)
6C Transponders	$ -	$ -	$ -	N/A
Other Services	$ 1,250	$ 328,868	$ 327,618	99.6
Utilities	$ 42,695	$ 96,697	$ 54,001	55.8
Office Expense	$ 537,382	$ 574,784	$ 37,402	6.5
Bad Debt Expense	$ -	$ -	$ -	N/A
Miscellaneous [2]	$ 5,249	$ 41,799	$ 36,550	87.4
Leases	$ 319,643	$ 330,868	$ 11,225	3.4
Total operating expenses	$ 10,124,350	$ 16,052,661	$ 5,928,310	36.9
Depreciation and Amortization [3]	$ 7,719,178	$ -	$ (7,719,178)	N/A
Operating income (loss)	$ 11,512,153	$ 8,226,249	$ 3,285,904	39.9
Nonoperating revenues (expenses):				
Reimbursement from Other Agencies	$ -	$ -	$ -	N/A
Interest Income	$ 706,172	$ 2,466,182	$ (1,760,010)	(71.4)
Interest Expense	$ (5,266,115)	$ -	$ (5,266,115)	N/A
Other	$ -	$ -	$ -	N/A
Total nonoperating revenues (expenses)	$ (4,559,943)	$ 2,466,182	$ (7,026,125)	284.9
Transfers In	$ -	$ -	$ -	N/A
Transfers Out [4]	$ -	$ (7,442,233)	$ 7,442,233	100.0
Net income (loss)	**$ 6,952,210**	**$ 3,250,197**	**$ 3,702,012**	**113.9**

[1]Actual amounts are accounted for on the accrual basis of accounting in an enterprise fund. Budget amounts are accounted for on a modified accrual basis of accounting.

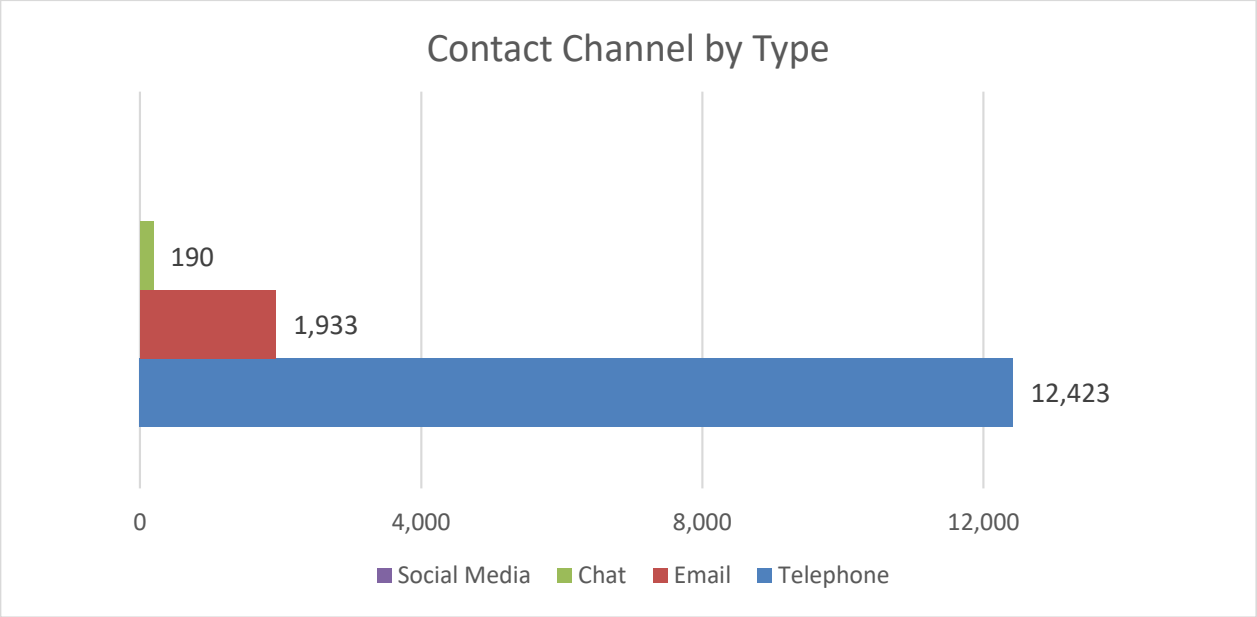
[2]Miscellaneous expenses include: Bank Service Charge, Travel, Mileage, Business Expenses

[3]Depreciation and amortization are not budgeted items.

[4]Transfers Out budgeted for capital assets purchase.

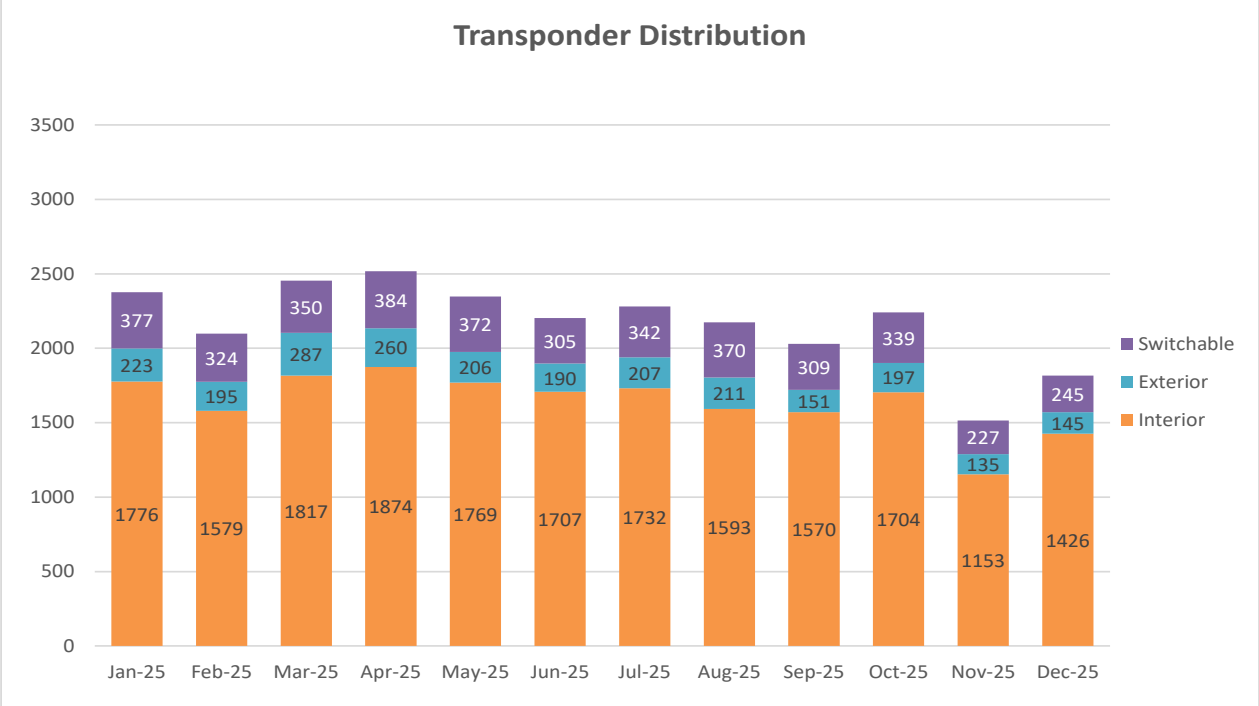
CUSTOMER SERVICE CENTER ACTIVITIES

For the month of December, the customer service center received 14,546 contacts by various channels. The chart below depicts the number of contacts received by channel type.



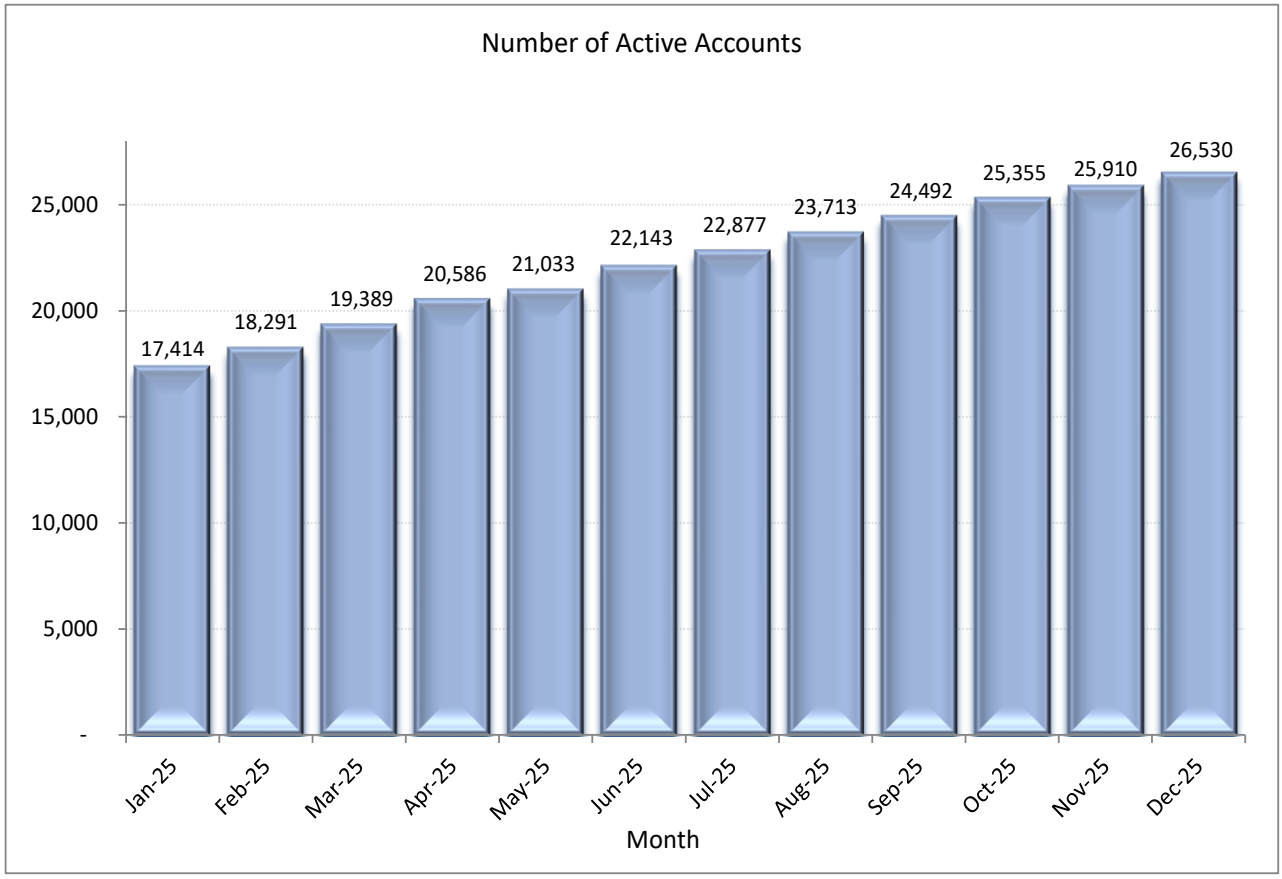
405 EXPRESS LANES TRANSPONDER DISTRIBUTION

The chart below reflects the number and types of transponders issued by the 405 EL by month. As of December 31, 2025, the 405 EL had issued 57,768 transponders.



NUMBER OF ACTIVE ACCOUNTS BY MONTH

As of December 31, 2025, the 405 EL had 26,530 active customer accounts.



KEY PERFORMANCE STATISTICS

The table below reflects the key performance statistics for the month of December 2025.

REPORTING REQUIREMENT	PERFORMANCE STANDARD	DECEMBER 2025 PERFORMANCE	
Customer Service			
Service Level /Speed of Answer	Per business day, in which 80% of calls are answered within 60 seconds	17 of 21 days met	*
Abandon Rate Percentage	Per business day, in which less than 4% of calls are abandoned	21 of 21 days met	
Customer Satisfaction Score	Per month, in which the customer satisfaction score does not achieve an average of 4.5 at minimum	Monthly Average 4.726	
First Contact Resolution	Per business day, in which 85% of customer calls are resolved on the first contact	21 of 21 days met	
Timeliness of Case Resolution	Per business day, in which 90% of cases are resolved within one (1) business day	20 of 21 days met	**
	Per business day, in which 98% of cases are resolved within five (5) business days	21 of 21 days met	
Mail Performance			
Processing of Transponder Requests	Per business day, in which 100% of transponder requests are processed within two (2) business days	16 of 21 days met	***
Payment Processing	Per business day, in which 100% of payments are processed within two (2) business days	21 of 21 days met	
Accounting			
Customer Refunds Processed	Per business day, in which 100% of all refunds are complete and accurately issued within five (5) business days	1 of 21 days met	****

Each performance measure is assigned a non-compliance point value. Failure to meet the performance measure will result in the associated non-compliance points being applied to the monthly performance scorecard. If the accumulated non-compliance points reached a specified threshold, the customer service invoice for the month will be adjusted by the corresponding penalty percentage.

* The performance measure was not met due to staffing shortages and higher than forecasted call volumes.

**The performance measure was not met due to high volume of cases after returning from the holiday.

***The performance measure was not met due to system issues which prevented requests from being fulfilled within the required time frame.

****The performance measure was not met due to undelivered system functionality that prevents WSP from issuing check refunds during the required time frame.

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: 91 Express Lanes Update for the Period Ending – December 31, 2025

Finance and Administration Committee Meeting of April 16, 2026

Present: Directors Federico, Go, Harper, Hennessey, Leon, and Sarmiento
Absent: Director Tettemer

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Receive and file as an information item.

April 16, 2026

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: 91 Express Lanes Update for the Period Ending – December 31, 2025

Overview

The Orange County Transportation Authority has owned and managed the operations of the 91 Express Lanes since January 2003. Since then, traffic volumes and toll revenues have fluctuated with changes in the economy and the added capacity to the State Route 91 corridor. During the month of December 2025, approximately 1.86 million trips were taken, and over 5.57 million trips were made during the last quarter of calendar year 2025 on the 91 Express Lanes in Orange County. This report focuses on the operational and financial activities for the period ending December 31, 2025.

Recommendation

Receive and file as an information item.

Background

The Orange County segment of the 91 Express Lanes (91 EL) is a four-lane, ten-mile tolled facility built in the median of State Route 91 (SR-91) between the State Route 55/SR-91 interchange and the Orange/Riverside County Line. The 91 EL was built by the California Private Transportation Company (CPTC) for a cost of approximately $135 million and opened to travelers in 1995. An agreement with the California Department of Transportation included a non-compete provision that created a 1.5-mile protection zone along each side of SR-91. This zone prohibited improvements along the corridor and created mobility problems as the region and corresponding transportation demands grew.

To mitigate growing concerns over congestion, the Orange County Transportation Authority (OCTA) acquired the 91 EL franchise rights from the CPTC in January 2003. This eliminated the non-compete provision, clearing the

way for future enhancements to increase capacity and improve traffic flow along the SR-91 corridor.

With the non-compete provisions removed, the Riverside County Transportation Commission (RCTC) received authority to extend the 91 EL to Interstate 15 (I-15) in 2008. At a cost of $1.4 billion, the RCTC 91 Corridor Improvement Project added general-purpose lanes, tolled express lanes, auxiliary lanes, and direct express lane connectors from the 91 EL to I-15. The Riverside County segment of the 91 EL opened in 2017, providing customers with eight additional miles of travel on SR-91. To provide 91 EL customers with a seamless experience, OCTA and RCTC entered into a three-party operating agreement with one firm to service both facility segments.

Historically, the 91 EL has used congestion management pricing to adjust tolls quarterly based on the number of vehicles traveling through the express lanes. Since 2003, OCTA, and RCTC in 2017, have used this tolling method to provide customers with a safe, reliable, and predictable trip on the 91 EL. In November 2023, the RCTC 91 EL segment transitioned to dynamic pricing, which adjusts toll rates based on real-time traffic volumes to maintain free-flowing trips in accordance with RCTC's 91 EL Toll Policy and Toll Schedule. The OCTA 91 EL segment still utilizes congestion management pricing, adjusting tolls quarterly.

Motorists pay tolls using a transponder that automatically deducts the toll amount from a prepaid account. The transponder can be used on any California tolled facility through existing interoperability agreements.

OCTA and RCTC's tolling agreements allow both agencies to operate the 91 EL well into the future (2065 for OCTA and 2067 for RCTC). This provides customers with transportation options for 18 miles of travel in one of California's busiest corridors.

Discussion

The sections below discuss various operational data and information for the 91 EL in greater detail.

Traffic Volumes

The total traffic volume on the OCTA 91 EL for the month of December 2025 was 1,864,456. This represents a daily average of 60,144 vehicles. This is a 1.5 percent increase in total traffic volume from the same period last year when traffic levels totaled 1,837,504. For the 12 months ending December 2025, traffic volumes totaled over 22.2 million, representing a 2.5 percent increase from the same period in the prior year. The carpool percentage for December was

24.7 percent as compared to the previous year's rate of 27.2 percent. The decrease in carpool usage in the OCTA segment is similar to the decrease seen on the RCTC segment and can be attributed to the implementation of the occupancy detection system (ODS). Even though OCTA has not implemented the ODS, it appears that travelers are adjusting their lane selection and travel patterns on both segments.

Gross Potential Toll Revenues (GPTR)

GPTR for the month of December 2025 was $6,161,309, which represents an increase of 7.4 percent from the prior year's total of $5,737,481 for the month of December 2024. GPTR is equal to the toll rate times the number of vehicles traveling on the 91 EL (the amount does not consider violations or discounts). Over the previous 12 months, GPTR totaled over $72.5 million, representing a 5.6 percent increase from the same period in the prior year.

Toll Adjustments

The Board of Directors (Board)-adopted Toll Policy requires staff to review traffic volumes on the Orange County segment of the 91 EL for potential toll adjustments on a quarterly basis. Based on the traffic volumes during the review period, no hours in the eastbound or westbound directions reached the trigger point for a toll adjustment in September 2025. As of December 2025, toll rates ranged from a minimum of $1.95 to a maximum of $9.35. Any potential toll adjustments for the quarter ending December 31, 2025, will be reported in the following report.

Number of Accounts and Transponders

The number of active accounts totaled 186,193, and 750,099 transponders were assigned to those accounts as of December 31, 2025. Over the past 12 months, the number of accounts increased by 4,187, while the number of transponders in circulation increased by 14,896. Over the past several years, there has been continued growth in the number of accounts and transponders, primarily driven by the extension of the 91 EL into Riverside County and the opening of the 15 Express Lanes with direct connectors from the 91 EL.

Outstanding Debt

As of December 31, 2025, the outstanding amount of the 91 EL tax-exempt 2023 Senior Lien Toll Road Revenue Refunding Bonds (Bonds) totaled $35.6 million. The Bonds are rated "AA-" by Standard and Poor's, "AA3" by Moody's, and "AA-" by Fitch Ratings. The next scheduled interest payment is on February 15, 2026, and the next principal payment is on August 15, 2026.

Reserve Funds

The 2023 Bonds require three reserve funds: a major maintenance fund, an operating fund, and a debt service reserve fund. All three funds were fully funded with a total balance of approximately $11.96 million as of December 31, 2025.

In addition to the required debt reserve funds, the OCTA Board elected to establish two additional reserve funds. An internal capital projects fund has a balance of $33.38 million and is used for large capital projects for the 91 EL, such as pavement rehabilitation and back-office system (BOS) upgrades. The other reserve fund was established in 2017 for two future Measure M2 projects (Projects I and J) on the SR-91 corridor. Project I improves mainline freeway, interchanges, and replaces four bridges along SR-91 between west of SR-57 (Acacia Street) and east of State Route 55 (Lakeview Avenue), estimated to cost approximately $790 million. Project I is being developed as three separate design and construction projects. The easternmost segment commenced construction in April 2025, the westernmost segment is currently in the bid phase and is anticipated to start construction in early 2026, and the middle segment is in the final design phase. All three segments of Project I are anticipated to be completed by late-2030. Project J includes operational improvements on SR-91 between State Route 241 and the Orange/Riverside County Line and is currently scheduled for completion in 2035. The balance in that reserve fund is $263.51 million and is used for project expenses as they are incurred. Lastly, OCTA has approximately $43.84 million set aside in excess toll revenues for SR-91 corridor projects.

Operations Update

In March 2022, Cofiroute USA, LLC (CUSA) deployed a new BOS for the 91 EL for both Orange and Riverside counties. Since deployment, CUSA, OCTA, and RCTC staff have continuously monitored the BOS performance and the customer service center (CSC) performance. As part of ongoing monitoring, Key Performance Indicators (KPI) are assessed for damages in accordance with the contract requirements. OCTA and RCTC staff have finalized the KPI damages for the months of July 2025 through November 2025. These KPI damages are a result of OCTA and RCTC identified performance issues with the BOS and CSC, totaling $73,430 for both agencies.

For OCTA, the total penalties amounted to $38,360. Of this amount, $25,787 was attributed to BOS performance, of which $11,428 was waived, and $14,359 was accessed. The remaining $12,573 in KPI damages was attributed to CSC performance failures, with the full amount assessed in the corresponding monthly invoices. Staff is working on finalizing the KPI damages for December 2025, which will be reported in the following quarterly report.

Attachment A summarizes some of the KPIs of the CSC over the past 12 months. The KPI for service level for the speed of answer (KPI 5) was met in October and missed only once in November and twice in December. The abandonment rate KPI (KPI 6) was met in all three months of the quarter. CUSA continues to evaluate staffing levels and review the communication schedule to optimize message delivery timing. Prior corrective measures have shown improvement in meeting KPI 5 and KPI 6 in the past quarter compared to the prior year.

Operational Acceptance Testing was passed in June 2025. Since then, staff has been working closely with CUSA to address deferred and punch-list items. As of December, CUSA has made progress in completing the deferred and punch-list items, but some items remain outstanding. All deferred and punch-list items must be completed before Final Acceptance. Staff will report on the status of Final Acceptance in the following report.

OCTA and RCTC substantially completed the upgrade project for their video wall and advanced traffic management system (ATMS) in the Traffic Operations Center. The ATMS was commissioned in July 2025 and completed acceptance in December. Staff will now oversee the project for the operations and maintenance phase.

OCTA staff has also been supporting RCTC in implementing the Occupancy Detection System (ODS) on the Riverside segment of the 91 EL. The ODS enables RCTC to verify that at least three occupants are present during travel. If fewer than three occupants are present, the carpool discount will not be given, and a $5 occupancy correction fee will be added. The ODS went live on August 4, 2025, and staff has been working collaboratively with CUSA to ensure that the system accurately assesses tolls and fees for users who do not meet the occupancy requirements. Staff will continue to work with CUSA on customer communication, system monitoring, and overall ODS oversight.

During the reporting period, OCTA and RCTC staff worked with CUSA to complete system changes to remove the zero-emissions vehicle (ZEV) discount as approved by the OCTA Board on September 8, 2025. Staff worked with CUSA to send updated account documents and notices to customers, informing them of the change well in advance. Customers were provided the ZEV discount until December 31, 2025, as a courtesy and to allow for ample time for communications to be sent and system changes to be completed. All the system changes were completed before the end of the year, and the discount was discontinued as of January 1, 2026. Staff will monitor the changes to the system and evaluate any issues appropriately on the KPI scorecard.

On December 27, 2025, the 91 EL celebrated 30 years of operations, providing motorists with a reliable congestion-free option on the SR-91 corridor. To celebrate this occasion, the 91 EL conducted a marketing promotion to boost customer accounts and travel on the 91 EL during the holiday weeks in December. The promotion provided 30 91 EL customers who used the OCTA segment during the promotion period with a $100 toll credit for future tolls on the OCTA segment of the 91 EL.

Looking at the Quarter Ahead

OCTA 91 EL staff will focus on completing the punch-list items for the BOS acceptance, along with monitoring the BOS for stability and ensuring ZEV discount changes were completed appropriately. Staff will also continue to review BOS and CSC operations and apply the applicable KPIs to the monthly scorecards. During this period, OCTA will also continue to support RCTC in monitoring the ODS. Lastly, OCTA staff will work with RCTC to plan and project costs for the future BOS for the 91 EL.

Summary

An operational report for the 91 Express Lanes for the period ending December 30, 2025, is provided for the Board of Directors' review. The report provides a summary of key operational and financial activities.

Attachments

A. 91 Express Lanes, Key Performance Measures, December 2025
B. 91 Express Lanes Status Report, December 2025

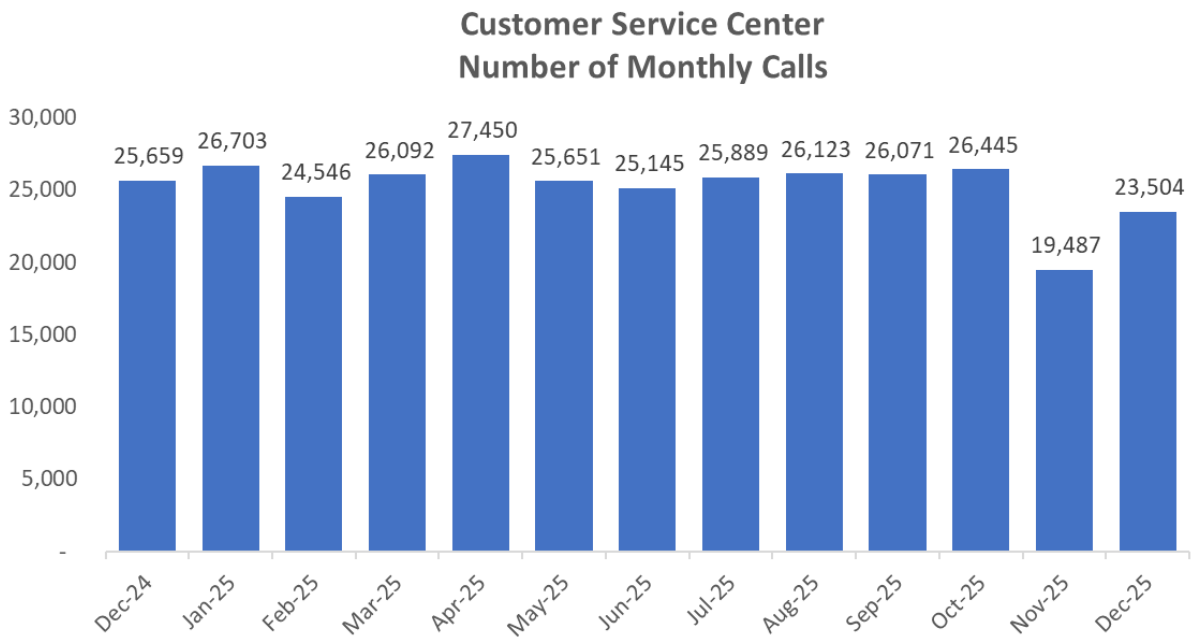
Prepared by:



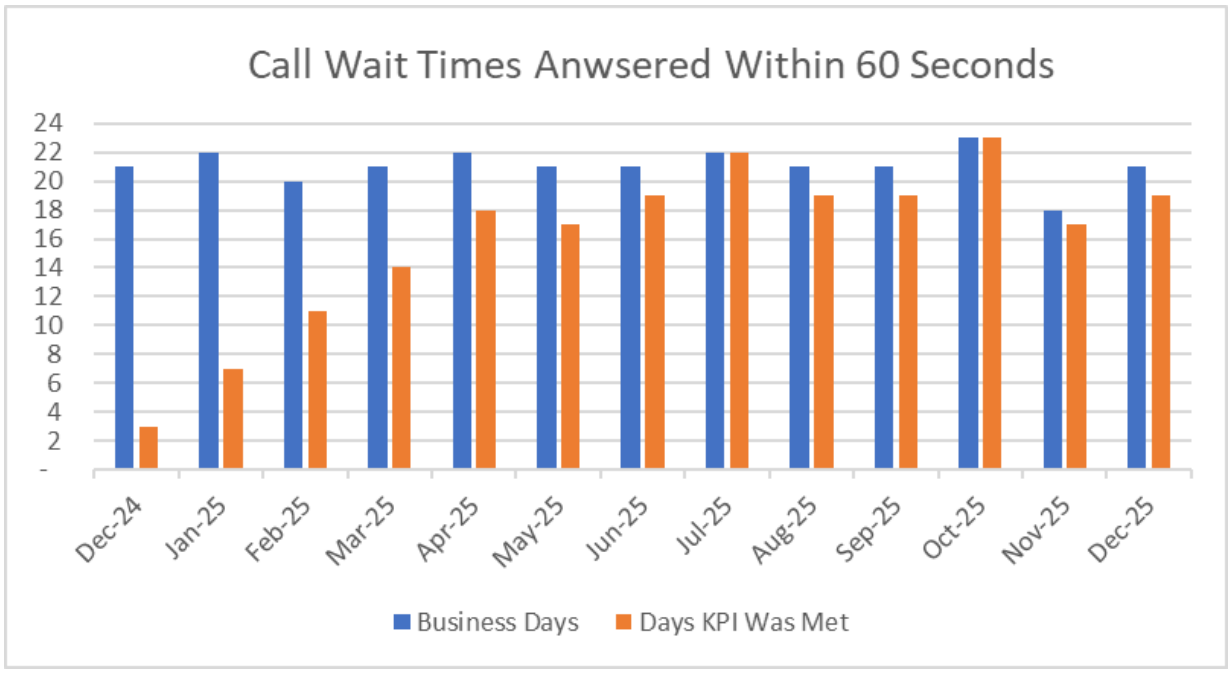
Kirk Avila
General Manager,
Express Lanes Programs
(714) 560-5674

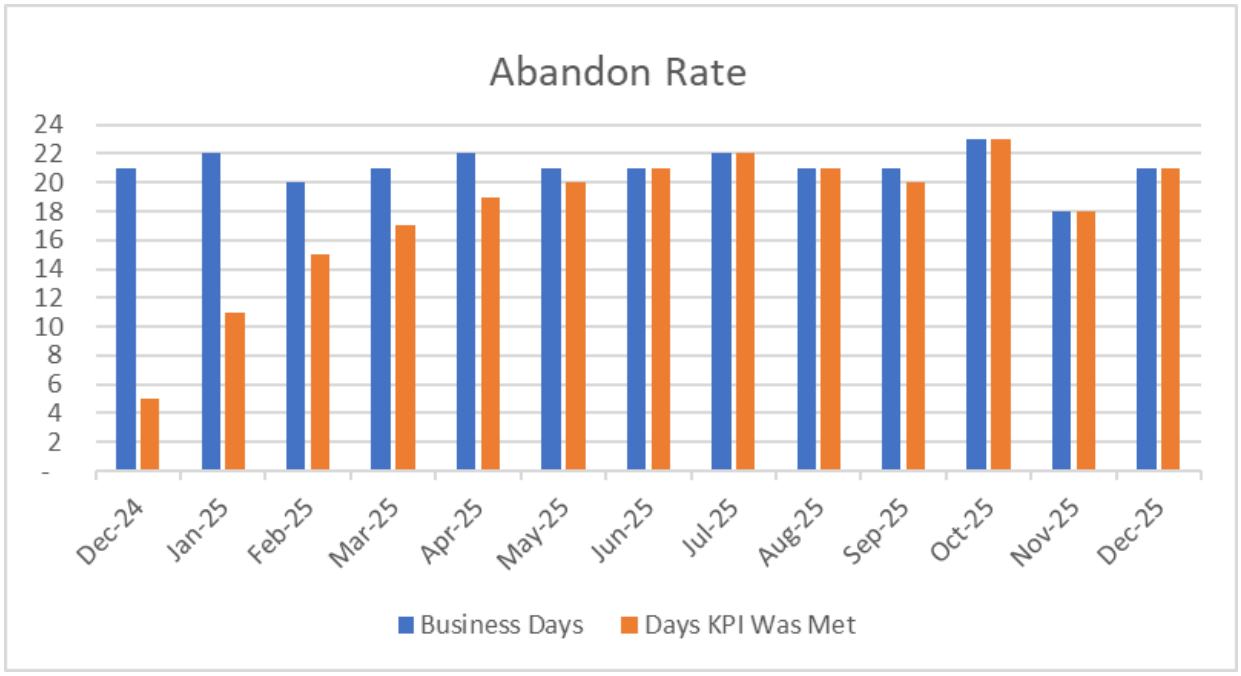
ATTACHMENT A

91 Express Lanes
Key Performance Measures
December 2025









KPI = Key performance indicator

ATTACHMENT B

Orange County Transportation Authority
Riverside County Transportation Commission

91 Express Lanes

Status Report

December 2025

As of December 31, 2025

Table of Contents

Operations Overview OCTA 3
Traffic and Revenue Statistics for OCTA 3
OCTA Traffic and Revenue Summary 5
OCTA Peak-Hour Volumes 6
OCTA Eastbound Peak-Hour Volumes 6
OCTA Westbound Peak-Hour Volumes 7
OCTA Operational Highlights 8
Financial Highlights OCTA 9
Operations Overview RCTC 10
Traffic and Revenue Statistics for RCTC 10
RCTC Traffic and Revenue Summary 12
RCTC Operational Highlights 13
Financial Highlights RCTC 14
Joint Agency Trip and Revenue Statistics 15
Joint Agency Traffic Statistics 15
Joint Agency Back Office System (BOS) And Customer Service Center (CSC) Update 16
Joint Agency Performance Measures 17
Joint Agency Transponder Distribution 18

OPERATIONS OVERVIEW OCTA

The total traffic volume on the 91 Express Lanes (91 EL) for December 2025 was 1,864,456. This represents a daily average of 60,144 vehicles. This is a 1.5 percent increase in total traffic volume from the same period last year, which totaled 1,837,504. Potential toll revenue for December was $6,161,309, which represents an increase of 7.4 percent from the prior year's total of $5,737,481. The carpool percentage for December was 24.7 percent as compared to the previous year's rate of 27.2 percent. The decrease in carpool usage in the Orange County Transportation Authority (OCTA) segment is similar to the decrease seen on the Riverside segment and can be attributed to the implementation of the occupancy detection system (ODS). Even though OCTA has not implemented the ODS, it appears that travelers are adjusting their lane selection and travel patterns on both segments.

Month-to-date (MTD) traffic and revenue data is summarized in the table below. The following table of trip and revenue statistics represent all trips taken on the OCTA 91 EL and the associated potential revenue for the month of December 2025.

Current MTD as of December 31, 2025

Trips	DEC-25 MTD Actual	DEC-24 MTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	1,403,005	1,337,503	4.9%
3+ Lanes	461,451	500,001	(7.7%)
Total Gross Trips	1,864,456	1,837,504	1.5%
Revenue			
Full Toll Lanes	$6,079,536	$5,650,581	7.6%
3+ Lanes	$81,774	$86,900	(5.9%)
Total Gross Revenue	$6,161,309	$5,737,481	7.4%
Average Revenue per Trip			
Average Full Toll Lanes	$4.33	$4.22	2.6%
Average 3+ Lanes	$0.18	$0.17	5.9%
Average Gross Revenue	$3.30	$3.12	5.8%

The 2026 fiscal year-to-date (YTD) traffic volume increased by 2.4 percent, and potential toll revenue increased by seven percent when compared with the same period the prior year. YTD average revenue per trip is $3.33.

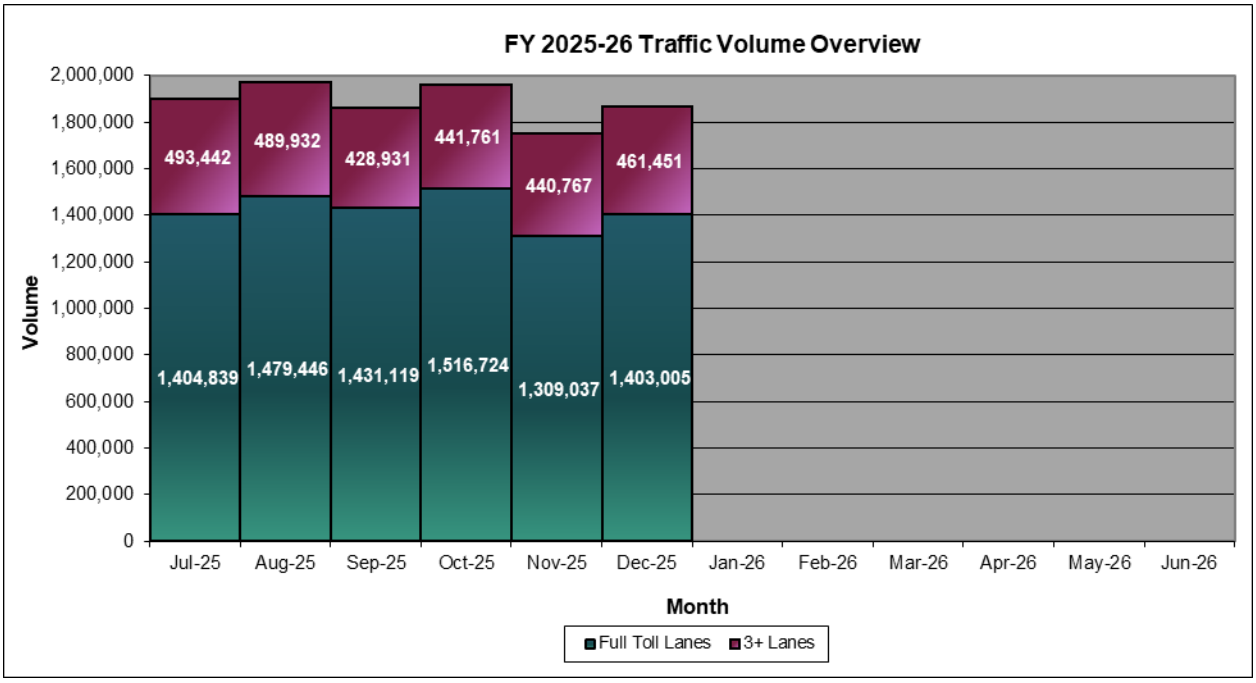
Fiscal YTD traffic and revenue data are summarized in the table below. The following table of trip and revenue statistics represent all trips taken on the OCTA 91 EL and the associated potential revenue for the months of July 2025 through December 2025.

Fiscal Year (FY) 2025-26 YTD as of December 31, 2025

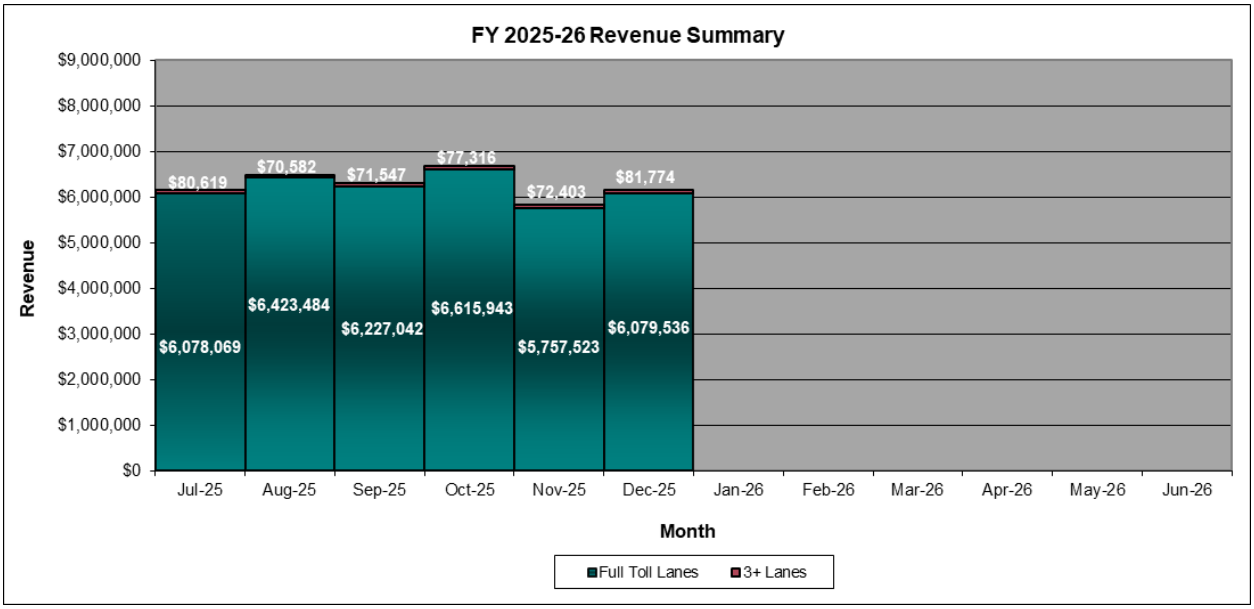
Trips	FY 2025-26 YTD Actual (7/2025-12/2025)	FY 2024-25 YTD Actual (7/2024-12/2024)	Yr-to-Yr % Variance
Full Toll Lanes	8,544,170	8,157,247	4.7%
3+ Lanes	2,756,284	2,880,281	(4.3%)
Total Gross Trips	11,300,454	11,037,528	2.4%
Revenue			
Full Toll Lanes	$37,181,597	$34,694,008	7.2%
3+ Lanes	$454,240	$473,046	(4.0%)
Total Gross Revenue	$37,635,837	$35,167,053	7.0%
Average Revenue per Trip			
Average Full Toll Lanes	$4.35	$4.25	2.4%
Average 3+ Lanes	$0.16	$0.16	0.0%
Average Gross Revenue	$3.33	$3.19	4.4%

OCTA Traffic and Revenue Summary

The chart below reflects the total trips breakdown between full toll trips and high-occupancy vehicle (HOV3+) trips for FY 2025-26 on a monthly basis.



The chart below reflects the breakdown of gross potential revenue between full toll trips and HOV3+ trips for FY 2025-26 on a monthly basis.



OCTA PEAK-HOUR VOLUMES

Peak-hour traffic in the eastbound and westbound directions reached or exceeded 90 percent of the defined capacity 17 times during the month of December 2025. As shown in the following chart, westbound peak-hour traffic volumes peaked at 94 percent of defined capacity. This performance is closely monitored, as toll adjustments are made based on capacity thresholds in accordance with the OCTA Toll Policy for the 91 EL. If capacity reaches 92 percent on a consistent basis (more than six times over the prior 12 weeks), then an adjustment will be made to toll rates for that particular hour and day.

OCTA EASTBOUND PEAK-HOUR VOLUMES

	Monday		*12/01/25*		*Tuesday*		*12/02/25*		*Wednesday*		*12/03/25*		*Thursday*		*12/04/25*		*Friday*		*12/05/25*	
PM Time	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	$5.90	420	2,993	88%	$5.90	378	2,943	87%	$5.90	408	3,029	89%	$8.70	375	2,685	79%	$9.35	429	2,912	86%
1500 - 1600	$6.35	482	2,837	83%	**$6.30**	**538**	**3,135**	**92%**	$8.40	459	2,991	88%	$8.40	442	2,692	79%	$8.90	508	2,917	86%
1600 - 1700	$5.55	468	2,798	82%	$5.05	447	2,830	83%	$7.30	494	2,875	85%	$7.85	472	2,995	88%	$6.85	509	2,795	82%
1700 - 1800	$5.40	572	2,883	85%	$5.35	502	2,852	84%	$6.05	539	2,899	85%	$7.50	583	3,039	89%	$7.55	564	2,782	82%
1800 - 1900	$6.35	618	2,842	84%	$4.55	596	2,900	85%	$4.55	616	2,874	85%	$4.40	596	2,651	78%	$7.55	632	2,814	83%
1900 - 2000	$4.40	629	2,596	76%	$4.40	700	2,835	83%	$4.40	693	2,831	83%	$6.50	666	2,842	84%	$7.05	756	2,742	81%

	Monday		*12/08/25*		*Tuesday*		*12/09/25*		*Wednesday*		*12/10/25*		*Thursday*		*12/11/25*		*Friday*		*12/12/25*	
PM Time	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	$5.90	451	3,013	89%	$5.90	436	3,036	89%	**$5.90**	**445**	**3,074**	**90%**	$8.70	445	2,935	86%	$9.35	464	2,830	83%
1500 - 1600	$6.35	468	2,976	88%	$6.30	462	2,897	85%	**$8.40**	**452**	**3,093**	**91%**	$8.40	513	3,026	89%	$8.90	553	2,911	86%
1600 - 1700	$5.55	432	2,739	81%	$5.05	461	2,864	84%	$7.30	463	2,857	84%	$7.85	403	2,444	72%	$6.85	516	2,765	81%
1700 - 1800	$5.40	559	2,816	83%	$5.35	489	2,853	84%	$6.05	533	2,859	84%	$7.50	553	2,887	85%	$7.55	596	2,779	82%
1800 - 1900	$6.35	618	2,694	79%	$4.55	601	3,002	88%	$4.55	583	2,880	85%	$4.40	612	2,837	83%	$7.55	715	2,832	83%
1900 - 2000	$4.40	650	2,565	75%	$4.40	607	2,731	80%	$4.40	646	2,780	82%	$6.50	675	2,804	82%	$7.05	776	2,765	81%

	Monday		*12/15/25*		*Tuesday*		*12/16/25*		*Wednesday*		*12/17/25*		*Thursday*		*12/18/25*		*Friday*		*12/19/25*	
PM Time	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	$5.90	407	2,879	85%	**$5.90**	**415**	**3,089**	**91%**	$5.90	414	2,950	87%	$8.70	439	2,871	84%	$9.35	531	2,953	87%
1500 - 1600	$6.35	489	2,959	87%	$6.30	487	2,973	87%	$8.40	443	2,858	84%	**$8.40**	**539**	**3,055**	**90%**	$8.90	572	2,953	87%
1600 - 1700	$5.55	423	2,877	85%	$5.05	453	2,829	83%	**$7.30**	**509**	**3,118**	**92%**	$7.85	459	2,893	85%	$6.85	540	2,759	81%
1700 - 1800	$5.40	547	2,786	82%	$5.35	482	2,873	85%	$6.05	550	2,954	87%	$7.50	541	2,821	83%	$7.55	646	2,951	87%
1800 - 1900	$6.35	618	2,818	83%	$4.55	630	2,831	83%	$4.55	640	2,831	83%	$4.40	591	2,837	83%	$7.55	719	2,818	83%
1900 - 2000	$4.40	684	2,617	77%	$4.40	669	2,821	83%	$4.40	721	2,973	87%	$6.50	770	2,988	88%	$7.05	781	2,583	76%

	Monday		*12/22/25*		*Tuesday*		*12/23/25*		*Wednesday*		*12/24/25*		*Thursday*		*12/25/25*		*Friday*		*12/26/25*	
PM Time	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	$5.90	516	2,923	86%	$5.90	532	2,955	87%	$9.35	745	2,480	73%	$7.00	872	1,972	58%	$5.70	542	2,024	60%
1500 - 1600	$6.35	501	2,872	84%	$6.30	513	2,858	84%	$8.90	843	2,623	77%	$7.00	684	1,544	45%	$5.70	534	1,888	56%
1600 - 1700	$5.55	502	2,835	83%	$5.05	555	2,828	83%	$6.85	927	2,523	74%	$7.00	658	1,439	42%	$5.70	466	1,627	48%
1700 - 1800	$5.40	593	2,895	85%	$5.35	603	2,810	83%	$7.55	1,073	2,665	78%	$7.00	633	1,429	42%	$5.70	564	1,749	51%
1800 - 1900	$6.35	656	2,762	81%	$4.55	693	2,760	81%	$7.55	976	2,250	66%	$7.00	690	1,322	39%	$5.70	503	1,396	41%
1900 - 2000	$4.40	751	2,538	75%	$4.40	672	2,400	71%	$7.05	728	1,615	48%	$7.00	731	1,377	41%	$5.70	457	1,095	32%

	Monday		*12/29/25*		*Tuesday*		*12/30/25*		*Wednesday*		*12/31/25*		*Thursday*		*01/01/26*		*Friday*		*01/02/26*	
PM Time	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	$5.90	509	2,803	82%	$5.90	562	2,904	85%	$9.35	569	2,532	74%								
1500 - 1600	$6.35	522	2,815	83%	$6.30	549	2,882	85%	$8.90	644	2,593	76%								
1600 - 1700	$5.55	515	2,753	81%	$5.05	527	2,787	82%	$6.85	733	2,512	74%								
1700 - 1800	$5.40	606	2,873	85%	$5.35	588	2,786	82%	$7.55	831	2,400	71%								
1800 - 1900	$6.35	617	2,255	66%	$4.55	710	2,773	82%	$7.55	680	1,706	50%								
1900 - 2000	$4.40	620	1,884	55%	$4.40	662	2,122	62%	**$7.05**	**495**	**1,188**	**35%**								

OCTA WESTBOUND PEAK-HOUR VOLUMES

	Monday		12/01/25		Tuesday		12/02/25		Wednesday		12/03/25		Thursday		12/04/25		Friday		12/05/25	
AM Time	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	$3.55	484	1,637	48%	$3.55	515	1,679	49%	$3.55	507	1,662	49%	$3.55	511	1,735	51%	$3.55	454	1,501	44%
0500 - 0600	**$5.70**	**795**	**3,125**	**92%**	$5.70	765	3,014	89%	$5.70	624	2,331	69%	**$5.70**	**799**	**3,051**	**90%**	$5.45	696	2,792	82%
0600 - 0700	$5.90	684	2,930	86%	$5.90	665	2,954	87%	$5.90	640	2,634	77%	$5.90	668	2,970	87%	$5.70	574	2,677	79%
0700 - 0800	$6.55	616	2,790	82%	$6.55	559	2,823	83%	**$6.55**	**695**	**3,129**	**92%**	$6.55	614	2,915	86%	$6.35	526	2,443	72%
0800 - 0900	$5.90	323	2,555	75%	$5.90	341	2,707	80%	**$5.90**	**415**	**3,082**	**91%**	$5.90	395	2,686	79%	$5.70	305	2,078	61%
0900 - 1000	$4.80	382	2,493	73%	$4.80	387	2,691	79%	$4.80	349	2,972	87%	$4.80	373	2,686	79%	$4.80	351	2,230	66%

	Monday		12/08/25		Tuesday		12/09/25		Wednesday		12/10/25		Thursday		12/11/25		Friday		12/12/25	
AM Time	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	$3.55	483	1,652	49%	$3.55	510	1,760	52%	$3.55	512	1,697	50%	$3.55	520	1,719	51%	$3.55	446	1,499	44%
0500 - 0600	$5.70	756	3,022	89%	$5.70	722	3,027	89%	**$5.70**	**786**	**3,052**	**90%**	**$5.70**	**812**	**3,182**	**94%**	$5.45	711	2,874	85%
0600 - 0700	$5.90	570	2,659	78%	$5.90	645	2,973	87%	**$5.90**	**667**	**3,066**	**90%**	$5.90	668	2,965	87%	$5.70	608	2,829	83%
0700 - 0800	$6.55	230	941	28%	$6.55	589	2,926	86%	$6.55	600	2,892	85%	$6.55	627	2,879	85%	$6.35	554	2,682	79%
0800 - 0900	$5.90	419	2,540	75%	$5.90	362	2,810	83%	$5.90	355	2,837	83%	$5.90	411	2,733	80%	$5.70	365	2,223	65%
0900 - 1000	$4.80	325	2,166	64%	$4.80	370	2,752	81%	$4.80	336	2,674	79%	$4.80	367	2,834	83%	$4.80	333	2,216	65%

	Monday		12/15/25		Tuesday		12/16/25		Wednesday		12/17/25		Thursday		12/18/25		Friday		12/19/25	
AM Time	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	$3.55	508	1,842	54%	$3.55	548	1,831	54%	$3.55	546	1,846	54%	$3.55	528	1,706	50%	$3.55	460	1,511	44%
0500 - 0600	**$5.70**	**752**	**3,065**	**90%**	$5.70	771	3,022	89%	**$5.70**	**801**	**3,064**	**90%**	**$5.70**	**764**	**3,071**	**90%**	$5.45	672	2,751	81%
0600 - 0700	$5.90	617	2,690	79%	$5.90	645	2,859	84%	$5.90	666	3,024	89%	**$5.90**	**692**	**3,065**	**90%**	$5.70	596	2,611	77%
0700 - 0800	$6.55	575	2,615	77%	$6.55	598	2,850	84%	$6.55	629	2,912	86%	$6.55	602	2,827	83%	$6.35	465	2,433	72%
0800 - 0900	$5.90	397	2,845	84%	$5.90	372	2,836	83%	$5.90	332	2,758	81%	$5.90	387	2,734	80%	$5.70	316	2,054	60%
0900 - 1000	$4.80	420	2,731	80%	$4.80	334	2,580	76%	$4.80	356	2,740	81%	$4.80	349	2,548	75%	$4.80	391	2,189	64%

	Monday		12/22/25		Tuesday		12/23/25		Wednesday		12/24/25		Thursday		12/25/25		Friday		12/26/25	
AM Time	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	$3.55	424	1,605	47%	$3.55	430	1,504	44%	$3.55	183	589	17%	$1.95	29	61	2%	$1.95	139	367	11%
0500 - 0600	$5.70	637	2,919	86%	$5.70	696	2,842	84%	$5.45	270	966	28%	$1.95	23	84	2%	$1.95	192	666	20%
0600 - 0700	$5.90	508	2,612	77%	$5.90	493	2,423	71%	$5.70	209	863	25%	$1.95	45	115	3%	$3.00	151	661	19%
0700 - 0800	$6.55	413	2,212	65%	$6.55	322	2,070	61%	$6.35	159	889	26%	$1.95	40	140	4%	$3.55	140	712	21%
0800 - 0900	$5.90	377	2,146	63%	$5.90	324	1,918	56%	$5.70	198	1,019	30%	$3.55	89	314	9%	$3.55	203	915	27%
0900 - 1000	$4.80	444	2,183	64%	$4.80	416	2,171	64%	$4.80	241	1,099	32%	$3.70	275	679	20%	$4.40	271	1,262	37%

	Monday		12/29/25		Tuesday		12/30/25		Wednesday		12/31/25		Thursday		01/01/26		Friday		01/02/26	
AM Time	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	$3.55	357	1,275	38%	$3.55	381	1,256	37%	$3.55	235	824	24%								
0500 - 0600	$5.70	604	2,403	71%	$5.70	611	2,309	68%	$5.45	358	1,402	41%								
0600 - 0700	$5.90	419	1,975	58%	$5.90	417	1,932	57%	$5.70	245	1,149	34%								
0700 - 0800	$6.55	307	1,564	46%	$6.55	304	1,631	48%	$6.35	169	1,039	31%								
0800 - 0900	$5.90	320	1,684	50%	$5.90	370	1,776	52%	$5.70	204	1,082	32%								
0900 - 1000	$4.80	411	1,860	55%	$4.80	447	1,990	59%	$4.80	216	1,140	34%								

OCTA OPERATIONAL HIGHLIGHTS

On-Road Operations

OCTA Freeway Service Patrol responded to 88 calls during the month of December. Of those calls, three were to remove debris, 29 were to assist disabled vehicles, 27 were to tow vehicles, and 29 were to aid motorists in the 91 EL.

FINANCIAL HIGHLIGHTS OCTA

91 Express Lanes
Operating Statement

Description	YTD as of : 12/31/2025 Actual [1]	Budget [1]	YTD Variance Dollar $	Percent (%)
Operating revenues:				
Toll Revenue	$ 32,791,820	$ 30,932,590	$ 1,859,230	6.0
Fee Revenue	$ 5,618,002	$ 2,814,014	$ 2,803,988	99.6
Total operating revenues	$ 38,409,822	$ 33,746,604	$ 4,663,218	13.8
Operating expenses:				
Contracted Services	$ 3,424,846	$ 2,720,985	$ (703,861)	(25.9)
Administrative Fee	$ 2,034,756	$ 1,885,138	$ (149,618)	(7.9)
Other Professional Services	$ 743,793	$ 1,022,166	$ 278,372	27.2
Credit Card Processing Fees	$ 678,355	$ 701,719	$ 23,364	3.3
Toll Road Account Servicing	$ 113,277	$ 249,900	$ 136,623	54.7
Other Insurance Expense	$ 138,252	$ 163,349	$ 25,096	15.4
Toll Road Maintenance Supply Repairs	$ 120,062	$ 294,922	$ 174,860	59.3
Patrol Services	$ 696,913	$ 599,760	$ (97,153)	(16.2)
Building Equipment Repairs and Maint	$ 295,661	$ 373,775	$ 78,114	20.9
6C Transponders	$ -	$ -	$ -	N/A
Other Services	$ -	$ 25,000	$ 25,000	100.0
Utilities	$ 52,654	$ 70,847	$ 18,193	25.7
Office Expense	$ 107	$ 145,000	$ 144,893	99.9
Bad Debt Expense	$ 17,281	$ -	$ (17,281)	N/A
Miscellaneous [2]	$ 12,156	$ 48,295	$ 36,140	74.8
Leases	$ 287,790	$ 287,385	$ (405)	(0.1)
Total operating expenses	$ 8,615,904	$ 8,588,240	$ (27,664)	(0.3)
Depreciation and Amortization [3]	$ 2,461,707	$ -	$ (2,461,707)	N/A
Operating income (loss)	$ 27,332,211	$ 25,158,364	$ 2,173,847	8.6
Nonoperating revenues (expenses):				
Reimbursement from Other Agencies	$ 152,174	$ 300,625	$ (148,451)	(49.4)
Interest Income	$ 8,897,782	$ 4,400,676	$ 4,497,106	102.2
Interest Expense	$ (627,528)	$ (633,344)	$ 5,816	0.9
Other	$ 12,329	$ -	$ 12,329	N/A
Total nonoperating revenues (expenses)	$ 8,434,756	$ 4,067,957	$ 4,366,799	(107.3)
Transfers In	$ -	$ -	$ -	N/A
Transfers Out [4]	$ (5,977,269)	$ (80,000)	$ (5,897,269)	(7,371.6)
Net income (loss)	**$ 29,789,698**	**$ 29,146,321**	**$ 643,377**	**2.2**

[1]Actual amounts are accounted for on the accrual basis of accounting in an enterprise fund. Budget amounts are accounted for on a modified accrual basis of accounting.

[2]Miscellaneous expenses include: Bank Service Charge, travel, mileage, training & registration fees.

[3]Depreciation and amortization are not budgeted items.

[4]Transfers Out: For M2 Project I and Project J expense reimbursements.

OPERATIONS OVERVIEW RCTC

TRAFFIC AND REVENUE STATISTICS FOR RCTC

The total traffic volume on the 91 EL for December 2025 was 1,760,757. This represents a daily average of 56,799 vehicles. This is a 1.5 percent increase in gross trips from the same period last year, which totaled 1,734,976. Potential toll revenue for December was $8,294,134, which represents a decrease of 1.3 percent from the prior year's total of $8,399,578. The carpool percentage for December was 22.7 percent, compared to 25.7 percent during the same period last year. This decrease is due to the implementation of an ODS in August 2025. HOV3+ lane transactions for December decreased by 10.5 percent compared to the prior year due to the implementation of ODS. However, HOV3+ revenue for December increased 190.8 percent as a result of the tolls collected for HOV3+ transactions that were corrected by ODS due to non-compliance.

MTD traffic and revenue data is summarized in the table below. The following trip and revenue statistics table represents all trips taken on the RCTC 91 EL, which includes the Express Lanes Connectors and associated potential revenue for the month of December 2025.

Current MTD as of December 31, 2025

Trips	DEC-25 MTD Actual	Stantec MTD Projected	# Variance	% Variance	DEC-24 MTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	1,361,736	899,000	462,736	51.5%	1,289,280	5.6%
3+ Lanes	399,021	305,858	93,163	30.5%	445,696	(10.5%)
Total Gross Trips	1,760,757	1,204,858	555,899	46.1%	1,734,976	1.5%
Revenue						
Full Toll Lanes	$8,044,177	$3,844,428	$4,199,749	109.2%	$8,313,632	(3.2%)
3+ Lanes	$249,957	$0	$249,957		$85,946	190.8%
Total Gross Revenue	$8,294,134	$3,844,428	$4,449,706	115.7%	$8,399,578	(1.3%)
Average Revenue per Trip						
Average Full Toll Lanes	$5.91	$4.28	$1.63	38.0%	$6.45	(8.4%)
Average 3+ Lanes	$0.63	$0.00	$0.63		$0.19	231.6%
Average Gross Revenue	$4.71	$3.19	$1.52	47.6%	$4.84	(2.7%)

The 2026 fiscal YTD traffic volume increased by two percent, while potential toll revenue decreased by 3.9 percent compared to the same period in the prior year. YTD average revenue per trip is $4.85. The decrease in revenue is attributable to the implementation of dynamic pricing, which reduced tolls during certain peak-period hours, as well as the growth in weekend traffic, which carries lower toll rates.

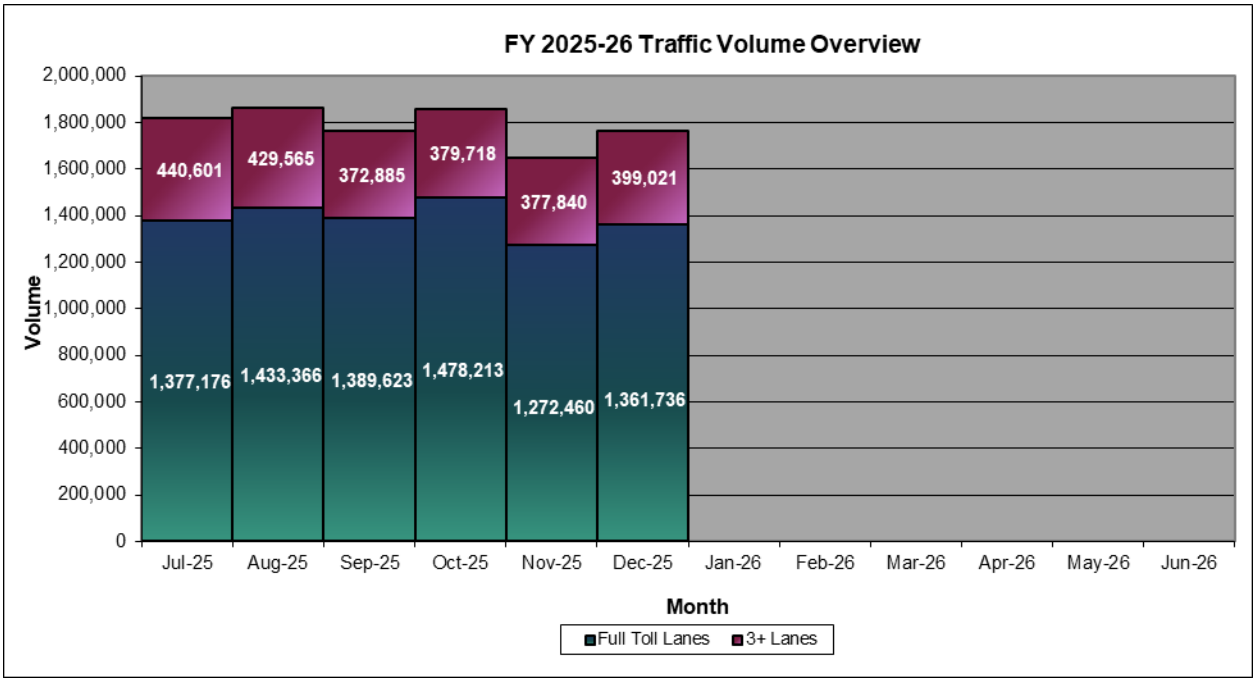
Fiscal YTD traffic and revenue data are summarized in the table below. The following trip and revenue statistics represent all trips taken on the RCTC 91 EL and the associated potential revenue for the period from July 2025 through December 2025.

FY 2025-26 YTD as of December 31, 2025

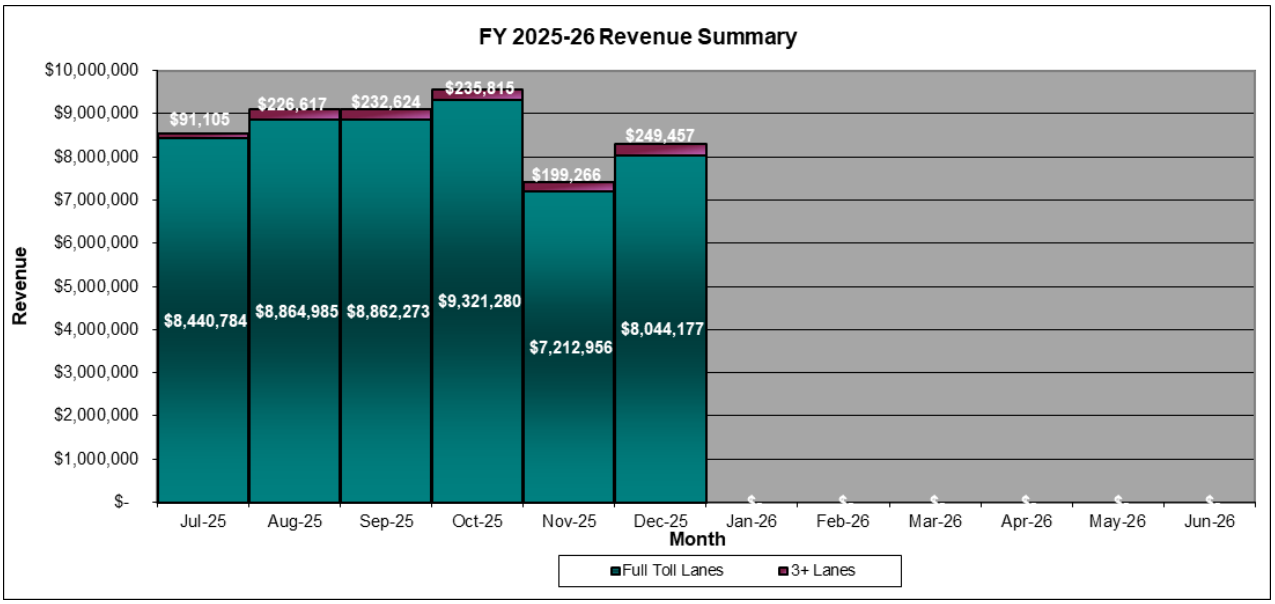
Trips	FY 2025-26 YTD Actual (7/2025-12/2025)	Stantec YTD Projected	# Variance	% Variance	FY 2024-25 YTD Actual (7/2024-12/2024)	Yr-to-Yr % Variance
Full Toll Lanes	8,312,574	5,695,286	2,617,288	46.0%	7,883,823	5.4%
3+ Lanes	2,399,630	2,220,143	179,487	8.1%	2,613,335	(8.2%)
Total Gross Trips	10,712,204	7,915,429	2,796,775	35.3%	10,497,158	2.0%
Revenue						
Full Toll Lanes	$50,746,454	$28,077,571	$22,668,883	80.7%	$53,622,342	(5.4%)
3+ Lanes	$1,234,884	$0	$1,234,884		$492,112	150.9%
Total Gross Revenue	$51,981,338	$28,077,571	$23,903,767	85.1%	$54,114,454	(3.9%)
Average Revenue per Trip						
Average Full Toll Lanes	$6.10	$4.93	$1.17	23.7%	$6.80	(10.3%)
Average 3+ Lanes	$0.51	$0.00	$0.51		$0.19	168.4%
Average Gross Revenue	$4.85	$3.55	$1.30	36.6%	$5.16	(6.0%)

RCTC Traffic and Revenue Summary

The chart below reflects the breakdown of total trips between full toll lanes and HOV3+ lanes for FY 2025-26 on a monthly basis.



The chart below reflects the breakdown of gross potential revenue between full toll lanes and HOV3+ lanes for FY 2025-26 on a monthly basis.



RCTC OPERATIONAL HIGHLIGHTS

On-Road Operations

RCTC Freeway Service Patrol responded to 131 calls during the month of December. Of those, 103 were to assist disabled vehicles, 12 involved debris removal, and 16 were in response to accidents affecting the 91 EL.

On August 4, 2025, RCTC implemented an ODS to reduce the number of customers receiving a carpool discount without meeting the required occupancy of three or more passengers. In December, the ODS identified more than 26,490 customers who did not meet the occupancy requirement but had received the carpool discount.

FINANCIAL HIGHLIGHTS RCTC

RCTC 91 Express Lanes
Operating Statement

	YTD as of :	12/31/2025	YTD Variance	
Description	**Actual[1]**	**Budget**	**Dollar $**	**Percent (%)**
Operating revenues:				
Toll Revenue	$ 45,367,452.54	$ 42,592,500.00	$ 2,774,952.54	6.5
Fee Revenue	5,895,122.37	4,783,000.00	1,112,122.37	23.3
Total operating revenues	51,262,574.91	47,375,500.00	3,887,074.91	8.2
Operating expenses:				
Salaries and Benefits	580,968.21	650,050.00	69,081.79	10.6
Legal Services	37,967.80	50,000.00	12,032.20	24.1
Advisory Services	18,259.50	101,000.00	82,740.50	81.9
Audit and Accounting Fees	38,967.00	19,500.00	(19,467.00)	(99.8)
Service Fees	8,740.96	9,250.00	509.04	5.5
Other Professional Services	276,505.86	362,450.00	85,944.14	23.7
Lease Expense	192,544.12	265,100.00	72,555.88	27.4
Operations	2,782,725.46	2,960,600.00	177,874.54	6.0
Utilities	62,837.02	67,600.00	4,762.98	7.0
Supplies and Materials	954.90	1,000.00	45.10	4.5
Membership and Subscription Fees	26,229.00	20,500.00	(5,729.00)	(27.9)
Office Equipment & Furniture (Non-Capital)	-	42,500.00	42,500.00	100.0
Maintenance/Repairs	191,893.05	276,800.00	84,906.95	30.7
Training Seminars and Conferences	5,355.00	4,500.00	(855.00)	(19.0)
Transportation Expenses	905.89	1,900.00	994.11	52.3
Lodging	1,969.85	2,750.00	780.15	28.4
Meals	274.11	1,750.00	1,475.89	84.3
Other Staff Expenses	270.38	250.00	(20.38)	(8.2)
Advertising	4,613.35	25,000.00	20,386.65	81.5
Program Management	21,378.60	35,500.00	14,121.40	39.8
Program Operations	4,685,685.06 [2]	8,350,600.00	3,664,914.94	43.9
Litigation Settlement	-	2,500.00	2,500.00	100.0
Furniture & Equipment	104,387.93	67,500.00	(36,887.93)	(54.6)
Improvements	180,972.56	332,500.00	151,527.44	45.6
Bad Debt Expense	17,277.26	62,500.00	45,222.74	72.4
Total operating expenses	9,241,682.87	13,713,600.00	4,471,917.13	32.6
Operating income (loss)	42,020,892.04	33,661,900.00	8,358,992.04	24.8
Nonoperating revenues (expenses):				
Interest Revenue	3,740,039.23	1,949,750.00	1,790,289.23	(91.8)
Other Miscellaneous Revenue	2,495.33	-	2,495.33	N/A
Principal Expense	-	(2,437,500.00)	2,437,500.00	(100.0)
Interest Expense	(11,191,745.48)	(11,100,500.00)	(91,245.48)	0.8
Total nonoperating revenues (expenses)	(7,449,210.92)	(11,588,250.00)	4,139,039.08	35.7
Transfers In	-	35,231,500.00	(35,231,500.00)	100.0
Transfers Out	(759,900.00)	(35,949,350.00)	35,189,450.00	(97.9)
Net income (loss)	**$ 33,811,781.12**	**$ 21,355,800.00**	**$ 12,455,981.12**	**58.3**

[1] Unaudited

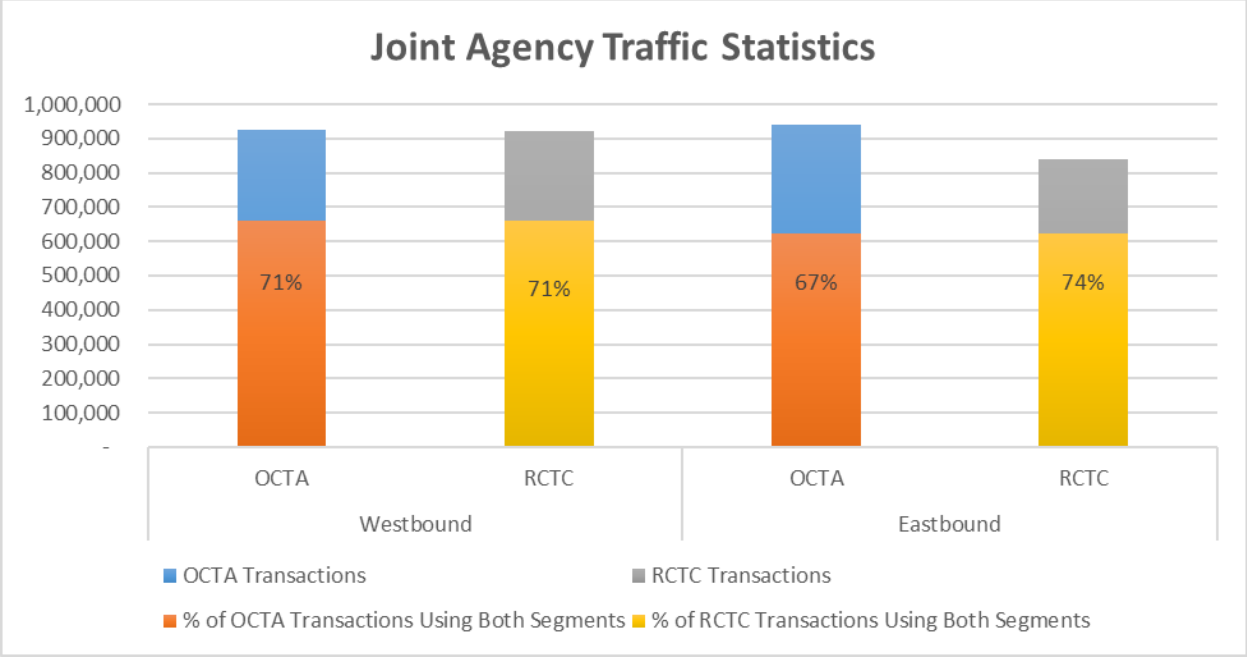
[2] Negatives are the result of FY2024/25 accruals

MULTI AGENCY TRIP AND REVENUE STATISTICS

MONTH ENDING **December 31, 2025**

MTD	Transactions by Agency	Transactions Using Both Segments	% Using Both Segments	Revenue
Westbound				
OCTA	925,930	659,188	71%	$2,791,839
RCTC	921,954	659,188	71%	$4,368,446
Eastbound				
OCTA	938,526	624,557	67%	$3,369,470
RCTC	838,803	624,557	74%	$3,925,187

JOINT AGENCY TRAFFIC STATISTICS



JOINT AGENCY BACK-OFFICE SYSTEM (BOS) AND CUSTOMER SERVICE CENTER (CSC) UPDATE

OCTA and the RCTC staff continue to closely monitor the performance of the BOS developed by Cofiroute USA, LLC (CUSA), as well as performance within the CSC. In December, the BOS experienced issues that impacted the timely mailing of customer notifications, the accuracy of data on an internal report for the walk-in center, and certain file exchanges. The issues were resolved by CUSA and appropriately reflected in the monthly performance scorecard.

Within the CSC, CUSA did not meet the Key Performance Indicators (KPIs) including Reporting of all Operational Failures (KPI 1), Average Speed of Answer (KPI 5), CSC Walk-in Center Customer Wait Time (KPI 11), Timeliness of Case Resolution (KPI 12), and Accuracy of Customer Request Resolution (KPI 13). CUSA failed to report an operational failure within the required 60-minute timeframe on one occasion during the month. KPI 5 was missed on two occasions, with compliance achieved on 19 out of the 21 business days. KPI 11 and 12 were met on 20 of the 21 business days. Additionally, six of the 100 sampled customer cases were not resolved accurately. Staff will continue to work with CUSA to strengthen reporting, improve customer response times, and ensure accurate and timely resolution of customer cases.

JOINT AGENCY PERFORMANCE MEASURES

REPORTING REQUIREMENT	PERFORMANCE STANDARD	DECEMBER 2025 PERFORMANCE
Customer Service		
Service Level /Speed of Answer	Per business day, in which 80% of calls are answered within 60 seconds	19 of 21 days met (Monthly compliance 90%)
Abandon Rate Percentage	Per business day, in which less than 4% of calls are abandoned	21 of 21 days met (Monthly compliance 100%)
Customer Satisfaction Score	Per month, in which the customer satisfaction score does not achieve an average of 4.5 at minimum	Monthly Average 4.85
First Contact Resolution	Per business day, in which 85% of customer calls are resolved on the first contact	21 of 21 days met (Monthly compliance 100%)
Timeliness of Case Resolution	Per business day, in which 90% of cases are resolved within one (1) business day	20 of 21 days met (Monthly compliance 95%)
	Per business day, in which 98% of cases are resolved within five (5) business days	21 of 21 days met (Monthly compliance 100%)
Mail Performance		
Processing Transponder Requests	Per business day, in which 100% of transponder requests are processed within two (2) business days	21 of 21 days met (Monthly compliance 100%)
Payment Processing	Per business day, in which 100% of payments are processed within two (2) business days	21 of 21 days met (Monthly compliance 100%)
Accounting		
Customer Refunds Processed	Per business day, in which 100% of all refunds are complete and accurately issued within five (5) business days	21 of 21 days met (Monthly compliance 100%)

Each performance measure is assigned a non-compliance point value. Failure to meet a performance measure results in the application of the associated non-compliance points to the monthly performance scorecard. If accumulated non-compliance points reach a specified threshold, the customer service invoice for the month is adjusted by the corresponding penalty percentage.

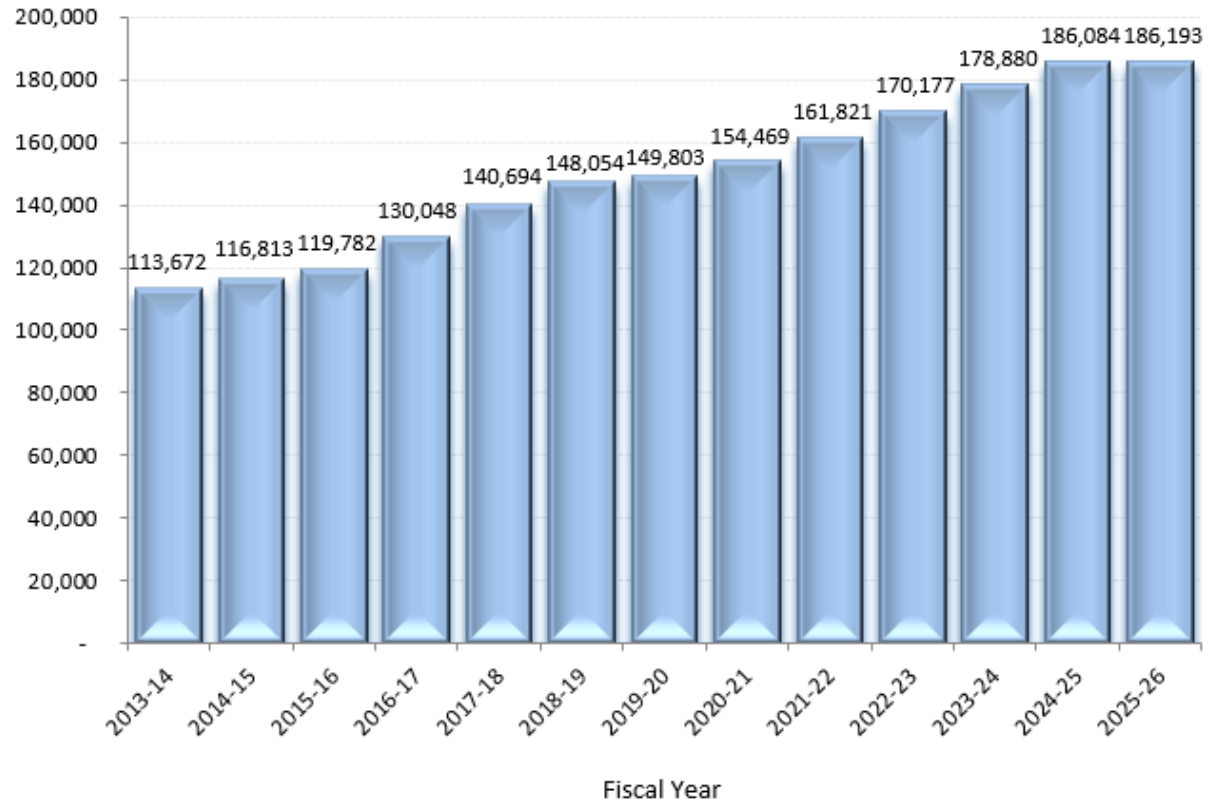
JOINT AGENCY TRANSPONDER DISTRIBUTION

6C TRANSPONDER DISTRIBUTION	December 25		November 25		FY 2025-26	
	Tags	% of Total	Tags	% of Total	Average To-Date	
Issued						
To New Accounts	1,377	17%	1,261	19%	1,652	
Additional Tags to Existing Accounts	6,870	83%	5,162	80%	6,542	
Replacement Transponders	34	0%	53	1%	52	
Total Issued	8,281		6,476		8,246	

At the end of December 2025, the 91 EL had 186,193 active customer accounts and 750,099 transponders classified as assigned.

Number of Accounts by FY

As of December 31, 2025



**The leveling off in accounts from fiscal year 2025 to fiscal year 2026 is due to the removal of accounts opened from fraudulent activity in April and May 2025. The contractor noticed the fraudulent activity, and proper action was taken to stop it and correct customer accounts. The removal of approximately 600 accounts was performed at the beginning of July 2025.*

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Amendment to the 91 Express Lanes Riverside County Transportation Commission / Orange County Transportation Authority Facility Agreement

Finance and Administration Committee Meeting of April 16, 2026

Present: Directors Federico, Go, Harper, Hennessey, Leon, and Sarmiento
Absent: Director Tettemer

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 11 to Agreement No. C-5-3828 between the Orange County Transportation Authority and the Riverside County Transportation Commission in the amount of $550,000 for the reimbursement of shared operational expenses through June 30, 2027.

April 16, 2026

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to the 91 Express Lanes Riverside County Transportation Commission / Orange County Transportation Authority Facility Agreement

Overview

The 91 Express Lanes Riverside County Transportation Commission / Orange County Transportation Authority Facility Agreement prescribes the funding transfers between the two agencies for costs incurred for the rental of administrative offices and any shared operational expenses in relation to the 91 Express Lanes. An amendment is needed to account for the reimbursement of anticipated shared operating costs incurred by the Riverside County Transportation Commission for the period July 1, 2026, through June 30, 2027.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 11 to Agreement No. C-5-3828 between the Orange County Transportation Authority and the Riverside County Transportation Commission in the amount of $550,000 for the reimbursement of shared operational expenses through June 30, 2027.

Discussion

To facilitate the exchange of funds between the Orange County Transportation Authority (OCTA) and the Riverside County Transportation Commission (RCTC), the joint operations of the 91 Express Lanes Facility Agreement (ROFA) was executed in November 2015. This agreement prescribes the funding transfers between the two agencies for costs incurred for the rent and any shared operational expenses for the 91 Express Lanes. As an example, RCTC contracts with a vendor for the procurement of transponders, which are to be provided to the 91 Express Lanes' account holders. Under the ROFA arrangement, OCTA will reimburse RCTC for half of the purchase cost. Alternatively, OCTA is the

lessee of the 91 Express Lanes administrative office in the City of Anaheim, and RCTC will reimburse OCTA for half of the rent.

Under the terms of the ROFA, both agencies are to annually establish a fiscal year budget that identifies the funding and payment of joint operating costs each year. Staff has identified the shared operational expenses and has assigned responsibility for the administration and payment of these expenses. An amendment to the ROFA is required in the amount of $550,000 to reimburse joint operating costs incurred by RCTC through June 30, 2027.

Funding for Amendment No. 11 to Agreement No. C-5-3828 is included in OCTA's Proposed Fiscal Year 2026-27 Budget, 91 Express Lanes account.

Summary

Staff recommends that the Board of Directors authorize the Chief Executive Officer to negotiate and execute Amendment No. 11 to Agreement No. C-5-3828 between the Orange County Transportation Authority and the Riverside County Transportation Commission in the amount of $550,000 for the reimbursement of shared operational expenses through June 30, 2027.

Attachments

A. Riverside County Transportation Commission – Orange County Transportation Authority Facility Agreement No. C-5-3828 Fact Sheet
B. Draft Amendment No. 11 to 91 Express Lanes RCTC-OCTA Facility Agreement ("ROFA")

Prepared by:



Kirk Avila
General Manager
Express Lanes Programs
(714) 560-5674

ATTACHMENT A

Riverside County Transportation Commission –
Orange County Transportation Authority Facility
Agreement No. C-5-3828 Fact Sheet

1. September 28, 2015, Agreement No. C-5-3828, $515,793, approved by the Board of Directors (Board).

    - Authorized payment to the Riverside County Transportation Commission (RCTC) for reimbursement of tenant improvements for the 91 Express Lanes office located in the City of Anaheim.
    - Authorized Facility Agreement with RCTC pertaining to funding exchanges for rent, leasehold improvements, and any shared improvements implemented by the Orange County Transportation Authority and RCTC.

2. October 26, 2016, Amendment No. 1 to Agreement No. C-5-3828, $0.00, approved by the Contracts Administration and Materials Management Department.

    - Amendment set forth terms pertaining to the construction of tenant improvements to, and the payment of rent for, the customer service center in conjunction with operation of the RCTC 91 Express Lanes.

3. March 27, 2017, Amendment No. 2 to Agreement No. C-5-3828, $431,308, approved by the Board.

    - Amendment for the reimbursement of shared operational expenses for the 91 Express Lanes through June 30, 2018.

4. June 25, 2018, Amendment No. 3 to Agreement No. C-5-3828, $2,078,750, approved by the Board.

    - Amendment for the reimbursement of shared operational expenses for the 91 Express Lanes through June 30, 2019.

5. May 24, 2019, Amendment No. 4 to Agreement No. C-5-3828, $917,000, approved by the Board.

    - Amendment for the reimbursement of shared operational expenses for the 91 Express Lanes through June 30, 2020.

6. May 22, 2020, Amendment No. 5 to Agreement No. C-5-3828, $1,130,500, approved by the Board.

    - Amendment for the reimbursement of shared operational expenses for the 91 Express Lanes through June 30, 2021.

7. April 28, 2021, Amendment No. 6 to Agreement No. C-5-3828, $931,300, approved by the Board.

    - Amendment for the reimbursement of shared operational expenses for the 91 Express Lanes through June 30, 2022.

8. May 23, 2022, Amendment No. 7 to Agreement No. C-5-3828, $827,388, approved by the Board.

    - Amendment for the reimbursement of shared operational expenses for the 91 Express Lanes through June 30, 2023.

9. June 12, 2023, Amendment No. 8 to Agreement No. C-5-3828, $1,452,388, approved by the Board.

    - Amendment for the reimbursement of shared operational expenses for the 91 Express Lanes through June 30, 2024.

10. May 28, 2024, Amendment No. 9 to Agreement No. C-5-3828, $1,612,888, approved by the Board.

    - Amendment for the reimbursement of shared operational expenses for the 91 Express Lanes through June 30, 2025.

11. June 9, 2025, Amendment No. 10 to Agreement No. C-5-3828, $584,138, approved by the Board.

    - Amendment for the reimbursement of shared operational expenses for the 91 Express Lanes through June 30, 2026.

12. April 27, 2026, Amendment No. 11 to Agreement No. C-5-3828, $550,000, pending approval by the Board.

    - Amendment for the reimbursement of shared operational expenses for the 91 Express Lanes through June 30, 2027.

Total committed to Agreement No. C-5-3828: $11,031,453.

AMENDMENT NO. 11
TO 91 EXPRESS LANES
RCTC- OCTA FACILITY AGREEMENT
("ROFA")

This Amendment No. 11 to 91 Express Lanes RCTC-OCTA Facility Agreement (Identified as RCTC Agreement No. 16-31-025-00 and OCTA Agreement No. C-5-3828) ("Amendment No. 11") is made and entered into this _____ day of _____ 2026, by and between the Riverside County Transportation Commission ("RCTC") and the Orange County Transportation Authority ("OCTA"). RCTC and OCTA are sometimes referred to herein individually as "Party," and collectively as the "Parties."

Recitals

A. The Parties previously entered into that certain Cooperative Agreement for State Route 91 Express Lanes and Corridor Improvements, dated December 16, 2011 ("Cooperative Agreement"), which, among other things, anticipated the sharing of certain joint operating costs incurred in conjunction with the coordinated operation of the OCTA 91 Express Lanes and the RCTC 91 Express Lanes.

B. The Parties previously entered into that certain RCTC-OCTA Facility Agreement ("ROFA"), dated November 4, 2015, for implementation of certain portions of the Cooperative Agreement pertaining to the lease, expansion, and joint use of the Toll Related Facilities. The ROFA sets forth the rights and obligations of the Parties related to the lease, expansion, and joint use of the Toll Operations Center, as that term is defined in the ROFA. Section 5 of the ROFA addresses the payment of rent and other costs for the Toll Operations Center. Section 8 of the ROFA provides that the terms for implementation of the Cooperative Agreement with respect to Third Party Vendor Agreements (as that term is defined in the ROFA) and payments will be addressed in an amendment to the ROFA to be entered into at such time as the Parties have sufficient information to negotiate such terms, as those terms are defined in the ROFA.

C. Pursuant to Section 8, the Parties previously entered into that Amendment No. 1 to the ROFA, dated October 26, 2016, which added Exhibit "B" entitled "ROFA Addendum for CSC Build-Out" to address the build-out of the Customer Service Center and CSC lease payments.

D. Pursuant to Section 8, the Parties previously entered into that Amendment No. 2 to the ROFA, dated April 11, 2017, which added Addendum 1 entitled "ROFA Addendum for Funding and Payment of Certain Joint Operating Costs" (i) to identify certain third party vendor agreements entered into by OCTA or RCTC, respectively, related to operation of the 91 Express Lanes ("Third Party Vendor Agreements"), (ii) to identify certain purchases administered by one Party and to be jointly funded by the other Party, (iii) to provide for the allocation of funding by each Party to reimburse the other Party for its share of costs incurred under such Third Party Vendor Agreements and for such purchases, and (iv) for OCTA to allocate funding to reimburse RCTC for payment of certain future costs related to third party contracts and purchases

administered by Cofiroute, USA LLC ("Cofiroute") and not funded under that certain three party operating agreement entered into by OCTA, RCTC and Cofiroute, dated as of May 24, 2013, as amended ("ORCOA"). Addendum 1 as added by Amendment No. 2 to the ROFA only addressed the funding and payment of joint operating costs and third party contract costs incurred through June 30, 2018.

E. Pursuant to Section 8, the Parties previously entered into that Amendment No. 3 to the ROFA, dated August 13, 2018, which updated Addendum 1 to set forth terms pertaining to the allocation of funding and payment by each Party for costs incurred by the other Party under Third Party Vendor Agreements and for Rent associated with the Toll Operations Center and Customer Service Center, and for certain costs incurred by RCTC for third party contracts and purchases administered by Cofiroute for operation of the 91 Express Lanes, and not funded under the ORCOA, for the period from July 1, 2018 through June 30, 2019. At the time the Parties entered into Amendment No. 3, the Parties contemplated relocating the Customer Service Center to a new location, and Addendum 1 attached to Amendment No. 3 only set forth the estimated Rent under the CSC Lease, as provided pursuant to Exhibit "B" to the ROFA, through March 31, 2019.

F. The Customer Service Center was subsequently relocated from a building leased by OCTA located at 2275 Sampson Avenue in Corona, California, to a building owned by RCTC located at 301 Corporate Terrace in Corona, California, and the payment of rent and other expenses for the Customer Service Center is now governed by that certain "Standard Multi-Tenant Office Lease – Gross" between RCTC and OCTA, dated January 1, 2018. Therefore, the ROFA no longer governs the rights and obligations of the Parties with respect to the Customer Service Center.

G. Pursuant to Section 8, the Parties previously entered into that Amendment No. 4, dated October 9, 2019, which eliminated references to the Customer Service Center, repealed Exhibit "B", and updated Addendum 1 to set forth terms pertaining to the allocation of funding and payment by each Party for costs incurred by the other Party under Third Party Vendor Agreements and for Rent associated with the Toll Operations Center, and for certain costs incurred by RCTC for third party contracts and purchases administered by Cofiroute for operation of the 91 Express Lanes, and not funded under the ORCOA, for the period from July 1, 2019 through June 30, 2020.

H. Pursuant to Section 8, the Parties previously entered into that Amendment No. 5, dated August 11, 2020, which updated Addendum 1, pursuant to an attachment identified as Addendum 2, to set forth terms pertaining to the allocation of funding and payment by each Party for costs incurred by the other Party under Third Party Vendor Agreements and for Rent and other costs associated with the Toll Operations Center, and for certain costs incurred by RCTC for third party contracts and purchases administered by Cofiroute for operation of the 91 Express Lanes, and not funded under the ORCOA, for the period from July 1, 2020 through June 30, 2021.

I. Pursuant to Section 8, the Parties previously entered into that Amendment No. 6, dated July 1, 2021, which updated Addendum 2, pursuant to an attachment identified as Addendum 3, to set forth terms pertaining to the allocation of funding and payment by each Party for costs incurred by the other Party under Third Party Vendor Agreements and for Rent and other costs associated with the Toll Operations Center, and for certain costs incurred by RCTC for third party

contracts and purchases administered by Cofiroute for operation of the 91 Express Lanes, and not funded under the ORCOA, for the period from July 1, 2021 through June 30, 2022.

J. Pursuant to Section 8, the Parties previously entered into that Amendment No. 7, dated July 12, 2022, which updated Addendum 3, pursuant to an attachment identified as Addendum 4, to set forth terms pertaining to the allocation of funding and payment by each Party for costs incurred by the other Party under Third Party Vendor Agreements and for Rent and other costs associated with the Toll Operations Center, for the period from July 1, 2022 through June 30, 2023. At the time of Amendment No. 7, the ORCOA was no longer in effect and had been replaced by a new agreement, and it was no longer necessary for OCTA to allocate funding to reimburse RCTC for payment of future costs related to third party contracts and purchases administered by Cofiroute for operation of the 91 Express Lanes and not funded under the ORCOA.

K. Pursuant to Section 8, the Parties previously entered into Amendment No. 8, dated August 2, 2023, which updated Addendum 4, pursuant to an attachment identified as Addendum 5, to set forth terms pertaining to the allocation of funding and payment by each Party for costs incurred by the other Party under Third Party Vendor Agreements and for Rent associated with the Toll Operations Center, for the period from July 1, 2023 through June 30, 2024.

L. Pursuant to Section 8, the Parties previously entered into Amendment No. 9, dated August 12, 2024 which updated Addendum 5, pursuant to an attachment identified as Addendum 6, to set forth terms pertaining to the allocation of funding and payment by each Party for costs incurred by the other Party under Third Party Vendor Agreements and for Rent associated with the Toll Operations Center, for the period from July 1, 2024 through June 30, 2025.

M. Pursuant to Section 8, the Parties previously entered into Amendment No. 10, dated August 12, 2024 which updated Addendum 6, pursuant to an attachment identified as Addendum 7, to set forth terms pertaining to the allocation of funding and payment by each Party for costs incurred by the other Party under Third Party Vendor Agreements and for Rent associated with the Toll Operations Center, for the period from July 1, 2025 through June 30, 2026.

N. The Parties now desire to enter into this Amendment No. 11 in order to update Addendum 7 to set forth terms pertaining to the allocation of funding and payment by each Party for costs incurred by the other Party under Third Party Vendor Agreements and for Rent and other costs associated with the Toll Operations Center, for the period from July 1, 2026 through June 30, 2027.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, it is mutually understood and agreed as follows:

1. **Amendment Replacing Addendum 7**. Effective July 1, 2026, ROFA Addendum 7 entitled "ROFA Addendum for Funding and Payment of Certain Joint Operating Costs" is hereby replaced in its entirety with the Addendum 8 attached hereto, which is incorporated herein by

reference, setting forth terms pertaining to the allocation of funding and payment by each Party for costs incurred by the other Party under Third Party Vendor Agreements and for Rent associated with the Toll Operations Center, for the period from July 1, 2026 through June 30, 2027. The attached Addendum 8 replaces the document attached to Amendment No. 10 as Addendum 7.

2. **Continuing Effect of Agreement.** Except as amended by this Amendment No. 11, all provisions of the ROFA, as previously amended, shall remain unchanged and in full force and effect. Except as otherwise expressly stated, the incorporation of costs pertaining to Rent and other costs pertaining to the Toll Operations Center into Addendum 8 is not intended to amend or supersede other applicable provisions of the ROFA, as previously amended, pertaining to the rights and obligations of the Parties with respect to payment of such costs.

3. **Counterparts.** This Amendment No. 11 may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

SIGNATURES ON FOLLOWING PAGE

DRAFT

SIGNATURES TO
AMENDMENT NO. 11 TO
91 EXPRESS LANES RCTC-OCTA FACILITY AGREEMENT ("ROFA")
BETWEEN RIVERSIDE COUNTY TRANSPORTATION COMMISSION
AND
ORANGE COUNTY TRANSPORTATION AUTHORITY

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

By: _____

Its: _____

APPROVED AS TO FORM:
BEST BEST & KRIEGER LLP

By: _____
Counsel to the Riverside County Transportation Commission

ORANGE COUNTY TRANSPORTATION AUTHORITY

By: _____

Its: _____

APPROVED AS TO FORM:
WOODRUFF & SMART, APC

By: _____
General Counsel to Orange County Transportation Authority

DRAFT

Addendum 8

ROFA Addendum for Funding and Payment of Certain Joint Operating Costs

This ROFA Addendum for Funding and Payment of Certain Joint Operating Costs (hereafter "Addendum") sets forth the respective rights and obligations of RCTC and OCTA, respectively, pertaining to the payment and reimbursement of certain costs incurred by the other Party under the identified Third Party Vendor Agreements and of certain purchases made by one Party to be jointly funded by the other Party. For budgeting and funding allocation purposes only, this Addendum 8 also incorporates the estimated costs for Rent under the TOC Lease and other costs for the TOC to be shared by the Parties pursuant to Section 5 of the ROFA.

1. **Defined Terms.** Capitalized terms used in this Addendum, including in the recitals to Amendment No. 11, and not otherwise defined herein shall have the meanings set forth in the Cooperative Agreement.

2. **Funding and Payment for Certain Joint Operating Costs**.

The Parties agree that there are certain joint operating costs for the Toll Related Facilities, as identified in Section 2.8.5 of the Cooperative Agreement, that will be incurred by one Party on behalf of the other Party. Each Party agrees to reimburse the other Party for its share of the joint operating costs incurred from **July 1, 2026 through June 30, 2027** (the "Current Fiscal Year") according to the Percentage Cost Split as follows:

A. **RCTC Payments to OCTA for Third Party Vendor Agreements or Purchases and for Leases Administered by OCTA**. RCTC hereby allocates $648,000 for its share of joint operating costs incurred by OCTA during the Current Fiscal Year. The initial list of Third Party Vendor Agreements or purchases to be administered by OCTA, and jointly funded by RCTC, for the Current Fiscal Year is included in Exhibit "A" attached to this Addendum and incorporated herein by reference. OCTA agrees to obtain RCTC approval of any new or additional Third Party Vendor Agreements or purchases not listed in Exhibit "A", and subject to cost sharing as set forth herein. Additions and changes to Exhibit "A" may be approved in writing by RCTC's Executive Director, or designee, without an amendment to this Addendum provided that the total costs to be shared by RCTC do not exceed the amount set forth in this paragraph. OCTA shall invoice RCTC monthly for the joint operating costs identified in Exhibit "A", and RCTC shall reimburse all approved costs within 30 days of receipt of an invoice from OCTA. For budgeting and funding allocation purposes only, Exhibit "A" includes RCTC's estimated proportionate share of costs for Rent, furniture and improvements for the Current Fiscal Year under the TOC Lease. The Parties acknowledge and agree that this estimate is subject to change based on changes in the amount of estimated CAM Expenses and other unforeseen expenses, and that RCTC's obligations for payment

DRAFT

of its proportionate share of Rent and related late fees and other costs under the TOC Lease shall remain subject to Section 5 of the ROFA.

B. **OCTA Payments to RCTC for Third Party Vendor Agreements or Purchases Administered by RCTC**. OCTA hereby allocates $550,000 for its share of joint operating costs incurred by RCTC during the Current Fiscal Year. The initial list of Third Party Vendor Agreements or purchases to be administered by RCTC, and jointly funded by OCTA, for the Current Fiscal Year is included in Exhibit "B" attached to this Addendum and incorporated herein by reference. RCTC agrees to obtain OCTA approval of any new or additional Third Party Vendor Agreements or purchases not listed in Exhibit "B", and subject to cost sharing as set forth herein. Additions and changes to Exhibit "B" may be approved in writing by OCTA's Chief Executive Officer, or designee, without an amendment to this Addendum provided that the total costs to be shared by OCTA do not exceed the amount set forth in this paragraph. RCTC shall invoice OCTA monthly for the joint operating costs identified in Exhibit "B", and OCTA shall reimburse all approved costs within 30 days of receipt of an invoice from RCTC.

2. **Annual Cost Allocation.** The Parties agree to establish the annual fiscal year amounts for the funding and payment of joint operating costs as described herein by January 15 of each year.

3. **Processing of Funding and Payment of Joint Operating Costs.** The Parties agree to work together to establish administrative procedures for the processing of joint operating costs as described in this Addendum.

DRAFT

EXHIBIT A

CONTRACTS/PURCHASES ADMINISTERED BY OCTA

OCTA Administered Costs
July 1, 2026 to June 30, 2027

Description	Total Shared Costs	Shared Amount (RCTC Share)
Trademark Counsel	5,000	2,500
Printing of Customer Notification Materials	160,000	80,000
Bank Service Charge	5,000	2,500
Other Miscellaneous Expenses	5,000	2,500
Marketing	100,000	50,000
SR-91 Implementation Plan	30,000	15,000
Lease[1]	480,000	240,000
Lease Utilities	80,000	40,000
Toll Operations Consulting Services	220,000	110,000
Roadway Closures	10,000	10,000
Collection Services	20,000	10,000
Furniture, Fixtures, Equipment	100,000	50,000
Leasehold Improvement	50,000	25,000
Escrow Fees	21,000	10,500
Total	**1,286,000**	**648,000**

DRAFT

[1] Represents estimated Rent under TOC Lease through June 30. This estimate is subject to change based on changes in the amount of estimated CAM Expenses and other unforeseen expenses. Section 5 of the ROFA governs RCTC's obligations for payment of its proportionate share of Rent and related late fees under the TOC Lease.

EXHIBIT B

CONTRACTS/PURCHASES ADMINISTERED BY RCTC

RCTC Administered Costs
July 1, 2026 to June 30, 2027

Description	**Total Shared Costs**	**Shared Amount (OCTA Share)**
Traffic Operations Center System Maintenance	150,000	75,000
Toll Operations Consulting Services	300,000	150,000
Transponders	200,000	100,000
Utilities	60,000	30,000
Roadway Closures	10,000	10,000
Furniture, Fixtures, Equipment	50,000	25,000
Leasehold Improvements	200,000	100,000
Traffic Operations Center Contract Implementation	120,000	60,000
Total	**1,090,000**	**550,000**

DRAFT

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Orange County Transportation Authority Investment and Debt Programs Report - February 2026

Finance and Administration Committee Meeting of April 16, 2026

Present: Directors Federico, Go, Harper, Hennessey, Leon, and Sarmiento
Absent: Director Tettemer

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Receive and file as an information item.

April 16, 2026

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Orange County Transportation Authority Investment and Debt Programs Report – February 2026

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, 2026. 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.

Discussion

As of February 28, 2026, the Orange County Transportation Authority's (OCTA) outstanding investments totaled $3.2 billion. The portfolio is divided into two portfolios: the liquid portfolio for immediate cash needs and the managed portfolio for future budgeted expenditures. In addition to these portfolios, OCTA has funds invested in debt service reserve funds for the 91 Express Lanes Program.

Portfolio Compliance and Liquidity Requirements for the Next Six Months: The portfolio is in full compliance with OCTA's Investment Policy and the State of California Government Code. Additionally, OCTA has reviewed the liquidity requirements for the next six months and anticipates that OCTA's liquidity will be sufficient to meet projected expenditures during the next six months.

The weighted average book yield for the OCTA's managed portfolio is 4.18 percent. The book yield measures the exact income, or interest, on a bond

without regard to market price change. The yield is the income return on an investment, such as the interest received from holding a particular security. The yield is usually expressed as an annual percentage rate based on the investment's cost and market value.

OCTA's month-end balance in the Local Agency Investment Fund (LAIF), a pooled investment fund for California local agencies, was $7,517,868, with an average monthly effective yield of 3.87 percent. The LAIF offers local agencies an opportunity to invest funds in a diversified portfolio of high-quality, short-term securities managed by the State Treasurer's Office. OCTA's month-end balance in the Orange County Investment Pool (OCIP), a collective investment fund for local government entities in Orange County, was $145,672 with the monthly gross yield of 4.14 percent. The OCIP allows local government entities to invest funds in a diversified portfolio managed by the Orange County Treasurer-Tax Collector's Office, aiming for competitive returns while prioritizing safety and liquidity. Mandated by the Transportation Development Act (TDA), OCTA is obliged to participate in the OCIP. It serves as a temporary holding account for TDA funds until claimed by OCTA and then processed by the County of Orange. This framework ensures effective fund management and adherence to regulatory compliance.

During the month of February, one security held in OCTA's investment portfolio was placed on Negative Credit Watch. Please refer to A-4 (Rating Downgrades and Negative Credit Watch) of Attachment A for further details.

OCTA's debt program is separate from its investment program and is comprised of M2 Sales Tax Revenue Bonds, 91 Express Lanes Toll Road Revenue Bonds, and the 2021 Transportation Infrastructure Finance and Innovation Act Loan. The debt program currently has an outstanding principal balance of $1.2 billion as of February 28, 2026. Approximately 43 percent of the outstanding balance is comprised of M2 debt, three percent is associated with the 91 Express Lanes Program, and 54 percent is associated with the 405 Express Lanes.

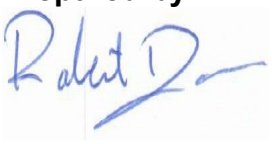
Summary

The Treasurer is submitting a copy of the Orange County Transportation Authority Investment and Debt Programs report to the Finance and Administration Committee. The report is for the month ending February 28, 2026.

Attachments

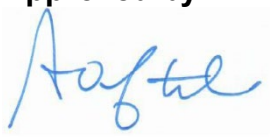
A. Orange County Transportation Authority Investment and Debt Programs – For the Period Ending February 28, 2026
B. Orange County Transportation Authority Portfolio Listing as of February 28, 2026

Prepared by:



Robert Davis
Department Manager
Treasury/Public Finance
(714) 560-5675

Approved by:

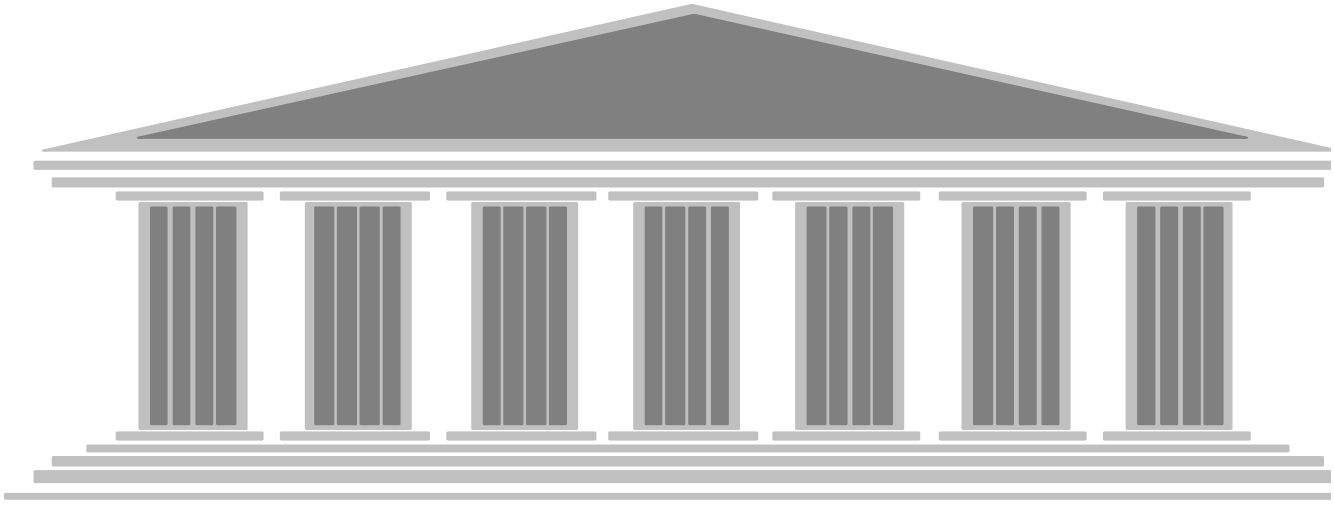


Andrew Oftelie
Chief Financial Officer
Finance and Administration
(714) 560-5649

ATTACHMENT A

Treasury/Public Finance Department's Report On

Orange County Transportation Authority
Investment and Debt Programs



Presented to the Finance and Administration Committee

For The Period Ending February 28, 2026

INVESTMENT PROGRAM

OCTA Investment Dashboard

2/28/2026

Safety of Principal

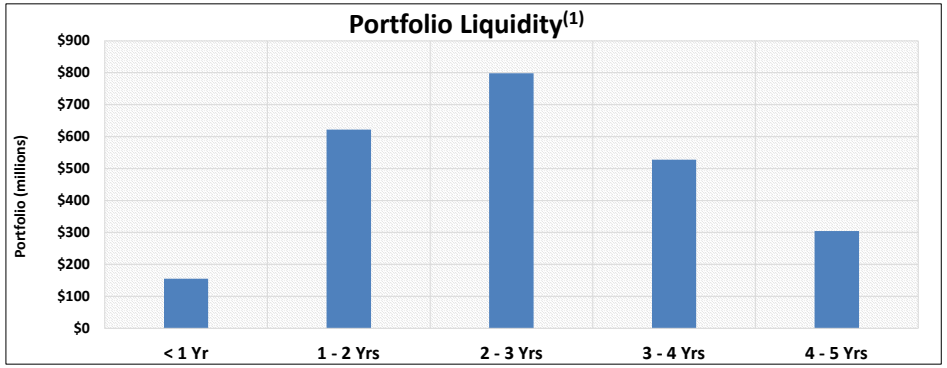
Securities that fell below OCTA's minimum credit quality requirements during the month of February 2026:
N/A

Securities currently held within OCTA's portfolio that fell below OCTA's minimum credit quality requirements during prior reporting periods:
N/A

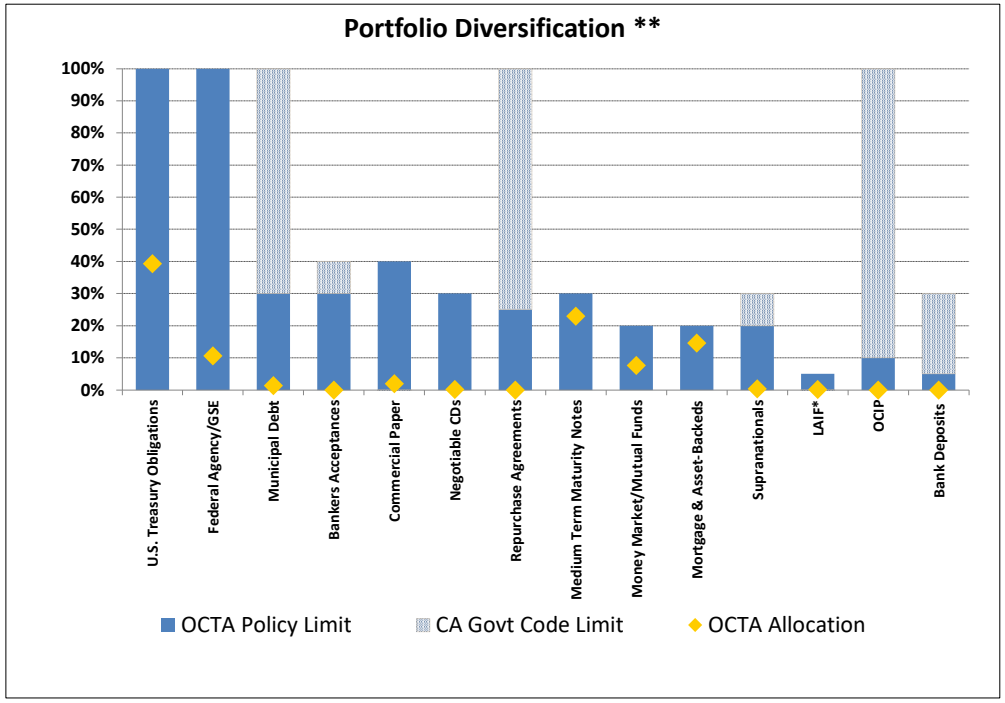
Securities downgraded or placed on Negative Credit Watch during the month of February 2026, but remain in compliance with OCTA's Investment Policy:
One Security held within OCTA's investment portfolio was placed on Negative Credit Watch during the month.

For further details please refer to A-4 of this report.

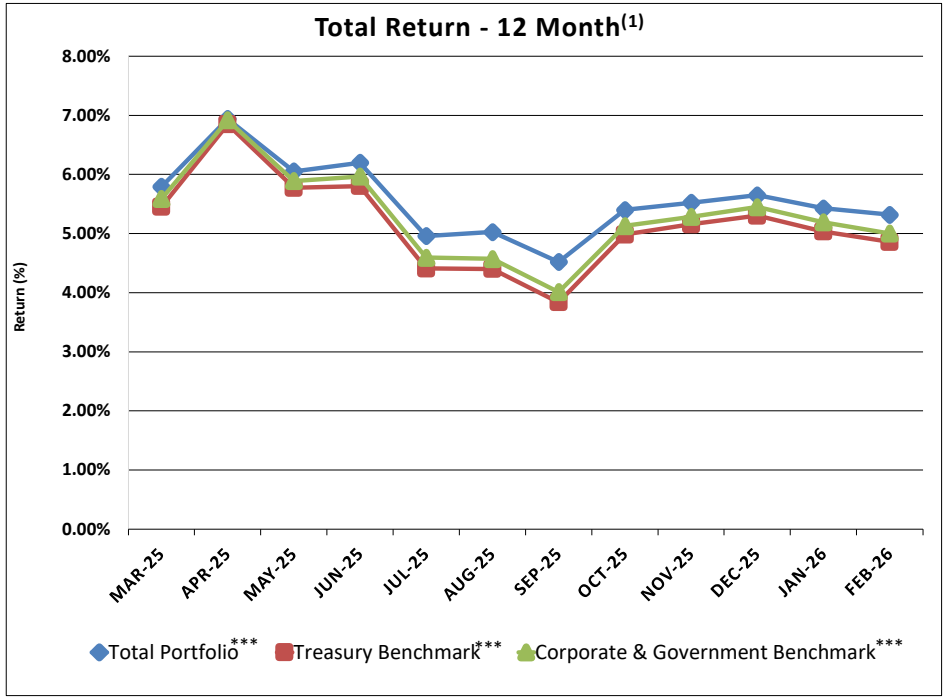
Portfolio Liquidity(1)



Portfolio Diversification **



Total Return - 12 Month(1)



1. Reflects Managed Portfolio.

* Per CA Government Code LAIF limit is $75 million

** Per OCTA's Investment Policy the limit is 30% for variable and floating rate securities. As of February 28, 2026, 10.0% of the portfolio was invested in variable & floating rate securities.

*** Actual portfolio returns represent the aggregate performance of the managed portfolio.
The Treasury Benchmark is the market value-weighted blend of the 1-3 Year and 1-5 Year Treasury Indices.
The Corporate & Government Benchmark is the market value-weighted blend of the 1-3 Year and 1-5 Year AAA-A U.S. Corporate & Government Indices.

Investment Compliance
2/28/2026

Portfolio Subject to Investment Policy				
Managed/Liquid Portfolio [1]		**Dollar Amount Invested**	**Percent Of Portfolio**	**Maximum Percentages**
U.S. Treasury Obligations	$	1,046,235,481	39.4%	100%
Federal Agency/GSE		283,467,671	10.7%	100%
Municipal Debt		39,391,628	1.5%	30%
Commercial Paper		53,807,477	2.0%	40%
Negotiable Certificates of Deposit		7,325,000	0.3%	30%
Repurchase Agreements		-	0.0%	25%
Medium Term Maturity Notes/Corporates		610,966,208	23.0%	30%
Money Market/Mutual Funds		205,725,074	7.7%	20%
Mortgage & Asset-Backed		389,255,662	14.7%	20%
Supranationals		11,786,289	0.4%	20%
Local Agency Investment Fund		7,517,868	0.3%	$ 75 Million
Orange County Investment Pool		145,672	0.0%	10%
Bank Deposits		470,032	0.0%	5%
Total Managed/Liquid Portfolio [2]	**$**	**2,656,094,063**		

1. Excludes portion of Liquid Portfolio subject to Indenture

2. Includes variable & floating rate securities invested in the amount of $265,572,232 (10.0% of total Managed/Liquid portfolio) and subject to 30% limit per OCTA's Investment Policy.

Portfolio Subject to Indenture/Grant Funding Agreement						
		Dollar Amount	**OCTA**		**Indenture/Funding Agreement Requirements**	
Portfolio		**Invested**	**Credit Quality**	**Term**	**Min. Credit Quality**	**Max. Term**
Liquid Portfolio*						
Government Obligations MMKT Fund	$	264,157,416	"AAAm"	N/A	AAA Category	N/A
Government Obligations MMKT Fund		4,416,171	"AAAm"/"Aammf"	N/A	AAA Category	N/A
Government Obligations MMKT Fund **		54,815,485	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Government Obligations MMKT Fund **		25,076,347	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Government Obligations MMKT Fund **		21,597,306	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Government Obligations MMKT Fund **		28,197,719	"AAAm"/"Aammf"	N/A	N/A	N/A
Government Obligations MMKT Fund **		27,148,722	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Government Obligations MMKT Fund **		26,580,950	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Bank Deposits **		-	N/A	N/A	N/A	N/A
Total Liquid Portfolio	**$**	**451,990,116**				
Reserve Funds Portfolio						
Government Obligations MMKT Fund	$	3,981,108	"AAAm"/ "Aaa-mf"/"AAAmmf"	N/A	N/A	N/A
Negotiable Certificates of Deposit		5,000,000	"A-1"/"P-1"/"F1+"	266 days	"A-1"/"P-1"/"F1"	270 days
Negotiable Certificates of Deposit		3,000,000	"A-1"/"P-1"/"F1+"	266 days	"A-1"/"P-1"/"F1"	270 days
Government Obligations MMKT Fund ***		200	"AAAm"/ "Aaa-mf"/"AAAmmf"	N/A	N/A	N/A
Government Obligations MMKT Fund ****		61,865,289	"AAAm"/ "Aaa-mf"/"AAAmmf"	N/A	N/A	N/A
Bank Deposits ****		36,642	N/A	N/A	N/A	N/A
Total Reserve Funds Portfolio	**$**	**73,883,239**				
Total Portfolio Subject to Indenture	**$**	**525,873,355**				

91EL and 405EL Operating Funds *****		
Money Market Funds	$	13,644,526
Bank Deposits		737,067
Total for EL Operating Funds	**$**	**14,381,593**
Portfolio Total	**$**	**3,196,349,011**

* Reflects portion of Liquid Portfolio subject to Indenture (OCTA Sales Tax Revenue) or Grant Funding Agreement
** Senate Bill (SB) 125 Grant Funding
*** 91 EL Debt Service Fund
**** Funds subject to 2021 TIFIA Loan Agreement
***** Reflects Express Lanes customers' prepaid balances held in the 91EL and 405EL operating accounts. These funds are invested by OCTA but represent customer liabilities and are therefore disclosed for transparency but excluded from investment policy compliance calculations.

Managed Portfolio
Sector Allocation and Performance Overview
2/28/2026

Book/Market Value	CHANDLER	METLIFE	PFM	Payden & Rygel	Total Portfolio
Total Portfolio:					
Book Value	$ 596,722,169	$ 601,977,948	$ 602,403,475	$ 608,790,298	$ 2,409,893,890
Market Value with Accrued Interest	$ 612,625,730	$ 613,960,774	$ 614,699,675	$ 620,209,274	$ 2,461,495,453
1-3 Year Portfolio:					
Book Value	$ 393,202,285	$ 401,534,283	$ 425,370,550	$ 405,512,528	$ 1,625,619,645
Market Value with Accrued Interest	$ 403,216,450	$ 409,213,876	$ 433,789,654	$ 412,730,484	$ 1,658,950,465
1-5 Year Portfolio:					
Book Value	$ 203,519,884	$ 200,443,665	$ 177,032,925	$ 203,277,771	$ 784,274,244
Market Value with Accrued Interest	$ 209,409,280	$ 204,746,898	$ 180,910,021	$ 207,478,790	$ 802,544,989

Sector Allocation	CHANDLER	METLIFE	PFM	Payden & Rygel	Total Portfolio
Total Portfolio:					
U.S. Treasury Obligations	36.9%	45.4%	42.2%	49.1%	43.4%
Federal Agency/GSE	25.1%	4.1%	12.5%	5.5%	11.8%
Municipal Debt	0.5%	4.2%	0.3%	1.6%	1.6%
Commercial Paper	0.0%	0.0%	0.0%	0.0%	0.0%
Negotiable Certificates of Deposit	0.0%	0.0%	1.2%	0.0%	0.3%
Repurchase Agreements	0.0%	0.0%	0.0%	0.0%	0.0%
Medium Term Maturity Notes	24.4%	26.9%	25.2%	25.0%	25.4%
Money Market/Mutual Funds	1.5%	1.3%	0.2%	0.6%	0.9%
Mortg & Asset Backed Sec	9.6%	18.2%	18.4%	18.3%	16.2%
Supranationals	2.0%	0.0%	0.0%	0.0%	0.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
1-3 Year Portfolio:					
U.S. Treasury Obligations	42.3%	47.6%	43.2%	48.8%	45.5%
Federal Agency/GSE	20.4%	3.3%	10.7%	5.5%	9.9%
Municipal Debt	0.0%	3.2%	0.3%	1.5%	1.3%
Commercial Paper	0.0%	0.0%	0.0%	0.0%	0.0%
Negotiable Certificates of Deposit	0.0%	0.0%	1.3%	0.0%	0.3%
Repurchase Agreements	0.0%	0.0%	0.0%	0.0%	0.0%
Medium Term Maturity Notes	23.3%	26.6%	24.8%	25.1%	25.0%
Money Market/Mutual Funds	2.1%	1.2%	0.1%	0.7%	1.0%
Mortg & Asset Backed Sec	9.7%	18.0%	19.6%	18.4%	16.5%
Supranationals	2.1%	0.0%	0.0%	0.0%	0.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
1-5 Year Portfolio:					
U.S. Treasury Obligations	26.5%	40.9%	39.7%	49.5%	39.1%
Federal Agency/GSE	34.2%	5.8%	16.8%	5.5%	15.6%
Municipal Debt	1.3%	6.1%	0.3%	1.8%	2.4%
Commercial Paper	0.0%	0.0%	0.0%	0.0%	0.0%
Negotiable Certificates of Deposit	0.0%	0.0%	1.1%	0.0%	0.2%
Repurchase Agreements	0.0%	0.0%	0.0%	0.0%	0.0%
Medium Term Maturity Notes	26.4%	27.4%	26.0%	24.9%	26.1%
Money Market/Mutual Funds	0.4%	1.4%	0.5%	0.2%	0.6%
Mortg & Asset Backed Sec	9.5%	18.6%	15.6%	18.1%	15.4%
Supranationals	1.7%	0.0%	0.0%	0.0%	0.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Portfolio Characteristics	CHANDLER	METLIFE	PFM	Payden & Rygel	Total Portfolio	* US Treasury Benchmark	** Corp./Govt. Benchmark
Total Portfolio:							
Weighted Average Life	2.17	2.26	2.07	2.45	2.24	n/a	n/a
Duration	2.03	2.10	1.95	2.29	2.09	1.98	1.98
Monthly Yield (Annualized)	3.60%	3.67%	3.62%	3.63%	3.63%	3.42%	3.59%
1-3 Year Portfolio:							
Weighted Average Life	1.89	2.00	1.84	2.18	1.97	n/a	n/a
Duration	1.78	1.85	1.74	2.05	1.85	1.75	1.74
Monthly Yield (Annualized)	3.58%	3.65%	3.62%	3.60%	3.61%	3.42%	3.57%
1-5 Year Portfolio:							
Weighted Average Life	2.73	2.79	2.61	3.02	2.79	n/a	n/a
Duration	2.52	2.58	2.42	2.80	2.58	2.45	2.49
Monthly Yield (Annualized)	3.65%	3.71%	3.64%	3.70%	3.68%	3.43%	3.63%

Portfolio Performance (Total Rate of Return)	CHANDLER	METLIFE	PFM	Payden & Rygel	Total Portfolio	* US Treasury Benchmark	** Corp./Govt. Benchmark
Total Portfolio:							
Monthly Return	0.64%	0.63%	0.59%	0.70%	0.64%	0.61%	0.60%
Three Months Return	1.17%	1.26%	1.18%	1.21%	1.20%	1.09%	1.11%
12 Months Return	5.28%	5.42%	5.26%	5.33%	5.32%	4.86%	5.00%
1-3 Year Portfolio:							
Monthly Return	0.57%	0.54%	0.52%	0.62%	0.56%	0.52%	0.52%
Three Months Return	1.13%	1.24%	1.15%	1.17%	1.17%	1.06%	1.08%
12 Months Return	5.11%	5.25%	5.10%	5.17%	5.16%	4.69%	4.82%
1-5 Year Portfolio:							
Monthly Return	0.78%	0.81%	0.76%	0.86%	0.80%	0.79%	0.78%
Three Months Return	1.25%	1.29%	1.25%	1.28%	1.27%	1.15%	1.18%
12 Months Return	5.60%	5.74%	5.63%	5.65%	5.66%	5.20%	5.38%

* Represents the ICE/BAML 1-3 Year U.S. Treasury Index for the 1-3 Year Portfolio and the ICE/BAML 1-5 Year U.S. Treasury Index for the 1-5 Year Portfolio. The benchmarks for duration and monthly yield are weighted for the Total Portfolio.

** Represents the ICE/BAML 1-3 Year AAA-A U.S. Corporate & Government Index for the 1-3 Year Portfolio and the ICE/BAML 1-5 Year AAA-A U.S. Corporate & Government Index for the 1-5 Year Portfolio. The benchmarks for duration and monthly yield are weighted for the Total Portfolio.

Rating Downgrades & Negative Credit Watch
2/28/2026

Investment Manager / Security	Par Amount	Maturity	S&P	Moody's	Fitch Ratings
Rating Downgrades:					
N/A					
Negative Credit Watch:					
CAM					
HONEYWELL INTERNATIONAL INC	$ 2,000,000	8/15/2029	A	A2	A

On February 2, 2026, Moody's placed Honeywell International Inc. (Honeywell) on negative credit watch. This action was taken in response to Honeywell's plans to spin off its Aerospace division later in 2026. The credit watch placement reflects concerns that the restructuring will alter Honeywell's competitive position. Despite the rating watch, the security remains in compliance with the investment policy's credit rating requirements. The investment manager recommends holding the securities at this time. While the bonds are currently subject to a tender offer and potential early redemption provisions, Honeywell is expected to remain a high-quality, investment-grade issuer.

DEBT PROGRAM

(M2 Sales Tax Revenue Bonds, 91 Express Lanes Toll Road Revenue Bonds, 2021 TIFIA Loan)

Outstanding Debt[1]
As of 2/28/2026

Orange County Local Transportation Authority (OCLTA-M2)		
2025 M2 Sales Tax Revenue Bonds		
Issued:	$	227,565,000
Outstanding:		219,985,000
Debt Service FY 2026:		17,662,394
All in True Interest Cost:		3.04%
Pledged Revenue Source:		M2 Sales Tax Revenues
Ratings (Fitch/ S&P):		AA+/AAA
Final Maturity:		2041
2019 M2 Sales Tax Revenue Bonds		
Issued:	$	376,690,000
Outstanding:		289,070,000
Debt Service FY 2026:		27,579,400
All in True Interest Cost:		3.14%
Pledged Revenue Source:		M2 Sales Tax Revenues
Ratings (Fitch/ S&P):		AA+/AAA
Final Maturity:		2041
Sub-total M2 Outstanding Debt	**$**	**509,055,000**
91 Express Lanes		
2023 OCTA 91 Express Lanes Refunding Bonds		
Issued:	$	47,545,000
Outstanding:		35,610,000
Debt Service FY 2026:		8,048,375
All in True Interest Cost:		2.80%
Pledged Revenue Source:		91 Toll Road Revenues
Ratings (Fitch/ Moody's/ S&P):		AA-/Aa3/AA-
Final Maturity:		2030
Sub-total 91 Express Lanes Outstanding Debt	**$**	**35,610,000**
405 Express Lanes		
2021 TIFIA Loan		
Amount Available	$	628,930,000
Outstanding:		650,028,368
Capitalized Interest:		36,317,073
Interest Rate:		1.95%
Pledged Revenue Source:		405 Toll Road Revenues
Ratings (Moody's):		Baa2
Final Maturity:		2058
Sub-total 405 Express Lanes Outstanding Debt	**$**	**650,028,368**
TOTAL OUTSTANDING DEBT:	**$**	**1,194,693,368**

1. Comprises OCTA's debt obligations (M2 Sales Tax Revenue Bonds, 91 Express Lanes Toll Road Revenue Bonds, and 2021 TIFIA Loan) currently outstanding and irrespective of OCTA's investment program.

ATTACHMENT B

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9USDFIIN	FIDELITY INVESTMENT MM GOV 1 57	N/A	N/A	3.69	3.69	264,157,416	264,157,416
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	60934N500	FEDERATED TREASURY OBLIGATION FUND	N/A	N/A	3.54	3.54	64,019,824	64,019,824
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9X9USD023B0	FIRST AMERICAN GOV OBL P 4198	N/A	N/A	3.59	3.59	41,086,476	41,086,476
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9X9USDDGCM3	DREYFUS GOVT CM INST 289	N/A	N/A	3.56	3.56	42,410,495	42,410,495
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9X9USDISLQ9	INVESCO GOVT AGENCY INSTIL 1901	N/A	N/A	3.60	3.60	50,386,855	50,386,855
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9USD02KS	FEDERATED GOVT OBLIG FD 7	N/A	N/A	3.70	3.70	4,416,171	4,416,171
LIQUID PORTFOLIO	***SUB-TOTAL FOR MONEY MARKET/MUTUAL FUND***							***466,477,237***	***466,477,237***
LIQUID PORTFOLIO	COMMERCIAL PAPER	0347M3DL5	ANGLESEA FDG PLC	12/18/2025	4/20/2026	3.83	3.83	27,204,063	27,392,413
LIQUID PORTFOLIO	COMMERCIAL PAPER	63873KJU2	NATIXIS NEW YORK	1/6/2026	9/28/2026	3.76	3.76	26,603,415	26,738,005
LIQUID PORTFOLIO	***SUB-TOTAL FOR COMMERCIAL PAPER***							***53,807,477***	***54,130,418***
LIQUID PORTFOLIO	BANK DEPOSIT	N/A	BANK DEPOSIT - GENERAL	N/A	N/A	0.00	0.00	256,796	256,796
LIQUID PORTFOLIO	BANK DEPOSIT	N/A	BANK DEPOSIT - HQ	N/A	N/A	0.00	0.00	213,236	213,236
LIQUID PORTFOLIO	BANK DEPOSIT	N/A	BANK DEPOSIT - 91EL	N/A	N/A	0.00	0.00	459,501	459,501
LIQUID PORTFOLIO	BANK DEPOSIT	N/A	BANK DEPOSIT - 405EL	N/A	N/A	0.00	0.00	277,566	277,566
LIQUID PORTFOLIO	***SUB-TOTAL FOR BANK DEPOSIT***							***1,207,099***	***1,207,099***
LIQUID PORTFOLIO	LAIF	N/A	LOCAL AGENCY INVESTMENT FUND (LAIF)	N/A	N/A	3.87	3.87	7,517,868	7,517,868
LIQUID PORTFOLIO	***SUB-TOTAL FOR LAIF***							***7,517,868***	***7,517,868***
LIQUID PORTFOLIO	OCIP	N/A	ORANGE COUNTY INVESTMENT POOL (OCIP)	N/A	N/A	4.14	4.14	145,672	145,672
LIQUID PORTFOLIO	***SUB-TOTAL FOR OCIP***							***145,672***	***145,672***
LIQUID PORTFOLIO - TOTAL								**$ 529,155,353**	**$ 529,478,294**
MANAGED PORTFOLIO	MONEY MARKET/MUTUAL FUND	31846V567	FIRST AMER:GVT OBLG Z	N/A	2/28/2026	3.57	3.57	21,465,950	21,465,950
MANAGED PORTFOLIO	***SUB-TOTAL FOR MONEY MARKET/MUTUAL FUND***							***21,465,950***	***21,465,950***
MANAGED PORTFOLIO	NEGOTIABLE CERTIFICATE OF DEPOSIT	22536DWD6	CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK, NEW	2/5/2024	2/1/2027	4.76	3.81	3,750,000	3,781,950
MANAGED PORTFOLIO	NEGOTIABLE CERTIFICATE OF DEPOSIT	63873QP65	NATIXIS NEW YORK	9/20/2023	9/18/2026	5.61	3.59	3,575,000	3,604,744
MANAGED PORTFOLIO	***SUB-TOTAL FOR NEGOTIABLE CERTIFICATE OF DEPOSIT***							***7,325,000***	***7,386,694***
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128283F5	UNITED STATES TREASURY	5/17/2023	11/15/2027	3.59	3.41	1,889,375	1,961,560
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128283F5	UNITED STATES TREASURY	9/27/2024	11/15/2027	3.49	3.41	4,817,578	4,903,900
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128283W8	UNITED STATES TREASURY	9/30/2024	2/15/2028	3.51	3.38	7,320,703	7,410,375
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128284V9	UNITED STATES TREASURY	4/19/2024	8/15/2028	4.73	3.38	9,283,594	9,881,300
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128284V9	UNITED STATES TREASURY	8/16/2024	8/15/2028	3.85	3.38	1,928,359	1,976,260
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128284V9	UNITED STATES TREASURY	10/30/2025	8/15/2028	3.60	3.38	9,990,883	10,064,104
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128284V9	UNITED STATES TREASURY	11/6/2025	8/15/2028	3.64	3.38	6,370,000	6,422,845
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128284V9	UNITED STATES TREASURY	2/5/2026	8/15/2028	3.60	3.38	10,121,359	10,177,739
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285M8	UNITED STATES TREASURY	3/15/2024	11/15/2028	4.28	3.39	4,757,617	4,966,200
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285M8	UNITED STATES TREASURY	10/4/2024	11/15/2028	3.56	3.39	2,065,219	2,085,804
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285M8	UNITED STATES TREASURY	10/22/2024	11/15/2028	3.87	3.39	2,333,063	2,383,776
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285M8	UNITED STATES TREASURY	5/15/2025	11/15/2028	4.06	3.39	7,272,363	7,449,300
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285M8	UNITED STATES TREASURY	10/8/2025	11/15/2028	3.61	3.39	4,437,070	4,469,580
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128286B1	UNITED STATES TREASURY	11/4/2024	2/15/2029	4.19	3.40	1,878,281	1,956,880
MANAGED PORTFOLIO	US TREASURY OBLIGATION	912828V98	UNITED STATES TREASURY	1/12/2023	2/15/2027	3.80	3.53	8,006,270	8,397,235
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	11/7/2024	10/31/2027	4.26	3.40	3,673,023	3,908,120
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	12/24/2024	10/31/2027	4.36	3.40	6,102,734	6,481,760
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	2/13/2025	10/31/2027	4.39	3.40	4,621,126	4,885,150
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	3/26/2025	10/31/2027	3.99	3.41	640,311	667,188
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	4/10/2025	10/31/2027	3.91	3.40	3,891,442	4,041,568
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	4/14/2025	10/31/2027	3.98	3.40	3,666,563	3,812,800
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	4/14/2025	10/31/2027	3.99	3.40	3,890,145	4,046,334
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	5/8/2025	10/31/2027	3.82	3.40	7,839,590	8,102,200
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	7/8/2025	10/31/2027	3.87	3.40	1,967,866	2,025,550
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEF4	UNITED STATES TREASURY	10/24/2022	3/31/2027	4.45	3.50	1,844,688	1,978,900
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEM9	UNITED STATES TREASURY	9/3/2024	4/30/2029	3.72	3.41	2,893,008	2,952,420
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEM9	UNITED STATES TREASURY	10/28/2025	4/30/2029	3.56	3.41	4,888,086	4,920,700
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CES6	UNITED STATES TREASURY	9/26/2024	5/31/2029	3.55	3.41	4,828,516	4,898,450
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CES6	UNITED STATES TREASURY	10/7/2024	5/31/2029	3.84	3.41	2,862,422	2,939,070
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CES6	UNITED STATES TREASURY	12/29/2025	5/31/2029	3.62	3.41	461,863	465,353
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	8/16/2024	6/30/2029	3.84	3.42	657,545	671,414
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	9/27/2024	6/30/2029	3.57	3.42	3,771,809	3,804,995
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	1/13/2025	6/30/2029	4.52	3.42	2,182,754	2,287,781
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	2/13/2025	6/30/2029	4.47	3.42	1,927,395	2,014,242
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	5/5/2025	6/30/2029	3.89	3.42	1,926,705	1,964,508
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	7/10/2025	6/30/2029	3.89	3.42	498,069	507,291
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	7/16/2025	6/30/2029	3.99	3.42	1,960,932	2,004,295
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	9/26/2025	6/30/2029	3.71	3.42	6,493,546	6,564,938
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	10/6/2022	6/30/2027	4.01	3.46	3,870,781	3,989,240
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	5/6/2025	6/30/2027	3.81	3.46	1,779,398	1,795,158
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFB2	UNITED STATES TREASURY	5/17/2023	7/31/2027	3.62	3.45	3,865,469	3,961,560
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFH9	UNITED STATES TREASURY	2/10/2023	8/31/2027	3.92	3.44	7,737,813	7,963,440
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFH9	UNITED STATES TREASURY	5/6/2025	8/31/2027	3.83	3.44	9,746,859	9,854,757
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFH9	UNITED STATES TREASURY	7/3/2025	8/31/2027	3.78	3.44	8,774,431	8,854,350
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFH9	UNITED STATES TREASURY	7/7/2025	8/31/2027	3.87	3.44	4,924,219	4,977,150

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFJ5	UNITED STATES TREASURY	6/9/2025	8/31/2029	4.01	3.43	7,244,238	7,424,400
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFM8	UNITED STATES TREASURY	6/9/2023	9/30/2027	4.06	3.43	6,517,012	6,569,095
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFZ9	UNITED STATES TREASURY	12/18/2024	11/30/2027	4.21	3.42	3,839,429	3,904,954
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGC9	UNITED STATES TREASURY	11/12/2024	12/31/2027	4.19	3.41	3,963,125	4,032,960
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGH8	UNITED STATES TREASURY	11/15/2024	1/31/2028	4.32	3.40	7,317,480	7,514,325
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGP0	UNITED STATES TREASURY	8/16/2024	2/29/2028	3.86	3.40	2,008,984	2,023,040
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGP0	UNITED STATES TREASURY	3/27/2025	2/29/2028	4.02	3.40	3,997,656	4,046,080
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGQ8	UNITED STATES TREASURY	3/3/2025	2/28/2030	4.02	3.47	2,742,855	2,799,269
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGQ8	UNITED STATES TREASURY	3/12/2025	2/28/2030	4.08	3.47	1,494,668	1,529,655
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGQ8	UNITED STATES TREASURY	3/25/2025	2/28/2030	4.09	3.47	746,953	764,828
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGQ8	UNITED STATES TREASURY	3/27/2025	2/28/2030	4.09	3.47	996,172	1,019,770
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	8/16/2024	5/31/2028	3.86	3.39	4,115,146	4,170,750
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	9/3/2024	5/31/2028	3.73	3.39	2,989,102	3,015,120
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	1/13/2025	5/31/2028	4.45	3.39	7,629,050	7,869,463
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	3/27/2025	5/31/2028	4.03	3.39	790,378	804,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	3/27/2025	5/31/2028	4.03	3.39	3,951,576	4,020,160
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	4/8/2025	5/31/2028	3.82	3.39	19,270,988	19,477,675
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	4/14/2025	5/31/2028	4.02	3.39	6,523,688	6,633,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	7/8/2025	5/31/2028	3.86	3.39	2,355,002	2,381,850
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	7/8/2025	5/31/2028	3.86	3.39	3,920,036	3,964,883
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	9/29/2025	5/31/2028	3.66	3.39	2,847,672	2,864,364
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	9/26/2025	5/31/2028	3.66	3.39	12,488,281	12,563,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	10/28/2025	5/31/2028	3.50	3.39	2,608,032	2,613,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHK0	UNITED STATES TREASURY	12/20/2024	6/30/2028	4.37	3.38	7,409,473	7,603,725
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHQ7	UNITED STATES TREASURY	10/25/2024	7/31/2028	4.01	3.38	3,513,809	3,560,165
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHQ7	UNITED STATES TREASURY	11/27/2024	7/31/2028	4.24	3.38	3,983,750	4,068,760
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHQ7	UNITED STATES TREASURY	3/7/2025	7/31/2028	4.04	3.38	7,519,629	7,628,925
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHX2	UNITED STATES TREASURY	10/9/2024	8/31/2028	3.88	3.39	1,883,025	1,893,364
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJA0	UNITED STATES TREASURY	10/17/2023	9/30/2028	4.72	3.39	1,245,068	1,288,038
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJA0	UNITED STATES TREASURY	11/1/2023	9/30/2028	4.82	3.39	3,241,673	3,368,476
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJA0	UNITED STATES TREASURY	11/1/2023	9/30/2028	4.82	3.39	3,044,609	3,164,451
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJN2	UNITED STATES TREASURY	12/1/2023	11/30/2028	4.29	3.40	3,507,560	3,584,157
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJR3	UNITED STATES TREASURY	8/16/2024	12/31/2028	3.84	3.39	11,160,625	11,308,063
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJR3	UNITED STATES TREASURY	10/3/2024	12/31/2028	3.57	3.39	2,316,262	2,322,191
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJR3	UNITED STATES TREASURY	3/27/2025	12/31/2028	4.06	3.39	2,472,860	2,524,121
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJR3	UNITED STATES TREASURY	5/5/2025	12/31/2028	3.86	3.39	1,942,383	1,968,814
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJW2	UNITED STATES TREASURY	10/4/2024	1/31/2029	3.62	3.39	3,298,750	3,304,340
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJW2	UNITED STATES TREASURY	10/29/2024	1/31/2029	4.13	3.39	2,238,750	2,287,620
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJW2	UNITED STATES TREASURY	11/27/2024	1/31/2029	4.23	3.39	7,929,375	8,133,760
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKD2	UNITED STATES TREASURY	4/1/2024	2/28/2029	4.21	3.40	325,609	332,833
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKD2	UNITED STATES TREASURY	12/16/2024	2/28/2029	4.25	3.40	7,999,063	8,192,800
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKD2	UNITED STATES TREASURY	2/6/2025	2/28/2029	4.34	3.40	996,641	1,024,100
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKD2	UNITED STATES TREASURY	2/10/2025	2/28/2029	4.33	3.40	997,031	1,024,100
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	6/3/2024	5/15/2027	4.70	3.53	5,082,654	5,168,101
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	6/17/2024	5/15/2027	4.60	3.50	2,866,802	2,908,810
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	7/5/2024	5/15/2027	4.61	3.50	7,975,938	8,094,080
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKT7	UNITED STATES TREASURY	6/3/2024	5/31/2029	4.52	3.42	999,180	1,033,130
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKV2	UNITED STATES TREASURY	7/1/2024	6/15/2027	4.51	3.52	3,756,849	3,797,093
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKV2	UNITED STATES TREASURY	2/10/2025	6/15/2027	4.28	3.52	1,914,473	1,926,429
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKZ3	UNITED STATES TREASURY	8/1/2024	7/15/2027	4.07	3.49	13,331,544	13,375,996
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKZ3	UNITED STATES TREASURY	8/5/2024	7/15/2027	3.96	3.46	3,641,344	3,644,172
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLC3	UNITED STATES TREASURY	8/16/2024	7/31/2029	3.79	3.42	2,018,750	2,037,040
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLC3	UNITED STATES TREASURY	10/31/2024	7/31/2029	4.11	3.42	8,956,406	9,166,680
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLG4	UNITED STATES TREASURY	9/3/2024	8/15/2027	3.76	3.45	4,690,503	4,712,879
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLG4	UNITED STATES TREASURY	9/3/2024	8/15/2027	3.77	3.45	1,191,695	1,197,427
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLG4	UNITED STATES TREASURY	9/10/2024	8/15/2027	3.60	3.45	7,530,176	7,532,250
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	9/27/2024	9/15/2027	3.47	3.44	1,421,382	1,423,661
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	9/30/2024	9/15/2027	3.52	3.44	3,087,285	3,097,086
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	10/4/2024	9/15/2027	3.52	3.44	3,983,750	3,996,240
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	10/4/2024	9/15/2027	3.54	3.44	6,469,785	6,493,890
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	10/4/2024	9/15/2027	3.57	3.44	3,977,813	3,996,240
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLN9	UNITED STATES TREASURY	9/30/2024	9/30/2029	3.54	3.44	5,115,190	5,136,019
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLN9	UNITED STATES TREASURY	10/1/2024	9/30/2029	3.58	3.44	33,063,352	33,251,337
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	10/29/2024	10/15/2027	4.10	3.43	1,987,813	2,013,900
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	11/1/2024	10/15/2027	4.12	3.43	8,826,395	8,947,154
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	11/1/2024	10/15/2027	4.12	3.43	10,264,754	10,406,425
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	11/1/2024	10/15/2027	4.12	3.48	5,247,894	5,316,411
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	11/1/2024	10/15/2027	4.12	3.48	865,613	876,811
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	11/4/2024	10/15/2027	4.15	3.43	3,820,674	3,876,758
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	11/7/2024	10/15/2027	4.19	3.43	1,982,500	2,013,900

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	2/10/2025	10/15/2027	4.29	3.48	677,775	689,254
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	2/13/2025	10/15/2027	4.39	3.43	7,403,613	7,552,125
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLR0	UNITED STATES TREASURY	11/12/2024	10/31/2029	4.19	3.44	2,493,262	2,558,200
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	11/26/2024	11/15/2027	4.32	3.42	696,227	708,092
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/2/2024	11/15/2027	4.12	3.42	3,141,191	3,177,006
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/2/2024	11/15/2027	4.12	3.42	3,064,300	3,099,723
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/6/2024	11/15/2027	4.17	3.42	3,820,368	3,869,217
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/10/2024	11/15/2027	4.10	3.42	3,827,689	3,869,217
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/16/2024	11/15/2027	4.12	3.42	3,825,149	3,869,217
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMA6	UNITED STATES TREASURY	12/2/2024	11/30/2029	4.08	3.45	4,379,047	4,472,957
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMA6	UNITED STATES TREASURY	12/9/2024	11/30/2029	4.05	3.45	1,946,593	1,985,706
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMA6	UNITED STATES TREASURY	12/10/2024	11/30/2029	4.07	3.45	4,009,844	4,094,240
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMB4	UNITED STATES TREASURY	12/17/2024	12/15/2027	4.23	3.41	2,186,078	2,222,440
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMB4	UNITED STATES TREASURY	1/2/2025	12/15/2027	4.28	3.41	8,264,592	8,412,643
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMB4	UNITED STATES TREASURY	1/2/2025	12/15/2027	4.28	3.41	5,514,318	5,613,984
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMD0	UNITED STATES TREASURY	1/2/2025	12/31/2029	4.39	3.46	5,486,569	5,669,907
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMD0	UNITED STATES TREASURY	1/9/2025	12/31/2029	4.48	3.46	995,586	1,032,770
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMD0	UNITED STATES TREASURY	1/13/2025	12/31/2029	4.52	3.46	2,483,594	2,581,925
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CME8	UNITED STATES TREASURY	7/30/2025	12/31/2026	4.00	3.55	4,013,594	4,022,680
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	1/15/2025	1/15/2028	4.34	3.41	3,840,525	3,908,366
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	2/3/2025	1/15/2028	4.26	3.41	2,504,413	2,542,976
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	2/3/2025	1/15/2028	4.26	3.46	2,054,518	2,084,304
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	2/6/2025	1/15/2028	4.27	3.41	3,848,346	3,908,366
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	2/10/2025	1/15/2028	4.29	3.41	1,747,881	1,776,530
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	11/21/2025	1/15/2028	3.53	3.41	274,008	274,093
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	11/21/2025	1/15/2028	3.52	3.46	121,781	121,711
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	3/3/2025	2/15/2028	3.97	3.40	2,196,691	2,214,924
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	3/6/2025	2/15/2028	4.01	3.45	840,480	847,592
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	5/13/2025	2/15/2028	4.00	3.40	7,744,622	7,818,274
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	5/22/2025	2/15/2028	4.00	3.40	8,051,250	8,128,160
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	6/9/2025	2/15/2028	4.00	3.40	11,621,736	11,735,031
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	7/2/2025	2/15/2028	3.76	3.40	7,008,316	7,035,939
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	7/7/2025	2/15/2028	3.85	3.40	3,094,872	3,114,101
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	9/26/2025	2/15/2028	3.67	3.40	8,105,652	8,128,160
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	10/30/2025	2/15/2028	3.60	3.40	1,496,035	1,498,681
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	3/25/2025	3/15/2028	4.02	3.39	2,988,047	3,028,590
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	3/26/2025	3/15/2028	3.98	3.39	9,945,387	10,070,062
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	3/27/2025	3/15/2028	4.00	3.39	2,989,453	3,028,590
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	4/1/2025	3/15/2028	3.88	3.39	4,909,233	4,956,792
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	4/10/2025	3/15/2028	3.70	3.39	4,019,375	4,038,120
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	4/1/2025	3/31/2030	3.96	3.47	2,454,594	2,499,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	4/8/2025	3/31/2030	3.89	3.47	3,873,974	3,932,401
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	4/10/2025	3/31/2030	4.03	3.47	1,997,656	2,040,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	4/10/2025	3/31/2030	4.12	3.47	959,688	984,375
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	5/13/2025	3/31/2030	4.11	3.47	3,095,432	3,172,443
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	6/9/2025	3/31/2030	4.09	3.47	4,283,889	4,386,336
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	6/23/2025	3/31/2030	4.01	3.47	969,700	989,476
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	7/2/2025	3/31/2030	3.84	3.47	1,168,202	1,183,291
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	9/26/2025	3/31/2030	3.76	3.47	4,444,344	4,488,344
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	9/30/2025	3/31/2030	3.75	3.47	3,611,740	3,646,779
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMW8	UNITED STATES TREASURY	5/1/2025	4/15/2028	3.59	3.39	6,099,212	6,115,841
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMW8	UNITED STATES TREASURY	5/1/2025	4/15/2028	3.59	3.39	7,059,463	7,079,396
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMZ1	UNITED STATES TREASURY	5/1/2025	4/30/2030	3.73	3.48	785,180	791,942
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	5/15/2025	5/15/2028	3.77	3.39	2,998,125	3,022,620
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	5/15/2025	5/15/2028	3.78	3.39	1,249,121	1,259,425
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/2/2025	5/15/2028	3.86	3.39	4,590,778	4,639,520
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/2/2025	5/15/2028	3.86	3.39	1,670,230	1,688,033
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/2/2025	5/15/2028	3.86	3.39	4,590,410	4,639,520
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/10/2025	5/15/2028	3.90	3.39	3,162,102	3,198,940
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/10/2025	5/15/2028	4.01	3.39	4,864,781	4,936,946
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNG2	UNITED STATES TREASURY	6/2/2025	5/31/2030	3.96	3.48	4,568,194	4,652,978
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNH0	UNITED STATES TREASURY	7/1/2025	6/15/2028	3.69	3.38	8,281,844	8,329,157
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNH0	UNITED STATES TREASURY	7/7/2025	6/15/2028	3.74	3.38	4,165,400	4,194,903
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNH0	UNITED STATES TREASURY	7/7/2025	6/15/2028	3.84	3.38	5,995,616	6,054,812
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNH0	UNITED STATES TREASURY	7/9/2025	6/15/2028	3.74	3.38	4,014,375	4,043,280
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNK3	UNITED STATES TREASURY	7/1/2025	6/30/2030	3.80	3.48	1,570,380	1,589,398
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNK3	UNITED STATES TREASURY	7/7/2025	6/30/2030	3.87	3.48	1,750,410	1,777,283
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNM9	UNITED STATES TREASURY	7/15/2025	7/15/2028	3.84	3.39	2,101,969	2,123,058
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNM9	UNITED STATES TREASURY	8/6/2025	7/15/2028	3.90	3.39	1,998,594	2,021,960
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNM9	UNITED STATES TREASURY	8/1/2025	7/15/2028	3.89	3.39	2,004,452	2,027,015

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	8/25/2025	8/15/2028	3.74	3.38	3,239,463	3,268,525
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	8/15/2025	8/15/2028	3.70	3.38	2,494,824	2,514,250
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	8/15/2025	8/15/2028	3.73	3.38	747,861	754,275
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	9/5/2025	8/15/2028	3.62	3.38	4,225,165	4,249,083
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	9/2/2025	8/15/2028	3.58	3.38	13,893,428	13,954,088
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CDF5	UNITED STATES TREASURY	9/17/2025	10/31/2028	3.50	3.38	7,033,301	7,118,550
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNN7	UNITED STATES TREASURY	9/2/2025	7/31/2030	3.69	3.49	3,427,891	3,453,380
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNX5	UNITED STATES TREASURY	9/18/2025	8/31/2030	3.61	3.50	1,401,094	1,407,280
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNX5	UNITED STATES TREASURY	9/5/2025	8/31/2030	3.72	3.50	2,738,076	2,764,300
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/26/2025	9/15/2028	3.66	3.39	5,133,357	5,173,189
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/15/2025	9/15/2028	3.48	3.39	3,738,721	3,748,688
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/19/2025	9/15/2028	3.50	3.39	4,982,422	4,998,250
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/19/2025	9/15/2028	3.55	3.39	3,930,867	3,948,618
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/19/2025	9/15/2028	3.55	3.39	4,975,586	4,998,250
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	10/1/2025	9/15/2028	3.61	3.39	3,095,045	3,113,910
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	10/7/2025	9/15/2028	3.62	3.39	1,986,641	1,999,300
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPA3	UNITED STATES TREASURY	9/30/2025	9/30/2030	3.75	3.50	4,972,656	5,025,600
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPA3	UNITED STATES TREASURY	10/31/2025	9/30/2030	3.71	3.50	3,964,298	4,000,378
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPA3	UNITED STATES TREASURY	10/31/2025	9/30/2030	3.71	3.50	7,644,420	7,714,296
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPA3	UNITED STATES TREASURY	10/1/2025	9/30/2030	3.73	3.50	826,239	834,250
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPA3	UNITED STATES TREASURY	10/7/2025	9/30/2030	3.74	3.50	1,442,467	1,457,424
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGT2	UNITED STATES TREASURY	10/31/2025	3/31/2028	3.59	3.39	5,003,516	5,023,250
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPC9	UNITED STATES TREASURY	10/31/2025	10/15/2028	3.62	3.39	897,047	902,457
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPC9	UNITED STATES TREASURY	10/28/2025	10/15/2028	3.50	3.39	2,999,883	3,008,190
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPC9	UNITED STATES TREASURY	10/15/2025	10/15/2028	3.59	3.39	2,493,457	2,506,825
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPC9	UNITED STATES TREASURY	11/12/2025	10/15/2028	3.58	3.39	4,988,672	5,013,650
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPC9	UNITED STATES TREASURY	11/7/2025	10/15/2028	3.58	3.39	5,761,690	5,790,766
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPD7	UNITED STATES TREASURY	10/31/2025	10/31/2030	3.71	3.51	2,988,398	3,014,760
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPD7	UNITED STATES TREASURY	11/17/2025	10/31/2030	3.71	3.51	1,628,613	1,643,044
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPD7	UNITED STATES TREASURY	12/10/2025	10/31/2030	3.78	3.51	1,986,172	2,009,840
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAE1	UNITED STATES TREASURY	11/6/2025	8/15/2030	3.76	3.49	1,641,725	1,676,750
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAE1	UNITED STATES TREASURY	12/10/2025	8/15/2030	3.77	3.49	1,810,225	1,844,425
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPK1	UNITED STATES TREASURY	11/18/2025	11/15/2028	3.59	3.39	1,396,555	1,403,990
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPK1	UNITED STATES TREASURY	12/1/2025	11/15/2028	3.48	3.39	539,432	540,737
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPK1	UNITED STATES TREASURY	12/1/2025	11/15/2028	3.49	3.39	9,016,673	9,038,486
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPK1	UNITED STATES TREASURY	12/3/2025	11/15/2028	3.54	3.39	998,984	1,002,850
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPK1	UNITED STATES TREASURY	12/4/2025	11/15/2028	3.55	3.39	2,246,924	2,256,413
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPK1	UNITED STATES TREASURY	12/4/2025	11/15/2028	3.54	3.39	2,996,719	3,008,550
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPK1	UNITED STATES TREASURY	12/11/2025	11/15/2028	3.63	3.39	2,989,219	3,008,550
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPE5	UNITED STATES TREASURY	11/18/2025	10/31/2027	3.59	3.43	1,397,594	1,401,582
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPP0	UNITED STATES TREASURY	12/31/2025	12/15/2028	3.50	3.39	5,999,531	6,017,820
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPP0	UNITED STATES TREASURY	12/19/2025	12/15/2028	3.50	3.39	3,999,688	4,011,880
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPP0	UNITED STATES TREASURY	12/29/2025	12/15/2028	3.58	3.39	1,496,719	1,504,455
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPP0	UNITED STATES TREASURY	12/15/2025	12/15/2028	3.59	3.39	797,875	802,376
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPP0	UNITED STATES TREASURY	12/15/2025	12/15/2028	3.65	3.39	1,493,672	1,504,455
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPP0	UNITED STATES TREASURY	1/2/2026	12/15/2028	3.51	3.39	13,310,319	13,354,546
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPP0	UNITED STATES TREASURY	1/13/2026	12/15/2028	3.54	3.39	5,493,340	5,516,335
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPN5	UNITED STATES TREASURY	12/1/2025	11/30/2030	3.60	3.51	6,122,854	6,146,618
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPN5	UNITED STATES TREASURY	12/4/2025	11/30/2030	3.67	3.51	992,461	999,450
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPN5	UNITED STATES TREASURY	12/8/2025	11/30/2030	3.69	3.51	2,479,102	2,498,625
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPN5	UNITED STATES TREASURY	12/10/2025	11/30/2030	3.73	3.51	593,695	599,670
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGZ8	UNITED STATES TREASURY	12/10/2025	4/30/2030	3.75	3.48	3,959,063	4,003,440
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPR6	UNITED STATES TREASURY	1/2/2026	12/31/2030	3.69	3.52	3,932,980	3,963,186
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPT2	UNITED STATES TREASURY	1/23/2026	1/15/2029	3.67	3.39	4,976,172	5,015,250
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPT2	UNITED STATES TREASURY	2/5/2026	1/15/2029	3.64	3.39	4,482,070	4,513,725
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPT2	UNITED STATES TREASURY	2/10/2026	1/15/2029	3.57	3.39	5,987,578	6,018,300
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLT6	UNITED STATES TREASURY	2/27/2026	10/31/2026	3.66	3.66	8,008,403	8,008,160
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLT6	UNITED STATES TREASURY	2/27/2026	10/31/2026	3.66	3.71	4,004,202	4,002,774
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPW5	UNITED STATES TREASURY	2/3/2026	1/31/2031	3.83	3.52	1,295,227	1,313,208
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPW5	UNITED STATES TREASURY	2/2/2026	1/31/2031	3.79	3.52	10,139,302	10,262,215
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPW5	UNITED STATES TREASURY	2/2/2026	1/31/2031	3.80	3.52	12,868,294	13,027,023
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLK5	UNITED STATES TREASURY	2/13/2026	8/31/2029	3.62	3.43	8,000,938	8,050,000
MANAGED PORTFOLIO	***SUB-TOTAL FOR US TREASURY OBLIGATION***							***1,046,235,481***	***1,060,869,542***
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	30297CAJ1	FRESB 2018-SB52 10F	11/18/2024	6/25/2028	4.69	3.94	530,130	544,196
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	30297DAJ9	FRESB 2018-SB53 A1F	6/9/2025	6/25/2028	4.41	3.78	318,532	323,576
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	30297DAJ9	FRESB 2018-SB53 A1F	6/18/2025	6/25/2028	4.37	3.78	330,136	335,050
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	30308LAD1	FRESB 2018-SB57 A1F	7/10/2025	7/25/2028	4.30	4.30	1,574,924	1,578,033
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130ATS57	FEDERAL HOME LOAN BANKS	3/24/2023	3/10/2028	4.01	3.41	5,108,250	5,106,550
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130ATS57	FEDERAL HOME LOAN BANKS	3/27/2025	3/10/2028	4.04	3.41	4,050,320	4,085,240
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130ATUS4	FEDERAL HOME LOAN BANKS	2/1/2023	12/10/2027	3.77	3.43	5,105,600	5,069,850

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWBZ2	FEDERAL HOME LOAN BANKS	7/10/2025	6/11/2027	3.91	3.44	5,019,550	5,042,500
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWC24	FEDERAL HOME LOAN BANKS	6/30/2023	6/9/2028	4.04	3.41	1,996,120	2,025,800
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWN63	FEDERAL HOME LOAN BANKS	7/21/2023	6/30/2028	4.20	3.35	3,965,360	4,057,560
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWTQ3	FEDERAL HOME LOAN BANKS	10/2/2023	9/11/2026	4.98	3.70	6,931,120	7,034,160
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWTR1	FEDERAL HOME LOAN BANKS	9/8/2023	9/8/2028	4.49	3.43	3,979,600	4,091,320
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AXU63	FEDERAL HOME LOAN BANKS	1/23/2024	11/17/2026	4.19	3.65	3,539,865	3,523,940
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPC60	FEDERAL FARM CREDIT BANKS FUNDING CORP	11/15/2023	11/15/2027	4.77	3.48	4,973,700	5,094,500
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPH81	FEDERAL FARM CREDIT BANKS FUNDING CORP	12/11/2023	10/4/2027	4.42	3.47	4,012,000	4,063,360
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPK79	FEDERAL FARM CREDIT BANKS FUNDING CORP	12/13/2023	12/7/2026	4.52	3.63	7,968,800	8,044,640
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPSW6	FEDERAL FARM CREDIT BANKS FUNDING CORP	8/14/2023	8/14/2026	4.58	3.74	4,788,960	4,816,464
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPSW6	FEDERAL FARM CREDIT BANKS FUNDING CORP	8/14/2023	8/14/2026	4.70	3.74	3,978,200	4,013,720
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPUW3	FEDERAL FARM CREDIT BANKS FUNDING CORP	9/11/2023	9/1/2026	4.80	3.68	3,994,800	4,021,560
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPZY4	FEDERAL FARM CREDIT BANKS FUNDING CORP	11/1/2023	7/30/2026	5.05	3.71	3,995,640	4,021,440
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERAK7	FEDERAL FARM CREDIT BANKS FUNDING CORP	4/15/2024	4/10/2029	4.64	3.43	4,942,000	5,139,200
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERDZ1	FEDERAL FARM CREDIT BANKS FUNDING CORP	5/30/2024	5/8/2026	5.04	3.81	7,957,920	8,013,920
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERPV7	FEDERAL FARM CREDIT BANKS FUNDING CORP	8/23/2024	8/16/2027	3.86	3.45	4,984,050	5,021,000
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERSP7	FEDERAL FARM CREDIT BANKS FUNDING CORP	9/19/2024	9/10/2029	3.53	3.48	1,183,550	1,185,687
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERSP7	FEDERAL FARM CREDIT BANKS FUNDING CORP	9/19/2024	9/10/2029	3.53	3.48	1,927,036	1,931,119
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136AV6R5	FNGT 2017-T1 A	2/20/2024	6/25/2027	4.93	3.81	2,646,322	2,776,184
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136AV6R5	FNGT 2017-T1 A	3/4/2024	6/25/2027	4.99	3.81	927,801	974,100
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136AY7L1	FNA 2018-M1 A2	4/21/2023	12/25/2027	4.92	4.16	592,778	618,518
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136B0YM2	FNA 2018-M2 A2	4/8/2025	1/25/2028	4.60	4.32	2,230,809	2,260,861
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136BTGM9	FNA 2024-M6 A2	12/17/2024	7/25/2027	4.45	3.67	3,932,375	4,035,962
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BRQJ7	FHMS K-057 A2	3/7/2023	7/25/2026	4.94	3.76	1,434,121	1,533,235
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BRQJ7	FHMS K-057 A2	5/23/2023	7/25/2026	4.31	3.76	1,833,013	1,916,543
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BSRE5	FHMS K-059 A2	11/20/2023	9/25/2026	5.15	3.75	2,902,826	3,048,318
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BTUM1	FHMS K-061 A2	5/24/2023	11/25/2026	4.31	3.75	1,581,568	1,624,127
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BUX60	FHMS K-062 A2	11/13/2023	12/25/2026	5.08	3.73	1,886,527	1,972,460
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BVZ82	FHMS K-063 A2	12/9/2022	1/25/2027	4.28	3.72	3,846,664	3,956,188
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BVZ82	FHMS K-063 A2	10/20/2023	1/25/2027	5.40	3.72	1,709,084	1,805,011
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BXRT1	FHMS K-S08 A2	9/16/2022	3/25/2027	4.08	3.73	894,504	918,988
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BXRT1	FHMS K-S08 A2	1/13/2023	3/25/2027	4.31	3.73	456,260	471,913
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F1G44	FHMS K-065 A2	5/1/2023	4/25/2027	4.10	3.66	1,162,125	1,192,524
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F1G44	FHMS K-065 A2	5/14/2024	4/25/2027	4.97	3.66	2,716,963	2,832,245
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F2LJ3	FHMS K-066 A2	7/15/2024	6/25/2027	4.76	3.64	2,055,770	2,133,187
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F2LJ3	FHMS K-066 A2	4/11/2025	6/25/2027	4.20	3.64	1,221,777	1,240,225
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F4D41	FHMS K-074 A2	3/4/2025	1/25/2028	4.36	3.63	1,704,654	1,737,674
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F4X72	FHMS K-075 A2	3/10/2025	2/25/2028	4.24	3.64	2,308,967	2,345,888
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FAWS3	FHMS K-067 A2	4/18/2023	7/25/2027	4.09	3.63	3,858,125	3,969,880
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FAWS3	FHMS K-067 A2	6/9/2025	7/25/2027	4.19	3.63	1,957,656	1,984,940
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBBX3	FHMS K-068 A2	5/17/2023	8/25/2027	3.98	3.66	2,912,461	2,977,230
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBBX3	FHMS K-068 A2	6/21/2024	8/25/2027	4.81	3.66	2,575,758	2,679,507
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBBX3	FHMS K-068 A2	8/19/2024	8/25/2027	4.17	3.66	778,531	793,928
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBU79	FHMS K-069 A2	6/14/2023	9/25/2027	4.41	3.59	3,689,994	3,841,073
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBU79	FHMS K-069 A2	6/21/2024	9/25/2027	4.83	3.59	2,486,663	2,592,724
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBU79	FHMS K-069 A2	12/31/2024	9/25/2027	4.65	3.68	931,798	959,069
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBU79	FHMS K-069 A2	3/11/2025	9/25/2027	4.27	3.59	706,646	720,201
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FCJK1	FHMS K-070 A2	8/1/2024	11/25/2027	4.55	3.62	1,851,685	1,911,852
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FCJK1	FHMS K-070 A2	12/31/2024	11/25/2027	4.65	3.67	1,118,131	1,151,266
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FEBQ2	FHMS K-072 A2	3/28/2025	12/25/2027	4.29	3.66	640,263	651,435
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FETN0	FHMS K-073 A2	5/30/2023	1/25/2028	4.28	3.57	6,511,410	6,737,399
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FETN0	FHMS K-073 A2	3/28/2025	1/25/2028	4.29	3.57	5,604,453	5,718,088
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FEZU7	FHMS K-076 A2	3/7/2025	4/25/2028	4.23	3.61	1,977,969	2,007,440
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FEZU7	FHMS K-076 A2	3/31/2025	4/25/2028	4.33	3.61	2,219,590	2,258,370
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FG6X8	FHMS K-077 A2	6/11/2025	5/25/2028	4.31	3.61	1,824,057	1,855,550
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FGZT5	FHMS K-079 A2	4/22/2025	6/25/2028	4.21	3.61	2,475,098	2,512,525
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FJEH8	FHMS K-081 A2	3/25/2024	8/25/2028	4.65	3.61	4,803,447	4,979,280
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FJZ93	FHMS K-084 A2	12/12/2024	10/25/2028	4.35	3.62	3,916,250	4,008,680
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FKZZ2	FHMS K-088 A2	5/7/2025	1/25/2029	4.17	3.63	1,965,234	1,999,880
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FL6P4	FHMS K-089 A2	7/3/2025	1/25/2029	4.11	3.63	328,653	333,872
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FLMV3	FHMS K-090 A2	3/31/2025	2/25/2029	4.37	3.62	2,896,875	2,979,090
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FLYV0	FHMS K-092 A2	9/24/2024	4/25/2029	3.83	3.63	1,954,531	1,977,640
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FMCR1	FHMS K-093 A2	10/21/2024	5/25/2029	4.15	3.62	2,811,953	2,893,841
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FNWX4	FHMS K-736 A2	10/11/2023	7/25/2026	5.30	3.65	2,139,874	2,292,730
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FPHK4	FHMS K-098 A2	3/31/2025	8/25/2029	4.31	3.64	1,852,344	1,920,820
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FQ3Y7	FHMS K-101 A1	12/31/2024	7/25/2029	4.96	4.05	599,166	615,311
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137H5YC5	FHMS K-748 A2	8/22/2024	1/25/2029	4.19	3.69	1,847,109	1,922,080
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137H9D71	FHMS K-750 A2	11/4/2024	9/25/2029	4.45	3.70	1,881,406	1,955,920
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HA4B9	FHMS K-751 A2	3/28/2025	3/25/2030	4.41	3.75	2,996,367	3,063,600
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HAMS2	FHMS K-507 A2	10/15/2024	9/25/2028	4.35	3.70	1,267,578	1,279,063

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HAST4	FHMS K-509 A2	10/15/2024	9/25/2028	4.34	3.65	1,524,492	1,539,240
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HAST4	FHMS K-509 A2	12/31/2025	9/25/2028	3.73	3.65	2,051,484	2,052,320
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HBFY5	FHMS K-513 A2	9/30/2024	12/25/2028	3.92	3.67	1,645,875	1,639,968
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HBFY5	FHMS K-513 A2	7/8/2025	12/25/2028	4.15	3.89	2,032,188	2,038,658
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HC2C5	FHMS K-517 A2	9/30/2024	1/25/2029	3.95	3.71	1,579,863	1,563,240
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HC2L5	FHMS K-518 A2	9/30/2024	1/25/2029	4.00	3.67	1,605,301	1,592,420
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HC2L5	FHMS K-518 A2	12/26/2025	1/25/2029	3.91	3.67	2,079,922	2,088,420
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HCKV3	FHMS K-520 A2	9/30/2024	3/25/2029	4.02	3.72	1,405,262	1,397,267
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HFNZ4	FHMS K-528 A2	9/12/2024	7/25/2029	4.02	3.69	566,089	568,176
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HH6C0	FHMS K-529 A2	10/16/2024	9/25/2029	4.02	3.71	974,088	986,735
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HHJL6	FHMS K-530 A2	11/27/2024	9/25/2029	4.64	3.71	1,201,222	1,234,925
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HHUN9	FHMS K-531 A2	12/12/2024	10/25/2029	4.65	3.71	803,634	823,176
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HKXJ8	FHMS K-539 A2	4/24/2025	1/25/2030	4.34	3.74	444,984	454,972
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HKXJ8	FHMS K-539 A2	12/10/2025	1/25/2030	4.00	3.74	6,083,438	6,134,460
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	US3137F64P90	FHMS K-739 A2	11/4/2024	9/25/2027	4.46	3.63	4,309,795	4,525,685
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	US3137F64P90	FHMS K-739 A2	3/28/2025	9/25/2027	4.26	3.63	664,694	687,146
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	880591FE7	TENNESSEE VALLEY AUTHORITY	8/8/2025	8/1/2030	3.97	3.49	597,558	609,468
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FTZQ3	FHMS K-110 A2	9/8/2025	4/25/2030	3.96	3.72	1,798,203	1,834,220
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HN4R6	FHMS K-546 A2	9/18/2025	5/25/2030	3.97	3.75	842,438	847,903
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HN6B9	FHMS K-547 A2	9/29/2025	5/25/2030	3.96	3.75	817,050	823,813
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HNZL5	FHR 5607 GJ	11/28/2025	5/15/2030	4.09	3.87	5,951,666	6,003,871
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FMTY8	FHMS K-094 A2	11/28/2025	6/25/2029	3.76	3.63	3,884,219	3,906,200
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FLN91	FHMS K-091 A2	11/28/2025	3/25/2029	3.74	3.63	3,123,422	3,134,219
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FKUP9	FHMS K-087 A2	12/31/2025	12/25/2028	3.75	3.62	1,936,611	1,943,031
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FK4M5	FHMS K-085 A2	12/26/2025	10/25/2028	3.83	3.62	2,008,125	2,018,020
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FK4M5	FHMS K-085 A2	2/4/2026	10/25/2028	3.80	3.62	2,913,367	2,926,129
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HPEX7	FHMS K-552 A2	12/23/2025	11/25/2030	4.14	3.79	959,965	971,165
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136BGFX4	FNA 2021-M16 A2A	12/10/2025	11/25/2030	4.84	4.99	2,304,883	2,309,075
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HMC65	FHMS K-543 A2	1/28/2026	6/25/2030	4.05	3.77	2,018,828	2,040,648
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HPM75	FHR 5616 NG	1/30/2026	1/15/2031	4.10	3.84	4,145,866	4,177,758
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HPU50	FHMS K-553 A2	1/15/2026	12/25/2030	4.02	3.79	520,651	525,559
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3140NX3J0	FN BZ3500	2/17/2026	5/1/2030	3.82	3.75	2,307,744	2,313,210
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FKSH0	FHMS K-086 A2	2/4/2026	11/25/2028	3.81	3.63	2,898,754	2,911,745
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FNX54	FHMS K-097 A2	2/27/2026	7/25/2029	3.73	3.64	3,842,500	3,852,920
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3140LK4E0	FN BS8920	2/17/2026	8/1/2028	3.61	3.72	1,041,347	1,039,683
MANAGED PORTFOLIO	***SUB-TOTAL FOR FEDERAL AGENCY/GSE***							***283,467,671***	***288,638,258***
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00138CBB3	COREBRIDGE GLOBAL FUNDING	8/22/2024	8/20/2027	4.66	3.99	1,859,702	1,877,391
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00138CBD9	COREBRIDGE GLOBAL FUNDING	1/9/2025	1/7/2028	4.90	3.94	590,000	600,012
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00138CBF4	COREBRIDGE GLOBAL FUNDING	6/6/2025	6/6/2030	4.88	4.36	973,801	993,379
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00287YBX6	ABBVIE INC	4/29/2025	11/21/2029	4.40	3.87	1,902,080	1,953,560
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00287YDS5	ABBVIE INC	9/19/2024	3/15/2029	3.99	3.84	1,197,468	1,190,893
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00287YDS5	ABBVIE INC	3/27/2025	3/15/2029	4.53	3.84	287,693	292,590
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00287YDS5	ABBVIE INC	12/26/2025	3/15/2029	3.95	3.82	3,002,342	3,010,282
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00440EAV9	CHUBB INA HOLDINGS LLC	8/28/2023	5/3/2026	5.19	3.94	1,651,406	1,728,028
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00440EAV9	CHUBB INA HOLDINGS LLC	12/29/2023	5/3/2026	4.60	3.94	2,207,530	2,267,412
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00440KAA1	ACCENTURE CAPITAL INC	10/4/2024	10/4/2027	3.95	3.66	569,265	572,041
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00440KAB9	ACCENTURE CAPITAL INC	10/4/2024	10/4/2029	4.09	3.87	544,046	548,259
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00724PAE9	ADOBE INC	4/4/2024	4/4/2027	4.87	3.69	1,134,433	1,148,075
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00724PAH2	ADOBE INC	1/17/2025	1/17/2028	4.77	3.65	2,398,728	2,445,840
MANAGED PORTFOLIO	MEDIUM TERM NOTE	007903BJ5	ADVANCED MICRO DEVICES INC	3/24/2025	3/24/2028	4.32	3.65	2,095,000	2,121,523
MANAGED PORTFOLIO	MEDIUM TERM NOTE	009158AY2	AIR PRODUCTS AND CHEMICALS INC	2/13/2024	5/15/2027	4.71	3.57	1,829,260	1,959,260
MANAGED PORTFOLIO	MEDIUM TERM NOTE	009158BH8	AIR PRODUCTS AND CHEMICALS INC	9/3/2024	2/8/2029	4.11	3.75	509,605	511,455
MANAGED PORTFOLIO	MEDIUM TERM NOTE	009158BN5	AIR PRODUCTS AND CHEMICALS INC	6/11/2025	6/11/2028	4.32	3.71	1,498,995	1,518,525
MANAGED PORTFOLIO	MEDIUM TERM NOTE	023135BC9	AMAZON.COM INC	7/15/2024	8/22/2027	4.73	3.58	3,819,680	3,975,320
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816DG1	AMERICAN EXPRESS CO	7/28/2023	7/28/2027	5.39	4.07	650,000	653,484
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816DV8	AMERICAN EXPRESS CO	7/26/2024	7/26/2028	5.05	4.27	475,000	482,424
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816ED7	AMERICAN EXPRESS CO	4/25/2025	4/25/2029	4.73	4.25	3,140,000	3,191,998
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816EJ4	AMERICAN EXPRESS CO	7/25/2025	7/20/2029	4.35	4.17	4,190,000	4,229,428
MANAGED PORTFOLIO	MEDIUM TERM NOTE	02665WEK3	AMERICAN HONDA FINANCE CORP	7/7/2023	7/7/2026	5.30	3.82	249,693	251,250
MANAGED PORTFOLIO	MEDIUM TERM NOTE	02665WFQ9	AMERICAN HONDA FINANCE CORP	9/13/2024	9/5/2029	4.28	3.97	804,152	811,272
MANAGED PORTFOLIO	MEDIUM TERM NOTE	02665WFT3	AMERICAN HONDA FINANCE CORP	7/8/2025	10/22/2027	4.42	3.84	2,626,313	2,650,358
MANAGED PORTFOLIO	MEDIUM TERM NOTE	03073EAV7	CENCORA INC	12/9/2024	12/15/2027	4.69	3.86	419,223	425,254
MANAGED PORTFOLIO	MEDIUM TERM NOTE	032654BD6	ANALOG DEVICES INC	6/16/2025	6/15/2028	4.29	3.71	2,292,521	2,321,094
MANAGED PORTFOLIO	MEDIUM TERM NOTE	032654BE4	ANALOG DEVICES INC	6/16/2025	6/15/2030	4.52	3.91	1,273,878	1,303,892
MANAGED PORTFOLIO	MEDIUM TERM NOTE	037833EY2	APPLE INC	5/12/2025	5/12/2028	4.07	3.56	1,746,570	1,765,645
MANAGED PORTFOLIO	MEDIUM TERM NOTE	037833EZ9	APPLE INC	5/12/2025	5/12/2030	4.24	3.77	673,853	686,003
MANAGED PORTFOLIO	MEDIUM TERM NOTE	04636NAK9	ASTRAZENECA FINANCE LLC	2/26/2024	2/26/2027	4.86	3.81	1,232,925	1,245,893
MANAGED PORTFOLIO	MEDIUM TERM NOTE	04685A3T6	ATHENE GLOBAL FUNDING	3/26/2024	3/25/2027	5.52	4.10	2,555,000	2,592,610
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05253JB75	AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD (NEW Y	6/18/2025	6/18/2028	4.36	3.69	1,850,000	1,877,251
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565ECH6	BMW US CAPITAL LLC	4/2/2024	4/2/2027	4.94	3.79	2,447,085	2,478,959

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565ECW3	BMW US CAPITAL LLC	3/21/2025	3/21/2028	4.77	3.93	354,823	360,730
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565ECY9	BMW US CAPITAL LLC	3/21/2025	3/21/2030	5.06	4.15	284,926	294,331
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GGL7	BANK OF AMERICA CORP	8/13/2024	4/24/2028	4.75	4.05	1,757,601	1,797,989
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GGL7	BANK OF AMERICA CORP	11/5/2024	4/24/2028	4.81	3.99	3,820,040	3,907,495
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GGL7	BANK OF AMERICA CORP	3/26/2025	4/24/2028	4.63	4.05	476,188	483,116
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GHG7	BANK OF AMERICA CORP	9/13/2024	3/5/2029	4.41	4.01	492,925	499,640
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GHM4	BANK OF AMERICA CORP	11/12/2024	7/23/2029	4.79	4.02	1,965,280	2,011,320
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GLS6	BANK OF AMERICA CORP	3/26/2025	9/15/2029	4.70	4.03	2,070,900	2,085,820
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GMK2	BANK OF AMERICA CORP	1/24/2025	1/24/2029	4.98	4.00	9,625,000	9,796,999
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GMT3	BANK OF AMERICA CORP	5/9/2025	5/9/2029	4.81	3.94	3,980,000	4,036,476
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06405LAH4	BANK OF NEW YORK MELLON	4/22/2025	4/20/2029	4.73	3.89	3,030,000	3,081,692
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06405LAH4	BANK OF NEW YORK MELLON	4/22/2025	4/20/2029	4.73	3.88	895,000	910,503
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06406RAH0	BANK OF NEW YORK MELLON CORP	9/13/2024	4/28/2028	4.00	3.62	746,340	753,570
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06406RBA4	BANK OF NEW YORK MELLON CORP	8/31/2022	1/26/2027	3.95	3.71	3,695,080	3,940,800
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06406RBX4	BANK OF NEW YORK MELLON CORP	7/22/2024	7/21/2028	4.89	3.77	2,050,000	2,080,853
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06406RCH8	BANK OF NEW YORK MELLON CORP	6/10/2025	6/9/2028	4.45	4.11	1,785,000	1,798,173
MANAGED PORTFOLIO	MEDIUM TERM NOTE	09290DAH4	BLACKROCK INC	7/26/2024	7/26/2027	4.55	3.63	2,002,720	2,024,860
MANAGED PORTFOLIO	MEDIUM TERM NOTE	09290DAH4	BLACKROCK INC	7/26/2024	7/26/2027	4.57	3.63	3,002,580	3,037,290
MANAGED PORTFOLIO	MEDIUM TERM NOTE	09290DAH4	BLACKROCK INC	7/26/2024	7/26/2027	4.60	3.63	1,654,950	1,675,572
MANAGED PORTFOLIO	MEDIUM TERM NOTE	10373QBY5	BP CAPITAL MARKETS AMERICA INC	5/17/2024	11/17/2027	5.02	3.72	2,700,000	2,754,945
MANAGED PORTFOLIO	MEDIUM TERM NOTE	127387AM0	CADENCE DESIGN SYSTEMS INC	9/10/2024	9/10/2027	4.21	3.87	1,539,738	1,547,515
MANAGED PORTFOLIO	MEDIUM TERM NOTE	133131BA9	CAMDEN PROPERTY TRUST	11/3/2023	11/3/2026	5.85	3.91	2,449,927	2,477,881
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAL4	CATERPILLAR FINANCIAL SERVICES CORP	5/14/2024	5/14/2027	5.04	3.66	2,562,179	2,605,322
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAL4	CATERPILLAR FINANCIAL SERVICES CORP	5/17/2024	5/14/2027	4.89	3.66	5,014,650	5,078,600
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAQ3	CATERPILLAR FINANCIAL SERVICES CORP	8/16/2024	8/16/2029	4.44	3.75	728,022	744,666
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAR1	CATERPILLAR FINANCIAL SERVICES CORP	8/16/2024	10/15/2027	4.42	3.68	1,319,340	1,334,916
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAS9	CATERPILLAR FINANCIAL SERVICES CORP	11/15/2024	11/15/2027	4.63	3.62	1,248,925	1,270,175
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAU4	CATERPILLAR FINANCIAL SERVICES CORP	11/15/2024	11/15/2029	4.74	3.86	549,104	565,884
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAX8	CATERPILLAR FINANCIAL SERVICES CORP	1/8/2025	1/8/2030	4.84	3.69	1,542,018	1,606,228
MANAGED PORTFOLIO	MEDIUM TERM NOTE	166756BB1	CHEVRON USA INC	2/26/2025	2/26/2028	4.48	3.61	7,960,000	8,086,962
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17252MAR1	CINTAS CORPORATION NO 2	5/2/2025	5/1/2028	4.25	3.74	1,737,773	1,756,078
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17275RBQ4	CISCO SYSTEMS INC	2/26/2024	2/26/2027	4.85	3.72	2,661,536	2,690,611
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17275RBQ4	CISCO SYSTEMS INC	3/4/2024	2/26/2027	4.78	3.72	2,336,261	2,357,439
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17275RBX9	CISCO SYSTEMS INC	2/24/2025	2/24/2030	4.77	3.88	124,906	128,918
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17275RBX9	CISCO SYSTEMS INC	3/12/2025	2/24/2030	4.56	3.88	2,016,520	2,062,680
MANAGED PORTFOLIO	MEDIUM TERM NOTE	172967LW9	CITIGROUP INC	5/19/2025	4/23/2029	4.72	4.00	3,134,239	3,194,721
MANAGED PORTFOLIO	MEDIUM TERM NOTE	172967LW9	CITIGROUP INC	12/10/2025	4/23/2029	4.48	4.00	1,002,407	1,006,487
MANAGED PORTFOLIO	MEDIUM TERM NOTE	172967PF2	CITIGROUP INC	7/16/2025	2/13/2030	4.74	4.08	1,926,942	1,957,262
MANAGED PORTFOLIO	MEDIUM TERM NOTE	172967PZ8	CITIGROUP INC	5/7/2025	5/7/2028	4.64	4.04	3,735,000	3,760,996
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17325FBB3	CITIBANK NA	8/6/2024	9/29/2028	4.51	3.81	722,692	722,651
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17325FBL1	CITIBANK NA	11/19/2024	11/19/2027	4.88	3.89	1,925,000	1,938,360
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17325FBN7	CITIBANK NA	5/29/2025	5/29/2027	4.58	3.80	955,000	963,394
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17325FBP2	CITIBANK NA	5/29/2025	5/29/2030	4.91	4.05	1,000,000	1,033,000
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17327CAW3	CITIGROUP INC	3/4/2025	3/4/2029	4.79	4.00	2,805,000	2,847,159
MANAGED PORTFOLIO	MEDIUM TERM NOTE	194162AT0	COLGATE-PALMOLIVE CO	5/2/2025	5/1/2030	4.21	3.79	1,614,144	1,639,871
MANAGED PORTFOLIO	MEDIUM TERM NOTE	20030NDK4	COMCAST CORP	11/5/2024	4/1/2027	4.46	3.80	3,812,544	3,894,133
MANAGED PORTFOLIO	MEDIUM TERM NOTE	20271RAV2	COMMONWEALTH BANK OF AUSTRALIA (NEW YORK BRANCH)	3/14/2025	3/14/2028	4.42	3.65	1,580,000	1,603,732
MANAGED PORTFOLIO	MEDIUM TERM NOTE	21688ABC5	COOPERATIEVE RABOBANK UA (NEW YORK BRANCH)	9/3/2024	1/9/2029	4.28	3.78	510,175	513,710
MANAGED PORTFOLIO	MEDIUM TERM NOTE	21688ABM3	COOPERATIEVE RABOBANK UA (NEW YORK BRANCH)	5/27/2025	5/27/2027	4.37	3.66	1,485,000	1,497,697
MANAGED PORTFOLIO	MEDIUM TERM NOTE	231021AY2	CUMMINS INC	5/9/2025	5/9/2028	4.28	3.74	299,790	303,054
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXF1	JOHN DEERE CAPITAL CORP	1/17/2024	1/8/2027	4.52	3.72	3,997,840	4,026,080
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXM6	JOHN DEERE CAPITAL CORP	3/7/2024	3/5/2027	4.88	3.68	999,070	1,011,580
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXT1	JOHN DEERE CAPITAL CORP	8/20/2024	6/11/2029	4.33	3.79	2,044,940	2,064,820
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXV6	JOHN DEERE CAPITAL CORP	9/6/2024	7/15/2027	4.21	3.65	1,734,757	1,747,770
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EYD5	JOHN DEERE CAPITAL CORP	6/5/2025	6/5/2028	4.28	3.64	1,163,963	1,180,413
MANAGED PORTFOLIO	MEDIUM TERM NOTE	26442CAX2	DUKE ENERGY CAROLINAS LLC	12/12/2023	11/15/2028	4.90	3.75	3,653,676	3,827,412
MANAGED PORTFOLIO	MEDIUM TERM NOTE	26442CBA1	DUKE ENERGY CAROLINAS LLC	2/28/2025	2/1/2030	4.69	3.96	1,804,900	1,890,860
MANAGED PORTFOLIO	MEDIUM TERM NOTE	26875PAX9	EOG RESOURCES INC	7/1/2025	7/15/2028	4.43	3.79	984,035	998,071
MANAGED PORTFOLIO	MEDIUM TERM NOTE	29379VCE1	ENTERPRISE PRODUCTS OPERATING LLC	1/11/2024	1/11/2027	4.64	3.75	1,883,058	1,897,271
MANAGED PORTFOLIO	MEDIUM TERM NOTE	29446Q2A0	EQUITABLE AMERICA GLOBAL FUNDING	6/9/2025	6/9/2028	4.66	4.12	3,218,937	3,256,772
MANAGED PORTFOLIO	MEDIUM TERM NOTE	29446Q2B8	EQUITABLE AMERICA GLOBAL FUNDING	6/9/2025	6/9/2030	4.97	4.41	1,418,566	1,449,841
MANAGED PORTFOLIO	MEDIUM TERM NOTE	29449WAT4	EQUITABLE FINANCIAL LIFE GLOBAL FUNDING	3/27/2025	3/27/2030	5.05	4.34	434,108	445,579
MANAGED PORTFOLIO	MEDIUM TERM NOTE	30303M8S4	META PLATFORMS INC	8/16/2024	8/15/2029	4.29	3.79	1,595,750	1,620,557
MANAGED PORTFOLIO	MEDIUM TERM NOTE	30303M8S4	META PLATFORMS INC	3/27/2025	8/15/2029	4.40	3.79	403,315	411,489
MANAGED PORTFOLIO	MEDIUM TERM NOTE	31677QBU2	FIFTH THIRD BANK NA	1/28/2025	1/28/2028	4.97	4.01	1,015,000	1,023,678
MANAGED PORTFOLIO	MEDIUM TERM NOTE	341081GN1	FLORIDA POWER & LIGHT CO	7/24/2023	5/15/2028	4.78	3.75	3,935,680	4,051,040
MANAGED PORTFOLIO	MEDIUM TERM NOTE	341081GN1	FLORIDA POWER & LIGHT CO	9/19/2024	5/15/2028	3.96	3.71	862,019	861,428
MANAGED PORTFOLIO	MEDIUM TERM NOTE	341081GN1	FLORIDA POWER & LIGHT CO	3/27/2025	5/15/2028	4.45	3.71	229,646	233,092
MANAGED PORTFOLIO	MEDIUM TERM NOTE	373334KL4	GEORGIA POWER CO	11/6/2024	9/15/2029	4.67	3.86	1,762,476	1,853,186
MANAGED PORTFOLIO	MEDIUM TERM NOTE	373334KL4	GEORGIA POWER CO	3/27/2025	9/15/2029	4.65	3.86	446,234	465,697

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38141GC77	GOLDMAN SACHS GROUP INC	4/23/2025	4/23/2028	4.94	4.09	1,560,000	1,574,726
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38145GAH3	GOLDMAN SACHS GROUP INC	11/14/2023	11/16/2026	5.94	3.78	1,937,324	2,070,767
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38151LAF7	GOLDMAN SACHS BANK USA	3/18/2024	3/18/2027	5.28	4.46	590,000	590,336
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38151LAG5	GOLDMAN SACHS BANK USA	5/21/2024	5/21/2027	5.41	4.05	1,265,000	1,268,833
MANAGED PORTFOLIO	MEDIUM TERM NOTE	40139LBK8	GUARDIAN LIFE GLOBAL FUNDING	4/28/2025	4/28/2030	4.80	4.12	1,500,000	1,538,535
MANAGED PORTFOLIO	MEDIUM TERM NOTE	40428HR95	HSBC USA INC	6/3/2025	6/3/2028	4.67	3.86	764,640	777,898
MANAGED PORTFOLIO	MEDIUM TERM NOTE	427866BK3	HERSHEY CO	2/24/2025	2/24/2028	4.58	3.65	779,462	792,792
MANAGED PORTFOLIO	MEDIUM TERM NOTE	427866BL1	HERSHEY CO	2/24/2025	2/24/2030	4.79	3.84	628,891	650,639
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DB5	HOME DEPOT INC	6/25/2024	6/25/2027	4.92	3.65	2,796,304	2,841,440
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DB5	HOME DEPOT INC	6/25/2024	6/25/2027	5.00	3.65	1,684,406	1,715,012
MANAGED PORTFOLIO	MEDIUM TERM NOTE	438516BU9	HONEYWELL INTERNATIONAL INC	8/20/2024	8/15/2029	4.20	3.87	1,865,940	1,924,880
MANAGED PORTFOLIO	MEDIUM TERM NOTE	440452AK6	HORMEL FOODS CORP	3/8/2024	3/30/2027	4.84	3.73	2,282,784	2,308,787
MANAGED PORTFOLIO	MEDIUM TERM NOTE	44644MAK7	HUNTINGTON NATIONAL BANK	2/26/2025	4/12/2028	4.87	4.10	1,265,000	1,275,575
MANAGED PORTFOLIO	MEDIUM TERM NOTE	44891ADU8	HYUNDAI CAPITAL AMERICA	6/23/2025	6/23/2027	4.88	3.93	2,854,629	2,889,174
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PAX4	JPMORGAN CHASE & CO	3/27/2025	12/5/2029	4.74	4.04	2,476,000	2,526,600
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PAX4	JPMORGAN CHASE & CO	12/5/2025	12/5/2029	4.08	4.04	6,068,173	6,068,893
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PAX4	JPMORGAN CHASE & CO	12/5/2025	12/5/2029	4.08	4.08	3,031,560	3,028,821
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PCJ3	JPMORGAN CHASE & CO	9/13/2024	6/1/2029	4.35	3.97	553,518	575,508
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PDW3	JPMORGAN CHASE & CO	10/23/2023	10/22/2027	6.07	3.91	1,205,000	1,221,509
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEA0	JPMORGAN CHASE & CO	1/23/2024	1/23/2028	5.04	4.02	695,000	701,206
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEE2	JPMORGAN CHASE & CO	4/22/2024	4/22/2028	5.57	3.96	240,000	244,303
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEL6	JPMORGAN CHASE & CO	7/22/2024	7/22/2028	4.98	3.99	950,000	962,616
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEP7	JPMORGAN CHASE & CO	10/22/2024	10/22/2028	4.49	3.95	195,098	196,714
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEP7	JPMORGAN CHASE & CO	10/22/2024	10/22/2028	4.51	3.95	895,000	902,867
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEU6	JPMORGAN CHASE & CO	1/24/2025	1/24/2029	4.92	3.91	2,485,000	2,530,376
MANAGED PORTFOLIO	MEDIUM TERM NOTE	478160DH4	JOHNSON & JOHNSON	2/20/2025	3/1/2028	4.57	3.52	1,044,394	1,064,939
MANAGED PORTFOLIO	MEDIUM TERM NOTE	48125LRU8	JPMORGAN CHASE BANK NA	12/8/2023	12/8/2026	5.11	3.78	630,000	635,702
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CK2	ELI LILLY AND CO	8/16/2024	2/9/2029	4.13	3.68	1,516,917	1,528,107
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CK2	ELI LILLY AND CO	3/27/2025	2/9/2029	4.35	3.68	386,944	393,526
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CQ9	ELI LILLY AND CO	8/14/2024	8/14/2029	4.25	3.76	1,137,503	1,155,698
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CU0	ELI LILLY AND CO	2/12/2025	2/12/2028	4.57	3.63	664,574	675,979
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CV8	ELI LILLY AND CO	2/12/2025	2/12/2030	4.76	3.82	324,815	335,839
MANAGED PORTFOLIO	MEDIUM TERM NOTE	53359KAA9	LINCOLN FINANCIAL GLOBAL FUNDING	1/13/2025	1/13/2030	5.31	4.52	164,921	169,519
MANAGED PORTFOLIO	MEDIUM TERM NOTE	53359KAB7	LINCOLN FINANCIAL GLOBAL FUNDING	5/28/2025	5/28/2028	4.64	4.24	2,029,391	2,046,664
MANAGED PORTFOLIO	MEDIUM TERM NOTE	53359KAB7	LINCOLN FINANCIAL GLOBAL FUNDING	5/28/2025	5/28/2028	4.64	4.35	1,209,637	1,217,030
MANAGED PORTFOLIO	MEDIUM TERM NOTE	539830CC1	LOCKHEED MARTIN CORP	11/6/2024	2/15/2029	4.57	3.79	1,590,789	1,625,554
MANAGED PORTFOLIO	MEDIUM TERM NOTE	539830CC1	LOCKHEED MARTIN CORP	3/27/2025	2/15/2029	4.52	3.79	404,692	412,758
MANAGED PORTFOLIO	MEDIUM TERM NOTE	55261FAU8	M&T BANK CORP	12/17/2024	1/16/2029	4.84	4.17	870,000	884,138
MANAGED PORTFOLIO	MEDIUM TERM NOTE	55279HAW0	MANUFACTURERS AND TRADERS TRUST CO	8/6/2024	1/27/2028	5.15	3.86	340,111	350,109
MANAGED PORTFOLIO	MEDIUM TERM NOTE	564760CC8	MANUFACTURERS AND TRADERS TRUST CO	6/17/2025	7/6/2028	4.76	4.03	520,000	524,930
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571676AX3	MARS INC	3/12/2025	3/1/2028	4.60	3.81	2,059,979	2,089,891
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571676AY1	MARS INC	3/12/2025	3/1/2030	4.83	4.02	739,201	760,720
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571748BY7	MARSH & MCLENNAN COMPANIES INC	11/8/2024	11/8/2027	4.58	3.93	429,703	434,132
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571748BY7	MARSH & MCLENNAN COMPANIES INC	11/8/2024	11/8/2027	4.58	3.95	1,009,303	1,019,292
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571748BY7	MARSH & MCLENNAN COMPANIES INC	11/8/2024	11/8/2027	4.59	3.93	599,316	605,766
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571748BY7	MARSH & MCLENNAN COMPANIES INC	11/8/2024	11/8/2027	4.59	3.95	2,357,310	2,381,712
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629TBV8	MASSMUTUAL GLOBAL FUNDING II	1/10/2025	1/10/2030	4.96	4.13	1,599,232	1,646,208
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629TBW6	MASSMUTUAL GLOBAL FUNDING II	3/27/2025	3/27/2028	4.49	3.82	3,670,627	3,720,974
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629W4S6	MASSMUTUAL GLOBAL FUNDING II	4/9/2024	4/9/2027	5.11	3.76	2,614,216	2,652,996
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629W4T4	MASSMUTUAL GLOBAL FUNDING II	8/16/2024	5/30/2029	4.51	3.89	1,525,333	1,541,556
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629W4T4	MASSMUTUAL GLOBAL FUNDING II	3/26/2025	5/30/2029	4.61	3.89	387,767	394,472
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57636QBA1	MASTERCARD INC	9/5/2024	1/15/2028	4.12	3.59	1,199,340	1,210,596
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57636QBF0	MASTERCARD INC	2/27/2025	3/15/2028	4.58	3.68	1,224,069	1,245,176
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58769JAL1	MERCEDES-BENZ FINANCE NORTH AMERICA LLC	9/3/2024	8/3/2028	4.42	3.95	358,474	359,230
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58769JAQ0	MERCEDES-BENZ FINANCE NORTH AMERICA LLC	1/11/2024	1/11/2027	4.84	3.86	1,698,266	1,713,515
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58989V2J2	MET TOWER GLOBAL FUNDING	10/1/2024	10/1/2027	4.02	3.79	494,708	496,574
MANAGED PORTFOLIO	MEDIUM TERM NOTE	592179KL8	METROPOLITAN LIFE GLOBAL FUNDING I	6/11/2024	6/11/2027	5.10	3.78	1,732,849	1,762,378
MANAGED PORTFOLIO	MEDIUM TERM NOTE	59217GFT1	METROPOLITAN LIFE GLOBAL FUNDING I	1/9/2025	1/9/2030	4.95	4.11	1,317,281	1,357,092
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690DK72	MORGAN STANLEY BANK NA	1/21/2025	1/12/2029	5.02	3.94	1,315,000	1,340,340
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U7W4	MORGAN STANLEY BANK NA	11/1/2023	10/30/2026	5.88	3.79	2,340,000	2,368,267
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U8A1	MORGAN STANLEY BANK NA	1/18/2024	1/14/2028	4.95	3.95	1,250,000	1,260,675
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U8B9	MORGAN STANLEY BANK NA	5/30/2024	5/26/2028	5.50	4.01	680,000	692,199
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U8E3	MORGAN STANLEY BANK NA	7/19/2024	7/14/2028	4.97	4.00	1,060,000	1,073,579
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U8G8	MORGAN STANLEY BANK NA	10/18/2024	10/15/2027	4.45	3.86	1,140,000	1,144,093
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFA8	MORGAN STANLEY	8/6/2024	2/1/2029	4.70	3.99	349,595	352,152
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFH3	MORGAN STANLEY	5/19/2025	11/1/2029	4.72	4.06	3,917,160	3,938,773
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFH3	MORGAN STANLEY	12/26/2025	11/1/2029	4.16	4.06	2,008,150	2,006,445
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFP5	MORGAN STANLEY	4/19/2024	4/13/2028	5.65	4.03	1,530,000	1,557,066
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFY6	MORGAN STANLEY	4/17/2025	4/12/2029	4.99	4.09	2,250,000	2,290,995
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61776NVE0	MORGAN STANLEY PRIVATE BANK NA	7/21/2025	7/6/2028	4.47	3.96	2,125,000	2,138,876

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MEDIUM TERM NOTE	62829D2E9	MUTUAL OF OMAHA COMPANIES GLOBAL FUNDING	11/21/2024	10/15/2029	5.09	4.07	1,596,575	1,656,664
MANAGED PORTFOLIO	MEDIUM TERM NOTE	62829D2E9	MUTUAL OF OMAHA COMPANIES GLOBAL FUNDING	3/26/2025	10/15/2029	4.91	4.07	452,052	465,298
MANAGED PORTFOLIO	MEDIUM TERM NOTE	62829D2G4	MUTUAL OF OMAHA COMPANIES GLOBAL FUNDING	7/8/2025	6/9/2028	4.46	4.14	1,316,880	1,325,467
MANAGED PORTFOLIO	MEDIUM TERM NOTE	632525CA7	NATIONAL AUSTRALIA BANK LTD (NEW YORK BRANCH)	11/26/2024	10/26/2027	4.61	3.64	967,177	983,328
MANAGED PORTFOLIO	MEDIUM TERM NOTE	632525CJ8	NATIONAL AUSTRALIA BANK LTD (NEW YORK BRANCH)	6/13/2025	6/13/2028	4.31	3.72	2,275,000	2,303,893
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63253QAJ3	NATIONAL AUSTRALIA BANK LTD (NEW YORK BRANCH)	6/11/2024	6/11/2027	5.09	3.70	1,335,000	1,357,989
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFH0	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2/9/2023	3/13/2026	4.59	5.89	836,665	839,672
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFH0	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2/9/2023	3/13/2026	4.59	5.89	557,760	559,782
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFR8	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	5/10/2024	5/6/2027	5.12	3.81	2,828,245	2,869,252
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFS6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	9/16/2024	6/15/2029	4.22	3.93	223,329	222,858
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFW7	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2/7/2025	2/7/2028	4.77	3.79	864,619	879,748
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFX5	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	3/27/2025	2/7/2030	4.78	3.94	2,014,320	2,072,080
MANAGED PORTFOLIO	MEDIUM TERM NOTE	637639AK1	NATIONAL SECURITIES CLEARING CORP	8/6/2024	5/30/2028	4.32	3.83	353,035	353,377
MANAGED PORTFOLIO	MEDIUM TERM NOTE	637639AN5	NATIONAL SECURITIES CLEARING CORP	5/20/2025	5/20/2027	4.40	3.69	4,431,053	4,469,549
MANAGED PORTFOLIO	MEDIUM TERM NOTE	637639AQ8	NATIONAL SECURITIES CLEARING CORP	5/20/2025	5/20/2030	4.71	3.93	1,364,154	1,404,831
MANAGED PORTFOLIO	MEDIUM TERM NOTE	641423CC0	NEVADA POWER CO	8/16/2024	5/1/2029	4.51	3.94	1,579,361	1,623,547
MANAGED PORTFOLIO	MEDIUM TERM NOTE	641423CC0	NEVADA POWER CO	3/27/2025	5/1/2029	4.60	3.94	401,230	412,093
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64952WFJ7	NEW YORK LIFE GLOBAL FUNDING	10/1/2024	10/1/2027	3.91	3.79	2,739,397	2,744,603
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64952WFK4	NEW YORK LIFE GLOBAL FUNDING	12/5/2024	12/5/2029	4.61	3.97	1,334,239	1,364,103
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64953BBW7	NEW YORK LIFE GLOBAL FUNDING	4/25/2025	4/25/2028	4.43	3.89	2,693,114	2,723,324
MANAGED PORTFOLIO	MEDIUM TERM NOTE	65339KDG2	NEXTERA ENERGY CAPITAL HOLDINGS INC	2/4/2025	2/4/2028	4.85	3.85	464,986	473,570
MANAGED PORTFOLIO	MEDIUM TERM NOTE	65339KDH0	NEXTERA ENERGY CAPITAL HOLDINGS INC	2/4/2025	2/4/2028	5.18	4.12	2,325,000	2,339,531
MANAGED PORTFOLIO	MEDIUM TERM NOTE	665859AW4	NORTHERN TRUST CORP	11/30/2022	5/10/2027	4.58	3.68	2,442,500	2,508,525
MANAGED PORTFOLIO	MEDIUM TERM NOTE	665859AW4	NORTHERN TRUST CORP	1/13/2023	5/10/2027	4.21	3.68	1,487,715	1,505,115
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2M0	NORTHWESTERN MUTUAL GLOBAL FUNDING	8/19/2024	6/12/2028	4.40	3.82	1,322,438	1,330,480
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2M0	NORTHWESTERN MUTUAL GLOBAL FUNDING	3/26/2025	6/12/2028	4.48	3.82	354,351	358,206
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2R9	NORTHWESTERN MUTUAL GLOBAL FUNDING	3/25/2024	3/25/2027	5.07	3.84	1,209,867	1,225,524
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2T5	NORTHWESTERN MUTUAL GLOBAL FUNDING	9/12/2024	9/12/2027	4.11	3.78	819,975	824,034
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2U2	NORTHWESTERN MUTUAL GLOBAL FUNDING	1/13/2025	1/13/2030	4.96	4.14	1,594,936	1,641,574
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66989HAT5	NOVARTIS CAPITAL CORP	9/18/2024	9/18/2029	3.85	3.78	927,740	930,493
MANAGED PORTFOLIO	MEDIUM TERM NOTE	67080LAA3	NUVEEN LLC	10/2/2024	11/1/2028	4.10	3.94	796,880	801,152
MANAGED PORTFOLIO	MEDIUM TERM NOTE	677347CJ3	OHIO EDISON CO	5/23/2025	12/15/2029	4.95	4.14	429,948	441,838
MANAGED PORTFOLIO	MEDIUM TERM NOTE	693475BR5	PNC FINANCIAL SERVICES GROUP INC	3/26/2025	6/12/2029	4.64	3.90	2,055,340	2,073,020
MANAGED PORTFOLIO	MEDIUM TERM NOTE	693475BV6	PNC FINANCIAL SERVICES GROUP INC	1/22/2024	1/21/2028	5.30	4.42	490,000	495,875
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69353RFZ6	PNC BANK NA (DELAWARE)	7/21/2025	7/21/2028	4.63	4.11	1,380,000	1,389,563
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RS56	PACCAR FINANCIAL CORP	8/10/2023	8/10/2026	5.07	3.95	1,844,078	1,853,930
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT22	PACCAR FINANCIAL CORP	5/13/2024	5/13/2027	5.03	3.62	1,743,656	1,773,199
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT30	PACCAR FINANCIAL CORP	8/6/2024	8/6/2027	4.50	3.56	5,502,672	5,578,214
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT48	PACCAR FINANCIAL CORP	9/26/2024	9/26/2029	4.05	3.77	254,475	256,907
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT63	PACCAR FINANCIAL CORP	3/3/2025	3/3/2028	4.57	3.58	1,224,253	1,247,932
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT71	PACCAR FINANCIAL CORP	5/8/2025	5/8/2030	4.59	3.92	2,211,567	2,268,736
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69448TAC5	PACIFIC LIFE GLOBAL FUNDING II	7/8/2025	5/1/2028	4.22	3.93	880,276	884,310
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69448TAC5	PACIFIC LIFE GLOBAL FUNDING II	7/8/2025	5/1/2028	4.23	3.93	3,027,067	3,042,026
MANAGED PORTFOLIO	MEDIUM TERM NOTE	6944PL2U2	PACIFIC LIFE GLOBAL FUNDING II	8/6/2024	7/18/2028	4.40	3.96	358,652	356,989
MANAGED PORTFOLIO	MEDIUM TERM NOTE	6944PL2U2	PACIFIC LIFE GLOBAL FUNDING II	8/16/2024	7/18/2028	4.58	3.88	1,001,564	1,005,569
MANAGED PORTFOLIO	MEDIUM TERM NOTE	6944PL2U2	PACIFIC LIFE GLOBAL FUNDING II	3/26/2025	7/18/2028	4.52	3.88	262,586	264,351
MANAGED PORTFOLIO	MEDIUM TERM NOTE	6944PL3F4	PACIFIC LIFE GLOBAL FUNDING II	2/10/2025	2/10/2030	4.86	4.19	824,711	844,660
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448FX1	PEPSICO INC	9/3/2024	7/17/2029	3.98	3.74	511,250	511,715
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448GA0	PEPSICO INC	2/7/2025	2/7/2028	4.47	3.59	2,848,803	2,893,862
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448GB8	PEPSICO INC	2/7/2025	2/7/2030	4.64	3.81	364,387	375,297
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448GH5	PEPSICO INC	7/31/2025	7/23/2030	4.32	3.79	2,497,650	2,550,175
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448GL6	PEPSICO INC	7/31/2025	1/15/2029	4.21	3.70	2,491,325	2,526,650
MANAGED PORTFOLIO	MEDIUM TERM NOTE	717081ET6	PFIZER INC	8/16/2024	3/15/2029	4.22	3.83	498,546	509,414
MANAGED PORTFOLIO	MEDIUM TERM NOTE	717081ET6	PFIZER INC	3/27/2025	3/15/2029	4.43	3.83	501,639	514,360
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74153WCW7	PRICOA GLOBAL FUNDING I	5/28/2025	5/28/2030	4.72	4.13	1,993,584	2,038,890
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74256LEX3	PRINCIPAL LIFE GLOBAL FUNDING II	1/16/2024	1/16/2027	5.01	3.82	474,815	479,802
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74256LFA2	PRINCIPAL LIFE GLOBAL FUNDING II	8/19/2024	8/19/2027	4.63	3.90	789,384	797,829
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74256LFB0	PRINCIPAL LIFE GLOBAL FUNDING II	11/27/2024	11/27/2029	4.95	4.25	519,979	532,480
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74256LFC8	PRINCIPAL LIFE GLOBAL FUNDING II	1/9/2025	1/9/2028	4.83	3.97	1,938,506	1,968,770
MANAGED PORTFOLIO	MEDIUM TERM NOTE	742718GM5	PROCTER & GAMBLE CO	5/1/2025	5/1/2030	4.10	3.72	997,940	1,012,650
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74456QBU9	PUBLIC SERVICE ELECTRIC AND GAS CO	7/26/2023	5/1/2028	4.86	3.83	1,929,762	2,023,623
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74456QBX3	PUBLIC SERVICE ELECTRIC AND GAS CO	1/31/2024	9/1/2028	4.57	3.76	2,539,642	2,632,323
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74464AAC5	PUBLIC STORAGE OPERATING CO	7/2/2025	7/1/2030	4.44	3.96	1,994,660	2,032,520
MANAGED PORTFOLIO	MEDIUM TERM NOTE	771196CP5	ROCHE HOLDINGS INC	9/18/2024	9/9/2029	3.96	3.80	757,913	759,623
MANAGED PORTFOLIO	MEDIUM TERM NOTE	857449AE2	STATE STREET BANK AND TRUST CO	4/21/2025	11/23/2029	4.59	3.81	2,015,560	2,067,100
MANAGED PORTFOLIO	MEDIUM TERM NOTE	857477CL5	STATE STREET CORP	3/18/2024	3/18/2027	4.99	3.71	5,460,000	5,526,612
MANAGED PORTFOLIO	MEDIUM TERM NOTE	857477CU5	STATE STREET CORP	2/28/2025	2/28/2028	4.51	3.68	2,790,000	2,833,803
MANAGED PORTFOLIO	MEDIUM TERM NOTE	857477DA8	STATE STREET CORP	4/24/2025	4/24/2028	4.54	3.90	595,000	599,242
MANAGED PORTFOLIO	MEDIUM TERM NOTE	87612EBU9	TARGET CORP	6/10/2025	6/15/2028	4.35	3.68	739,993	750,434
MANAGED PORTFOLIO	MEDIUM TERM NOTE	882508CK8	TEXAS INSTRUMENTS INC	5/23/2025	5/23/2030	4.51	3.95	599,652	612,438

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TLY9	TOYOTA MOTOR CREDIT CORP	3/21/2024	3/19/2027	5.04	3.67	534,353	542,303
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TMK8	TOYOTA MOTOR CREDIT CORP	8/20/2024	8/9/2029	4.40	3.85	2,012,880	2,044,800
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TMS1	TOYOTA MOTOR CREDIT CORP	10/10/2024	10/8/2027	4.36	3.67	219,914	222,321
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TNG6	TOYOTA MOTOR CREDIT CORP	5/15/2025	5/14/2027	4.52	3.67	1,564,296	1,580,149
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89788JAF6	TRUIST BANK	7/24/2025	7/24/2028	4.42	3.94	1,420,000	1,428,861
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90261AAD4	UBS AG (STAMFORD BRANCH)	1/10/2025	1/10/2028	4.86	3.90	1,160,000	1,169,419
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90327QD97	USAA CAPITAL CORP	6/3/2024	6/1/2027	5.36	3.67	2,213,584	2,262,779
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90327QDA4	USAA CAPITAL CORP	6/2/2025	6/1/2028	4.44	3.77	833,422	845,396
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90331HPP2	US BANK NA	10/22/2024	10/22/2027	4.51	3.85	1,935,000	1,943,030
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90331HPS6	US BANK NA	5/15/2025	5/15/2028	4.89	4.19	1,035,000	1,045,278
MANAGED PORTFOLIO	MEDIUM TERM NOTE	904764BU0	UNILEVER CAPITAL CORP	8/12/2024	8/12/2027	4.35	3.63	1,002,317	1,013,311
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91159HJC5	US BANCORP	9/3/2024	1/27/2028	4.57	3.89	3,769,259	3,920,658
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91159HJF8	US BANCORP	8/13/2024	7/22/2028	4.75	3.89	1,501,755	1,523,385
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91159HJF8	US BANCORP	3/26/2025	7/22/2028	4.60	3.89	414,469	418,679
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91324PEY4	UNITEDHEALTH GROUP INC	3/21/2024	4/15/2027	4.85	3.83	2,085,363	2,116,443
MANAGED PORTFOLIO	MEDIUM TERM NOTE	931142FL2	WALMART INC	4/28/2025	4/28/2027	4.11	3.51	874,886	880,828
MANAGED PORTFOLIO	MEDIUM TERM NOTE	931142FN8	WALMART INC	4/28/2025	4/28/2030	4.39	3.78	549,049	561,787
MANAGED PORTFOLIO	MEDIUM TERM NOTE	94106LBX6	WASTE MANAGEMENT INC	7/3/2024	7/3/2027	4.99	3.70	1,882,719	1,913,935
MANAGED PORTFOLIO	MEDIUM TERM NOTE	94106LCB3	WASTE MANAGEMENT INC	11/4/2024	3/15/2028	4.57	3.70	3,826,448	3,892,602
MANAGED PORTFOLIO	MEDIUM TERM NOTE	94106LCB3	WASTE MANAGEMENT INC	11/4/2024	3/15/2028	4.57	3.74	1,606,410	1,632,896
MANAGED PORTFOLIO	MEDIUM TERM NOTE	94106LCB3	WASTE MANAGEMENT INC	3/27/2025	3/15/2028	4.39	3.74	426,271	431,044
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U3L5	WELLS FARGO & CO	4/22/2024	4/22/2028	5.71	4.06	995,000	1,013,218
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U3R2	WELLS FARGO & CO	1/24/2025	1/24/2028	4.90	4.00	1,010,000	1,017,969
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U3T8	WELLS FARGO & CO	4/23/2025	4/23/2029	4.97	4.01	2,295,000	2,339,798
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U3T8	WELLS FARGO & CO	4/23/2025	4/23/2029	4.97	4.11	1,395,000	1,419,491
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95954A2B8	WESTERN-SOUTHERN GLOBAL FUNDING	7/16/2025	7/16/2028	4.52	4.11	1,674,297	1,689,522
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT97	PACCAR FINANCIAL CORP	8/8/2025	8/8/2028	4.02	3.68	3,248,083	3,274,213
MANAGED PORTFOLIO	MEDIUM TERM NOTE	7425APAD7	PRINCIPAL LIFE GLOBAL FUNDING II	8/18/2025	8/18/2028	4.27	4.12	1,714,091	1,720,094
MANAGED PORTFOLIO	MEDIUM TERM NOTE	166756BH8	CHEVRON USA INC	8/13/2025	8/13/2028	4.05	3.60	2,794,776	2,823,453
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFZ0	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	8/25/2025	8/25/2028	4.19	3.84	3,950,570	3,982,725
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UBB5	CATERPILLAR FINANCIAL SERVICES CORP	8/15/2025	8/15/2028	4.11	3.70	499,930	504,665
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565EDA0	BMW US CAPITAL LLC	8/11/2025	8/11/2027	4.20	3.83	1,248,938	1,255,613
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64952WCX9	NEW YORK LIFE GLOBAL FUNDING	8/27/2025	1/10/2028	4.04	3.72	1,953,440	1,974,060
MANAGED PORTFOLIO	MEDIUM TERM NOTE	373334LC3	GEORGIA POWER CO	9/29/2025	10/1/2028	4.02	3.76	1,874,044	1,885,669
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DH2	HOME DEPOT INC	9/15/2025	9/15/2028	3.77	3.55	504,672	507,338
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DJ8	HOME DEPOT INC	9/15/2025	9/15/2030	4.03	3.84	1,678,951	1,692,330
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DJ8	HOME DEPOT INC	9/15/2025	9/15/2030	4.04	3.84	1,001,030	1,009,372
MANAGED PORTFOLIO	MEDIUM TERM NOTE	476556DJ1	JERSEY CENTRAL POWER & LIGHT CO	9/4/2025	1/15/2029	4.18	3.99	1,798,452	1,807,488
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58933YBP9	MERCK & CO INC	9/9/2025	9/15/2027	3.90	3.52	1,748,338	1,758,715
MANAGED PORTFOLIO	MEDIUM TERM NOTE	59217GCK3	METROPOLITAN LIFE GLOBAL FUNDING I	9/24/2025	9/19/2027	3.97	3.79	1,963,260	1,976,300
MANAGED PORTFOLIO	MEDIUM TERM NOTE	8426EPAJ7	SOUTHERN COMPANY GAS CAPITAL CORP	9/8/2025	9/15/2028	4.09	3.93	988,901	992,891
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TNR2	TOYOTA MOTOR CREDIT CORP	9/5/2025	9/5/2028	4.09	3.71	1,273,432	1,285,442
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U4A8	WELLS FARGO & CO	9/15/2025	9/15/2029	4.37	4.07	2,915,000	2,915,787
MANAGED PORTFOLIO	MEDIUM TERM NOTE	US21688ABP66	COOPERATIEVE RABOBANK UA (NEW YORK BRANCH)	10/17/2025	10/17/2028	3.96	3.68	1,030,000	1,037,086
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61748UAK8	MORGAN STANLEY	10/22/2025	10/18/2029	4.39	4.07	2,290,000	2,293,550
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38141GD27	GOLDMAN SACHS GROUP INC	10/21/2025	10/21/2029	4.38	4.14	6,800,000	6,802,108
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89788JAH2	TRUIST BANK	10/23/2025	10/23/2029	4.37	4.08	5,390,000	5,396,845
MANAGED PORTFOLIO	MEDIUM TERM NOTE	023135CT1	AMAZON.COM INC	11/20/2025	11/20/2030	4.12	3.93	5,014,629	5,056,897
MANAGED PORTFOLIO	MEDIUM TERM NOTE	717081FD0	PFIZER INC	11/21/2025	11/15/2030	4.22	3.96	2,358,136	2,384,119
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UBD1	CATERPILLAR FINANCIAL SERVICES CORP	11/14/2025	11/14/2028	3.97	3.74	6,501,552	6,540,452
MANAGED PORTFOLIO	MEDIUM TERM NOTE	032095AX9	AMPHENOL CORP	11/10/2025	11/15/2028	3.94	3.73	1,448,434	1,456,250
MANAGED PORTFOLIO	MEDIUM TERM NOTE	665859AY0	NORTHERN TRUST CORP	11/19/2025	11/19/2030	4.16	3.95	349,829	353,007
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66989HAX6	NOVARTIS CAPITAL CORP	11/5/2025	11/5/2028	3.89	3.69	1,000,250	1,005,050
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66989HAX6	NOVARTIS CAPITAL CORP	11/5/2025	11/5/2028	3.91	3.69	1,344,704	1,351,792
MANAGED PORTFOLIO	MEDIUM TERM NOTE	717081FJ7	PFIZER INC	11/21/2025	11/15/2027	3.88	3.58	2,469,728	2,481,881
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RU20	PACCAR FINANCIAL CORP	11/7/2025	11/7/2028	4.02	3.71	694,611	700,074
MANAGED PORTFOLIO	MEDIUM TERM NOTE	02079KAV9	ALPHABET INC	11/6/2025	11/15/2028	3.91	3.58	1,104,050	1,113,055
MANAGED PORTFOLIO	MEDIUM TERM NOTE	023135CS3	AMAZON.COM INC	11/20/2025	11/20/2028	3.91	3.68	5,543,780	5,575,220
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38141GWV2	GOLDMAN SACHS GROUP INC	11/6/2025	4/23/2029	4.54	4.10	4,727,393	4,747,353
MANAGED PORTFOLIO	MEDIUM TERM NOTE	45865VAA8	INTERCONTINENTAL EXCHANGE INC	11/17/2025	12/1/2028	4.10	3.99	602,441	604,274
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TJF3	TOYOTA MOTOR CREDIT CORP	12/29/2025	4/6/2028	3.80	3.61	3,030,535	3,051,296
MANAGED PORTFOLIO	MEDIUM TERM NOTE	23338VAN6	DTE ELECTRIC CO	12/29/2025	4/1/2028	3.81	3.70	1,601,547	1,609,997
MANAGED PORTFOLIO	MEDIUM TERM NOTE	202795JN1	COMMONWEALTH EDISON CO	12/29/2025	8/15/2028	3.82	3.75	2,382,926	2,387,275
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58933YBW4	MERCK & CO INC	12/4/2025	3/15/2029	3.90	3.71	6,425,476	6,460,869
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58933YBW4	MERCK & CO INC	12/4/2025	3/15/2029	3.90	3.65	2,261,648	2,277,815
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05253JB83	AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD (NEW Y	12/8/2025	12/8/2028	3.92	3.73	1,510,000	1,517,535
MANAGED PORTFOLIO	MEDIUM TERM NOTE	666807BN1	NORTHROP GRUMMAN CORP	12/26/2025	1/15/2028	3.95	3.83	2,993,572	3,003,466
MANAGED PORTFOLIO	MEDIUM TERM NOTE	976656CV8	WISCONSIN ELECTRIC POWER CO	12/5/2025	3/1/2029	3.96	3.85	3,849,500	3,861,165
MANAGED PORTFOLIO	MEDIUM TERM NOTE	976656CV8	WISCONSIN ELECTRIC POWER CO	12/5/2025	3/1/2029	3.96	3.87	1,539,800	1,543,243
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HGB2	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	12/10/2025	12/10/2027	3.99	3.76	7,039,787	7,068,249

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MEDIUM TERM NOTE	806851AH4	SCHLUMBERGER HOLDINGS CORP	12/29/2025	5/1/2029	4.08	3.87	568,526	571,667
MANAGED PORTFOLIO	MEDIUM TERM NOTE	806851AH4	SCHLUMBERGER HOLDINGS CORP	12/26/2025	5/1/2029	4.13	3.87	738,513	743,673
MANAGED PORTFOLIO	MEDIUM TERM NOTE	806851AH4	SCHLUMBERGER HOLDINGS CORP	12/26/2025	5/1/2029	4.14	3.87	768,634	774,027
MANAGED PORTFOLIO	MEDIUM TERM NOTE	806851AH4	SCHLUMBERGER HOLDINGS CORP	12/30/2025	5/1/2029	4.04	3.87	327,441	328,835
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U3G6	WELLS FARGO & CO	12/5/2025	10/23/2029	4.11	4.11	5,025,382	5,004,172
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38141GA87	GOLDMAN SACHS GROUP INC	12/5/2025	4/25/2030	4.24	4.15	1,460,914	1,460,663
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38141GA87	GOLDMAN SACHS GROUP INC	12/5/2025	4/25/2030	4.25	4.15	548,130	548,272
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74153WCZ0	PRICOA GLOBAL FUNDING I	12/9/2025	11/25/2030	4.36	4.10	1,499,520	1,515,810
MANAGED PORTFOLIO	MEDIUM TERM NOTE	053484AH4	AVALONBAY COMMUNITIES INC	12/1/2025	12/1/2030	4.36	4.12	1,019,551	1,030,078
MANAGED PORTFOLIO	MEDIUM TERM NOTE	40139LBP7	GUARDIAN LIFE GLOBAL FUNDING	12/11/2025	12/11/2030	4.36	4.16	1,001,690	1,010,200
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00138CBJ6	COREBRIDGE GLOBAL FUNDING	12/10/2025	10/2/2030	4.63	4.30	2,004,264	2,032,294
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64952WFR9	NEW YORK LIFE GLOBAL FUNDING	1/9/2026	1/9/2031	4.29	4.03	549,120	555,192
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64952WFR9	NEW YORK LIFE GLOBAL FUNDING	2/4/2026	1/9/2031	4.34	4.09	2,022,367	2,043,964
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74456QCX2	PUBLIC SERVICE ELECTRIC AND GAS CO	1/7/2026	1/1/2031	4.21	4.05	1,999,300	2,012,680
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFQ3	MORGAN STANLEY	1/16/2026	4/18/2030	4.27	4.25	2,198,177	2,196,411
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U4D2	WELLS FARGO & CO	1/23/2026	1/23/2030	4.19	4.05	940,000	943,328
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06406RCG0	BANK OF NEW YORK MELLON CORP	1/22/2026	1/22/2030	4.09	3.96	1,460,000	1,462,424
MANAGED PORTFOLIO	MEDIUM TERM NOTE	632525CQ2	NATIONAL AUSTRALIA BANK LTD (NEW YORK BRANCH)	1/13/2026	12/13/2028	3.86	3.71	764,725	767,907
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TPF6	TOYOTA MOTOR CREDIT CORP	1/12/2026	1/12/2028	3.79	3.67	1,703,568	1,707,387
MANAGED PORTFOLIO	MEDIUM TERM NOTE	21688ABR2	COOPERATIEVE RABOBANK UA (NEW YORK BRANCH)	1/14/2026	1/14/2028	3.74	3.66	1,900,000	1,902,907
MANAGED PORTFOLIO	MEDIUM TERM NOTE	693475CG8	PNC FINANCIAL SERVICES GROUP INC	1/26/2026	1/26/2029	4.08	4.07	1,860,000	1,865,580
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89158TAA7	TOTALENERGIES CAPITAL USA LLC	1/13/2026	1/13/2031	4.25	4.04	725,000	731,496
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58989V2M5	MET TOWER GLOBAL FUNDING	1/14/2026	1/14/2029	4.05	3.94	1,897,549	1,902,812
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89788JAJ8	TRUIST BANK	1/27/2026	1/27/2029	4.21	4.01	3,930,000	3,939,314
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38145GAP5	GOLDMAN SACHS GROUP INC	1/21/2026	1/21/2029	4.23	4.12	1,295,000	1,295,531
MANAGED PORTFOLIO	MEDIUM TERM NOTE	53359KAD3	LINCOLN FINANCIAL GLOBAL FUNDING	1/12/2026	1/12/2029	4.24	4.30	259,696	259,295
MANAGED PORTFOLIO	MEDIUM TERM NOTE	75524KSA3	CITIZENS BANK NA	1/29/2026	1/29/2029	4.25	4.12	555,000	555,738
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61748UAR3	MORGAN STANLEY	1/20/2026	1/9/2030	4.30	4.11	1,240,000	1,244,340
MANAGED PORTFOLIO	MEDIUM TERM NOTE	02079KBK2	ALPHABET INC	2/17/2026	2/15/2031	4.11	3.95	815,596	821,369
MANAGED PORTFOLIO	MEDIUM TERM NOTE	02079KBK2	ALPHABET INC	2/17/2026	2/15/2031	4.09	3.95	1,184,521	1,191,791
MANAGED PORTFOLIO	MEDIUM TERM NOTE	02079KBK2	ALPHABET INC	2/19/2026	2/15/2031	4.04	3.97	2,346,739	2,353,151
MANAGED PORTFOLIO	MEDIUM TERM NOTE	459200LQ2	INTERNATIONAL BUSINESS MACHINES CORP	2/3/2026	2/3/2029	4.02	3.87	3,957,782	3,973,741
MANAGED PORTFOLIO	MEDIUM TERM NOTE	459200LQ2	INTERNATIONAL BUSINESS MACHINES CORP	2/3/2026	2/3/2029	4.02	3.88	1,973,894	1,981,142
MANAGED PORTFOLIO	MEDIUM TERM NOTE	02079KBJ5	ALPHABET INC	2/13/2026	2/15/2029	3.83	3.67	2,705,145	2,717,634
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RU38	PACCAR FINANCIAL CORP	2/5/2026	2/5/2029	3.92	3.64	1,239,479	1,248,990
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816EN5	AMERICAN EXPRESS CO	2/10/2026	2/9/2029	4.01	4.00	7,335,000	7,356,858
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64952WFS7	NEW YORK LIFE GLOBAL FUNDING	2/2/2026	2/2/2029	4.05	3.85	1,839,945	1,850,175
MANAGED PORTFOLIO	***SUB-TOTAL FOR MEDIUM TERM NOTE***							***610,966,208***	***618,987,825***
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02007NAC2	ALLYA 2024-2 A3	9/27/2024	7/16/2029	4.44	3.98	847,988	849,551
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02007WAC2	ALLYA 2023-1 A3	7/19/2023	5/15/2028	5.53	4.32	733,222	738,363
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02008MAC3	ALLYA 2022-2 A3	10/12/2022	5/17/2027	5.30	4.03	16,305	16,312
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	023947AD6	AMCAR 2024-1 A3	5/29/2024	1/18/2029	5.83	3.98	1,026,917	1,034,325
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JJZ4	AMXCA 2023-1 A	6/14/2023	5/15/2028	4.87	3.93	1,339,881	1,342,814
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKH2	AMXCA 2024-1 A	4/23/2024	4/16/2029	5.31	3.68	5,218,930	5,311,611
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKM1	AMXCA 2025-1 A	2/11/2025	12/17/2029	4.57	3.66	949,789	965,257
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKM1	AMXCA 2025-1 A	6/23/2025	12/17/2029	4.26	3.68	1,511,719	1,523,670
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKP4	AMXCA 2025-2 A	5/13/2025	4/15/2030	4.28	3.63	5,724,896	5,804,520
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKV1	AMXCA 2025-4 A	7/22/2025	7/15/2030	4.30	3.67	3,834,447	3,893,062
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	03065UAD1	AMCAR 2023-2 A3	9/20/2023	5/18/2028	5.89	3.99	2,598,929	2,616,800
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05330QAC6	DRVPNK 2025-1 A3	5/21/2025	11/13/2029	4.62	3.97	674,984	680,832
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05330QAC6	DRVPNK 2025-1 A3	6/4/2025	11/13/2029	4.52	3.97	1,320,239	1,326,362
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RHL1	AESOP 2023-7 A	4/28/2025	8/21/2028	4.76	4.01	2,047,500	2,047,640
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RHM9	AESOP 2023-8 A	7/25/2025	2/20/2030	4.70	4.09	3,992,775	4,027,015
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RHM9	AESOP 2023-8 A	7/25/2025	2/20/2030	4.70	4.09	1,991,175	2,008,183
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RJG0	AESOP 242 A	8/20/2024	10/20/2028	4.83	4.08	575,611	578,651
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RJG0	AESOP 242 A	9/27/2024	10/20/2028	4.51	4.08	727,736	725,851
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05522RDH8	BACCT 2023-2 A	12/14/2023	11/15/2028	4.99	3.81	1,334,821	1,346,388
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05522RDJ4	BACCT 2024-1 A	6/13/2024	5/15/2029	4.93	3.71	2,544,857	2,582,615
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05522RDK1	BACCT 2025-1 A	6/12/2025	5/15/2030	4.35	3.63	1,954,993	1,984,442
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05592XAD2	BMWOT 2023-A A3	7/18/2023	2/25/2028	5.47	4.34	256,766	258,330
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05594BAD8	BAAT 2025-1 A3	5/12/2025	11/20/2029	4.35	3.91	2,029,860	2,044,372
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05613MAD1	BMWLT 2024-2 A3	10/7/2024	10/25/2027	4.49	3.81	449,958	450,954
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	06054YAC1	BAAT 232 A3	11/21/2023	6/15/2028	5.74	4.11	702,646	709,896
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	06428AAC2	BAAT 231 A3	7/31/2023	2/15/2028	5.60	4.05	405,441	408,538
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	096912AD2	BMWLT 2025-1 A3	6/10/2025	6/26/2028	4.82	3.68	5,539,878	5,585,206
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	096919AD7	BMWOT 2024-A A3	6/11/2024	2/26/2029	5.18	4.26	3,292,378	3,322,152
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	096924AD7	BMWOT 2025-A A3	2/12/2025	9/25/2029	4.56	3.90	864,915	873,226
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	09709AAC6	BAAT 2024-1 A3	5/22/2024	11/15/2028	5.35	4.20	393,172	396,736
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14041NGE5	COMET 2024-1 A	9/24/2024	9/17/2029	3.92	3.68	3,694,279	3,710,039
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14041NGE5	COMET 2024-1 A	9/24/2024	9/17/2029	3.94	3.68	999,297	1,004,070

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14041NGE5	COMET 2024-1 A	9/24/2024	9/17/2029	3.94	3.73	2,498,242	2,508,314
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14043GAD6	COPAR 2022-2 A3	8/10/2022	5/17/2027	4.18	3.86	93,646	93,635
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14043QAC6	COPAR 2022-1 A3	5/4/2022	4/15/2027	3.15	3.75	1,275	1,275
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14290DAC5	CARMX 2024-4 A3	11/5/2024	10/15/2029	4.85	3.87	1,099,794	1,111,693
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14290FAD8	CARMX 2025-3 A3	7/23/2025	7/15/2030	4.58	3.94	3,799,219	3,835,530
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14318MAD1	CARMX 2022-3 A3	7/20/2022	4/15/2027	4.00	3.54	28,614	28,618
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14318UAD3	CARMX 2022-4 A3	10/31/2022	8/16/2027	5.79	4.19	356,800	357,572
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	16144QAC9	CHAOT 245 A3	9/24/2024	8/27/2029	4.60	3.90	944,901	948,487
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	16145NAC5	CHAOT 251 A3	7/30/2025	6/25/2030	4.29	3.76	2,684,738	2,711,931
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	161571HT4	CHAIT 2023-1 A	9/15/2023	9/15/2028	5.17	3.84	5,328,523	5,369,122
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	161571HV9	CHAIT 241 A	1/31/2024	1/16/2029	4.61	3.73	3,259,504	3,285,461
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	17305EHA6	CCCIT 2025-A1 A1	6/26/2025	6/21/2030	4.31	3.63	5,003,642	5,078,223
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	233249AC5	DLLAA 251 A3	1/22/2025	9/20/2029	4.95	3.64	1,319,876	1,348,525
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	233249AC5	DLLAA 251 A3	1/22/2025	9/20/2029	4.95	3.79	549,948	560,540
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	29374MAC2	EFF 244 A3	10/16/2024	11/20/2028	4.56	3.68	7,829,054	7,915,817
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	29375UAC3	EFF 2025-3 A3	7/23/2025	9/20/2029	4.46	3.75	3,499,685	3,550,645
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	31680EAD3	FITAT 2023-1 A3	8/23/2023	8/15/2028	5.53	4.29	1,324,577	1,334,925
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	32113CCE8	FNMNT 2025-1 A	7/18/2025	2/15/2030	4.33	3.78	962,951	969,770
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	344930AD4	FORDO 2023-B A3	6/26/2023	5/15/2028	5.29	4.31	669,625	673,096
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJA3	FORDF 2024-1 A1	5/10/2024	4/15/2029	5.60	3.88	2,599,488	2,641,548
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJK1	FORDF 243 A1	10/8/2024	9/17/2029	4.30	3.82	5,849,468	5,894,460
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJK1	FORDF 243 A1	7/23/2025	9/17/2029	4.32	3.82	2,825,883	2,846,470
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJK1	FORDF 243 A1	7/23/2025	9/17/2029	4.32	3.86	1,400,438	1,409,868
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34529BAA4	FORDF 2025-1 A1	5/28/2025	4/15/2030	4.68	3.79	1,599,618	1,628,640
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34529BAA4	FORDF 2025-1 A1	7/24/2025	4/15/2030	4.31	3.79	2,194,711	2,213,933
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34529BAA4	FORDF 2025-1 A1	7/24/2025	4/15/2030	4.31	3.96	1,094,833	1,100,550
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34531QAD1	FORDO 2024-B A3	6/24/2024	4/15/2029	5.10	4.04	3,264,970	3,299,054
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34532UAD1	FORDO 2024-C A3	9/20/2024	7/15/2029	4.81	3.79	1,524,990	1,531,009
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34533MAF3	FORDL 2025-B B	7/29/2025	8/15/2029	4.52	3.93	1,974,762	1,996,804
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34533MAF3	FORDL 2025-B B	7/29/2025	8/15/2029	4.52	4.15	984,881	992,138
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34535KAD0	FORDO 2025-A A3	3/25/2025	10/15/2029	4.45	3.80	2,929,715	2,962,552
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	361886DQ4	GFORT 244 A1	7/22/2025	11/15/2029	4.31	3.82	631,348	634,794
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	361886DQ4	GFORT 244 A1	7/23/2025	11/15/2029	4.33	3.82	176,695	177,742
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	362549AD9	GMCAR 2025-2 A3	5/14/2025	4/16/2030	4.71	3.85	2,599,617	2,620,150
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	362583AD8	GMCAR 2023-2 A3	4/12/2023	2/16/2028	4.51	4.07	205,953	206,307
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	36268GAD7	GMCAR 2024-1 A3	1/17/2024	12/18/2028	4.91	4.03	542,489	545,984
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	36269FAD8	GMALT 2024-1 A3	2/15/2024	3/22/2027	5.09	3.75	476,289	477,106
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	362955AD8	GMCAR 2025-1 A3	1/15/2025	12/17/2029	5.04	3.91	2,964,780	2,995,124
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	362962AD4	GMALT 2025-2 A3	5/29/2025	5/22/2028	4.84	3.72	919,985	927,756
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379930AD2	GMCAR 2023-4 A3	10/11/2023	8/16/2028	5.86	4.31	561,118	566,812
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379931AD0	GMCAR 2024-2 A3	4/10/2024	3/16/2029	5.10	4.12	1,008,575	1,016,962
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	38012QAD0	GMALT 2024-3 A3	10/2/2024	10/20/2027	4.61	3.86	439,948	440,550
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	38013KAD2	GMCAR 2024-3 A3	7/10/2024	4/16/2029	5.13	4.16	1,780,857	1,796,876
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	38014AAD3	GMCAR 2024-4 A3	10/16/2024	8/16/2029	4.32	3.96	2,639,492	2,654,203
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	39154GAJ5	GALC 251 A3	3/12/2025	4/16/2029	4.49	3.83	1,699,832	1,720,230
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	39154TCJ5	GALC 241 A3	1/31/2024	1/18/2028	4.99	3.86	1,928,266	1,941,675
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	41285JAD0	HDMOT 2023-A A3	2/23/2023	12/15/2027	5.11	4.17	355,895	356,785
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	437921AD1	HAROT 252 A3	5/8/2025	10/15/2029	4.15	3.83	5,354,402	5,387,291
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	438123AC5	HAROT 2023-4 A3	11/8/2023	6/21/2028	5.74	4.16	361,430	365,337
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	43813YAC6	HAROT 2024-3 A3	8/21/2024	3/21/2029	4.66	3.93	3,324,478	3,346,047
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	446144AE7	HUNT 241 A3	2/22/2024	1/16/2029	5.23	4.15	1,220,118	1,232,378
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	448976AD2	HART 2024-C A3	10/16/2024	5/15/2029	4.46	3.86	1,794,869	1,807,906
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	448988AD7	HALST 2024-A A3	1/24/2024	3/15/2027	5.03	4.10	646,195	647,029
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44933DAD3	HART 2022-C A3	11/9/2022	6/15/2027	5.39	4.07	164,497	164,724
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44934FAD7	HALST 2024-B A3	5/22/2024	5/17/2027	5.41	3.85	1,414,058	1,419,513
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935CAD3	HART 2025-A A3	3/12/2025	10/15/2029	4.84	3.82	4,439,345	4,475,431
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935DAD1	HALST 2025-B A3	4/30/2025	4/17/2028	4.53	3.70	629,943	635,506
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935DAE9	HALST 2025-B A4	4/30/2025	4/17/2028	4.57	3.79	1,999,733	2,022,480
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935GAD4	HALST 25C A3	7/30/2025	7/17/2028	4.37	3.75	2,299,645	2,318,998
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935GAE2	HALST 25C A4	7/30/2025	6/15/2029	4.38	3.82	1,899,968	1,918,715
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935GAF9	HALST 25C B	7/30/2025	11/15/2029	4.57	3.87	3,829,719	3,879,522
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935GAF9	HALST 25C B	7/30/2025	11/15/2029	4.57	3.94	1,909,860	1,932,263
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935WAD9	HALST 2025-A A3	1/22/2025	1/18/2028	4.83	3.71	809,939	816,836
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935XAD7	HART 2025-B A3	6/11/2025	12/17/2029	4.36	3.77	7,174,352	7,253,925
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	47800DAD6	JDOT 2025 A3	3/11/2025	9/17/2029	5.09	3.76	2,644,834	2,666,292
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	47800RAD5	JDOT 2024 A3	3/19/2024	11/15/2028	5.12	3.97	1,078,962	1,088,022
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	47800UAD8	JDOT 2025-B A3	7/17/2025	12/17/2029	4.52	3.70	4,548,943	4,594,181
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	500945AC4	KCOT 2023-2 A3	7/26/2023	1/18/2028	5.29	3.90	788,983	794,991
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117BAC4	KCOT 241 A3	2/21/2024	7/17/2028	5.19	3.98	1,495,364	1,511,244
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117DAB2	KCOT 2024-2 A2	6/25/2024	4/15/2027	5.45	4.05	196,029	196,463

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117FAB7	KCOT 251 A2	2/19/2025	12/15/2027	4.62	3.94	690,315	693,066
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117KAC4	KCOT 2023-1 A3	3/31/2023	6/15/2027	5.41	4.00	555,085	556,892
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117LAC2	KCOT 252 A3	6/25/2025	9/17/2029	4.42	3.69	3,979,996	4,031,700
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	55340QAC9	MTLRF 25LEA1 A3	5/21/2025	9/17/2029	4.79	4.04	3,599,284	3,660,768
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58768PAC8	MBART 2022-1 A3	11/22/2022	8/16/2027	5.28	4.14	436,957	437,978
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58768YAD7	MBALT 2025-A A3	5/21/2025	4/16/2029	4.66	3.69	1,004,877	1,018,859
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58769GAD5	MBALT 2024-B A3	9/25/2024	2/15/2028	4.24	3.69	2,042,250	2,046,536
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58770AAC7	MBART 2023-1 A3	1/25/2023	11/15/2027	4.57	3.94	132,923	133,181
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58770JAD6	MBALT 2024-A A3	5/23/2024	1/18/2028	5.73	3.65	1,319,846	1,330,058
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58773DAD6	MBART 2025-1 A3	1/23/2025	12/17/2029	4.84	3.91	2,659,434	2,696,016
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65341KBZ8	NFMOT 241 A2	9/19/2024	3/15/2029	4.28	3.92	1,429,094	1,417,671
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65341KCC8	NFMOT 242 A2	10/10/2024	9/17/2029	4.43	3.87	1,954,518	1,972,067
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65341KCC8	NFMOT 242 A2	11/27/2024	9/17/2029	4.62	3.87	1,159,900	1,180,214
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65341KCF1	NFMOT 251 A2	6/23/2025	2/15/2030	4.52	3.81	3,005,391	3,043,984
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65479UAD0	NAROT 2024-A A3	5/22/2024	12/15/2028	5.85	4.36	2,238,928	2,259,267
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65479VAB2	NMOTR 24B A	10/25/2024	2/15/2029	4.56	3.95	1,593,211	1,591,960
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65479XAF9	NALT 2025-A B	1/22/2025	2/15/2029	5.24	4.02	1,104,975	1,121,476
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65479XAF9	NALT 2025-A B	1/22/2025	2/15/2029	5.24	4.30	464,990	470,044
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65480JAC4	NAROT 2022-B A3	9/28/2022	5/17/2027	4.63	4.12	200,395	200,592
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65481GAD7	NAROT 2025-A A3	5/27/2025	12/17/2029	4.74	3.84	3,529,322	3,574,019
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65481RAF8	NALT 2025-B B	7/29/2025	7/16/2029	4.98	4.17	1,334,820	1,345,807
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65481RAF8	NALT 2025-B B	7/29/2025	7/16/2029	4.98	4.00	2,679,639	2,710,177
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	69335PFE0	PFSFC 24B A	9/20/2024	2/15/2029	4.21	3.97	1,526,602	1,514,490
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	73329KAD8	PILOT 251 A3	5/21/2025	10/20/2028	4.61	3.71	5,359,426	5,420,622
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	78437PAC7	SBAT 24A A3	3/28/2024	6/15/2029	5.32	4.02	1,338,476	1,343,168
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	858928AE4	SFUEL 25A A4	7/30/2025	3/20/2029	4.45	3.92	1,036,779	1,045,422
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	858928AF1	SFUEL 25A B	7/30/2025	4/20/2029	4.66	4.08	777,028	783,378
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	87268CAA5	TMUST 2024-2 A	10/9/2024	5/21/2029	4.77	3.83	2,299,560	2,311,569
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	872974AA8	TMUST 2025-1 A	4/1/2025	11/20/2029	4.54	3.82	1,915,957	1,926,847
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	891940AC2	TAOT 2023-A A3	1/30/2023	9/15/2027	5.18	3.99	200,005	200,399
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	891941AD8	TAOT 2023-B A3	5/23/2023	2/15/2028	5.15	3.95	837,219	840,431
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	891943AD4	TLOT 2024-B A3	9/17/2024	9/20/2027	4.21	3.92	970,335	971,671
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89231CAD9	TAOT 2022-C A3	8/16/2022	4/15/2027	3.80	3.88	62,564	62,568
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89231HAD8	TAOT 2025-B A3	4/30/2025	11/15/2029	4.82	3.85	1,114,936	1,125,403
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89238VAD0	TAOT 2025-C A3	7/30/2025	3/15/2030	4.11	3.75	1,599,831	1,612,704
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89239FAD4	TAOT 2023-D A3	11/14/2023	8/15/2028	6.30	4.12	1,407,064	1,421,963
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89239NAD7	TLOT 2025-A A3	2/26/2025	2/22/2028	4.75	3.58	2,099,972	2,120,244
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89239NAE5	TLOT 2025-A A4	2/26/2025	6/20/2029	4.81	3.70	1,199,960	1,216,704
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89240JAD3	TAOT 2025-A A3	1/29/2025	8/15/2029	4.69	3.88	4,774,809	4,827,812
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	90327VAC2	USAOT 2024-A A3	7/30/2024	3/15/2029	5.04	4.16	692,117	697,619
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	90367VAC3	USCAR 2025-1 A3	6/20/2025	6/17/2030	4.49	3.93	1,899,656	1,918,943
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92348KDY6	VZMT 2025-3 A1A	3/31/2025	3/20/2030	4.55	3.79	3,584,846	3,613,106
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92868MAD1	VALET 2025-1 A3	3/25/2025	8/20/2029	4.97	3.84	2,429,917	2,457,046
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92868RAD0	VALET 2024-1 A3	11/26/2024	7/20/2029	4.93	3.80	569,946	576,960
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAA3	WFCIT 2024-1 A	5/20/2024	2/15/2029	5.07	3.76	538,903	546,215
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAA3	WFCIT 2024-1 A	6/27/2024	2/15/2029	5.06	3.76	2,455,964	2,488,315
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAE5	WFCIT 2024-2 A	10/24/2024	10/15/2029	4.33	3.70	4,544,325	4,589,723
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAE5	WFCIT 2024-2 A	10/24/2024	10/15/2029	4.33	3.72	1,534,772	1,549,639
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	6/10/2025	5/15/2030	4.33	3.67	8,024,867	8,144,813
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	7/25/2025	5/15/2030	4.20	3.71	173,811	175,437
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	7/25/2025	5/15/2030	4.20	3.67	348,627	352,181
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	7/25/2025	5/15/2030	4.23	3.71	187,716	189,634
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	7/25/2025	5/15/2030	4.23	3.67	374,428	378,569
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	96043LAC4	WLAKE 2025-P1 A3	5/29/2025	6/15/2029	4.58	3.79	2,099,723	2,118,375
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	96043LAD2	WLAKE 2025-P1 A4	5/29/2025	4/15/2030	4.67	3.95	1,999,600	2,033,300
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379965AD8	GMALT 2025-3 A3	8/13/2025	8/21/2028	4.18	3.71	894,864	900,093
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	87268MAA3	TMUST 2025-2 A	8/6/2025	4/22/2030	4.34	3.74	1,909,966	1,932,333
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	87268MAA3	TMUST 2025-2 A	8/6/2025	4/22/2030	4.34	3.76	10,934,806	11,059,222
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379965AF3	GMALT 2025-3 B	8/13/2025	8/20/2029	4.41	3.91	704,994	711,507
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379965AF3	GMALT 2025-3 B	8/13/2025	8/20/2029	4.41	4.02	349,997	352,581
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379965AF3	GMALT 2025-3 B	10/6/2025	8/20/2029	4.27	3.91	823,972	827,569
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	858933AE4	SFUEL 25B B	8/20/2025	7/20/2029	4.47	4.01	3,874,529	3,911,257
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14319WAD8	CARMX 2025-1 A3	8/7/2025	1/15/2030	4.27	3.94	638,613	639,614
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14041NGF2	COMET 2025-1 A	9/16/2025	9/16/2030	3.83	3.65	2,564,514	2,577,645
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14320BAC3	CMXS 2025-B A3	9/24/2025	3/15/2030	4.16	3.89	599,885	602,910
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34532BAG6	FORDO 2025-B A3	9/26/2025	4/15/2030	4.27	3.72	5,779,376	5,806,646
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	88162VAF7	TLEVS 2025-A B	9/29/2025	6/20/2029	4.80	4.18	3,394,409	3,434,755
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	88162VAF7	TLEVS 2025-A B	9/29/2025	6/20/2029	4.80	4.63	1,694,705	1,701,316
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89240NAD4	TLOT 2025-B A3	9/17/2025	11/20/2028	3.97	3.71	1,334,761	1,340,794
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92868BAE3	VWALT 2025-B A4	9/16/2025	5/20/2030	4.49	3.77	2,499,804	2,511,125

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92886CAC3	VFET 252 A3	9/24/2025	12/17/2029	3.99	3.93	1,109,908	1,112,118
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92886CAC3	VFET 252 A3	9/24/2025	12/17/2029	3.99	3.85	2,219,815	2,227,615
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89231GAD0	TAOT 2025-D A3	10/23/2025	6/17/2030	4.27	3.70	1,039,880	1,043,900
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	90327HAC3	USAOT 25A A3	10/9/2025	12/17/2029	3.95	3.74	684,940	687,980
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05594HAD5	BMWLT 2025-2 A3	10/15/2025	9/25/2028	4.32	3.70	1,049,997	1,053,885
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJU9	FORDF 2025-2 A1	10/16/2025	9/15/2030	4.10	3.78	2,284,723	2,302,326
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJU9	FORDF 2025-2 A1	10/16/2025	9/15/2030	4.10	3.77	4,584,444	4,620,946
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJW5	FORDF 2025-2 B	10/16/2025	9/15/2030	4.38	4.19	444,884	446,929
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJW5	FORDF 2025-2 B	10/16/2025	9/15/2030	4.38	4.16	889,767	894,450
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44921QAH9	HFMOT 251 A	11/5/2025	10/15/2030	4.01	3.90	8,044,026	8,093,994
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44921QAH9	HFMOT 251 A	11/5/2025	10/15/2030	4.01	3.90	1,824,779	1,835,867
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44921QAH9	HFMOT 251 A	2/10/2026	10/15/2030	4.03	3.90	160,075	160,974
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	39154TCQ9	GALC 252 A3	11/13/2025	12/17/2029	4.14	3.78	2,599,657	2,623,270
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14043YAD7	COPAR 2025-1 A3	11/5/2025	7/15/2030	3.86	3.74	1,369,710	1,374,535
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	43814XAD5	HAROT 2025-4 A3	11/12/2025	6/17/2030	3.03	3.71	2,344,546	2,360,102
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92869QAD1	VALET 2025-2 A3	11/25/2025	3/20/2030	4.34	3.72	884,852	889,531
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528PAK2	FORDF 2018-4 A	12/30/2025	11/15/2030	3.92	3.78	1,014,813	1,018,131
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	69335PFY6	PFSFC 2025-D A	12/30/2025	5/15/2030	4.01	3.93	687,650	688,248
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	69335PFU4	PFSFC 2025-B A	12/18/2025	2/15/2030	4.05	3.87	976,500	978,278
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	345276AF6	FORDL 2026-A B	1/26/2026	2/15/2030	4.21	3.97	924,841	930,530
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	345276AF6	FORDL 2026-A B	1/26/2026	2/15/2030	4.21	3.92	1,854,681	1,868,282
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	448970AF0	HALST 2026-A B	1/21/2026	5/15/2030	4.16	3.94	1,149,955	1,156,302
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	448970AF0	HALST 2026-A B	1/21/2026	5/15/2030	4.16	3.94	574,977	578,069
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	448970AD5	HALST 2026-A A3	1/21/2026	12/15/2028	3.98	3.75	1,384,797	1,390,886
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89240KAD0	TAOT 2026-A A3	1/21/2026	9/16/2030	4.13	3.69	1,339,886	1,346,378
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	36273VAF2	GMALT 2026-1 B	2/12/2026	1/22/2030	4.49	3.91	619,882	623,236
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	36273VAF2	GMALT 2026-1 B	2/12/2026	1/22/2030	4.49	3.96	309,941	311,287
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50118HAC0	KCOT 2026-1 A3	2/25/2026	5/15/2030	3.88	3.88	969,781	973,143
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89240MAD6	TLOT 26A A3	2/17/2026	2/20/2029	3.82	3.82	2,219,724	2,225,150
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	448981AD2	HART 2026-A A3	2/18/2026	2/18/2031	4.30	3.72	1,244,916	1,248,212
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	43815CAD0	HAROT 2026-1 A3	2/18/2026	9/23/2030	3.03	3.73	1,084,827	1,087,224
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	36273VAD7	GMALT 2026-1 A3	2/12/2026	1/22/2029	4.11	3.74	2,169,716	2,175,881
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	30296SAG3	FRESB 2020-SB72 A1F	2/4/2026	1/25/2030	3.85	4.05	2,477,234	2,463,758
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	30313KAD6	FRESB 2020-SB71 A1F	2/4/2026	12/25/2029	3.89	4.09	3,568,974	3,548,343
MANAGED PORTFOLIO	***SUB-TOTAL FOR MORTGAGE & ASSET-BACKED SECURITY***							***389,255,662***	***392,638,865***
MANAGED PORTFOLIO	MUNICIPAL DEBT	010268CP3	ALABAMA FED AID HWY FIN AUTH SPL OBLIG REV	9/6/2022	9/1/2027	3.85	3.56	98,611	106,765
MANAGED PORTFOLIO	MUNICIPAL DEBT	120827EH9	BURBANK GLENDALE PASADENA ARPT AUTH CALIF ARPT REV	5/30/2024	7/1/2028	5.12	3.66	1,500,000	1,548,570
MANAGED PORTFOLIO	MUNICIPAL DEBT	13063EGT7	CALIFORNIA STATE	11/5/2024	8/1/2029	4.38	3.57	1,713,985	1,755,656
MANAGED PORTFOLIO	MUNICIPAL DEBT	13068XKC2	CALIFORNIA ST PUB WKS BRD LEASE REV	11/8/2023	11/1/2026	5.54	3.75	1,600,000	1,618,944
MANAGED PORTFOLIO	MUNICIPAL DEBT	13068XLJ6	CALIFORNIA ST PUB WKS BRD LEASE REV	4/11/2024	4/1/2027	4.92	3.67	1,510,000	1,529,992
MANAGED PORTFOLIO	MUNICIPAL DEBT	20772KZH5	CONNECTICUT ST	5/7/2025	3/15/2027	4.28	3.59	1,319,474	1,320,306
MANAGED PORTFOLIO	MUNICIPAL DEBT	20772KZL6	CONNECTICUT ST	5/7/2025	3/15/2030	4.59	3.61	700,000	725,508
MANAGED PORTFOLIO	MUNICIPAL DEBT	21969AAF9	CORONA	10/3/2024	5/1/2027	3.90	3.67	1,613,220	1,666,223
MANAGED PORTFOLIO	MUNICIPAL DEBT	21969AAF9	CORONA	10/3/2024	5/1/2027	3.90	3.68	1,873,417	1,934,915
MANAGED PORTFOLIO	MUNICIPAL DEBT	485429Z49	KANSAS ST DEV FIN AUTH REV	11/22/2024	4/15/2029	4.60	3.68	1,318,473	1,359,021
MANAGED PORTFOLIO	MUNICIPAL DEBT	54438CDT6	LOS ANGELES CALIF CMNTY COLLEGE DIST	2/14/2025	8/1/2029	5.07	-29.29	671,609	682,051
MANAGED PORTFOLIO	MUNICIPAL DEBT	544445U98	LOS ANGELES CALIF DEPT ARPTS ARPT REV	9/25/2024	5/15/2029	3.96	3.58	821,894	855,695
MANAGED PORTFOLIO	MUNICIPAL DEBT	544647KX7	LOS ANGELES CALIF UNI SCH DIST	5/13/2025	7/1/2027	4.38	3.70	3,825,000	3,858,966
MANAGED PORTFOLIO	MUNICIPAL DEBT	544647KX7	LOS ANGELES CALIF UNI SCH DIST	5/13/2025	7/1/2027	4.38	3.31	1,000,000	1,013,902
MANAGED PORTFOLIO	MUNICIPAL DEBT	544647KY5	LOS ANGELES CALIF UNI SCH DIST	5/13/2025	7/1/2028	4.42	3.69	1,000,000	1,016,280
MANAGED PORTFOLIO	MUNICIPAL DEBT	544647LA6	LOS ANGELES CALIF UNI SCH DIST	7/9/2025	10/1/2027	4.22	3.68	490,000	494,008
MANAGED PORTFOLIO	MUNICIPAL DEBT	57582RK96	MASSACHUSETTS COMMONWEALTH	6/26/2023	11/1/2026	4.61	3.72	431,068	476,202
MANAGED PORTFOLIO	MUNICIPAL DEBT	57582TEA6	MASSACHUSETTS COMMONWEALTH	6/18/2025	6/1/2030	4.32	3.62	1,001,300	1,028,400
MANAGED PORTFOLIO	MUNICIPAL DEBT	576004HD0	MASSACHUSETTS (COMMONWEALTH OF)	5/1/2024	7/15/2027	4.99	3.55	764,544	796,407
MANAGED PORTFOLIO	MUNICIPAL DEBT	650036AX4	NEW YORK ST URBAN DEV CORP REV	9/25/2024	3/15/2029	3.94	3.75	525,642	543,401
MANAGED PORTFOLIO	MUNICIPAL DEBT	70869PQZ3	PENNSYLVANIA ECONOMIC DEV FING AUTH REV	2/26/2025	6/1/2027	4.56	3.65	540,000	546,026
MANAGED PORTFOLIO	MUNICIPAL DEBT	70869PRA7	PENNSYLVANIA ECONOMIC DEV FING AUTH REV	2/26/2025	6/1/2028	4.64	3.61	455,000	465,101
MANAGED PORTFOLIO	MUNICIPAL DEBT	70869PRB5	PENNSYLVANIA ECONOMIC DEV FING AUTH REV	2/26/2025	6/1/2029	4.72	3.74	1,500,000	1,544,676
MANAGED PORTFOLIO	MUNICIPAL DEBT	735000TR2	PORT OAKLAND CALIF REV	9/25/2024	5/1/2029	3.96	3.71	1,284,426	1,326,502
MANAGED PORTFOLIO	MUNICIPAL DEBT	735000TR2	PORT OAKLAND CALIF REV	7/25/2025	5/1/2029	4.57	3.71	173,245	180,256
MANAGED PORTFOLIO	MUNICIPAL DEBT	757696AS8	REDONDO BEACH CALIF CMNTY FING AUTH LEASE REV	7/15/2021	5/1/2026	1.32	3.59	1,495,000	1,488,975
MANAGED PORTFOLIO	MUNICIPAL DEBT	797356NZ1	SAN DIEGO UNIFIED SCHOOL DISTRICT	9/19/2024	7/1/2029	3.97	3.58	790,000	799,524
MANAGED PORTFOLIO	MUNICIPAL DEBT	79766DSZ3	SAN FRANCISCO CALIF CITY & CNTY ARPTS COMMN INTL A	9/19/2024	5/1/2029	3.94	3.64	933,320	961,445
MANAGED PORTFOLIO	MUNICIPAL DEBT	79768HJN9	SAN FRANCISCO (CITY & COUNTY) PUBLIC UTILITIES COM	7/31/2024	10/1/2027	4.66	3.58	4,230,000	4,296,115
MANAGED PORTFOLIO	MUNICIPAL DEBT	79768HJN9	SAN FRANCISCO (CITY & COUNTY) PUBLIC UTILITIES COM	10/4/2024	10/1/2027	3.91	3.58	499,937	497,704
MANAGED PORTFOLIO	MUNICIPAL DEBT	977100HN9	WISCONSIN ST GEN FD ANNUAL APPROPRIATION REV	3/26/2025	5/1/2029	4.36	3.61	437,761	459,081
MANAGED PORTFOLIO	MUNICIPAL DEBT	977100HT6	WISCONSIN ST GEN FD ANNUAL APPROPRIATION REV	2/16/2023	5/1/2026	4.36	3.77	1,240,000	1,241,190
MANAGED PORTFOLIO	MUNICIPAL DEBT	5445874Z8	LOS ANGELES CALIF MUN IMPT CORP LEASE REV	11/25/2025	5/1/2029	4.05	3.89	1,250,000	1,256,126
MANAGED PORTFOLIO	MUNICIPAL DEBT	79768HAJ7	SAN FRANCISCO (CITY & COUNTY) PUBLIC UTILITIES COM	2/26/2026	10/1/2030	4.47	4.39	784,703	787,223
MANAGED PORTFOLIO	***SUB-TOTAL FOR MUNICIPAL DEBT***							***39,391,628***	***40,181,158***
MANAGED PORTFOLIO	SUPRANATIONAL	459058KL6	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	9/27/2024	9/21/2029	3.58	3.48	2,003,800	2,009,740

Orange County Transportation Authority
Portfolio Listing
As of February 28, 2026

PORTFOLIO	SECURITY TYPE	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY	* YIELD AT COST	** YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	SUPRANATIONAL	459058LN1	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	10/16/2024	10/16/2029	3.93	3.48	1,481,124	1,504,825
MANAGED PORTFOLIO	SUPRANATIONAL	459058LT8	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM	5/6/2025	5/5/2028	3.70	3.44	3,362,519	3,383,278
MANAGED PORTFOLIO	SUPRANATIONAL	45950KDF4	INTERNATIONAL FINANCE CORP	12/6/2023	1/15/2027	4.49	3.46	4,938,847	4,993,897
MANAGED PORTFOLIO	***SUB-TOTAL FOR SUPRANATIONAL***							***11,786,289***	***11,891,739***
MANAGED PORTFOLIO - TOTAL								**$ 2,409,893,890**	**$ 2,442,060,032**
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDFIIN	FIDELITY INVESTMENT MM GOV 1 57	N/A	N/A	3.56	3.56	21,597,306	21,597,306
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDDGCM	DREYFUS GOVT CM INST 289	N/A	N/A	3.56	3.56	25,076,347	25,076,347
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDINVE	INVESCO TREASURY INSTL 1931	N/A	N/A	3.57	3.57	28,197,719	28,197,719
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDMOR3	MORGAN STANLEY LIQ GOVT INST 8302	N/A	N/A	3.59	3.59	27,148,722	27,148,722
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDRBCG	RBC US GOVTT 1 1465	N/A	N/A	3.72	3.72	54,815,485	54,815,485
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDWAIG	WESTERN ASSET INSTL GOVT MM 4512	N/A	N/A	3.58	3.58	26,580,950	26,580,950
GRANT FUNDS	***SUB-TOTAL FOR MONEY MARKET/MUTUAL FUND***							***183,416,529***	***183,416,529***
****** GRANT FUNDS - TOTAL**								**$ 183,416,529**	**$ 183,416,529**
DEBT SERVICE RESERVE FUNDS	MONEY MARKET/MUTUAL FUND	31846V203	FIRST AMERICAN MM GOV - 91EL 2023 BONDS DSF/DSRF	N/A	N/A	3.30	3.30	3,981,308	3,981,308
DEBT SERVICE RESERVE FUNDS	MONEY MARKET/MUTUAL FUND	31846V203	FIRST AMERICAN MM GOV - 2021 TIFIA DSRF	N/A	N/A	3.30	3.30	1,688,368	1,688,368
DEBT SERVICE RESERVE FUNDS	MONEY MARKET/MUTUAL FUND	31846V203	FIRST AMERICAN MM GOV - 2021 TIFIA TRF/DLUF	N/A	N/A	3.30	3.30	51,938,798	51,938,798
DEBT SERVICE RESERVE FUNDS	MONEY MARKET/MUTUAL FUND	31846V203	FIRST AMERICAN MM GOV - 2021 TIFIA ORF	N/A	N/A	3.30	3.30	8,238,123	8,238,123
DEBT SERVICE RESERVE FUNDS	***SUB-TOTAL FOR MONEY MARKET/MUTUAL FUND***							***65,846,597***	***65,846,597***
DEBT SERVICE RESERVE FUNDS	NEGOTIABLE CERTIFICATE OF DEPOSIT	05612B2Z6	BMO HARRIS BANK - 91EL 2023 BONDS MMRF	7/9/2025	4/1/2026	4.37	4.37	5,000,000	5,000,000
DEBT SERVICE RESERVE FUNDS	NEGOTIABLE CERTIFICATE OF DEPOSIT	05612B2Z6	BMO HARRIS BANK - 91EL 2023 BONDS ORF	7/9/2025	4/1/2026	4.37	4.37	3,000,000	3,000,000
DEBT SERVICE RESERVE FUNDS	***SUB-TOTAL FOR NEGOTIABLE CERTIFICATE OF DEPOSIT***							***8,000,000***	***8,000,000***
DEBT SERVICE RESERVE FUNDS	BANK DEPOSIT	N/A	BANK DEPOSIT - 405EL	N/A	N/A	0.00	0.00	36,642	36,642
DEBT SERVICE RESERVE FUNDS	***SUB-TOTAL FOR BANK DEPOSIT***							***36,642***	***36,642***
DEBT SERVICE RESERVE FUNDS - TOTAL								**$ 73,883,239**	**$ 73,883,239**
TOTAL PORTFOLIO								**$ 3,196,349,011**	**$ 3,228,838,093**

* Yield at Cost represents the yield to maturity based on the acquisition cost, which refers to the internal rate of return of a security, calculated using its acquisition cost and the expected cash flows over the entire holding period.
** Yield at Market represents the yield to worst (the lowest yield based on maturity or earliest possible call date) calculated from the market value. It reflects the internal rate of return of a security given its market price as of the report date and its future expected cash flows.
*** Market Value does not include accrued interest.
**** SB125 Funding Agreement.

ORANGE COUNTY TRANSPORTATION AUTHORITY
TRANSACTION ACTIVITY
FOR THE MONTH OF FEBRUARY 2026

TRANSACTION	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY DATE	ACCOUNT	COUPON RATE	PAR VALUE	PROCEEDS/ (COST)
PURCHASE	02079KBJ5	ALPHABET INC	2/13/2026	2/15/2029	CAM	3.70	1,450,000	(1,444,737)
PURCHASE	02079KBJ5	ALPHABET INC	2/13/2026	2/15/2029	P&R	3.70	705,000	(702,441)
PURCHASE	02079KBJ5	ALPHABET INC	2/13/2026	2/15/2029	PFM	3.70	560,000	(557,967)
PURCHASE	02079KBK2	ALPHABET INC	2/19/2026	2/15/2031	MetLife	4.10	2,340,000	(2,348,338)
PURCHASE	02079KBK2	ALPHABET INC	2/17/2026	2/15/2031	CAM	4.10	2,000,000	(2,001,028)
PURCHASE	025816EN5	AMERICAN EXPRESS CO	2/10/2026	2/9/2029	MetLife	4.01	4,575,000	(4,575,000)
PURCHASE	025816EN5	AMERICAN EXPRESS CO	2/10/2026	2/9/2029	P&R	4.01	1,915,000	(1,915,000)
PURCHASE	025816EN5	AMERICAN EXPRESS CO	2/10/2026	2/9/2029	PFM	4.01	845,000	(845,000)
PURCHASE	30296SAG3	FRESB 2020-SB72 A1F	2/4/2026	1/25/2030	P&R	1.67	2,673,232	(2,473,025)
PURCHASE	30313KAD6	FRESB 2020-SB71 A1F	2/4/2026	12/25/2029	P&R	2.21	3,775,975	(3,563,826)
PURCHASE	3137FK4M5	FHMS K-085 A2	2/4/2026	10/25/2028	P&R	4.06	2,900,000	(2,914,348)
PURCHASE	3137FKSH0	FHMS K-086 A2	2/4/2026	11/25/2028	P&R	3.86	2,900,000	(2,899,686)
PURCHASE	3137FNX54	FHMS K-097 A2	2/27/2026	7/25/2029	CAM	2.51	4,000,000	(3,849,745)
PURCHASE	3140LK4E0	FN BS8920	2/17/2026	8/1/2028	MetLife	4.65	1,020,929	(1,043,457)
PURCHASE	3140NX3J0	FN BZ3500	2/17/2026	5/1/2030	MetLife	4.53	2,250,000	(2,312,274)
PURCHASE	36273VAD7	GMALT 2026-1 A3	2/12/2026	1/22/2029	CAM	3.88	2,170,000	(2,169,716)
PURCHASE	36273VAF2	GMALT 2026-1 B	2/12/2026	1/22/2030	MetLife	4.12	930,000	(929,823)
PURCHASE	43815CAD0	HAROT 2026-1 A3	2/18/2026	9/23/2030	PFM	3.78	1,085,000	(1,084,827)
PURCHASE	448981AD2	HART 2026-A A3	2/18/2026	2/18/2031	PFM	3.79	1,245,000	(1,244,916)
PURCHASE	44921QAH9	HFMOT 251 A	2/10/2026	10/15/2030	MetLife	4.01	160,000	(160,521)
PURCHASE	459200LQ2	INTERNATIONAL BUSINESS MACHINES CORP	2/3/2026	2/3/2029	MetLife	4.00	5,935,000	(5,931,676)
PURCHASE	50118HAC0	KCOT 2026-1 A3	2/25/2026	5/15/2030	PFM	3.87	970,000	(969,781)
PURCHASE	64952WFR9	NEW YORK LIFE GLOBAL FUNDING	2/4/2026	1/9/2031	MetLife	4.25	2,030,000	(2,028,359)
PURCHASE	64952WFS7	NEW YORK LIFE GLOBAL FUNDING	2/2/2026	2/2/2029	P&R	4.05	1,840,000	(1,839,945)
PURCHASE	69371RU38	PACCAR FINANCIAL CORP	2/5/2026	2/5/2029	PFM	3.90	1,240,000	(1,239,479)
PURCHASE	79768HAJ7	SAN FRANCISCO (CITY & COUNTY) PUBLIC UTILITIES COM	2/26/2026	10/1/2030	P&R	5.60	750,000	(801,619)
PURCHASE	89240MAD6	TLOT 26A A3	2/17/2026	2/20/2029	PFM	3.82	2,220,000	(2,219,724)
PURCHASE	9128284V9	UNITED STATES TREASURY	2/5/2026	8/15/2028	MetLife	2.88	10,300,000	(10,261,375)
PURCHASE	91282CLK5	UNITED STATES TREASURY	2/13/2026	8/31/2029	CAM	3.63	8,000,000	(8,133,921)
PURCHASE	91282CLT6	UNITED STATES TREASURY	2/27/2026	10/31/2026	MetLife	3.83	12,000,000	(12,047,117)
PURCHASE	91282CPT2	UNITED STATES TREASURY	2/5/2026	1/15/2029	PFM	3.50	4,500,000	(4,491,207)
PURCHASE	91282CPT2	UNITED STATES TREASURY	2/10/2026	1/15/2029	PFM	3.50	6,000,000	(6,002,661)
PURCHASE	91282CPW5	UNITED STATES TREASURY	2/2/2026	1/31/2031	P&R	3.75	23,790,000	(23,745,945)
PURCHASE	91282CPW5	UNITED STATES TREASURY	2/3/2026	1/31/2031	PFM	3.75	1,300,000	(1,295,631)
PURCHASE	9AMRTH735	METLIFE CREDIT AG REPO 4 3.650 02/03/2026	2/2/2026	2/3/2026	MetLife	3.65	7,000,000	(7,000,000)
PURCHASE	9AMRTH966	METLIFE CREDIT AG REPO 2 3.640 02/04/2026	2/3/2026	2/4/2026	MetLife	3.64	6,000,000	(6,000,000)
PURCHASE	9AMRTHBB2	METLIFE CREDIT AG REPO 5 3.610 02/05/2026	2/4/2026	2/5/2026	MetLife	3.61	6,000,000	(6,000,000)
PURCHASE	9AMRTHDD6	METLIFE CREDIT AG REPO 5 3.610 02/06/2026	2/5/2026	2/6/2026	MetLife	3.61	5,000,000	(5,000,000)
PURCHASE	9AMRTHFQ5	METLIFE CREDIT AG REPO 3 3.600 02/09/2026	2/6/2026	2/9/2026	MetLife	3.60	5,000,000	(5,000,000)
PURCHASE	9AMRTHHZ3	METLIFE CREDIT AG REPO 2 3.600 02/10/2026	2/9/2026	2/10/2026	MetLife	3.60	5,000,000	(5,000,000)
PURCHASE	9AMRTJ4P5	METLIFE CREDIT AG REPO 4 3.630 02/25/2026	2/24/2026	2/25/2026	MetLife	3.63	11,000,000	(11,000,000)
PURCHASE	9AMRTJ6N8	METLIFE CREDIT AG REPO 1 3.630 02/26/2026	2/25/2026	2/26/2026	MetLife	3.63	11,000,000	(11,000,000)
PURCHASE	9AMRTJ8S5	METLIFE CREDIT AG REPO 2 3.620 02/27/2026	2/26/2026	2/27/2026	MetLife	3.62	11,000,000	(11,000,000)
PURCHASE - TOTAL							**$ 187,375,136**	**$ (187,044,115)**
DISPOSITION	025816DG1	AMERICAN EXPRESS CO	2/4/2026	7/28/2027	P&R	5.39	(1,795,000)	1,807,885
DISPOSITION	02665WEK3	AMERICAN HONDA FINANCE CORP	2/5/2026	7/7/2026	PFM	5.25	(995,000)	1,004,824
DISPOSITION	05377REZ3	AESOP 221 A	2/5/2026	8/21/2028	MetLife	3.83	(5,775,000)	5,767,974
DISPOSITION	09290DAH4	BLACKROCK INC	2/3/2026	7/26/2027	PFM	4.60	(580,000)	587,554
DISPOSITION	17275RBQ4	CISCO SYSTEMS INC	2/5/2026	2/26/2027	PFM	4.80	(2,290,000)	2,362,708
DISPOSITION	437076DB5	HOME DEPOT INC	2/3/2026	6/25/2027	PFM	4.88	(180,000)	183,687
DISPOSITION	532457CJ5	ELI LILLY AND CO	2/5/2026	2/9/2027	PFM	4.50	(1,200,000)	1,235,304

ORANGE COUNTY TRANSPORTATION AUTHORITY
TRANSACTION ACTIVITY
FOR THE MONTH OF FEBRUARY 2026

TRANSACTION	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY DATE	ACCOUNT	COUPON RATE	PAR VALUE	PROCEEDS/ (COST)
DISPOSITION	571676AW5	MARS INC	2/5/2026	3/1/2027	MetLife	4.45	(3,800,000)	3,900,647
DISPOSITION	69371RT22	PACCAR FINANCIAL CORP	2/3/2026	5/13/2027	PFM	5.00	(150,000)	154,058
DISPOSITION	87268CAA5	TMUST 2024-2 A	2/5/2026	5/21/2029	MetLife	4.25	(2,040,000)	2,053,334
DISPOSITION	89115A2W1	TORONTO-DOMINION BANK	2/13/2026	4/5/2027	CAM	4.98	(5,000,000)	5,150,283
DISPOSITION	89236TLY9	TOYOTA MOTOR CREDIT CORP	2/3/2026	3/19/2027	PFM	5.00	(190,000)	196,189
DISPOSITION	91282CAE1	UNITED STATES TREASURY	2/19/2026	8/15/2030	MetLife	0.63	(2,700,000)	2,367,643
DISPOSITION	91282CAU5	UNITED STATES TREASURY	2/24/2026	10/31/2027	MetLife	0.50	(3,500,000)	3,338,526
DISPOSITION	91282CAU5	UNITED STATES TREASURY	2/4/2026	10/31/2027	MetLife	0.50	(2,500,000)	2,375,572
DISPOSITION	91282CAU5	UNITED STATES TREASURY	2/17/2026	10/31/2027	MetLife	0.50	(500,000)	476,825
DISPOSITION	91282CEN7	UNITED STATES TREASURY	2/13/2026	4/30/2027	CAM	2.75	(1,150,000)	1,148,931
DISPOSITION	91282CEV9	UNITED STATES TREASURY	2/18/2026	6/30/2029	MetLife	3.25	(2,600,000)	2,592,945
DISPOSITION	91282CEW7	UNITED STATES TREASURY	2/24/2026	6/30/2027	MetLife	3.25	(8,250,000)	8,265,251
DISPOSITION	91282CEW7	UNITED STATES TREASURY	2/17/2026	6/30/2027	MetLife	3.25	(1,700,000)	1,703,004
DISPOSITION	91282CKJ9	UNITED STATES TREASURY	2/5/2026	4/15/2027	PFM	4.50	(1,425,000)	1,460,270
DISPOSITION	91282CKR1	UNITED STATES TREASURY	2/13/2026	5/15/2027	PFM	4.50	(350,000)	358,045
DISPOSITION	91282CKR1	UNITED STATES TREASURY	2/2/2026	5/15/2027	P&R	4.50	(6,940,000)	7,090,837
DISPOSITION	91282CKR1	UNITED STATES TREASURY	2/10/2026	5/15/2027	PFM	4.50	(5,550,000)	5,676,163
DISPOSITION	91282CKR1	UNITED STATES TREASURY	2/17/2026	5/15/2027	PFM	4.50	(100,000)	102,391
DISPOSITION	91282CKR1	UNITED STATES TREASURY	2/18/2026	5/15/2027	PFM	4.50	(2,250,000)	2,303,641
DISPOSITION	91282CLL3	UNITED STATES TREASURY	2/2/2026	9/15/2027	P&R	3.38	(4,585,000)	4,633,562
DISPOSITION	91282CLQ2	UNITED STATES TREASURY	2/2/2026	10/15/2027	P&R	3.88	(3,065,000)	3,118,252
DISPOSITION	91282CMB4	UNITED STATES TREASURY	2/5/2026	12/15/2027	PFM	4.00	(45,000)	45,616
DISPOSITION	91282CMB4	UNITED STATES TREASURY	2/13/2026	12/15/2027	PFM	4.00	(100,000)	101,527
DISPOSITION	91282CMS7	UNITED STATES TREASURY	2/2/2026	3/15/2028	P&R	3.88	(2,000,000)	2,043,801
DISPOSITION	91282CMY4	UNITED STATES TREASURY	2/2/2026	4/30/2027	P&R	3.75	(3,960,000)	4,009,080
DISPOSITION	91282CPK1	UNITED STATES TREASURY	2/2/2026	11/15/2028	P&R	3.50	(9,833,000)	9,883,907
DISPOSITION	91282CPW5	UNITED STATES TREASURY	2/10/2026	1/31/2031	P&R	3.75	(735,000)	735,991
DISPOSITION	91324PEH1	UNITEDHEALTH GROUP INC	2/13/2026	5/15/2029	CAM	4.00	(3,500,000)	3,534,467
DISPOSITION	977100JF4	WISCONSIN ST GEN FD ANNUAL APPROPRIATION REV	2/24/2026	5/1/2027	MetLife	4.33	(835,000)	852,954
DISPOSITION - TOTAL							**$ (92,168,000)**	**$ 92,623,648**
MATURITY & CALL REDEMPTION	037833BY5	APPLE INC	2/23/2026	2/23/2026	CAM	3.25	(4,000,000)	4,000,000
MATURITY & CALL REDEMPTION	62479MBS1	MUFG Bank, Ltd., New York Branch	2/26/2026	2/26/2026	CAM	0.00	(5,000,000)	5,000,000
MATURITY & CALL REDEMPTION	9AMRTH4E4	METLIFE CREDIT AG REPO 2 3.650 02/02/2026	2/2/2026	2/2/2026	MetLife	3.65	(7,000,000)	7,000,000
MATURITY & CALL REDEMPTION	9AMRTH735	METLIFE CREDIT AG REPO 4 3.650 02/03/2026	2/3/2026	2/3/2026	MetLife	3.65	(7,000,000)	7,000,000
MATURITY & CALL REDEMPTION	9AMRTH966	METLIFE CREDIT AG REPO 2 3.640 02/04/2026	2/4/2026	2/4/2026	MetLife	3.64	(6,000,000)	6,000,000
MATURITY & CALL REDEMPTION	9AMRTHBB2	METLIFE CREDIT AG REPO 5 3.610 02/05/2026	2/5/2026	2/5/2026	MetLife	3.61	(6,000,000)	6,000,000
MATURITY & CALL REDEMPTION	9AMRTHDD6	METLIFE CREDIT AG REPO 5 3.610 02/06/2026	2/6/2026	2/6/2026	MetLife	3.61	(5,000,000)	5,000,000
MATURITY & CALL REDEMPTION	9AMRTHFQ5	METLIFE CREDIT AG REPO 3 3.600 02/09/2026	2/9/2026	2/9/2026	MetLife	3.60	(5,000,000)	5,000,000
MATURITY & CALL REDEMPTION	9AMRTHHZ3	METLIFE CREDIT AG REPO 2 3.600 02/10/2026	2/10/2026	2/10/2026	MetLife	3.60	(5,000,000)	5,000,000
MATURITY & CALL REDEMPTION	9AMRTJ4P5	METLIFE CREDIT AG REPO 4 3.630 02/25/2026	2/25/2026	2/25/2026	MetLife	3.63	(11,000,000)	11,000,000
MATURITY & CALL REDEMPTION	9AMRTJ6N8	METLIFE CREDIT AG REPO 1 3.630 02/26/2026	2/26/2026	2/26/2026	MetLife	3.63	(11,000,000)	11,000,000
MATURITY & CALL REDEMPTION	9AMRTJ8S5	METLIFE CREDIT AG REPO 2 3.620 02/27/2026	2/27/2026	2/27/2026	MetLife	3.62	(11,000,000)	11,000,000
MATURITY & CALL REDEMPTION - TOTAL							**$ (83,000,000)**	**$ 83,000,000**

Note: Transaction activity is reported based on the settlement date. Money Market Fund ("MMF") activity related to daily sweep/cash management (CUSIP 31846V567) is excluded from this transaction listing because it represents internal cash movements rather than investment trades; MMF balances are reflected in the month-end portfolio listing section.

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: State Legislative Status Report

Legislative and Communications Committee Meeting of April 16, 2026

Present: Directors Chaffee, Foley, Jung, Tavoularis, and Tettemer
Absent: Directors Nguyen and Wagner

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

A. Adopt a SUPPORT position on AB 1855 (Gonzalez, R-Indio), which would expand California Environmental Quality Act exemptions for passenger rail projects.

B. Adopt a SUPPORT position on AB 1944 (Lee, D-Milpitas), which would establish a phased extension of axle weight allowances for zero-emission transit buses to support fleet transition requirements.

C. Adopt a SUPPORT position on AB 2513 (Petrie-Norris, D-Irvine), which would expand eligibility for regional wildfire resilience funds.

D. Adopt an OPPOSE position on AB 2560 (Schultz, D-Burbank), which would codify the Climate Action Plan for Transportation Infrastructure goals and apply them to major state transportation funding programs.

E. Adopt a SUPPORT position on AB 2576 (Harabedian, D-Pasadena), which would delay implementation timelines associated with SB 79 (Chapter 512, Statutes of 2025).

F. Adopt a SUPPORT position on SB 935 (Choi, R-Irvine), which would indefinitely extend design-build authority for local agencies.

G. Adopt a SUPPORT position on SB 1167 (Blakespear, D-Encinitas), which would clarify the definition of electric bicycles and establish enhanced labeling, disclosure, and safety requirements.

H. Adopt an OPPOSE position on SB 1423 (Stern, D-Sherman Oaks), which would require a minimum allocation of State Transportation Improvement Program funds to “safe streets” projects and modify the Active Transportation Program.

.

OCTA

April 16, 2026

To: Legislative Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: State Legislative Status Report

Overview

The Orange County Transportation Authority provides regular updates to the Legislative Committee on policy issues directly impacting its overall programs, projects, and operations. Staff recommends support positions on six bills that are related to California Environmental Quality Act streamlining, zero-emission transit implementation, wildfire resilience, transportation funding policy, and transit-oriented development. Staff opposes positions on two bills that would significantly alter state transportation funding priorities and reduce regional flexibility. An overview is also provided on legislation related to California Environmental Quality Act vehicle miles traveled mitigation requirements, for which a support position was taken pursuant to Orange County Transportation Authority's 2025–26 State Legislative Platform.

Recommendations

A. Adopt a SUPPORT position on AB 1855 (Gonzalez, R-Indio), which would expand California Environmental Quality Act exemptions for passenger rail projects.

B. Adopt a SUPPORT position on AB 1944 (Lee, D-Milpitas), which would establish a phased extension of axle weight allowances for zero-emission transit buses to support fleet transition requirements.

C. Adopt a SUPPORT position on AB 2513 (Petrie-Norris, D-Irvine), which would expand eligibility for regional wildfire resilience funds.

D. Adopt an OPPOSE position on AB 2560 (Schultz, D-Burbank), which would codify the Climate Action Plan for Transportation Infrastructure goals and apply them to major state transportation funding programs.

E. Adopt a SUPPORT position on AB 2576 (Harabedian, D-Pasadena), which would delay implementation timelines associated with SB 79 (Chapter 512, Statutes of 2025).

F. Adopt a SUPPORT position on SB 935 (Choi, R-Irvine), which would indefinitely extend design-build authority for local agencies.

G. Adopt a SUPPORT position on SB 1167 (Blakespear, D-Encinitas), which would clarify the definition of electric bicycles and establish enhanced labeling, disclosure, and safety requirements.

H. Adopt an OPPOSE position on SB 1423 (Stern, D-Sherman Oaks), which would require a minimum allocation of State Transportation Improvement Program funds to "safe streets" projects and modify the Active Transportation Program.

Discussion

AB 1855 (Gonzalez, R-Indio): California Environmental Quality Act (CEQA): exemption: passenger rail service

AB 1855, sponsored by the Riverside County Transportation Commission, would expand an existing statutory exemption under CEQA for certain passenger rail projects. Existing law, until January 1, 2040, exempts qualifying passenger rail projects from CEQA review, including the construction, maintenance, or rehabilitation of stations, terminals, and operations facilities, provided they use zero-emission or Tier 4 rolling stock and are located entirely within an existing rail or highway right-of-way.

AB 1855 would broaden eligibility by removing the rolling stock requirement and modifying the right-of-way requirement to apply only to the mainline rail component of a project. The bill would also expand the exemption to include projects that introduce new daily passenger rail service between termini more than five miles apart where none exists as of January 1, 2027, and operate parallel to a state or interstate highway corridor.

For the Orange County Transportation Authority (OCTA), this expanded exemption may support more efficient delivery of rail projects within established transportation corridors by allowing a broader range of projects to qualify for CEQA exemption. Current criteria can limit eligibility where projects involve mixed rolling stock, evolving propulsion technologies, or elements located outside strict right-of-way boundaries. By expanding eligibility, the bill may help reduce environmental review timelines and administrative complexity, supporting delivery of projects that improve service reliability, enhance safety, and maintain long-term corridor resiliency.

A SUPPORT position is consistent with OCTA's 2025-26 State Legislative Platform principle to "Support streamlined environmental review and permitting processes for transportation projects and programs to avoid potentially duplicative and unnecessary analysis, while still maintaining traditional environmental protections." A thorough analysis and copy of the text of this legislation is included as Attachment A.

AB 1944 (Lee, D-Milpitas): zero-emission transit buses: axle weight

AB 1944 would extend and phase down axle weight allowances for zero-emission transit buses procured between January 1, 2027 and December 31, 2031. The bill provides additional flexibility by establishing stepped compliance thresholds through 2031, before reverting to the current 22,000-pound single-axle limit beginning January 1, 2032.

Under existing law, the maximum curb weight on any one axle of a zero-emission or articulated transit bus procured on or after January 1, 2022, is limited to 22,000 pounds. AB 1944 would reintroduce a temporary phase-in period, recognizing that current zero-emission bus technologies, including battery-electric and hydrogen fuel cell vehicles, may exceed this limit due to onboard energy storage systems. Specifically, the bill would allow up to 25,000 pounds per axle for buses procured in 2027, 24,000 pounds in 2028 and 2029, and 23,000 pounds in 2030 and 2031.

For OCTA, this bill is relevant to the implementation of the California Air Resources Board's Innovative Clean Transit regulation, which requires a transition to a fully zero-emission bus fleet by 2040. By extending higher axle weight allowances through a phased approach, the bill may provide additional flexibility to procure zero-emission buses that meet operational needs while manufacturers continue to refine vehicle design. This may help avoid procurement delays, support fleet deployment, and better align regulatory requirements with current technological constraints.

Sponsored by the California Transit Association, with the support of bus manufacturers and several transit agencies, AB 1944 helps address a key technical barrier associated with vehicle weight during the transition to zero-emission transit. A SUPPORT position is consistent with OCTA's 2025–26 State Legislative Platform principle to "Support efforts to mitigate costs associated with the development, testing, purchase, and operation of zero-emission transit buses, including an alternative electricity rate structure, tax incentives, and other forms of financial assistance." A thorough analysis and copy of the text of this legislation is included as Attachment B.

AB 2513 (Petrie-Norris, D-Irvine): Wildfire: Regional Forest and Fire Capacity Program: regional landscape grants

Existing law establishes the Wildfire and Forest Resilience Task Force and requires development and ongoing updates to California's Wildfire and Forest Resilience Action Plan to coordinate statewide wildfire mitigation and forest health efforts. The State also administers the Regional Forest and Fire Capacity Program, which provides block grants to regional entities, including local governments, joint powers authorities, and nonprofit organizations to support planning, coordination, and implementation of wildfire resilience strategies.

AB 2513 would build on this framework by authorizing the Director of the Department of Conservation to directly award regional landscape grants to these entities to implement priority wildfire mitigation and ecosystem management strategies. The bill also requires the development of statewide guidelines to ensure that grant funding aligns with statewide resilience goals.

In addition, the bill expands eligible wildfire prevention activities to include vegetation modification and ignition prevention measures and directs funding for landscape-scale projects that support ecosystem health and regional implementation efforts. For OCTA, wildfire resilience and vegetation management are relevant to transportation infrastructure protection, particularly along rail corridors, highway rights-of-way, and other critical assets located in or near high fire hazard severity zones.

Wildfire resilience is also directly relevant to OCTA-owned open space areas managed through the Preserving Our Legacy Program, which has preserved more than 1,300 acres of open space across Orange County to support habitat conservation and regional ecosystem connectivity. These areas require ongoing vegetation management and habitat restoration to reduce wildfire risk and maintain ecological health.

AB 2513 may improve coordination and expand access to funding for landscape-scale wildfire mitigation efforts. OCTA participates in regional wildfire planning efforts through the County of Orange Area Safety Task Force (COAST), a multi-agency collaborative led in coordination with the Orange County Fire Authority. COAST has requested support from partner agencies for this legislation, and the broader eligibility under AB 2513 may improve the ability of OCTA and its partners to successfully compete for funding to support fuel reduction and ignition prevention efforts.

A SUPPORT position is consistent with OCTA's 2025–26 State Legislative Platform principle to "seek support for adaptation and resiliency efforts related to the environment for critical transportation infrastructure." A thorough analysis and copy of the text of this legislation is included as Attachment C.

AB 2560 (Schultz, D-Burbank): Climate Action Plan for Transportation Infrastructure: goals

AB 2560 would codify the Climate Action Plan for Transportation Infrastructure (CAPTI) goals in state statute and require that, where feasible and within a "fix-it-first" approach, those goals be applied to projects funded through several major state transportation programs, including the Interregional Transportation Improvement Program (ITIP), State Transportation Improvement Program (STIP), Transit and Intercity Rail Capital Program (TIRCP), Trade Corridor Enhancement Program (TCEP), Active Transportation Program (ATP), and Solutions for Congested Corridors Program.

CAPTI is a statewide policy framework, originally established through the Governor's Executive Order, that guides how state transportation investments are prioritized to advance climate, equity, and public health goals, including reducing vehicle miles traveled (VMT), supporting transit and active transportation, and focusing development in existing communities. AB 2560 would embed these goals into statute and authorize the California State Transportation Agency to update them administratively through a public process that is not subject to the Administrative Procedure Act.

AB 2560 represents a significant shift in how state transportation funding programs established under SB 1 (Chapter 5, Statutes of 2017) are administered. While CAPTI principles are already being incorporated into California Transportation Commission (CTC) guidelines and program evaluation criteria, codifying these goals in statute may reduce flexibility in program implementation and project selection. This is particularly relevant for core SB 1 programs such as the STIP, TCEP, and ITIP, which are intended to balance statewide mobility, goods movement, and regional transportation priorities.

Additionally, AB 2560 expands the emphasis on active transportation and multimodal investments across programs, including those traditionally focused on freight and goods movement. While these investments are important, this shift may alter program priorities and reduce funding availability for projects that support system reliability and economic competitiveness in Orange County. Although the bill includes language requiring application of CAPTI goals only "where feasible," the extent to which this provides meaningful flexibility is uncertain, as implementation would largely be determined through future CTC guidelines and administrative interpretation.

An OPPOSE position is consistent with OCTA's 2025-26 State Legislative Platform principle to "Oppose linking, reprioritizing, or aligning local and state transportation funding with policies that could significantly hinder a local agency's ability to deliver transportation programs and projects." A thorough analysis and copy of the text are included as Attachment D.

AB 2576 (Harabedian, D-Pasadena): Local planning: housing element: transit-oriented development

AB 2576 is a clean-up and implementation bill related to SB 79 (Chapter 512, Statutes of 2025), which established statewide requirements to facilitate transit-oriented housing development near major transit stops. The bill makes targeted technical and policy refinements to address implementation challenges and provide additional clarity as local jurisdictions and transit agencies prepare for SB 79's rollout.

Under existing law established by SB 79, qualifying housing development projects near major transit stops must be permitted as an allowed use if they meet specified density, affordability, and development standards. However, several provisions of SB 79 are undefined or ambiguous, including key definitions related to transit applicability, development standards, and implementation timelines. These uncertainties create challenges for local governments and transit agencies in determining how and where the law applies, particularly in regions such as Orange County where applicability is tied to evolving transit service conditions.

AB 2576 addresses some of these issues by delaying key implementation timelines by one year, allowing additional time for local jurisdictions to update zoning and planning frameworks, and refining provisions related to transit-oriented development zones. A delay in implementation timelines was included among OCTA Board-recommended amendments for any SB 79 clean-up legislation, and this bill reflects that approach.

For OCTA, this legislation provides an opportunity to improve the workability of SB 79 before it is fully implemented. Transit-oriented development requirements under SB 79 may affect a range of station areas across Orange County, including Metrolink stations and future OC Streetcar stops, with potential implications for local land-use authority and project delivery. By addressing ambiguities and providing additional implementation time, AB 2576 may help reduce uncertainty, improve coordination between agencies, and support a more predictable and feasible approach to transit-oriented development.

A SUPPORT position is consistent with OCTA's 2025–26 State Legislative Platform principle to "Support legislation to amend the implementation of SB 79 (Chapter 512, Statutes of 2025) by updating definitions and making other changes as needed to ensure continued community support for transit projects." A thorough analysis and copy of the text are included as Attachment E.

SB 935 (Choi, R-Irvine): Local agency design-build projects: authorization

Design-build is a project delivery method that allows a single entity to be responsible for both the design and construction of a public works project. This approach can streamline coordination, reduce project timelines, improve cost

predictability, and allocate risk more effectively. Contracts may be awarded on either a lowest responsible bid or best-value basis, allowing agencies to consider technical expertise, innovation, constructability, and lifecycle factors in addition to price.

Existing law authorizes local agencies, with approval of their governing body, to use the design-build procurement method for public works projects exceeding $1,000,000; however, this authority is scheduled to sunset on January 1, 2031. SB 935 would repeal the sunset, thereby extending local agency authority to use design-build indefinitely. The bill does not expand or modify existing procurement requirements but preserves the current statutory framework. For OCTA, design-build is particularly valuable for complex and schedule-sensitive capital improvements, including freeway widening projects, express lanes, interchange reconstructions, and transit facility construction. Given the long-range planning horizon associated with Measure M2-funded projects and other multi-year capital grant-funded programs, maintaining uninterrupted authority to use design-build provides predictability for contractors, funding partners, and project stakeholders. Absent SB 935, the current authority would expire on January 1, 2031, creating potential uncertainty for long-term capital planning and procurement strategies. By repealing the sunset, SB 935 ensures continuity in procurement strategy and supports OCTA's ability to deliver voter-approved transportation investments efficiently and cost-effectively. A SUPPORT position is consistent with OCTA's 2025-26 State Legislative Platform principle to "Support new and existing alternative project delivery methods, such as design-build, public-private partnership authority, construction manager/general contractor authority, and progressive design build, through expanding mode and funding eligibility while also allowing the appropriate balance of partnership between the State and local agencies." A thorough analysis and copy of the text of this legislation is included as Attachment F.

SB 1167 (Blakespear, D-Encinitas): Vehicles: electric bicycles

Electric bicycles (e-bikes) are a growing mode of active transportation that operate under a three-class system based on speed and motor assistance. Existing law defines e-bikes and restricts the types of vehicles that may be marketed or sold as e-bikes. However, emerging products such as high-powered electric motorcycles, mopeds, and "e-motos" are increasingly being marketed as e-bikes despite not meeting statutory definitions. SB 1167 would strengthen these provisions by expanding the types of vehicles that are prohibited from being advertised, sold, or labeled as e-bikes to include vehicles capable of speeds over 20 miles per hour on motor power alone, a vehicle without operable pedals, mopeds, and other higher-powered electric devices. The bill also establishes that violations of these provisions constitute misleading advertising under state unfair competition and false advertising laws.

As amended, SB 1167 expands beyond mislabeling to establish a more comprehensive regulatory framework for electric mobility devices. The bill requires permanent labeling for e-bikes, mopeds, and motor-driven cycles, including clear visibility and durability standards, and requires retailers to verify proper classification before installing e-bike labels. It also expands disclosure requirements to apply broadly across advertising platforms, including online and social media. The bill further includes new safety and enforcement provisions, including restrictions on the operation of certain high-speed electric devices on public roadways unless they meet defined vehicle classifications, enhanced certification requirements for electric vehicles used in fire-prone areas, and additional reporting requirements for incidents involving e-bikes and similar devices.

SB 1167 is intended to address increasing safety concerns associated with higher-powered electric devices that are improperly marketed as e-bikes, particularly among youth riders. Many of these devices do not meet statutory definitions and are more appropriately classified as motor vehicles. Some exceed the 750-watt limit and can operate at significantly higher speeds than the 20 to 28 miles per hour thresholds established for e-bikes, creating safety risks when used in environments intended for lower-speed active transportation.

For OCTA, this legislation aligns with ongoing efforts to improve active transportation safety and ensure the safe integration of e-bikes into the transportation system. Misclassification and misleading marketing of higher-speed or higher-powered devices such as e-bikes may create safety risks for riders and other roadway users, particularly in environments such as school campuses, bikeways, and transit access corridors. By clarifying definitions, strengthening labeling and disclosure requirements, and expanding enforcement tools, SB 1167 may support safer operation of e-bikes, improve compliance with traffic laws, and reduce conflicts between users of different mobility devices.

Additionally, enhanced labeling and incident reporting provisions may improve data collection and understanding of safety trends, supporting more targeted policies and investments to promote safe e-bike use across Orange County. A SUPPORT position is consistent with OCTA's 2025–26 State Legislative Platform principles to "Seek funding and support policies that enhance safety requirements related to the utilization of electric bicycles". A thorough analysis and copy of the text of this legislation is included as Attachment G.

SB 1423 (Stern, D-Sherman Oaks): Transportation funding: State Transportation Improvement Program: Active Transportation Program

SB 1423 would make significant changes to state transportation funding and programming by requiring that at least 50 percent of funds programmed in both the ITIP and the Regional Transportation Improvement Program be dedicated to "safe streets" projects, defined primarily as pedestrian, bicycle, and traffic

calming improvements. The bill further prioritizes these investments within transit-oriented development (TOD) zones, as defined in state law.

The bill also renames the ATP as the "Safe Streets Program" and modifies project selection criteria to emphasize safety, greenhouse gas reduction, and benefits to TOD areas and disadvantaged communities. Additionally, SB 1423 establishes a two-step application process.

For OCTA, SB 1423 raises concerns regarding reduced regional flexibility in programming STIP funds. The STIP is a formula-based program that allocates funding to regional agencies over a five-year period, and OCTA has already programmed approximately $151 million in its 2026 STIP across a balanced set of projects. These include freeway improvements such as Interstate 5 improvements, goods movement, and operational enhancements such as the State Route 57 Truck Climbing Lane, rail infrastructure such as the Pacific Coast Highway Coastal Rail Bridge, and active transportation investments such as segments of the OC Loop.

To meet the requirements of SB 1423, OCTA may need to reprogram funding from these and other previously approved projects, as many may not qualify under the bill's definition of safe streets projects, even when they include multimodal elements. This could impact projects that address congestion relief, goods movement, and interregional connectivity. Additionally, because ITIP funding is intended for projects of interregional significance, it is unclear whether safe streets projects would meet the statutory purpose of that program.

The bill's prioritization of investments within TOD zones, through a cross-reference to definitions established under SB 79, may also result in uneven applicability across regions, as SB 79 applies only in certain "urban transit counties." This creates uncertainty regarding how funding requirements would be implemented and whether regions would be required to concentrate investments near qualifying transit stops, potentially further constraining regional programming and limiting the ability to address broader transportation needs.

An OPPOSE position is consistent with OCTA's 2025–26 State Legislative Platform principles to "Oppose policies that change existing formula funding structures to redistribute funds in a way that would inhibit a local agency from delivering critical transportation projects and programs." A thorough analysis and copy of the text of this legislation is included as Attachment H.

AB 2059 (Wilson, D-Suisun City): California Environmental Quality Act: transportation impacts: vehicle miles traveled: mitigation

AB 2059 would establish a cap on the cost of mitigation measures required to address transportation impacts under the CEQA related to VMT. The bill is intended to provide greater clarity and cost certainty in the application of VMT-based mitigation requirements following the statewide transition from level

of service to VMT as the primary metric for evaluating transportation impacts under SB 743 (Chapter 386, Statutes of 2013).

Since the implementation of SB 743, transportation projects have faced increasing challenges in identifying feasible and proportionate mitigation measures. In many cases, mitigation strategies can be difficult to implement or may result in costs that are disproportionate to the project's overall scope and benefits. AB 2059 seeks to address this issue by establishing a reasonable cost threshold for VMT mitigation and recognizing that excessively high mitigation costs may be considered economically infeasible under CEQA.

For OCTA, this issue is particularly relevant to the delivery of transportation capital projects that improve mobility, safety, and system reliability. OCTA has encountered instances where required VMT mitigation measures significantly increase total project costs, in some cases approaching or exceeding the cost of the underlying transportation improvement. This is especially challenging for projects that inherently provide air quality and greenhouse gas reduction benefits but are still subject to additional mitigation requirements.

By providing a clearer framework for determining when mitigation costs are economically infeasible, AB 2059 may help reduce uncertainty in the project development process, support more consistent CEQA determinations across jurisdictions, and facilitate the timely delivery of critical transportation infrastructure. This is particularly important for projects that address safety needs, reduce congestion, and expand multimodal travel options.

However, as currently drafted, the bill's provisions are limited to projects located in rural counties, which restricts its applicability to more urbanized regions such as Orange County. Expanding the applicability of the mitigation cost cap would help ensure that transportation agencies statewide can benefit from greater cost certainty and flexibility in meeting CEQA requirements.

A SUPPORT IF AMENDED position is consistent with OCTA's 2025–26 State Legislative Platform principles to "Support streamlined environmental review processes for transportation projects and programs to avoid potentially duplicative and unnecessary analysis, while still maintaining traditional environmental protections," and to "Support efforts to ensure local flexibility in meeting the State's greenhouse gas emission reduction goals, including project mitigation requirements." OCTA's support if amended letter for AB 2059 and the text of this bill have been included as Attachment I.

Summary

Support positions are recommended on legislation related to CEQA exemptions, zero-emission transit, wildfire resilience, transit-oriented development, design-build authority, and e-bike safety. Oppose positions are recommended on legislation that would alter state transportation funding priorities and reduce regional flexibility. An overview is also provided on legislation related to CEQA, which a position was taken pursuant to the OCTA 2025–26 State Legislative Platform.

Attachments

A. AB 1855 (Gonzalez, R-Indio) Bill Analysis with Bill Language
B. AB 1944 (Lee, D-Milpitas) Bill Analysis with Bill Language
C. AB 2513 (Petrie-Norris, D-Irvine) Bill Analysis with Bill Language
D. AB 2560 (Schultz, D-Burbank) Bill Analysis with Bill Language
E. AB 2576 (Harabedian, D-Pasadena) Bill Analysis with Bill Language
F. SB 935 (Choi, R-Irvine) Bill Analysis with Bill Language
G. SB 1167 (Blakespear, D-Encinitas) Bill Analysis with Bill Language
H. SB 1423 (Stern, D-Sherman Oaks) Bill Analysis with Bill Language
I. Letter from Jamey M. Federico, Chair, Orange County Transportation Authority, to the Honorable Lori Wilson, California State Assembly, dated April 1, 2026, re: AB 2059 (Wilson) – Support if Amended
J. Orange County Transportation Authority Legislative Matrix

Prepared by:



Clara Brotcke
Government Relations Representative
Government Relations
(714) 560-5329

Approved by:



Kristin Jacinto
Executive Director,
Government Relations
(714) 560-5754

BILL: AB 1855 (Gonzalez, R–Indio)
Introduced February 11, 2026

SUBJECT: AB 1855 would expand an existing statutory exemption under the California Environmental Quality Act for certain passenger rail projects

STATUS: Pending in Assembly Committee on Natural Resources

SUMMARY AS OF MARCH 17, 2026:

AB 1855, sponsored by the Riverside County Transportation Commission (RCTC), would expand an existing statutory exemption under the California Environmental Quality Act (CEQA) for certain passenger rail projects. Existing law, until January 1, 2040, exempts certain projects for the improvement, institution, or expansion of passenger rail service, including the construction, maintenance, or rehabilitation of stations, terminals, and operations facilities, from CEQA review, provided that the projects are used exclusively by zero-emission trains or certified Tier 4 or cleaner rolling stock and are located entirely within an existing rail or highway right-of-way.

AB 1855 would modify these requirements, broadening the scope of eligible projects. Specifically, the bill would revise the right-of-way requirement by requiring only the mainline rail component of a project, rather than the entire project, to be located within an existing right-of-way. Additionally, the bill expands the exemption to include projects that provide new daily passenger rail service between termini more than 5 miles apart where none exists as of January 1, 2027, and operates parallel to a state or interstate highway corridor.

EFFECTS ON ORANGE COUNTY:

AB 1855 may support more efficient delivery of rail projects within the region by expanding the applicability of an existing CEQA exemption for rail projects within established transportation corridors. Current CEQA exemption criteria can limit eligibility where projects involve mixed rolling stock, evolving propulsion technologies, or elements located outside strict right-of-way boundaries.

By removing the rolling stock restriction and modifying the right-of-way requirement, AB 1855 may enable a broader range of rail projects to qualify for CEQA exemption, potentially reducing environmental review timelines and administrative complexity. This may help accelerate delivery of projects that improve service reliability, enhance safety, and support long-term corridor resiliency.

Rail projects typically require extensive coordination among multiple agencies, as well as alignment with state and federal funding cycles. Greater flexibility in CEQA applicability may provide increased certainty in project delivery schedules and reduce risks associated with environmental clearance delays.

For OCTA, this expanded exemption supports ongoing efforts to maintain and improve critical rail infrastructure. Maintaining efficient project delivery timelines is essential to preserving regional mobility, economic activity, and connectivity. RCTC has requested OCTA take a support position on this bill. A SUPPORT position is consistent with OCTA's 2025-26 State Legislative Platform principle to "Support streamlined environmental review and permitting processes for transportation projects and programs to avoid potentially duplicative and unnecessary analysis, while still maintaining traditional environmental protections."

OCTA POSITION:

Staff recommends: SUPPORT

ASSEMBLY BILL No. 1855

Introduced by Assembly Member Jeff Gonzalez
(Coauthors: Assembly Members Castillo, Jackson, Johnson, and Wallis)
(Coauthors: Senators Seyarto and Valladares)

February 11, 2026

An act to amend Section 21080.25 of the Public Resources Code, relating to environmental quality.

LEGISLATIVE COUNSEL'S DIGEST

AB 1855, as introduced, Jeff Gonzalez. California Environmental Quality Act: exemption: passenger rail service.

The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.

CEQA, until January 1, 2040, exempts from its requirements certain projects for the improvement, institution, or increase of passenger rail service, including the maintenance, construction, or rehabilitation of stations, terminals, or existing operations facilities, which will be exclusively used by zero-emission trains or certified Tier 4 or cleaner

rolling stock or locomotives, as provided. CEQA requires, for purposes of this exemption, that the project be located entirely within an existing rail right-of-way or existing highway right-of-way, as provided.

This bill would instead eliminate the condition that the public project be exclusively used by zero-emission trains or certified Tier 4 or cleaner rolling stock or locomotives, thereby expanding the scope of the exemption. The bill would require, for purposes of the exemption, the mainline rail of the project, instead of the whole project, to be located entirely within an existing right-of-way or existing highway right-of-way.

As part of the above-described exemption, CEQA prohibits a public project from being eligible for that exemption if used by certified Tier 4 or cleaner rolling stock or locomotives that are not zero-emission rolling stock or locomotives and the project is located in an air basin designated as a serious, severe, or extreme nonattainment area for particulate matter and ozone.

This bill would instead authorize an otherwise ineligible project, as described above, to be eligible for the exemption if the project would provide daily passenger rail service between termini more than 5 miles apart where none exists as of January 1, 2027, and the rail service would run parallel to a state highway or interstate highway corridor.

Because a lead agency would be required to determine whether a project qualifies for these expanded exemptions, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 21080.25 of the Public Resources Code is amended to read:

21080.25. (a) For purposes of this section, the following definitions apply:

(1) “Affordable housing” means any of the following:

(A) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents or sales prices to levels affordable, as defined in Section 50052.5 or 50053 of the Health and Safety Code, to persons and families of moderate, lower, or very low income, as defined in Section 50079.5, 50093, or 50105 of the Health and Safety Code, respectively.

(B) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power.

(C) Housing that had been occupied by tenants within five years from the date of approval of the development agreement by a primary tenant who was low income and did not leave voluntarily.

(2) "Bicycle facilities" includes, but is not limited to, bicycle parking, bicycle sharing facilities, and bikeways as defined in Section 890.4 of the Streets and Highways Code.

(3) "High-occupancy vehicle" means a vehicle with three or more occupants.

(4) "Highway" means a way or place of whatever nature, publicly maintained and open to the use of the public for purposes of vehicular travel. "Highway" includes a street.

(5) "Local agency" means a public transit operator, city, county, city and county, special district, joint powers authority, local or regional transportation agency, or congestion management agency.

(6) "Part-time transit lanes" means designated highway shoulders that support the operation of transit vehicles during specified times and are not open to nonpublic transit vehicles at any time.

(7) "Project labor agreement" has the same meaning as defined in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(8) "Public transit operator" has the same meaning as "operator" in Section 99210 of the Public Utilities Code, or means a public entity that provides contracted paratransit services.

(9) "Skilled and trained workforce" has the same meaning as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(10) "Transit lanes" means street design elements that delineate space within the roadbed as exclusive to transit use, either full or part time.

(11) "Transit prioritization projects" means any of the following transit project types on highways or in the public right-of-way:

(A) Signal and sign changes, such as signal coordination, signal timing modifications, signal modifications, or the installation of traffic signs or new signals.

(B) The installation of wayside technology and onboard technology.

(C) The installation of ramp meters.

(D) The conversion to dedicated transit lanes, including transit queue jump or bypass lanes, shared turning lanes and turn restrictions, the narrowing of lanes to allow for dedicated transit lanes or transit reliability improvements, or the widening of existing transit travel lanes by removing or restricting street parking.

(E) Transit stop access and safety improvements, including, but not limited to, the installation of bus shelters, lighting, transit bulbs, and the installation of transit boarding landings and islands.

(12) "Transportation demand management program" means a specific program of strategies, incentives, and tools to be implemented, including, with specified annual status reporting obligations, to reduce vehicle trips by providing opportunities for the public to choose sustainable travel options, such as transit, bicycle riding, or walking. A specific program of strategies, incentives, and tools includes, but is not limited to, any of the following:

(A) Provision of onsite electric vehicle charging stations in excess of applicable requirements.

(B) Provision of dedicated parking for car share or zero-emission vehicles, or both types of vehicles, in excess of applicable requirements.

(C) Provision of bicycle parking in excess of applicable requirements.

(b) This division does not apply to any of the following projects:

(1) Pedestrian and bicycle facilities that improve safety, access, or mobility, including new facilities, within the public right-of-way.

(2) Projects that improve customer information and wayfinding for transit riders, bicyclists, or pedestrians within the public right-of-way.

(3) Transit prioritization projects.

(4) A project for the designation and conversion of general purpose lanes to high-occupancy vehicle lanes or bus-only lanes, or highway shoulders to part-time transit lanes, for use either during peak congestion hours or all day on highways with existing public

transit service or where a public transit agency will be implementing public transit service as identified in a short-range transit plan.

(5) (A) A public project for the protection, improvement, institution, or increase of microtransit, paratransit, shuttle, bus, ferry, bus rapid transit, or light rail service, including the protection, maintenance, construction, operation, or rehabilitation of stops, stations, terminals, or existing operations facilities, which will be exclusively used by zero-emission, near-zero-emission, low oxide of nitrogen engine, compressed natural gas fuel, fuel cell, or hybrid powertrain vehicles, rail or cable cars, rolling stock, or vessels. The project shall be located entirely within an existing public right-of-way or existing highway right-of-way, whether or not the right-of-way is in use for rail or public mass transit and is wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

(B) A public project otherwise identified in subparagraph (A) shall not apply to the exemption pursuant to this paragraph after January 1, 2032, if used primarily by near-zero-emission, low oxide of nitrogen engine, compressed natural gas fuel, or hybrid powertrain vehicles. This subparagraph shall not apply to a public project otherwise identified in subparagraph (A) used by articulated buses.

(C) A public project for the construction or rehabilitation of a ferry terminal that a lead agency has submitted a notice of preparation for an environmental impact report pursuant to Section 21092 before January 1, 2026, shall not apply to the exemption pursuant to this paragraph.

(D) A public project for transit services operated by a transportation network company, as defined in Section 5431 of the Public Utilities Code, shall not apply to the exemption pursuant to this paragraph, unless the services are operated by a microtransit provider contracted by the lead agency that uses a managed fleet of multipassenger vehicles dedicated to that service.

(6) (A) A public project for the improvement, institution, or increase of passenger rail service, other than light rail service eligible under paragraph (5), including the maintenance, construction, or rehabilitation of stations, terminals, or existing operations facilities, which will be ~~exclusively~~ used by zero-emission trains or certified Tier 4 or cleaner rolling stock or

locomotives, as provided in Section 1033.101 of Title 40 of the Code of Federal Regulations. The *mainline rail for that* project shall be located entirely within an existing rail right-of-way or existing highway right-of-way, whether or not the right-of-way is in use for passenger rail transit.

(B) A public project otherwise identified in subparagraph (A) shall not be eligible for the exemption pursuant to this paragraph if used by certified Tier 4 or cleaner rolling stock or locomotives that are not zero-emission rolling stock or locomotives and the project is located in an air basin designated as a serious, severe, or extreme nonattainment area for particulate matter and ozone. *This subparagraph shall not apply to a public project that would provide daily passenger rail service between termini more than five miles apart where none exists as of January 1, 2027, and the rail service would run parallel to a state highway or interstate highway corridor.*

(7) (A) A public project to construct or maintain infrastructure or facilities to charge, refuel, power, or maintain zero-emission public transit buses, trains, or ferries, provided the project is carried out by a public transit agency and the project is any of the following:

(i) Located on property owned, leased, or operated by the local agency.

(ii) Located within an existing public right-of-way.

(iii) Located on property owned by a public or private utility within an urbanized area.

(B) A lead agency applying an exemption pursuant to this paragraph for hydrogen refueling infrastructure or facilities necessary to refuel or maintain zero-emission public transit buses, trains, or ferries shall comply with clauses (i), (iii), and (iv) of subparagraph (D) of, and with subparagraph (E) of, paragraph (1) of subdivision (d).

(8) The maintenance, repair, relocation, replacement, or removal of any utility infrastructure associated with a project identified in paragraphs (1) to (7), inclusive.

(9) A project that consists exclusively of a combination of any of the components of a project identified in paragraphs (1) to (8), inclusive.

(10) (A) A project that combines a project identified in paragraphs (1) to (8), inclusive, and a housing development project

that is either subject to a nondiscretionary approval or is exempt from this division.

(B) This paragraph does not exempt the housing development project described in subparagraph (A) from any other applicable requirements under any other law.

(11) A planning decision carried out by a local agency to reduce or eliminate minimum parking requirements or institute parking maximums, remove or restrict parking, or implement transportation demand management requirements or programs.

(c) Except as provided in subdivision (g), a project exempt from this division under this section shall meet all of the following criteria:

(1) (A) A local agency is carrying out the project and is the lead agency for the project.

(B) The lead agency shall take an action to approve a project as follows:

(i) The lead agency's governing board shall take an action at a public meeting.

(ii) Notwithstanding clause (i), if a lead agency has an alternative project approval process for a project subject to subdivision (b), it may instead follow that alternative process.

(2) The project does not induce single-occupancy vehicle trips, add additional highway lanes, widen highways, or add physical infrastructure or striping to highways except for minor modifications needed for the efficient and safe movement of transit vehicles, bicycles, or high-occupancy vehicles, such as extended merging lanes, shoulder improvements, or improvements to the roadway within the existing right-of-way. The project shall not include the addition of any auxiliary lanes.

(3) The construction of the project shall not require the demolition of affordable housing units.

(d) (1) A project that is exempt from this division under this section that is, based on the project engineer's cost estimate at the time the local agency takes an action pursuant to subparagraph (B) of paragraph (1) of subdivision (c), anticipated to exceed one hundred million dollars ($100,000,000) shall also meet all of the following criteria:

(A) The project is incorporated in a regional transportation plan, sustainable communities strategy, general plan, or other plan that has undergone a programmatic-level environmental review

pursuant to this division within 10 years of the approval of the project.

(B) The project's construction impacts are fully mitigated consistent with applicable law.

(C) (i) The lead agency shall complete and consider the results of a project business case and a racial equity analysis. The Office of Land Use and Climate Innovation may set guidelines for the project business case and the racial equity analysis or delegate that authority to metropolitan planning organizations.

(ii) The racial equity analysis required under this subparagraph shall identify the racial equity impacts of the project, identify who will benefit from and be burdened by the project, and, where significant or disproportionate impacts exist, suggest strategies, designs, or actions to mitigate those impacts.

(D) The lead agency shall hold noticed public meetings as follows:

(i) Before determining that a project is exempt pursuant to this section, the lead agency shall hold at least three noticed public meetings in the project area to hear and respond to public comments.

(ii) At least one of the three public meetings shall review the project business case and the racial equity analysis. The review of these documents does not inhibit or preclude application of this section.

(iii) The lead agency shall conduct at least two noticed public meetings annually during project construction for the public to provide comments.

(iv) The public meetings held pursuant to clauses (i) to (iii), inclusive, shall be in the form of either a public community planning meeting held in the project area or in the form of a regularly scheduled meeting of the governing body of the lead agency.

(E) The lead agency shall give public notice of the meetings in subparagraph (D) to the last known name and address of all the organizations and individuals that have previously requested notice and shall also give the general public notice using at least one of the following procedures:

(i) Publication of the notice in a newspaper of general circulation in the area affected by the project. If more than one area will be affected, the notice shall be published in the newspaper of largest

circulation from among the newspapers of general circulation in those areas.

(ii) Posting of the notice onsite and offsite in the area where the project is located.

(iii) Posting of the notice on the lead agency's internet website and social media accounts.

(2) In addition to the requirements of paragraph (1), for a project described in that paragraph for which at least 50 percent of the project or project's stops and stations are located in an area that is at risk of residential displacement and that will have a maximum of 15-minute peak headways, the local agency shall complete an analysis of residential displacement and suggest antidisplacement strategies, designs, or actions. For a project subject to this paragraph, the lead agency shall define or identify areas at risk of residential displacement.

(3) The amount in paragraph (1) shall be adjusted pursuant to subdivision (j).

(e) (1) A project that is exempt from this division under this section that is, based on the project engineer's cost estimate at the time the local agency takes an action pursuant to subparagraph (B) of paragraph (1) of subdivision (c), anticipated to exceed fifty million dollars ($50,000,000) shall also comply with clauses (i), (iii), and (iv) of subparagraph (D) of, and with subparagraph (E) of, paragraph (1) of subdivision (d).

(2) The amount in paragraph (1) shall be adjusted pursuant to subdivision (j).

(f) (1) (A) Except as provided in subdivision (g), as part of the lead agency's governing board action pursuant to subparagraph (B) of paragraph (1) of subdivision (c), the lead agency shall certify that the project will be completed by a skilled and trained workforce.

(B) Subparagraph (A) does not apply if the lead agency has an existing policy or certification approved by its governing board that requires the use of a skilled and trained workforce to complete the project if the lead agency is a signatory to a project labor agreement that will require the use of a skilled and trained workforce on the project.

(2) (A) Except as provided in subparagraph (B), for a project that is exempted under this section, the lead agency shall not enter into a construction contract with any entity unless the entity

provides to the lead agency an enforceable commitment that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the project or a contract that falls within an apprenticeship occupation in the building and construction trades in accordance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(B) Subparagraph (A) does not apply if any of the following requirements are met:

(i) The lead agency has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the project to use a skilled and trained workforce and the entity has agreed to be bound by that project labor agreement.

(ii) The project or contract is being performed under the extension or renewal of a project labor agreement that was entered into by the lead agency before January 1, 2021.

(iii) The entity contracted to perform the project entered into a project labor agreement that will bind the entity and all its subcontractors at every tier performing the project to use a skilled and trained workforce.

(g) Subdivisions (c) and (f) do not apply to a project described in paragraph (11) of subdivision (b).

(h) If the lead agency determines that a project is not subject to this division pursuant to this section, and the lead agency determines to carry out that project, the lead agency shall file a notice of exemption with the Office of Land Use and Climate Innovation and the county clerk of the county in which the project is located in the manner specified in subdivisions (b) and (c) of Section 21152.

(i) (1) The amendments made to paragraph (5) of subdivision (b) by Chapter 987 of the Statutes of 2022 (Senate Bill 922 of the 2021–22 Regular Session) may apply to projects for which a lead agency has filed a notice of exemption under this section before January 1, 2023.

(2) For projects for which a lead agency has filed a notice of exemption under this section before January 1, 2023, notwithstanding subdivision (d), as it read on December 31, 2022, the lead agency may certify that the project will be completed by a skilled and trained workforce after the granting of the exemption

under this section or the lead agency may demonstrate compliance with subparagraph (B) of paragraph (1) of subdivision (f).

(j) (1) Beginning January 1, 2026, and every two years thereafter, the Office of Land Use and Climate Innovation shall adjust the amounts reflected in paragraph (1) of subdivision (c) and paragraph (1) of subdivision (e) to reflect changes in the Consumer Price Index, as indicated in the Consumer Price Index for All Urban Consumers, as calculated by the Department of Finance based on the United States Bureau of Labor Statistics data for the most recent odd-numbered year, and publish the updated amounts on its internet website.

(2) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the Office of Land Use and Climate Innovation may implement, interpret, or make specific this subdivision without taking any regulatory action.

(k) This section shall remain in effect only until January 1, 2040, and as of that date is repealed.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

O

ATTACHMENT B

BILL: AB 1944 (Lee, D-Milpitas)
Introduced February 13, 2026

SUBJECT: AB 1944 would establish a phased extension of axle weight allowances for zero-emission transit buses to support fleet transition requirements

STATUS: Pending on Assembly Floor
Passed the Assembly Transportation Committee 15-1

SUMMARY AS OF MARCH 31, 2026:

AB 1944 proposes to extend and gradually phase down allowable single-axle curb weight limits for zero-emission transit buses procured between January 1, 2027, and December 31, 2031. The bill is intended to provide transit agencies and manufacturers with additional flexibility as zero-emission bus technologies continue to evolve.

Existing law limits the maximum gross weight on any one axle of a zero-emission or articulated bus to 22,000 pounds. The Legislature previously authorized temporary, higher weight allowances for zero-emission and articulated transit buses procured between 2016 and 2021, with limits phased down over that period. These temporary allowances expired on January 1, 2022, at which point the allowable axle weight reverted to the current standard of 22,000 pounds per axle.

AB 1944 would effectively reintroduce a new temporary phase-in period for heavier zero-emission buses beginning in 2027, recognizing that current vehicle technologies may still exceed the standard axle weight limit in order for manufacturers to facilitate transit agency range requirements. Specifically, the bill would allow:

- Up to 25,000 pounds per axle for buses procured in 2027
- Up to 24,000 pounds for buses procured in 2028 and 2029
- Up to 23,000 pounds for buses procured in 2030 and 2031

Beginning January 1, 2032, the allowable axle weight would return to 22,000 pounds. The bill maintains existing federal weight compliance requirements and does not authorize operation of transit buses in excess of applicable interstate highway standards.

EFFECTS ON ORANGE COUNTY:

The Orange County Transportation Authority (OCTA) is required to comply with the California Air Resources Board's Innovative Clean Transit regulation, which requires transit agencies to transition to 100 percent zero-emission buses by 2040.

Zero-emission transit buses, including battery-electric and hydrogen fuel cell vehicles, are generally heavier than conventional diesel buses due to onboard batteries, hydrogen storage systems, and associated equipment. These weight increases can affect axle load

distribution, particularly as agencies seek to extend vehicle range or incorporate additional onboard systems. Axle weight limits therefore play a critical role in vehicle design, procurement feasibility, and operational deployment.

By extending higher axle weight allowances through a phased approach, AB 1944 provides transit agencies, including OCTA, with additional flexibility to procure zero-emission buses that meet operational needs while manufacturers continue to improve vehicle design and reduce weight. This flexibility may help avoid procurement delays, reduce the need for design compromises, and support more efficient fleet deployment during a key transition period.

For OCTA, the bill could support ongoing and future procurements of zero-emission buses by aligning regulatory requirements with current technological constraints. This is particularly important as the agency balances range requirements, passenger capacity, and infrastructure considerations such as charging or fueling systems. The phased reduction approach also provides a clear long-term signal to manufacturers and agencies that weight limits will tighten over time, encouraging continued innovation while avoiding near-term operational disruptions. Additionally, maintaining alignment with federal highway weight limits ensures that OCTA operations remain compliant on interstate facilities, minimizing potential impacts to regional mobility and service reliability.

Overall, AB 1944 helps facilitate a smoother transition to zero-emission transit by addressing a key technical barrier associated with vehicle weight, while preserving long-term policy goals related to infrastructure protection and vehicle standardization. A SUPPORT position is consistent with OCTA's 2025-26 State Legislative Platform principle to "Support efforts to mitigate costs associated with the development, testing, purchase, and operation of zero-emission transit buses, including an alternative electricity rate structure, tax incentives, and other forms of financial assistance."

OCTA POSITION:

Staff recommends: SUPPORT

ASSEMBLY BILL No. 1944

Introduced by Assembly Member Lee

February 13, 2026

An act to amend Section 35554 of the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 1944, as introduced, Lee. Zero-emission transit buses: axle weight.

Existing law prohibits the maximum gross weight on any one axle of a bus from exceeding 20,500 pounds, except the maximum limit for the curb weight on any one axle of a transit bus procured through a solicitation process pursuant to which a solicitation was issued on or after January 1, 2019, is set at 22,000 pounds. Existing law, notwithstanding the previous provisions, sets specified higher maximum limits up to 25,000 pounds for the curb weight on any one axle of an articulated transit bus or zero-emission transit bus procured through a solicitation process pursuant to which a solicitation was issued during specified periods between January 1, 2016, and December 31, 2021, inclusive, and sets the 22,000-pound maximum limit for an articulated transit bus or zero-emission transit bus procured through a solicitation process pursuant to which a solicitation was issued on or after January 1, 2022. A violation of this provision is a crime.

This bill would, until January 1, 2032, establish specified higher weight limitations up to 25,000 pounds for zero-emission transit buses procured through a solicitation process pursuant to which a solicitation was issued at various specified periods between January 1, 2027, and December 31, 2031 inclusive.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 35554 of the Vehicle Code is amended to read:

35554. (a) (1) Notwithstanding Section 35550, the maximum gross weight on any one axle of a bus shall not exceed 20,500 pounds.

(2) This subdivision does not apply to a transit bus procured through a solicitation process pursuant to which a solicitation was issued before January 1, 2016. This subdivision does not apply to a bus purchased during an option period in a multiyear contract to purchase transit buses that is entered into before January 1, 2016, by a publicly owned or operated transit system, or an operator of a transit system under contract with a publicly owned or operated transit system, provided, however, that the option period does not exceed five years from the date of the original contract, or extend beyond January 1, 2021, whichever is earlier.

(b) A transit bus is not subject to Section 35550.

(c) Notwithstanding subdivision (a), the following provisions shall apply to a transit bus:

(1) The curb weight on any one axle of a transit bus procured through a solicitation process pursuant to which a solicitation was issued between January 1, 2016, and December 31, 2018, inclusive, shall not exceed 23,000 pounds.

(2) The curb weight on any one axle of a transit bus procured through a solicitation process pursuant to which a solicitation was issued on or after January 1, 2019, shall not exceed 22,000 pounds.

(d) Notwithstanding subdivisions (a) and (c), the following provisions shall apply to an articulated transit bus or zero-emission transit bus:

(1) The curb weight on any one axle of an articulated transit bus or zero-emission transit bus procured through a solicitation process pursuant to which a solicitation was issued between January 1, 2016, and December 31, 2017, inclusive, shall not exceed 25,000 pounds.

(2) The curb weight on any one axle of an articulated transit bus or zero-emission transit bus procured through a solicitation

process pursuant to which a solicitation was issued between January 1, 2018, and December 31, 2019, inclusive, shall not exceed 24,000 pounds.

(3) The curb weight on any one axle of an articulated transit bus or zero-emission transit bus procured through a solicitation process pursuant to which a solicitation was issued between January 1, 2020, and December 31, 2021, inclusive, shall not exceed 23,000 pounds.

(4) The curb weight on any one axle of an articulated transit bus or zero-emission transit bus procured through a solicitation process pursuant to which a solicitation was issued on or after January 1, 2022, shall not exceed 22,000 pounds.

(e) Notwithstanding subdivisions (a), (c), and (d), the following provisions shall apply to a zero-emission transit bus:

(1) The curb weight on any one axle of a zero-emission transit bus procured through a solicitation process pursuant to which a solicitation was issued between January 1, 2027, and December 31, 2027, inclusive, shall not exceed 25,000 pounds.

(2) The curb weight on any one axle of a zero-emission transit bus procured through a solicitation process pursuant to which a solicitation was issued between January 1, 2028, and December 31, 2029, inclusive, shall not exceed 24,000 pounds.

(3) The curb weight on any one axle of a zero-emission transit bus procured through a solicitation process pursuant to which a solicitation was issued between January 1, 2030, and December 31, 2031, inclusive, shall not exceed 23,000 pounds.

(4) The curb weight on any one axle of a zero-emission transit bus procured through a solicitation process pursuant to which a solicitation was issued on or after January 1, 2032, shall not exceed 22,000 pounds.

~~(e)~~

(f) Nothing in this article shall be construed to authorize a vehicle described in paragraph (2) of subdivision (a) or described in subdivision ~~(c) or (d)~~ *(c), (d), or (e)* to be operated in violation of Section 35753.

~~(f)~~

(g) A transit operator operating an articulated transit bus shall, by July 1, 2016, provide notice to all cities and counties in whose jurisdiction the bus will operate in the upcoming calendar year, identifying the approximate routes upon which the bus is expected

to be scheduled for service, including the names of streets and roads upon which that service is likely to take place. Thereafter, a transit operator operating an articulated transit bus shall annually provide notice by July 1, to all cities and counties in whose jurisdiction the bus will operate in the upcoming calendar year, identifying any changes to the service on those routes and any new routes upon which the bus is expected to be scheduled for the upcoming year. The notice shall include data from information provided by the bus manufacturer to the transit operator, identifying the weight of the articulated bus.

~~(g)~~

(h) For purposes of this section, the term "curb weight" means the total weight of a fully loaded transit bus, including maximum fuel, oil, and coolant, and all equipment used in the normal operation of the bus, except without passengers or a driver.

~~(h)~~

(i) Notwithstanding subdivisions (a) to ~~(g),~~ *(h),* inclusive, a transit bus shall not operate on the Dwight D. Eisenhower System of Interstate and Defense Highways in excess of the weight limitation for transit buses specified in federal law.

~~(i)~~

(j) If the gross weight imposed upon the highway by the wheels on any one axle of a transit bus exceeds 20,000 pounds, the axle shall be supported by four wheels bearing load upon the highway.

O

BILL: AB 2513 (Petrie-Norris, D–Irvine)
Introduced February 20, 2026

SUBJECT: AB 2513 enhances wildfire resilience by authorizing direct regional grants to implement landscape-scale fire prevention and mitigation strategies

STATUS: Pending in Assembly Committees on Natural Resources and Water, Parks, and Wildlife

SUMMARY AS OF MARCH 26, 2026:

AB 2513 seeks to strengthen implementation of California's Wildfire and Forest Resilience Action Plan by expanding funding tools and eligible activities under existing wildfire resilience programs.

Existing law requires the Wildfire and Forest Resilience Task Force to coordinate statewide efforts and update the State's wildfire resilience strategy on a recurring basis. The State also administers the Regional Forest and Fire Capacity Program, which provides block grants to regional entities, including local governments, joint powers authorities, resource conservation districts, and nonprofit organizations, to develop governance structures, identify wildfire risks, and prioritize and implement regional strategies.

AB 2513 would authorize the Director of the Department of Conservation to directly award regional landscape grants to regional entities to implement priority strategies identified through the program. These strategies generally include fuel reduction, vegetation management, ecosystem restoration, and other landscape-scale wildfire mitigation efforts coordinated across jurisdictions. The bill also requires the development of statewide guidelines, in coordination with the Task Force, to guide distribution of these funds and ensure alignment with statewide resilience goals.

In addition, the bill expands eligible wildfire prevention activities to include vegetation modification and ignition prevention measures and directs funding for landscape-scale projects to support ecosystem health improvements and regional implementation efforts.

EFFECTS ON ORANGE COUNTY:

AB 2513 has the potential to enhance wildfire resilience planning and implementation in Orange County by strengthening regional coordination and expanding access to funding for landscape-scale wildfire mitigation projects. Wildfire risks in and around transportation corridors, including rail lines and highway rights-of-way, can impact system reliability, safety, and long-term infrastructure integrity. Vegetation management, ignition prevention, and ecosystem health improvements are important components of reducing wildfire risk in these areas.

For the Orange County Transportation Authority (OCTA), wildfire resilience is directly tied to agency-owned open space areas managed through the Preserving Our Legacy

Program, which was established through Measure M's Environmental Mitigation Program. Through this program, OCTA has acquired and permanently preserved more than 1,300 acres of open space across Orange County, including ecologically sensitive areas in Brea, Laguna Beach, Silverado Canyon, and Trabuco Canyon. These preserves were assembled to support habitat conservation, wildlife connectivity, and ecosystem restoration, including linkages to larger systems such as Chino Hills State Park and the Cleveland National Forest.

The preserves encompass a range of fire-prone habitats, such as chaparral, coastal sage scrub, grasslands, and oak woodlands, and support diverse wildlife, including protected and sensitive species. As a result, these lands require ongoing vegetation management, invasive species removal, and habitat restoration to maintain ecological health and reduce fuel loads that can contribute to wildfire risk.

OCTA currently participates in regional wildfire mitigation efforts through partnerships with the County of Orange Area Safety Task Force (COAST), a multi-agency collaborative led in coordination with the Orange County Fire Authority (OCFA) that includes more than 35 organizations, including fire departments, utilities, transportation agencies, natural resource managers, and community stakeholders. Through this collaboration, OCTA has previously pursued similar grant funding to support wildfire prevention efforts. However, prior funding opportunities have been limited by narrow eligibility criteria. AB 2513's expansion of eligible activities, particularly vegetation modification, ignition prevention, and landscape-scale ecosystem management, may broaden funding applicability and improve the ability of OCTA and its regional partners to successfully compete for these grants. These efforts would likely continue to be implemented in coordination with partners such as OCFA, particularly for projects focused on reducing fire ignition risk and improving fuel management.

AB 2513's expansion of eligible activities aligns closely with the operational needs of OCTA-managed preserves. Increased access to regional grant funding could support more proactive and coordinated wildfire mitigation strategies, including fuel reduction, habitat restoration that enhances fire resilience, and improved integration with adjacent regional open space and forest management efforts.

OCTA's preserves also provide limited, controlled public access through docent-led hikes and equestrian rides. These programs promote environmental education and stewardship while requiring careful management of wildfire risks to ensure public safety. Strengthened regional planning and funding under AB 2513 could help OCTA further balance public access with resource protection by supporting fire-safe trail management, visitor safety measures, and emergency preparedness planning.

By enhancing regional coordination and investing in landscape-scale resilience, AB 2513 would help protect the long-term ecological value of OCTA's preserved lands while reinforcing the original intent of the Preserving Our Legacy program to safeguard natural habitats, support biodiversity, and responsibly manage open space in the context of broader infrastructure and environmental goals. COAST, of which OCTA is a participating

member, is requesting support from partner agencies for this legislation. A SUPPORT position is consistent with OCTA's 2025–26 State Legislative Platform principle to "seek support for adaptation and resiliency efforts related to the environment for critical transportation infrastructure."

OCTA POSITION:

Staff recommends: SUPPORT

ASSEMBLY BILL No. 2513

Introduced by Assembly Member Petrie-Norris

February 20, 2026

An act to add Section 1357 to the Fish and Game Code, and to amend Sections 4124, 4124.5, 4208, and 4799.05 of, and to add Sections 4208.2, 4799.05.1, and 4799.05.2 to, the Public Resources Code, relating to wildfire.

LEGISLATIVE COUNSEL'S DIGEST

AB 2513, as introduced, Petrie-Norris. Wildfire: Regional Forest and Fire Capacity Program: local assistance grant program: regional landscape grants.

Existing law requires the Wildfire and Forest Resilience Task Force, including the Natural Resources Agency, the California Environmental Protection Agency, the Office of Planning and Research, and the Department of Forestry and Fire Protection, in coordination with certain public agencies, to develop a comprehensive implementation strategy to track and ensure the achievement of the goals and key actions identified in California's Wildfire and Forest Resilience Action Plan, as provided. Existing law requires the task force, on or before March 1, 2026, and every 5 years thereafter, to update that action plan, as provided.

Existing law establishes, in the Department of Conservation, a Regional Forest and Fire Capacity Program to support regional leadership to build local and regional capacity and develop, prioritize, and implement strategies and projects that create fire adapted communities and landscapes, as provided. Existing law requires the department to, upon appropriation by the Legislature for purposes of

the program, provide block grants to regional entities, as defined, to develop regional strategies that develop governance structures, identify wildfire risks, foster collaboration, and prioritize and implement projects within the region to achieve the goals of the program, as specified. Existing law authorizes the regional entities, as defined, to implement activities pursuant to this program, directly or by providing subgrants or contracts, and collaborative planning efforts with local entities to accomplish development of regional priority strategies, among other objectives.

This bill would authorize the Director of the Department of Conservation to directly award regional landscape grants to regional entities to implement the above-described regional priority strategies. The bill also requires, on or before July 1, 2027, the director in collaboration with the Wildfire and Forest Resilience Task Force, to establish guidelines for funding these grants to contribute to the achievement of the goals of California's Wildfire and Forest Resilience Action Plan, as specified.

Existing law authorizes the Director of Forestry and Fire Protection to provide grants to, or enter contracts or other cooperative agreements with, specified entities for the implementation and administration of projects and programs to improve forest health and reduce greenhouse gas emissions. Existing law requires moneys appropriated to the Department of Forestry and Fire Protection for landscape-scale projects to be allocated to subsidize the removal of small-diameter material and dead trees, for multiple benefit projects, and for activities on national forest lands, as provided.

This bill would additionally require moneys appropriated to the department for landscape-scale projects to be allocated for projects that improve ecosystem health and for regional landscape grants that the director would be authorized to directly award to regional entities, as defined, to implement the above-described regional priority strategies. The bill would also require, on or before July 1, 2027, the director, in collaboration with the Wildfire and Forest Resilience Task Force, to establish guidelines for funding these regional landscape grants to contribute to the achievement of the goals of California's Wildfire and Forest Resilience Action Plan, as specified.

Existing law requires the Department of Forestry and Fire Protection to establish a local assistance grant program for fire prevention and home hardening education activities in the state and extends eligibility for grants to, among others, local agencies, resource conservation

districts, fire safe councils, the California Conservation Corps, certified community conservation corps, Native American tribes, and qualified nonprofit organizations. Existing law requires eligible activities under the local assistance grant program to include, but not be limited to, vegetation management along roadways and driveways to reduce fire risk, as provided.

This bill would expand eligible activities to include vegetation modification and specify that the vegetation management and modification along roadways and driveways is to reduce the risk of ignition of a fire. The bill would also add ignition prevention, as defined, to the eligible activities.

The Wildlife Conservation Law of 1947 establishes the Wildlife Conservation Board within the Department of Fish and Wildlife to investigate, study, and determine what areas within the state are most essential and suitable for wildlife production and preservation, among other things. Under existing law, the board administers various habitat conservation programs.

This bill would authorize the Wildlife Conservation Board to award regional landscape grants to local entities, as defined, to implement regional priority strategies as described above. The bill would also require, on or before July 1, 2027, the board, in collaboration with the Wildfire and Forest Resilience Task Force, to establish guidelines for funding these regional landscape grants to contribute to the achievement of the goals of California's Wildfire and Forest Resilience Action Plan, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 1357 is added to the Fish and Game Code, to read:

1357. (a) The board may award regional landscape grants to regional entities to implement regional priority strategies developed pursuant to Section 4208.1 of the Public Resources Code.

(b) On or before July 1, 2027, the board, in collaboration with the Wildfire and Forest Resilience Task Force, shall establish guidelines for funding regional landscape grants pursuant to subdivision (a) to contribute to the achievement of the goals of California's Wildfire and Forest Resilience Action Plan issued in

January 2021, and any subsequent updates to that plan developed pursuant to Section 4771 of the Public Resources Code. Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code shall not apply to the development and adoption of guidelines used for funding these grants.

(c) For purposes of this section, "regional entities" has the same meaning as defined in Section 4208 of the Public Resources Code.

SEC. 2. Section 4124 of the Public Resources Code is amended to read:

4124. ~~For the purposes of this article, "fire prevention~~ *For purposes of this article, the following definitions shall apply:*

(a) "Fire prevention activities" means those lawful activities that reduce the risk of wildfire in California, including, but not limited to, mechanical ~~vegetation management,~~ *and manual vegetation management and modification,* prescribed grazing, prescribed burns, creation of defensible space, *creation of fuel breaks, ignition prevention, replacement of ignition-prone nonnative flashy fuels with heavier and less flammable native vegetation,* and retrofitting of structures to increase fire resistance.

(b) "Ignition prevention" means those lawful activities that reduce the likelihood of wildfire ignitions caused directly or indirectly by human activity or infrastructure, including, but not limited to, replacement or modification of ignition-prone nonnative flashy fuels to less flammable native vegetation, hardening of infrastructure, including primary roadways, utility corridors, and public access points, to prevent fire ignition and spread, use of ignition-resistant materials, and community education or planning programs that reduce human-caused ignitions.

(c) "Nonnative flashy fuels" means a nonnative or invasive plant species including grasses, mustard, and other annual plants, and pine needles and leaves, that dry or cure rapidly, ignite easily, and spread fire quickly, significantly increasing wildlife risk.

SEC. 3. Section 4124.5 of the Public Resources Code is amended to read:

4124.5. (a) The department shall establish a local assistance grant program for fire prevention and home hardening education activities in California. Groups eligible for grants shall include, but are not limited to, local agencies, resource conservation districts, fire safe councils, the California Conservation Corps, certified community conservation corps as defined in Section

14507.5, University of California Cooperative Extension, the Board of Commissioners under CaliforniaVolunteers described in Section 8411 of the Government Code, Native American tribes, and qualified nonprofit organizations. The department may establish a cost-share requirement for one or more categories of projects.

(b) (1) The local assistance grant program shall establish a robust year-round fire prevention effort in and near fire-threatened communities that focuses on increasing the protection of people, structures, and communities. To the maximum extent practicable, the grants shall be designed to be durable and adaptively managed so that while improving resiliency to wildfire, the projects, when on forest land, retain a mixture of species and sizes of trees to protect habitat values. The department shall prioritize, to the extent feasible, projects that are multiyear efforts.

(2) For purposes of this subdivision, "fire-threatened communities" means those communities in high and very high fire hazard severity zones, identified by the State Fire Marshal pursuant to Section 51178 of the Government Code, or Article 9 (commencing with Section 4201) of this code, or on the "Fire Risk Reduction Community" list maintained by the board pursuant to Section 4290.1.

(c) Eligible activities shall include, but not be limited to, all of the following:

(1) Development and implementation of public education and outreach programs. Programs may include technical assistance, new technologies, game elements to enhance and accelerate the education of property owners, workforce recruitment and training, and equipment purchases.

(2) Fire prevention ~~activities as defined in Section 4124.~~ *activities.*

(3) Projects to improve compliance with defensible space requirements as required by Section 4291 through increased inspections, assessments, and assistance for residents with relevant socioeconomic characteristics, as defined in Section 8654.7 of the Government Code.

(4) Technical assistance to local agencies to improve fire prevention and reduce fire hazards.

(5) Creation of additional "Firewise USA" communities in the state or other community planning or certification programs deemed as appropriate by the department.

(6) Projects to improve public safety, including, but not limited to, access to emergency equipment and improvements to public evacuation routes.

(7) Vegetation management *and modification* along roadways and driveways to reduce fire *ignition* risk. Where appropriate, the Department of Transportation shall be consulted if state infrastructure will be affected. Those projects shall remain consistent with paragraph (1) of subdivision (b).

(8) Public education outreach regarding making homes and communities more wildfire resilient, including training on defensible space and prescribed grazing.

(9) Projects to reduce the flammability of structures and communities to prevent their ignition from wind-driven embers.

(10) Development of a risk reduction checklist for communities that includes defensible space criteria, structural vulnerability potential, and personal evacuation plans.

(11) (A) Projects involving the application of prescribed grazing, which may include the installation of fencing or watering improvements.

(B) Watering improvements described in subparagraph (A) shall not include the creation of a well or replacement of well infrastructure.

(12) Ignition prevention activities.

(d) The department may consider the fire risk of an area, the geographic balance of projects, and whether the project is complementary to other fire prevention or forest health activities when awarding local assistance grants.

(e) When reviewing applications for the grant program created pursuant to this section, the department shall give priority to any local governmental entity qualified to perform defensible space assessments pursuant to Section 4291.5 in very high and high fire hazard severity zones, as identified by the State Fire Marshal pursuant to Section 51178 of the Government Code or Article 9 (commencing with Section 4201) of this chapter or by a local agency pursuant to Section 51179 of the Government Code, for using the common reporting platform created pursuant to subdivision (c) of Section 4291.5 to report that information.

(f) (1) The director may authorize advance payments from a grant awarded pursuant to this section. The advance payment shall not exceed 25 percent of the total grant award. The director may

authorize a greater amount, not to exceed 50 percent of either the total grant award or the cost of equipment or supplies, whichever amount is less, for the purpose of purchasing necessary equipment or supplies.

(2) The grantee shall expend the funds from the advance payment within six months of receipt, unless the department waives this requirement.

(3) The grantee shall file an accountability report with the department no later than six months from the date of receiving the funds and no later than every six months thereafter.

(g) Until July 1, 2025, the department may authorize advance payments on a grant awarded under this section in accordance with subdivision (d) of Section 11019.1 of the Government Code.

(h) The department may expand or amend an existing grant program to meet the requirements of this section.

(i) Funding for the local assistance grant program created pursuant to this section shall be made upon appropriation by the Legislature.

SEC. 4. Section 4208 of the Public Resources Code is amended to read:

4208. For purposes of this article, the following definitions apply:

(a) "Department" means the Department of Conservation.

(b) "Director" means the Director of the Department of Conservation.

~~(b)~~

(c) "Eligible coordinating organization" means a local government, tribal government, resource conservation district, joint powers authority, or nongovernmental organization with a history of providing technical assistance and demonstrated capacity to coordinate regional partners across the state.

~~(c)~~

(d) "Program" means the Regional Forest and Fire Capacity Program.

~~(d)~~

(e) "Regional entity" means a state conservancy, local government, tribal government, resource conservation district, joint powers authority, or nongovernmental organization with a history of implementing related projects, demonstrated capacity

to work across regional partners, and ability to serve as fiscal administrators for the program.

~~(e)~~

(f) "Statewide implementation" means identifying and supporting regional entities in every part of the state that contains or is adjacent to a very high or high fire hazard severity zone identified by the State Fire Marshal pursuant to Section 51178 of the Government Code or Article 9 (commencing with Section 4201).

SEC. 5. Section 4208.2 is added to the Public Resources Code, to read:

4208.2. (a) The director may directly award regional landscape grants to regional entities to implement regional priority strategies developed pursuant to Section 4208.1.

(b) On or before July 1, 2027, the director, in collaboration with the Wildfire and Forest Resilience Task Force, shall establish guidelines for funding regional landscape grants pursuant subdivision (a) to contribute to the achievement of the goals of California's Wildfire and Forest Resilience Action Plan issued in January 2021, and any subsequent updates to that plan developed pursuant to Section 4771. Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code does not apply to the development and adoption of guidelines used for funding these grants.

SEC. 6. Section 4799.05 of the Public Resources Code is amended to read:

4799.05. (a) (1) The director may provide grants to, or enter into contracts or other cooperative agreements with, entities, including, but not limited to, private or nongovernmental entities, Native American tribes, or local, state, and federal public agencies, for the implementation and administration of projects and programs to improve forest *or ecosystem* health and reduce greenhouse gas emissions.

(2) (A) The director may authorize advance payments to a nonprofit organization, a local agency, a special district, a private forest landowner, or a Native American tribe from a grant awarded pursuant to this section. No single advance payment shall exceed 25 percent of the total grant award.

(B) (i) The grantee shall expend the funds from the advance payment within six months of receipt, unless the department waives this requirement.

(ii) The grantee shall file an accountability report with the department four months from the date of receiving the funds and every four months thereafter.

(C) (i) The department shall provide a report to the Legislature on or before January 1, 2023, on the outcome of the department's use of advance payments.

(ii) A report submitted pursuant to this subparagraph shall be submitted in compliance with Section 9795 of the Government Code.

(iii) The requirement for submitting a report imposed under clause (i) is inoperative on January 1, 2027, pursuant to Section 10231.5 of the Government Code.

(b) Any project or program described in this section that is funded with moneys from the Greenhouse Gas Reduction Fund, created pursuant to Section 16428.8 of the Government Code, shall comply with all statutory and program requirements applicable to the use of moneys from the fund.

(c) Moneys appropriated to the department for landscape-scale projects shall be allocated as follows:

(1) To subsidize the removal of small diameter material, especially surface fuels and ladder fuels, as well as dead trees, in order to help develop markets for beneficial uses of the material, including, but not limited to, animal bedding, biochar, cross-laminated timber, mulch, oriented strand board, pulp, post, shredding, and veneer products.

(2) For multiple benefit projects, such as tree thinning, carbon sequestration, forest resilience, and improved ecological outcome projects, including, but not limited to, restoring watershed health and function and supporting biodiversity and wildlife adaptation to climate change. The department shall give grant funding priority to landowners who practice uneven aged forest management with a resilient forest of diverse age, size, and species class within the boundaries of the project and whose activities are conducted pursuant to an approved timber harvest plan, nonindustrial timber harvest plan, or working forest management plan. An application for a grant for a project under this paragraph shall include a description of how the proposed project will increase average stem

diameter and provide other site-specific improvement to forest complexity, as demonstrated by the expansion of the variety of tree age classes and species persisting for a period of at least 50 years. The department shall also give funding priority to landowners who agree to long-term forest management goals prescribed by the department.

(3) For activities on national forest lands to increase tree stand heterogeneity, create forest openings of less than one acre, and increase average tree stand diameter of residual trees. Any grants provided under this paragraph shall be approved by the department, in collaboration with appropriate state agencies, including the State Air Resources Board.

(4) For activities that improve ecosystem health on chaparral, shrubland, grassland, and coastal sage scrub lands, including, but not limited to, replacement of ignition-prone nonnative flashy fuels with heavier and less flammable native vegetation.

(5) For regional landscape grants that the director may directly award to regional entities to implement regional priority strategies developed pursuant to Section 4208.1.

(d) (1) Division 13 (commencing with Section 21000) does not apply to prescribed fire, reforestation, habitat restoration, thinning, or fuel reduction projects, or to related activities included in the project description, undertaken, in whole or in part, on federal lands to reduce the risk of high-severity wildfire that have been reviewed under the federal National Environmental Policy Act of 1969 (42 U.S.C. Sec. 4321 et seq.) if either of the following is satisfied:

(A) The primary role of a state or local agency is providing funding or staffing for those projects.

(B) A state or local agency is undertaking those projects pursuant to the federal Good Neighbor Authority (Public Law 113-79) or a stewardship agreement with the federal government entered into pursuant to Public Law 113-79.

(2) Division 13 (commencing with Section 21000) does not apply to the issuance of a permit or other project approval by a state or local agency for projects described in paragraph (1).

(3) This section does not alter, affect, or in any way diminish the authority of a state or local agency to impose mitigation measures or conditions on projects described in paragraph (1) pursuant to other laws or regulations.

(4) (A) If the lead agency, as defined in Section 21067, determines that a project is not subject to Division 13 (commencing with Section 21000) pursuant to this subdivision and it determines to approve or carry out the project, the lead agency shall file a notice of exemption with the Office of Planning and Research and with the county clerk in the county in which the project will be located in the manner specified in subdivisions (b) and (c) of Section 21108 or subdivisions (b) and (c) of Section 21152. The lead agency shall also post the notice of exemption on its internet website together with a description of where the documents analyzing the environmental impacts of the project under the federal National Environmental Policy Act of 1969 are available for public review.

(B) If the lead agency is not the department, the lead agency shall also provide the notice of exemption together with the information set forth in subdivision (d) of Section 4137 to the department. The department shall compile the information submitted to it pursuant to this subparagraph and post the information on the department's internet website.

(5) On or before February 1, 2027, if the Secretary of the Natural Resources Agency determines that substantial changes have been made since January 1, 2023, to the federal National Environmental Policy Act of 1969 or other federal laws that affect the management of federal forest lands in California, the secretary shall report those changes to the Legislature in accordance with Section 9795 of the Government Code.

(6) This subdivision shall become inoperative on January 1, 2028.

(e) Division 13 (commencing with Section 21000) does not apply to any discretionary approval necessary to carry out or implement projects funded by the Nature-Based Solutions Tribal Program or the tribal cultural burn and tribal wildfire funding authorized by Schedule (2) of Item 3540-101-0001 of Section 2.00 of the Budget Act of 2021, as added by Section 46 of Chapter 240 of the Statutes of 2021. This subdivision only applies to projects carried out on lands subject to the jurisdictional control or the ownership of a California Native American tribe, as defined in Section 21073.

(f) For purposes of this section, the following definitions shall apply:

(1) "Ecosystem" includes forest, chaparral, shrubland, grasslands, and coastal sage ecosystems and natural communities.

(2) "Nonnative flashy fuels" means a nonnative or invasive plant species including grasses, mustard, and other annual plants, and pine needles and leaves, that dry or cure rapidly, ignite easily, and spread fire quickly, significantly increasing wildlife risk.

(3) "Regional entities" has the same meaning as defined in Section 4208.

SEC. 7. Section 4799.05.1 is added to the Public Resources Code, to read:

4799.05.1. On or before July 1, 2027, the director, in collaboration with the Wildfire and Forest Resilience Task Force, shall establish guidelines for funding regional landscape grants pursuant to paragraph (5) of subdivision (c) of Section 4799.05 to contribute to the achievement of the goals of California's Wildfire and Forest Resilience Action Plan issued in January 2021, and any subsequent updates to that plan developed pursuant to Section 4771. Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code does not apply to the development and adoption of guidelines used for funding these grants.

SEC. 8. Section 4799.05.2 is added to the Public Resources Code, to read:

4799.05.2. The Forest Health Program administered by the department, is hereby renamed the Ecosystem Health Program.

O

BILL: AB 2560 (Schultz, D–Burbank)
Introduced February 20, 2026

SUBJECT: AB 2560 codifies the Climate Action Plan for Transportation Infrastructure goals and applies them to major state transportation funding programs

STATUS: Pending in Assembly Committee on Transportation

SUMMARY AS OF MARCH 26, 2026:

AB 2560 seeks to codify the Climate Action Plan for Transportation Infrastructure (CAPTI) goals in state statute and require their application, where feasible and within a "fix-it-first" approach, to projects funded through several major state transportation programs. CAPTI is a statewide policy framework, originally established through a Governor's Executive Order, that guides how state transportation investments are prioritized to advance climate, equity, and public health goals, including reducing vehicle miles traveled, supporting transit and active transportation, and focusing development in existing communities.

Existing law establishes multiple state transportation funding programs, including the Interregional Transportation Improvement Program (ITIP), State Transportation Improvement Program (STIP), Transit and Intercity Rail Capital Program, Trade Corridor Enhancement Program (TCEP), Active Transportation Program, and Solutions for Congested Corridors Program. CAPTI was originally developed through executive action as a policy framework to guide transportation investments toward climate, equity, and public health goals.

AB 2560 would embed CAPTI goals into statute, including objectives to reduce vehicle miles traveled, prioritize transit and active transportation, support infill development, advance zero-emission infrastructure, and reduce environmental impacts on disadvantaged communities. The bill would require that these goals be applied to projects funded through the above programs "where feasible," within a fix-it-first investment framework. The bill also authorizes the California State Transportation Agency to update CAPTI goals through an administrative process that includes public input but is not subject to the Administrative Procedure Act.

EFFECTS ON ORANGE COUNTY:

AB 2560 is directly relevant to the Orange County Transportation Authority's (OCTA) programming and delivery of transportation projects funded through SB 1 (Chapter 5, Statutes of 2017) and other state funding sources. While CAPTI principles are already being incorporated into California Transportation Commission (CTC) guidelines and program evaluation criteria, this bill would formalize those goals in statute and expand their application across multiple funding programs.

For OCTA, this raises concerns regarding reduced regional flexibility in project selection and prioritization. Programs such as the STIP, TCEP, and ITIP are designed to balance

statewide and regional transportation needs, including congestion relief, goods movement, and system connectivity. Codifying CAPTI goals may shift program priorities in a manner that limits the ability to advance projects that provide significant mobility and economic benefits but may not fully align with evolving state policy objectives.

This may affect a range of OCTA-led projects. For example, freeway improvement projects such as congestion relief efforts along key corridors may face increased scrutiny if they are perceived to induce vehicle miles traveled, even when they provide critical reliability and operational benefits. Similarly, goods movement investments along major freight corridors, many of which are candidates for TCEP funding, could be deprioritized in favor of projects that more directly align with CAPTI's mode shift or emission reduction goals.

Additionally, AB 2560 expands the emphasis on active transportation and multimodal investments across programs, including those traditionally focused on freight and goods movement, such as TCEP. While these investments are important, this shift may dilute the core purpose of certain programs and reduce funding availability for projects that support efficiency and economic competitiveness in Orange County.

Although the bill includes language requiring application of CAPTI goals only "where feasible," the extent to which this provides meaningful flexibility is uncertain, as implementation would largely be determined through future CTC guidelines and administrative interpretation. This may result in increased centralization of decision-making and reduced local and regional discretion in project delivery.

Overall, AB 2560 would formalize and expand CAPTI policy direction in a manner that may constrain regional transportation planning flexibility, alter established funding program priorities, and impact the delivery of critical transportation infrastructure projects in Orange County and across the state. An OPPOSE position is consistent with OCTA's 2025-26 State Legislative Platform principle to "Oppose linking, reprioritizing, or aligning local and state transportation funding with policies that could significantly hinder a local agency's ability to deliver transportation programs and projects."

OCTA POSITION:

Staff recommends: OPPOSE

ASSEMBLY BILL No. 2560

Introduced by Assembly Member Schultz

February 20, 2026

An act to amend Section 14526 of, and to add Chapter 3 (commencing with Section 13989.10) to Part 4.5 of Division 3 of Title 2 of, the Government Code, to amend Section 75221 of the Public Resources Code, and to amend Sections 2033 and 2192 of, and to add Sections 2381.5 and 2392.5 to, the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2560, as introduced, Schultz. Climate Action Plan for Transportation Infrastructure: goals.

Existing law provides for the funding of projects on the state highway system and other transportation improvements, including under the interregional transportation improvement program, the Transit and Intercity Rail Capital Program, a program within the Road Maintenance and Rehabilitation Program, commonly known as the Local Partnership Program, the Trade Corridor Enhancement Program, the Active Transportation Program, and the Solutions for Congested Corridors Program.

This bill would establish the Climate Action Plan for Transportation Infrastructure (CAPTI) goals, and would authorize the Transportation Agency to update those CAPTI goals, as specified. The bill would require a project under the above-described programs to apply, where feasible, within the fix-it-first approach, the CAPTI goals as established or updated by the agency, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 3 (commencing with Section 13989.10) is added to Part 4.5 of Division 3 of Title 2 of the Government Code, to read:

Chapter 3. Climate Action Plan for Transportation Infrastructure

13989.10. (a) The Legislature finds and declares both of the following:

(1) The Climate Action Plan for Transportation Infrastructure was first adopted by the agency.

(2) Within the fix-it-first approach, this chapter codifies the investment framework and the guiding principles of the Climate Action Plan for Transportation Infrastructure, which shall be deployed, where feasible, to meet the goals set forth in subdivision (b).

(b) The Climate Action Plan for Transportation Infrastructure goals are all of the following:

(1) Build toward an integrated, statewide rail and transit network, centered around the existing California State Rail Plan that leverages the California Integrated Travel Project to provide seamless, affordable, multimodal travel options in all contexts, including suburban and rural settings, to all users.

(2) Invest in networks of safe and accessible bicycle and pedestrian infrastructure, particularly by closing gaps on portions of the State Highway System that intersect local active transportation and transit networks or serve as small town or rural main streets, with a focus on investments in low-income and disadvantaged communities throughout the state.

(3) Include investments in light-, medium-, and heavy-duty zero-emission vehicle infrastructure as part of larger transportation projects. Support the innovation in and development of the zero-emission vehicle market, and help ensure zero-emission vehicles are accessible to all, particularly to those in more rural or remote communities.

(4) Reduce public health and economic harms and maximize community benefits to disproportionately impacted disadvantaged communities and low-income communities, in urbanized and rural regions, and involve these communities early in decisionmaking.

(5) Make safety improvements to reduce fatalities and severe injuries of all users towards zero on the roadways, railways, and transit systems by focusing on context-appropriate speeds, prioritizing vulnerable user safety to support mode shift, designing roadways to accommodate for potential human error and injury tolerances, and ultimately implementing a safe systems approach.

(6) Assess and integrate assessments of physical climate risk as standard practice for transportation infrastructure projects to enable informed decisionmaking, especially in communities that are most vulnerable to climate-related health and safety risks.

(7) Promote projects that do not significantly increase passenger vehicle travel, particularly in congested urbanized settings where other mobility options can be provided and where projects are shown to induce significant auto travel. These projects should generally aim to reduce vehicle miles traveled and not induce significant vehicle miles traveled growth. When addressing congestion, consider alternatives to highway capacity expansion, such as providing multimodal options in the corridor, employing pricing strategies, and using technology to optimize operations.

(8) Promote compact infill development while protecting residents and businesses from displacement by funding transportation projects that support housing for low-income residents near job centers, provide walkable communities, and address affordability to reduce the housing-transportation cost burden and auto trips.

(9) Develop a zero-emission freight transportation system that avoids and mitigates environmental justice impacts, reduces criteria and toxic air pollutants, improves freight's economic competitiveness and efficiency, and integrates multimodal design and planning into infrastructure development on freight corridors.

(10) Protect natural and working lands from conversion to more intensified uses and enhance biodiversity by supporting local and regional conservation planning that focuses development where it already exists and align transportation investments with conservation priorities to reduce transportation's impact on the natural environment.

(c) Where feasible, the goals set forth in subdivision (b), and as updated pursuant to subdivision (d), shall apply, within the fix-it-first approach, to all of the following transportation programs:

(1) The interregional transportation improvement program described in Section 14526.

(2) The Transit and Intercity Rail Capital Program created pursuant to Section 75220 of the Public Resources Code.

(3) The program described in Section 2033 of the Streets and Highways Code, which is a program within the Road Maintenance and Rehabilitation Program, commonly known as the Local Partnership Program.

(4) The Trade Corridor Enhancement Program established pursuant to Chapter 4.8 (commencing with Section 2192) of Division 3 of the Streets and Highways Code.

(5) The Active Transportation Program established pursuant to Chapter 8 (commencing with Section 2380) of Division 3 of the Streets and Highways Code.

(6) The Solutions for Congested Corridors Program created pursuant to Chapter 8.5 (commencing with Section 2390) of Division 3 of the Streets and Highways Code.

(d) (1) The agency may update the Climate Action Plan for Transportation Infrastructure goals through a process that includes, but is not limited to, both of the following:

(A) One public workshop regarding proposed updates before adopting the updates.

(B) The posting of the proposed updates on the agency's internet website throughout a 30-day informal public comment period. Concurrent with the posting of that information on the agency's internet website, the agency shall transmit the proposed update to Secretary of the Senate, the Chief Clerk of the Assembly, and the appropriate policy committees of the Legislature.

(2) The Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1) shall not apply to the agency's updates to the Climate Action Plan for Transportation Infrastructure goals pursuant to this subdivision.

SEC. 2. Section 14526 of the Government Code is amended to read:

14526. (a) Not later than October 15 of each odd-numbered year, based on the guidelines established pursuant to Section 14530.1, and after consulting with the transportation planning

agencies, county transportation commissions, and transportation authorities, the department shall submit to the commission the draft five-year interregional transportation improvement program consisting of all of the following:

(1) Projects to improve state highways, pursuant to subdivision (b) of Section 164 of the Streets and Highways Code.

(2) Projects to improve the intercity passenger rail system.

(3) Projects to improve interregional movement of people, vehicles, and goods.

(b) *(1)* Projects included in the interregional transportation improvement program shall be consistent with the state interregional transportation strategic plan prepared pursuant to Section 14524.4.

(2) Where feasible, projects included in the interregional transportation improvement program shall apply, within the fix-it-first approach, the Climate Action Plan for Transportation Infrastructure goals described in Section 13989.10.

(c) Projects ~~may~~ *shall* not be included in the draft interregional transportation improvement program without a project study report or major investment study.

(d) Major projects shall include current costs updated as of November 1 of the year of submittal and escalated to the appropriate year, and shall be consistent with, and provide the information required in, subdivision (b) of Section 14529.

(e) Projects included in the draft interregional transportation improvement program shall be consistent with the adopted regional transportation plan.

(f) On or before November 15 of each odd-numbered year, the commission shall hold at least one hearing in northern California and one hearing in southern California to attempt to reconcile any objections by any member of the public or other stakeholder to the draft interregional transportation improvement program.

(g) The department shall consider the input received at the hearings conducted pursuant to subdivision (f) and shall develop a final interregional transportation improvement program. The final interregional transportation improvement program shall include a summary of the major comments received at the hearings and responses to those comments, and shall be submitted to the commission for approval not later than December 15 of each odd-numbered year.

(h) The commission shall, when approving the final interregional transportation improvement program pursuant to subdivision (g), evaluate the extent to which the program is consistent with funding priorities established in Section 167 of the Streets and Highways Code.

SEC. 3. Section 75221 of the Public Resources Code is amended to read:

75221. (a) Projects eligible for funding under the program include, but are not limited to, all of the following:

(1) Rail capital projects, including acquisition of rail cars and locomotives, that expand, enhance, and improve existing rail systems and connectivity to existing and future transit systems, including the high-speed rail system.

(2) Intercity, commuter, and urban rail projects that increase service levels, improve reliability, or decrease travel times, including infrastructure access payments to host railroads in lieu of capital investments.

(3) Rail, bus, and ferry integration implementation, including integrated ticketing and scheduling systems, shared-use corridors, related planning efforts, and other service integration initiatives.

(4) Bus rapid transit and other bus and ferry transit investments to increase ridership and reduce greenhouse gas emissions.

(b) In order to be eligible for funding under the program, a project shall demonstrate that it will achieve a reduction in emissions of greenhouse gases. In selecting projects for funding, the Transportation Agency shall consider the extent to which a project reduces emissions of greenhouse gases.

(c) The program shall have a programmatic goal of providing at least 25 percent of available funding to projects benefiting disadvantaged communities, consistent with the objectives of Chapter 830 of the Statutes of 2012.

(d) In evaluating grant applications for funding, the Transportation Agency shall consider all of the following:

(1) The cobenefits of projects that support the implementation of sustainable communities strategies through one or more of the following:

(A) Reducing vehicle miles traveled from automobiles and the number of automobile trips through growth in transit ridership.

(B) Promoting housing development in the vicinity of rail stations and major transit centers.

(C) Expanding existing rail and public transit systems.

(D) Enhancing the connectivity, integration, and coordination of the state's various transit systems, including, but not limited to, regional and local transit systems and the high-speed rail system.

(E) Implementing clean vehicle technology.

(F) Promoting active transportation.

(G) Improving public health.

(2) The project priorities developed through the collaboration of two or more rail operators and any memoranda of understanding between state agencies and local or regional rail operators.

(3) Geographic equity.

(4) Consistency with an adopted sustainable communities strategy or, if a sustainable strategy is not required for a region by law, a regional plan that includes policies and programs to reduce emissions of greenhouse gases.

(5) The extent to which a project has supplemental funding committed to it from other nonstate sources.

(6) The extent to which the project will increase transit ridership.

(e) Eligible applicants under the program shall be public agencies, including joint powers agencies, that operate or have planning responsibility for existing or planned regularly scheduled intercity or commuter passenger rail service, urban rail transit service, or bus or ferry transit service.

(f) A recipient of moneys under the program may combine funding from the program with other state funding, including, but not limited to, the State Transportation Improvement Program, the Low Carbon Transit Operations Program, the State Air Resources Board clean vehicle program, and state transportation bond funds.

(g) Where feasible, projects included in the program shall apply, within the fix-it-first approach, the Climate Action Plan for Transportation Infrastructure goals described in Section 13989.10 of the Government Code.

SEC. 4. Section 2033 of the Streets and Highways Code is amended to read:

2033. (a) On or before January 1, 2018, the commission, in cooperation with the department, transportation planning agencies, county transportation commissions, and other local agencies, shall develop guidelines for the allocation of funds pursuant to subdivision (a) of Section 2032.

(b) The guidelines shall be the complete and full statement of the policy, standards, and criteria that the commission intends to use to determine how these funds will be allocated.

(c) The commission may amend the adopted guidelines after conducting at least one public hearing.

(d) The guidelines may include streamlining of project delivery by authorizing local or regional transportation agencies to seek commission approval of a letter of no prejudice that allows the agency to expend its own funds in advance of an allocation of funds by the commission, and to be reimbursed at a later time for eligible expenditures. A letter of no prejudice shall only be available to local or regional transportation agencies for moneys that have been identified for future allocation to the applicant agency. Moneys designated pursuant to subdivision (a) of Section 2032 shall only be reimbursed when there is funding available in an amount sufficient to make the reimbursement.

(e) A project selected to receive an allocation of funds pursuant to subdivision (a) of Section 2032 shall apply, where feasible, within the fix-it-first approach, the Climate Action Plan for Transportation Infrastructure goals described in Section 13989.10 of the Government Code.

SEC. 5. Section 2192 of the Streets and Highways Code is amended to read:

2192. (a) The following revenues shall be allocated for infrastructure projects pursuant to this section:

(1) The revenues deposited in the Trade Corridors Enhancement Account pursuant to Section 2192.4, except for those revenues in the account that were appropriated by Senate Bill 132 of the 2017–18 Regular Session (Chapter 7 of the Statutes of 2017).

(2) An amount of federal funds equal to the amount of revenue apportioned to the state under Section 167 of Title 23 of the United States Code from the national highway freight programs, pursuant to the federal Fixing America's Surface Transportation Act ("FAST Act," Public Law 114-94).

(b) The funding described in subdivision (a) shall be available upon appropriation for allocation by the California Transportation Commission for infrastructure improvements in this state on federally designated Trade Corridors of National and Regional Significance, on the Primary Freight Network, and along other corridors that have a high volume of freight movement, as

determined by the commission and as identified in the state freight plan developed pursuant to Section 13978.8 of the Government Code. Projects eligible for funding shall be included in an adopted regional transportation plan. Projects within the boundaries of a metropolitan planning organization shall be included in an adopted regional transportation plan that includes a sustainable communities strategy determined by the State Air Resources Board to achieve the region's greenhouse gas emissions reduction targets. In developing guidelines for implementing this section, the commission shall (1) apply the guiding principles, to the maximum extent practicable, in the California Sustainable Freight Action Plan released in July 2016 pursuant to Executive Order No. B-32-15, and (2) consult the state freight plan and the applicable port master plan.

(c) Eligible projects for these funds include, but are not limited to, all of the following:

(1) Highway improvements to more efficiently accommodate the movement of freight, particularly for ingress and egress to and from the state's land ports of entry, rail terminals, and seaports, including navigable inland waterways used to transport freight between seaports, land ports of entry, and airports, and to relieve traffic congestion along major trade or goods movement corridors.

(2) Freight rail system improvements to enhance the ability to move goods from seaports, land ports of entry, and airports to warehousing and distribution centers throughout California, including projects that separate rail lines from highway or local road traffic, improve freight rail mobility, and other projects that improve the safety, efficiency, and capacity of the rail freight system.

(3) Projects to enhance the capacity and efficiency of ports, except that funds available under this section shall not be allocated to a project that includes the purchase of fully automated cargo handling equipment. For ~~the~~ purposes of this paragraph, "fully automated" means equipment that is remotely operated or remotely monitored, with or without the exercise of human intervention or control. ~~Nothing in this~~ *This* paragraph ~~shall~~ *does not* prohibit the use of funds available pursuant to this section for a project that includes the purchase of human-operated zero-emission equipment, human-operated near-zero-emission equipment, and infrastructure supporting that human-operated equipment. ~~Furthermore, nothing~~

~~in this~~ *This* section ~~shall~~ *does not* prohibit the purchase of devices that support that human-operated equipment, including equipment to evaluate the ~~utilization~~ *usage* and environmental benefits of that human-operated equipment.

(4) Truck corridor improvements, including dedicated truck facilities or truck toll facilities, including the mitigation of the emissions from trucks or these facilities.

(5) Border access improvements that enhance goods movement between California and Mexico and that maximize the state's ability to access funds made available to the state by federal law.

(6) Surface transportation, local road, and connector road improvements to effectively facilitate the movement of goods, particularly for ingress and egress to and from the state's land ports of entry, airports, and seaports, to relieve traffic congestion along major trade or goods movement corridors.

(7) Projects that employ advanced and innovative technology to improve the flow of freight, such as intelligent transportation systems, public infrastructure, excluding vehicles, that enables zero-emission or near-zero emission goods movement, real time information systems, weigh-in-motion devices, electronic screening and credentialing systems, traffic signal optimization, work zone management and information systems, ramp metering, and electronic cargo and border security technologies.

(8) Environmental and community mitigation or efforts to reduce environmental impacts of freight movement, such as projects that reduce noise, overnight truck idling, or truck queues, and advanced traveler information systems such as freight advanced traveler information systems that optimize operations to reduce empty-load trips.

(d) *(1)* Projects funded with revenues identified in paragraph (1) of subdivision (a) shall be consistent with Article XIX of the California Constitution.

(2) Projects funded with revenues identified in paragraph (1) of subdivision (a) shall apply, where feasible, within the fix-it-first approach, the Climate Action Plan for Transportation Infrastructure goals described in Section 13989.10 of the Government Code.

(e) (1) In adopting the program of projects to be funded with funds described in subdivision (a), the commission shall evaluate the total potential economic and noneconomic benefits of the

program of projects to California's economy, environment, and public health. The evaluation shall specifically assess localized impacts in disadvantaged communities. The commission shall consult with the agencies identified in Executive Order No. B-32-15 and metropolitan planning organizations in order to use the appropriate models, techniques, and methods to develop the parameters for evaluating the program of projects. The commission shall allocate the funding from subdivision (a) for trade infrastructure improvements as follows:

(A) Sixty percent of the funds shall be available for projects nominated by regional transportation agencies and other public agencies, including counties, cities, and port authorities, in consultation with the department. The commission shall provide reasonable geographic targets for funding allocations without constraining what an agency may propose or what the commission may approve.

(B) Forty percent of the funds shall be available for projects nominated by the department, in consultation with regional transportation agencies.

(2) In adopting a program of projects pursuant to paragraph (1), the commission shall prioritize projects jointly nominated and jointly funded by the state and local agencies. In considering geographic balance for the overall program, the commission may adjust the corridor-based targets in subparagraph (A) of paragraph (1) to account for projects programmed pursuant to subparagraph (B) of paragraph (1).

(f) (1) *(A)* The commission shall adopt guidelines, including a transparent process to evaluate projects and to allocate the funding described in subdivision (a) for trade infrastructure improvements in a manner that ~~(A) addresses~~ *does all of the following:*

(i) Addresses the state's most urgent ~~needs, (B) balances~~ *needs.*

(ii) Balances the demands of various land ports of entry, seaports, and ~~airports, (C) places~~ *airports.*

(iii) Places emphasis on projects that improve trade corridor mobility and safety while reducing emissions of diesel particulates, greenhouse gases, and other pollutants and reducing other negative community impacts, especially in disadvantaged ~~communities, (D) makes~~ *communities.*

(iv) Makes a significant contribution to the state's ~~economy, (E) recognizes~~ *economy.*

(v) Recognizes the key role of the state in project ~~identification, (F) supports~~ *identification.*

(vi) Supports integrating statewide goods movement priorities in a corridor ~~approach, and (G) includes~~ *approach.*

(vii) Includes disadvantaged communities measures, as established by the California Environmental Protection Agency pursuant to Section 39711 of the Health and Safety Code, and other tools the commission determines, for evaluating benefits or costs for disadvantaged communities and low-income communities.

~~Project~~

(B) Project nominations shall include either a quantitative or qualitative assessment of the benefits the project is expected to achieve relative to the evaluation criteria.

(2) The guidelines adopted pursuant to paragraph (1) may include streamlining of project delivery by authorizing regional transportation agencies and other public agencies to seek commission approval of a letter of no prejudice that allows the agency to expend its own funds for a project programmed in a future year of the adopted program of projects, in advance of allocation of funds to the project by the commission, and to be reimbursed at a later time for eligible expenditures. A letter of no prejudice shall only be available to local or regional transportation agencies for moneys that have been identified for future allocation to the applicant agency. Moneys designated for the program shall only be reimbursed when there is funding available in an amount sufficient to make the reimbursement.

(g) In addition, the commission shall also consider the following factors when allocating these funds:

(1) "Velocity," which means the speed by which large cargo would travel from the land port of entry or seaport through the distribution system.

(2) "Throughput," which means the volume of cargo that would move from the land port of entry or seaport through the distribution system.

(3) "Reliability," which means a reasonably consistent and predictable amount of time for cargo to travel from one point to another on any given day or at any given time in California.

(4) "Congestion reduction," which means the reduction in recurrent daily hours of delay to be achieved.

(h) For purposes of this section, the following ~~terms have the following meanings:~~ *definitions apply:*

(1) "Disadvantaged communities" ~~are~~ *means* those communities identified by the California Environmental Protection Agency pursuant to Section 39711 of the Health and Safety Code.

(2) "Low-income communities" ~~are~~ *means* census tracts with median household incomes at or below 80 percent of the statewide median income or with median household incomes at or below the threshold designated as low income by the Department of Housing and Community Development's list of state income limits adopted pursuant to Section 50093 of the Health and Safety Code.

~~(i) It is the intent of the Legislature for the commission to adopt an initial program of projects using the state and federal funds described in subdivision (a) for eligible projects as soon as practicable and no later than May 17, 2018.~~

SEC. 6. Section 2381.5 is added to the Streets and Highways Code, to read:

2381.5. A project selected to receive an allocation of funds pursuant to this chapter shall apply, where feasible, within the fix-it-first approach, the Climate Action Plan for Transportation Infrastructure goals described in Section 13989.10 of the Government Code.

SEC. 7. Section 2392.5 is added to the Streets and Highways Code, to read:

2392.5. A project selected to receive an allocation of funds pursuant to this chapter shall apply, where feasible, within the fix-it-first approach, the Climate Action Plan for Transportation Infrastructure goals described in Section 13989.10 of the Government Code.

O

ATTACHMENT E

BILL: AB 2576 (Harabedian, D–Pasadena)
Amended March 19, 2026
Introduced February 20, 2026

SUBJECT: AB 2576 makes technical and implementation updates to state law governing high-density development near transit stations pursuant to SB 79 (Chapter 512, Statutes of 2025)

STATUS: Pending in Assembly Committee on Housing and Community Development
Amended

SUMMARY AS OF MARCH 26, 2026:

AB 2576 is a clean-up and implementation bill related to SB 79 (Chapter 512, Statutes of 2025), which established statewide requirements to facilitate high-density development near major transit stops. The bill makes targeted technical and policy refinements to support more effective implementation of those provisions.

Existing law requires that qualifying housing development projects located near major transit stops be permitted as an allowed use if they meet specified density, affordability, and development standards. AB 2576 would delay key implementation timelines by one year, including deadlines for local governments to adopt compliant zoning or alternative plans and the timing of enforcement provisions. The bill also increases the population threshold for certain requirements from 35,000 to 40,000, modifying applicability for some jurisdictions.

The bill also refines provisions related to transit-oriented development zones, including clarifying the definition of historic resources and removing the cap on the amount of land that may be excluded from development standards due to historic designation. AB 2576 further refines environmental review standards.

EFFECTS ON ORANGE COUNTY:

AB 2576 is directly relevant to the Orange County Transportation Authority's (OCTA) implementation of SB 79, which established statewide requirements to facilitate transit-oriented housing development near major transit stops. SB 79 includes a number of provisions that are undefined, ambiguous, or internally inconsistent, making it difficult to determine how the law will be applied across jurisdictions and transit systems.

In Orange County, these uncertainties are particularly significant given the role of Metrolink service and the future OC Streetcar in determining whether the county qualifies as an "urban transit county," which would trigger the law's applicability. Once applicable, SB 79 could affect a wide range of station areas, including Metrolink stations and OC Streetcar stops, with implications for local land use authority, development standards, and project approvals.

AB 2576 helps address these implementation challenges by providing additional time refinements to definitions, mapping and implementation, including for local jurisdictions to update zoning and planning frameworks. A delay to implementation timelines was also included among amendments recommended by the OCTA Board of Directors for any SB 79 clean-up legislation, and this bill reflects that approach. These refinements may help reduce uncertainty for local governments, transit agencies, and project sponsors as the state develops further guidance through the Department of Housing and Community Development and regional planning agencies.

Overall, AB 2576 represents a pragmatic clean-up measure that improves the workability of SB 79 by addressing ambiguities, refining implementation timelines, and supporting better coordination between state, regional, and local entities. These changes may help ensure that transit-oriented development policies are implemented in a more predictable and feasible manner in Orange County. A SUPPORT position is consistent with OCTA's 2025-26 State Legislative Platform principle to "Support legislation to amend the implementation of SB 79 (Chapter 512, Statutes of 2025) by updating definitions and making other changes as needed to ensure continued community support for transit projects."

OCTA POSITION:

Staff recommends: SUPPORT

AMENDED IN ASSEMBLY MARCH 19, 2026

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL No. 2576

Introduced by Assembly Member Harabedian

February 20, 2026

An act to amend ~~Section 65580~~ *Sections 65912.156, 65912.157, 65912.158, 65912.160, and 65912.161* of the Government Code, relating to land use.

LEGISLATIVE COUNSEL'S DIGEST

AB 2576, as amended, Harabedian. ~~Local planning: housing element.~~ *Transit-oriented development.*

Existing law provides that a housing development project shall be an allowed use as a transit-oriented housing development if specified conditions and requirements are met, including certain requirements pertaining to cities with a population of at least 35,000. Existing law defines various terms for these purposes. Existing law provides that these provisions do not apply to a local agency until January 1, 2026, unless the local agency adopts an ordinance or local transit-oriented development alternative plan, as defined, deemed compliant by the Department of Housing and Community Development before July 1, 2027. Existing law specifies that, beginning on January 1, 2027, a local government that denies a housing development project meeting the requirements referenced above that is located in a high-resource area is presumed to be in violation of specified law and immediately liable for specified penalties.

This bill would delay each of those dates, and certain related dates, by one year. The bill would also increase the population threshold for

certain requirements to apply to cities, as described above, from 35,000 to 40,000.

Existing law specifies exclusions from the provisions described above, including that a site is covered by a local transit-oriented development alternative plan adopted by a local government, and a site with a historic resource designated as of January 1, 2025, on a local register. Existing law places specified limitations on the reduction of maximum allowed density for certain individual sites, except for sites that meet certain criteria, including a site with a historic resource designated on a local register, as specified. Under existing law, sites with historic resources excluded under this latter provision may not cumulatively exceed 10% of the eligible area of any transit-oriented development zone.

This bill would define "historic resource" for these purposes to mean a historic resource listed on a local, state, or national historic register. The bill would remove the above-described limitation on the exclusion of sites with a historic resource to 10% of the eligible area of a transit-oriented development zone.

~~Existing law, the Planning and Zoning Law, requires each city, county, and city and county to prepare and adopt a general plan that contains certain mandatory elements, including a housing element. That law includes findings and declarations relating to the vital importance of the availability of housing.~~

~~This bill would make nonsubstantive changes to those provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ *yes*. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 65912.156 of the Government Code is amended to read:

65912.156. For purposes of this chapter, the following definitions apply:

(a) "Adjacent" means within 200 feet of any pedestrian access point to a transit-oriented development stop.

(b) "Commuter rail" means a public rail transit service not meeting the standards for heavy rail or light rail, excluding California High-Speed Rail and Amtrak Long Distance Service.

(c) "Department" means the Department of Housing and Community Development.

(d) "Heavy rail transit" means a public electric railway line with the capacity for a heavy volume of traffic using high-speed and rapid acceleration passenger rail cars operating singly or in multicar trains on fixed rails, separate rights-of-way from which all other vehicular and foot traffic are excluded, and high platform loading. "Heavy rail transit" does not include California High-Speed Rail.

(e) "High-frequency commuter rail" means a commuter rail service operating a total of at least 48 trains per day across both directions, not including temporary service changes of less than one month or unplanned disruptions, and not meeting the standard for very high frequency commuter rail, at any point in the past three years.

(f) "High-resource area" means an area designated as highest resource or high resource on the most recently adopted version of the opportunity area maps published by the California Tax Credit Allocation Committee and the department.

(g) "Historic resource" means a historic resource listed on a local, state, or national historic register and includes, but is not limited to, a historic district and local landmark district.

~~(g)~~

(h) "Housing development project" has the same meaning as defined in Section 65589.5, but does not include a project of which any portion is designated for use as a hotel, motel, bed and breakfast inn, or other transient lodging. For the purposes of this subdivision, the term "other transient lodging" does not include either of the following:

(1) A residential hotel, as defined in Section 50519 of the Health and Safety Code.

(2) After the issuance of a certificate of occupancy, a resident's use or marketing of a unit as short-term lodging, as defined in Section 17568.8 of the Business and Professions Code, in a manner consistent with local law.

~~(h)~~

(i) "Light rail transit" includes streetcar, trolley, and tramway service. "Light rail transit" does not include airport people movers.

~~(i)~~

(j) "Net habitable square footage" means the finished and heated floor area fully enclosed by the inside surface of walls, windows, doors, and partitions, and having a headroom of at least six and one-half feet, including working, living, eating, cooking, sleeping,

stair, hall, service, and storage areas, but excluding garages, carports, parking spaces, cellars, half-stories, and unfinished attics and basements.

~~(j)~~

(k) "Low-resource area" means an area designated as low resource on the most recently adopted version of the opportunity area maps published by the California Tax Credit Allocation Committee and the department.

~~(k)~~

(l) "Rail transit" has the same meaning as defined in Section 99602 of the Public Utilities Code.

~~(l)~~

(m) "Residential floor area ratio" means the ratio of net habitable square footage dedicated to residential use to the area of the lot.

~~(m)~~

(n) "Transit-oriented development zone" means the area within one-half mile of a transit-oriented development stop.

~~(n)~~

(o) "Tier 1 transit-oriented development stop" means a transit-oriented development stop within an urban transit county served by heavy rail transit or very high frequency commuter rail.

~~(o)~~

(p) "Tier 2 transit-oriented development stop" means a transit-oriented development stop within an urban transit county, excluding a Tier 1 transit-oriented development stop, served by light rail transit, by high-frequency commuter rail, or by bus service meeting the standards of paragraph (1) of subdivision (a) of Section 21060.2 of the Public Resources Code.

~~(p)~~

(q) "Transit-oriented development stop" means a major transit stop, as defined by Section 21064.3 of the Public Resources Code, and also including stops on a route for which a preferred alternative has been selected or which are identified in a regional transportation improvement program, that is served by heavy rail transit, very high frequency commuter rail, high frequency commuter rail, light rail transit, or bus service within an urban transit county meeting the standards of paragraph (1) of subdivision (a) of Section 21060.2 of the Public Resources Code. When a new transit route or extension is planned that was not identified in the applicable regional transportation plan on or before January 1,

2026, those stops shall not be eligible as transit-oriented development stops unless they would be eligible as Tier 1 transit-oriented development stops. If a county becomes an urban transit county subsequent to July 1, 2026, then bus service in that county shall remain ineligible for designation of a transit-oriented development stop.

~~(q)~~

(r) "Urban transit county" means a county with more than 15 passenger rail stations.

~~(r)~~

(s) "Very high frequency commuter rail" means a commuter rail service with a total of at least 72 trains per day across both directions, not including temporary service changes of less than one month or unplanned disruptions, at any point in the past three years.

SEC. 2. Section 65912.157 of the Government Code is amended to read:

65912.157. (a) A housing development project shall be an allowed use as a transit-oriented housing development on any site zoned for residential, mixed, or commercial development within one-half or one-quarter mile of a transit-oriented development stop, if the development complies with the applicable of all of the following requirements:

(1) A transit-oriented housing development project allowed under this chapter shall include at least five dwelling units and meet the greater of the following:

(A) A minimum density of at least 30 dwelling units per acre.

(B) The minimum density required under local zoning, if applicable.

(2) The average total area of floor space for the proposed units in the transit-oriented housing development project shall not exceed 1,750 net habitable square feet.

(3) For a transit-oriented housing development project within one-quarter mile of a Tier 1 transit-oriented development stop, all of the following apply:

(A) A local government shall not impose any height limit less than 75 feet.

(B) A local government shall not impose any maximum density of less than 120 dwelling units per acre.

(C) A local government shall not enforce any other local development standard or combination of standards that would physically preclude achieving a residential floor area ratio of up to 3.5.

(D) A development that achieves a minimum density of 90 dwelling units per acre and that otherwise meets the eligibility requirements of Section 65915, including, but not limited to, affordability requirements, shall be eligible for additional concessions pursuant to Section 65915, as specified in subdivision (d).

(4) For a transit-oriented housing development project further than one-quarter mile but within one-half mile of a Tier 1 transit-oriented development stop, and within a city with a population of at least ~~35,000,~~ *40,000,* all of the following apply:

(A) A local government shall not impose any height limit less than 65 feet.

(B) A local government shall not impose any maximum density standard of less than 100 dwelling units per acre.

(C) A local government shall not enforce any other local development standard or combination of standards that would physically preclude achieving a residential floor area ratio of up to 3.

(D) A development that achieves a minimum density of 75 dwelling units per acre and that otherwise meets the eligibility requirements of Section 65915, including, but not limited to, affordability requirements, shall be eligible for additional concessions pursuant to Section 65915, as specified in subdivision (d).

(5) For a transit-oriented housing development project within one-quarter mile of a Tier 2 transit-oriented development stop, all of the following apply:

(A) A local government shall not impose any height limit less than 65 feet.

(B) A local government shall not impose any maximum density standard of less than 100 dwelling units per acre.

(C) A local government shall not enforce any other local development standard or combination of standards that would physically preclude achieving a residential floor area ratio of up to 3.

(D) A development that achieves a minimum density of 75 dwelling units per acre and that otherwise meets the eligibility requirements of Section 65915, including, but not limited to, affordability requirements, shall be eligible for additional concessions pursuant to Section 65915, as specified in subdivision (d).

(6) For a transit-oriented housing development project further than one-quarter mile but within one-half mile of a Tier 2 transit-oriented development stop, and within a city with a population of at least ~~35,000,~~ *40,000,* all of the following apply:

(A) A local government shall not impose any height limit less than 55 feet.

(B) A local government shall not impose any maximum density standard of less than 80 dwelling units per acre.

(C) A local government shall not enforce any other local development standard or combination of standards that would physically preclude achieving a residential floor area ratio of up to 2.5.

(D) A development that achieves a minimum density of 60 dwelling units per acre and that otherwise meets the eligibility requirements of Section 65915, including, but not limited to, affordability requirements, shall be eligible for additional concession pursuant to Section 65915, as specified in subdivision (d).

(b) For purposes of this chapter, the distance of a transit-oriented housing development project from a transit-oriented development stop shall be measured in a straight line from the nearest edge of the parcel containing the proposed project to a pedestrian access point for the transit-oriented development stop.

(c) A local government may still enact and enforce standards, including an inclusionary zoning requirement that do not, alone or in concert, prevent achieving the applicable development standards of subdivision (a). A local government shall not adopt any requirement, including, but not limited to, increased fees or inclusionary zoning requirements, that applies to a project solely or partially on the basis that the project is seeking approval as a transit-oriented housing development, except as necessary for the requirements of this chapter.

(d) A transit-oriented housing development project under this section shall be eligible for a density bonus, incentives or

concessions, waivers or reductions of development standards, and parking ratios pursuant to Section 65915 or a local density bonus program, using the density allowed under this section as the base density. If a development proposes a height under this section in excess of the local height limit, then a local government shall not be required to grant a waiver, incentive, or concession pursuant to Section 65915 for additional height beyond that specified in this section, except as provided in subparagraph (D) of paragraph (2) of subdivision (d) of Section 65915. A development shall be eligible for the following additional concessions, if it meets the applicable density threshold specified for its location:

(1) For a development providing housing for extremely low income households, three additional concessions.

(2) For a development providing housing for very low income households, two additional concessions.

(3) For a development providing housing for low-income households, one additional concession.

(e) Notwithstanding any other law, a transit-oriented housing development project that meets any of the eligibility criteria under subdivision (a) and is immediately adjacent to a transit-oriented development stop shall be eligible for an adjacency intensifier to increase the height limit by an additional 20 feet, the maximum density standard by an additional 40 dwelling units per acre, and the residential floor area ratio by 1 prior to the application of Section 65915.

(f) A development proposed pursuant to this section shall comply with Section 66300.6, including any local requirements or processes implementing the provisions of Section 66300.6. This subdivision shall apply to any city or county.

(g) A development proposed pursuant to this section shall comply with any applicable local demolition and antidisplacement standards established through a local ordinance.

(h) A development proposed pursuant to this section shall not be located on either of the following:

(1) A site containing more than two units where the development would require the demolition of housing that is subject to any form of rent or price control through a public entity’s valid exercise of its police power that has been occupied by tenants within the past seven years.

(2) A site that was previously used for more than two units of housing that were demolished within seven years before the development proponent submits an application under this section and any of the units were subject to any form of rent or price control through a public entity's valid exercise of its police power.

(i) A development proposed pursuant to this section shall include housing for lower income households by complying with one of the following requirements:

(1) (A) Any of the following:

(i) At least 7 percent of the total units, as defined in subparagraph (A) of paragraph (9) of subdivision (o) of Section 65915, are dedicated to extremely low income households, as defined in Section 50106 of the Health and Safety Code.

(ii) At least 10 percent of the total units, as defined in subparagraph (A) of paragraph (9) of subdivision (o) of Section 65915, are dedicated to very low income households, as defined in Section 50105 of the Health and Safety Code.

(iii) At least 13 percent of the total units, as defined in subparagraph (A) of paragraph (9) of subdivision (o) of Section 65915, are dedicated to lower income households, as defined in Section 50079.5 of the Health and Safety Code.

(B) This paragraph shall not apply to any development of 10 units or less.

(C) All units dedicated to extremely low income, very low income, and low-income households pursuant to subparagraph (A) shall meet both of the following:

(i) The units shall have an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, or an affordable rent, as defined in Section 50053 of the Health and Safety Code.

(ii) The development proponent shall agree to, and the local agency shall ensure, the continued affordability of all affordable rental units included pursuant to this section for 55 years and all affordable ownership units included pursuant to this section for a period of 45 years.

(2) If a local inclusionary housing requirement mandates a higher percentage of affordable units or a deeper level of affordability than that described in paragraph (1), then the local inclusionary housing requirement mandate shall apply in place of the requirements in paragraph (1).

(j) A development proposed pursuant to this chapter shall be consistent with the height, noise, and safety standards of an adopted airport land use compatibility plan or Department of Defense Air Installation Compatible Use Zones developed pursuant to Section 21675 of the Public Utilities Code, and of otherwise applicable objective fire safety standards established pursuant to the California Building Code, the California Fire Code, the California, Wildland-Urban Interface Code, the Health and Safety Code, the Public Resources Code, or Chapter 6.8 (commencing with Section 51175) of Part 1 of Division 1 of Title 5 of this code.

(k) Any transit-oriented housing development pursuant to this section shall meet the labor standards of subparagraphs (A), (B), (C), (D), (F), and (G) of paragraph (8) of subdivision (a) of Section 65913.4 for any building over 85 feet in height, which shall be applicable to the building.

(*l*) For purposes of subdivision (j) of Section 65589.5, a proposed housing development project that is consistent with the applicable standards from this chapter, as well as applicable local objective general plan and zoning standards that do not alone or in concert prevent achieving those standards, and as modified by any incentive, concession, or waiver under Section 65915, shall be deemed consistent, compliant, and in conformity with an applicable plan, program, policy, ordinance, standard, requirement, or other similar provision. This subdivision shall not require a ministerial approval process or modify the requirements of Division 13 (commencing with Section 21000) of the Public Resources Code.

(m) Beginning on January 1, ~~2027,~~ *2028*, a local government that denies a housing development project meeting the requirements of this section that is located in a high-resource area shall be presumed to be in violation of the Housing Accountability Act (Section 65589.5) and immediately liable for penalties pursuant to subparagraph (B) of paragraph (1) of subdivision (k) of Section 65589.5, unless the local government demonstrates, pursuant to the standards in subdivisions (j) and (o) of Section 65589.5, that it has a health, life, or safety reason for denying the project.

(n) This section shall not apply to a local agency until July 1, ~~2026,~~ *2027*, unless the local agency adopts an ordinance or local transit-oriented development alternative plan deemed compliant by the department before July 1, ~~2026.~~ *2027*. It shall not apply

within an unincorporated area of a county until the 7th regional housing needs allocation cycle.

SEC. 3. Section 65912.158 of the Government Code is amended to read:

65912.158. (a) For the purposes of this section, "agency transit-oriented development project" means a housing development project or ~~mixed use~~ *mixed-use* residential project that meets all of the following requirements:

(1) A minimum of 50 percent of the total square footage of the project is dedicated to residential purposes.

(2) A minimum of 20 percent of the total number of units shall be restricted for the affordable lower income households and shall be subject to a recorded affordability restriction for at least 55 years in the case of rental units and 45 years in the case of ~~owner occupied~~ *owner-occupied* units, unless a local ordinance or the terms of federal, state, or local tax credit, or other project financing requires a longer period of affordability.

(3) The average total floor area of floor space for the proposed units in the housing development project shall not exceed 1,750 net habitable square feet.

(4) The parcel or parcels on which the project is located is an infill site, as defined in Section 21061.3 of the Public Resources Code.

(5) The transit-oriented development parcels on which the transit-oriented development project would be located was not acquired through eminent domain on or after July 1, 2025.

(6) The parcels on which the transit-oriented development project would be located are owned by the agency and either:

(A) The parcels are adjacent to a transit-oriented development stop for which the agency operates service, or form a contiguous area adjacent to such a transit-oriented development stop.

(B) At least 75 percent of the project area is located within one-half mile of a transit-oriented development stop for which the agency operates service or plans to provide service and was owned by the agency on or before January 1, ~~2026.~~ *2027*.

(b) (1) A transit agency's board of directors may adopt by resolution agency transit-oriented development zoning standards for district-owned real property located in a transit-oriented development zone. These standards shall establish minimum local zoning requirements for height, density, residential floor area ratio,

and allowed uses, that shall apply to an agency transit-oriented development project, that shall be consistent with Section 65912.157.

(2) Adopted agency transit-oriented development zoning standards shall establish, for each transit station, the lowest permissible maximum standard for height, density, and residential floor area ratio, and a list of approved residential, retail, and commercial uses.

(3) The agency transit-oriented development zoning standards adopted by the board of directors shall not adopt a lowest permissible maximum standard for density or residential floor area ratio below the level permitted under Section 65912.157, and shall not prohibit residential use.

(4) The agency transit-oriented development zoning standards shall not establish density standards that exceed 200 percent of the maximum density established in Section 65912.157.

(c) The adoption of, and amendments to, the agency transit-oriented development zoning standards shall comply with all of the following:

(1) The transit agency shall hold a public hearing to receive public comment on the proposed agency transit-oriented development zoning standards or proposed changes to the agency transit-oriented development zoning standards. The transit agency shall conduct direct outreach to relevant local governments and to communities of concern around each station. Before or during the scoping meeting, the transit agency shall consult with each local government in which the station is located, as well as any relevant infrastructure agencies. The consultation required pursuant to this section shall include all of the following:

(A) A review of the housing needs of the jurisdiction.

(B) A review of the transit-oriented development approved and built in the past year in the jurisdiction.

(C) A review of any transit-oriented development projects proposed by the transit agency in the jurisdiction for the past year.

(D) A discussion of any obstacles to development of any project proposed by the transit agency.

(2) Not less than 30 days before a public hearing of the board to consider the agency transit-oriented development zoning standards, the transit agency shall provide public notice and make the draft standards available to the public.

(3) The board shall adopt or reject any proposed agency transit-oriented development zoning standards at a publicly noticed meeting of the board not less than 30 days following the original public hearing.

(d) Objective standards adopted pursuant to paragraph (b) shall not preempt or otherwise displace local discretionary standards that apply to hotel, motel, bed and breakfast, or other transient lodging use, including short-term lodging, as defined in Section 17568.8 of the Business and Professions Code. For the purposes of this subdivision, the term "other transient lodging" does not include a residential hotel, as defined in Section 50519 of the Health and Safety Code.

(e) Where local zoning is inconsistent with the agency transit-oriented development zoning standards for a station, the local jurisdiction may adopt a local zoning ordinance that conforms to the transit-oriented development zoning standards.

(f) (1) A local government shall not be required to approve any height limit in excess of the standard for development adjacent to the transit-oriented development stop under Section 65912.157.

(2) The transit agency shall make a finding as to whether the local zoning ordinance conforms to the agency transit-oriented development zoning standards. Local zoning shall remain in place unless the transit agency determines that it does not conform to the agency transit-oriented development zoning standards. If, according to the transit agency's finding, the local zoning ordinance does not conform to the agency transit-oriented development zoning standards after two years of the date that the agency transit-oriented development zoning standards are adopted by the board for that station, the agency transit-oriented development zoning standards shall become the local zoning for any district-owned parcels that are eligible under this section, except for any height limit in excess of the standard for development adjacent to the transit-oriented development stop under Section 65912.157. For each station, a local jurisdiction may update zoning for transit agency-owned land to comply with agency transit-oriented development zoning standards until the time that the transit agency enters into an exclusive negotiating agreement with a developer for an agency transit-oriented development project.

(g) (1) The transit agency's approval of agency transit-oriented development zoning standards shall be subject to review under the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code). The district shall serve as the lead agency for California Environmental Quality Act review for transit-oriented development zoning standards.

(2) Any subsequent California Environmental Quality Act review of rezoning to conform with agency transit-oriented development zoning standards, and of eligible transit-oriented development projects proposed and on district-owned land, shall incorporate the environmental review document certified for the transit-oriented development zoning standards consistent with Section 21094 of the Public Resources Code. A public agency shall not prepare an environmental impact report or mitigated negative declaration for rezoning pursuant to paragraph (2) of subdivision (f) to implement agency transit-oriented development zoning standards or for a transit-oriented development project subsequent to the transit agency's certification of an environmental review document for approval of agency transit-oriented development zoning standards unless the public agency finds, based on substantial evidence, that the rezoning or transit-oriented development project creates a significant effect on the environment that was not analyzed in the prior environmental review document, and mitigated or avoided.

(h) A local agency may adopt objective, written development standards, conditions, and policies that apply to development on district-owned property, provided that they demonstrate their consistency with the agency transit-oriented development zoning standards. In the event that the agency transit-oriented development zoning standards, objective planning standards, general plan, or design review standards are mutually inconsistent, the agency transit-oriented development zoning standards shall be the controlling standards. To the extent that the zoning standards do not resolve inconsistencies, the general plan shall be the controlling standard.

(i) Zoning in effect as a result of this section shall be considered the same as locally approved zoning for all purposes, including the Density Bonus Law and the Housing Accountability Act.

(j) Any agency transit-oriented development project shall comply with the antidisplacement requirements of Section 66300.6.

(k) A local government shall not be required to approve any height limit under this section greater than the height limit specified in this chapter for development adjacent to the relevant tier of a transit-oriented development stop. A transit agency shall not set a maximum height, density, or residential floor area ratio below that which would be allowed for the site under this chapter.

(*l*) If nonresidential development is included in an agency transit-oriented development project, at least 25 percent of the total planned units affordable to lower income households shall be made available for lease or sale and permitted for use and occupancy before or at the same time with every 25 percent of nonresidential development made available for lease or sale and permitted for use and occupancy.

(m) The development applicant for an agency transit-oriented development project proposed pursuant to this section shall certify that the labor standards in paragraphs (8) and (9) of subdivision (a) of Section 65913.4 will be met in project construction, and those standards shall apply if the project is approved by the public agency. Notwithstanding the preceding sentence, this subdivision shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement with the transit agency that was entered into before July 1, 2026, that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for the enforcement of that obligation through an arbitration procedure. For the purposes of this subdivision, "project labor agreement," has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

SEC. 4. Section 65912.160 of the Government Code is amended to read:

65912.160. (a) The department shall oversee compliance with this chapter.

(b) The department shall promulgate standards on how to allow for capacity pursuant to this chapter to be counted in a city or county's inventory of land suitable for residential development pursuant to Section 65583.2, no later than July 1, ~~2026.~~ *2027*.

(c) (1) A local government may enact an ordinance to make its zoning code consistent with the provisions of this chapter, subject to review by the department pursuant to subdivision (d). This ordinance may include objective development standards,

conditions, and policies, applying to transit-oriented housing developments, that are demonstrated by a preponderance of evidence to not physically preclude, alone or in concert, the applicable housing development standards of Section 65912.157.

(2) The ordinance described in paragraph (1) shall not be considered a project under Division 13 (commencing with Section 21000) of the Public Resources Code.

(d) If a local government adopts an ordinance to come into compliance with this section, the following provisions shall apply:

(1) (A) At least 14 days prior to adoption of an ordinance pursuant to this section, the local government shall submit a draft ordinance to the department.

(B) The department may review the draft and report its written findings to the planning agency.

(2) A local government shall submit a copy of any ordinance enacted pursuant to this section to the department within 60 days of enactment.

(3) (A) The department shall, within 90 days, review the enacted ordinance, make a finding as to whether the enacted ordinance is in substantial compliance with this section, and report that finding to the local government.

(B) If needed, the department may request an additional 30 days to make a finding as to whether the enacted ordinance is in substantial compliance with this section, and report that finding to the local government.

(C) If the department does not provide written findings to the local government within the review period provided for in this paragraph, the ordinance shall be deemed compliant for the purposes of assessing penalties, including those pursuant to subdivision (m) of Section 65912.157.

(4) If at any time the department determines that the ordinance does not comply with this section, the department shall notify the local government in writing. The department shall provide the local government a reasonable time, not to exceed 60 days, to respond before taking further action as authorized by this section.

(5) The local government shall consider any findings made by the department pursuant to paragraph (4) and shall do one of the following:

(A) Amend the ordinance to comply with this section.

(B) Enact the ordinance without changes. The local government shall include findings in its resolution adopting the ordinance that explain the reasons the local government believes that the ordinance complies with this section despite the findings of the department.

(6) If the local government does not amend its ordinance in response to the department's findings or does not adopt a resolution with findings explaining the reason the ordinance complies with this section and addressing the department's findings, the department shall notify the local government and may notify the Attorney General that the local government is in violation of this section.

(e) The ordinance may designate areas within one-half mile of a transit-oriented development stop as exempt from the provisions of this chapter if:

(1) The local government makes findings supported by substantial evidence that there exists no walking path of less than one mile from that location to the transit-oriented development stop.

(2) A local government with at least 15 transit-oriented development stops designates the area as an industrial employment hub. An industrial employment hub shall be a contiguous area of at least 250 acres designated in the jurisdiction's general plan on or before January 1, 2025, as an employment lands area; the parcels within it shall be primarily dedicated to industrial use as defined in paragraph (3) of subdivision (f) of Section 65912.121; and housing shall not be a permitted use on any of the sites so excluded.

(f) Each metropolitan planning organization shall create a map of transit-oriented development stops and zones within its region by tier, as designated under this chapter, in accordance with the department's guidance pursuant to subdivision (b). This map shall have a rebuttable presumption of validity for use by project applicants and local governments.

SEC. 5. Section 65912.161 of the Government Code is amended to read:

65912.161. (a) For purposes of this section, "transit-oriented development alternative plan" shall mean a plan adopted by the local agency via the adoption of the housing element, a program to implement the housing element, the adoption of a specific plan, a zoning overlay, or enactment of an ordinance; that brings the

local agency into compliance with this chapter and that incorporates all of the following:

(1) A local transit-oriented development alternative plan shall maintain at least the same total net zoned capacity, in terms of both total units and residential floor area, as provided for in this chapter across all transit-oriented development zones within the jurisdiction.

(A) Net zoned capacity in units shall be measured by subtracting the current number of units on the site from the number allowed by the applicable development standards.

(B) Net zoned capacity in floor area shall be measured by subtracting the current developed floor area of the site from the amount allowed by the applicable development standards.

(2) The plan shall not reduce the maximum allowed density for any individual site on which the plan allows residential use by more than 50 percent below that permitted under this chapter, except for sites meeting any of the following criteria:

(A) Sites within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Section 51178, or within the state responsibility area, as defined in Section 4102 of the Public Resources Code.

(B) Sites that are vulnerable to one foot of sea level rise, as determined by the National Oceanic and Atmospheric Administration, the Ocean Protection Council, the United States Geological Survey, the University of California, or a local government's coastal hazards vulnerability assessment.

(C) Sites with a historic ~~resource designated on a local register, so long as sites excluded from the density requirements of this paragraph on that basis do not cumulatively exceed 10 percent of the eligible area of any transit-oriented development zone.~~ *resource.*

(D) Sites within one-half mile of a Tier 2 transit-oriented development stop shall not have a density below 30 units per acre with a residential floor area ratio of 1.0, except for sites specified in subparagraphs (A) to (C), *inclusive,* and should be considered for attached entry level ~~owner occupied~~ *owner-occupied* housing development opportunities.

(3) The plan shall not reduce the capacity in any transit-oriented development zone in total units or residential floor area by more than 50 percent.

(4) A site's maximum capacity counted toward the plan shall not exceed 200 percent of the maximum density established under this chapter. Any site excluded from the minimum density requirements of subparagraphs (A) to ~~(C)~~ *(C), inclusive,* of paragraph (2) shall not be counted toward the plan's capacity. For purposes of this section, calculations regarding capacity, density, and floor area shall include capacity, density, or floor area available under voluntary local housing incentive programs.

(5) A local transit-oriented development alternative plan may consist of an existing local transit-oriented zoning ordinance, overlay zone, specific plan, or zoning incentive ordinance, provided that it meets the requirements of this subdivision.

(b) (1) Prior to one year following the adoption of the seventh revision of the housing element, Section 65912.157 shall not apply to any of the following for which the local government has adopted an ordinance in accordance with Section 65912.160 indicating the site's exclusion:

(A) A site that has been identified by the local jurisdiction which permits density and residential floor area ratio at no less than 50 percent of the standards specified under subdivision (a) of Section 65912.157.

(B) (i) A site in a transit-oriented development zone in which at least 33 percent of sites in the relevant transit-oriented development zone have permitted density and residential floor area ratio no less than 50 percent of the standards specified under subdivision (a) of Section 65912.157 and which includes sites with densities that cumulatively allow for at least 75 percent of the aggregate density for the transit-oriented development zone specified under subdivision (a) of Section 65912.157.

(ii) A site in a transit-oriented development zone around a transit-oriented development stop that is primarily comprised of a low-resource area which includes sites with densities that cumulatively allow for at least 40 percent of the aggregate density for the transit-oriented development zone specified under subdivision (a) of Section 65912.157.

(iii) A site in an area designated as low resource on the most recently adopted version of the opportunity area maps published by the California Tax Credit Allocation Committee and the department, and within a jurisdiction that cumulatively allows for at least 50 percent of the total capacity for units and floor area as

specified under Section 65912.157 across all transit-oriented development zones.

(C) A site that is covered by a local transit-oriented development alternative plan adopted by a local government.

(D) Sites within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Section 51178, or within the state responsibility area, as defined in Section 4102 of the Public Resources Code.

(E) Sites that are vulnerable to one foot of sea level rise, as determined by the National Oceanic and Atmospheric Administration, the Ocean Protection Council, the United States Geological Survey, the University of California, or a local government's coastal hazards vulnerability assessment.

(F) Sites ~~with~~ *designated as* a historic resource ~~designated~~ as of January 1, ~~2025, on a local register.~~ *2025*.

(2) A local government that has adopted an ordinance pursuant to this subdivision shall indicate on its public zoning map which sites or transit-oriented development zones are and are not covered by Section 65912.157.

(c) (1) For the seventh and subsequent revisions of the housing element, a local government may include a local transit-oriented development alternative plan in any of the following ways:

(A) (i) Include a local transit-oriented alternative plan in its housing element. When a local government includes a transit-oriented development alternative plan in its housing element the plan shall include an analysis of how the plan maintains at least an equal feasible developable housing capacity as the baseline established by this chapter.

(ii) If a local government adopts a housing element that the department has determined to be compliant with this section, then any action to enforce or implement a compliant housing element shall be subject to applicable provisions of housing element law (Article 10.6 (commencing with Section 65580) of Chapter 3).

(iii) The initial submission of a transit-oriented development alternative plan shall be included in the local government's first draft submittal referenced in subparagraph (C) of paragraph (1) of subdivision (b) of Section 65585.

(iv) Sites identified in a local transit-oriented development alternative plan may be included in the inventory of land suitable

for residential development, pursuant to the additional requirements of Section 65583.

(B) If a local government does not include the local transit-oriented alternative plan in its housing element, the local government may adopt an alternative plan that has been deemed compliant by the department pursuant to Section 65912.160.

(d) Section 65912.157 shall not apply within a jurisdiction that has a local transit-oriented alternative plan that has been approved by the department as satisfying the requirements of this section in effect. The department's approval pursuant to this section shall be valid through the jurisdiction's next amendment to the housing element of its general plan.

(e) A local transit-oriented development alternative plan may consist of an existing local transit-oriented zoning ordinance, overlay zone, specific plan, zoning incentive ordinance or existing program, provided that it meets the requirements of this section.

~~SECTION 1. Section 65580 of the Government Code is amended to read:~~

~~65580. The Legislature finds and declares all of the following:~~

~~(a) The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every Californian, including farmworkers, is a priority of the highest order.~~

~~(b) The early attainment of this goal requires the cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels.~~

~~(c) Providing housing that is affordable to low- and moderate-income households requires the cooperation of all levels of government.~~

~~(d) Local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community.~~

~~(e) The Legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan and to cooperate with other local governments and the state in addressing regional housing needs.~~

~~(f) Designating and maintaining a supply of land and adequate sites suitable, feasible, and available for the development of housing sufficient to meet the locality's housing need for all income levels is essential to achieving the state's housing goals and the purposes of this article.~~

O

BILL: SB 935 (Choi, R–Irvine)
Introduced January 29, 2026

SUBJECT: SB 935 repeals the January 1, 2031, sunset on local agency authority to use the design-build procurement method for public works projects

STATUS: Pending in Senate Committee on Appropriations
Passed Senate Local Government Committee 7-0
Referred to Senate Committee on Local Government

SUMMARY AS OF MARCH 26, 2026:

SB 935 would repeal the January 1, 2031, sunset date on the statutory authority for local agencies, including cities, counties, county transportation commissions, and transit agencies, to utilize the design-build procurement method. By eliminating this sunset provision, the bill would extend indefinitely the existing authority allowing local agencies, with approval of their governing body, to use design-build procurement for public works projects exceeding $1,000,000.

Under existing law, the design-build procurement method allows a single entity to be responsible for both the design and construction of a public works project. Design-build contracts may be awarded either to the lowest responsible bidder or on a best-value basis, enabling agencies to evaluate price alongside technical qualifications, project approach, innovation, constructability, and lifecycle considerations.

SB 935 does not expand the types of projects eligible for design-build, alter the $1,000,000 project threshold, or modify evaluation or transparency requirements. Instead, it preserves the current statutory framework and procedural safeguards.

EFFECTS ON ORANGE COUNTY:

Design-build is an established and widely used project delivery method that provides flexibility, schedule efficiency, and cost certainty for complex public infrastructure projects. By integrating design and construction services under a single contract, local agencies including county transportation commissions and transit agencies such as the Orange County Transportation Authority (OCTA) can streamline coordination, reduce procurement and delivery timelines, allocate risk more effectively, and minimize change orders.

For OCTA, design-build is a critical procurement tool for delivering major capital investments across the Orange County, including freeway improvements, express lanes, rail corridor stabilization, and transit infrastructure. OCTA has successfully utilized design-build on projects such as the Interstate 405 Improvement Project and State Route 22 corridor improvements, where this delivery method helped accelerate delivery and improve cost efficiency.

Design-build is also essential for complex, technology-driven projects such as OCTA's Transit Security and Operations Center , as well as emerging initiatives including hydrogen fueling infrastructure and other zero-emission programs. These projects involve evolving technical requirements, system integration, and specialized infrastructure that benefit from a unified design and construction approach.

Many of these projects are funded through Measure M and multi-year state and federal grant programs that require long-term planning certainty and disciplined project delivery. The scheduled expiration of design-build authority in 2031 could introduce uncertainty into long-range capital planning and procurement strategies, particularly for projects that extend beyond that date and require multi-year environmental review, funding coordination, and phased construction schedules.

Repealing the sunset ensures continuity of authority, supports stable procurement planning, and provides predictability for contractors, funding partners, and regional stakeholders. A SUPPORT position is consistent with OCTA's 2025-26 State Legislative Platform principles to "Support new and existing alternative project delivery methods, such as design-build, public-private partnership authority, construction manager/general contractor authority, and progressive design build, through expanding mode and funding eligibility while also allowing the appropriate balance of partnership between the State and local agencies."

OCTA POSITION:

Staff recommends: SUPPORT

SENATE BILL No. 935

Introduced by Senator Choi
(Coauthors: Senators Alvarado-Gil, Niello, and Valladares)
(Coauthors: Assembly Members Dixon and Wallis)

January 29, 2026

An act to repeal Section 22169 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

SB 935, as introduced, Choi. Local agency design-build projects: authorization.

Existing law authorizes a local agency, as defined, with approval of its governing body, to procure design-build contracts for public works projects in excess of $1,000,000, awarding the contract either to the lowest bid or the best value. Existing law, among other requirements for the design-build procurement process, requires specified information submitted by a design-build entity to be certified under penalty of perjury. These provisions authorizing local agencies to use the design-build procurement process are repealed on January 1, 2031.

This bill would repeal the above-described January 1, 2031, repeal date, thereby extending the operation of these provisions indefinitely. By indefinitely extending provisions that would otherwise be repealed on January 1, 2031, the bill would expand the crime of perjury, thereby imposing a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 22169 of the Public Contract Code is repealed.

~~22169. This chapter shall remain in effect only until January 1, 2031, and as of that date is repealed.~~

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

O

BILL: SB 1167 (Blakespear, D–Encinitas)
Amended March 26, 2026
Introduced February 18, 2026

SUBJECT: SB 1167 prohibits certain motorized vehicles from being marketed or sold as electric bicycles and establishes enhanced labeling, disclosure, and safety requirements

STATUS: Pending in Senate Committees on Transportation and Natural Resources and Water

SUMMARY AS OF MARCH 27, 2026:

SB 1167 would strengthen state law governing electric bicycles (e-bikes) by expanding restrictions on the types of vehicles that may be advertised, sold, or labeled as e-bikes and by establishing additional labeling, disclosure, and safety requirements.

Existing law defines e-bikes as bicycles equipped with fully operable pedals and an electric motor not exceeding 750 watts and establishes three classes of e-bikes with specific operational and equipment requirements. Current law also prohibits vehicles that do not meet this definition from being marketed or sold as e-bikes.

SB 1167 would expand these restrictions by explicitly prohibiting additional vehicle types, including vehicles capable of speeds over 20 miles per hour on motor power alone, a vehicle without operable pedals, mopeds, and other higher-powered electric devices, from being advertised or sold as e-bikes. The bill further provides that violations of these provisions constitute misleading advertising under state unfair competition and false advertising laws.

The bill also establishes additional requirements, including permanent labeling standards for e-bikes, mopeds, and motor-driven cycles; restrictions on the sale and installation of classification labels requiring retailer verification; and expanded disclosure requirements applicable to manufacturers, importers, and sellers across advertising platforms, including online and social media. The bill also includes new safety and enforcement provisions related to operation of certain high-speed electric devices on public roadways unless they meet defined vehicle classifications, certification requirements for electric vehicles in fire-prone areas, and reporting requirements for incidents involving e-bikes and similar devices.

EFFECTS ON ORANGE COUNTY:

SB 1167 may support improved safety outcomes for e-bike users and other roadway users in Orange County by clarifying vehicle classifications and addressing misleading marketing practices.

The rapid growth in e-bike usage, particularly among youth riders, has been accompanied by increased availability of higher-powered electric devices marketed as e-bikes that may not meet the legal definition of an e-bike. These devices may operate at higher speeds or power levels, creating potential safety risks on local streets, bikeways, and near schools and transit facilities. Misleading marketing of these devices may also result in consumers underestimating the safety requirements associated with higher-powered vehicles, including licensing, registration, and protective equipment standards typically required for motor vehicles.

By strengthening classification standards and prohibiting mislabeling of higher-powered vehicles as e-bikes, SB 1167 may help ensure that riders, parents, and consumers better understand the capabilities and legal requirements associated with different device types. This may improve compliance with traffic laws, reduce unsafe riding behavior, and minimize conflicts between users of various mobility modes.

The bill's enhanced labeling and incident reporting provisions may also improve data collection and understanding of safety trends, supporting more targeted policies to promote safe e-bike operation.

For the Orange County Transportation Authority (OCTA), improved clarity and enforcement related to e-bike classifications supports broader active transportation safety goals and complements ongoing efforts to promote safe and responsible use of e-bikes as part of a multimodal transportation system. A SUPPORT position is consistent with OCTA's 2025-26 State Legislative Platform principles to "Seek funding and support policies that enhance safety requirements related to the utilization of electric bicycles."

OCTA POSITION:

Staff recommends: SUPPORT

AMENDED IN SENATE MARCH 26, 2026

SENATE BILL No. 1167

Introduced by Senator Blakespear
(Coauthors: Senators Gonzalez, Strickland, and Wiener)
(Coauthors: Assembly Members Davies and Dixon)

February 18, 2026

An act to amend *Section 26300 of the Health and Safety Code, and to amend* Sections 312.5, 405, 406, 426, 472, 672, 4020, 5030, 5031, 5032, 5033, 5034, 5035, 5036, 5037, 5038, 5039, 12500, 12509, 12509.5, 12804.9, 12814.6, 21113, 21201.3, 21203, 21207.5, 21209, 21712, 21960, *22651.08, 23103,* 23135, 23330, 24015, 24951, 25650, 27800, 27802, 27803, 38012, 38366, 38505, and 38601 of, to amend the heading of Article 8.1 (commencing with Section 5030) of Chapter 1 of Division 3 of, ~~and~~ to add *Section 21065 to, to add Article 9 (commencing with Section 21310) to Chapter 1 of Division 11 of, and to add* Article 7.5 (commencing with Section 27850) to Chapter 5 of Division 12 of, the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

SB 1167, as amended, Blakespear. Vehicles: electric bicycles.

Existing law defines an electric bicycle as a bicycle equipped with fully operable pedals and an electric motor that does not exceed 750 watts of power. Existing law classifies electric bicycles into 3 classes with different restrictions for various purposes, and requires, among other things, a class 3 electric bicycle to be equipped with a speedometer. Existing law prohibits certain vehicles that do not meet the definition of an electric bicycle from being advertised, sold, offered for sale, or labeled as an electric bicycle, as specified. A violation of the Vehicle Code is a crime.

This bill would amend the type of vehicles that are prohibited from being advertised, sold, offered for sale, or labeled as electric bicycles, including, among others, motor-driven cycles and mopeds. The bill would additionally make a violation of this provision a misleading statement for purposes of *unfair competition and* false advertising provisions of the Business and Professions Code. By creating new crimes related to the advertisement, sale, offer, and labeling of electric bicycles, and by expanding the application of an existing crime, this bill would impose a state-mandated local program.

Existing law defines a motor-driven cycle as any motorcycle with a motor that displaces less than 150 cubic centimeters.

~~The~~

This bill would revise the definition of motor-driven cycle to mean any motorcycle propelled by an internal combustion engine that displaces less than 150 cubic centimeters, or by an electric motor of less than 3,750 watts that produces 5 brake horsepower or ~~less.~~ *less, and is designed for highway use, complies with all applicable federal motor safety standards, and meets all of the equipment requirements of the Vehicle Code.*

Existing law defines a motorized bicycle or moped as a two-wheeled or three-wheeled device having fully operative pedals for propulsion by human power, or having no pedals if powered solely by electrical energy, and an automatic transmission and a motor that produces less than 4 gross brake horsepower, and is capable of propelling the device at a maximum speed of not more than 30 miles per hour on level ground.

This bill would delete references to motorized bicycle in the Vehicle Code and replace the term with “moped.” The bill would revise the definition of a moped to mean a two-wheeled or three-wheeled device that has an electric motor *of less than 3,000 watts* or an internal combustion engine that produces less than 4 gross brake horsepower, is capable of propelling the device at a maximum speed of not more than 30 miles per hour on level ground, is designed for highway use, complies with all applicable federal motor safety standards, and meets all *of* the equipment requirements of the Vehicle Code. The bill would specify that a moped may be equipped with operable pedals for propulsion by human power.

Existing law requires every manufacturer of a motorized bicycle or moped to provide a specified disclosure to buyers.

~~The~~

This bill would instead require every manufacturer, importer, or seller of a motor-driven ~~cycle or moped~~ *cycle, moped, or electric off-road motorcycle* that is powered by an electric motor to provide a specified disclosure to all potential buyers in any advertising, including any online advertising on internet websites or social media. The bill would additionally make a violation of this provision a misleading statement for purposes of *unfair competition and* false advertising provisions of the Business and Professions Code. By creating new crimes related to disclosure requirements on manufacturers, importers, or sellers of motor-driven ~~cycles and mopeds,~~ *cycles, mopeds, or electric off-road motorcycles,* and by expanding the application of an existing crime, this bill would impose a state-mandated local program.

Existing law requires manufacturers and distributors of electric bicycles to apply a label that is permanently affixed, in a prominent location, to each electric bicycle. Existing law requires the label to contain the classification number, top assisted speed, and motor wattage of the electric bicycle, as specified.

This bill would require manufacturers and distributors of mopeds and motor-driven cycles to apply a similar label. The bill would make it unlawful for a person to sell an electric bicycle, moped, or motor-driven cycle in violation of the labeling and disclosure requirements mentioned above. By expanding the application of an existing crime, this bill would impose a state-mandated local program.

This bill would prohibit a person from selling or installing an electric bicycle classification label unless the classification label is sold and installed in a physical retailer or bicycle repair shop. The bill would require a retailer and bicycle repair shop of electric bicycles to verify that the classification label matches the electric bicycle class before installing the classification label on an electric bicycle. By expanding the application of an existing crime, this bill would impose a state-mandated local program.

This bill would require any incident report filed by a peace officer for an injury or crash involving an electric bicycle, moped, and motor-driven cycle to include specified marking or label information affixed on the electric bicycle, moped, and motor-driven cycle or to indicate that a marking or label was not available. By increasing duties on local law enforcement, this bill would impose a state-mandated local program.

Existing law defines an off-highway motor vehicle as a motor vehicle that operates on lands, other than a highway, that are open and accessible

to the public, as specified. Existing law establishes rules for the operation of an off-highway vehicle. Existing law requires every off-highway motor vehicle that is not registered under the Vehicle Code to display an identification plate or device issued by the Department of Motor Vehicles, except as specified.

~~The~~

This bill would explicitly clarify that off-highway electric motorcycles are subject to identification as ~~an~~ off-highway motor ~~vehicle.~~ *vehicles.* The bill would also prohibit the use, allowing to use, or ~~operating~~ *operation of* an off-highway electric motorcycle, motorcycle, motor-driven cycle, or moped powered by an electric motor on any forest-covered land, brush-covered land, or grass-covered land unless the vehicle has been certified by an accredited independent laboratory, as specified, and the name or mark of the certifying laboratory is permanently marked on the vehicle or on its drive system. By creating new crimes related to the operation of off-highway vehicles, this bill would impose a state-mandated local program.

Existing law makes a person who drives a vehicle upon a highway, or in an offstreet parking facility, in willful or wanton disregard for the safety of persons or property guilty of reckless driving, which is punishable, upon conviction, by imprisonment in the county jail, payment of a fine, or both the imprisonment and fine, as specified.

This bill would make a person who operates a bicycle, including an electric bicycle, upon a highway, or in an offstreet parking facility, in willful or wanton disregard for the safety of persons or property guilty of reckless driving. By expanding the scope of an existing crime, this bill would impose a state-mandated local program.

Existing law authorizes a peace officer to remove a vehicle that (1) has fewer than 4 wheels, but that does not meet the definition of an electric bicycle, if that vehicle is powered by an electric motor capable of exclusively propelling the vehicle in excess of 20 miles per hour on a highway and is being operated by an operator without a current license to operate the vehicle, or (2) is a class 3 electric bicycle being operated by a person under 16 years of age.

This bill would additionally prohibit a person from operating a 2-wheeled or 3-wheeled device powered by an electric motor that is capable of propelling the device at a speed greater than 20 miles per hour on level ground on a highway or public right-of-way when powered solely by the motor unless the device meets the definition of a device that is explicitly defined in, and authorized for use on a highway or

public right-of-way by, the Vehicle Code. The bill would authorize a peace officer to remove the vehicle if the vehicle is a 2-wheeled or 3-wheeled unauthorized device being operated by a person on a highway or public right-of-way. Because a violation of these provisions would be a crime, the bill would impose a state-mandated local program.

~~The~~

This bill would make other clarifying and conforming changes.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and ~~declare~~ *declares* all of the following:

(a) Electric bicycles not only offer a solution to car dependency and transportation poverty, but also help reduce our carbon footprint. As California moves away from its dependence on fossil fuels, we will continue to see a rise in zero-emission modes of transportation, including, but not limited to, electric bicycles.

(b) Electric bicycles reduce barriers in encouraging more people to ride bicycles and play a significant factor in replacing car trips in order to meet our goals of shifting to alternative modes of transportation, reducing the number of motor vehicle miles traveled, and improving our climate.

(c) Other electric cycles, including motor-driven cycles, mopeds, and "e-motos" are not legal electric bicycles because of their excessive speed and power, are designed and marketed as "e-bikes" to children on social media, and are gaining popularity. Nearly 90 percent of electric devices observed at the ~~bike~~ *bicycle* racks of local schools in Counties of San Mateo and Marin in 2025 were "e-motos," not legal electric bicycles.

(d) Many devices are being deceptively marketed as class 2 or class 3 electric bicycles and do not fit into the legal classification of either class because the equipped motor is more powerful than the legally authorized 750 watts or because the advertised *and*

actual top assisted speed is above the legal limit of 20 or 28 miles per hour, respectively.

(e) "E-motos" are causing increased safety issues on the streets of many California communities, based on evidence in a report issued by the Mineta Transportation Institute in 2025.

(f) It is the intent of the Legislature to improve the safe movement and expanded usage of electric bicycles as a net-zero transportation mode in the context of California's existing multimodal transportation system.

(g) It is the intent of the Legislature to protect consumers from deceptive marketing tactics while ensuring the safety of our roadways.

SEC. 2. Section 26300 of the Health and Safety Code is amended to read:

26300. For purposes of this chapter, the following terms have the following meanings:

(a) "Accredited testing laboratory" means an independent laboratory accredited by an accreditation body to ISO 17025 or ISO 17065, or a Nationally Recognized Testing Laboratory (NRTL).

(b) "Certification" means the attestation by an accredited testing laboratory that the equipment, device, or product has been evaluated and tested and found to conform to the standards specified in this chapter.

(c) "Charging system" means dedicated chargers used for charging an electric bicycle, a powered mobility device, or storage batteries that are either in place or removed from electric bicycles or powered mobility devices for charging.

(d) "Complete electrical system" means all electric components of an electric bicycle or powered mobility device, including, but not limited to, drive units, batteries, battery management systems, interconnected wiring, charging systems, and power inlets.

(e) (1) "Electric bicycle" means a bicycle with electric assistance as defined in Section 312.5 of the Vehicle Code.

(2) Devices advertised as "e-bikes," "e-bicycles," "electric bikes," or other variations that are substantially similar to an electric bicycle are subject to the same standards as an electric bicycle.

(f) "Nationally recognized testing laboratory" (NRTL) means an organization that meets the qualifications provided in Section

1910(b) of Title 29 of the Code of Federal Regulations and is recognized as an NRTL by the United States Department of Labor, Occupational Safety and Health Administration's (OSHA) Nationally Recognized Testing Laboratory Program.

(g) "Office" means the Office of the State Fire Marshal.

(h) (1) "Powered mobility device" includes any of the following:

(A) A motorized scooter as defined in subdivision (a) of Section 407.5 of the Vehicle Code.

(B) A motorized bicycle or moped as defined in subdivision (a) of Section 406 of the Vehicle Code.

(C) An off-highway *electric* motorcycle as defined in Section ~~436~~ *436.1* of the Vehicle Code.

(D) Any other personal mobility device powered by a lithium-ion storage battery.

(2) "Powered mobility device" does not include electric bicycles, wheelchairs, or other mobility devices designed for use by persons with disabilities, a vehicle that is powered by an internal combustion engine, or a vehicle required to be registered with the Department of Motor Vehicles.

(i) "Storage battery" means any of the following:

(1) A rechargeable lithium-ion traction battery that supplies electrical power to the motor that propels an electric bicycle or powered mobility device, and includes a replacement original equipment traction battery for those devices.

(2) A battery sold as part of a kit intended to convert a bicycle into an electric bicycle or powered mobility device.

(3) A lithium-ion battery advertised as suitable for use with an electric bicycle or powered mobility device.

~~SEC. 2.~~

SEC. 3. Section 312.5 of the Vehicle Code is amended to read:

312.5. (a) An "electric bicycle" is a bicycle equipped with fully operable pedals and an electric motor that does not exceed 750 watts of power.

(1) A "class 1 electric bicycle," or "low-speed pedal-assisted electric bicycle," is a bicycle equipped with a motor that provides assistance only when the rider is pedaling, that is not capable of exclusively propelling the bicycle, except as provided in paragraph (4), that ceases to provide assistance when the bicycle reaches the

speed of 20 miles per hour, and that is not capable of providing assistance to reach speeds greater than 20 miles per hour.

(2) A "class 2 electric bicycle," or "low-speed throttle-assisted electric bicycle," is a bicycle equipped with a motor that may be used exclusively to propel the bicycle, and that is not capable of providing assistance when the bicycle reaches the speed of 20 miles per hour.

(3) A "class 3 electric bicycle," or "speed pedal-assisted electric bicycle," is a bicycle equipped with a motor that provides assistance only when the rider is pedaling, that is not capable of exclusively propelling the bicycle, except as provided in paragraph (4), and that ceases to provide assistance when the bicycle reaches the speed of 28 miles per hour, and equipped with a speedometer.

(4) A class 1 or class 3 electric bicycle may have start assistance or a walk mode that propels the electric bicycle on motor power alone, up to a maximum speed of 3.7 miles per hour.

(b) A person riding an electric bicycle, as defined in this section, is subject to Article 4 (commencing with Section 21200) of Chapter 1 of Division 11.

(c) The following vehicles are not electric bicycles under this code and shall not be advertised, sold, offered for sale, or labeled as electric bicycles or ~~"e-bikes":~~ *"e-bikes:"*

(1) A vehicle with motor power of more than 750 watts.

(2) A vehicle capable of attaining a speed greater than 20 miles per hour on motor power alone.

(3) A vehicle with a motor capable of providing assistance when the vehicle reaches a speed exceeding 28 miles per hour.

(4) A vehicle with no more than three wheels powered by an electric motor that is intended by the manufacturer to be modifiable to do any of the following:

(A) Attain more than 750 watts of power.

(B) Attain a speed greater than 20 miles per hour on motor power alone.

(C) Provide assistance when the vehicle reaches a speed exceeding 28 miles per hour.

(5) A vehicle without operable pedals.

(6) Any motorcycle, moped, motorized scooter, off-highway electric motorcycle, pocket bike, or recreational off-highway vehicle.

(d) In addition to any penalties imposed under this code, advertising or selling a device listed in subdivision ~~(d)~~ *(c)* as an "e-bike" or any class of electric bicycle shall constitute a misleading statement within the meaning of ~~Section~~ *Sections 17200 and* 17500 of the Business and Professions Code.

~~SEC. 3.~~

SEC. 4. Section 405 of the Vehicle Code is amended to read:

405. (a) A "motor-driven cycle" is any motorcycle propelled by an internal combustion engine that displaces less than 150 cubic centimeters, or by an electric motor of less than 3,750 watts that produces 5 brake horsepower or ~~less.~~ *less, and is designed for highway use, complies with all applicable federal motor safety standards contained in Part 571 (commencing with Section 571.1) of Title 49 of the Code of Federal Regulations, or any successor regulation, and is equipped in accordance with the requirements of this code.* A motor-driven cycle does not include a moped.

(b) An electric bicycle, moped, motorized scooter, pocket bike, or recreational off-highway vehicle is not a motor-driven cycle and shall not be advertised, sold, offered for sale, or labeled as a motor-driven cycle.

(c) In addition to any penalties imposed under this code, advertising or selling a motor-driven cycle as an "e-bike" or any class of electric bicycle shall constitute a misleading statement within the meaning of ~~Section~~ *Sections 17200 and* 17500 of the Business and Professions Code.

~~SEC. 4.~~

SEC. 5. Section 406 of the Vehicle Code is amended to read:

406. (a) (1) A "moped" is a two-wheeled or three-wheeled device that has an electric motor *of less than 3,000 watts* or an internal combustion engine that produces less than 4 gross brake horsepower, is capable of propelling the device at a maximum speed of not more than 30 miles per hour on level ground, is designed for highway use, complies with all applicable federal motor safety standards contained in Part 571 (commencing with Section 571.1) of Title 49 of the Code of Federal Regulations, and is equipped in accordance with the requirements of this code.

(2) A moped does not include an electric bicycle, motor-driven cycle, motorized scooter, pocket bike, or off-highway electric motorcycle.

(3) A moped may be equipped with operable pedals for propulsion by human power.

(b) In addition to any penalties imposed under this code, advertising or selling a moped as an "e-bike" or any class of electric bicycle shall constitute a misleading statement within the meaning of ~~Section~~ *Sections 17200 and* 17500 of the Business and Professions Code.

(c) A moped is formerly also referred to as a "motorized~~ bicycle"~~ *bicycle.*"

~~"YOUR INSURANCE POLICIES MAY NOT PROVIDE COVERAGE FOR ACCIDENTS INVOLVING THE USE OF THIS BICYCLE. TO DETERMINE IF COVERAGE IS PROVIDED YOU SHOULD CONTACT YOUR INSURANCE COMPANY OR AGENT."~~

~~SEC. 5.~~

SEC. 6. Section 426 of the Vehicle Code is amended to read:

426. "New motor vehicle dealer" is a dealer who, in addition to the requirements of that section, either acquires for resale new and unregistered motor vehicles from manufacturers or distributors of those motor vehicles or acquires for resale new off-highway motorcycles, off-highway electric motorcycles, or all-terrain vehicles from manufacturers or distributors of the vehicles. A distinction shall not be made, nor any different construction be given to the definition of "new motor vehicle dealer" and "dealer" except for the application of the provisions of Chapter 6 (commencing with Section 3000) of Division 2 and Sections 4456, 4750.6, and 11704.5. Sections 3001 and 3003 do not, however, apply to a dealer who deals exclusively in motorcycles, all-terrain vehicles, or recreational vehicles, as defined in subdivision (a) of Section 18010 of the Health and Safety Code.

~~SEC. 6.~~

SEC. 7. Section 472 of the Vehicle Code is amended to read:

472. A "pilot car" is a motor vehicle, except a motorcycle, moped, or motorized quadricycle, which is used to escort one or more other vehicles, when required, due to the vehicles' size or character of load, in accordance with conditions set forth in a permit issued by the appropriate state agency or by a local authority.

~~SEC. 7.~~

SEC. 8. Section 672 of the Vehicle Code is amended to read:

672. (a) "Vehicle manufacturer" is any person who produces from raw materials or new basic components a vehicle of a type subject to registration under this code, off-highway motorcycles, off-highway electric motorcycles, or all-terrain vehicles subject to identification under this code, or trailers subject to identification pursuant to Section 5014.1, or who permanently alters, for purposes of retail sales, new commercial vehicles by converting the vehicles into house cars that display the insignia of approval required by Section 18056 of the Health and Safety Code and any regulations issued pursuant thereto by the Department of Housing and Community Development. As used in this section, "permanently alters" does not include the permanent attachment of a camper to a vehicle.

(b) A vehicle manufacturer that produces a vehicle of a type subject to registration that consists of used or reconditioned parts, for the purposes of the code, is a remanufacturer, as defined in Section 507.8.

(c) Unless a vehicle manufacturer either grants franchises to franchisees in this state, or issues vehicle warranties directly to franchisees in this state or consumers in this state, the manufacturer shall have an established place of business or a representative in this state.

(d) The scope and application of this section are limited to Division 2 (commencing with Section 1500) and Division 5 (commencing with Section 11100).

~~SEC. 8.~~

SEC. 9. Section 4020 of the Vehicle Code is amended to read:

4020. A moped operated upon a highway is exempt from registration.

~~SEC. 9.~~

SEC. 10. The heading of Article 8.1 (commencing with Section 5030) of Chapter 1 of Division 3 of the Vehicle Code is amended to read:

Article 8.1. Mopeds

~~SEC. 10.~~

SEC. 11. Section 5030 of the Vehicle Code is amended to read:

5030. A moped is required to display a special license plate issued by the department.

~~SEC. 11.~~

SEC. 12. Section 5031 of the Vehicle Code is amended to read:

5031. An application by a person other than a manufacturer or dealer for a license plate for a moped shall include all the following:

(a) The true, full name and the driver's license or identification card number, if any, of the owner.

(b) A description of the moped, including any distinctive marks or features.

(c) Other information as may reasonably be required by the department to determine whether a license plate shall be issued for the moped.

~~SEC. 12.~~

SEC. 13. Section 5032 of the Vehicle Code is amended to read:

5032. (a) The application for a special license plate for a moped shall be made before the moped is operated or moved upon a highway, except that, upon the retail sale of a moped when there is no license plate, the operator may operate the moped for a period of five days from and including the date of sale, at which time application shall be made to the department for a special license plate. If the fifth day should fall on Saturday, Sunday, or a holiday, the application shall be made on the first business day thereafter.

(b) The five-day operating provision set forth in subdivision (a) shall apply only if the operator has in their immediate possession evidence that the moped was purchased within the last five days including the date of sale.

~~SEC. 13.~~

SEC. 14. Section 5033 of the Vehicle Code is amended to read:

5033. Upon proper application and payment of the fees specified in Section 5036, the department shall issue a special license plate and an identification card for the moped for which application was made. Applications may be submitted by mail unless the department determines that it is not feasible to complete the identification process by such method.

~~SEC. 14.~~

SEC. 15. Section 5034 of the Vehicle Code is amended to read:

5034. (a) The department may issue a special license plate or other suitable device to a manufacturer or dealer of mopeds upon

payment of the fee specified in Section 5036. The license plate shall be of a size, color and configuration determined by the department. The form of the application shall also be determined by the department.

(b) A manufacturer or dealer of mopeds may operate or move a moped upon the highways during the delivery of, or during the demonstration for the sale of, the moped if the moped displays thereon a license plate or other suitable device issued to the manufacturer or dealer.

~~SEC. 15.~~

SEC. 16. Section 5035 of the Vehicle Code is amended to read:

5035. Each license plate issued under Section 5033 shall bear a distinctive number to identify the moped for which it is issued and shall bear a symbol, letter, or word to distinguish license plates issued under this article from license plates issued for motorcycles and motor-driven cycles. The owner, upon being issued a license plate, shall attach it to the moped for which it is issued and shall carry the identification card issued by the department as provided in Section 4454. It shall be unlawful for any person to attach or use the license plate upon any other moped or vehicle. If the moped is destroyed, the owner shall destroy the license plate and shall within 10 days notify the department on a form approved by the department that the moped and license plate have been destroyed.

If the ownership of the moped is transferred to another person, that person shall submit, within 10 days, proper application as provided in Section 5031. The license plate shall remain with the moped

~~SEC. 16.~~

SEC. 17. Section 5036 of the Vehicle Code is amended to read:

5036. A service fee of fifteen dollars ($15) shall be paid for the issuance or transfer of a special license plate for mopeds. Publicly-owned mopeds are exempt from the fee.

~~SEC. 17.~~

SEC. 18. Section 5037 of the Vehicle Code is amended to read:

5037. (a) A moped first sold on or after July 1, 1981, shall not be moved or operated upon a highway unless the owner first makes application for a license plate and, when received, attaches it to the moped as provided in this article.

(b) Mopeds first sold prior to July 1, 1981, shall not be moved or operated upon a highway after January 1, 1982, unless the owner

makes application for a license plate and, when received, attaches it to the moped as provided in this article.

~~SEC. 18.~~

SEC. 19. Section 5038 of the Vehicle Code is amended to read:

5038. The department shall establish a record system that provides for identification of stolen mopeds.

~~SEC. 19.~~

SEC. 20. Section 5039 of the Vehicle Code is amended to read:

5039. Notwithstanding any other provision of law, no dealer, manufacturer, salesman, or representative of mopeds exclusively is required to be licensed or permitted pursuant to Chapter 4 (commencing with Section 11700) of Division 5.

~~SEC. 20.~~

SEC. 21. Section 12500 of the Vehicle Code is amended to read:

12500. (a) A person may not drive a motor vehicle upon a highway, unless the person then holds a valid driver's license issued under this code, except those persons who are expressly exempted under this code.

(b) A person may not drive a motorcycle, motor-driven cycle, or moped upon a highway, unless the person then holds a valid driver's license or endorsement issued under this code for that class, except those persons who are expressly exempted under this code, or those persons specifically authorized to operate mopeds or motorized scooters with a valid driver's license of any class, as specified in subdivision (h) of Section 12804.9.

(c) A person may not drive a motor vehicle in or upon any offstreet parking facility, unless the person then holds a valid driver's license of the appropriate class or certification to operate the vehicle. As used in this subdivision, "offstreet parking facility" means any offstreet facility held open for use by the public for parking vehicles and includes any publicly owned facilities for offstreet parking, and privately owned facilities for offstreet parking where no fee is charged for the privilege to park and which are held open for the common public use of retail customers.

(d) A person may not drive a motor vehicle or combination of vehicles that is not of a type for which the person is licensed.

(e) A motorized scooter operated on public streets shall at all times be equipped with an engine that complies with the applicable State Air Resources Board emission requirements.

~~SEC. 21.~~

SEC. 22. Section 12509 of the Vehicle Code is amended to read:

12509. (a) Except as otherwise provided in subdivision (f) of Section 12514, the department, for good cause, may issue an instruction permit to a physically and mentally qualified person who meets one of the following requirements and who applies to the department for an instruction permit:

(1) Is 15 years and 6 months of age or older, and has successfully completed approved courses in automobile driver education and driver training as provided in paragraph (3) of subdivision (a) of Section 12814.6.

(2) Is 15 years and 6 months of age or older, and has successfully completed an approved course in automobile driver education and is taking driver training as provided in paragraph (3) of subdivision (a) of Section 12814.6.

(3) Is 15 years and 6 months of age and enrolled and participating in an integrated automobile driver education and training program as provided in subparagraph (B) of paragraph (3) of subdivision (a) of Section 12814.6.

(4) Is over 16 years of age and is applying for a restricted driver's license pursuant to Section 12814.7.

(5) Is over 17 years and 6 months of age.

(b) The applicant shall qualify for, and be issued, an instruction permit within 12 months from the date of the application.

(c) An instruction permit issued pursuant to subdivision (a) shall entitle the applicant to operate a vehicle, subject to the limitations imposed by this section and any other provisions of law, upon the highways for a period not exceeding 24 months from the date of the application.

(d) Except as provided in Section 12814.6, a person, while having in their immediate possession a valid permit issued pursuant to paragraphs (1) to (3), inclusive, of, and paragraph (5) of, subdivision (a), may operate a motor vehicle, other than a motorcycle, motorized scooter, or a moped, when accompanied by, and under the immediate supervision of, a California-licensed driver with a valid license of the appropriate class who is 18 years of age or over and whose driving privilege is not subject to probation. An accompanying licensed driver at all times shall occupy a position within the driver's compartment that would

enable the accompanying licensed driver to assist the person in controlling the vehicle as may be necessary to avoid a collision and to provide immediate guidance in the safe operation of the vehicle.

(e) A person, while having in their immediate possession a valid permit issued pursuant to paragraph (4) of subdivision (a), may only operate a government-owned motor vehicle, other than a motorcycle, motorized scooter, or a moped, when taking driver training instruction administered by the California National Guard.

(f) The department may also issue an instruction permit to a person who has been issued a valid driver's license to authorize the person to obtain driver training instruction and to practice that instruction in order to obtain another class of driver's license or an endorsement.

(g) The department may further restrict permits issued under subdivision (a) as it may determine to be appropriate to ensure the safe operation of a motor vehicle by the permittee.

~~SEC. 22.~~

SEC. 23. Section 12509.5 of the Vehicle Code is amended to read:

12509.5. (a) A person shall obtain an instruction permit issued pursuant to this section before operating, or being issued a class M1 or M2 driver's license to operate, a two-wheel motorcycle, motor-driven cycle, moped, or bicycle with an attached motor. The person shall meet the following requirements to obtain an instruction permit for purposes of this section:

(1) If age 15 years and 6 months or older, but under the age of 18 years, the applicant shall meet all of the following requirements:

(A) Have a valid class C license or complete driver education and training pursuant to paragraph (3) of subdivision (a) of Section 12814.6.

(B) Successfully complete a motorcyclist safety program that is operated pursuant to Article 2 (commencing with Section 2930) of Chapter 5 of Division 2.

(C) Pass the motorcycle driver's written exam.

(2) If 18 years of age or older, but under 21 years of age, the applicant shall meet both of the following requirements:

(A) Successfully complete a motorcyclist safety program that is operated pursuant to Article 2 (commencing with Section 2930) of Chapter 5 of Division 2.

(B) Pass the motorcycle driver's written exam.

(3) If 21 years of age or older, pass the motorcycle driver's written exam.

(b) A person described in paragraph (1) or (2) of subdivision (a) shall hold an instruction permit issued pursuant to this section for a minimum of six months before being issued a class M1 or M2 license.

(c) A person issued an instruction permit pursuant to this section shall not operate a two-wheel motorcycle, motor-driven cycle, moped, or bicycle with an attached motor during the hours of darkness, shall stay off any freeways that have full control of access and have no crossings at grade, and shall not carry any passenger except an instructor licensed under Chapter 1 (commencing with Section 11100) of Division 5 or a qualified instructor as defined in Section 41907 of the Education Code.

(d) An instruction permit issued pursuant to this section shall be valid for a period not exceeding 24 months from the date of application.

(e) The department may perform, during regularly scheduled computer system maintenance and upgrades, any necessary software updates related to the changes made by the addition, during the 2009–10 Regular Session, of this section.

~~SEC. 23.~~

SEC. 24. Section 12804.9 of the Vehicle Code, as amended by Section 3 of Chapter 16 of the Statutes of 2025, is amended to read:

12804.9. (a) (1) The examination shall include all of the following:

(A) A test of the applicant's knowledge and understanding of the provisions of this code governing the operation of vehicles upon the highways.

(B) A test of the applicant's ability to read and understand simple English used in highway traffic and directional signs.

(C) A test of the applicant's understanding of traffic signs and signals, including the bikeway signs, markers, and traffic control devices established by the Department of Transportation.

(D) An actual demonstration of the applicant's ability to exercise ordinary and reasonable control in operating a motor vehicle by driving it under the supervision of an examining officer. The applicant shall submit to an examination appropriate to the type

of motor vehicle or combination of vehicles the applicant desires a license to drive, except that the department may waive the driving test part of the examination for any applicant who submits a license issued by another state, territory, or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico if the department verifies through any acknowledged national driver record data source that there are no stops, holds, or other impediments to its issuance. The examining officer may request to see evidence of financial responsibility for the vehicle before supervising the demonstration of the applicant's ability to operate the vehicle. The examining officer may refuse to examine an applicant who is unable to provide proof of financial responsibility for the vehicle, unless proof of financial responsibility is not required by this code.

(E) A test of the hearing and eyesight of the applicant, and of other matters that may be necessary to determine the mental and physical fitness of the applicant to operate a motor vehicle upon the highways, and whether any grounds exist for refusal of a license under this code.

(2) (A) Before a class A or class B driver's license, or class C driver's license with a commercial endorsement, may be issued or renewed, the applicant shall have in the applicant's driver record a valid report of a medical examination of the applicant given not more than two years before the date of the application by a health care professional. As used in this paragraph, "health care professional" means a person who is licensed, certified, or registered in accordance with applicable state laws and regulations to practice medicine and perform physical examinations in the United States. Health care professionals are doctors of medicine, doctors of osteopathy, physician assistants, and registered advanced practice nurses, or doctors of chiropractic who are clinically competent to perform the medical examination presently required of motor carrier drivers by the United States Department of Transportation. The report shall be on a form approved by the department. In establishing the requirements, consideration may be given to the standards presently required of motor carrier drivers by the Federal Motor Carrier Safety Administration.

(B) The department may accept a federal waiver of one or more physical qualification standards if the waiver is accompanied by a report of a nonqualifying medical examination for a class A or

class B driver's license, or class C driver's license with a commercial endorsement, pursuant to Section 391.41(a)(3)(ii) of Subpart E of Part 391 of Title 49 of the Code of Federal Regulations.

(3) A physical defect of the applicant that, in the opinion of the department, is compensated for to ensure safe driving ability, shall not prevent the issuance of a license to the applicant.

(b) In accordance with the following classifications, an applicant for a driver's license shall be required to submit to an examination appropriate to the type of motor vehicle or combination of vehicles the applicant desires a license to drive:

(1) Class A includes the following:

(A) Except as provided in subparagraph (H) of paragraph (3), a combination of vehicles, if a vehicle being towed has a gross vehicle weight rating or gross vehicle weight of more than 10,000 pounds.

(B) A vehicle towing more than one vehicle.

(C) A trailer bus.

(D) The operation of all vehicles under class B and class C.

(2) Class B includes the following:

(A) Except as provided in subparagraph (H) of paragraph (3), a single vehicle with a gross vehicle weight rating or gross vehicle weight of more than 26,000 pounds.

(B) A single vehicle with three or more axles, except any three-axle vehicle weighing less than 6,000 pounds.

(C) A bus with a gross vehicle weight rating or gross vehicle weight of more than 26,000 pounds, except a trailer bus.

(D) A farm labor vehicle.

(E) A single vehicle with three or more axles or a gross vehicle weight rating or gross vehicle weight of more than 26,000 pounds towing another vehicle with a gross vehicle weight rating or gross vehicle weight of 10,000 pounds or less.

(F) A house car over 40 feet in length, excluding safety devices and safety bumpers.

(G) The operation of all vehicles covered under class C.

(3) Class C includes the following:

(A) A two-axle vehicle with a gross vehicle weight rating or gross vehicle weight of 26,000 pounds or less, including when the vehicle is towing a trailer or semitrailer with a gross vehicle weight rating or gross vehicle weight of 10,000 pounds or less.

(B) Notwithstanding subparagraph (A), a two-axle vehicle weighing 4,000 pounds or more unladen when towing a trailer coach not exceeding 9,000 pounds gross.

(C) A house car of 40 feet in length or less.

(D) A three-axle vehicle weighing 6,000 pounds gross or less.

(E) A house car of 40 feet in length or less or a vehicle towing another vehicle with a gross vehicle weight rating of 10,000 pounds or less, including when a tow dolly is used. A person driving a vehicle may not tow another vehicle in violation of Section 21715.

(F) (i) A two-axle vehicle weighing 4,000 pounds or more unladen when towing either a trailer coach or a fifth-wheel travel trailer not exceeding 10,000 pounds gross vehicle weight rating, when the towing of the trailer is not for compensation.

(ii) A two-axle vehicle weighing 4,000 pounds or more unladen when towing a fifth-wheel travel trailer exceeding 10,000 pounds, but not exceeding 15,000 pounds, gross vehicle weight rating, when the towing of the trailer is not for compensation, and if the person has passed a specialized written examination provided by the department relating to the knowledge of this code and other safety aspects governing the towing of recreational vehicles upon the highway.

(iii) The authority to operate combinations of vehicles under this subparagraph may be granted by endorsement on a class C license upon completion of that written examination.

(G) A vehicle or combination of vehicles with a gross combination weight rating or a gross vehicle weight rating, as those terms are defined in subdivisions (j) and (k), respectively, of Section 15210, of 26,000 pounds or less, if all of the following conditions are met:

(i) Is operated by a farmer, an employee of a farmer, or an instructor credentialed in agriculture as part of an instructional program in agriculture at the high school, community college, or university level.

(ii) Is used exclusively in the conduct of agricultural operations.

(iii) Is not used in the capacity of a for-hire carrier or for compensation.

(H) Firefighting equipment, provided that the equipment is operated by a person who holds a firefighter endorsement pursuant to Section 12804.11.

(I) A motorized scooter.

(J) A bus with a gross vehicle weight rating or gross vehicle weight of 26,000 pounds or less, except a trailer bus.

(K) Class C does not include a two-wheel motorcycle or a two-wheel motor-driven cycle.

(4) Class M1. A two-wheel motorcycle or a motor-driven cycle. Authority to operate a vehicle included in a class M1 license may be granted by endorsement on a class A, B, or C license upon completion of an appropriate examination.

(5) (A) Class M2 includes a moped or a bicycle with an attached motor, except an electric bicycle as described in subdivision (a) of Section 312.5.

(B) Authority to operate vehicles included in class M2 may be granted by endorsement on a class A, B, or C license upon completion of an appropriate examination. Persons holding a class M1 license or endorsement may operate vehicles included in class M2 without further examination.

(c) A driver's license or driver certificate is not valid for operating a commercial motor vehicle, as defined in subdivision (b) of Section 15210, any other motor vehicle listed in paragraph (1) or (2) of subdivision (b), or any other vehicle requiring a driver to hold any driver certificate or any driver's license endorsement under Section 15275, unless a medical certificate approved by the department that has been issued within two years of the date of the operation of that vehicle and a copy of the medical examination report from which the certificate was issued is on file with the department. Otherwise, the license is valid only for operating class C vehicles that are not commercial vehicles, as defined in subdivision (b) of Section 15210, and for operating class M1 or M2 vehicles, if so endorsed, that are not commercial vehicles, as defined in subdivision (b) of Section 15210.

(d) A license or driver certificate issued before the enactment of Chapter 7 (commencing with Section 15200) is valid to operate the class or type of vehicles specified under the law in existence before that enactment until the license or certificate expires or is otherwise suspended, revoked, or canceled. Upon application for renewal or replacement of a driver's license, endorsement, or certificate required to operate a commercial motor vehicle, a valid medical certificate on a form approved by the department shall be submitted to the department.

(e) The department may accept a certificate of driving skill that is issued by an employer, authorized by the department to issue a certificate under Section 15250, of the applicant, in lieu of a driving test, on class A or B applications, if the applicant has first qualified for a class C license and has met the other examination requirements for the license for which the applicant is applying. The certificate may be submitted as evidence of the applicant's skill in the operation of the types of equipment covered by the license for which the applicant is applying.

(f) The department may accept a certificate of competence in lieu of a driving test on class M1 or M2 applications, when the certificate is issued by a law enforcement agency for its officers who operate class M1 or M2 vehicles in their duties, if the applicant has met the other examination requirements for the license for which the applicant is applying.

(g) The department may accept a certificate of satisfactory completion of a motorcyclist training program approved by the commissioner pursuant to Section 2932 in lieu of a driving test on class M1 or M2 applications, if the applicant has met the other examination requirements for the license for which the applicant is applying. The department shall review and approve the written and driving test used by a program to determine whether the program may issue a certificate of completion.

(h) Notwithstanding subdivision (b), a person holding a valid California driver's license of any class may operate a short-term rental moped without taking any special examination for the operation of a moped, and without having a class M2 endorsement on that license. As used in this subdivision, "short-term" means 48 hours or less.

(i) A person under 21 years of age shall not be issued a class M1 or M2 license or endorsement unless the person provides evidence satisfactory to the department of completion of a novice motorcycle safety training program that is operated pursuant to Article 2 (commencing with Section 2930) of Chapter 5 of Division 2.

(j) A driver of a vanpool vehicle may operate with a class C license but shall possess evidence of a medical examination required for a class B license when operating vanpool vehicles. In order to be eligible to drive the vanpool vehicle, the driver shall keep in the vanpool vehicle a statement, signed under penalty of

perjury, that the driver has not been convicted of reckless driving, drunk driving, or a hit-and-run offense in the last five years.

(k) This section shall remain in effect only until January 1, 2029, and as of that date is repealed.

~~SEC. 24.~~

SEC. 25. Section 12804.9 of the Vehicle Code, as amended by Section 4 of Chapter 16 of the Statutes of 2025, is amended to read:

12804.9. (a) (1) The examination shall include all of the following:

(A) A test of the applicant's knowledge and understanding of the provisions of this code governing the operation of vehicles upon the highways.

(B) A test of the applicant's ability to read and understand simple English used in highway traffic and directional signs.

(C) A test of the applicant's understanding of traffic signs and signals, including the bikeway signs, markers, and traffic control devices established by the Department of Transportation.

(D) An actual demonstration of the applicant's ability to exercise ordinary and reasonable control in operating a motor vehicle by driving it under the supervision of an examining officer. The applicant shall submit to an examination appropriate to the type of motor vehicle or combination of vehicles the applicant desires a license to drive, except that the department may waive the driving test part of the examination for any applicant who submits a license issued by another state, territory, or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico if the department verifies through any acknowledged national driver record data source that there are no stops, holds, or other impediments to its issuance. The examining officer may request to see evidence of financial responsibility for the vehicle before supervising the demonstration of the applicant's ability to operate the vehicle. The examining officer may refuse to examine an applicant who is unable to provide proof of financial responsibility for the vehicle, unless proof of financial responsibility is not required by this code.

(E) A test of the hearing and eyesight of the applicant, and of other matters that may be necessary to determine the mental and physical fitness of the applicant to operate a motor vehicle upon

the highways, and whether any grounds exist for refusal of a license under this code.

(2) (A) Before a class A or class B driver's license, or class C driver's license with a commercial endorsement, may be issued or renewed, the applicant shall have in the applicant's driver record a valid report of a medical examination of the applicant given not more than two years before the date of the application by a health care professional. As used in this paragraph, "health care professional" means a person who is licensed, certified, or registered in accordance with applicable state laws and regulations to practice medicine and perform physical examinations in the United States. Health care professionals are doctors of medicine, doctors of osteopathy, physician assistants, and registered advanced practice nurses, or doctors of chiropractic who are clinically competent to perform the medical examination presently required of motor carrier drivers by the United States Department of Transportation. The report shall be on a form approved by the department. In establishing the requirements, consideration may be given to the standards presently required of motor carrier drivers by the Federal Motor Carrier Safety Administration.

(B) The department may accept a federal waiver of one or more physical qualification standards if the waiver is accompanied by a report of a nonqualifying medical examination for a class A or class B driver's license, or class C driver's license with a commercial endorsement, pursuant to Section 391.41(a)(3)(ii) of Subpart E of Part 391 of Title 49 of the Code of Federal Regulations.

(3) A physical defect of the applicant that, in the opinion of the department, is compensated for to ensure safe driving ability, shall not prevent the issuance of a license to the applicant.

(b) In accordance with the following classifications, an applicant for a driver's license shall be required to submit to an examination appropriate to the type of motor vehicle or combination of vehicles the applicant desires a license to drive:

(1) Class A includes the following:

(A) Except as provided in subparagraph (H) of paragraph (3), a combination of vehicles, if a vehicle being towed has a gross vehicle weight rating or gross vehicle weight of more than 10,000 pounds.

(B) A vehicle towing more than one vehicle.

(C) A trailer bus.

(D) The operation of all vehicles under class B and class C.

(2) Class B includes the following:

(A) Except as provided in subparagraph (H) of paragraph (3), a single vehicle with a gross vehicle weight rating or gross vehicle weight of more than 26,000 pounds.

(B) A single vehicle with three or more axles, except any three-axle vehicle weighing less than 6,000 pounds.

(C) A bus with a gross vehicle weight rating or gross vehicle weight of more than 26,000 pounds, except a trailer bus.

(D) A farm labor vehicle.

(E) A single vehicle with three or more axles or a gross vehicle weight rating or gross vehicle weight of more than 26,000 pounds towing another vehicle with a gross vehicle weight rating or gross vehicle weight of 10,000 pounds or less.

(F) A house car over 40 feet in length, excluding safety devices and safety bumpers.

(G) The operation of all vehicles covered under class C.

(3) Class C includes the following:

(A) A two-axle vehicle with a gross vehicle weight rating or gross vehicle weight of 26,000 pounds or less, including when the vehicle is towing a trailer or semitrailer with a gross vehicle weight rating or gross vehicle weight of 10,000 pounds or less.

(B) Notwithstanding subparagraph (A), a two-axle vehicle weighing 4,000 pounds or more unladen when towing a trailer coach not exceeding 9,000 pounds gross.

(C) A house car of 40 feet in length or less.

(D) A three-axle vehicle weighing 6,000 pounds gross or less.

(E) A house car of 40 feet in length or less or a vehicle towing another vehicle with a gross vehicle weight rating of 10,000 pounds or less, including when a tow dolly is used. A person driving a vehicle may not tow another vehicle in violation of Section 21715.

(F) (i) A two-axle vehicle when towing a trailer exceeding 10,000 pounds, but not exceeding 15,000 pounds gross vehicle weight rating or gross vehicle weight, if all of the following conditions are met:

(I) The towing of the trailer is not for compensation or commercial purposes.

(II) The trailer is coupled to the towing vehicle by a bed-mounted gooseneck hitch or a fifth-wheel and kingpin connection.

(III) The trailer is used exclusively for recreational purposes.

(IV) The trailer is used for the transportation of property or human habitation, or both.

(V) The person has passed a specialized written examination provided by the department relating to the knowledge of this code and other safety aspects governing the towing of recreational vehicles upon the highway.

(ii) A vehicle towing a fifth-wheel travel trailer exceeding 10,000 pounds, but not exceeding 15,000 pounds, gross vehicle weight rating or gross vehicle weight, when the towing of the trailer is not for compensation, and if the person has passed a specialized written examination provided by the department relating to the knowledge of this code and other safety aspects governing the towing of recreational vehicles upon the highway.

(iii) The authority to operate combinations of vehicles under this subparagraph may be granted by endorsement on a class C license upon completion of that written examination.

(G) A vehicle or combination of vehicles with a gross combination weight rating or a gross vehicle weight rating, as those terms are defined in subdivisions (j) and (k), respectively, of Section 15210, of 26,000 pounds or less, if all of the following conditions are met:

(i) Is operated by a farmer, an employee of a farmer, or an instructor credentialed in agriculture as part of an instructional program in agriculture at the high school, community college, or university level.

(ii) Is used exclusively in the conduct of agricultural operations.

(iii) Is not used in the capacity of a for-hire carrier or for compensation.

(H) Firefighting equipment, provided that the equipment is operated by a person who holds a firefighter endorsement pursuant to Section 12804.11.

(I) A motorized scooter.

(J) A bus with a gross vehicle weight rating or gross vehicle weight of 26,000 pounds or less, except a trailer bus.

(K) Class C does not include a two-wheel motorcycle or a two-wheel motor-driven cycle.

(4) Class M1. A two-wheel motorcycle or a motor-driven cycle. Authority to operate a vehicle included in a class M1 license may be granted by endorsement on a class A, B, or C license upon completion of an appropriate examination.

(5) (A) Class M2 includes a moped or a bicycle with an attached motor, except an electric bicycle as described in subdivision (a) of Section 312.5.

(B) Authority to operate vehicles included in class M2 may be granted by endorsement on a class A, B, or C license upon completion of an appropriate examination. Persons holding a class M1 license or endorsement may operate vehicles included in class M2 without further examination.

(c) A driver's license or driver certificate is not valid for operating a commercial motor vehicle, as defined in subdivision (b) of Section 15210, any other motor vehicle listed in paragraph (1) or (2) of subdivision (b), or any other vehicle requiring a driver to hold any driver certificate or any driver's license endorsement under Section 15275, unless a medical certificate approved by the department that has been issued within two years of the date of the operation of that vehicle and a copy of the medical examination report from which the certificate was issued is on file with the department. Otherwise, the license is valid only for operating class C vehicles that are not commercial vehicles, as defined in subdivision (b) of Section 15210, and for operating class M1 or M2 vehicles, if so endorsed, that are not commercial vehicles, as defined in subdivision (b) of Section 15210.

(d) A license or driver certificate issued before the enactment of Chapter 7 (commencing with Section 15200) is valid to operate the class or type of vehicles specified under the law in existence before that enactment until the license or certificate expires or is otherwise suspended, revoked, or canceled. Upon application for renewal or replacement of a driver's license, endorsement, or certificate required to operate a commercial motor vehicle, a valid medical certificate on a form approved by the department shall be submitted to the department.

(e) The department may accept a certificate of driving skill that is issued by an employer, authorized by the department to issue a certificate under Section 15250, of the applicant, in lieu of a driving test, on class A or B applications, if the applicant has first qualified for a class C license and has met the other examination

requirements for the license for which the applicant is applying. The certificate may be submitted as evidence of the applicant's skill in the operation of the types of equipment covered by the license for which the applicant is applying.

(f) The department may accept a certificate of competence in lieu of a driving test on class M1 or M2 applications, when the certificate is issued by a law enforcement agency for its officers who operate class M1 or M2 vehicles in their duties, if the applicant has met the other examination requirements for the license for which the applicant is applying.

(g) The department may accept a certificate of satisfactory completion of a motorcyclist training program approved by the commissioner pursuant to Section 2932 in lieu of a driving test on class M1 or M2 applications, if the applicant has met the other examination requirements for the license for which the applicant is applying. The department shall review and approve the written and driving test used by a program to determine whether the program may issue a certificate of completion.

(h) Notwithstanding subdivision (b), a person holding a valid California driver's license of any class may operate a short-term rental moped without taking any special examination for the operation of a moped, and without having a class M2 endorsement on that license. As used in this subdivision, "short-term" means 48 hours or less.

(i) A person under 21 years of age shall not be issued a class M1 or M2 license or endorsement unless the person provides evidence satisfactory to the department of completion of a novice motorcycle safety training program that is operated pursuant to Article 2 (commencing with Section 2930) of Chapter 5 of Division 2.

(j) A driver of a vanpool vehicle may operate with a class C license but shall possess evidence of a medical examination required for a class B license when operating vanpool vehicles. In order to be eligible to drive the vanpool vehicle, the driver shall keep in the vanpool vehicle a statement, signed under penalty of perjury, that the driver has not been convicted of reckless driving, drunk driving, or a hit-and-run offense in the last five years.

(k) This section shall become operative on January 1, 2029.

~~SEC. 25.~~

SEC. 26. Section 12814.6 of the Vehicle Code is amended to read:

12814.6. (a) Except as provided in Section 12814.7, a driver's license issued to a person at least 16 years of age but under 18 years of age shall be issued pursuant to the provisional licensing program contained in this section. The program shall consist of all of the following components:

(1) Upon application for an original license, the applicant shall be issued an instruction permit pursuant to Section 12509. A person who has in their immediate possession a valid permit issued pursuant to Section 12509 may operate a motor vehicle, other than a motorcycle or moped, only when the person is either taking the driver training instruction referred to in paragraph (3) or practicing that instruction, provided the person is accompanied by, and is under the immediate supervision of, a California-licensed driver 25 years of age or older whose driving privilege is not on probation. The age requirement of this paragraph does not apply if the licensed driver is the parent, spouse, or guardian of the permitholder or is a licensed or certified driving instructor.

(2) The person shall hold an instruction permit for not less than six months prior to applying for a provisional driver's license.

(3) The person shall have complied with one of the following:

(A) Satisfactory completion of approved courses in automobile driver education and driver training maintained pursuant to provisions of the Education Code in any secondary school of California, or equivalent instruction in a secondary school of another state.

(B) Satisfactory completion of an integrated driver education and training program that is approved by the department and conducted by a driving instructor licensed under Chapter 1 (commencing with Section 11100) of Division 5. The program shall utilize segmented modules, whereby a portion of the educational instruction is provided by, and then reinforced through, specific behind-the-wheel training before moving to the next phase of driver education and training. The program shall contain a minimum of 30 hours of classroom instruction and 6 hours of behind-the-wheel training.

(C) Satisfactory completion of six hours or more of behind-the-wheel instruction by a driving school or an independent

driving instructor licensed under Chapter 1 (commencing with Section 11100) of Division 5 and either an accredited course in automobile driver education in any secondary school of California pursuant to provisions of the Education Code or satisfactory completion of equivalent professional instruction acceptable to the department. To be acceptable to the department, the professional instruction shall meet minimum standards to be prescribed by the department, and the standards shall be at least equal to the requirements for driver education and driver training contained in the rules and regulations adopted by the State Board of Education pursuant to the Education Code. A person who has complied with this subdivision shall not be required by the governing board of a school district to comply with subparagraph (A) in order to graduate from high school.

(D) Except as provided under subparagraph (B), a student may not take driver training instruction, unless the student has successfully completed driver education.

(4) The person shall complete 50 hours of supervised driving practice prior to the issuance of a provisional license, which is in addition to any other driver training instruction required by law. Not less than 10 of the required practice hours shall include driving during darkness, as defined in Section 280. Upon application for a provisional license, the person shall submit to the department the certification of a parent, spouse, guardian, or licensed or certified driving instructor that the applicant has completed the required amount of driving practice and is prepared to take the department's driving test. A person without a parent, spouse, guardian, or who is an emancipated minor, may have a licensed driver 25 years of age or older or a licensed or certified driving instructor complete the certification. This requirement does not apply to motorcycle practice.

(5) The person shall successfully complete an examination required by the department. Before retaking a test, the person shall wait for not less than one week after failure of the written test and for not less than two weeks after failure of the driving test.

(b) Except as provided in Section 12814.7, the provisional driver's license shall be subject to all of the following restrictions:

(1) Except as specified in paragraph (2), during the first 12 months after issuance of a provisional license the licensee may not do any of the following unless accompanied and supervised

by a licensed driver who is the licensee's parent or guardian, a licensed driver who is 25 years of age or older, or a licensed or certified driving instructor:

(A) Drive between the hours of 11 p.m. and 5 a.m.

(B) Transport passengers who are under 20 years of age.

(2) A licensee may drive between the hours of 11 p.m. and 5 a.m. or transport an immediate family member without being accompanied and supervised by a licensed driver who is the licensee's parent or guardian, a licensed driver who is 25 years of age or older, or a licensed or certified driving instructor, in the following circumstances:

(A) Medical necessity of the licensee when reasonable transportation facilities are inadequate and operation of a vehicle by a minor is necessary. The licensee shall keep in their possession a signed statement from a physician familiar with the condition, containing a diagnosis and probable date when sufficient recovery will have been made to terminate the necessity.

(B) Schooling or school-authorized activities of the licensee when reasonable transportation facilities are inadequate and operation of a vehicle by a minor is necessary. The licensee shall keep in their possession a signed statement from the school principal, dean, or school staff member designated by the principal or dean, containing a probable date that the schooling or school-authorized activity will have been completed.

(C) Employment necessity of the licensee when reasonable transportation facilities are inadequate and operation of a vehicle by a minor is necessary. The licensee shall keep in their possession a signed statement from the employer, verifying employment and containing a probable date that the employment will have been completed.

(D) Necessity of the licensee or the licensee's immediate family member when reasonable transportation facilities are inadequate and operation of a vehicle by a minor is necessary to transport the licensee or the licensee's immediate family member. The licensee shall keep in their possession a signed statement from a parent or legal guardian verifying the reason and containing a probable date that the necessity will have ceased.

(E) The licensee is an emancipated minor.

(c) A law enforcement officer shall not stop a vehicle for the sole purpose of determining whether the driver is in violation of the restrictions imposed under subdivision (b).

(d) A law enforcement officer shall not stop a vehicle for the sole purpose of determining whether a driver who is subject to the license restrictions in subdivision (b) is in violation of Article 2.5 (commencing with Section 118947) of Chapter 4 of Part 15 of Division 104 of the Health and Safety Code.

(e) (1) Upon a finding that any licensee has violated paragraph (1) of subdivision (b), the court shall impose one of the following:

(A) Not less than 8 hours nor more than 16 hours of community service for a first offense and not less than 16 hours nor more than 24 hours of community service for a second or subsequent offense.

(B) A fine of not more than thirty-five dollars ($35) for a first offense and a fine of not more than fifty dollars ($50) for a second or subsequent offense.

(2) If the court orders community service, the court shall retain jurisdiction until the hours of community service have been completed.

(3) If the hours of community service have not been completed within 90 days, the court shall impose a fine of not more than thirty-five dollars ($35) for a first offense and not more than fifty dollars ($50) for a second or subsequent offense.

(f) A conviction of paragraph (1) of subdivision (b), when reported to the department, may not be disclosed as otherwise specified in Section 1808 or constitute a violation point count value pursuant to Section 12810.

(g) Any term of restriction or suspension of the driving privilege imposed on a person pursuant to this subdivision shall remain in effect until the end of the term even though the person becomes 18 years of age before the term ends.

(1) The driving privilege shall be suspended when the record of the person shows one or more notifications issued pursuant to former Section 40509 or former Section 40509.5. The suspension shall continue until any notification issued pursuant to former Section 40509 or former Section 40509.5 has been cleared.

(2) A 30-day restriction shall be imposed when a driver's record shows a violation point count of two or more points in 12 months, as determined in accordance with Section 12810. The restriction shall require the licensee to be accompanied by a licensed parent,

spouse, guardian, or other licensed driver 25 years of age or older, except when operating a class M vehicle, or so licensed, with no passengers aboard.

(3) A 6-month suspension of the driving privilege and a one-year term of probation shall be imposed whenever a licensee's record shows a violation point count of three or more points in 12 months, as determined in accordance with Section 12810. The terms and conditions of probation shall include, but not be limited to, both of the following:

(A) The person shall violate no law that, if resulting in conviction, is reportable to the department under Section 1803.

(B) The person shall remain free from accident responsibility.

(h) Whenever action by the department under subdivision (g) arises as a result of a motor vehicle accident, the person may, in writing and within 10 days, demand a hearing to present evidence that they were not responsible for the accident upon which the action is based. Whenever action by the department is based upon a conviction reportable to the department under Section 1803, the person has no right to a hearing pursuant to Article 3 (commencing with Section 14100) of Chapter 3.

(i) The department shall require a person whose driving privilege is suspended or revoked pursuant to subdivision (g) to submit proof of financial responsibility as defined in Section 16430. The proof of financial responsibility shall be filed on or before the date of reinstatement following the suspension or revocation. The proof of financial responsibility shall be maintained with the department for three years following the date of reinstatement.

(j) (1) Notwithstanding any other provision of this code, the department may issue a distinctive driver's license, that displays a distinctive color or a distinctively colored stripe or other distinguishing characteristic, to persons at least 16 years of age and older but under 18 years of age, and to persons 18 years of age and older but under 21 years of age, so that the distinctive license feature is immediately recognizable. The features shall clearly differentiate between driver's licenses issued to persons at least 16 years of age or older but under 18 years of age and to persons 18 years of age or older but under 21 years of age.

(2) If changes in the format or appearance of driver's licenses are adopted pursuant to this subdivision, those changes may be

implemented under any new contract for the production of driver's licenses entered into after the adoption of those changes.

(k) The department shall include, on the face of the provisional driver's license, the original issuance date of the provisional driver's license in addition to any other issuance date.

(*l*) This section shall be known and may be cited as the Brady-Jared Teen Driver Safety Act of 1997.

SEC. 27. Section 21065 is added to the Vehicle Code, to read:

21065. Any incident report filed by a peace officer for an injury or crash involving an electric bicycle, moped, or motor-driven cycle shall include all of the information provided in subdivision (a) or (b) of Section 27850. If the electric bicycle, moped, or motor-driven cycle does not have the marking or label, the incident report shall indicate that a marking or label was not available.

~~SEC. 26.~~

SEC. 28. Section 21113 of the Vehicle Code is amended to read:

21113. (a) (1) Except as provided in paragraph (2), a person shall not drive a vehicle or animal, or stop, park, or leave standing a vehicle or animal, whether attended or unattended, upon the driveways, paths, parking facilities, or the grounds of any of the following:

(A) A public school, state university, state college, or an educational institution exempted, in whole or in part, from taxation.

(B) A unit of the state park system.

(C) A county park.

(D) A municipal airport.

(E) A rapid transit district, transit development board, transit district, public transportation agency, county transportation commission created pursuant to Section 130050 of the Public Utilities Code, or a joint powers agency operating or managing a commuter rail system.

(F) Any property under the direct control of the legislative body of a municipality.

(G) A state, county, or hospital district institution or building.

(H) Any harbor improvement district or harbor district formed pursuant to Part 2 (commencing with Section 5800) or Part 3 (commencing with Section 6000) of Division 8 of the Harbors and Navigation Code.

(I) A district organized pursuant to Part 3 (commencing with Section 27000) of Division 16 of the Streets and Highways Code.

(J) State grounds served by the Department of the California Highway Patrol.

(K) Any property under the possession or control of a housing authority formed pursuant to Article 2 (commencing with Section 34240) of Chapter 1 of Part 2 of Division 24 of the Health and Safety Code.

(2) The activities described in paragraph (1) may be performed with the permission of, and upon and subject to any condition or regulation that may be imposed by, the legislative body of the municipality, or the governing board or officer of the public school, state university, state college, county park, municipal airport, rapid transit district, transit development board, transit district, public transportation agency, county transportation commission, joint powers agency operating or managing a commuter rail system, or state, county, or hospital district institution or building, or educational institution, or harbor district, or a district organized pursuant to Part 3 (commencing with Section 27000) of Division 16 of the Streets and Highways Code, or housing authority, or the Director of Parks and Recreation regarding units of the state park system or the state agency with jurisdiction over the grounds served by the Department of the California Highway Patrol.

(b) A governing board, legislative body, or officer shall erect or place appropriate signs giving notice of any special conditions or regulations that are imposed under this section and the governing board, legislative body, or officer shall also prepare and keep available at the principal administrative office of the governing board, legislative body, or officer, for examination by all interested persons, a written statement of all those special conditions and regulations adopted pursuant to this section.

(c) When a governing board, legislative body, or officer permits public traffic upon the driveways, paths, parking facilities, or grounds under their control then, except for those conditions imposed or regulations enacted by the governing board, legislative body, or officer applicable to the traffic, all the provisions of this code relating to traffic upon the highways shall be applicable to the traffic upon the driveways, paths, parking facilities, or grounds.

(d) A public transportation agency that imposes any condition or regulation upon a person who parks or leaves standing a vehicle,

pursuant to subdivision (a), is authorized to do either of the following:

(1) Enforce that condition or regulation in the manner provided in Article 3 (commencing with Section 40200) of Chapter 1 of Division 17 of this code. The public transportation agency shall be considered the issuing agency for that purpose.

(2) Designate regularly employed and salaried employees, who are engaged in directing traffic or enforcing parking laws and regulations, for the purpose of removing any vehicle in the same manner as a city, county, or jurisdiction of a state agency pursuant to Chapter 10 (commencing with Section 22650) of Division 11 of this code.

(e) With respect to the permitted use of vehicles or animals on property under the direct control of the legislative body of a municipality, no change in the use of vehicles or animals on the property, that had been permitted on January 1, 1976, shall be effective unless and until the legislative body, at a meeting open to the general public, determines that the use of vehicles or animals on the property should be prohibited or regulated.

(f) A transit development board may adopt ordinances, rules, or regulations to restrict, or specify the conditions for, the use of bicycles, mopeds, electric bicycles, skateboards, electrically motorized boards, and roller skates on property under the control of, or any portion of property used by, the board.

(g) A public agency, including, but not limited to, the Regents of the University of California and the Trustees of the California State University, may adopt rules or regulations to restrict, or specify the conditions for, the use of bicycles, mopeds, electric bicycles, skateboards, electrically motorized boards, and roller skates on public property under the jurisdiction of that agency.

(h) "Housing authority," for the purposes of this section, means a housing authority located within a county with a population of over 6,000,000 people, and any other housing authority that complies with the requirements of this section.

(i) "Public transportation agency," for purposes of this section, means a public agency that provides public transportation as defined in paragraph (1) of subdivision (f) of Section 1 of Article XIX A of the California Constitution or a county transportation commission created pursuant to Section 130050 of the Public Utilities Code.

~~SEC. 27.~~

SEC. 29. Section 21201.3 of the Vehicle Code is amended to read:

21201.3. (a) A bicycle or moped used by a peace officer, as defined in Section 830.1 of, subdivision (a), (b), (c), (d), (e), (f), (g), or (i) of Section 830.2 of, subdivision (b) or (d) of Section 830.31 of, subdivision (a) or (b) of Section 830.32 of, Section 830.33 of, subdivision (a) of Section 830.36 of, subdivision (a) of Section 830.4 of, or Section 830.6 of, the Penal Code, in the performance of the peace officer's duties, may display a steady or flashing blue warning light that is visible from the front, sides, or rear of the bicycle or moped.

(b) No person shall display a steady or flashing blue warning light on a bicycle or moped except as authorized under subdivision (a).

~~SEC. 28.~~

SEC. 30. Section 21203 of the Vehicle Code is amended to read:

21203. No person riding upon any motorcycle, moped, bicycle, coaster, roller skates, sled, or toy vehicle shall attach the same or themselves to any streetcar or vehicle on the roadway.

~~SEC. 29.~~

SEC. 31. Section 21207.5 of the Vehicle Code is amended to read:

21207.5. (a) Notwithstanding Sections 21207 and 23127 of this code, or any other law, a moped shall not be operated on a bicycle path or trail, bikeway, bicycle lane established pursuant to Section 21207, equestrian trail, or hiking or recreational trail, unless it is within or adjacent to a roadway or unless the local authority or the governing body of a public agency having jurisdiction over the path or trail permits, by ordinance, that operation.

(b) The local authority or governing body of a public agency having jurisdiction over an equestrian trail, or hiking or recreational trail, may prohibit, by ordinance, the operation of an electric bicycle or any class of electric bicycle on that trail.

(c) The Department of Parks and Recreation may prohibit the operation of an electric bicycle or any class of electric bicycle on any bicycle path or trail within the department's jurisdiction.

~~SEC. 30.~~

SEC. 32. Section 21209 of the Vehicle Code is amended to read:

21209. (a) No person shall drive a motor vehicle in a bicycle lane established on a roadway pursuant to Section 21207 except as follows:

(1) To park where parking is permitted.

(2) To enter or leave the roadway.

(3) To prepare for a turn within a distance of 200 feet from the intersection.

(b) This section does not prohibit the use of a moped in a bicycle lane, pursuant to Section 21207.5, at a speed no greater than is reasonable or prudent, having due regard for visibility, traffic conditions, and the condition of the roadway surface of the bicycle lane, and in a manner which does not endanger the safety of bicyclists.

SEC. 33. Article 9 (commencing with Section 21310) is added to Chapter 1 of Division 11 of the Vehicle Code, to read:

Article 9. Unauthorized Devices

21310. (a) Notwithstanding any other law, a person shall not operate a two-wheeled or three-wheeled device powered by an electric motor that is capable of propelling the device at a speed greater than 20 miles per hour on level ground on a highway or public right-of-way when powered solely by the motor unless the device meets a definition of a class of motor vehicle device that is explicitly defined in Division 1 (commencing with Section 100), complies with all applicable requirements for that motor vehicle, and is explicitly authorized for use on a highway or public right-of-way pursuant to this code.

(b) A vehicle described in subdivision (a) includes, without limitation, any device that has multiple speed modes or settings, notwithstanding that one or more of the settings limit the maximum speed of the device to 20 miles per hour when powered solely by the motor, and devices that are designed or designated by the manufacturer for off-road use or for use on private land.

~~SEC. 31.~~

SEC. 34. Section 21712 of the Vehicle Code is amended to read:

21712. (a) A person driving a motor vehicle shall not knowingly permit a person to ride on a vehicle or upon a portion of a vehicle that is not designed or intended for the use of passengers.

(b) A person shall not ride on a vehicle or upon a portion of a vehicle that is not designed or intended for the use of passengers.

(c) A person driving a motor vehicle shall not knowingly permit a person to ride in the trunk of that motor vehicle.

(d) A person shall not ride in the trunk of a motor vehicle.

(e) A person violating subdivision (c) or (d) shall be punished as follows:

(1) By a fine of one hundred dollars ($100).

(2) For a second violation occurring within one year of a prior violation that resulted in a conviction, a fine of two hundred dollars ($200).

(3) For a third or a subsequent violation occurring within one year of two or more prior violations that resulted in convictions, a fine of two hundred fifty dollars ($250).

(f) Subdivisions (a) and (b) do not apply to an employee engaged in the necessary discharge of their duty or in the case of persons riding completely within or upon vehicle bodies in the space intended for a load on the vehicle.

(g) A person shall not drive a motor vehicle that is towing a trailer coach, camp trailer, or trailer carrying a vessel, containing a passenger, except when a trailer carrying or designed to carry a vessel is engaged in the launching or recovery of the vessel.

(h) A person shall not knowingly drive a motor vehicle that is towing a person riding upon a motorcycle, moped, bicycle, coaster, roller skates, sled, skis, or toy vehicle.

(i) Subdivision (g) does not apply to a trailer coach that is towed with a fifth-wheel device if the trailer coach is equipped with safety glazing materials wherever glazing materials are used in windows or doors, with an audible or visual signaling device that a passenger inside the trailer coach can use to gain the attention of the motor vehicle driver, and with at least one unobstructed exit capable of being opened from both the interior and exterior of the trailer coach.

~~SEC. 32.~~

SEC. 35. Section 21960 of the Vehicle Code is amended to read:

21960. (a) The Department of Transportation and local authorities, by order, ordinance, or resolution, with respect to freeways, expressways, or designated portions thereof under their respective jurisdictions, to which vehicle access is completely or partially controlled, may prohibit or restrict the use of the freeways, expressways, or any portion thereof by pedestrians, bicycles or other nonmotorized traffic or by any person operating a motor-driven cycle, moped, motorized scooter, or electrically motorized board. A prohibition or restriction pertaining to bicycles, motor-driven cycles, motorized scooters, or electrically motorized boards shall be deemed to include mopeds. A person shall not operate a moped wherever that prohibition or restriction is in force. Notwithstanding any order, ordinance, or resolution to the contrary, the driver or passengers of a disabled vehicle stopped on a freeway or expressway may walk to the nearest exit, in either direction, on that side of the freeway or expressway upon which the vehicle is disabled, from which telephone or motor vehicle repair services are available.

(b) The prohibitory regulation authorized by subdivision (a) shall be effective when appropriate signs giving notice thereof are erected upon any freeway or expressway and the approaches thereto. If any portion of a county freeway or expressway is contained within the limits of a city within the county, the county may erect signs on that portion as required under this subdivision if the ordinance has been approved by the city pursuant to subdivision (b) of Section 1730 of the Streets and Highways Code.

(c) No ordinance or resolution of local authorities shall apply to any state highway until the proposed ordinance or resolution has been presented to, and approved in writing by, the Department of Transportation.

(d) An ordinance or resolution adopted under this section on or after January 1, 2005, to prohibit pedestrian access to a county freeway or expressway shall not be effective unless it is supported by a finding by the local authority that the freeway or expressway does not have pedestrian facilities and pedestrian use would pose a safety risk to the pedestrian.

SEC. 36. Section 22651.08 of the Vehicle Code is amended to read:

22651.08. (a) A peace officer, as defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 of the Penal

Code, may remove a vehicle located within the territorial limits in which the officer may act, under either of the following circumstances:

(1) A person is operating a vehicle with fewer than four wheels that does not meet the definition of an electric bicycle set forth in Section 312.5 and is both of the following:

(A) Powered by an electric motor capable of exclusively propelling the vehicle in excess of 20 miles per hour on a highway.

(B) Being operated by an operator who is not licensed to operate the vehicle.

(2) A person is operating a vehicle that is a class 3 electric bicycle in violation of subdivision (a) of Section 21213.

(3) A person is operating an unauthorized device, pursuant to Article 9 (commencing with Section 21310) of Chapter 1 of Division 11, on a highway or public right-of-way.

(b) (1) A city, county, or city and county may adopt at a public meeting a regulation, ordinance, or resolution imposing charges equal to its administrative costs relating to the removal, seizure, and storage costs. The charges shall not exceed the actual costs incurred for the expenses directly related to removing, seizing, and storing the vehicle.

(2) A local jurisdiction that has adopted a regulation, ordinance, or resolution pursuant to paragraph (1) shall publicly and conspicuously post the schedule of charges on their internet website.

(c) An agency shall release a seized vehicle to the owner, violator, or their agent after a minimum of 48 hours, if both of the following conditions are met:

(1) The owner, violator, or authorized agent’s request is made during normal business hours.

(2) The applicable removal, seizure, and storage costs have been paid.

(d) If a peace officer removes a vehicle pursuant to paragraph (2) of subdivision (a), an agency may, as a condition of release, require the owner, violator, or the parent or legal guardian of the owner or violator to deliver proof that the violator has completed an electric bicycle safety and training program, as described in Section 894 of the Streets and Highways Code, or a related local bicycle safety course, if one is available, as prescribed by authorities in the local jurisdiction.

SEC. 37. Section 23103 of the Vehicle Code is amended to read:

23103. (a) A person who drives a vehicle upon a highway in willful or wanton disregard for the safety of persons or property is guilty of reckless driving.

(b) A person who drives a vehicle in an offstreet parking facility, as defined in subdivision (c) of Section 12500, in willful or wanton disregard for the safety of persons or property is guilty of reckless driving.

(c) A person who operates a bicycle, including an electric bicycle, upon a highway in willful or wanton disregard for the safety of persons or property is guilty of reckless driving.

(d) A person who operates a bicycle, including an electric bicycle, in an offstreet parking facility, as defined in subdivision (c) of Section 12500, in willful or wanton disregard for the safety of persons or property is guilty of reckless driving.

~~(c)~~

(e) Except as otherwise provided in Section 40008, persons convicted of the offense of reckless driving shall be punished by imprisonment in a county jail for not less than five days nor more than 90 days or by a fine of not less than one hundred forty-five dollars ($145) nor more than one thousand dollars ($1,000), or by both that fine and imprisonment, except as provided in Section 23104 or 23105.

~~SEC. 33.~~

SEC. 38. Section 23135 of the Vehicle Code is amended to read:

23135. It is unlawful for any person to operate upon a highway any vehicle which was originally manufactured as a moped, as defined in Section 406, and which has been modified in such a manner that it no longer conforms to the definition of a moped.

~~SEC. 34.~~

SEC. 39. Section 23330 of the Vehicle Code is amended to read:

23330. Except where a special permit has been obtained from the Department of Transportation under the provisions of Article 6 (commencing with Section 35780) of Chapter 5 of Division 15, none of the following shall be permitted on any vehicular crossing:

(a) Animals while being led or driven, even though tethered or harnessed.

(b) Bicycles, mopeds, or motorized scooters, unless the department by signs indicates that bicycles, mopeds, or motorized scooters, or any combination thereof, are permitted upon all or any portion of the vehicular crossing.

(c) Vehicles having a total width of vehicle or load exceeding 102 inches.

(d) Vehicles carrying items prohibited by regulations promulgated by the Department of Transportation.

~~SEC. 35.~~

SEC. 40. Section 24015 of the Vehicle Code is amended to read:

24015. (a) Mopeds shall comply with those federal motor vehicle safety standards established pursuant to Chapter 301 (commencing with Section 30101) of Part A of Subtitle VI of Title 49 of the United States Code that apply to a motor-driven cycle, as that term is defined in regulations adopted pursuant to those provisions. These standards include, but are not limited to, provisions requiring a headlamp, taillamp, stoplamp, side and rear reflex reflectors, and adequate brakes.

(b) In addition to equipment required in subdivision (a), all mopeds operated upon a highway shall be equipped with a mirror as required in subdivision (a) of Section 26709, a horn as required in Section 27000, and *mopeds powered by a liquid fuel shall be equipped with* an adequate muffler as required in subdivision (a) of Section 27150.

(c) Except as provided in subdivisions (a) and (b), none of the provisions of this chapter relating to motorcycles and motor-driven cycles, as defined in this code, shall apply to a moped.

~~SEC. 36.~~

SEC. 41. Section 24951 of the Vehicle Code is amended to read:

24951. (a) Any vehicle may be equipped with a lamp-type turn signal system capable of clearly indicating any intention to turn either to the right or to the left.

(b) The following vehicles shall be equipped with a lamp-type turn signal system meeting the requirements of this chapter.

(1) Motortrucks, truck tractors, buses and passenger vehicles, other than motorcycles, manufactured and first registered on or after January 1, 1958.

(2) Trailers and semitrailers manufactured and first registered between December 31, 1957, and January 1, 1969, having a gross weight of 6,000 pounds or more.

(3) Trailers and semitrailers 80 or more inches in width manufactured on or after January 1, 1969.

(4) Motorcycles manufactured and first registered on or after January 1, 1973.

(5) Motor-driven cycles and mopeds propelled by an electric motor and manufactured after January 1, 2027.

The requirements of this subdivision shall not apply to special mobile equipment, or auxiliary dollies.

(c) Turn signal lamps on vehicles manufactured on or after January 1, 1969, shall be mounted not lower than 15 inches.

~~SEC. 37.~~

SEC. 42. Section 25650 of the Vehicle Code is amended to read:

25650. Every motorcycle, motor-driven cycle, and moped during darkness shall be equipped with at least one and not more than two lighted headlamps which shall conform to the requirements and limitations of this division.

~~SEC. 38.~~

SEC. 43. Section 27800 of the Vehicle Code is amended to read:

27800. It is unlawful for a driver of a motorcycle or a moped to carry any other person thereon, except on a seat securely fastened to the machine at the rear of the driver and provided with footrests, or in a sidecar attached to a motorcycle and designed for the purpose of carrying a passenger. Every passenger on a motorcycle or a moped shall keep their feet on the footrests while such vehicle is in motion.

~~SEC. 39.~~

SEC. 44. Section 27802 of the Vehicle Code is amended to read:

27802. (a) The department may adopt reasonable regulations establishing specifications and standards for safety helmets offered for sale, or sold, for use by drivers and passengers of motorcycles and mopeds as it determines are necessary for the safety of those drivers and passengers. The regulations shall include, but are not limited to, the requirements imposed by Federal Motor Vehicle Safety Standard No. 218 (49 C.F.R. Sec. 571.218) and may include

compliance with that federal standard by incorporation of its requirements by reference. Each helmet sold or offered for sale for use by drivers and passengers of motorcycles and mopeds shall be conspicuously labeled in accordance with the federal standard which shall constitute the manufacturer's certification that the helmet conforms to the applicable federal motor vehicle safety standards.

(b) No person shall sell, or offer for sale, for use by a driver or passenger of a motorcycle or moped any safety helmet which is not of a type meeting requirements established by the department.

~~SEC. 40.~~

SEC. 45. Section 27803 of the Vehicle Code is amended to read:

27803. (a) A driver and any passenger shall wear a safety helmet meeting requirements established pursuant to Section 27802 when riding on a motorcycle, motor-driven cycle, or moped.

(b) It is unlawful to operate a motorcycle, motor-driven cycle, or moped if the driver or any passenger is not wearing a safety helmet as required by subdivision (a).

(c) It is unlawful to ride as a passenger on a motorcycle, motor-driven cycles, or moped if the driver or any passenger is not wearing a safety helmet as required by subdivision (a).

(d) This section applies to persons who are riding on motorcycles, motor-driven cycles, or mopeds operated on the highways.

(e) For the purposes of this section, "wear a safety helmet" or "wearing a safety helmet" means having a safety helmet meeting the requirements of Section 27802 on the person's head that is fastened with the helmet straps and that is of a size that fits the wearing person's head securely without excessive lateral or vertical movement.

(f) This section does not apply to a person operating, or riding as a passenger in, a fully enclosed three-wheeled motor vehicle that is not less than seven feet in length and not less than four feet in width, and has an unladen weight of 900 pounds or more, if the vehicle meets or exceeds all of the requirements of this code, the Federal Motor Vehicle Safety Standards, and the rules and regulations adopted by the United States Department of Transportation and the National Highway Traffic Safety Administration.

(g) In enacting this section, it is the intent of the Legislature to ensure that all persons are provided with an additional safety benefit while operating or riding a motorcycle, motor-driven cycle, or mopeds.

~~SEC. 41.~~

SEC. 46. Article 7.5 (commencing with Section 27850) is added to Chapter 5 of Division 12 of the Vehicle Code, to read:

Article 7.5. Electric Modes of Transportation

27850. (a) Manufacturers and distributors of electric bicycles shall securely affix the following information on or to the frame *or fork* of each electric bicycle, subject to the specifications described in subdivision ~~(b).~~ *(c):*

(1) The name of the brand.

(2) The manufacturer, importer, or distributor of the electric bicycle.

(3) The classification number of the electric bicycle.

(4) The top assisted speed and motor wattage of the electric bicycle.

(b) Manufacturers and distributors of mopeds and motor-driven cycles shall securely affix the following information on or to the frame or fork of each moped or motor-driven cycle, subject to the specifications described in subdivision (c):

(1) The name of the brand.

(2) The manufacturer, importer, or distributor of the moped or motor-driven cycle.

(3) The word "moped" or "motor-driven cycle."

(4) The top assisted speed and motor wattage, if applicable, of the moped or motor-driven cycle.

~~(b)~~

(c) The information required by ~~subdivision~~ *subdivisions* (a) *and (b)* shall be permanently affixed on or to the electric ~~bicycle~~ *bicycle, moped, or motor-driven cycle,* by means of a marking or labeling *that is readily visible without inverting the electric bicycle, moped, or motor-driven cycle, and* that cannot be removed without the marking or labeling being defaced or destroyed. The information shall be printed in Arial font in at least 9-point type.

(d) (1) A person shall not sell or install an electric bicycle classification label unless the classification label is sold and installed in a physical retailer or bicycle repair shop.

(2) A retailer and bicycle repair shop of electric bicycles shall verify that the classification label matches the electric bicycle class, pursuant to Section 312.5, before installing the classification label on an electric bicycle.

27851. Every manufacturer, importer, or seller of a motor-driven ~~cycle, as defined in Section 405, or~~ *cycle,* a moped, ~~as defined in Section 406,~~ *or an off-highway electric motorcycle* that is powered by an electric motor shall provide a disclosure to all potential buyers in any advertising, including any online advertising on internet websites or social media, that advises buyers that the vehicle is a motor vehicle subject to registration, their existing insurance policies may not provide coverage for the vehicle, and that they should contact their insurance company or insurance agent to determine if coverage is provided.

(a) (1) A written disclosure shall be *provided to the buyer and* printed in not less than 14-point boldface type on a single sheet of paper that contains no information other than the statement specified in subdivision (d).

(2) Any disclosure provided through online advertising or on a website offering the vehicle for sale shall be in a font size no smaller than the largest font size used in such advertising or website content and require the buyer to affirmatively acknowledge having had the opportunity to read the disclosure before completing the purchase.

(b) The disclosure shall include the following language in capital letters:

"THIS VEHICLE IS A MOTOR VEHICLE AND SUBJECT TO APPLICABLE MOTOR VEHICLE LAWS INCLUDING USE OF A DOT-APPROVED MOTORCYCLE HELMET, REGISTRATION, OPERATOR LICENSE, AND INSURANCE REQUIREMENTS IF USED ON A HIGHWAY. YOUR INSURANCE POLICIES MAY NOT PROVIDE COVERAGE FOR CRASHES INVOLVING THE USE OF THIS VEHICLE. TO DETERMINE IF COVERAGE IS PROVIDED, YOU SHOULD CONTACT YOUR INSURANCE COMPANY OR AGENT."

(c) In addition to any penalties imposed under this code, a violation of the disclosure requirements described in this section by a manufacturer, importer, or seller of a motor-driven ~~cycle~~ *cycle, moped, or electric off-road motorcycle* shall constitute a misleading statement pursuant to ~~Section~~ *Sections 17200 and* 17500 of the Business and Professions Code.

27852. It is unlawful for a person to sell an electric bicycle, moped, or motor-driven cycle in violation of the labeling and disclosure requirements of Sections 27850 and 27851.

~~SEC. 42.~~

SEC. 47. Section 38012 of the Vehicle Code is amended to read:

38012. (a) As used in this division, "off-highway motor vehicle subject to identification" means a motor vehicle subject to subdivision (a) of Section 38010.

(b) As used in this division, "off-highway motor vehicle" includes, but is not limited to, the following:

(1) A ~~motorcycle~~ *moped, motorcycle,* or motor-driven cycle, including an off-highway electric motorcycle, except for any motorcycle that is eligible for a special transportation identification device issued pursuant to Section 38088.

(2) A snowmobile or other vehicle designed to travel over snow or ice, as defined in Section 557.

(3) A motor vehicle commonly referred to as a sand buggy, dune buggy, or all-terrain vehicle.

(4) A motor vehicle commonly referred to as a jeep.

(5) A recreational off-highway vehicle as defined in Section 500.

(6) An off-highway electric motorcycle as defined in Section 436.1.

~~SEC. 43.~~

SEC. 48. Section 38366 of the Vehicle Code is amended to read:

38366. (a) Notwithstanding Section 4442 of the Public Resources Code, and except for vehicles with mufflers as provided in Article 2 (commencing with Section 27150) of Chapter 5 of Division 12, no person shall use, operate, or allow to be used or operated, any off-highway motor vehicle, as defined in Section 38006, on any forest-covered land, brush-covered land, or

grass-covered land unless the vehicle is equipped with a spark arrester maintained in effective working order.

(b) A spark arrester affixed to the exhaust system of a vehicle subject to this section shall not be placed or mounted in such a manner as to allow flames or heat from the exhaust system to ignite any flammable material.

(c) A spark arrester is a device constructed of nonflammable materials specifically for the purpose of removing and retaining carbon and other flammable particles over 0.0232 of an inch in size from the exhaust flow of an internal combustion engine or which is qualified and rated by the United States Forest Service.

(d) Subdivision (a) is not applicable to an off-highway electric motorcycle or to any vehicle being operated off the highway in an organized racing or competitive event upon a closed course, which is conducted under the auspices of a recognized sanctioning body and by permit issued by the fire protection authority having jurisdiction.

(e) A person shall not use, operate, or allow to be used or operated, any off-highway electric motorcycle, or any motorcycle, motor-driven cycle, or moped powered by an electric motor, on any forest-covered land, brush-covered land, or grass-covered land unless the vehicle has been certified by an accredited independent laboratory for compliance with ~~ANSI/CAN/UL Standard 2272~~ *SAE J2929 or another applicable SAE, ISO, UNECE, IEC, or other electrical safety standard* and the name or mark of the certifying laboratory is permanently marked on the vehicle or on its drive system.

~~SEC. 44.~~

SEC. 49. Section 38505 of the Vehicle Code is amended to read:

38505. A person shall not operate, ride, or be otherwise propelled on an all-terrain vehicle on public lands, as described in Section 38001, unless the person wears a safety helmet meeting requirements established for motorcycles and mopeds, pursuant to Section 27802.

~~SEC. 45.~~

SEC. 50. Section 38601 of the Vehicle Code is amended to read:

38601. A person shall not operate, or allow a passenger in, a recreational off-highway vehicle on public lands, as described in

Section 38001, unless the person and the passenger are wearing safety helmets meeting the requirements established for motorcycles and mopeds pursuant to Section 27802.

~~SEC. 46.~~

SEC. 51. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

O

BILL: SB 1423 (Stern, D-Sherman Oaks)
Amended March 25, 2026
Introduced February 20, 2026

SUBJECT: SB 1423 would require a minimum allocation of State Transportation Improvement Program funds to "safe streets" projects and would modify the Active Transportation Program.

STATUS: Pending in Senate

SUMMARY AS OF MARCH 31, 2026:

SB 1423 proposes significant changes to state transportation funding programs by requiring that at least 50 percent of funds in both the Interregional Transportation Improvement Program (ITIP) and the Regional Transportation Improvement Program (RTIP) be programmed for "safe streets" projects in transit-oriented development zones.

The bill defines "safe streets" projects as those focused on pedestrian, bicycle, and traffic calming improvements, including sidewalks, protected bike lanes, safe crossings, and Safe Routes to School projects. The bill explicitly excludes roadway widening or capacity expansion projects from qualifying as safe streets projects.

SB 1423 further requires that these investments be prioritized within transit-oriented development (TOD) zones, as defined in state law. This definition cross-references provisions established under SB 79 (Chapter 512, Statutes of 2025), which apply only in certain "urban transit counties." As a result, this requirement may have uneven applicability across the state, concentrating funding requirements in regions that meet the SB 79 threshold while limiting applicability in others. It is unclear how this prioritization would be implemented in practice, including whether regions would be required to direct a greater share of their State Transportation Improvement Program (STIP) funding to projects located near qualifying transit stops or whether adjustments to funding distribution across regions would be necessary to meet the statewide threshold.

In addition, the bill renames the Active Transportation Program as the "Safe Streets Program" and modifies program guidelines to include additional project selection criteria, including benefits to TOD zones. The bill also establishes a two-step application process, allowing applicants to first submit a simplified application before advancing to a full application with detailed engineering requirements.

EFFECTS ON ORANGE COUNTY:

SB 1423 is directly relevant to the Orange County Transportation Authority's (OCTA) role in developing and programming the STIP for Orange County. The STIP is a formula-based funding program that allocates approximately 75 percent of funds to regional shares through the RTIP, which are programmed by county transportation agencies over a five-year period, and 25 percent to interregional projects through the ITIP, which focuses on projects of statewide or interregional significance.

OCTA has already programmed its regional share of STIP funds across a balanced set of projects for the current cycle. While SB 1423 would not apply to any portion of a county share reserved before January 1, 2027, for a future programming year, this could inhibit an agency from shifting STIP funding to meet project needs and would limit future programming. It is also unclear how the 50 percent would be calculated in future years, including whether it would apply to future funding capacity or the entire 5-year STIP estimate. To meet the requirements of SB 1423, OCTA may need to reprogram funding from previously approved projects to meet the proposed 50 percent threshold. Many of these projects may not qualify under the bill's definition of "safe streets," even when they include multimodal elements. This could impact projects that address congestion relief, goods movement, and interregional connectivity. Additionally, because ITIP funding is intended for projects of interregional significance, it is unclear whether "safe streets" projects would meet the statutory purpose of that program.

OCTA's 2026 State Transportation Improvement Program totals approximately $151 million and reflects a balanced, multimodal approach to transportation investment. This funding supports a range of critical projects across Orange County, including freeway improvements such as the Interstate 5 improvements to reduce congestion and improve reliability, goods movement and operational enhancements such as the State Route 57 Truck Climbing Lane, rail infrastructure projects such as the Pacific Coast Highway Coastal Rail Bridge that maintain and improve service along key corridors, and active transportation investments such as segments of the OC Loop that expand bicycle and pedestrian connectivity. This approach is designed to address diverse regional transportation needs while aligning with state goals and maintaining flexibility to deliver priority projects.

By requiring that at least 50 percent of STIP funds be dedicated to safe streets projects, SB 1423 would significantly alter this balanced approach and reduce regional flexibility in programming funds. Projects currently included in OCTA's STIP may not qualify under the bill's definition of "safe streets," even when they incorporate multimodal improvements, creating a mismatch between existing programming and proposed funding requirements.

The bill's prioritization of funding within TOD zones may further constrain funding eligibility, particularly in areas where qualifying TOD zones are limited or where transportation needs extend beyond those areas. This could reduce the ability of OCTA to address critical congestion, goods movement, and reliability challenges across the broader regional transportation network. Additionally, the bill represents a shift from the

existing STIP framework, which allows regional agencies to develop programs that balance local priorities with statewide policy goals. By imposing a fixed funding allocation and prioritization structure, SB 1423 may limit the ability of regional agencies to respond to evolving transportation needs and deliver voter-approved projects.

Overall, SB 1423 would significantly restructure STIP programming in a manner that may constrain regional decision-making, shift funding away from critical infrastructure projects, and impact OCTA's ability to deliver a balanced, multimodal transportation program. An OPPOSE position is consistent with OCTA's 2025–26 State Legislative Platform principle to "oppose policies that change existing formula funding structures to redistribute funds in a way that would inhibit a local agency from delivering critical transportation projects and programs."

OCTA POSITION:

Staff recommends: OPPOSE

AMENDED IN SENATE MARCH 25, 2026

SENATE BILL No. 1423

Introduced by Senator Stern

February 20, 2026

~~An act to amend Section 8654.10 of the Government Code, relating to wildfire prevention.~~ *An act to amend Sections 14526 and 14527 of the Government Code, and to amend Sections 2380, 2381, and 2382 of, and to amend the heading of Chapter 8 (commencing with Section 2380) of Division 3 of, the Streets and Highways Code, relating to transportation.*

LEGISLATIVE COUNSEL'S DIGEST

SB 1423, as amended, Stern. ~~Wildfire prevention: California Wildfire Mitigation Financial Assistance Program.~~ *Transportation funding: State Transportation Improvement Program: Active Transportation Program.*

Existing law generally provides for programming and allocation of available state and federal transportation funds for transportation capital improvement projects through the state transportation improvement program process administered by the California Transportation Commission. Existing law requires 25% of available funds to be programmed and expended on interregional improvement projects nominated by the Department of Transportation through the adoption of an interregional transportation improvement program, and 75% of available funds to be programmed and expended on regional improvement projects nominated by transportation planning agencies through the adoption of a regional transportation improvement program.

This bill would require at least 50% of funds programmed in the interregional transportation improvement program, and 50% of funds programmed in a regional transportation improvement program, to be

programmed for safe streets projects, as specified. The bill would require those funds to be prioritized for safe streets projects located in areas of transit-oriented development zones, as defined, that lack adequate pedestrian safety and mobility access.

Existing law establishes the Active Transportation Program in the Department of Transportation for the purpose of encouraging increased use of active modes of transportation, such as biking and walking. Existing law requires the California Transportation Commission to develop guidelines with regard to project selection that include, among other criteria, the benefit to disadvantaged communities and the potential for increasing and improving connectivity and mobility of nonmotorized users. Existing law requires the guidelines adopted by the commission for the program to address, among other things, application timelines and application rating and ranking criteria.

This bill would rename the Active Transportation Program as the Safe Streets Program. The bill would require the guidelines with regard to project selection to also include as criteria the benefit to transit-oriented development zones, as defined. The bill would require the guidelines to establish an application process under which an applicant submits an initial application that would not require detailed engineering drawings and, if that application is deemed to be in conformance with the guidelines and project selection criteria, the applicant would be requested to submit a final and more comprehensive application for review.

~~Existing law, contingent upon an appropriation, requires the Office of Emergency Services to enter into a joint powers agreement with the Department of Forestry and Fire Protection to develop and administer a comprehensive wildfire mitigation program to, among other things, encourage cost-effective structure hardening and retrofitting to create fire-resistant homes, businesses, and public buildings. Existing law requires the State Fire Marshal and the Department of Forestry and Fire Protection to identify activities that are eligible for financial assistance under the program and requires the joint powers authority to develop criteria and a scoring methodology to prioritize financial assistance provided through the program based on specific factors, as provided. Existing law requires the joint powers authority, no later than July 1, 2028, to submit a report to the Legislature regarding the implementation of the wildfire mitigation financial assistance program, as provided.~~

~~This bill would instead require the joint powers authority to submit the report to the Legislature regarding the implementation of the wildfire mitigation financial assistance program no later than January 1, 2028.~~

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) Increasing active transportation is essential to reducing vehicle miles traveled and meeting greenhouse gas reduction targets.

(b) Active transportation infrastructure, including protected bike lanes and safe crossings, significantly improves safety for children, seniors, and persons with disabilities, who are disproportionately impacted by traffic violence.

(c) Projects such as first- and last-mile connections and trails deliver high-return benefits to local economies and transit ridership at a fraction of the cost of traditional roadway expansion.

(d) Access to safe outdoor spaces for walking and rolling contributes to improved physical and mental health outcomes for all Californians.

(e) Under current practice, active transportation projects compete poorly in regional transportation improvement programs, and smaller counties often lack the fiscal capacity to advance nonautomobile projects.

(f) To achieve equity and safety, the state must distinguish between genuine active transportation investments and roadway widenings that offer only incidental pedestrian improvements.

SEC. 2. Section 14526 of the Government Code is amended to read:

14526. (a) Not later than October 15 of each odd-numbered year, based on the guidelines established pursuant to Section 14530.1, and after consulting with the transportation planning agencies, county transportation commissions, and transportation authorities, the department shall submit to the commission the draft five-year interregional transportation improvement program consisting of all of the following:

(1) Projects to improve state highways, pursuant to subdivision (b) of Section 164 of the Streets and Highways Code.

(2) Projects to improve the intercity passenger rail system.

(3) Projects to improve interregional movement of people, vehicles, and goods.

(b) Projects included in the interregional transportation improvement program shall be consistent with the state interregional transportation strategic plan prepared pursuant to Section 14524.4.

(c) Projects may not be included in the draft interregional transportation improvement program without a project study report or major investment study.

(d) Major projects shall include current costs updated as of November 1 of the year of submittal and escalated to the appropriate year, and shall be consistent with, and provide the information required in, subdivision (b) of Section 14529.

(e) Projects included in the draft interregional transportation improvement program shall be consistent with the adopted regional transportation plan.

(f) (1) At least 50 percent of the funds programmed in the interregional transportation improvement program shall be programmed for safe streets projects. The funds programmed pursuant to this subdivision shall be prioritized in the interregional transportation improvement program for safe streets projects located in areas of transit-oriented development zones that lack adequate pedestrian safety and mobility access.

(2) For purposes of this subdivision, the following definitions apply:

(A) "Safe streets project" means a project that meets all of the goals set forth in paragraphs (1) to (3), inclusive, of subdivision (b) of Section 2380 of the Streets and Highways Code. Safe streets projects include sidewalk and curb ramp networks, protected bicycle facilities, safe crossings, traffic calming measures, and Safe Routes to School projects. A project consisting of roadway widening or capacity expansion shall not be classified as a safe streets project solely because it includes incidental bicycle lanes or sidewalks.

(B) "Transit-oriented development zone" has the same meaning as defined in Section 65912.156.

~~(f)~~

(g) On or before November 15 of each odd-numbered year, the commission shall hold at least one hearing in northern California and one hearing in southern California to attempt to reconcile any objections by any member of the public or other stakeholder to the draft interregional transportation improvement program.

~~(g)~~

(h) The department shall consider the input received at the hearings conducted pursuant to subdivision ~~(f)~~ *(g)* and shall develop a final interregional transportation improvement program. The final interregional transportation improvement program shall include a summary of the major comments received at the hearings and responses to those comments, and shall be submitted to the commission for approval not later than December 15 of each odd-numbered year.

~~(h)~~

(i) The commission shall, when approving the final interregional transportation improvement program pursuant to subdivision ~~(g),~~ *(h),* evaluate the extent to which the program is consistent with funding priorities established in Section 167 of the Streets and Highways Code.

SEC. 3. Section 14527 of the Government Code is amended to read:

14527. (a) After consulting with the department, the regional transportation planning agencies and county transportation commissions shall adopt and submit to the commission and the department, not later than December 15, 2001, and December 15 of each odd-numbered year thereafter, a five-year regional transportation improvement program in conformance with Section 65082. In counties where a county transportation commission has been created pursuant to Chapter 2 (commencing with Section 130050) of Division 12 of the Public Utilities Code, that commission shall adopt and submit the county transportation improvement program, in conformance with Sections 130303 and 130304 of that code, to the multicounty-designated transportation planning agency. Other information, including a program for expenditure of local or federal funds, may be submitted for information purposes with the program, but only at the discretion of the transportation planning agencies or the county transportation commissions. As used in this section, "county transportation commission" includes a transportation authority created pursuant

to Chapter 2 (commencing with Section 130050) of Division 12 of the Public Utilities Code.

(b) *(1)* The regional transportation improvement program shall include all projects to be funded with the county share under paragraph (2) of subdivision (a) of Section 164 of the Streets and Highways Code. The regional programs shall be limited to projects to be funded in whole or in part with the county share that shall include all projects to receive allocations by the commission during the following five fiscal years. For each project, the total expenditure for each project component and the total amount of commission allocation and the year of allocation shall be stated. The total cost of projects to be funded with the county share shall not exceed the amount specified in the fund estimate made by the commission pursuant to Section 14525.

(2) (A) At least 50 percent of the funds described paragraph (1) shall be programmed in the regional transportation improvement program for safe streets projects. The funds programmed pursuant to this paragraph shall be prioritized in the regional transportation improvement program for safe streets projects located in areas of transit-oriented development zones that lack adequate pedestrian safety and mobility access.

(B) Subparagraph (A) does not apply to any portion of a county share reserved before January 1, 2027, for a future programming year pursuant to Section 188.8 of the Streets and Highways Code.

(C) For purposes of this paragraph, the following definitions apply:

(i) "Safe streets project" means a project that meets all of the goals set forth in paragraphs (1) to (3), inclusive, of subdivision (b) of Section 2380 of the Streets and Highways Code. Safe streets projects include sidewalk and curb ramp networks, protected bicycle facilities, safe crossings, traffic calming measures, and Safe Routes to School projects. A project consisting of roadway widening or capacity expansion shall not be classified as a safe streets project solely because it includes incidental bicycle lanes or sidewalks.

(ii) "Transit-oriented development zone" has the same meaning as defined in Section 65912.156.

(c) The regional transportation planning agencies and county transportation commissions may recommend projects to improve state highways with the interregional share pursuant to subdivision

(b) of Section 164 of the Streets and Highways Code. The recommendations shall be separate and distinct from the regional transportation improvement program. A project recommended for funding pursuant to this subdivision shall constitute a usable segment and shall not be a condition for inclusion of other projects in the regional transportation improvement program.

(d) The department may nominate or recommend the inclusion of projects in the regional transportation improvement program to improve state highways with the county share pursuant to paragraph (2) of subdivision (a) and subdivision (e) of Section 164 of the Streets and Highways Code. A regional transportation planning agency and a county transportation commission shall have sole authority for determining whether any of the project nominations or recommendations are accepted and included in the regional transportation improvement program adopted and submitted pursuant to this section. This authority provided to a regional transportation planning agency or to a county transportation commission extends only to a project located within its jurisdiction.

(e) Major projects shall include current costs updated as of November 1 of the year of submittal and escalated to the appropriate year, and shall be consistent with, and provide the information required in, subdivision (b) of Section 14529.

(f) The regional transportation improvement program may not change the project delivery milestone date of any project as shown in the prior adopted state transportation improvement program without the consent of the department or other agency responsible for the project's delivery.

(g) Projects may not be included in the regional transportation improvement program without a complete project study report or, for a project that is not on a state highway, a project study report equivalent or major investment study.

(h) (1) Each transportation planning agency and county transportation commission may request and receive an amount not to exceed 5 percent of its county share for the purposes of project planning, programming, and monitoring.

(2) Notwithstanding any other law, but to the extent consistent with applicable federal law or regulation, the department may make an advance payment up to three hundred thousand dollars ($300,000) per year to transportation planning agencies and county

transportation commissions for programming, planning, and monitoring under paragraph (1) where the total allocation under that paragraph is equal to or less than three hundred thousand dollars ($300,000). Funds advanced shall be programmed in the State Transportation Improvement Program and allocated by the California Transportation Commission prior to payment.

SEC. 4. The heading of Chapter 8 (commencing with Section 2380) of Division 3 of the Streets and Highways Code is amended to read:

CHAPTER 8. ~~ACTIVE TRANSPORTATION~~ *SAFE STREETS* PROGRAM

SEC. 5. Section 2380 of the Streets and Highways Code is amended to read:

2380. *(a)* There is hereby established the ~~Active Transportation~~ *Safe Streets* Program in the department for the purpose of encouraging increased use of active modes of transportation, such as biking and walking. ~~It~~ *Any reference in any law or regulation to the Active Transportation Program shall be deemed to refer to the Safe Streets Program.*

(b) It is the intent of the Legislature that the program achieve all of the following goals:

~~(a)~~

(1) Increase the proportion of trips accomplished by biking and walking.

~~(b)~~

(2) Increase safety and mobility for nonmotorized users.

~~(c)~~

(3) Advance the active transportation efforts of regional agencies to achieve greenhouse gas reduction goals as established pursuant to Senate Bill 375 (Chapter ~~728,~~ *728 of the* Statutes of 2008) and Senate Bill 391 (Chapter ~~585,~~ *585 of the* Statutes of 2009).

~~(d)~~

(4) Enhance public health, including reduction of childhood obesity through the use of programs including, but not limited to, projects eligible for Safe Routes to School Program funding.

~~(e)~~

(5) Ensure that disadvantaged communities fully share in the benefits of the program.

~~(f)~~

(6) Provide a broad spectrum of projects to benefit many types of active transportation users.

SEC. 6. Section 2381 of the Streets and Highways Code is amended to read:

2381. (a) The ~~Active Transportation~~ *Safe Streets* Program shall be funded by state and federal funds from appropriations in the annual Budget Act. Funds for the program shall be appropriated to the department, for allocation by the commission. The amount to be appropriated shall include 100 percent of the federal Transportation Alternative Program funds described in Section 133(h) of Title 23 of the United States Code, except for any federal funds for recreational trails projects described in Section 133(h)(5) of Title 23 of the United States Code appropriated to the Department of Parks and Recreation; twenty-one million dollars ($21,000,000) of federal Highway Safety Improvement funds or other federal funds; and State Highway Account funds. Future funding may be augmented if state or federal funds increase, or if other funding sources are identified. Funds appropriated for the ~~Active Transportation~~ *Safe Streets* Program shall be distributed as follows:

(1) Forty percent to metropolitan planning organizations in urban areas with populations greater than 200,000, in proportion to their relative share of population. Funds allocated under this paragraph shall be obligated for eligible projects selected through a competitive process by the metropolitan planning organizations in consultation with the department and the commission and in accordance with guidelines established pursuant to this chapter.

(2) Ten percent to small urban and rural regions with populations of 200,000 or less, with projects competitively awarded by the commission to projects in those regions.

(3) Fifty percent to projects competitively awarded by the commission on a statewide basis.

(b) For the purpose of paragraph (1) of subdivision (a), the following shall apply in the region served by the multicounty designated transportation planning agency described in Section 130004 of the Public Utilities Code:

(1) The multicounty designated transportation planning agency shall consult with the county transportation commissions created pursuant to Sections 130050, 130050.1, and 132800 of the Public Utilities Code, the commission, and the department in the

development of competitive selection criteria to be adopted by the multicounty designated transportation planning agency, which should include consideration of geographic equity, consistent with program objectives.

(2) The multicounty designated transportation planning agency shall place priority on projects that are consistent with plans adopted by local and regional governments within the county where the project is located.

(3) The multicounty designated transportation planning agency shall obtain concurrence from the county transportation commissions, adopt the projects selected in a comprehensive program of projects, and make funds available to selected project recipients.

(c) The Legislature finds and declares that the program described in this chapter constitutes a highway purpose under Article XIX of the California Constitution and justifies the expenditure of highway funds therefor, and all expenditures of Article XIX funds under this program shall be consistent with Article XIX.

SEC. 7. Section 2382 of the Streets and Highways Code is amended to read:

2382. (a) The California Transportation Commission shall develop guidelines and project selection criteria for the ~~Active Transportation~~ *Safe Streets* Program in consultation with the ~~Active Transportation~~ *Safe Streets* Program Workgroup, which shall be formed for purposes of providing guidance on matters including, but not limited to, development of and subsequent revisions to program guidelines, schedules and procedures, project selection criteria, performance measures, and program evaluation. The workgroup shall include, but not be limited to, representatives of government agencies and active transportation stakeholder organizations with expertise in pedestrian and bicycle issues, including Safe Routes to School programs.

(b) *(1)* The guidelines shall be the complete and full statement of the policies and criteria that the commission intends to use in selecting projects to be included in the program. The guidelines shall address subjects that include, but are not limited to, project eligibility, application timelines, application rating and ranking criteria, project monitoring, reporting, and transparency, and project performance measurement.

(2) The guidelines shall establish an application process under which an applicant submits an initial application that shall not require detailed engineering drawings and, if that application is deemed to be in conformance with the guidelines and project selection criteria, the applicant shall be requested to submit a final and more comprehensive application for review.

(c) The guidelines shall include a process to ensure that no less than 25 percent of overall program funds benefit disadvantaged communities during each program cycle. The guidelines shall establish a program definition for disadvantaged communities that may include, but need not be limited to, the definition in Section 39711 of the Health and Safety Code and the definition of low-income schools in paragraph (7) of subdivision (b) of former Section 2333.5, as that section read on January 1, 2013. A project eligible under this subdivision shall clearly demonstrate a benefit to a disadvantaged community or be directly located in a disadvantaged community.

(d) The guidelines shall allow streamlining of project delivery by authorizing an implementing agency to seek commission approval of a letter of no prejudice that will allow the agency to expend its own funds for a project programmed in a future year of the adopted program of projects, in advance of allocation of funds to the project by the commission, and to be reimbursed at a later time for eligible expenditures.

(e) The California Transportation Commission shall adopt the guidelines and selection criteria for, and define the types of projects eligible to be funded through, the program following at least two public hearings. Projects funded in this program shall be limited to active transportation projects. The guidelines shall ensure that eligible projects meet one or more of the goals set forth in Section 2380 and may give increased weight to projects meeting multiple goals.

(f) In developing the guidelines with regard to project eligibility, the commission shall include, but need not be limited to, the following project types:

(1) Development of new bikeways and walkways, or improvements to existing bikeways and walkways, that improve mobility, access, or safety for nonmotorized users. On and after January 1, 2026, the guidelines with regard to project eligibility shall not include the development of Class III bikeways, as

described in Section 890.4, or the marking in Figure 9C-9 of the 2014 California Manual on Uniform Traffic Control Devices, Revision 8, unless any of the following apply:

(A) The Class III bikeway or marking is on a highway with a design speed limit of 25 miles per hour or less.

(B) The project will implement improvements to reduce the design speed limit to 25 miles per hour or less.

(C) The project applicant demonstrates that the use of the Class III bikeway or marking is appropriate for the local community context and advances a lower stress environment or a low-stress network.

(2) Secure bicycle parking at employment centers, park and ride lots, rail and transit stations, and ferry docks and landings.

(3) Bicycle-carrying facilities on public transit, including rail and ferries.

(4) Installation of traffic control devices to improve the safety of pedestrians and bicyclists.

(5) Elimination of hazardous conditions on existing bikeways and walkways.

(6) Maintenance of bikeways and walkways.

(7) Recreational trails and trailheads, park projects that facilitate trail linkages or connectivity to nonmotorized corridors, and conversion of abandoned railroad corridors to trails.

(8) Safe Routes to School projects that improve the safety of children walking and bicycling to school, in accordance with Section 1404 of Public Law 109-59.

(9) Safe routes to transit projects, which will encourage transit by improving biking and walking routes to mass transportation facilities and schoolbus stops.

(10) Educational programs to increase biking and walking, and other noninfrastructure investments that demonstrate effectiveness in increasing active transportation.

(g) In developing the guidelines with regard to project selection, the commission shall include, but need not be limited to, the following criteria:

(1) Demonstrated needs of the applicant.

(2) Potential for reducing pedestrian and bicyclist injuries and fatalities.

(3) Potential for encouraging increased walking and bicycling, especially among students.

(4) Identification of safety hazards for pedestrians and bicyclists.

(5) Identification of walking and bicycling routes to and from schools, transit facilities, and community centers.

(6) Identification of the local public participation process that culminated in the project proposal, which may include noticed public meetings and consultation with local stakeholders.

(7) Benefit to disadvantaged communities. In developing guidelines relative to this paragraph, the commission shall consider, but need not be limited to, the definition of disadvantaged communities as applied pursuant to subdivision (c).

(8) Benefit to transit-oriented development zones, as defined in Section 65912.156 of the Government Code.

~~(8)~~

(9) Cost-effectiveness, defined as maximizing the impact of the funds provided.

~~(9)~~

(10) The adoption by a city or county applicant of a bicycle transportation plan, pursuant to Section 891.2, a pedestrian plan, a safe routes to school plan, or an overall active transportation plan.

~~(10)~~

(11) Use of the California Conservation Corps or a qualified community conservation corps, as defined in Section 14507.5 of the Public Resources Code, as partners to undertake or construct applicable projects in accordance with Section 1524 of Public Law 112-141.

~~(11)~~

(12) Other factors, such as potential for reducing congestion, improving air quality, reducing greenhouse gas emissions, and increasing and improving connectivity and mobility of nonmotorized users. On and after January 1, 2026, increasing or improving connectivity of nonmotorized users shall not include the addition of a bikeway connecting to a Class III bikeway, as described in Section 890.4, or the marking in Figure 9C-9 of the 2014 California Manual on Uniform Traffic Control Devices, Revision 8, unless the bikeway or marking is on a highway with a design speed limit of 25 miles per hour or less or the project will implement improvements to reduce the design speed limit to 25 miles per hour or less.

(h) For the use of federal Transportation Alternative Program funds, or other federal funds, commission guidelines shall meet all applicable federal requirements.

(i) For the use of federal Highway Safety Improvement Program funds for active transportation projects specific to reducing fatalities and serious injuries, the criteria for the selection of projects shall be based on a data-driven process that is aligned with the state's Strategic Highway Safety Plan.

(j) The guidelines may include incentives intended to maximize the potential for attracting funds other than program funds for eligible projects.

(k) In reviewing and selecting projects funded by federal funds in the Recreational Trails Program, the commission shall collaborate with the Department of Parks and Recreation to evaluate proposed projects, and to ensure federal requirements are met.

(*l*) To ensure that regional agencies charged with allocating funds to projects pursuant to paragraph (1) of subdivision (a) of Section 2381 have sufficient discretion to develop regional guidelines, the commission may adopt separate guidelines for the state and for the regional agencies relative to subdivision (g).

~~SECTION 1. Section 8654.10 of the Government Code is amended to read:~~

~~8654.10. (a) The operation of this article is contingent upon an appropriation by the Legislature in the annual Budget Act or another statute for purposes of this article.~~

~~(b) No later than January 1, 2028, the joint powers authority shall submit a report to the Legislature, in compliance with Section 9795, regarding the implementation of the wildfire mitigation financial assistance program administered pursuant to this article. The report shall include, but is not limited to, all of the following:~~

~~(1) An evaluation of the cost-effectiveness of the wildfire mitigation program compared to other structure hardening, defensible space, vegetation management, and fuel reduction incentive programs.~~

~~(2) An evaluation of the overall wildfire risk reduction achieved statewide through awards of financial assistance under the wildfire mitigation program.~~

~~(3) Detailed information about the quantity, monetary value, geographic distribution, and categories of awards of financial assistance made under the wildfire mitigation program.~~

~~(4) Detailed information about the sources and amounts of funds appropriated or granted to the wildfire mitigation program.~~

~~(5) Detailed information about barriers encountered to completing work awarded financial assistance under the wildfire mitigation program, including state, regional, or local permitting requirements.~~

~~(6) Any other information the Office of Emergency Services determines is necessary or convenient to evaluate the financial assistance awarded under the program.~~

~~(c) This article shall remain in effect only until July 1, 2029, and as of that date is repealed.~~

O

ATTACHMENT I

OCTA

AFFILIATED AGENCIES

Orange County Transit District

Local Transportation Authority

Service Authority for Freeway Emergencies

Consolidated Transportation Service Agency

Congestion Management Agency

April 1, 2026

The Honorable Lori Wilson
California State Assembly
1021 O Street, Suite 8110
Sacramento, CA 95814

Subject: **AB 2059 (Wilson) – SUPPORT IF AMENDED**

Dear Assembly Member Wilson:

The Orange County Transportation Authority (OCTA) Board of Directors respectfully supports AB 2059, if amended, which would establish a cap on the cost of mitigation measures required to address transportation impacts under the California Environmental Quality Act (CEQA) related to vehicle miles traveled (VMT).

OCTA appreciates the intent of AB 2059 to provide greater clarity and cost certainty in the application of VMT mitigation requirements. Since the transition from level of service to VMT under CEQA, transportation projects have faced increasing challenges in identifying feasible and proportionate mitigation measures. In many cases, required mitigation strategies can be difficult to implement and result in costs that may jeopardize the delivery of critical transportation improvements. OCTA has encountered mitigation costs that would significantly increase the overall cost of projects that inherently provide air quality benefits, as much as doubling the cost of projects.

By establishing a reasonable cap on VMT mitigation costs, AB 2059 represents an important step toward ensuring that CEQA requirements do not unduly constrain the advancement of necessary transportation infrastructure through arbitrary mitigation requirements. This is particularly important for projects that address critical safety needs, improve system reliability, and enhance multimodal mobility options. Providing a clear standard for economic feasibility will help lead agencies make more consistent determinations and reduce uncertainty in the project development process.

OCTA is particularly supportive of the bill's recognition that excessive mitigation costs may be deemed economically infeasible under CEQA. However, OCTA recommends amendments to ensure that these provisions are applied in a manner that reflects the realities of transportation project delivery across all regions, including urbanized areas like Orange County. As currently drafted, the bill's provisions are limited to projects located within rural counties, which restricts the broader applicability of these important reforms.

Expanding the applicability of the mitigation cost cap would help ensure that transportation agencies can continue to deliver projects that improve mobility while maintaining consistency with the State's environmental goals.

If amended, AB 2059 would align with OCTA's 2025-26 State Legislative Platform principles to "support streamlined environmental review processes for transportation projects and programs to avoid potentially duplicative and unnecessary analysis, while still maintaining traditional environmental protections;" and to "support efforts to ensure local flexibility meeting the State's greenhouse gas emission reduction goals, including project mitigation requirements."

If you or your staff have any questions, please contact Kristin Jacinto, Executive Director of Government Relations, at (714) 560-5754 or kjacinto@octa.net.

Sincerely,

Jamey M. Federico
Chair

JMF:cb

c: Members, Orange County State Legislative Delegation
Darrell E. Johnson, Chief Executive Officer
Topp Strategies

AMENDED IN ASSEMBLY MARCH 19, 2026

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL No. 2059

Introduced by Assembly Member Wilson
(Coauthors: Assembly Members Aguiar-Curry, Carrillo, and Hoover)

February 18, 2026

An act to ~~amend Section 29000 of~~ *add Section 21081.4 to* the Public Resources Code, relating to ~~conservation.~~ *environmental quality.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2059, as amended, Wilson. ~~Suisun Marsh Preservation Act of 1977.~~ *California Environmental Quality Act: transportation impacts: vehicle miles traveled: mitigation.*

The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.

CEQA requires the Office of Land Use and Climate Innovation to prepare, develop, and transmit to the Secretary of the Natural Resources Agency for certification and adoption proposed revisions to the CEQA implementation guidelines to establish criteria for determining the significance of transportation impacts of projects within transit priority

areas, and requires the criteria to promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses. CEQA requires the office to recommend potential metrics, including, among other metrics, vehicle miles traveled, to measure these transportation impacts.

This bill would, except as provided, specify that the total cost of mitigation measures required to address a significant transportation impact as determined by the vehicle miles traveled metric is not to exceed 5% of the estimated total project costs. The bill would specify that mitigation measures to address a significant transportation impact as determined by the vehicle miles traveled metric that exceed the 5% limit are deemed to be economically infeasible for the purposes of CEQA. Because the bill would impose additional duties on a lead agency in its analysis of mitigated measures required to address significant transportation impacts, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

~~The Suisun Marsh Preservation Act of 1977 requires the San Francisco Bay Conservation and Development Commission to have primary state responsibility for the implementation of the act, including the issuance of marsh development permits, as specified.~~

~~This bill would make nonsubstantive changes to the provision of law that names the act.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ *yes*. State-mandated local program: ~~no~~ *yes*.

The people of the State of California do enact as follows:

SECTION 1. Section 21081.4 is added to the Public Resources Code, to read:

21081.4. (a) For purposes of this section, the following definitions apply:

(1) "Demonstrated evacuation need" means a project is necessary to increase the capacity and speed of traffic flow during emergency evacuations, to implement physical or operational

improvements to reduce fatalities and injuries during a disaster, to provide safe evacuation options for individuals with access or functional needs, to ensure a transportation facility remains functional during disasters, or to provide alternative routes, particularly in rural or high-vulnerability areas.

(2) "Demonstrated safety need" means a project is necessary to reduce the number and severity of collisions, to upgrade infrastructure to meet current, safer design standards, or to improve safety for all users, including specific risks to vulnerable road users.

(3) "Estimated total project cost" means the total capital construction cost of the transportation project, as estimated for purposes of the environmental review document prepared pursuant to this division.

(4) "Rural county" means a county with a population of less than 200,000 persons, as determined by the most recent federal decennial census or the most recent population estimates published by the Department of Finance.

(5) "Transportation project" means a project undertaken by a public agency that consists of the planning, design, construction, reconstruction, rehabilitation, improvement, expansion, or operation of a highway, road, bridge, transit facility, rail facility, bicycle or pedestrian facility, or other public transportation infrastructure.

(b) (1) Notwithstanding any other law, for a transportation project located within a rural county, the total cost of mitigation measures required to address a significant transportation impact as determined by the vehicle miles traveled metric developed pursuant to Section 21099 shall not exceed 5 percent of the estimated total project cost.

(2) Any mitigation measure required to mitigated a significant transportation impact as determined by the vehicle miles traveled metric developed pursuant to Section 21099 that exceeds the limitation established in paragraph (1) shall be deemed economically infeasible for purposes of this division.

(c) Subdivision (b) does not apply to a transportation project that adds one or more general purpose lanes to the state highway system unless there is a demonstrated safety or evacuation need for the project.

(d) This section does not prohibit a lead agency from approving a project with significant and unavoidable impacts pursuant to Section 21081, if the agency adopts a statement of overriding considerations pursuant to Section 21081 and subdivision (b) of Section 15093 of Title 14 of the California Code of Regulations.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

~~SECTION 1. Section 29000 of the Public Resources Code is amended to read:~~

~~29000. This division shall be known, and may be cited, as the Suisun Marsh Preservation Act of 1977.~~

ATTACHMENT J

Orange County Transportation Authority Legislative Matrix

2026 State Legislation Session
April 16, 2026

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
BILLS WITH POSITIONS			
AB 334 (Petrie-Norris – D) Operators of toll facilities: interoperability programs: vehicle information.	Would authorize operators of toll facilities on federal-aid highways engaged in an interstate interoperability program to provide only the information regarding a vehicle's use of the toll facility that is intended to implement interstate interoperability.	**INTRODUCED:** 01/28/2025 **LOCATION:** Senate Committees on Transportation and Judiciary **LAST AMEND:** 07/17/2025 **STATUS:** 09/13/2025 In SENATE. Failed Deadline pursuant to Rule 61(a)(14).	Support (partial list) Support: Transportation Corridor Agencies (sponsor), Metropolitan Transportation Commission, Orange County Business Council, San Bernardino County Transportation Authority, Association of California Cities Orange County, Automobile Club of Southern California

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
►**AB 1569 (Davies – R)** Pupil safety: electric bicycle parking: safety program.	Would require each school that allows pupils in kindergarten or any of grades 1 to 12, to park a class 1, 2, or 3 electric bicycle, on campus during regular school hours to require pupils to complete the electric bicycle safety and training program developed by the Department of the California Highway Patrol, or a related safety course, as specified, as a condition for parking on campus.	**INTRODUCED:** 01/12/2026 **LOCATION:** Assembly Committee on Education **LAST AMEND:** *03/09/2026* **HEARING:** *04/08/2026* **STATUS:** *03/16/2026* *In ASSEMBLY. Hearing canceled at the request of author.*	*Support (partial list)* *Support: City of Irvine, City of San Clemente*
►**AB 1855 (Gonzalez – R)** *California Environmental Quality Act: exemption: passenger rail service.*	*Would expand the California Environmental Quality Act (CEQA) exemption for passenger rail projects by removing certain zero-emission and Tier 4 rolling stock requirements and modifying right-of-way eligibility criteria.*	**INTRODUCED:** *02/11/2026* **LOCATION:** *Assembly Committee on Natural Resources* **STATUS:** *02/23/2026* *In ASSEMBLY. Referred to Assembly Committee on Natural Resources*	*STAFF RECOMMENDS SUPPORT* *Support: Riverside County Transportation Commission (sponsor)*

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
►**AB 1944 (Lee – D)** *Zero-emission transit buses: axle weight.*	*Would establish a phased extension of axle weight allowances for zero-emission transit buses procured between January 1, 2027, and December 31, 2031, to support fleet transition requirements.*	**INTRODUCED:** *02/13/2026* **LOCATION:** *Assembly Committee on Transportation* **STATUS:** *03/25/2026* *In ASSEMBLY. Ordered to third reading.*	*STAFF RECOMMENDS SUPPORT* *Support: California Transit Association (sponsor), Monterey-Salinas Transit District, Sacramento Regional Transit Center, San Diego Metropolitan Transit System*
►**AB 2051 (Wicks–D)** Public resources: Coastal Resilience Permitting Working Group.	Would require the Secretary of the Natural Resources Agency, in consultation with the Secretary for Environmental Protection, to convene a Coastal Resilience Permitting Working Group for the purpose of developing a Coastal Resilience Permitting Roadmap for coastal resilience projects proposed in specified areas.	**INTRODUCED:** 02/18/2026 **LOCATION:** *Assembly Committee on Water, Parks, and Wildlife* **LAST AMEND:** *03/25/2026* **HEARING:** *04/14/2026* **STATUS:** *03/26/26* *In ASSEMBLY. Re-referred to Assembly Committee on Water, Parks, and Wildlife*	Support Support: Bay Area Council (sponsor), Bay Area Planning Coalition (co-sponsor), Port of San Francisco, *California State Association of Counties (CSAC), San Francisco International Airport,* Valley Water

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
►**AB 2059 (Wilson – D)** *California Environmental Quality Act: transportation impacts: vehicle miles traveled: mitigation.*	*Would establish a cap on the cost of mitigation measures required to address transportation impacts under CEQA related to vehicle miles traveled (VMT). As amended, the bill would cap required VMT mitigation costs for transportation projects in rural counties at 5 percent of estimated total project cost and deem costs above that threshold economically infeasible.*	**INTRODUCED:** *02/18/2026* **LOCATION:** *Assembly Committee on Natural Resources* **LAST AMEND:** *03/19/2026* **STATUS:** *03/23/2026* *In ASSEMBLY. Re-referred to Assembly Committee on Natural Resources.*	*STAFF RECOMMENDS SUPPORT IF AMENDED*
►**AB 2513 (Petrie-Norris – D)** *Wildfire: Regional Forest and Fire Capacity Program: regional landscape grants.*	*Would authorize the Department of Conservation to directly award regional landscape grants to support implementation of regional wildfire resilience strategies.*	**INTRODUCED:** *02/20/2026* **LOCATION:** *Assembly Committee on Natural Resources* **HEARING:** *04/06/2026* **STATUS:** *03/09/2026* *In ASSEMBLY. Referred to Assembly Committees on Natural Resources and Water, Parks, and Wildlife.*	*STAFF RECOMMENDS SUPPORT* *Support: County of Orange Area Safety Task Force, County of Orange*

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
►**AB 2560 (Schultz – D)** *Climate Action Plan for Transportation Infrastructure: goals.*	*Would codify the Climate Action Plan for Transportation Infrastructure goals and apply them to major state transportation funding programs, including the Interregional Transportation Improvement Program, Transit and Intercity Rail Capital Program, Local Partnership Program, Trade Corridor Enhancement Program, Active Transportation Program, and Solutions for Congested Corridors Program.*	**INTRODUCED:** *02/20/2026* **LOCATION:** *Assembly Committee on Transportation* **STATUS:** *03/26/2026* *In ASSEMBLY. Hearing postponed by the committee.*	*STAFF RECOMMENDS OPPOSE* *Oppose: Self-Help Counties Coalition*
►**AB 2576 (Harabedian – D)** *Local planning: housing element: transit-oriented development.*	*Would delay implementation timelines associated with state Transit Oriented Development requirements by one year and make technical and implementation changes related to SB 79 (Chapter 512, Statutes of 2025).*	**INTRODUCED:** *02/20/2026* **LOCATION:** *Assembly Committee on Housing and Community Development* **LAST AMEND:** *03/19/2026* **HEARING:** *04/15/2026* **STATUS:** *03/23/2026* *In ASSEMBLY. Re-referred to Committee on Housing and Community Development.*	*STAFF RECOMMENDS SUPPORT* *Support: City of Pasadena (sponsor)*

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 677 **(Wiener – D)** Housing development: transit-oriented development.	Would revise the definition of high-frequency commuter rail to include commuter and intercity rail stations based on average weekday train frequency, potentially expanding the number of transit-oriented development stops subject to state-mandated housing standards under SB 79.	**INTRODUCED:** 02/21/25 **LOCATION:** Assembly **LAST AMEND:** 01/08/2026 **STATUS:** 01/26/26 In ASSEMBLY. Read first time. Held at desk.	Oppose Unless Amended (partial list) Support: Abundant Housing Los Angeles (co-source), Bay Area Council (co-source), California Yimby (co-source), Inner City Law Center (co-source), Spur (co-source), Streets for All (co-source), Housing Action Coalition Oppose: California Association of Counties, League of California Cities, City of Glendale, City of Encinitas, Equitable Land Use Alliance, Los Angeles County Metropolitan Transportation Authority, San Diego Association of Governments

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 741 (Blakespear – D) Coastal resources: coastal development permit: exemption: Los Angeles – San Diego – San Luis Obispo Rail Corridor.	Would expand the existing exemption from the California Coastal Act's coastal development permitting process to include certain emergency projects undertaken, carried out, or approved by a public agency to maintain, repair, or restore existing railroad track along the Los Angeles – San Diego – San Luis Obispo Rail Corridor.	**INTRODUCED:** 02/21/25 **LOCATION:** Assembly Committee on Natural Resources **LAST AMEND:** 04/21/25 **STATUS:** 07/17/2025 In ASSEMBLY. Failed Deadline pursuant to Rule 61(a)(10).	Oppose Support: California Coastal Protection Network, City of Los Alamitos, Save Our Beaches – San Clemente, Surfrider Foundation Oppose: Association of California Cities Orange County, Orange County Council of Governments, County of Orange, Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency
SB 752 (Richardson – D) Sales and use taxes: exemptions: California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project: transit buses.	Would extend tax exemption on retailers for specified zero-emission technology transit buses until January 1, 2028.	**INTRODUCED:** 02/21/25 **LOCATION:** Senate Appropriations Committee **STATUS:** 02/02/2026 In SENATE. Returned to Secretary of Senate pursuant to Joint Rule 56.	Support (partial list) Support: CTA (sponsor), Alameda-Contra Costa Transit District, Foothill Transit, San Francisco Municipal Transportation Agency, Riverside Transit Agency, San Diego Metropolitan Transit System

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
►**SB 935** **(Choi – R)** *Local agency design-build projects: authorization.*	*Would indefinitely extend design-build authority for local agencies by repealing the January 1, 2031, sunset on existing authority.*	**INTRODUCED:** *01/29/2026* **LOCATION:** *Senate Committee on Appropriations* **HEARING:** *04/13/2026* **STATUS:** *03/27/2026* *In SENATE. Re-referred to Committee on Appropriations.*	*STAFF RECOMMENDS SUPPORT* Support: *American Council of Engineering Companies California, Cal Cities, CSAC, Design Build Institute of America Western Pacific Chapter, League of California Cities, Rural County Representatives of California*

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
►**SB 1167 (Blakespear – D)** *Vehicles: electric bicycles.*	*Would prohibit certain motorized vehicles from being marked or sold as electric bicycles and establish enhanced labeling, disclosure, and safety requirements.*	**INTRODUCED:** *02/18/2026* **LOCATION:** *Senate Committee on Transportation* **LAST AMEND:** *03/26/2026* **HEARING:** *04/07/2026* **STATUS:** *03/26/2026* *In SENATE. Re-referred to Committee on Transportation.*	*STAFF RECOMMENDS SUPPORT* *Support (partial list): CalBike (co-sponsor), People for Bikes (co-sponsor), Streets Are For Everyone (SAFE) (co-sponsor), Streets for All (co-sponsor), California District Attorneys Association, California Emergency Nurses Association, California Medical Association, City of Oceanside, City of Vista, Oceanside Unified School District, San Diego County Bicycle Coalition, San Diego District Attorney's Office*

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
►**SB 1423 (Stern – D)** *Transportation funding: State Transportation Improvement Program: Active Transportation Program.*	*Would require at least 50 percent of both interregional and regional State Transportation Improvement Program funds to be programmed for "safe streets" projects, defined primarily as pedestrian, bicycle, and traffic calming improvements, and prioritize those investments in transit-oriented development zones. The bill also renames the Active Transportation Program as the "Safe Streets Program" and modifies project selection criteria.*	**INTRODUCED:** *02/20/2026* **LOCATION:** *Senate Committee on Rules* **LAST AMEND:** *03/25/2026* **STATUS:** *03/26/2026* *In SENATE. Re-referred to Committee on Rules.*	*STAFF RECOMMENDS OPPOSE*

BILLS BEING MONITORED

AB 35 (Alvarez, D) Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Administrative Procedure Act: exemption: program guidelines and selection criteria.

Introduced: 12/02/2024

Last Amended: 01/14/2026

Status: 01/27/2026 - In Senate. Read first time. To Com. on RLS. for assignment.

Location: 01/27/2026 - Senate Rules

Summary: The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024, approved by the voters as Proposition 4 at the November 5, 2024, statewide general election, authorized the issuance of bonds in the amount of $10,000,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate-smart, sustainable, and resilient farms, ranches, and working lands, park creation and outdoor access, and clean air programs. Current law authorizes certain regulations needed to effectuate or implement programs of the act to be adopted as emergency regulations in accordance with the Administrative Procedure Act, as provided. Current law requires the emergency regulations to be filed with the Office of Administrative Law and requires the emergency regulations to remain in effect until repealed or amended by the adopting state agency. This bill, notwithstanding the above, would exempt the adoption of regulations needed to effectuate or implement programs of the act from the requirements of the Administrative Procedure Act, as provided. The bill would require a state entity that receives funding to administer a competitive grant program established using the Administrative Procedure Act exemption to do certain things, including develop draft project solicitation and evaluation guidelines and to submit those guidelines to the Secretary of the Natural Resources Agency, except as provided. The bill would require the Secretary of the Natural Resources Agency to post an electronic form of the guidelines submitted by a state entity and the subsequent verifications on the Natural Resources Agency's internet website.

AB 259 (Rubio, Blanca, D) Open meetings: local agencies: teleconferences.

Introduced: 01/16/2025

Last Amended: 04/21/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was JUD. on 5/14/2025)(May be acted upon Jan 2026)

Location: 07/17/2025 - Senate 2 YEAR

Summary: The Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Current law requires a member to satisfy specified requirements to participate in a meeting remotely pursuant to these alternative teleconferencing provisions, including that specified circumstances apply. Current law establishes limits on the number of meetings a member may participate in solely by teleconference from a remote location pursuant to these alternative teleconferencing provisions, including prohibiting such participation for more than 2 meetings per year if the legislative body regularly meets once per month or less. This bill would extend the alternative teleconferencing procedures until January 1, 2030.

AB 266 (Davies, R) Freeway Service Patrol Act: sponsorship agreement.

Introduced: 01/17/2025

Last Amended: 06/02/2025

Status: 08/28/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 6/30/2025)(May be acted upon Jan 2026)

Location: 08/28/2025 - Senate 2 YEAR

Summary: The Freeway Service Patrol Act authorizes and provides funding for freeway service patrols, operated pursuant to an agreement between the Department of the California Highway Patrol, the Department of Transportation, and a regional or local governmental entity, to provide emergency roadside assistance on traffic-congested urban freeways throughout the state. The act requires each tow truck participating in a freeway service patrol to bear a specified logo that identifies the Department of the California Highway Patrol and the Department of Transportation, and, at the option of the entity, the participating regional or local entity. This bill would require the Department of Transportation, the Department of the California Highway Patrol, and participating and eligible regional and local entities to, each time the guidelines for program operations are updated after January 1, 2026, consider developing or revising and including in the guidelines operational requirements for sponsorship agreements between a participating regional or local entity and any private third party that allow for the display of the sponsor's name and logo on participating tow trucks, as provided.

AB 334 (Petrie-Norris, D) Operators of toll facilities: interoperability programs: vehicle information.

Introduced: 01/28/2025

Last Amended: 07/17/2025

Status: 09/13/2025 - Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/13/2025)(May be acted upon Jan 2026)

Location: 09/11/2025 - Senate 2 YEAR

Summary: Current law requires the Department of Transportation, in cooperation with the Golden Gate Bridge, Highway and Transportation District and all known entities planning to implement a toll facility, to develop and adopt functional specifications and standards for an automatic vehicle identification system in compliance with specified objectives, and generally requires any automatic vehicle identification system purchased or installed after January 1, 1991, to comply with those specifications and standards. Current law authorizes operators of toll facilities on federal-aid highways engaged in an interoperability program to provide, regarding a vehicle's use of the toll facility, only the license plate number, transponder identification number, date and time of the transaction, and identity of the agency operating the toll facility. This bill would instead authorize an operator of a toll facility on federal-aid highways engaged in an interstate interoperability program to provide to an out-of-state toll agency or interstate interoperability tolling hub only the information regarding a vehicle's use of the toll facility that is license plate data, transponder data, or transaction data, and that is listed as "required" by specified national interoperability specifications. If the operator needs to collect other types of information to implement interstate interoperability, the bill would prohibit the operator from selling or otherwise providing that information to any other person or entity, as specified.

AB 340 (Ahrens, D) Employer-employee relations: confidential communications.

Introduced: 01/28/2025

Last Amended: 03/05/2025

Status: 08/29/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/18/2025)(May be acted upon Jan 2026)

Location: 08/29/2025 - Senate 2 YEAR

Summary: Current law that governs the labor relations of public employees and employers, including, among others, the Meyers-Milias-Brown Act, the Ralph C. Dills Act, provisions relating to public schools, and provisions relating to higher education, prohibits employers from taking certain actions relating to employee organization, including imposing or threatening to impose reprisals on employees, discriminating or threatening to discriminate against employees, or otherwise interfering with, restraining, or coercing employees because of their exercise of their guaranteed rights. Those provisions of current law further prohibit denying to employee organizations the rights guaranteed to them by current law. This bill would prohibit a public employer from questioning a public employee, a representative of a recognized employee organization, or an exclusive representative regarding communications made in confidence between an employee and an employee representative in connection with representation relating to any matter within the scope of the recognized employee organization's representation.

AB 443 (Bennett, D) Energy Commission: integrated energy policy report: curtailed solar and wind generation: hydrogen production.

Introduced: 02/06/2025

Status: 08/29/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 7/14/2025)(May be acted upon Jan 2026)

Location: 08/29/2025 - Senate 2 YEAR

Summary: Current law requires the State Energy Resources Conservation and Development Commission, beginning November 1, 2003, and biennially thereafter, to adopt an integrated energy policy report that contains an overview of major energy trends and issues facing the state, presents policy recommendations based on an in-depth and integrated analysis of the most current and pressing energy issues facing the state, and includes an assessment and forecast of system reliability and the need for resource additions, efficiency, and conservation, as specified. Current law also requires the commission, beginning November 1, 2004, and biennially thereafter, to prepare an energy policy review to update analyses from the integrated energy policy report or to raise energy issues that have emerged since the release of the integrated energy policy report, as specified. This bill would require the commission, as part of the 2027 edition of the integrated energy policy report, to include an assessment of the potential for using curtailed solar and wind generation to produce hydrogen, as provided.

AB 596 (Ortega, D) Elections: ballot disclosures.

Introduced: 02/13/2025

Last Amended: 09/09/2025

Status: 09/13/2025 - In Assembly. Concurrence in Senate amendments pending. Joint Rules 61(a)(14) and 51(a)(4) suspended. (Ayes 59. Noes 20. Page 3413.) Assembly Rule 63 suspended. (Page 3477.) Assembly refused to concur in Senate amendments. (Ayes 37. Noes 22. Page 3513.) Motion to reconsider made by Assembly Member Ortega.(Set for Hearing on 1/5/2025)

Location: 09/13/2025 - Assembly RECONSIDERATION

Summary: Under current law, the ballot label for a statewide measure contains a condensed version of the ballot title and summary prepared by the Attorney General, including a fiscal impact summary prepared by the Legislative Analyst, followed by a listing of the names of the measure's supporters and opponents. Current law requires the Secretary of State to create an internet website or to use other available technology to consolidate information about each state ballot measure, including a list of the top 10 contributors supporting or opposing a measure, if compiled by the Fair Political Practices Commission. This bill would require the 3 largest contributors of $100,000 or more to all committees that paid for the circulation of a statewide initiative or statewide referendum measure to also be printed on the ballot immediately following the names of the measure's supporters and opponents. The Secretary of State would be required to make a copy of the top contributors available for public examination prior to printing that information on ballots, and voters would be authorized to seek a writ of mandate requiring the identified contributors to be amended or deleted. The bill would specify words and phrases that may be left out of a top contributor's name in order to shorten the name when printed on the ballot.

AB 735 (Carrillo, D) Planning and zoning: logistics use developments: truck routes.

Introduced: 02/18/2025

Last Amended: 09/09/2025

Status: 09/13/2025 - Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/13/2025)(May be acted upon Jan 2026)

Location: 09/13/2025 - Senate 2 YEAR

Summary: Current law, beginning January 1, 2026, prescribes various statewide warehouse design and build standards for any proposed new or expanded logistics use developments, as specified, including, among other things, standards for building design and location, parking, truck loading bays, landscaping buffers, entry gates, and signage. Current law defines various terms, including "21st century warehouse," and "tier 1 21st century warehouse," for purposes of those provisions as logistics uses that, among other things, comply with specified building and energy efficiency standards, including requirements related to the availability of conduits and electrical hookups to power climate control equipment at loading bays, as specified. Current law, subject to specified exceptions, defines "logistics use" for these purposes to mean a building in which cargo, goods, or products are moved or stored for later distribution to business or retail customers, or both, that does not predominantly serve retail customers for onsite purchases, and heavy-duty trucks are primarily involved in the movement of the cargo, goods, or products. This bill would clarify that a 21st century warehouse and a tier 1 21st century warehouse are required to comply with those standards as are in effect at the time that the building permit for a development of a 21st century warehouse is issued and make other clarifying changes relating to permissibility of use of conduits and electrical hookups at loading bays at those locations. The bill would revise the definition of "logistics use" and instead define "logistics use development" for these purposes to mean a building that is primarily used as a warehouse for the movement or the storage of cargo, goods, or products that are moved to business or retail customers, or both, that does not predominantly serve retail customers for onsite purchases, and heavy-duty trucks are primarily involved in the movement of the cargo, goods, or products.

AB 891 (Zbur, D) Transportation: Quick-Build Pilot Program.

Introduced: 02/19/2025

Last Amended: 06/25/2025

Status: 08/29/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/25/2025)(May be acted upon Jan 2026)

Location: 08/25/2025 - Senate 2 YEAR

Summary: Would establish the Quick-Build Pilot Program to expedite development and implementation of low-cost improvements on the state highway system, as specified. The bill would require the Department of Transportation, on or before December 31, 2027, to develop and publish guidance for the deployment of district quick-build improvements. The bill would require the department, on or before December 31, 2028, to identify and commit to funding a minimum of 6 quick-build improvements statewide.

AB 902 (Schultz, D) Transportation projects: barriers to wildlife movement.

Introduced: 02/19/2025

Last Amended: 07/10/2025

Status: 08/29/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/18/2025)(May be acted upon Jan 2026)

Location: 08/28/2025 - Senate 2 YEAR

Summary: Current law requires the Department of Transportation (Caltrans), for any project on the state highway system in a connectivity area that adds a traffic lane or that has the potential to significantly impair wildlife connectivity, to perform an assessment, in consultation with the Department of Fish and Wildlife (DFW), to identify potential wildlife connectivity barriers and any needs for improved permeability, as specified. Current law requires the implementing agency to remediate barriers to wildlife connectivity in conjunction with the project if any structural barrier to wildlife connectivity exists or will be added by the project for target species in the connectivity area, as provided. Current law authorizes Caltrans to use compensatory mitigation credits to satisfy this requirement if DFW concurs with the use of those credits. This bill would require a lead agency to incorporate appropriate wildlife passage features into a transportation infrastructure project in a connectivity area, as specified. By requiring a lead agency to expand the scope of its transportation project, the bill would impose a state-mandated local program.

AB 911 (Carrillo, D) Emergency telecommunications medium- and heavy-duty zero-emission vehicles.

Introduced: 02/19/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was E.Q. on 6/11/2025)(May be acted upon Jan 2026)

Location: 07/17/2025 - Senate 2 YEAR

Summary: The State Air Resources Board has adopted the Advanced Clean Fleets Regulations, which imposes various requirements for transitioning local, state, and federal government fleets of medium- and heavy-duty trucks, other high-priority fleets of medium- and heavy-duty trucks, and drayage trucks to zero-emission vehicles, as provided. This bill would exempt emergency telecommunications vehicles owned or purchased by emergency telecommunications service providers that are used to participate in the federal Emergency Alert System, to provide access to 911 emergency services, or to provide wireless connectivity during service outages from specified requirements in the above-described regulations.

AB 954 (Bennett, D) Interregional transportation strategic plan: bicycle highways.

Introduced: 02/20/2025

Last Amended: 06/30/2025

Status: 09/11/2025 - Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 8/29/2025)(May be acted upon Jan 2026)

Location: 09/11/2025 - Senate 2 YEAR

Summary: Current law requires transportation projects included in the interregional transportation improvement program (ITIP) to be consistent with the interregional transportation strategic plan (ITSP). Current law requires the Department of Transportation to submit the ITSP to the California Transportation Commission for approval and requires the ITSP, among other things, to be directed at achieving a high functioning and balanced interregional transportation system and consistent with the California Transportation Plan. This bill would require, to the extent feasible and consistent with the California Transportation Plan, the department to assess incorporating bicycle highways into strategic interregional corridors within the ITSP.

AB 1018 (Bauer-Kahan, D) Automated decision systems.

Introduced: 02/20/2025

Last Amended: 09/05/2025

Status: 09/13/2025 - Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/13/2025)(May be acted upon Jan 2026)

Location: 09/13/2025 - Senate 2 YEAR

Summary: The California Fair Employment and Housing Act establishes the Civil Rights Department within the Business, Consumer Services, and Housing Agency and requires the department to, among other things, bring civil actions to enforce the act. Current law requires, on or before September 1, 2024, the Department of Technology to conduct, in coordination with other interagency bodies as it deems appropriate, a comprehensive inventory of all high-risk automated decision systems that have been proposed for use, development, or procurement by, or are being used, developed, or procured by, any state agency. This bill would generally regulate the development and deployment of an automated decision system (ADS) used to make consequential decisions, as defined. The bill would define “automated decision system” to mean a computational process derived from machine learning, statistical modeling, data analytics, or artificial intelligence that issues simplified output, including a score, classification, or recommendation, that is designed or used to assist or replace human discretionary decision making and materially impacts natural persons. This bill would require a developer of a covered ADS, as defined, to take certain actions, including conduct impact assessments of the covered ADS and provide deployers to whom the developer transfers the covered ADS with certain information, including a high-level summary of the results of those impact assessments.

AB 1145 (Gonzalez, Jeff, R) State highways: safety: State Highway Route 74: report.

Introduced: 02/20/2025 (Spot bill)

Last Amended: 05/23/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was TRANS. on 6/18/2025)(May be acted upon Jan 2026)

Location: 07/17/2025 - Senate 2 YEAR

Summary: Would require the Department of Transportation, on or before December 31, 2027, to conduct a study on highway safety on State Highway Route 74. The bill would require the study to collect specified data over the preceding 10 years, as provided, and to develop recommendations to improve highway safety on State Highway Route 74, including recommendations on how to address enforcement facility bypassing on roadways other than State Highway Route 74, as specified. The bill would require the department to report its findings and recommendations to the Legislature on or before December 31, 2027. The bill would repeal these provisions as of January 1, 2029.

AB 1237 (McKinnor, D) Ticket sellers: event tickets: transit tickets.

Introduced: 02/21/2025

Last Amended: 05/29/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was B., P. & E.D. on 6/2/2025)(May be acted upon Jan 2026)

Location: 07/17/2025 - Senate 2 YEAR

Summary: Would require a ticket seller or a person who resells a ticket to a sporting, musical, theatre, or any other entertainment event located at a venue with a capacity of more than 1,000 persons to also, at the time that a ticket is purchased, give the consumer the option to purchase an all-day ticket from a transit provider that offers service to the venue during the time of the event, as specified. The bill would also require the Department of Transportation to prepare a study of additional transit sales generated pursuant to these provisions and report its findings to the Legislature on or before December 31, 2032. The bill would provide that a violation of the bill's provisions do not constitute a crime.

AB 1244 (Wicks, D) California Environmental Quality Act: transportation impact mitigation: Transit-Oriented Development Implementation Program.

Introduced: 02/21/2025

Last Amended: 04/23/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was E.Q. on 6/11/2025)(May be acted upon Jan 2026)

Location: 07/17/2025 - Senate 2 YEAR

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. Under current law, the Transit-Oriented Development Implementation Program is administered by the Department of Housing and Community Development to provide local assistance to developers for the purpose of developing higher density uses within close proximity to transit stations as provided. Current law establishes the Transit-Oriented Development Implementation Fund and, to the extent funds are available, requires the department to make loans for the development and construction of housing development projects within close proximity to a transit station that meet specified criteria. This bill would authorize a project, to the extent that the project is required to mitigate transportation impacts under CEQA, to satisfy the mitigation requirement by electing to contribute an amount of money, at a price per vehicle mile traveled, as determined by the Office of Land Use and Climate Innovation, to the Transit-Oriented Development Implementation Fund for the purposes of the Transit-Oriented Development Implementation Program, as provided. The bill would require the office, on or before July 1, 2029, and at least once every 3 years thereafter, to update the price per vehicle mile traveled based on specified factors. The bill would require, upon appropriation by the Legislature, the contributions to be available to the department to fund developments located in the same region, as defined, with preference given to specified projects. The bill would require the department to, for each award, confirm the estimated reduction in vehicle miles traveled, as provided, and would require the department to post specified information on its internet website.

AB 1331 (Elhawary, D) Workplace surveillance.

Introduced: 02/21/2025

Last Amended: 09/04/2025

Status: 09/13/2025 - Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/13/2025)(May be acted upon Jan 2026)

Location: 09/13/2025 - Senate 2 YEAR

Summary: Current law establishes the Division of Labor Standards Enforcement within the Department of Industrial Relations. Current law authorizes the division, which is headed by the Labor Commissioner, to enforce the Labor Code and all labor laws of the state the enforcement of which is not specifically vested in any other officer, board or commission. This bill would limit the use of workplace surveillance tools, as defined, by employers, including by prohibiting an employer from monitoring or surveilling workers in employee-only, employer-designated areas, as specified. The bill would provide workers with the right to leave behind workplace surveillance tools that are on their person or in their possession when entering certain employee-only areas and public bathrooms and during off-duty hours, as specified. The bill would prohibit a worker from removing or physically tampering with any component of a workplace surveillance tool that is part of or embedded in employer equipment or vehicles.

AB 1337 (Ward, D) Information Practices Act of 1977.

Introduced: 02/21/2025

Last Amended: 05/23/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was JUD. on 6/11/2025)(May be acted upon Jan 2026)

Location: 07/17/2025 - Senate 2 YEAR

Summary: Existing law, the Information Practices Act of 1977, prescribes a set of requirements, prohibitions, and remedies applicable to agencies, as defined, with regard to their collection, storage, and disclosure of personal information, as defined. Existing law exempts from the provisions of the act counties, cities, any city and county, school districts, municipal corporations, districts, political subdivisions, and other local public agencies, as specified. This bill would recast those provisions to, among other things, remove that exemption for local agencies, and would revise and expand the definition of “personal information.” The bill would make other technical, nonsubstantive, and conforming changes. Because the bill would expand the duties of local officials, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

AB 1383 (McKinnor, D) Public employees’ retirement benefits: safety members.

Introduced: 02/21/2025

Last Amended: 01/22/2026

Status: 01/29/2026 - Read third time. Passed. Ordered to the Senate. (Ayes 70. Noes 2.) In Senate. Read first time. To Com. on RLS. for assignment.

Location: 01/29/2026 - Senate Rules

Summary: The California Public Employees’ Pension Reform Act of 2013 (PEPRA) establishes a variety of requirements and restrictions on public employers offering defined benefit pension plans. In this regard, PEPRA restricts the amount of compensation that may be applied for purposes of calculating a defined pension benefit for a new member, as defined, by restricting it to specified percentages of the contribution and benefit base under a specified federal law with respect to old age, survivors, and disability insurance benefits. The Teachers’ Retirement Law establishes the State Teachers’ Retirement System (STRS) and creates the Defined Benefit Program of the State Teachers’ Retirement Plan, which provides a defined benefit to members of the program, based on final compensation, creditable service, and age at retirement, subject to certain variations. This bill, on and after January 1, 2027, would require a retirement system subject to PEPRA to adjust pensionable compensation limits to be consistent with specified percentages of the contribution and benefit base under the specified federal law with respect to old age, survivors, and disability insurance benefits. The bill would require a new member of STRS to be subject to specified limits of the Teachers’ Retirement Law.

AB 1421 (Wilson, D) Vehicles: Road Usage Charge Technical Advisory Committee.

Introduced: 02/21/2025

Last Amended: 01/05/2026

Status: 01/29/2026 - Read third time. Passed. Ordered to the Senate. (Ayes 49. Noes 21.) In Senate. Read first time. To Com. on RLS. for assignment.

Location: 01/29/2026 - Senate Rules

Summary: Current law requires the Chair of the California Transportation Commission to create a Road Usage Charge Technical Advisory Committee in consultation with the Secretary of Transportation to guide the development and evaluation of a pilot program assessing the potential for mileage-based revenue collection as an alternative to the gas tax system. Current law additionally requires the Transportation Agency, in consultation with the commission, to implement the pilot program, as specified. Current law repeals these provisions on January 1, 2027. This bill would require the commission, in consultation with the Transportation Agency, to consolidate and prepare research and recommendations related to a road user charge or a mileage-based fee system. The bill would require the commission to submit a report, as specified, on the research and recommendations described above to the appropriate policy and fiscal committees of the Legislature by no later than January 1, 2027.

AB 1557 (Papan, D) Vehicles: electric bicycles.

Introduced: 01/08/2026

Last Amended: 03/16/2026

Status: 03/17/2026 - Re-referred to Com. on TRANS.

Calendar: 04/06/26 A-TRANSPORTATION 2:30 p.m. - 1021 O Street, Room 1100 WILSON, LORI, Chair

Location: 02/02/2026 - Assembly Transportation

Summary: Existing law defines an electric bicycle as a bicycle equipped with fully operable pedals and an electric motor that does not exceed 750 watts of power. Existing law classifies electric bicycles into 3 classes with different restrictions. Existing law defines a “class 1 electric bicycle” as a bicycle equipped with a motor that provides assistance only when the rider is pedaling, that is not capable of exclusively propelling the bicycle, and that ceases to provide assistance when the bicycle reaches the speed of 20 miles per hour. Existing defines a “class 2 electric bicycle” as a bicycle equipped with a motor that may be used exclusively to propel the bicycle and that is not capable of providing assistance when the bicycle reaches the speed of 20 miles per hour. Existing law defines a “class 3 electric bicycle” as a bicycle equipped with a speedometer and a motor that, in pertinent part, provides assistance only when the rider is pedaling and that ceases to provide assistance when the bicycle reaches the speed of 28 miles per hour. A violation of the Vehicle Code is a crime. This bill would instead define a class 1 electric bicycle as a bicycle equipped with a motor that provides assistance only when the rider is pedaling, that is not capable of exclusively propelling the bicycle, and that ceases to provide assistance when the bicycle reaches the speed of 16 miles per hour. The bill would define a class 2 electric bicycle as a bicycle equipped with a motor that may be used exclusively to propel the bicycle, and that is not capable of providing assistance when the bicycle reaches the speed of 16 miles per hour. The bill would provide that, notwithstanding these definitions, an electric bicycle manufactured prior to January 1, 2027, that was equipped with a motor that is not capable of exceeding 750 watts of peak power and otherwise met the legal requirements for the relevant class at the time of manufacture shall retain its classification. The bill would prohibit a manufacturer from equipping, and a retailer from offering for sale or advertising, any device labeled as an electric bicycle with a motor that is capable of exceeding 750 watts of peak power.

AB 1564 (Ahrens, D) Employer-employee relations: confidential communications.

Introduced: 01/12/2026

Last Amended: 02/25/2026

Status: 03/18/2026 - From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 0.) (March 18). Re-referred to Com. on APPR.

Location: 03/18/2026 - Assembly Appropriations

Summary: Current law that governs the labor relations of public employees and employers, including, among others, the Meyers-Milias-Brown Act, the Ralph C. Dills Act, provisions relating to public schools, and provisions relating to higher education prohibits employers from taking certain actions relating to employee organization, including imposing or threatening to impose reprisals on employees, discriminating or threatening to discriminate against employees, or otherwise interfering with, restraining, or coercing employees because of their exercise of their guaranteed rights. Those provisions of existing law further prohibit denying to employee organizations the rights guaranteed to them by existing law. This bill would prohibit a public employer from questioning a public employee, a representative of a recognized employee organization, or an exclusive representative regarding communications made in confidence between an employee and an employee representative in connection with representation relating to any matter within the scope of the recognized employee organization's representation.

AB 1569 (Davies, R) Pupil safety: electric bicycle parking: safety program.

Introduced: 01/12/2026

Last Amended: 03/09/2026

Status: 03/16/2026 - In committee: Set, first hearing. Hearing canceled at the request of author.

Calendar: 04/08/26 A-EDUCATION 1:30 p.m. - State Capitol, Room 126 PATEL, DARSHANA, Chair

Location: 02/09/2026 - Assembly Education

Summary: Existing law authorizes the governing board of any school district having jurisdiction over elementary, intermediate, junior high, or high school to provide time and facilities to local law enforcement agency having jurisdiction over the school of the district for bicycle, scooter, electric bicycle, motorized bicycle, or motorized scooter safety instruction. Existing law prohibits a person from driving or parking a vehicle or animal upon the driveways, paths, parking facilities, or grounds of specific public entities, including a public school or an educational institution exempted, in whole or in part, from taxation, except with the permission of, and subject to any condition or regulation that may be imposed by, the governing body of the specified public entity. Existing law authorizes a public agency to adopt rules or regulations to restrict, or specify the conditions for, the use of bicycles, motorized bicycles, electric bicycles, skateboards, electrically motorized boards, and roller skates on public property under the jurisdiction of that agency. This bill would require each school district and county office of education that allows pupils in kindergarten or any of grades 1 to 12, inclusive, to park a class 1, 2, or 3 electric bicycle, as defined, on campus to require pupils to complete the electric bicycle safety and training program developed by the Department of the California Highway Patrol, as provided, or a related safety course, as specified, as a condition for parking on campus.

AB 1578 (Jackson, D) State and local officials: antihate speech training.

Introduced: 01/12/2026

Status: 03/09/2026 - Referred to Coms. on L. GOV. and G.O.

Location: 03/09/2026 - Assembly Local Government

Summary: Current law requires each state agency to offer at least semiannually, and certain state officials to attend once every 2 years, an orientation course on the relevant ethics statutes and regulations that govern the official conduct of state officials. Current law requires each state agency to maintain records indicating the specific attendees, each attendee's job title, and dates of their attendance for each orientation course offered for a period of not less than 5 years after each course is given. This bill would require, beginning on January 1, 2028, a state official to complete at least one hour of antihate speech training and education within 6 months of taking office and subsequently every 4 years thereafter.

AB 1599 (Ahrens, D) Public transit: California Transit Stop Registry: transit datasets.

Introduced: 01/16/2026

Status: 03/24/2026 - Coauthors revised. From committee: Do pass and re-refer to Com. on APPR. (Ayes 16. Noes 0.) (March 23). Re-referred to Com. on APPR.

Location: 03/23/2026 - Assembly Appropriations

Summary: Would require the Department of Transportation to create, on or before December 31, 2026, the California Transit Stop Registry as a centralized, statewide dataset of standardized information regarding transit stops that includes, but is not limited to, each transit stop's name, location, available amenities, and unique identifier, as specified.

AB 1608 (Wilson, D) Office of the Inspector General, High-Speed Rail.

Introduced: 01/20/2026

Last Amended: 03/10/2026

Status: 03/24/2026 - From committee: Do pass and re-refer to Com. on JUD. (Ayes 12. Noes 4.) (March 23). Re-referred to Com. on JUD.

Calendar: 04/07/26 A-JUDICIARY 8 a.m. - State Capitol, Room 437 KALRA, ASH, Chair

Location: 03/23/2026 - Assembly Judiciary

Summary: Existing law creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state. Existing law creates the High-Speed Rail Authority Office of the Inspector General and authorizes the High-Speed Rail Authority Inspector General to initiate an audit or review regarding oversight related to delivery of the high-speed rail project undertaken by the authority and the selection and oversight of contractors related to that project. Existing law authorizes the Inspector General to select, appoint, and employ officers and employees necessary to carry out the functions of the office, as specified. This bill would rename the office as the Office of the Inspector General, High-Speed Rail and revise the title of the Inspector General as the Inspector General of the High-Speed Rail. This bill would authorize the Inspector General to adopt and make use of the classifications, associated salary ranges, and other forms of compensation established or otherwise used by other state agencies identified by the Inspector General as performing comparable oversight work, as specified.

AB 1678 (Harabedian, D) Claremontclair Authority: Metro A Line Extension project.

Introduced: 02/02/2026

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on TRANS.

Calendar: 04/13/26 A-TRANSPORTATION 2:30 p.m. - 1021 O Street, Room 1100 WILSON, LORI, Chair

Location: 03/19/2026 - Assembly Transportation

Summary: Existing law creates the Metro Gold Line Foothill Extension Construction Authority for purposes of awarding and overseeing all design and construction contracts for completion of a light rail project extending from Union Station in the City of Los Angeles to Sierra Madre Villa Boulevard in the City of Pasadena and any mass transit guideway that may be planned along the rail right-of-way extending to the City of Montclair in the County of San Bernardino, as provided. This bill would reduce the scope of the light rail project overseen by the Metro Gold Line Foothill Extension Construction Authority by instead providing that the project extends to any mass transit guideway that may be planned along the rail right-of-way to the City of Claremont in the County of Los Angeles. This bill would instead require the Claremontclair Authority (authority), which the bill would create, to award and oversee all design and construction contracts for completion of a light rail project extending from and including the rail tracks located to the east of the Claremont light rail station to be constructed by the Metro Gold Line Foothill Extension Construction Authority and continuing to the Montclair Transit Center in the City of Montclair in the County of San Bernardino.

AB 1729 (Lee, D) State employment: telework programs.

Introduced: 02/05/2026

Status: 03/02/2026 - Referred to Com. on P. E. & R.

Calendar: 04/08/26 A-PUBLIC EMPLOYMENT AND RETIREMENT 9 a.m. - State Capitol, Room 444 MCKINNOR, TINA, Chair

Location: 03/02/2026 - Assembly Public Employment and Retirement

Summary: Current law requires every state agency to develop and implement a telecommuting plan as part of its telecommuting program in work areas where telecommuting is identified as being both practical and beneficial to the organization. Current law requires the Department of General Services to establish a unit for purposes of overseeing telecommuting programs that is required to, among other things, develop and update policy, procedures, and guidelines to assist agencies in the planning and implementation of telecommuting programs. Current law requires the department to establish criteria for evaluating the state's telecommuting program. Existing law defines "telecommuting" for purposes of those provisions. This bill would revise and recast those provisions. The bill would replace the term "telecommuting" with "telework," as defined. The bill would also require the Department of General Services to establish a telework dashboard that displays the cost-effectiveness and efficiency benefits of state telework programs, including documenting annual savings to the state of reduced office space and operating costs.

AB 1736 (Pellerin, D) Political Reform Act of 1974: lobbyist employers: fictitious appearances.

Introduced: 02/05/2026

Status: 03/25/2026 - From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 8. Noes 0.) (March 25). Re-referred to Com. on APPR.

Location: 03/25/2026 - Assembly Appropriations

Summary: The Political Reform Act of 1974 prohibits a lobbyist or lobbying firm from attempting to create a fictitious appearance of public favor or disfavor of any proposed legislative or administrative action or to cause any communication to be sent to any elected state officer, legislative official, agency official, or state candidate in the name of any fictitious person or in the name of any real person, except with the consent of the real person. The act defines "lobbyist employer" as any person, other than a lobbying firm, who employs one or more lobbyists or contracts for the services of a lobbying firm, as specified. This bill would extend the above prohibition to lobbyist employers.

AB 1740 (Zbur, D) Coastal resources: coastal development permits: urban multimodal communities: bicycle facilities.

Introduced: 02/05/2026

Status: 02/23/2026 - Referred to Coms. on NAT. RES. and H. & C.D.

Location: 02/23/2026 - Assembly Natural Resources

Summary: The California Coastal Act of 1976 requires, among other things, anyone wishing to perform or undertake any development in the coastal zone, except as specified, in addition to obtaining any other permit required by law from any local government or from any state, regional, or local agency, to obtain a coastal development permit from the California Coastal Commission or a local government, as provided. The act provides that a coastal development permit is not required for specified types of development in specified areas, as provided. This bill would authorize a city to designate itself as an urban multimodal community if the city has (1) at least one high-quality transit corridor or transit priority area in the city, (2) adopted plans that include targets to reduce greenhouse gas emissions and fatal and severe injury crashes, and (3) Class I, Class II, or Class IV bicycle facilities, as defined. If a city meets the criteria to designate itself as an urban multimodal community, the bill would require documentation be submitted to the Office of Land Use and Climate Innovation for review and would require the documentation to be posted on the city's internet website. The bill would provide that a coastal development permit is not required for certain activities and types of development within an urban multimodal community, as specified.

AB 1783 (DeMaio, R) Vehicle miles traveled: local tax and state fund prohibition.

Introduced: 02/09/2026

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on L. GOV.

Location: 03/16/2026 - Assembly Local Government

Summary: Existing law sets forth various provisions on the use of state funds, including by prohibiting the use of a grant of state funds to assist, promote, or deter union organizing. This bill would prohibit a state agency from expending funds for the study, planning, testing, design, implementation, administration, or evaluation of a tax, fee, assessment, or charge based on vehicle miles traveled (vehicle miles purposes). The bill would require the reversion of funds appropriated from the General Fund to another fund for vehicle miles purposes and would require the deobligation of encumbered but unexpended funds for those purposes. The bill would require the Department of Finance to, within 60 days of January 1, 2027, identify all relevant appropriations and ensure their reversion or transfer.

AB 1786 (Harabedian, D) Public contracts: best value construction contracting for counties, cities, and the San Gabriel Valley Council of Governments.

Introduced: 02/10/2026

Last Amended: 03/12/2026

Status: 03/16/2026 - Re-referred to Com. on L. GOV.

Location: 02/23/2026 - Assembly Local Government

Summary: Existing law establishes a program to allow counties to select a bidder on the basis of best value, as defined, for construction projects in excess of $1,000,000. Existing law also authorizes counties to use a best value construction contracting method to award individual annual contracts, not to exceed $3,000,000, for repair, remodeling, or other repetitive work to be done according to unit prices, as specified. Existing law establishes procedures and criteria for the selection of a best value contractor and requires that bidders verify specified information under oath. Existing law requires the board of supervisors of a participating county to submit a report that contains specified information about the projects awarded using the best value procedures described above to the appropriate policy committees of the Legislature and the Joint Legislative Budget Committee before March 1, 2029. Existing law repeals the program provisions on January 1, 2030. This bill would, instead, authorize a county, city, or the San Gabriel Valley Council of Governments to select a bidder on the basis of best value, as described above, for construction projects in excess of $500,000, would make various conforming changes to the above-described provisions, and would extend the operation of those provisions until January 1, 2040.

AB 1791 (Sanchez, R) State Air Resources Board: South Coast Air Quality Management District: regulations: prohibition: costs.

Introduced: 02/10/2026

Status: 02/23/2026 - Referred to Com. on NAT. RES.

Location: 02/23/2026 - Assembly Natural Resources

Summary: Would prohibit the State Air Resources Board from adopting any regulation or rule that would add more than $0.02 to the cost of a gallon of gasoline or add $2,000 or more to the cost to build any home. The bill would require the state board to submit data to the relevant policy committees of the Legislature that demonstrates how a proposed regulation is compliant with this prohibition.

AB 1802 (Stefani, D) Land use: mitigation lands.

Introduced: 02/10/2026

Status: 03/16/2026 - Referred to Coms. on L. GOV. and W., P., & W.

Location: 03/16/2026 - Assembly Local Government

Summary: The Planning and Zoning Law authorizes a state or local public agency to authorize a governmental entity, a special district, a nonprofit organization, a for-profit entity, a person, or another entity to hold title to and manage an interest in property held for mitigation purposes, subject to certain requirements. Current law authorizes a governmental entity, special district, or nonprofit organization that holds the property as described above to hold an endowment conveyed for the property, except as specified. Current law subjects the holder of an endowment to certain requirements, including that the holder certify to the project proponent or the holder of the mitigation property or a conservation easement and the local or state agency that required the endowment that it meets specified requirements. Current law repeals these provisions on January 1, 2027. This bill would delete the above repeal date, thereby extending those provisions indefinitely.

AB 1803 (Lowenthal, D) Employment: sexual harassment training and education: anti-hate speech training.

Introduced: 02/10/2026

Status: 03/19/2026 - From committee: Do pass and re-refer to Com. on JUD. (Ayes 6. Noes 0.) (March 18). Re-referred to Com. on JUD.

Calendar: 04/07/26 A-JUDICIARY 8 a.m. - State Capitol, Room 437 KALRA, ASH, Chair

Location: 03/18/2026 - Assembly Judiciary

Summary: The California Fair Employment and Housing Act makes specified employment practices unlawful, including the harassment of an employee directly by the employer or indirectly by agents of the employer with the employer's knowledge. Under existing law, the Civil Rights Department administers these provisions. Current law requires a specified employer with 5 or more employees to, by January 1, 2021, provide at least 2 hours of classroom or other effective interactive training and education regarding sexual harassment to all supervisory employees and at least one hour of classroom or other effective interactive training and education regarding sexual harassment to all nonsupervisory employees in California and, after that date, once every 2 years. This bill would additionally require that the above-described training and education include, as a component of the training and education, anti-hate speech training.

AB 1823 (Jackson, D) State government: State Government Strategic Planning and Performance and Review Act: strategic plans: equity.

Introduced: 02/11/2026 (Spot bill)

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on G.O.

Location: 03/19/2026 - Assembly Governmental Organization

Summary: Existing law creates, within the Government Operations Agency, a Chief Equity Officer, who is appointed by, and serves at the pleasure of, the Governor. Existing law requires the Chief Equity Officer to improve equity and inclusion throughout state government operations and authorizes the Chief Equity Officer to engage with state entities for these purposes. The State Government Strategic Planning and Performance and Review Act requires each agency, department, office, or commission for which strategic planning efforts are recommended, as specified, to develop a strategic plan and to report to the Governor and the Joint Legislative Budget Committee by April 1 each year on the steps being taken to develop and adopt a strategic plan. The act requires the report to include a description of the elements to be included in the strategic plan, the process for developing and adopting the strategic plan, and the timetable for the plan's completion. This bill would additionally require every state agency or department subject to the Governor's authority to take specified actions in regard to any strategic plan to more effectively advance racial equity, as specified, and to undertake a racial equity analysis before implementing any budget or before any regulation takes effect, by the agency's or department's diversity, equity, and inclusion officer or comparable position.

AB 1837 (González, Mark, D) Video imaging of parking violations.

Introduced: 02/11/2026

Last Amended: 03/12/2026

Status: 03/24/2026 - From committee: Do pass and re-refer to Com. on P. & C.P. (Ayes 14. Noes 1.) (March 23). Re-referred to Com. on P. & C.P.

Calendar: 04/07/26 A-PRIVACY AND CONSUMER PROTECTION 1:30 p.m. - State Capitol, Room 437 BAUER-KAHAN, REBECCA, Chair

Location: 03/23/2026 - Assembly Privacy and Consumer Protection

Summary: Existing law authorizes a public transit operator in the state, until January 1, 2027, and authorizes the City and County of San Francisco indefinitely, to enforce parking violations in specified transit-only traffic lanes and at transit stops through the use of video imaging, and to install automated forward facing parking control devices on city-owned public transit vehicles for the purpose of video imaging parking violations occurring in transit-only traffic lanes, as specified. Existing law requires a public transit operator, prior to issuing notices of parking violations, to issue warning notices for the first 60 days and to make a public announcement of the program. Existing law requires a designated employee, or a contracted law enforcement agency, to review video image recordings for the purpose of determining whether a parking violation occurred in a transit-only traffic lane or at a transit stop and to issue a notice of violation to the registered owner of a vehicle within 15 calendar days, as specified. Existing law makes these video image records confidential and provides that these records are available only to public agencies to enforce parking violations. Existing law requires a public transit operator that implements an automated enforcement system to enforce parking violations in transit-only traffic lanes and at transit stops to submit a report to specified committees of the Legislature by no later than January 1, 2025. This bill would extend the authorization for the use of video imaging to enforce parking and stopping violations indefinitely.

AB 1838 (Berman, D) Public contracts: local agencies: responsive bidders.

Introduced: 02/11/2026

Status: 03/23/2026 - Read second time. Ordered to third reading.

Location: 03/23/2026 - Assembly THIRD READING

Summary: Current law requires a local agency that requires that contracts be awarded to the lowest responsible bidder meeting, or making a good faith effort to meet, participation goals for minority, women, or disabled veteran business enterprises to provide in the general conditions under which bids will be received that any person making a bid or offer to perform a contract shall include specified information in that bid or offer. This bill would require a contractor, as a condition of submitting a bid to a local agency, as specified, to fully disclose any history of wage-and-hour violations and provide supporting documentation, as described. The bill would authorize a contractor that fails to provide the required disclosures and supporting materials to be disqualified from the bid.

AB 1855 (Gonzalez, Jeff, R) California Environmental Quality Act: exemption: passenger rail service.

Introduced: 02/11/2026

Status: 02/23/2026 - Referred to Com. on NAT. RES.

Location: 02/23/2026 - Assembly Natural Resources

Summary: The California Environmental Quality Act (CEQA), until January 1, 2040, exempts from its requirements certain projects for the improvement, institution, or increase of passenger rail service, including the maintenance, construction, or rehabilitation of stations, terminals, or existing operations facilities, which will be exclusively used by zero-emission trains or certified Tier 4 or cleaner rolling stock or locomotives, as provided. CEQA requires, for purposes of this exemption, that the project be located entirely within an existing rail right-of-way or existing highway right-of-way, as provided. This bill would instead eliminate the condition that the public project be exclusively used by zero-emission trains or certified Tier 4 or cleaner rolling stock or locomotives, thereby expanding the scope of the exemption. The bill would require, for purposes of the exemption, the mainline rail of the project, instead of the whole project, to be located entirely within an existing right-of-way or existing highway right-of-way.

AB 1862 (Boerner, D) Use of Taxpayer Funds Act.

Introduced: 02/11/2026

Status: 03/23/2026 - Referred to Coms. on L. GOV. and REV. & TAX.

Location: 03/23/2026 - Assembly Local Government

Summary: Current law generally regulates public works and public purchases, including prohibiting a state agency, as defined, from entering into any contract for the purchase of supplies, equipment, or services from any person who is, among other things, in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district. This bill would prohibit a public entity from entering into any contract, lease, grant agreement, joint venture, partnership, or other arrangement with a private party that, among other things, grants the private party the right to restrict or condition the use, allocation, or disbursement of taxpayer funds collected or received by the public entity. The bill would make any provision of a contract, lease, grant agreement, joint venture, partnership, or other arrangement that takes effect or commences on or after January 1, 2027, that is in violation of that provision void and unenforceable. The bill would specify that nothing in its provisions are to be construed to prohibit a public entity from entering into a contract, lease agreement, grant agreement, joint venture, partnership, or other arrangement with a private party that, among other things, grants the private party the right to determine, restrict, or condition the use, allocation, or disbursement of nontaxpayer funds, provided that the authority does not extend in any way to taxpayer funds collected or received by the public entity.

AB 1883 (Bryan, D) Workplace surveillance tools.

Introduced: 02/12/2026

Last Amended: 03/12/2026

Status: 03/19/2026 - From committee: Do pass and re-refer to Com. on P. & C.P. (Ayes 5. Noes 0.) (March 18). Re-referred to Com. on P. & C.P.

Calendar: 04/16/26 A-PRIVACY AND CONSUMER PROTECTION Upon adjournment of Session - 1021 O Street, Room 1100 BAUER-KAHAN, REBECCA, Chair

Location: 03/18/2026 - Assembly Privacy and Consumer Protection

Summary: Existing law establishes the Division of Labor Standards Enforcement within the Department of Industrial Relations. Existing law authorizes the division, which is headed by the Labor Commissioner, to enforce the Labor Code and all labor laws of the state, the enforcement of which is not specifically vested in any other officer, board, or commission. This bill would generally regulate the use of workplace surveillance tools and an employer's use of worker data. The bill would prohibit an employer from using certain workplace surveillance tools, including a workplace surveillance tool that incorporates facial, gait, or emotion recognition technology, except as specified. The bill would also prohibit an employer from using a workplace surveillance tool to infer specified categories of information about a worker, including, among others, their veteran status, ancestral history, religious beliefs, or disability status. The bill would require the Labor Commissioner to enforce the bill's provisions, would authorize an employee to bring a civil action for specified remedies for a violation of the bill's provisions, and would authorize a public prosecutor to enforce the provisions. The bill would subject an employer who violates the bill's provisions to a civil penalty of $500 for each violation. The bill would define various terms for purposes of its provisions. This bill contains other related provisions.

AB 1898 (Schultz, D) Workplace artificial intelligence tools.

Introduced: 02/12/2026

Last Amended: 03/20/2026

Status: 03/25/2026 - From committee: Do pass and re-refer to Com. on JUD. (Ayes 10. Noes 3.) (March 25). Re-referred to Com. on JUD.

Location: 03/25/2026 - Assembly Judiciary

Summary: Would require an employer to provide a written notice to a worker that a workplace AI tool, as defined, was used to assist the employer in making employment-related decisions or to surveil workers in the workplace. The bill would require the notice to be given to a worker within a specified time and would require the notice to contain specified information, including the specific employment-related decisions likely to be affected by the use of the workplace AI tool. The bill would require an employer to maintain an updated list of all workplace AI tools currently in use and their impact on jobs, as specified, and to provide the list to workers annually. The bill would provide for enforcement by the Labor Commissioner or a public prosecutor, and alternatively would authorize any worker who has suffered damages, or their exclusive representative, to file a civil action for damages caused by the adverse action. The bill would establish remedies and penalties for violations, including a penalty of up to $500 for each violation.

AB 1919 (Pellerin, D) Santa Cruz Metropolitan Transit District: transactions and use tax: qualified voter initiative.

Introduced: 02/12/2026

Status: 03/25/2026 - From committee: Do pass and re-refer to Com. on L. GOV. (Ayes 6. Noes 2.) (March 25). Re-referred to Com. on L. GOV.

Location: 03/25/2026 - Assembly Local Government

Summary: Current law provides for the establishment of the Santa Cruz Metropolitan Transit District, with specified powers and duties related to the operation of public transit services serving the County of Santa Cruz. Current law, among other things, authorizes the board of directors of the district to impose transactions and use taxes in accordance with the Transactions and Use Tax Law by an ordinance approved by the electors voting on the measure at a special election called by the board of directors for that purpose. This bill would also authorize those special taxes to be imposed by a qualified voter initiative. The bill would require the special election for a tax measure proposed by the board of directors or a qualified voter initiative to be consolidated with a statewide general election by the board of supervisors of the County of Santa Cruz and would require the tax measure to be submitted to the voters in accordance with specified elections provisions.

AB 1942 (Bauer-Kahan, D) Electric bicycles: registration and special license plates.

Introduced: 02/13/2026

Status: 03/02/2026 - Referred to Com. on TRANS.

Location: 03/02/2026 - Assembly Transportation

Summary: Current law prohibits a person from driving, moving, or leaving standing upon a highway, or in an offstreet public parking facility, any motor vehicle, trailer, semitrailer, pole or pipe dolly, or logging dolly, unless it is registered and the appropriate fees have been paid, except as specified. Current law requires the Department of Motor Vehicles, upon registering a vehicle, to issue to the owner license plates that identify the vehicles for which they are issued for the period of their validity, as specified. Current law also requires a motorized bicycle to display a special license plate issued by the department. Current law authorizes a city or county to adopt a bicycle licensing ordinance or resolution, authorizes the licensing agency, by ordinance or resolution, to adopt rules and regulations for the collection of license fees, as specified, and sets the fee for each new bicycle license and registration certificate at a sum of no more than $4 per year. Current law defines an electric bicycle as a bicycle equipped with fully operable pedals and an electric motor of less than 750 watts, and classifies electric bicycles into 3 classes with different restrictions. This bill would require class 2 electric bicycles and class 3 electric bicycles to be registered with the department and to display a special license plate issued by the department. The bill would require the department to adopt regulations to implement these requirements, and would make a person operating a class 2 or class 3 electric bicycle in violation of these requirements guilty of an infraction punishable by specified fines. By creating a new crime, the bill would impose a state-mandated local program.

AB 1944 (Lee, D) Zero-emission transit buses: axle weight.

Introduced: 02/13/2026

Status: 03/25/2026 - Read second time. Ordered to third reading.

Location: 03/25/2026 - Assembly THIRD READING

Summary: Current law prohibits the maximum gross weight on any one axle of a bus from exceeding 20,500 pounds, except the maximum limit for the curb weight on any one axle of a transit bus procured through a solicitation process pursuant to which a solicitation was issued on or after January 1, 2019, is set at 22,000 pounds. Current law sets specified higher maximum limits up to 25,000 pounds for the curb weight on any one axle of an articulated transit bus or zero-emission transit bus procured through a solicitation process pursuant to which a solicitation was issued during specified periods between January 1, 2016, and December 31, 2021, inclusive, and sets the 22,000-pound maximum limit for an articulated transit bus or zero-emission transit bus procured through a solicitation process pursuant to which a solicitation was issued on or after January 1, 2022. This bill would, until January 1, 2032, establish specified higher weight limitations up to 25,000 pounds for zero-emission transit buses procured through a solicitation process pursuant to which a solicitation was issued at various specified periods between January 1, 2027, and December 31, 2031 inclusive.

AB 1947 (Ta, R) Surplus land.

Introduced: 02/13/2026

Status: 03/16/2026 - Referred to Com. on G.O.

Calendar: 04/08/26 A-GOVERNMENTAL ORGANIZATION 1:30 p.m. - 1021 O Street, Room 1100 RUBIO, BLANCA, Chair

Location: 03/16/2026 - Assembly Governmental Organization

Summary: Current law requires each state agency, each year, to make a review of all proprietary state lands over which it has jurisdiction to determine what land is in excess of its foreseeable needs and report thereon to the Department of General Services, including, among other things, land that is not currently being utilized, or is currently being underutilized, by the state agency for any ongoing state program. This bill would specifically require the Department of Transportation to submit the report described above. The bill would require the report to include the market value of the properties reviewed by the agency. The bill would require the report to include land that is not currently being utilized, is currently being underutilized, or is not being used by a state agency, regardless of whether the agency is currently prepared to dispose of the land by sale or otherwise.

AB 1961 (Ahrens, D) Civil actions: protective orders: workplace violence.

Introduced: 02/13/2026

Last Amended: 03/27/2026

Status: 03/27/2026 - From committee chair, with author's amendments: Amend, and re-refer to Com. on L. & E. Read second time and amended.

Calendar: 04/08/26 A-LABOR AND EMPLOYMENT 1:30 p.m. - State Capitol, Room 447 ORTEGA, LIZ, Chair

Location: 03/16/2026 - Assembly Labor and Employment

Summary: Existing law authorizes an employer or collective bargaining representative of an employee who has suffered harassment, unlawful violence, or a credible threat of violence from any individual, to seek a workplace violence restraining order on behalf of the employee and, at the discretion of the court, any number of other employees at the workplace or at other workplaces of the employer. Existing law authorizes one or more representative parties to bring suit for the benefit of a class of parties if the question is one of a common or general interest, of many persons, or when the parties are numerous, and it is impracticable to bring them all before the court. This bill contains other existing laws.

AB 1976 (Wicks, D) Streets and highways: pedestrian and bicycle facilities.

Introduced: 02/13/2026

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on TRANS.

Calendar: 04/13/26 A-TRANSPORTATION 2:30 p.m. - 1021 O Street, Room 1100 WILSON, LORI, Chair

Location: 03/19/2026 - Assembly Transportation

Summary: Would prohibit a city or county from holding a community input meeting to gather input from the general public on a proposed pedestrian or bicycle safety project after the project is included in an approved plan that will be implemented as part of the circulation element of the city or county's general plan. At a public meeting where a contract is awarded for, or when county or city staff, as applicable, are directed to begin, the construction of a pedestrian or bicycle safety project, or anytime thereafter, the bill would prohibit the city or county from terminating the project unless the city or county makes specified findings at a public meeting. If a city or county establishes a process for residents of the city or county to submit a petition to request the installation of a traffic calming measure, the bill would prohibit the city or county from requiring the petition to contain the signatures of more than a majority of the total number of persons whose residences are located, in whole or in part, within 1,000 feet of the proposed traffic calming measure, as specified. To the extent that the bill increases the duties of local officials, the bill would impose a state-mandated local program.

AB 2002 (Solache, D) Local government assistance: Regional Early Action Planning Fund.

Introduced: 02/17/2026

Status: 03/09/2026 - Referred to Com. on H. & C.D.

Calendar: 04/08/26 A-HOUSING AND COMMUNITY DEVELOPMENT 9 a.m. - State Capitol, Room 126 HANEY, MATT, Chair

Location: 03/09/2026 - Assembly Housing and Community Development

Summary: The Planning and Zoning Law requires each county and each city to adopt a comprehensive, long-term general plan for the physical development of the county or city, and specified land outside its boundaries, that includes, among other specified mandatory elements, a housing element. That law requires the Department of Housing and Community Development, in consultation with each council of governments, to determine the existing and projected need for housing in each region and further requires the appropriate council of governments, or the department for cities and counties without a council of governments, to adopt a final regional housing need plan that allocates a share of the regional housing need to each city, county, or city and county, as provided. Current law establishes the Local Government Planning Support Grants Program, administered by the department, for the purpose of providing regions and jurisdictions with one-time funding, including grants for planning activities to enable jurisdictions to meet the sixth cycle of the regional housing need assessment, as provided. This bill would establish the Regional Early Action Planning Fund in the State Treasury for the purpose of providing councils of governments, regional entities, and jurisdictions with one-time funding, including grants for planning activities, to enable those entities to meet the 7th and subsequent cycles of the regional housing need assessment. The bill would require the department to allocate funds, upon appropriation by the Legislature, from the Regional Early Action Planning Fund to each council of governments or regional entity responsible for allocating regional housing need that applies and qualifies for those moneys, as specified. The bill would authorize a council of governments or regional entity to expend funds awarded for certain purposes, including for activities that support the development, improvement, or implementation of the methodology for the 7th and subsequent regional housing needs assessment cycles, and for providing jurisdictions with technical assistance, planning, temporary staffing, or consultant needs associated with updating local planning and zoning documents, as provided.

AB 2015 (Wicks, D) Navigation programs: slow streets.

Introduced: 02/17/2026

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on TRANS.

Calendar: 04/13/26 A-TRANSPORTATION 2:30 p.m. - 1021 O Street, Room 1100 WILSON, LORI, Chair

Location: 03/19/2026 - Assembly Transportation

Summary: Existing law authorizes a local authority to adopt an ordinance to implement a slow streets program, which may include closures to vehicular traffic or through vehicular traffic of neighborhood local streets with connections to citywide bicycle networks, destinations that are within walking distance, or green space. This bill would additionally authorize local authorities to adopt rules and regulations by ordinance or resolution to prohibit any person, business, or other entity having ownership or control of a navigation program from providing directions to a driver that would include any of the streets in a slow streets program, and would require the local authority to notify the person, business, or other entity having ownership or control of a navigation program of the streets in a slow streets program.

AB 2024 (Nguyen, D) Outdoor advertising displays: permits: landscaped freeways: relocation agreements.

Introduced: 02/17/2026

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on G.O.

Location: 03/19/2026 - Assembly Governmental Organization

Summary: The Outdoor Advertising Act prohibits a person, as defined, from placing an advertising display within the areas affected by the act without a permit. The act prohibits the Department of Transportation from denying or delaying the acceptance of a permit application for a new advertising display along a portion of a new alignment of an interstate or primary highway on the basis that the highway project has not been accepted as complete if the section of highway is open to the use of the public for vehicular travel within 1,000 feet of the location specified in the permit application. This bill would also prohibit the department from denying or delaying the review, processing, or determination of a permit application described above.

AB 2027 (Ward, D) Worker data: prohibitions: artificial intelligence.

Introduced: 02/17/2026

Last Amended: 03/16/2026

Status: 03/17/2026 - Re-referred to Com. on L. & E.

Calendar: 04/08/26 A-LABOR AND EMPLOYMENT 1:30 p.m. - State Capitol, Room 447 ORTEGA, LIZ, Chair

Location: 03/16/2026 - Assembly Labor and Employment

Summary: Existing law establishes the Division of Labor Standards Enforcement within the Department of Industrial Relations. Existing law authorizes the division, which is headed by the Labor Commissioner, to enforce the Labor Code and all labor laws of the state, the enforcement of which is not specifically vested in any other officer, board, or commission. This bill would require an employer, or a vendor acting on behalf of an employer, to collect and process worker data only as strictly necessary to administer the employment relationship and fulfill specific obligations. The bill would prohibit an employer or vendor from using a worker data to train or deploy artificial intelligence to, among other things, replicate, automate, or replace a worker's job, and to prohibit an employer or vendor from deploying artificial intelligence trained with worker data to replicate, automate, or replace a worker's job. The bill would prohibit an employer from selling, disclosing, or otherwise providing access to worker data to a third party to train an artificial intelligence system for the purposes of replicating, automating, or replacing a worker's job. The bill would prohibit a vendor providing services to an employer under a contract from providing access to the employer's worker data to a third party or using an employer's worker data to train artificial intelligence, as specified. The bill would require a contract between an employer and vendor to include specific terms, including, among others, a provision that the employer and vendor be jointly liable for a violation of these prohibitions.

AB 2033 (Papan, D) Local Agency Public Construction Act: job order contracting.

Introduced: 02/17/2026

Status: 03/02/2026 - Referred to Com. on L. GOV.

Location: 03/02/2026 - Assembly Local Government

Summary: The Local Agency Public Construction Act sets forth procedures that a local agency is required to follow when procuring certain services or work. Existing law authorizes certain local agencies to engage in job order contracting, as prescribed. This bill would authorize the city council to award individual annual job order contracts, not to exceed $500,000, as specified, for repair, remodeling, or other repetitive work to be done according to unit prices. The bill would prohibit, among other things, annual contracts from being awarded for any new construction. The bill would require the contracts to be awarded to the lowest responsible bidder and be based on plans and specifications for typical work.

AB 2051 (Wicks, D) Public resources: Coastal Resilience Permitting Working Group.

Introduced: 02/18/2026

Last Amended: 03/25/2026

Status: 03/26/2026 - Re-referred to Com. on W., P., & W.

Calendar: 04/14/26 A-WATER, PARKS AND WILDLIFE 9 a.m. - State Capitol, Room 444 PAPAN, DIANE, Chair

Location: 03/24/2026 - Assembly Water, Parks and Wildlife

Summary: Would require the Secretary of the Natural Resources Agency, in consultation with the Secretary for Environmental Protection, to convene a Coastal Resilience Permitting Working Group for the purpose of developing a Coastal Resilience Permitting Roadmap for coastal resilience projects proposed in specified areas. The bill would require the Coastal Resilience Permitting Working Group to consist of representatives from federal, state, and local agencies, including, among others, the California Coastal Commission, the California Environmental Protection Agency, and the Department of Fish and Wildlife. The bill would, on or before January 1, 2028, require the Secretary of the Natural Resources Agency to submit the Coastal Resilience Permitting Roadmap to the Governor and the relevant fiscal and policy committees of the Legislature. The bill would require, on or before April 1, 2027, the Secretary of the Natural Resources Agency, in collaboration with the California Coastal Commission, the San Francisco Bay Conservation and Development Commission, the Department of Fish and Wildlife, and the California Regional Water Quality Boards with jurisdiction over the coast and the San Francisco Bay, to convene a Coastal Resilience Permit Advisory Group to support the deliberations of the Coastal Resilience Permitting Working Group.

AB 2059 (Wilson, D) California Environmental Quality Act: transportation impacts: vehicle miles traveled: mitigation.

Introduced: 02/18/2026

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on NAT. RES.

Location: 03/19/2026 - Assembly Natural Resources

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA requires the Office of Land Use and Climate Innovation to prepare, develop, and transmit to the Secretary of the Natural Resources Agency for certification and adoption proposed revisions to the CEQA implementation guidelines to establish criteria for determining the significance of transportation impacts of projects within transit priority areas, and requires the criteria to promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses. CEQA requires the office to recommend potential metrics, including, among other metrics, vehicle miles traveled, to measure these transportation impacts. This bill would, except as provided, specify that the total cost of mitigation measures required to address a significant transportation impact as determined by the vehicle miles traveled metric is not to exceed 5% of the estimated total project costs. The bill would specify that mitigation measures to address a significant transportation impact as determined by the vehicle miles traveled metric that exceed the 5% limit are deemed to be economically infeasible for the purposes of CEQA.

AB 2063 (Wallis, R) Legislative information system: bill position letters.

Introduced: 02/18/2026

Status: 02/19/2026 - From printer. May be heard in committee March 21.

Location: 02/18/2026 - Assembly PRINT

Summary: Current law requires the Legislative Counsel, with the advice of the Assembly Committee on Rules and the Senate Committee on Rules, to make certain legislative information available to the public in electronic form, including the text, bill history, and bill status of each bill introduced and amended in each current legislative session and all bill analyses prepared by legislative committees in connection with each bill in each current legislative session. This bill would add all letters submitted through the Legislature's internet portal in connection with each bill, commencing with bills introduced during the 2027–28 Regular Session, to the information the Legislative Counsel is required to make publicly available in electronic form.

AB 2064 (Sharp-Collins, D) Discrimination: formerly incarcerated status.

Introduced: 02/18/2026

Status: 03/12/2026 - In committee: Set, first hearing. Hearing canceled at the request of author.

Calendar: 04/14/26 A-JUDICIARY 8 a.m. - State Capitol, Room 437 KALRA, ASH, Chair

Location: 03/02/2026 - Assembly Judiciary

Summary: The Unruh Civil Rights Act provides that all persons within the jurisdiction of this state are entitled to full and equal accommodations in all business establishments regardless of their sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, or immigration status. This bill would add formerly incarcerated status, as defined, to the list of protected characteristics under the Unruh Civil Rights Act.

AB 2066 (Rodriguez, Celeste, D) Triggering event: pregnancy.

Introduced: 02/18/2026

Status: 03/25/2026 - Coauthors revised. From committee: Do pass and re-refer to Com. on APPR. (Ayes 16. Noes 0.) (March 24). Re-referred to Com. on APPR.

Location: 03/24/2026 - Assembly Appropriations

Summary: Existing law provides for the regulation of disability insurers by the Department of Insurance. Existing law requires a health care service plan or disability insurer to allow an individual to enroll in or change their health benefit plan as a result of a specified triggering event. This bill would make pregnancy a triggering event for purposes of enrollment or changing a health benefit plan. Because a willful violation of this provision by a health care service plan would be a crime, the bill would impose a state-mandated local program.

AB 2069 (Krell, D) Sales and Use Tax Law: exemption: fairgrounds.

Introduced: 02/18/2026

Last Amended: 03/16/2026

Status: 03/26/2026 - Coauthors revised. From committee: Do pass and re-refer to Com. on REV. & TAX. (Ayes 8. Noes 0.) (March 25). Re-referred to Com. on REV. & TAX.

Location: 03/25/2026 - Assembly Revenue and Taxation

Summary: Existing state sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. The Sales and Use Tax Law provides various exemptions from those taxes. This bill, the Fairground Act for Investment and Revitalization, would, starting January 1, 2027, exempt the gross receipts from the sale in this state of, and the storage, use, or other consumption in this state of, tangible personal property for use in a qualifying project, defined to mean a new development project, or new phase of an existing project, that is located on the land of a fairground, undertaken pursuant to a written agreement and approved by a governing body of a fairground, as provided. The bill would require a governing body of a fairground to approve a project for no longer than 20 years, and would authorize the governing body of a fairground to extend the approval of a project for no more than 20 years.

AB 2070 (Ellis, R) Employees: meal periods: construction industry.

Introduced: 02/18/2026

Status: 03/02/2026 - Referred to Com. on L. & E.

Location: 03/02/2026 - Assembly Labor and Employment

Summary: Current law generally prohibits an employer from employing an employee for a work period of more than 5 hours per day without providing the employee with a meal period of not less than 30 minutes, except as specified. Existing law also prohibits an employer from employing an employee for a work period of more than 10 hours per day without providing the employee with a 2nd meal period, as prescribed. Current law creates exceptions from these work limits for employees in specified occupations, including those in a construction occupation, as defined, covered by a valid collective bargaining agreement expressly providing for wages, hours of work, and working conditions. Current law also authorizes the Industrial Welfare Commission to adopt a working condition order permitting a meal period to commence after 6 hours of work if it determines that the order is consistent with the health and welfare of the affected workers. This bill would create an exception from the above-described work period limits for an employee in a construction occupation while the employee is on the jobsite, as specified.

AB 2074 (Haney, D) Regional transit hub districts: downtown housing developments.

Introduced: 02/18/2026 (Spot bill)

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on H. & C.D.

Calendar: 04/08/26 A-HOUSING AND COMMUNITY DEVELOPMENT 9 a.m. - State Capitol, Room 126 HANEY, MATT, Chair

Location: 03/19/2026 - Assembly Housing and Community Development

Summary: The Planning and Zoning Law generally regulates local government zoning and approval of certain types of housing development projects. The law authorizes a development proponent to submit an application for a development that is subject to a prescribed ministerial approval process if the development complies with certain procedural requirements and satisfies specified objective planning standards. The law also requires a housing development project within a specified distance of a transit-oriented development stop to be an allowed use as a transit-oriented housing development on any site zoned for residential, mixed, or commercial development, if the development complies with specified requirements, as applicable. This bill would, by July 1, 2027, require major transit cities to designate one or more regional transit hub districts, as specified. The bill would require a downtown housing development to be an allowed use within a regional transit hub district, as specified. The bill would prescribe requirements for downtown housing developments, including requiring specified labor standards and requiring the developments to be eligible for streamlined ministerial approval, as specified. The bill would establish the Downtown Revitalization Loan Fund and continuously appropriate moneys in the fund to the California Housing Finance Agency for the purpose of making loans to applicants to develop downtown housing developments, as specified. By establishing a continuously appropriated fund, the bill would make an appropriation.

AB 2095 (Lee, D) Employment discrimination: conviction history.

Introduced: 02/18/2026

Status: 03/09/2026 - Referred to Coms. on L. & E. and JUD.

Calendar: 04/08/26 A-LABOR AND EMPLOYMENT 1:30 p.m. - State Capitol, Room 447 ORTEGA, LIZ, Chair

Location: 03/09/2026 - Assembly Labor and Employment

Summary: The California Fair Employment and Housing Act, except as specified, makes it an unlawful employment practice for an employer with 5 or more employees to include on any application for employment, before the employer makes a conditional offer of employment to the applicant, any question that seeks the disclosure of an applicant's conviction history, to consider the conviction history of the applicant until after the employer has made a conditional offer of employment to the applicant, or to distribute information about an arrest not followed by conviction, referral to or participation in a pretrial or posttrial diversion program, or convictions that have been sealed, dismissed, expunged, or statutorily eradicated or any conviction for which the convicted person has received a full pardon or has been issued a certificate of rehabilitation while conducting a conviction history background check in connection with an application for employment, as specified. This bill would include among those things that it is unlawful for an employer with 5 or more employees to do while conducting a conviction history background check in connection with an application for employment, asking any question that directly or indirectly seeks consent for a conviction history background check or requesting consent for or beginning a conviction history background check before providing the applicant with a list of all specific job duties of the position with which a conviction may have a direct and adverse relationship and potentially result in an adverse action, requiring a job applicant to cover the cost of a conviction history background check.

AB 2099 (González, Mark, D) Advertising displays: customary maintenance.

Introduced: 02/18/2026

Status: 03/02/2026 - Referred to Com. on G.O.

Calendar: 04/08/26 A-GOVERNMENTAL ORGANIZATION 1:30 p.m. - 1021 O Street, Room 1100 RUBIO, BLANCA, Chair

Location: 03/02/2026 - Assembly Governmental Organization

Summary: The Outdoor Advertising Act regulates placement of advertising displays adjacent to and within specified distances of highways that are part of the national system of interstate and defense highways and federal-aid highways. The act prohibits limitations on the customary maintenance of a lawfully erected advertising display within the state by any governmental entity without payment of compensation, as specified. This bill would authorize, as part of customary maintenance, an activity performed for the purpose of maintaining an advertising display in its existing physical configuration, including, but not limited to, replacing structural members and using stronger materials, as specified.

AB 2139 (Garcia, D) Surplus lands: economic opportunities.

Introduced: 02/18/2026

Status: 03/09/2026 - Referred to Com. on L. GOV.

Location: 03/09/2026 - Assembly Local Government

Summary: Current law prescribes requirements for the disposal of surplus land by a local agency, including sending a written notice of the availability of the property before disposal of that property or participating in negotiations to dispose of that property with a prospective transferee, as specified. Current law specifies that certain disposals of land are not subject to these provisions, including, disposal of land by a city with a population exceeding 2,500,000 for certain purposes, as specified. Current law authorizes a city, county, or city and county, with the approval of its legislative body by resolution after a public hearing, to acquire, sell, or lease property in furtherance of the creation of an economic opportunity, as defined. This bill would exempt from the requirements for the disposal of surplus property the disposal of real property acquired by a local agency on or after, January 1, 2029, for the purpose of creating an economic opportunity, when the local agency adopts a specified resolution that includes plans for anticipated improvement and future use of the property and disposes of the property to a public or private entity consistent with the planned used identified in the resolution.

AB 2168 (Wicks, D) Active Transportation Program: guidelines.

Introduced: 02/18/2026

Last Amended: 03/16/2026

Status: 03/17/2026 - Re-referred to Com. on TRANS.

Location: 03/16/2026 - Assembly Transportation

Summary: Existing law establishes the Active Transportation Program in the Department of Transportation for the purpose of encouraging increased use of active modes of transportation, such as biking and walking. Existing law requires the California Transportation Commission to develop guidelines with regard to project eligibility that include, among other project types, safe routes to transit projects that will encourage transit by improving biking and walking routes to mass transportation facilities and schoolbus stops. This bill would instead require the guidelines with regard to project eligibility to include projects for safe routes to transit projects that encourage access to transit and investments in transit-rich and infill opportunity areas, as specified.

AB 2170 (Boerner, D) California Environmental Quality Act: overburdened communities: documents and information: translations.

Introduced: 02/18/2026

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on NAT. RES.

Location: 03/19/2026 - Assembly Natural Resources

Summary: The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. Existing law requires a lead agency to be responsible for determining whether the project is exempt from CEQA and whether an environmental impact report, negative declaration, or mitigated negative declaration is required, as provided. Existing law, for certain projects, establishes a ministerial review process with modified environmental assessment procedures, as provided. This bill, notwithstanding the above-described provisions relating to determinations by a lead agency, would require an environmental impact report, negative declaration, or mitigated negative declaration for the development, operation, substantial modification, or substantial expansion of a project on land that is zoned to allow industrial uses and is in or within 1 / 2 mile of an overburdened community, as defined.

AB 2184 (Wilson, D) Cap-and-Invest Program: nature-based climate solutions: funding.

Introduced: 02/19/2026

Last Amended: 03/26/2026

Status: 03/26/2026 - From committee chair, with author's amendments: Amend, and re-refer to Com. on NAT. RES. Read second time and amended.

Calendar: 04/06/26 A-NATURAL RESOURCES 2:30 p.m. - State Capitol, Room 437 BRYAN, ISAAC, Chair

Location: 03/09/2026 - Assembly Natural Resources

Summary: Existing law requires the Natural Resources Agency, in collaboration with the State Air Resources Board, the California Environmental Protection Agency, the Department of Food and Agriculture, an expert advisory committee established, as provided, and other relevant state agencies, to determine an ambitious range of targets for natural carbon sequestration, and for nature-based climate solutions that reduce greenhouse gas emissions for 2030, 2038, and 2045 to support state goals to achieve carbon neutrality and foster climate adaptation and resilience. Existing law defines “nature-based climate solutions” for these purposes to mean activities, such as restoration, conservation, and land management actions, that increase net carbon sequestration or reduce greenhouse gas emissions in natural and working lands. This bill would annually appropriate the sum of $250,000,000 from the Greenhouse Gas Reduction Fund in the annual Budget Act each fiscal year from the 2027–2028 to the 2045–46 fiscal year, inclusive, to achieve nature-based climate solutions on natural, working, and urban lands, including $150,000,000 to be allocated to the Natural Resources Agency to fund nature-based climate solutions, as provided, and $100,000,000 to be allocated for nature-based climate solutions at the discretion of the Legislature, as provided. The bill would additionally appropriate, after those amounts are allocated, the sum of $150,000,000 from the Greenhouse Gas Reduction Fund in the annual Budget Act each fiscal year from the 2027–2028 to the 2045–46 fiscal year, inclusive, to the Department of Food and Agriculture to fund sustainable agricultural practices and nature-based climate solutions, as provided.

AB 2190 (Wallis, R) Internet website accessibility.

Introduced: 02/19/2026

Status: 03/09/2026 - Referred to Coms. on JUD. and P. & C.P.

Calendar: 04/07/26 A-JUDICIARY 8 a.m. - State Capitol, Room 437 KALRA, ASH, Chair

Location: 03/09/2026 - Assembly Judiciary

Summary: The Unruh Civil Rights Act requires persons within the jurisdiction of the state to be free and equal and, regardless of the person’s sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, or immigration status to be entitled to the full and equal accommodations, advantages, facilities, privileges, or services in all business establishments, as prescribed, and makes a violation of the federal Americans with Disabilities Act of 1990 (ADA) a violation of the act. Current law imposes liability upon a person who denies, aids, or incites a denial of, or makes any discrimination or distinction contrary to, rights afforded by law for actual damages suffered, exemplary damages, a civil penalty, and attorney’s fees, as specified, to any person who was denied the specified rights. Current law also imposes liability upon a person, firm, or corporation that denies or interferes with admittance to, or enjoyment of, public facilities or otherwise interferes with the rights of an individual with a disability, as specified, for damages and attorney’s fees to a person who was denied those rights. This bill would grant to an entity an affirmative defense to a claim seeking statutory damages under the provisions described above on the basis of a specific accessibility barrier on the entity’s internet website, as defined, if the entity provided evidence to the plaintiff demonstrating within an unspecified number of days of receiving a written pre-lawsuit demand from the plaintiff that either (1) the entity published a digital accessibility report on the accessibility page of its internet website disclosing the specific access barrier and updated that report to reflect remediation of the access barrier or (2) that various things were true regarding the entity’s efforts to identify and remediate access barriers on its internet website, including the entity had a reasonable and good faith basis to believe that the internet website was accessible and conformed with the internet website accessibility standard, as specified.

AB 2193 (Ta, R) Autonomous vehicles.

Introduced: 02/19/2026

Last Amended: 03/16/2026

Status: 03/17/2026 - Re-referred to Com. on TRANS.

Calendar: 04/06/26 A-TRANSPORTATION 2:30 p.m. - 1021 O Street, Room 1100 WILSON, LORI, Chair

Location: 03/09/2026 - Assembly Transportation

Summary: Existing law prohibits the operation of an autonomous vehicle on public roads until the manufacturer submits an application to the Department of Motor Vehicles, as specified, and that application is approved. Existing law requires the department to adopt regulations setting forth requirements for the submission and approval of an application, including, among other things, any testing, equipment, and performance standards the department concludes are necessary to ensure the safe operation of autonomous vehicles on public roads, as specified. Existing law authorizes peace officers, as defined, to issue notices of autonomous vehicle noncompliance upon observing an alleged violation of the Vehicle Code or upon observing an alleged violation of a local traffic ordinance adopted pursuant to the Vehicle Code by an autonomous vehicle while the autonomous technology is engaged. This bill would additionally require that if an autonomous vehicle commits a traffic violation pursuant to the Vehicle Code, the traffic citation be issued to the registered owner of the autonomous vehicle if the autonomous vehicle does not have a person in the driver's seat. The bill would require the traffic citation to be issued to the driver of the autonomous vehicle if the autonomous vehicle has a person in the driver's seat, regardless of whether or not the autonomous technology is engaged, unless, among other reasons, the autonomous vehicle is operating as a permitted passenger transport service and the person in the driver's seat is a customer who is not in control of the vehicle and the traffic violation is committed while the autonomous technology is engaged, in which case the citation would be issued to the registered owner.

AB 2263 (Kalra, D) Santa Clara Valley Transportation Authority: employee housing: transit-oriented joint development projects.

Introduced: 02/19/2026

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on TRANS.

Calendar: 04/13/26 A-TRANSPORTATION 2:30 p.m. - 1021 O Street, Room 1100 WILSON, LORI, Chair

Location: 03/19/2026 - Assembly Transportation

Summary: Existing law establishes the Santa Clara Valley Transportation Authority (VTA) in order to meet the public transit problems of the County of Santa Clara. Existing law authorizes VTA to purchase or otherwise acquire property for transit-oriented joint development projects, as provided. Existing law also authorizes VTA to accept moneys from, and to contract and cooperate with, any public agency to finance the acquisition and construction of transportation facilities, as specified. This bill would authorize VTA to similarly purchase or acquire property for rental housing for VTA employees or any other for-sale housing project that promotes housing opportunities for VTA employees, as specified.

AB 2267 (Garcia, D) State bridges and overpasses: suicide prevention.

Introduced: 02/19/2026

Last Amended: 03/24/2026

Status: 03/25/2026 - Re-referred to Com. on TRANS.

Location: 03/09/2026 - Assembly Transportation

Summary: Existing law requires, beginning on or before July 1, 2028, the Department of Transportation, in consultation with the State Department of Public Health and in collaboration with impacted local governments, to incorporate suicide deterrent considerations in the updates of applicable guidance documents, as provided. This bill would require the Department of Transportation to additionally develop and maintain, beginning on or before July 1, 2029, a set of preapproved suicide prevention safety-barrier designs that local governments may use to install suicide prevention barriers, as provided.

AB 2272 (Caloza, D) State contracting: subcontractors: prompt payment.

Introduced: 02/19/2026

Status: 03/09/2026 - Referred to Com. on G.O.

Calendar: 04/08/26 A-GOVERNMENTAL ORGANIZATION 1:30 p.m. - 1021 O Street, Room 1100 RUBIO, BLANCA, Chair

Location: 03/09/2026 - Assembly Governmental Organization

Summary: The California Prompt Payment Act requires a state agency that acquires property or services pursuant to a contract with a business to make payment to the person or business on the date required by the contract and as specified, or be subject to a late payment penalty. This bill would recast those provisions to instead require prime contractors to pay, for payments by the state to prime contractors made on or after January 1, 2027, their subcontractors, suppliers, and other vendors within 45 days of receiving payment from the state. For payments made by the state to prime contractors made prior to January 1, 2027, but that have not been remitted to subcontractors, suppliers, and other vendors as of January 1, 2027, the bill would require prime contractors to remit payment by February 15, 2027.

AB 2284 (Dixon, R) Vehicles: electric bicycles.

Introduced: 02/19/2026

Last Amended: 03/16/2026

Status: 03/17/2026 - Re-referred to Com. on TRANS.

Location: 03/09/2026 - Assembly Transportation

Summary: Existing law requires the Department of the California Highway Patrol to develop, on or before September 1, 2023, statewide safety and training programs based on evidence-based practices for users of electric bicycles, as defined, including, but not limited to, general electric bicycle riding safety, emergency maneuver skills, rules of the road, and laws pertaining to electric bicycles. This bill would require, on or before June 1, 2027, the department, in partnership with biking nonprofit groups, to compile a list of electric two-wheeled devices that do not comply with the definition of any single class of electric bicycles and that are labeled, advertised, or commonly perceived by riders or peace officers as electric bicycles or electric bicycle products. The bill would require the department to make the list available on its internet website and to update the list and internet website, when necessary.

AB 2307 (Sanchez, R) Transportation: traffic signal synchronization pilot program.

Introduced: 02/19/2026

Status: 03/09/2026 - Referred to Com. on TRANS.

Calendar: 04/13/26 A-TRANSPORTATION 2:30 p.m. - 1021 O Street, Room 1100 WILSON, LORI, Chair

Location: 03/09/2026 - Assembly Transportation

Summary: Would, until January 1, 2032, require the Department of Transportation to establish and administer a traffic signal synchronization pilot program for the local agencies constituting the Western Riverside Council of Governments to evaluate a regional model for coordinating traffic signal timing between state highways and local street and road systems, as specified. The bill would require the department, in coordination with participating agencies, to evaluate the effectiveness of the pilot program, including measurable impacts on congestion, travel time reliability, operational efficiency, and vehicle emissions, and on or before January 1, 2028, to submit a specified report to the Legislature relating to the pilot program. If the department determines, based on the evaluation, that the pilot program has demonstrated measurable transportation and operational benefits, the bill would authorize department to expand the pilot program, as provided. This bill would make legislative findings and declarations as to the necessity of a special statute for the local agencies that constitute the Western Riverside Council of Governments.

AB 2340 (Arambula, D) Local transportation authority: Fresno Council of Governments.

Introduced: 02/19/2026

Last Amended: 03/23/2026

Status: 03/24/2026 - Re-referred to Com. on L. GOV.

Location: 03/23/2026 - Assembly Local Government

Summary: Existing law authorizes cities and counties, subject to certain limitations and approval requirements, to levy a transactions and use tax for general or specific purposes in accordance with the procedures and requirements set forth in the Transactions and Use Tax Law. If a citizens' initiative measure that imposes a retail transactions and use tax in the County of Fresno, as specified, is adopted by the electors of the County of Fresno and becomes effective, this bill would designate the Fresno Council of Governments as a local transportation authority for purposes of the citizens' initiative measure. The bill would authorize the Fresno Council of Governments to receive and allocate the proceeds of the retail transactions and use tax and to otherwise serve as the administering agency for purposes of that citizens' initiative.

AB 2346 (Wilson, D) Vehicles: electric bicycles and speed limits.

Introduced: 02/19/2026

Last Amended: 03/26/2026

Status: 03/26/2026 - From committee chair, with author's amendments: Amend, and re-refer to Com. on TRANS. Read second time and amended.

Calendar: 04/06/26 A-TRANSPORTATION 2:30 p.m. - 1021 O Street, Room 1100 WILSON, LORI, Chair

Location: 03/09/2026 - Assembly Transportation

Summary: Existing law defines an electric bicycle as a bicycle equipped with fully operable pedals and an electric motor of less than 750 watts, and classifies electric bicycles into 3 classes with different restrictions for various purposes. This bill would require all class 1 and class 2 electric bicycles manufactured, sold, or offered for sale on or after January 1, 2029, to be equipped with a speedometer. The bill would also require all electric bicycles manufactured, sold, or offered for sale on or after January 1, 2029, to be equipped with an integrated front lamp and a rear lamp, as specified. The bill would also require manufacturers and distributors of electric bicycles to include a written description of California's electric bicycle laws with the bicycle's packaging to be provided to the consumer. The bill would also require sellers and distributors of electric bicycles to provide specified disclosures at or before the point of sale.

AB 2360 (Arambula, D) State agencies: governmental linguistics.

Introduced: 02/19/2026

Status: 03/09/2026 - Referred to Com. on G.O.

Calendar: 04/08/26 A-GOVERNMENTAL ORGANIZATION 1:30 p.m. - 1021 O Street, Room 1100 RUBIO, BLANCA, Chair

Location: 03/09/2026 - Assembly Governmental Organization

Summary: Current law requires each department, commission, office, or other administrative agency of state government to write each document, as defined, that it produces in plain, straightforward language, avoiding technical terms as much as possible, and using a coherent and easily readable style. This bill would specify that the plain, straightforward language requirement applies to both digital and printed documents, and would define "plain language" for purposes of that provision. The bill would require each state agency, as described above, to create, adopt, and post on its internet website a plain language policy that identifies how the state agency will incorporate or strengthen plain language writing and design principles and practices.

AB 2372 (Hoover, R) Vehicles: tolls.

Introduced: 02/19/2026

Last Amended: 03/16/2026

Status: 03/17/2026 - Re-referred to Com. on TRANS.

Location: 03/16/2026 - Assembly Transportation

Summary: Existing law provides for the exemption of authorized emergency vehicles from the payment of a toll or charge on a vehicular crossing, toll highway, or high-occupancy toll (HOT) lane, when the authorized emergency vehicle is being driven under specified conditions, including, among others, the vehicle is displaying an exempt license plate and properly identified or marked as an authorized emergency vehicle, as specified. This bill would exempt a vehicle that is not displaying an exempt license plate if it is otherwise exempted from the above-described payment and is authorized as an emergency vehicle by the California Highway Patrol.

AB 2376 (Lackey, R) Vehicles: automated enforcement systems.

Introduced: 02/19/2026

Last Amended: 03/16/2026

Status: 03/17/2026 - Re-referred to Com. on TRANS.

Location: 03/16/2026 - Assembly Transportation

Summary: Existing law, until January 1, 2030, authorizes a local agency, as defined, to install automated forward-facing parking control devices on city-owned or district-owned parking enforcement vehicles for the purpose of taking photographs of parking violations occurring in bicycle lanes. Existing law requires a qualified and designated employee of a city, county, city and county, or contracted law enforcement agency for a special transit district to review these photographs for the purpose of determining whether a parking violation occurred in a bicycle lane and to issue a notice of violation to the registered owner of a vehicle within 15 calendar days, as specified. Existing law requires these photographic records to be confidential and makes these records available only to public agencies to enforce parking violations. Existing law requires any local agency that implements a parking enforcement program under these provisions to provide to specified committees of the Legislature an evaluation report on, among other things, the automated enforcement system's effectiveness and impact on traffic outcomes, by December 31, 2028. Existing law prohibits the stopping, standing, or parking of a vehicle in certain places and under certain conditions, including within an intersection, on a sidewalk or crosswalk, or in front of a fire station. This bill would instead authorize local agencies to install forward-facing parking control devices on specified enforcement vehicles for the purpose of taking video images of parking violations and expand the automated parking control device program to include the enforcement of the parking violations described above.

AB 2409 (Valencia, D) Public officers: meme coins.

Introduced: 02/20/2026

Status: 03/26/2026 - Re-referred to Coms. on JUD. and B. & F. pursuant to Assembly Rule 96.

Calendar: 04/14/26 A-JUDICIARY 8 a.m. - State Capitol, Room 437 KALRA, ASH, Chair

Location: 03/26/2026 - Assembly Judiciary

Summary: Current law prohibits a state officer or employee from engaging in any employment, activity, or enterprise that is clearly inconsistent, incompatible, in conflict with, or inimical to their duties. Current law also prohibits specified local agency officers or employees from engaging in any employment, activity, or enterprise for compensation that is inconsistent, incompatible, or in conflict with, or inimical to, their duties, as specified. This bill would prohibit a public officer or employee from issuing a meme coin. The bill would define certain terms for purposes of this prohibition, including defining public officer to include a state or local elected or appointed officer, including a Member of the Legislature, or an elected or appointed member of a governmental board, commission, committee, or other body, including a governmental body that has only advisory powers.

AB 2411 (McKinnor, D) California Olympic and Paralympic Public Safety Command: agreements with state and local agencies.

Introduced: 02/20/2026

Last Amended: 03/16/2026

Status: 03/17/2026 - Re-referred to Com. on E.M.

Location: 03/16/2026 - Assembly Emergency Management

Summary: Existing law requires the Office of Emergency Services to establish the California Olympic and Paralympic Public Safety Command (COPPSC) to facilitate the planning, resourcing, management, and delivery of safety and security at the 2028 Olympic and Paralympic Games in Los Angeles. Existing law repeals provisions relating to COPPSC on January 1, 2029. Existing law requires the Commission on Peace Officer Standards and Training (POST) to adopt rules establishing minimum standards relating to physical, mental, and moral fitness that govern the recruitment of certain peace officers. Existing law requires POST to establish a certification program for certain peace officers, as provided. This bill would require COPPSC to negotiate and enter into agreements to facilitate training, mutual cooperation, sharing of information and resources, and the use of public safety personnel with other state and local agencies within and outside of the state of California for the purposes of ensuring public safety during the 2028 Olympic and Paralympic Games. The bill would require the agreement to, among other things, require public safety personnel contracted from out of state to obtain a certificate of training from the commission.

AB 2412 (Ta, R) State agencies or departments: public communications.

Introduced: 02/20/2026

Status: 03/09/2026 - Referred to Com. on P. & C.P.

Calendar: 04/07/26 A-PRIVACY AND CONSUMER PROTECTION 1:30 p.m. - State Capitol, Room 437 BAUER-KAHAN, REBECCA, Chair

Location: 03/09/2026 - Assembly Privacy and Consumer Protection

Summary: Current law requires a state agency or department that utilizes generative artificial intelligence (GenAI) to directly communicate with a person regarding government services and benefits to ensure that those communications include a disclaimer that indicates to the person that the communication was generated by GenAI, as specified, and information describing how a person may contact a human employee of the state agency or department. This bill would instead require that disclaimer when a state agency or department communicates with the public.

AB 2413 (Ransom, D) Large-format public advertisements: public expense.

Introduced: 02/20/2026

Status: 03/09/2026 - Referred to Com. on ELECTIONS.

Calendar: 04/15/26 A-ELECTIONS 9 a.m. - State Capitol, Room 444 PELLERIN, GAIL, Chair

Location: 03/09/2026 - Assembly Elections

Summary: The Political Reform Act of 1974 provides for the comprehensive regulation of campaign financing and activities. The act defines “mass mailing” to mean over 200 substantially similar pieces of mail, and defines “mass electronic mailing” to mean sending more than 200 substantially similar pieces of electronic mail within a calendar month. The act prohibits a mass mailing from being sent at public expense if, among other things, the mailing features an elected officer affiliated with the agency that produces or sends the mailing, or includes the name, office, photograph, or other reference to the elected officer and is prepared or sent in cooperation, consultation, coordination, or concert with the elected officer. This bill would define “large-format public advertisement” as a billboard, wrap on a bus or other public transportation vehicle, advertisement affixed to a bus stop, and other public advertisements designated by the commission by regulation that are larger than those designed to be individually distributed.

AB 2432 (Ellis, R) State Air Resources Board: regulations: analysis of financial impact on drivers.

Introduced: 02/20/2026

Last Amended: 03/23/2026

Status: 03/24/2026 - Re-referred to Com. on NAT. RES.

Location: 03/09/2026 - Assembly Natural Resources

Summary: Existing law designates the State Air Resources Board as the state agency with the primary responsibility for the control of vehicular air pollution and as the state agency responsible for monitoring and regulating sources emitting greenhouse gases. Existing law requires the state board to adopt standards, rules, and regulations necessary for the proper execution of the powers and duties granted to, and imposed upon, the state board. This bill would require the state board, when it revises, adopts, or establishes any policy, standard, rule, or regulation that would have a direct financial impact on drivers in the state, to consider the financial burden on drivers, and to prepare a thorough analysis and evaluation of the financial impact of the proposed action on drivers to ensure full transparency.

AB 2454 (Solache, D) State highways: report: southeast Los Angeles County.

Introduced: 02/20/2026

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on TRANS.

Location: 03/19/2026 - Assembly Transportation

Summary: Would require the Department of Transportation, in collaboration with the California Transportation Commission, to prepare a report to assess the services provided by the department to maintain and improve the state highway system, and the needs of state highway infrastructure, in the southeast portion of the County of Los Angeles. The bill would require the department to submit the report to the Legislature, and post the report on its internet website, on or before February 1, 2028. In preparing the report, the bill would require the department to provide an opportunity to comment on the topic of the report, as specified.

AB 2484 (Alvarez, D) San Diego Metropolitan Transit System: transactions and use tax: voter initiatives.

Introduced: 02/20/2026

Last Amended: 03/24/2026

Status: 03/25/2026 - Re-referred to Com. on ELECTIONS.

Calendar: 04/15/26 A-ELECTIONS 9 a.m. - State Capitol, Room 444 PELLERIN, GAIL, Chair

Location: 03/16/2026 - Assembly Elections

Summary: The Mills-Deddeh Transit Development Act authorizes the San Diego Metropolitan Transit System (MTS) to impose a transactions and use tax of up to 0.5% for public transit purposes within its jurisdiction, or a portion of its jurisdiction, pursuant to the Transactions and Use Tax Law and subject to voter approval and various other requirements. This bill would also authorize those taxes to be imposed by a qualified voter initiative. To the extent that the bill would impose additional duties on a county elections official, the bill would impose a state-mandated local program.

AB 2492 (Gabriel, D) Public safety: mega sporting events.

Introduced: 02/20/2026

Last Amended: 03/20/2026

Status: 03/23/2026 - Re-referred to Com. on E.M.

Location: 03/16/2026 - Assembly Emergency Management

Summary: Existing law requires the Office of Emergency Services to establish, and oversee the development, approval, and adoption of, the California Olympic and Paralympic Public Safety Command to facilitate the planning, resourcing, management, and delivery of safety and security at the 2028 Olympic and Paralympic Games in Los Angeles, as specified. Existing law requires the office to enter into a memorandum of understanding with the Los Angeles Organizing Committee for the 2028 Olympic and Paralympic Games, and with other necessary parties, to implement these requirements, as specified. This bill would require the office, in collaboration with the host counties and any relevant host committee or partner, to prepare for the planning, resourcing, management, and delivery of safety and security at and around certain mega sporting events or any official watch party, as specified.

AB 2505 (Carrillo, D) Electrical corporations: hydrogen refueling stations.

Introduced: 02/20/2026

Last Amended: 03/17/2026

Status: 03/18/2026 - Re-referred to Com. on U. & E.

Calendar: 04/08/26 A-UTILITIES AND ENERGY 1:30 p.m. - State Capitol, Room 437 PETRIE-NORRIS, COTTIE, Chair

Location: 03/09/2026 - Assembly Utilities and Energy

Summary: Existing law authorizes the Public Utilities Commission to fix the rates and charges for every public utility and requires that those rates and charges be just and reasonable. Existing law requires each electrical corporation to file an advice letter for, and requires the commission to approve, a new tariff or rule that authorizes each electrical corporation to design and deploy all electrical distribution infrastructure on the utility side of the customer's meter for all customers installing separately metered infrastructure to support electric vehicle charging stations, other than those in single-family residences. This bill would require each electrical corporation, on or before April 1, 2027, to file an advice letter for, and require the commission, on or before September 1, 2027, to approve, a new tariff or rule that authorizes the electrical corporation to design, construct, own, operate, and maintain all electrical distribution and service facilities located on the utility side of a customer's meter that are necessary to provide separately metered electrical service to hydrogen refueling stations, including hydrogen refueling stations located on premises that already receive electrical service for other uses. The bill would require that the tariff or rule authorize an electrical corporation to extend utility-side electrical distribution and service facilities from the existing distribution system to a dedicated revenue meter serving a heavy-duty hydrogen refueling station that serves vehicles that are 14,001 pounds or greater and authorize the installation of a dedicated revenue meter for the hydrogen refueling station load, as provided.

AB 2512 (Valencia, D) Surplus Land Act: exemption: Angel Stadium.

Introduced: 02/20/2026

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on L. GOV.

Location: 03/19/2026 - Assembly Local Government

Summary: Existing law requires land to be declared either surplus land or exempt surplus land, as supported by written findings, before a local agency may take any action to dispose of it consistent with an agency's policies or procedures. Existing law establishes procedures for the disposal of surplus land, as provided. These procedures do not apply to the disposal of exempt surplus land. Existing law establishes various categories of exempt surplus land, as provided. This bill would require, if an exemption is granted to the City of Anaheim for the disposition of surplus land involving the sale or lease of Angel Stadium to the Los Angeles Angels, that any materials refer to that team as the Anaheim Angels.

AB 2513 (Petrie-Norris, D) Wildfire: Regional Forest and Fire Capacity Program: local assistance grant program: regional landscape grants.

Introduced: 02/20/2026

Status: 03/09/2026 - Referred to Coms. on NAT. RES. and W., P., & W.

Calendar: 04/06/26 A-NATURAL RESOURCES 2:30 p.m. - State Capitol, Room 437 BRYAN, ISAAC, Chair

Location: 03/09/2026 - Assembly Natural Resources

Summary: Current law requires the Wildfire and Forest Resilience Task Force, including the Natural Resources Agency, the California Environmental Protection Agency, the Office of Planning and Research, and the Department of Forestry and Fire Protection, in coordination with certain public agencies, to develop a comprehensive implementation strategy to track and ensure the achievement of the goals and key actions identified in California's Wildfire and Forest Resilience Action Plan, as provided. Current law requires the task force, on or before March 1, 2026, and every 5 years thereafter, to update that action plan, as provided. Current law establishes, in the Department of Conservation, a Regional Forest and Fire Capacity Program to support regional leadership to build local and regional capacity and develop, prioritize, and implement strategies and projects that create fire adapted communities and landscapes, as provided. Existing law requires the department to, upon appropriation by the Legislature for purposes of the program, provide block grants to regional entities, as defined, to develop regional strategies that develop governance structures, identify wildfire risks, foster collaboration, and prioritize and implement projects within the region to achieve the goals of the program, as specified. Existing law authorizes the regional entities, as defined, to implement activities pursuant to this program, directly or by providing subgrants or contracts, and collaborative planning efforts with local entities to accomplish development of regional priority strategies, among other objectives. This bill would authorize the Director of the Department of Conservation to directly award regional landscape grants to regional entities to implement the above-described regional priority strategies.

AB 2543 (Ransom, D) Emergency preparedness: electric vehicle fast charging infrastructure.

Introduced: 02/20/2026 (Spot bill)

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on E.M.

Location: 03/19/2026 - Assembly Emergency Management

Summary: The California Emergency Services Act generally prescribes duties with regard to various types of emergencies and disasters, including requiring the Governor to coordinate the State Emergency Plan and those programs necessary for the mitigation of the effects of an emergency in this state. Existing law requires the Office of Emergency Services to include in the State Hazard Mitigation Plan an evaluation of risks from specified causes of a long-term electrical outage and, based on that analysis, requires the plan to identify cost-effective and feasible measures to lessen risks from those hazards, including, hardening the critical infrastructure of electrical utilities. This bill would require, on or before June 1, 2027, the Office of Emergency Services to, in consultation with the State Energy Resources Conservation and Development Commission establish a working group to evaluate the resilience of publicly available electric vehicle fast charging stations during and following a disaster.

AB 2552 (Ávila Farías, D) California Environmental Quality Act: transportation impact mitigation.

Introduced: 02/20/2026

Status: 03/16/2026 - Referred to Coms. on NAT. RES. and H. & C.D.

Location: 03/16/2026 - Assembly Natural Resources

Summary: The California Environmental Quality Act (CEQA) a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. If a lead agency determines that a project will have a significant transportation impact, current law authorizes the lead agency to mitigate the transportation impact to a less than significant level by helping to fund or otherwise facilitating housing or related infrastructure projects, including by contributing an amount, to be determined pursuant to guidance issued by the Office of Land Use and Climate Innovation, to the Transit-Oriented Development Implementation Fund for purposes of the Transit-Oriented Development Implementation Program. Current law makes those moneys available to the department, upon appropriation by the Legislature, for the purpose of awarding funding for affordable housing or related infrastructure projects under the program in accordance with specified priorities. On or before July 1, 2026, and at least once every 3 years thereafter, current law requires the office, in consultation with other state agencies, to issue guidance related to the implementation of these provisions, as provided. Current law makes related findings and declarations. This bill would provide that a contribution to the fund is full and complete mitigation for that portion of the project's significant transportation impact and a legally sufficient mitigation measure under CEQA. The bill would make additional related findings and declarations.

AB 2557 (Bauer-Kahan, D) Legislative information system: bill position letters.

Introduced: 02/20/2026

Status: 02/21/2026 - From printer. May be heard in committee March 23.

Location: 02/20/2026 - Assembly PRINT

Summary: Current law requires the Legislative Counsel, with the advice of the Assembly Committee on Rules and the Senate Committee on Rules, to make certain legislative information available to the public in electronic form, including the text, bill history, and bill status of each bill introduced and amended in each current legislative session and all bill analyses prepared by legislative committees in connection with each bill in each current legislative session. This bill would add all position letters submitted through the Legislature's internet portal in connection with each bill in each current legislative session to the information the Legislative Counsel is required to make publicly available in electronic form.

AB 2560 (Schultz, D) Climate Action Plan for Transportation Infrastructure: goals.

Introduced: 02/20/2026

Status: 03/26/2026 - In committee: Hearing postponed by committee.

Location: 03/09/2026 - Assembly Transportation

Summary: Current law provides for the funding of projects on the state highway system and other transportation improvements, including under the interregional transportation improvement program, the Transit and Intercity Rail Capital Program, a program within the Road Maintenance and Rehabilitation Program, commonly known as the Local Partnership Program, the Trade Corridor Enhancement Program, the Active Transportation Program, and the Solutions for Congested Corridors Program. This bill would establish the Climate Action Plan for Transportation Infrastructure (CAPTI) goals, and would authorize the Transportation Agency to update those CAPTI goals, as specified. The bill would require a project under the above-described programs to apply, where feasible, within the fix-it-first approach, the CAPTI goals as established or updated by the agency, as specified.

AB 2569 (Hart, D) California Environmental Quality Act: natural hazards and adverse environmental conditions.

Introduced: 02/20/2026

Status: 03/09/2026 - Referred to Com. on NAT. RES.

Location: 03/09/2026 - Assembly Natural Resources

Summary: The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would expand those definitions to include impacts on people, as specified. The bill would additionally require the lead agency to include in the EIR a detailed statement on any significant effects that may result from locating the proposed project near, or attracting people to, existing or reasonably foreseeable natural hazards or adverse environmental conditions. Because the lead agency would be required to undertake this additional consideration, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

AB 2576 (Harabedian, D) Transit-oriented development.

Introduced: 02/20/2026

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on H. & C.D.

Calendar: 04/15/26 A-HOUSING AND COMMUNITY DEVELOPMENT 9:30 a.m. - State Capitol, Room 437 HANEY, MATT, Chair

Location: 03/19/2026 - Assembly Housing and Community Development

Summary: Existing law provides that a housing development project shall be an allowed use as a transit-oriented housing development if specified conditions and requirements are met, including certain requirements pertaining to cities with a population of at least 35,000. Existing law provides that these provisions do not apply to a local agency until January 1, 2026, unless the local agency adopts an ordinance or local transit-oriented development alternative plan, as defined, deemed compliant by the Department of Housing and Community Development before July 1, 2027. Existing law specifies that, beginning on January 1, 2027, a local government that denies a housing development project meeting the requirements referenced above that is located in a high-resource area is presumed to be in violation of specified law and immediately liable for specified penalties. This bill would delay each of those dates, and certain related dates, by one year. The bill would also increase the population threshold for certain requirements to apply to cities, as described above, from 35,000 to 40,000.

AB 2595 (Papan, D) Vehicles: electric bicycles.

Introduced: 02/20/2026

Status: 03/09/2026 - Referred to Com. on TRANS.

Location: 03/09/2026 - Assembly Transportation

Summary: Current law defines an electric bicycle and classifies electric bicycles into 3 classes with different restrictions. Under existing law, a “class 1 electric bicycle” is a bicycle equipped with a motor that provides assistance only when the rider is pedaling and ceases to provide assistance when the bicycle reaches the speed of 20 miles per hour. Under current law, a “class 2 electric bicycle” is a bicycle equipped with a motor that may be used exclusively to propel the bicycle and is not capable of providing assistance when the bicycle reaches the speed of 20 miles per hour. Under existing law, a “class 3 electric bicycle” is a bicycle equipped with a speedometer and a motor that provides assistance only when the rider is pedaling, and that ceases to provide assistance when the bicycle reaches the speed of 28 miles per hour. Current law prohibits a person under 16 years of age from operating a class 3 electric bicycle. This bill, the San Mateo Electric Bicycle Safety Pilot Program, would, until January 1, 2031, authorize a local authority within the County of San Mateo, or the County of San Mateo in unincorporated areas, to adopt an ordinance or resolution that would prohibit a person under 12 years of age from operating a class 1 or 2 electric bicycle. For the first 60 days following the adoption of an ordinance or resolution for this purpose, the bill would make a violation of the ordinance or resolution punishable by a warning notice. After 60 days, the bill would make a violation of the ordinance or resolution punishable by a fine of $25, except as specified.

AB 2656 (Petrie-Norris, D) Public employees: notice: artificial intelligence performing service within scope of work.

Introduced: 02/20/2026

Last Amended: 03/19/2026

Status: 03/23/2026 - Re-referred to Com. on P. E. & R.

Calendar: 04/08/26 A-PUBLIC EMPLOYMENT AND RETIREMENT 9 a.m. - State Capitol, Room 444 MCKINNOR, TINA, Chair

Location: 03/19/2026 - Assembly Public Employment and Retirement

Summary: Executive Order No. N-12-23 requires specified state agencies, in collaboration with other state agencies and their workforce, to draft a report to the Governor examining the most significant, potentially beneficial use cases for deployment of generative artificial intelligence (GenAI) tools by the state. The executive order requires the report to explain the potential risks to individuals, communities, and government and state government workers, and requires the report to be regularly assessed and updated in consultation with, among others, the state government workforce or organizations that represent state government employees, as specified. Chapter 928 of the Statutes of 2024, the Generative Artificial Intelligence Accountability Act, requires specified state agencies to update the report, as needed, to respond to significant developments and to consult with specified parties, including organizations that represent state exclusive employee representatives. This bill would require certain state and local public employers to provide written notice to a recognized employee organization at least 45 days before taking an action to develop, purchase, implement, or utilize GenAI to perform a service that is within the scope of work of the job classification represented by the recognized employee organization.

AB 2659 (Bains, D) Vehicles: commercial driver's license.

Introduced: 02/20/2026

Status: 03/16/2026 - Referred to Com. on TRANS.

Location: 03/16/2026 - Assembly Transportation

Summary: Existing law declares the intent of the Legislature to adopt those standards required of drivers by the Federal Highway Administration of the U.S. Department of Transportation, as set forth in the Commercial Motor Vehicle Safety Act of 1986, and to reduce or prevent commercial motor vehicle accidents, fatalities, and injuries by permitting drivers to hold only one license, disqualifying drivers for certain criminal offenses and serious traffic violations, and strengthening licensing and testing standards. This bill would prohibit the Department of Motor Vehicles from revoking, suspending, cancelling, or downgrading a commercial driver's license based solely on administrative deficiencies or clerical errors created or made by the department, or due to changes in the department's interpretation of domicile or residency requirements, unless the department provides the licensee with a written notice of intent to revoke, suspend, cancel, or downgrade their license at least 180 days prior to the effective date of the action. The bill would require the department to issue a specified notice to the licensee and to prioritize assisting the licensee in resolving the administrative error or deficiency within the 180 day notice period. The bill would require the department to establish a dedicated process to review documents submitted by the affected licensees to expedite compliance. The bill would authorize the department to grant a one-time extension of up to 90 days and require the extension to be granted if the licensee has taken steps to resolve the deficiency but is unable to complete the process within the 180 day period due to processing delays by the department or a federal agency. The bill would require the extension to be granted if the department determines that the licensee is making a good faith effort to comply, and that the issue is likely to be fully resolved within the extension period. The bill would provide that these provisions are to be implemented only to the extent authorized by federal law.

AB 2679 (Hadwick, R) Road Maintenance and Rehabilitation Account: funding apportionments: cities.

Introduced: 02/20/2026

Status: 03/16/2026 - Referred to Com. on TRANS.

Location: 03/16/2026 - Assembly Transportation

Summary: Existing law creates the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system. Existing law provides for the deposit of various moneys, including revenues from certain fuel taxes and vehicle fees, for the program into the Road Maintenance and Rehabilitation Account. Existing law requires funds available for the program to be allocated for various specified purposes and requires the remaining funds available for the program to be continuously appropriated, with 50% for allocation to the Department of Transportation and 50% for apportionment to cities and counties by the Controller. Of the funds to be apportioned to cities and counties, existing law requires the Controller to apportion 50% of those funds to counties pursuant to a specified formula and 50% of those funds to cities in the proportion that the total population of each city bears to the total population of all the cities in the state. This bill would require the Controller, with respect to the revenues apportioned to cities, to apportion a minimum of $200,000 to each city, regardless of its population size, in the 2027–28 fiscal year and each fiscal year thereafter.

AB 2788 (Committee on Transportation) Transportation: omnibus bill.

Introduced: 03/16/2026

Status: 03/23/2026 - Referred to Com. on TRANS.

Location: 03/23/2026 - Assembly Transportation

Summary: Existing law makes it a crime for a person to pilot a vessel through the Golden Gate and into or out of a harbor in the Bays of San Francisco, San Pablo, and Suisun, unless the person has a license as a pilot, as provided. Existing law defines “Bays of San Francisco, San Pablo, and Suisun” as all the waters of the Bay of San Francisco, Bay of San Pablo, and Bay of Suisun, and of the tributaries, ports, and harbors of those bays, including the water areas from the south end of San Francisco Bay and from the Ports of Sacramento and Stockton to the Golden Gate Bridge. Existing law requires a pilot that provides pilotage service in the Bays of San Francisco, San Pablo, and Suisun to be insured, as provided, and requires a vessel, owner, operator, or demise or bareboat charterer hiring the pilot to either defend, indemnify, and hold harmless the pilot or provide trip insurance, as provided. This bill would clarify that the Bays of San Francisco, San Pablo, and Suisun includes the Ports of Sacramento and Stockton.

ACA 7 (Jackson, D) Government preferences.

Introduced: 02/13/2025

Last Amended: 05/07/2025

Status: 02/19/2026 - Adopted and to Senate. (Ayes 54. Noes 14.) In Senate. To Com. on RLS.

Location: 02/19/2026 - Senate Rules

Summary: The California Constitution, pursuant to provisions enacted by the Proposition 209, an initiative measure adopted by the voters at the November 5, 1996, statewide general election, prohibits the state from discriminating against, or granting preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting, as specified. This measure would, instead, limit the above prohibition to the operation of public employment, higher education admissions and enrollment, and public contracting.

ACA 12 (Wallis, R) Road usage charges: vote and voter approval requirements.

Introduced: 03/26/2025

Status: 03/27/2025 - From printer. May be heard in committee April 26.

Location: 03/26/2025 - Assembly PRINT

Summary: The California Constitution requires any change in state statute that increases the tax liability of any taxpayer to be imposed by an act passed by 2/3 of the membership of each house of the Legislature and prohibits specified taxes on real property from being so imposed. For these purposes, the California Constitution defines a "tax" as any state levy, charge, or exaction, except as described in certain exceptions. The California Constitution describes one of those exceptions as a charge imposed for entrance to or use of state property, or the purchase, rental, or lease of state property, except charges governed by a specified provision of the California Constitution. This measure, on or after its effective date, would provide that the exception described above does not include a road usage charge, as described, thereby requiring the imposition of this type of charge to be subject to the 2/3 vote requirement.

ACA 13 (DeMaio, R) Public finance: Balanced Budget Accountability Act of 2025.

Introduced: 04/22/2025

Status: 04/23/2025 - From printer. May be heard in committee May 23.

Location: 04/22/2025 - Assembly PRINT

Summary: The California Constitution generally requires appropriations from the General Fund to be enacted in a bill passed by a 2/3 vote in each house of the Legislature. Notwithstanding that requirement, the California Constitution authorizes the budget bill, other bills providing for appropriations related to the budget bill, and bills that make General Fund appropriations for the public schools, to be passed by a majority vote. This measure would repeal the exceptions to the requirement that a bill making General Fund appropriations must be passed by a 2/3 vote, thereby requiring any bill that makes General Fund appropriations to be passed by a 2/3 vote.

ACA 16 (Ellis, R) Budget bill: balanced budget: Members of the Legislature: salaries.

Introduced: 01/07/2026

Status: 01/08/2026 - From printer. May be heard in committee February 7.

Location: 01/07/2026 - Assembly PRINT

Summary: The Constitution requires the Legislature to include that revenue estimate in the budget bill. The Constitution also requires the Legislature to pass a budget bill by midnight on June 15 of each year. If that deadline is not met, the Members of the Legislature forfeit any salary or reimbursement for travel or living expenses from midnight on June 15 until the day that the budget bill is presented to the Governor. This measure would authorize the Controller, no later than 30 days after the date of the budget bill's passage, to determine that the budget bill violates the balanced budget provision. If the Controller makes that determination, the Members of the Legislature and the Governor would forfeit their salary and reimbursement for travel or living expenses from the day immediately following the date on which the Controller makes the determination until the date on which a budget bill is enacted.

SB 10 (Padilla, D) Otay Mesa East Toll Facility Act: toll revenues.

Introduced: 12/02/2024

Last Amended: 03/13/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was TRANS. on 6/9/2025)(May be acted upon Jan 2026)

Location: 07/17/2025 - Assembly 2 YEAR

Summary: The Otay Mesa East Toll Facility Act authorizes the San Diego Association of Governments (SANDAG) to carry out a construction project for the State Highway Route 11 corridor, including, among other things, highway improvements and international border crossing facilities, to be operated as a toll facility. Current law authorizes SANDAG to fix and revise from time to time and charge and collect tolls and other charges for entrance to or the use of the corridor, as provided. Current law authorizes toll revenues to be used for specified costs, including, among other things, payments of a cooperative tolling agreement with the federal government of Mexico. This bill would, consistent with applicable federal and state laws, authorize those toll revenues to additionally be used to assist in the maintenance of the South Bay International Boundary and Water Commission sewage treatment facility and the development of additional sanitation infrastructure projects related to the Tijuana River pursuant to an agreement with the federal government.

SB 74 (Seyarto, R) Office of Land Use and Climate Innovation: Infrastructure Gap-Fund Program.

Introduced: 01/15/2025

Last Amended: 04/07/2025

Status: 08/28/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 7/2/2025)(May be acted upon Jan 2026)

Location: 08/28/2025 - Assembly 2 YEAR

Summary: Current law establishes the Office of Land Use and Climate Innovation in the Governor's office for the purpose of serving the Governor and the Governor's cabinet as staff for long-range planning and research and constituting the comprehensive state planning agency. Current law authorizes a local agency to finance infrastructure projects through various means, including by authorizing a city or county to establish an enhanced infrastructure financing district to finance public capital facilities or other specified projects of communitywide significance that provide significant benefits to the district or the surrounding community. This bill would require the office, upon appropriation by the Legislature, to establish the Infrastructure Gap-Fund Program to provide grants to local agencies for the development and construction of infrastructure projects, as defined, facing unforeseen costs after starting construction. The bill would authorize the office to provide funding for up to 20% of a project's additional projected cost, as defined, after the project has started construction, subject to specified conditions, including, among other things, that the local agency has allocated existing local tax revenue for at least 45% of the initially budgeted total cost of the infrastructure project. When applying to the program, the bill would require the local agency to demonstrate challenges with completing the project on time and on budget and how the infrastructure project helps meet state and local goals, as specified.

SB 239 (Arreguín, D) Open meetings: teleconferencing: subsidiary body.

Introduced: 01/30/2025

Last Amended: 04/07/2025

Status: 01/27/2026 - Read third time. Passed. (Ayes 29. Noes 11.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Location: 01/27/2026 - Assembly DESK

Summary: The Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Current law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as specified. Current law, until January 1, 2026, authorizes specified neighborhood city councils to use alternate teleconferencing provisions related to notice, agenda, and public participation, as prescribed, if, among other requirements, the city council has adopted an authorizing resolution and 2/3 of the neighborhood city council votes to use alternate teleconference provisions, as specified This bill would authorize a subsidiary body, as defined, to use alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. The bill would require the subsidiary body to post the agenda at each physical meeting location designated by the subsidiary body, as specified. The bill would require the members of the subsidiary body to visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, as specified.

SB 431 (Arreguín, D) Assault and battery: utility workers.

Introduced: 02/18/2025

Last Amended: 07/03/2025

Status: 08/28/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 7/16/2025)(May be acted upon Jan 2026)

Location: 08/28/2025 - Assembly 2 YEAR

Summary: Would make an assault or battery committed against a utility worker, as defined, who is engaged in the performance of their duties punishable by imprisonment in a county jail not exceeding one year, by a fine not exceeding $2,000, or by both that fine and imprisonment. By expanding the scope of these crimes, this bill would impose a state-mandated local program.

SB 445 (Wiener, D) High-speed rail: third-party agreements, permits, and approvals: regulations.

Introduced: 02/18/2025

Last Amended: 07/17/2025

Status: 08/28/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/20/2025)(May be acted upon Jan 2026)

Location: 08/28/2025 - Assembly 2 YEAR

Summary: Current law creates the High-Speed Rail Authority Office of the Inspector General (office) and authorizes the High-Speed Rail Authority Inspector General (inspector general) to initiate an audit or review regarding oversight related to delivery of the high-speed rail project undertaken by the authority and the selection and oversight of contractors related to that project. Current law requires the inspector general to submit annual reports to the Legislature and Governor regarding its findings. This bill would require the authority, on or before July 1, 2026, to develop and adopt internal rules, as defined, setting forth standards and timelines for the authority to engage utilities to ensure coordination and cooperation in relocating utility infrastructure or otherwise resolving utility conflicts affecting the delivery of the high-speed rail project. The bill would require the authority to ensure that the internal rules, among other things, identify the circumstances under which the authority would be required seek to enter into a cooperative agreement with a utility that, where relevant, identifies who is responsible for specific utility relocations, as specified.

SB 508 (Valladares, R) California Environmental Quality Act: transportation impact mitigation.

Introduced: 02/19/2025

Last Amended: 09/09/2025

Status: 09/09/2025 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on B. & P.

Location: 09/09/2025 - Assembly Business and Professions

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. If a lead agency determines that a project will have a significant transportation impact, current law authorizes the lead agency to mitigate the transportation impact to a less than significant level by helping to fund or otherwise facilitating housing or related infrastructure projects, including by contributing an amount, to be determined pursuant to guidance issued by the Office of Land Use and Climate Innovation, to the Transit-Oriented Development Implementation Fund for purposes of the Transit-Oriented Development Implementation Program. Current law authorizes the deposit of those contributions into the fund beginning on or before July 1, 2026, as determined by the Department of Housing and Community Development, and makes those moneys available to the department, upon appropriation by the Legislature, for the purpose of awarding funding for affordable housing or related infrastructure projects under the program in accordance with specified priorities. On or before July 1, 2026, and at least once every 3 years thereafter, current law requires the office, in consultation with other state agencies, to issue guidance related to the implementation of these provisions, as provided. Current law makes related findings and declarations. This bill would require a contribution to the fund to be deemed full and complete mitigation for that portion of the project's significant transportation impact mitigated by the contribution to the fund and a legally sufficient mitigation measure under CEQA. The bill would authorize the deposit of those contributions into the fund beginning on the date of the issuance of the initial guidance by the office.

SB 526 (Menjivar, D) South Coast Air Quality Management District: air quality.

Introduced: 02/20/2025

Last Amended: 04/29/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was NAT. RES. on 6/16/2025)(May be acted upon Jan 2026)

Location: 07/17/2025 - Assembly 2 YEAR

Summary: Current law provides for the creation of the South Coast Air Quality Management District (south coast district) in those portions of the Counties of Los Angeles, Orange, Riverside, and San Bernardino included within the area of the South Coast Air Basin, as specified. The south coast district has adopted the Final 2021 PM10 Maintenance Plan for the South Coast Air Basin, which includes specified air quality attainment rules, including Rule 1157 (PM10 Emission Reductions from Aggregate and Related Operations) (Rule 1157). Rule 1157 establishes performance standards and specifies operational PM10 controls for aggregate and cement operations in order to minimize particulate emissions. This bill would require the south coast district board to update Rule 1157 to improve air quality and increase data collection. The bill would require the owner or operator of a covered facility, as defined, on or before January 1, 2027, to take specified actions, including maintaining fencing around the entire property fenceline that is a specified height and maintaining open storage piles no taller than 8 feet high, as provided, if the covered facility is within 500 feet of a sensitive receptor. The bill would define a sensitive receptor to mean a residence, school, park, or hospital, among other, similar facilities. The bill would require, on and after July 1, 2027, (1) the owner or operator of a covered facility with a demonstrated history of PM10 emissions at or above the threshold limit set by the south coast district and whose property line is within 500 feet of a sensitive receptor to fully enclose the existing open storage piles and (2) the south coast district to inspect the covered facility monthly until PM10 emissions remain below threshold limits for 3 consecutive months. By imposing additional duties on a local entity, the bill would impose a state-mandated local program.

SB 545 (Cortese, D) High-speed rail: economic opportunities.

Introduced: 02/20/2025

Last Amended: 06/27/2025

Status: 08/28/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/20/2025)(May be acted upon Jan 2026)

Location: 08/28/2025 - Assembly 2 YEAR

Summary: Would require the Governor's Office of Business and Economic Development, on or before January 1, 2027, to commission a study on economic opportunities along the corridor of the California high-speed rail project, as defined, and other high-speed rail projects in California that are planned to directly connect to the California high-speed rail project, as provided, and to submit a progress report to the chairpersons of the Senate Committee on Transportation and the Assembly Committee on Transportation for input. The bill would require, on or before January 1, 2028, the study to be completed and a report on the study's findings and recommendations to be submitted to the appropriate policy and fiscal committees of the Legislature. The bill would require an infrastructure district, as defined, that uses its revenue to finance the construction of the high-speed rail project to dedicate a majority of its revenue to infrastructure projects within the jurisdiction of the local agencies that establish the district.

SB 549 (Allen, D) Local government: Second Neighborhood Infill Finance and Transit Improvements Act: Resilient Rebuilding Authority for the Los Angeles Wildfires.

Introduced: 02/20/2025

Last Amended: 06/23/2025

Status: 09/12/2025 - Failed Deadline pursuant to Rule 61(a)(14). (Last location was L. GOV on 9/10/2025)(May be acted upon Jan 2026)

Location: 09/10/2025 - Assembly 2 YEAR

Summary: The Second Neighborhood Infill Finance and Transit Improvements Act, or NIFTI-2, authorizes a city, county, or city and county to adopt a resolution, at any time before or after the adoption of the infrastructure financing plan for an enhanced infrastructure financing district, to allocate tax revenues of that entity to the district, including revenues derived from local sales and use taxes imposed pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or transactions and use taxes imposed in accordance with the Transactions and Use Tax Law, if certain conditions are met, including that the boundaries of the enhanced infrastructure financing district are coterminous with the city or county that established the district. This bill would revise NIFTI-2 to instead authorize, for resolutions adopted under that act's provisions on or after January 1, 2026, a city, county, or city and county to adopt a resolution, at any time before or after the adoption of the infrastructure financing plan for an enhanced infrastructure financing district, to allocate property tax revenues, and to remove the authorization for adoption of a resolution that allocates revenues derived from local sales and use taxes imposed pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or transactions and use taxes. The bill would also repeal the condition that the boundaries of the enhanced infrastructure financing district are coterminous with the city or county that established the district.

SB 563 (Valladares, R) State parks: Off-highway Motor Vehicle Recreation: grants: eligible applicants.

Introduced: 02/20/2025

Last Amended: 03/26/2025

Status: 08/28/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 7/2/2025)(May be acted upon Jan 2026)

Location: 08/28/2025 - Assembly 2 YEAR

Summary: The Off-Highway Motor Vehicle Recreation Act of 2003 creates the Division of Off-Highway Motor Vehicle Recreation and requires the division to develop and implement a grant and cooperative agreement program for specified purposes, including to support the planning, acquisition, development, maintenance, administration, operation, enforcement, restoration, and conservation of trails, trailheads, areas, and other facilities associated with use of off-highway motor vehicles. Under current law, eligible grant and cooperative agreement applicants include, among others, cities, counties, districts, state agencies, agencies of the United States, and federally recognized and state-recognized Native American tribes, as specified. This bill would expand eligible grant and cooperative agreement applicants to include special districts that employ sworn personnel, as provided.

SB 569 (Blakespear, D) Department of Transportation: homeless encampments.

Introduced: 02/20/2025

Last Amended: 04/21/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was TRANS. on 6/16/2025)(May be acted upon Jan 2026)

Location: 07/17/2025 - Assembly 2 YEAR

Summary: Current law authorizes the Department of Transportation to establish maintenance programs related to highway cleanup, as specified. This bill would require the department to establish a dedicated liaison to, among other things, facilitate communication with local governments and relevant state agencies with regard to addressing homeless encampments within the state highway system and to oversee the development and implementation of delegated maintenance agreements between local agencies and the department in which both work together to reduce and remove homeless encampments within the department's jurisdiction. The bill would authorize the department to grant a single general entry permit for the duration of a delegated maintenance agreement to conduct activities authorized by the bill. The bill would require the department to submit an annual report to the Legislature summarizing specified information and recommendations regarding homeless encampments.

SB 667 (Archuleta, D) Railroads: safety: wayside detectors.

Introduced: 02/20/2025

Last Amended: 01/22/2026

Status: 01/27/2026 - Read third time. Passed. (Ayes 26. Noes 11.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Location: 01/27/2026 - Assembly DESK

Summary: The Federal Railroad Safety Act (FRSA) authorizes the United States Secretary of Transportation to prescribe regulations and issue orders for railroad safety and requires the United States Secretary of Homeland Security, when prescribing a security regulation or issuing a security order that affects the safety of railroad operations, to consult with the United States Secretary of Transportation. The FRSA provides for state participation in the enforcement of the safety regulations and orders issued by the United States Secretary of Transportation or the United States Secretary of Homeland Security, pursuant to an annual certification, and authorizes the respective secretaries to make an agreement with a state to provide investigative and surveillance activities. The FRSA provides that, to the extent practicable, laws, regulations, and orders related to railroad safety and security are required to be nationally uniform, but authorizes a state to adopt or continue in force a law, regulation, or order related to railroad safety or security until the United States Secretary of Transportation, with respect to railroad safety matters, or the United States Secretary of Homeland Security, with respect to railroad security matters, prescribes a regulation or issues an order covering the subject matter of the state requirement. A state is additionally authorized to adopt or continue in force an additional or more stringent law, regulation, or order related to railroad safety or security, when necessary to eliminate or reduce an essentially local safety or security hazard, that is not incompatible with a federal law, regulation, or order, and that does not unreasonably burden interstate commerce. This bill would require a railroad corporation to install and operate a network of wayside detector systems on or adjacent to any track used by a freight train, require that each wayside detector system include a hot wheel bearing detector, and prescribe the maximum spacing for individual detection devices along a continuous track.

SB 677 (Wiener, D) Housing development: transit-oriented development.

Introduced: 02/21/2025

Last Amended: 01/08/2026

Status: 01/26/2026 - Read third time. Passed. (Ayes 24. Noes 10.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Location: 01/26/2026 - Assembly DESK

Summary: Current law requires that a housing development project, as defined, within a specified distance of a transit-oriented development (TOD) stop, as defined, be an allowed use as a transit-oriented housing development on any site zoned for residential, mixed, or commercial development, if the development complies with certain applicable requirements, as provided. Among these requirements, current law establishes requirements concerning height limits, density, and residential floor area ratio in accordance with a development's proximity to specified tiers of TOD stops, as provided, and requires a development to meet specified labor standards that require that a specified affidavit be signed under penalty of perjury, under specified circumstances. Current law specifies that a development proposed pursuant to these provisions is eligible for streamlined, ministerial approval, as provided. Current law defines, among other terms, the term "high-frequency commuter rail" for purposes of these provisions to mean a commuter rail service operating a total of at least 48 trains per day across both directions, not including temporary service changes of less than one month or unplanned disruptions, and not meeting the standard for very high frequency commuter rail, at any point in the past three years. Current law also defines the term "Tier 2 transit-oriented development stop" for these purposes to mean a TOD stop within an urban transit county, as defined, excluding a Tier 1 transit-oriented development stop, as defined, served by light rail transit, by high-frequency commuter rail, or by bus service meeting specified standards. This bill would revise the definition of "high-frequency commuter rail" to instead mean a public commuter or intercity rail station with a total of at least 48 passenger trains on average per weekday across all directions, not including temporary service changes of less than one month or unplanned disruptions, and not meeting the standard for very high frequency commuter rail, at any point in the past three years.

SB 741 (Blakespear, D) Coastal resources: coastal development permit: exemption: Los Angeles-San Diego-San Luis Obispo Rail Corridor.

Introduced: 02/21/2025

Last Amended: 04/21/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was NAT. RES. on 6/5/2025)(May be acted upon Jan 2026)

Location: 07/17/2025 - Assembly 2 YEAR

Summary: The California Coastal Act of 1976, which is administered by the California Coastal Commission, requires any person wishing to perform or undertake any development in the coastal zone, as defined, to obtain a coastal development permit from a local government or the commission. Current law exempts from that coastal development permitting process certain emergency projects undertaken, carried out, or approved by a public agency to maintain, repair, or restore existing highways, as provided. This bill would expand that exemption to include certain emergency projects undertaken, carried out, or approved by a public agency to maintain, repair, or restore existing railroad track along the Los Angeles-San Diego-San Luis Obispo Rail Corridor, as provided.

SB 769 (Caballero, D) The Golden State Infrastructure Corporation Act.

Introduced: 02/21/2025

Last Amended: 07/02/2025

Status: 09/04/2025 - Ordered to inactive file on request of Assembly Member Aguiar-Curry.

Location: 09/04/2025 - Assembly INACTIVE FILE

Summary: The Bergeson-Peace Infrastructure and Economic Development Bank Act authorizes the California Infrastructure and Economic Development Bank, governed by a board of directors, to make loans, issue bonds, and provide other financial assistance for various types of infrastructure and economic development projects. Current law establishes the California Infrastructure and Economic Development Bank Fund, a continuously appropriated fund, to support the bank. This bill would enact the Golden State Infrastructure Corporation Act and would establish the Golden State Infrastructure Corporation, within the State Treasurer's Office, as a not-for-profit corporation for the purpose of administering the act and financing infrastructure projects. The bill would require the corporation to be governed by a board of directors, with a prescribed membership, and would require the business and affairs of the corporation to be managed by an executive director appointed by the Treasurer. This bill would prescribe the powers and duties of the corporation, including entering into financing transactions, borrowing money or issuing bonds, and setting and charging fees for obtaining financing from the corporation. Under the bill, the state would not in any way be liable for any obligation of the corporation, and the corporation would not be required to pay any taxes, except as provided.

SB 772 (Cabaldon, D) Infill Infrastructure Grant Program of 2019: applications: eligibility.

Introduced: 02/21/2025

Last Amended: 07/17/2025

Status: 08/28/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/20/2025)(May be acted upon Jan 2026)

Location: 08/28/2025 - Assembly 2 YEAR

Summary: Existing law establishes the Infill Infrastructure Grant Program of 2019 (program), which requires the Department of Housing and Community Development, upon appropriation of funds by the Legislature, to establish and administer a grant program to allocate those funds to eligible applicants to fund capital improvement projects that are an integral part of, or necessary to facilitate the development of, a qualifying infill project, qualifying infill area, or catalytic qualifying infill area. Existing law requires the department to administer a specified competitive application process for capital improvement projects for large jurisdictions, as defined. For these purposes, existing law defines a qualifying infill project to include a residential or mixed-use residential project located within an urbanized area on a vacant site where at least 75% of the perimeter of the site adjoins parcels that are developed with urban uses. This bill would expand the definition of qualifying infill project to include a residential or mixed-use residential project located within an urbanized area on a vacant site where at least 75% of the perimeter of the site adjoins parcels that have been previously developed with urban uses.

SB 897 (Choi, R) Vehicles: abandoned vehicles.

Introduced: 01/16/2026

Status: 03/26/2026 - Set for hearing April 14.

Calendar: 04/14/26 S-TRANSPORTATION 1:30 p.m. - 1021 O Street, Room 1200 CORTESE, DAVE, Chair

Location: 02/11/2026 - Senate Transportation

Summary: Current law authorizes a county satisfying specified conditions to establish a service authority for the abatement of abandoned vehicles and to impose a $1 vehicle registration fee for the abatement of abandoned vehicles. The fees imposed and the moneys received by the service authority from the Abandoned Vehicle Trust Fund, a continuously appropriated fund, can only be used for the abatement, removal, and disposal of abandoned, wrecked, dismantled, or inoperative vehicles from private or public property. The service authority is authorized to adopt an ordinance establishing procedures for the abatement, removal, and disposal, as a public nuisance, of an abandoned, wrecked, dismantled, or inoperative vehicle and for the recovery of costs. This bill, notwithstanding these provisions, would authorize the City of Laguna Woods to use the amount of abandoned vehicle abatement funds received from the fee imposed by the service authority that formerly operated in the County of Orange, and the interest accrued thereon, for purposes of enforcing provisions of this code on public highways.

SB 922 (Laird, D) Vehicles: local agency charges: use of streets or highways.

Introduced: 01/28/2026

Last Amended: 03/11/2026

Status: 03/19/2026 - Read second time. Ordered to third reading.

Location: 03/19/2026 - Senate THIRD READING

Summary: Existing law prohibits a local agency from imposing a tax, permit fee, or other charge for the privilege of using its streets or highways, other than a permit fee for an extralegal load unless the local agency had imposed the fee prior to June 1, 1989. This bill would expressly limit this prohibition to charges based on weight. The bill would also explicitly state that a fee, charge, or surcharge imposed by or for a local agency to recover the cost of street maintenance and repair and other costs associated with the use of its streets, roads, or highways to provide public services or public works is not a tax, permit fee, or other charge that is prohibited by the provision above.

SB 935 (Choi, R) Local agency design-build projects: authorization.

Introduced: 01/29/2026

Status: 03/27/2026 - Set for hearing April 13.

Calendar: 04/13/26 S-APPROPRIATIONS 10 a.m. - 1021 O Street, Room 2200 CERVANTES, SABRINA, Chair

Location: 03/18/2026 - Senate Appropriations

Summary: Current law authorizes a local agency, as defined, with approval of its governing body, to procure design-build contracts for public works projects in excess of $1,000,000, awarding the contract either to the lowest bid or the best value. Current law, among other requirements for the design-build procurement process, requires specified information submitted by a design-build entity to be certified under penalty of perjury. These provisions authorizing local agencies to use the design-build procurement process are repealed on January 1, 2031. This bill would repeal the above-described January 1, 2031, repeal date, thereby extending the operation of these provisions indefinitely.

SB 947 (McNerney, D) Employment: automated decision systems.

Introduced: 02/02/2026

Last Amended: 03/26/2026

Status: 03/26/2026 - Set for hearing April 8. From committee with author's amendments. Read second time and amended. Re-referred to Com. on L., P.E. & R.

Calendar: 04/08/26 S-LABOR, PUBLIC EMPLOYMENT AND RETIREMENT 9:30 a.m. - 1021 O Street, Room 2200 SMALLWOOD-CUEVAS, LOLA, Chair

Location: 02/18/2026 - Senate Labor, Public Employment and Retirement

Summary: Existing law requires the Department of Technology to conduct, in coordination with other interagency bodies as it deems appropriate, a comprehensive inventory of all high-risk automated decision systems (ADS) that have been proposed for use, development, or procurement by, or are being used, developed, or procured by, any state agency. Existing law establishes the Labor and Workforce Development Agency, which is composed of various departments responsible for protecting and promoting the rights and interests of workers in California, including the Division of Labor Standards Enforcement, led by the Labor Commissioner, within the Department of Industrial Relations. This bill would prohibit an employer, as defined, from using an ADS to perform certain functions and would limit the purposes for and way in which an ADS may be used. The bill would authorize a worker to request, and require an employer to provide, a copy of the most recent 12 months of the worker's own data primarily used by an ADS to make a disciplinary, termination, or deactivation decision, as specified. The bill would require an employer that uses an ADS to assist in making a disciplinary, termination, or deactivation decision to provide the affected worker with a written postuse notice, as specified. This bill would prohibit an employer from discharging, threatening to discharge, demoting, suspending, or in any manner discriminating or retaliating against any worker for taking certain actions asserting their rights under the bill.

SB 951 (Reyes, D) Employment: technological displacement: notice.

Introduced: 02/02/2026

Last Amended: 03/26/2026

Status: 03/26/2026 - Set for hearing April 8. From committee with author's amendments. Read second time and amended. Re-referred to Com. on L., P.E. & R.

Calendar: 04/08/26 S-LABOR, PUBLIC EMPLOYMENT AND RETIREMENT 9:30 a.m. - 1021 O Street, Room 2200 SMALLWOOD-CUEVAS, LOLA, Chair

Location: 02/18/2026 - Senate Labor, Public Employment and Retirement

Summary: Existing law establishes the Labor and Workforce Development Agency, which is composed of various departments responsible for protecting and promoting the rights and interests of workers in California, including the Division of Labor Standards Enforcement, led by the Labor Commissioner, within the Department of Industrial Relations. Existing law establishes the Employment Development Department (EDD), which is administered by the Director of Employment Development. Under existing law, the Director of Employment Development is vested with specified duties, purposes, responsibilities, and jurisdiction related to job creation activity functions, among other things. This bill would establish the California Worker Technological Displacement Act, which would require an employer, as defined, to provide at least a 90-day advanced written notice, as described, before any technological displacement affecting 25 or more workers or 25 percent of the workforce, whichever is less. The bill would require an employer to provide that notice to affected workers, the EDD, and specified state and local entities.

SB 956 (Choi, R) Vehicles: electric bicycles.

Introduced: 02/02/2026

Last Amended: 03/09/2026

Status: 03/26/2026 - Set for hearing April 14.

Calendar: 04/14/26 S-TRANSPORTATION 1:30 p.m. - 1021 O Street, Room 1200 CORTESE, DAVE, Chair

Location: 03/18/2026 - Senate Transportation

Summary: Under existing law, a person riding an electric bicycle is subject to the laws pertaining to the operation of a bicycle upon a highway. For these purposes, existing law defines an electric bicycle as a bicycle equipped with fully operable pedals and an electric motor of less than 750 watts, and classifies electric bicycles into 3 classes with different restrictions, as specified. Existing law states that these provisions do not prevent local authorities, by ordinance, from regulating the registration of bicycles and the parking and operation of bicycles on pedestrian or bicycle facilities, provided such regulation is not in conflict with the Vehicle Code. Existing law prohibits a motorized bicycle from operating on a bicycle path or trail, bikeway, bicycle lane, equestrian trail, or hiking or recreational trail, except as specified. Existing law prohibits a person under 16 years of age from operating a class 3 electric bicycle and prohibits a person or passenger from operating or riding upon a class 3 electric bicycle unless the person is wearing a properly fitted and fastened bicycle helmet that meets certain standards. This bill would exempt a person riding an electric bicycle from the laws pertaining to the operation of a bicycle if the exemption is from a local ordinance. The bill would authorize a city, county, or city and county to adopt and enforce local ordinances regulating the operation, registration, speed limits, and equipment requirements for electric bicycles consistent with general safety and public welfare, including imposing, among other things, speed limits, age requirements, and equipment standards, including, but not limited to, helmet and safety equipment requirements for electric bicycles.

SB 981 (Niello, R) Administrative regulations: standardized regulatory impact analysis: State Air Resources Board.

Introduced: 02/04/2026

Last Amended: 03/09/2026

Status: 03/18/2026 - March 18 set for first hearing. Failed passage in committee. (Ayes 3. Noes 1.) Reconsideration granted.

Location: 02/11/2026 - Senate Environmental Quality

Summary: The State Air Resources Board is responsible for the preparation of the state implementation plan required by the Clean Air Act, and requires the state board to adopt standards, rules, and regulations that are consistent with the state goal of providing a decent home and suitable living environment for every Californian. The Administrative Procedure Act sets forth the requirements for the adoption, publication, review, and implementation of regulations by state agencies. Existing law requires a state agency proposing to adopt, amend, or repeal a major regulation on or after November 1, 2013, to prepare a standardized regulatory impact analysis, as specified, that addresses, among other things, the competitive advantages or disadvantages for businesses currently doing business within the state and the benefits to health, safety, and welfare of the regulations. This bill would require a standardized regulatory impact analysis prepared by the State Air Resources Board to additionally address cost of living impacts on residents of the state, including, but not limited to, retail gasoline and transportation costs, consumer electric bills, consumer goods and food costs, housing and building construction costs, and costs to businesses.

SB 994 (Cabaldon, D) Local government: nondisclosure agreements.

Introduced: 02/05/2026

Status: 03/24/2026 - From committee: Do pass and re-refer to Com. on L. GOV. with recommendation: To consent calendar. (Ayes 12. Noes 0.) (March 24). Re-referred to Com. on L. GOV.

Location: 03/24/2026 - Senate Local Government

Summary: The legislative code of ethics prohibits Members of the Legislature from entering into, or requesting that another party enter into, a nondisclosure agreement relating to the drafting, negotiation, or discussion of proposed legislation. Current law also makes any nondisclosure agreement relating to the drafting, negotiation, or discussion of proposed legislation entered into after January 1, 2026, void and unenforceable. Current law provides an exception for nondisclosure agreements, or portions thereof, that prevent only the disclosure of trade secrets, financial information, or proprietary information, as specified. This bill would prohibit a local government official acting in their official capacity from entering into, or requesting that another individual enter into, a nondisclosure agreement relating to public business that precludes their ability to share information with fellow local government officials serving on the same council, board, commission, district, or agency. The bill would require a local government official in violation of that provision to, among other things, disclose the existence of the nondisclosure agreement, as specified, and would provide that these requirements imposed on a local government official also apply to a local government official acting in their official capacity who entered into, or requested that another individual enter into, a nondisclosure agreement described above before January 1, 2027. By imposing additional duties on local government officials, the bill would impose a state-mandated local program. The bill would also make any nondisclosure agreement relating to public business that precludes the ability of a local government official to share information with fellow local government officials serving on the same council, board, commission, district, or agency and that is entered into after January 1, 2027, void and unenforceable.

SB 1013 (Cervantes, D) Automated license plate recognition systems.

Introduced: 02/10/2026 (Spot bill)

Last Amended: 03/25/2026

Status: 03/25/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/10/2026 - Senate Rules

Summary: Existing law prohibits a public agency, which includes the state, a city, a county, a city and county, or any agency or political subdivision of the state, a city, a county, or a city and county, including, but not limited to, a law enforcement agency, from selling, sharing, or transferring automated license plate recognition (ALPR) information, except to another public agency, and only as otherwise permitted by law. Existing law defines ALPR information as information or data collected through the use of an ALPR system. This bill would provide that “public agency” does not include a transportation agency, a public transit operator, or a local department of transportation or public works department, as specified. The bill would, beginning January 1, 2027, require new, updated, expansions of, or addendums of contractual agreements with ALPR vendors, manufacturers, or suppliers to mandate that no default access is provided to any national ALPR database and that an agency’s collected scans are by default not accessible to any other agency, and would impose new requirements on sharing between California state law enforcement agencies. The bill would authorize a law enforcement agency to use ALPR information only for purposes of locating vehicles or persons when either are reasonably suspected of being involved in the commission of a public offense.

SB 1020 (Niello, R) State of emergency: Governor's powers and termination.

Introduced: 02/10/2026

Last Amended: 03/16/2026

Status: 03/20/2026 - March 24 hearing postponed by committee.

Location: 02/18/2026 - Senate Emergency Management

Summary: The California Emergency Services Act (CESA), among other things, authorizes the Governor to proclaim a state of emergency in an area affected by, or likely to be affected by, conditions of disaster or extreme peril to the safety of persons and property within the state if specified local officials request the proclamation or the Governor determines that local authority is inadequate to cope with the emergency. During a state of emergency, existing law confers on the Governor, to the extent the Governor deems necessary, complete authority over all agencies of the state government and the right to exercise within the area designated all police power vested in the state by the Constitution and laws of the state to effectuate the purposes of the CESA. Existing law requires the Governor, in the exercise of that authority, to promulgate, issue, and enforce orders and regulations as the Governor deems necessary. This bill would state the intent of the Legislature, in enacting the CESA, to provide flexibility for the administration to respond to emergencies, but not an alternative legislative, budget, or regulatory process. The bill would further state that, to the greatest extent possible, additional spending should be undertaken through the annual state budget process or other state legislation and changes to law or regulation should be undertaken through state legislation. This bill would require the Governor, in the exercise of the authority granted under the CESA, to first affirm that the Legislature's budget and policy processes cannot be followed without negatively impacting response or recovery activities and thereafter promulgate, issue, and enforce orders and regulations as the Governor deems necessary.

SB 1035 (Strickland, R) Motor vehicle fuel tax: greenhouse gas reduction programs: suspension.

Introduced: 02/11/2026

Status: 03/18/2026 - March 18 set for first hearing. Failed passage in committee. (Ayes 2. Noes 2.) Reconsideration granted.

Location: 02/18/2026 - Senate Environmental Quality

Summary: The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases. The act requires the state board to adopt rules and regulations to achieve the maximum technologically feasible and cost-effective greenhouse gas emissions reductions to ensure that the statewide greenhouse gas emissions are reduced to at least 40% below the statewide greenhouse gas emissions limit, as defined, no later than December 31, 2030. Pursuant to the act, the state board has adopted the Low Carbon Fuel Standard regulations. The act authorizes the state board to include in its regulation of those emissions the use of market-based compliance mechanisms. Current law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund. This bill would suspend the Low Carbon Fuel Standard regulations for one year. The bill would also exempt suppliers of transportation fuels from regulations for the use of market-based compliance mechanisms for one year.

SB 1042 (Seyarto, R) Vehicle registration modernization study.

Introduced: 02/11/2026

Status: 03/17/2026 - Set for hearing April 7.

Calendar: 04/07/26 S-TRANSPORTATION 1:30 p.m. - State Capitol, Room 112 CORTESE, DAVE, Chair

Location: 02/18/2026 - Senate Transportation

Summary: Would request the Milton Marks "Little Hoover" Commission on California State Government Organization and Economy to conduct a study on modernizing vehicle registration in the state, including, at a minimum, an analysis of the effect of eliminating physical registration stickers, authorizing the department to issue or renew a motor vehicle registration for 2 years, and authorizing installment payments for vehicle registration. The bill would request the commission to submit a report to the Legislature on the study no later than January 1, 2028.

SB 1046 (Blakespear, D) Occupational safety: transboundary pollution.

Introduced: 02/11/2026 (Spot bill)

Last Amended: 03/17/2026

Status: 03/26/2026 - Set for hearing April 8.

Calendar: 04/08/26 S-LABOR, PUBLIC EMPLOYMENT AND RETIREMENT 9:30 a.m. - 1021 O Street, Room 2200 SMALLWOOD-CUEVAS, LOLA, Chair

Location: 03/25/2026 - Senate Labor, Public Employment and Retirement

Summary: The California Occupational Safety and Health Act of 1973 exists for the purpose of assuring safe and healthful working conditions for all California workers by authorizing the enforcement of effective standards, assisting and encouraging employers to maintain safe and healthful working conditions, and providing for research, information, education, training, and enforcement in the field of occupational safety and health. Existing law establishes the Occupational Safety and Health Standards Board within the Department of Industrial Relations for the adoption of occupational safety and health standards and establishes the Division of Occupational Safety and Health in that department for the enforcement of those occupational safety and health standards, as prescribed. This bill would require the division, on or before January 1, 2030, to propose to the board for its review and adoption, a standard that protects the health and safety of employees who risk high or prolonged exposure to transboundary pollution, as defined, in outdoor occupational environments, as specified.

SB 1054 (Cabaldon, D) Unemployment insurance: reporting requirements.

Introduced: 02/12/2026

Last Amended: 03/26/2026

Status: 03/26/2026 - Read second time and amended. Re-referred to Com. on APPR.

Location: 03/25/2026 - Senate Appropriations

Summary: Existing law provides for unemployment compensation benefits for eligible individuals in the state who are unemployed through no fault of their own. Existing law requires an employer, as defined, to make contributions for unemployment insurance premiums and to file specified reports with the Director of Employment Development, including, among other reports, a report of contributions, a quarterly return, and a report of wages paid, as specified. This bill would require the Employment Development Department to work with employers to enhance the reporting of employment and earning data, as specified, and, where feasible, to align and streamline definitions and requirements for the quarterly report of wages, deploy user-friendly application programming interfaces, and implement other means to simplify reporting processes. The bill would require, beginning July 1, 2027, every employer with 10 or more employees and every individual or organization that, as an agent, reports wages on a total of 10 or more employees, as specified, to include in the report of wages, information on total monthly wage, industry, occupation, worker type, and hours worked for each employee, as provided. This bill would require the department, on or before July 1, 2027, to adopt and develop appropriate procedures for the sharing of hours worked and other necessary employment data to support employment-related verifications for initial eligibility for, and ongoing receipt of, public benefits, and to enable access to relevant wage data, as specified. The bill would require the department to work with the California Statewide Automated Welfare System (CalSAWS) to develop and implement the necessary system changes to implement the data sharing process to verify hours worked for those public benefits.

SB 1065 (Wiener, D) Public works: apprenticeship.

Introduced: 02/12/2026

Last Amended: 03/25/2026

Status: 03/25/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/12/2026 - Senate Rules

Summary: Existing law requires contractors on public works projects to comply with various requirements for employing apprentices. Among other things, existing law requires contractors to pay the prevailing rate of per diem wages for apprentices in the trade to which the apprentice is registered and to employ apprentices only at the work of the craft or trade to which the apprentice is registered, as specified. This bill would authorize every apprentice to perform any of the tasks or duties of a journeyperson of the same craft or trade in accordance with the scope of work for the craft or trade established by the Director of Industrial Relations.

SB 1087 (Cabaldon, D) Transportation planning: sustainable communities strategies: transportation funding programs.

Introduced: 02/13/2026

Last Amended: 03/25/2026

Status: 03/25/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on E.Q.

Calendar: 04/08/26 S-ENVIRONMENTAL QUALITY 9 a.m. - State Capitol, Room 112 BLAKESPEAR, CATHERINE, Chair

Location: 02/26/2026 - Senate Environmental Quality

Summary: Existing law requires certain transportation planning agencies to prepare and adopt every 4 years, except as provided, regional transportation plans directed at achieving a coordinated and balanced regional transportation system. Existing law requires a regional transportation plan to include a policy element, a sustainable communities strategy prepared by a metropolitan planning organization, an action element, and a financial element, as provided. Existing law requires those transportation planning agencies to adopt and submit every 4 years, except as provided, an updated regional transportation plan to the California Transportation Commission and the Department of Transportation. Existing law requires a sustainable communities strategy to achieve regional targets set by the State Air Resources Board for the reduction of greenhouse gas emissions from the automobile and light truck sector in the region for 2020 and 2035, respectively, and requires the state board to update those targets every 8 years, consistent with each metropolitan planning organization's timeframe for updating its regional transportation plan, as specified. Existing law establishes certain procedural requirements for setting and updating those targets and authorizes the state board to revise the targets every 4 years based on changes in specified factors. This bill would instead require, commencing with the first or 2nd regional transportation plan prepared on or after January 1, 2027, as determined by the applicable metropolitan planning organization, the regional transportation plan to include an 8-year sustainable communities strategy prepared by the metropolitan planning organization.

SB 1123 (Wiener, D) Administrative Procedure Act: major regulations.

Introduced: 02/17/2026

Status: 02/26/2026 - Referred to Com. on G.O.

Location: 02/26/2026 - Senate Governmental Organization

Summary: The Administrative Procedure Act requires a state agency proposing to adopt, amend, or repeal an administrative regulation to assess the potential for adverse economic impact on California business enterprises and individuals and avoid the imposition of unnecessary or unreasonable regulations or reporting, recordkeeping, or compliance requirements. The act requires a state agency proposing to adopt, amend, or repeal a major regulation to satisfy additional requirements, including by requiring the state agency to prepare a standardized regulatory impact analysis in the manner prescribed by the Department of Finance, as specified, and requires the analysis to address certain items, including the creation or elimination of jobs within the state and the competitive advantages or disadvantages for businesses currently doing business within the state. This bill would require an agency, in estimating the economic impact of adopting, amending, or repealing a regulation, to identify and calculate any offsetting benefits, impacts, or savings that might result directly or indirectly from that adoption, amendment, or repeal and factor those benefits, impacts, or savings into its economic impact estimate.

SB 1136 (Blakespear, D) Intercity rail and commuter rail: special events service plans.

Introduced: 02/17/2026

Status: 03/26/2026 - Set for hearing April 14.

Calendar: 04/14/26 S-TRANSPORTATION 1:30 p.m. - 1021 O Street, Room 1200 CORTESE, DAVE, Chair

Location: 02/26/2026 - Senate Transportation

Summary: Current law requires revenues attributable to a certain portion of the sales tax on diesel fuel to be continuously appropriated to the Transportation Agency under a program commonly known as the State Rail Assistance Program for allocation to public agencies responsible for state-supported intercity rail services, and public agencies responsible for commuter rail services, to be used for operations and capital improvements. This bill would require, as a condition of receiving funding under the program, a public agency responsible for commuter rail services that has a transfer connection station between 2 or more commuter rail services to adopt a special events service plan for each event that meets specified requirements. The bill would require the special events service plan to include schedules to access the event without requiring a transfer, ticket interoperability, and all other technical, equipment, and infrastructure requirements.

SB 1149 (Durazo, D) Employees: bereavement leave.

Introduced: 02/18/2026

Last Amended: 03/26/2026

Status: 03/26/2026 - Read second time and amended. Re-referred to Com. on APPR.

Location: 03/25/2026 - Senate Appropriations

Summary: Existing law makes it an unlawful employment practice for an employer to refuse to grant a request by any employee to take up to 5 days of bereavement leave upon the death of a family member, as defined, to refuse to hire, or to discharge, demote, fine, suspend, expel, or discriminate against, an individual because of the individual's exercise of the right to bereavement leave or because of the individual's giving information or testimony as to their own or another person's bereavement leave, or to interfere with, restrain, or deny the exercise of, or the attempt to exercise, any of these rights, as specified. This bill would include a designated person identified by the employee, as specified, in the definition of "family member" and authorize an employer to limit an employee to one designated person per 12-month period for purposes of these provisions relating to bereavement leave.

SB 1159 (Cabaldon, D) Artificial intelligence: transparency and governance.

Introduced: 02/18/2026

Last Amended: 03/25/2026

Status: 03/27/2026 - Set for hearing April 6.

Calendar: 04/06/26 S-PRIVACY, DIGITAL TECHNOLOGIES, AND CONSUMER PROTECTION 3 p.m. or upon adjournment of Session - 1021 O Street, Room 1200 CABALDON, CHRISTOPHER, Chair

Location: 03/24/2026 - Senate Privacy, Digital Technologies, and Consumer Protection

Summary: The California Constitution provides that people have the right of access to information concerning the conduct of the people's business. Various provisions of existing law, including the California Public Records Act, the Bagley-Keene Open Meeting Act, and the Ralph M. Brown Act, provide, with some exceptions, for public access to government records and meetings of government bodies. Among those acts, the California Public Records Act defines "person" to include any natural person, corporation, partnership, limited liability company, firm, or association. This bill would specify that, for purposes of the California Public Records Act, the Bagley-Keene Open Meeting Act, the Ralph M. Brown Act, the Political Reform Act of 1974, the Administrative Procedure Act, and the California Environmental Quality Act (CEQA), "person," "interested person," "participant," "member of the public," as applicable, and any other similar terms under each act referring to those who may engage with governmental agencies, do not include artificial intelligence, as defined, systems, autonomous agents, robots, or other nonhuman entities, whether physical or digital. The bill would make findings and declarations related to these provisions.

SB 1167 (Blakespear, D) Vehicles: electric bicycles.

Introduced: 02/18/2026

Last Amended: 03/26/2026

Status: 03/26/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on TRANS.

Calendar: 04/07/26 S-TRANSPORTATION 1:30 p.m. - State Capitol, Room 112 CORTESE, DAVE, Chair

Location: 02/26/2026 - Senate Transportation

Summary: Existing law defines an electric bicycle as a bicycle equipped with fully operable pedals and an electric motor that does not exceed 750 watts of power. Existing law classifies electric bicycles into 3 classes with different restrictions for various purposes, and requires, among other things, a class 3 electric bicycle to be equipped with a speedometer. Existing law prohibits certain vehicles that do not meet the definition of an electric bicycle from being advertised, sold, offered for sale, or labeled as an electric bicycle, as specified. This bill would amend the type of vehicles that are prohibited from being advertised, sold, offered for sale, or labeled as electric bicycles, including, among others, motor-driven cycles and mopeds. The bill would additionally make a violation of this provision a misleading statement for purposes of unfair competition and false advertising provisions of the Business and Professions Code.

SB 1172 (Hurtado, D) Bradley-Burns Uniform Local Sales and Use Tax Law: location of transaction: genuine human interaction.

Introduced: 02/18/2026

Last Amended: 03/23/2026

Status: 03/23/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/18/2026 - Senate Rules

Summary: Existing law prohibits a local agency from entering into any form of agreement that would result, directly or indirectly, in the payment, transfer, diversion, or rebate of any tax revenue resulting from the imposition of a sales and use tax under the Bradley-Burns Uniform Local Sales and Use Tax Law to any person for any purpose when the agreement results in a reduction in the amount of revenue under the Bradley-Burns Uniform Local Sales and Use Tax Law that, in the absence of the agreement, would be received by another local agency and the retailer continues to maintain a physical presence within the territorial jurisdiction of that other local agency. Existing law also requires a local agency entering into an agreement that results in a reduction of the amount of revenue under the Bradley-Burns Uniform Local Sales and Use Tax Law that, in the absence of the agreement, would be received by another local agency to take certain actions with respect to that agreement, including posting the proposed agreement on its internet website for at least 30 days prior to ratification or approval of that agreement by its governing body. This bill would prohibit a person from paying compensation to a consultant with respect to a specific tax sharing agreement, as defined, that exceeds the lower of 5% of the total tax revenues shared pursuant to the tax sharing agreement and $250,000. The bill would define a tax sharing agreement for this purpose to mean any agreement under which a local agency, as defined, agrees to rebate, refund, or otherwise share a portion of locally generated tax revenues with a private party. The bill would require a local agency to publish on its internet website and submit to the Controller certain information with respect to any tax sharing agreement.

SB 1174 (Valladares, R) Public contracts: Department of Transportation: bid preferences: employee stock ownership plans.

Introduced: 02/18/2026

Status: 03/17/2026 - Set for hearing April 7.

Calendar: 04/07/26 S-TRANSPORTATION 1:30 p.m. - State Capitol, Room 112 CORTESE, DAVE, Chair

Location: 02/26/2026 - Senate Transportation

Summary: Current law authorizes the Department of Transportation to enter into any contracts required for the performance of its duties, as provided. Existing law establishes bid preferences in public contracting for certain types of bidders, including, but not limited to, small business and microbusiness bidders. This bill would, on and after January 1, 2028, require the department to provide certain bid preferences to a contractor with an employee stock ownership plan (ESOP) that bids on a state-funded construction contract, as specified. The bill would make it unlawful for a person or contractor to engage in specified behaviors related to the fraudulent obtaining or retaining of an ESOP bid preference and would subject a person or contractor engaged in those behaviors to a suspension from bidding on or participating in any contract with the department for certain periods and specified civil penalties.

SB 1175 (Rubio, D) Lobbyist registration and termination.

Introduced: 02/18/2026

Last Amended: 03/24/2026

Status: 03/24/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on E. & C.A.

Calendar: 04/07/26 S-ELECTIONS AND CONSTITUTIONAL AMENDMENTS 9:30 a.m. - 1021 O Street, Room 2100 WIENER, SCOTT, Chair

Location: 02/26/2026 - Senate Elections and Constitutional Amendments

Summary: The Political Reform Act of 1974 requires individual lobbyists to prepare certifications, as specified, for filing with the Secretary of State. If any change occurs in the information contained in a lobbyist certification, or if a lobbyist terminates all activity that required certification, existing law requires the lobbyist to submit an amended certification or notice of termination to the lobbyist's lobbying firm or lobbyist employer for filing with the Secretary of State within specified timelines. This bill would instead require the lobbyist to submit the amended certification or notice of termination directly to the Secretary of State.

SB 1177 (Cortese, D) High-Speed Rail Authority: project update report.

Introduced: 02/18/2026

Status: 03/17/2026 - Set for hearing April 7.

Calendar: 04/07/26 S-TRANSPORTATION 1:30 p.m. - State Capitol, Room 112 CORTESE, DAVE, Chair

Location: 02/26/2026 - Senate Transportation

Summary: The California High-Speed Rail Act creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Current law requires the authority to biennially provide a project update report to the Legislature on the development and implementation of intercity high-speed train service. Current law requires the project update report to include, among other things, the baseline budget for all project phase costs, by segment or contract, and a comparison of the current and projected work schedule and the baseline schedule contained in the California High-Speed Rail Program Revised 2012 Business Plan. This bill would additionally require the project update report to include (1) an explanation of the assumptions used for financing methods calculations, (2) a comparison of the current and projected work schedule to projected schedules in previous project update reports, (3) an analysis of potential ancillary revenue sources, and (4) a comparison and benchmarking of cost, scope, and timeline to international high-speed rail projects.

SB 1187 (Durazo, D) Open meetings: majority.

Introduced: 02/19/2026

Status: 03/04/2026 - Referred to Com. on L. GOV.

Location: 03/04/2026 - Senate Local Government

Summary: Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. Existing law defines “meetings” for these purposes to mean any congregation of a majority of the members of a legislative body at the same time and location, as specified, to hear, discuss, deliberate, or take action on any item that is within the subject matter jurisdiction of the legislative body. This bill would define “majority” for purposes of the act to mean the number of members of the legislative body equaling more than half of the total number of seats on the legislative body. The bill would specify that if a seat on the legislative body is vacant, that seat is to still be counted as a seat on the legislative body. This bill contains other related provisions and other existing laws.

SB 1205 (Valladares, R) Public contracts: retention: architecture or engineering services.

Introduced: 02/19/2026

Last Amended: 03/24/2026

Status: 03/24/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/19/2026 - Senate Rules

Summary: Existing law imposes various requirements regarding the formation, content, and enforcement of public works contracts. Existing law generally requires that retention proceeds withheld from payment by a public entity be released within 60 days after the date of completion of the work of improvement, except as specified in case of a dispute. Existing law limits the allowable amount of retention proceeds withheld in a contract between a public entity and the original contractor, a contract between the original contractor and a subcontractor, and a contract between subcontractors, as specified. Existing law defines “public entity” differently for these various purposes. This bill would prohibit any retention of payment for all contracts, and amendments thereto, entered into on or after January 1, 2027, directly between a public entity and an individual or legal entity permitted by law to practice the profession of architecture or engineering.

SB 1213 (Reyes, D) Zero- and near-zero-emission medium- and heavy-duty vehicles: incentives: transparency.

Introduced: 02/19/2026

Last Amended: 03/25/2026

Status: 03/25/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/19/2026 - Senate Rules

Summary: Existing law establishes the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program, to be administered by the State Air Resources Board in conjunction with the State Energy Resources Conservation and Development Commission (Energy Commission). The program funds eligible projects, including, among others, projects for technology development, demonstration, precommercial pilots, and early commercial deployments of zero- and near-zero-emission medium- and heavy-duty truck technology, including projects that help to facilitate clean goods movement corridors. Existing law establishes the Clean Transportation Program, administered by the Energy Commission, to provide, among other things, competitive grants and revolving loans to specified entities for those entities to develop and deploy innovative technologies that transform California’s fuel and vehicle types to help attain the state’s climate change policies. This bill would require, within the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program, the state board and the Energy Commission, beginning January 1, 2027, to condition the inclusion of any medium- or heavy-duty vehicle model in specified incentive programs, including the Clean Transportation Program, on the receipt of the pricing data specified below. used vehicles.

SB 1225 (Niello, R) Initiative and referendum measures: title and summary.

Introduced: 02/19/2026

Status: 03/04/2026 - Referred to Com. on E. & C.A.

Location: 03/04/2026 - Senate Elections and Constitutional Amendments

Summary: Current law requires the Attorney General, upon receipt of the text of a proposed initiative or referendum measure, to prepare a circulating title and summary of the chief purposes and points of the proposed measure that includes an estimate of the financial impact of the proposed measure. Current law requires the Attorney General to prepare a ballot title and summary for each measure that the Secretary of State determines will appear on the ballot at a statewide election. This bill would instead require the Legislative Analyst to carry out these responsibilities. The bill would make the operation of this requirement contingent upon approval by the voters of SCA 3 of the 2025–26 Regular Session.

SB 1228 (Rubio, D) Advertising displays: exemptions: redevelopment agency projects.

Introduced: 02/19/2026

Last Amended: 03/25/2026

Status: 03/25/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/19/2026 - Senate Rules

Summary: The Outdoor Advertising Act prohibits, except as provided, placing or maintaining an advertising display on property adjacent to a portion of a freeway that has a specified coverage area of landscaping or trees at the same or elevated grade of the main-traveled way, as provided. The act does not prohibit a city, county, or city and county from designating the districts or zones in which an advertising display may be placed or prohibited as part of a land use or zoning ordinance. The act also does not prohibit a local governmental entity from entering into an agreement to relocate an advertising display for any purpose. This bill would exempt certain advertising displays developed within the boundary limits of, and as part of, an individual redevelopment agency project from the prohibition on placing or maintaining an advertising display on property adjacent to a portion of a freeway that has landscaping or trees, a city, county, or city and county's land use or zoning ordinance, and a local governmental entity's relocation agreement, as those are described above.

SB 1241 (Smallwood-Cuevas, D) Skilled and trained workforce requirements.

Introduced: 02/19/2026

Last Amended: 03/26/2026

Status: 03/26/2026 - Read second time and amended. Re-referred to Com. on APPR.

Location: 03/25/2026 - Senate Appropriations

Summary: Existing law establishes requirements with respect to public contracts that apply when a public entity is required by statute or regulation to obtain an enforceable commitment that a bidder, contractor, or other entity will use a skilled and trained workforce to complete a contract or project, as specified. Existing law requires a public entity subject to skilled and trained workforce requirements to include a specified notice in all bid documents. Existing law specifies that a failure of a public entity to include the required notice that a project is subject to the skilled and trained workforce requirement does not excuse a public entity from those requirements. This bill would expand the circumstances under which those requirements apply to specified instruments and laws, including development agreements and resolutions, as provided. The bill would make various technical and conforming changes.

SB 1248 (Cabaldon, D) State agencies: automated decision systems.

Introduced: 02/19/2026

Status: 03/24/2026 - From committee: Do pass and re-refer to Com. on P., D.T., & C.P. (Ayes 13. Noes 0.) (March 24). Re-referred to Com. on P., D.T., & C.P.

Location: 03/24/2026 - Senate Privacy, Digital Technologies, and Consumer Protection

Summary: This bill would impose certain restrictions on the use of an automated decision system by a state agency to confer services, defined as, among other things, the issuance of professional licenses and provision of public benefits. Among the restrictions, the bill would include a prohibition on using an output from the system as the sole basis for an adverse service determination affecting a natural person, except as specified. The bill would require the state agency to verify the accuracy of the system's outputs and to promote nondiscrimination in its use, as specified. The bill would require the director or designee of a state agency to provide for quality control review of the outputs, as specified, to assure acceptable accuracy. This bill contains other related provisions and other existing laws.

SB 1250 (Cortese, D) State highway system: wildlife connectivity.

Introduced: 02/19/2026

Last Amended: 03/26/2026

Status: 03/26/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on TRANS.

Calendar: 04/07/26 S-TRANSPORTATION 1:30 p.m. - State Capitol, Room 112 CORTESE, DAVE, Chair

Location: 03/04/2026 - Senate Transportation

Summary: Existing law requires Department of Transportation (Caltrans), in consultation with the California Transportation Commission, to prepare a robust asset management plan to guide selection of projects for the state highway operation and protection program. Existing law requires the commission, in connection with the plan, to adopt targets and performance measures reflecting state transportation goals and objectives. This bill would require the targets and performance measures adopted by the commission to include targets and performance measures reflecting state transportation goals and objectives for wildlife connectivity assets that reflect the need for new assets and conditions of existing assets that improve or maintain the connectivity of wildlife crossings. The bill would require Caltrans to include wildlife connectivity assets in the asset management plan.

SB 1256 (Jones, R) Subdivision Map Act: action or proceeding.

Introduced: 02/19/2026

Last Amended: 03/25/2026

Status: 03/26/2026 - April 8 hearing postponed by committee. Withdrawn from committee. Re-referred to Com. on RLS.

Location: 03/26/2026 - Senate Rules

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA requires that an action or proceeding to attack, review, set aside, void, or annul specified acts or decisions of a public agency on the grounds of noncompliance with CEQA be commenced in accordance with specified timeframes. The Subdivision Map Act vests the authority to regulate and control the design and improvement of subdivisions in the legislative body of a local agency and sets forth procedures governing the local agency's processing, approval, conditional approval or disapproval, and filing of tentative, final, and parcel maps, and the modification thereof. The act requires an action or proceeding against a decision of a local agency taken pursuant to that act to be commenced within a certain time period, as specified. This bill would prohibit an action or proceeding to enforce the Subdivision Map Act from being maintained, if certain criteria exist, including that the action or proceeding to enforce the Subdivision Map Act includes substantially similar claims to claims raised in an action or proceeding to enforce CEQA and the defendant in the action or proceeding to enforce the Subdivision Map Act was the defendant in the action or proceeding to enforce CEQA.

SB 1266 (Stern, D) Crimes: theft.

Introduced: 02/19/2026

Last Amended: 03/25/2026

Status: 03/26/2026 - April 8 hearing postponed by committee. Withdrawn from committee. Re-referred to Com. on RLS.

Location: 03/26/2026 - Senate Rules

Summary: Under existing law, it is grand theft to steal, take, or carry away copper materials of another valued at more than $950. This bill would require, for the purposes of this provision, value to be calculated as the full cost to the victim to repair and replace the stolen materials, including labor and equipment, rather than the fair market scrap value. The bill would also authorize the value of thefts committed against critical infrastructure within a 90-day period to be aggregated to meet the $950 threshold.

SB 1275 (McNerney, D) Sales and use tax exemption: vehicle license fee imposition: motor vehicles.

Introduced: 02/20/2026

Status: 03/25/2026 - Set for hearing April 8.

Calendar: 04/08/26 S-REVENUE AND TAXATION 9:30 a.m. - 1021 O Street, Room 1200 MCNERNEY, JERRY, Chair

Location: 03/04/2026 - Senate Revenue and Taxation

Summary: (1)Existing state sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. The Sales and Use Tax Law provides various exemptions from those taxes. This bill would, on and after January 1, 2027, and before January 1, 2032, exempt from those taxes the gross receipts from the sale of, and the storage, use, or other consumption of a new motor vehicle.

SB 1282 (Becker, D) Transportation electrification: grid-integrated vehicle technologies: standards.

Introduced: 02/20/2026

Status: 03/04/2026 - Referred to Com. on E., U & C.

Location: 03/04/2026 - Senate Energy, Utilities and Communications

Summary: Existing law authorizes the State Energy Resources Conservation and Development Commission (Energy Commission), in consultation with the State Air Resources Board and the Public Utilities Commission (PUC), to require any weight class of battery electric vehicle to be bidirectional capable, as defined, if it determines there is a sufficiently compelling beneficial bidirectional-capable use case to the battery electric vehicle operator and electrical grid, as specified. Existing law defines various terms related to bidirectional-capable use. This bill would expand various definitions related to bidirectional-capable use to include in their meanings vehicle types beyond battery electric, among other changes. This bill contains other related provisions and other existing laws.

SB 1287 (Hurtado, D) Personal Income Tax Law: Corporation Tax Law: credits: shortline railroad expenditures and railroad infrastructure.

Introduced: 02/20/2026

Status: 03/25/2026 - Set for hearing April 8.

Calendar: 04/08/26 S-REVENUE AND TAXATION 9:30 a.m. - 1021 O Street, Room 1200 MCNERNEY, JERRY, Chair

Location: 03/04/2026 - Senate Revenue and Taxation

Summary: The Personal Income Tax Law and the Corporation Tax Law allow various credits against the taxes imposed by those laws. This bill, the Shortline Railroad Modernization Act of 2026, would allow credits against those taxes for each taxable year beginning on or after January 1, 2026, to a qualified taxpayer in an amount equal to 50% of the qualified shortline railroad expenditures and 50% of the qualified new rail infrastructure expenditures, as defined and specified.

SB 1292 (Richardson, D) Enhanced curb management system.

Introduced: 02/20/2026

Status: 03/26/2026 - Set for hearing April 14.

Calendar: 04/14/26 S-TRANSPORTATION 1:30 p.m. - 1021 O Street, Room 1200 CORTESE, DAVE, Chair

Location: 03/04/2026 - Senate Transportation

Summary: Current law authorizes, until January 1, 2030, a local agency, as defined, to install automated forward facing parking control devices on city-owned or district-owned parking enforcement vehicles for the purpose of taking photographs of parking violations occurring in bicycle lanes. Existing law requires a designated employee of a city, county, city and county, or a contracted law enforcement agency for a special transit district, who is qualified by the city and county or the district to issue parking citations, to review photographs for the purpose of determining whether a parking violation occurred in a bicycle lane and to issue a notice of violation to the registered owner of a vehicle within 15 calendar days, as specified. Existing law requires these photographic records to be confidential and makes these records available only to public agencies to enforce parking violations. Existing law requires any local agency that implements this pilot program to report to specified committees of the Legislature on the system's effectiveness and impact on traffic outcomes, among other things, by December 31, 2028. This bill would authorize a local agency, as defined, to establish an enhanced curb management system (system) that records images of vehicles for the purpose of enforcing parking violations or automating parking payments if certain requirements are met. The bill would require the governing body of the local agency to adopt a public ordinance or resolution that would authorize the use of a system in specified locations, including, among others, passenger loading zones and commercial loading zones. The bill would require a local agency that automates parking payments by charging vehicles a fee for access to outline the fee, and any adjusted rates, in an ordinance or resolution. This bill contains other related provisions and other existing laws.

SB 1293 (Alvarado-Gil, R) State highways: projects: notice.

Introduced: 02/20/2026

Status: 03/26/2026 - Set for hearing April 14.

Calendar: 04/14/26 S-TRANSPORTATION 1:30 p.m. - 1021 O Street, Room 1200 CORTESE, DAVE, Chair

Location: 03/04/2026 - Senate Transportation

Summary: Existing law establishes the Department of Transportation and requires it to improve and maintain the state highways, as provided. This bill would require the department to provide written notice of certain construction or maintenance projects within the right-of-way of a state highway in a county with a population of 250,000 people of fewer to a person who resides in, or a business that is located within, 10 miles of the project limits, as specified.

SB 1319 (Durazo, D) California Public Records Act: public investment funds.

Introduced: 02/20/2026

Last Amended: 03/25/2026

Status: 03/25/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/20/2026 - Senate Rules

Summary: The California Public Records Act (act) requires state and local agencies to make their records available for public inspection, unless an exemption from disclosure applies. The act exempts from disclosure certain records regarding alternative investments, as defined, in which public investment funds, as defined, invest. The act, however, requires certain information contained in those records to be disclosed, including, among other things, the name, address, and vintage year of each alternative investment vehicle. This bill would additionally require the disclosure of certain additional information, including, among other things, a comparison of the results from the alternative investment vehicle against the performance the public investment fund would have experienced from investing the same amount in a public market index of corresponding assets traded in the public securities markets, after controlling for risk, liquidity, and expense.

SB 1324 (Blakespear, D) Passenger and freight rail: LOSSAN Rail Corridor: working group report.

Introduced: 02/20/2026

Last Amended: 03/23/2026

Status: 03/23/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/20/2026 - Senate Rules

Summary: Existing law authorizes the department, subject to approval of the Secretary of Transportation, to enter into an interagency transfer agreement under which a joint powers board assumes responsibility for administering state-funded intercity rail service in certain rail corridors, including the LOSSAN Rail Corridor. Existing law defines the LOSSAN Rail Corridor as the intercity passenger rail corridor between San Diego, Los Angeles, and San Luis Obispo. Pursuant to this authority, the department entered into an interagency transfer agreement with the LOSSAN Rail Corridor Agency to administer intercity passenger rail service in the LOSSAN Rail Corridor. Existing law requires the Secretary of Transportation to convene a working group composed of representatives of certain types of entities, including, among others, representatives from county transportation commissions and metropolitan planning organizations from specified counties. Existing law requires the working group to submit consensus recommendations and feedback in a report to the Legislature on or before February 1, 2026, on various topics relating to rail service in the LOSSAN Rail Corridor. This bill would instead require the working group to submit this report to the Legislature on or before February 1, 2027.

SB 1326 (Wahab, D) California Environmental Quality Act: tribal cultural resources: mitigation measures.

Introduced: 02/20/2026

Status: 03/16/2026 - Set for hearing April 22.

Calendar: 04/22/26 S-ENVIRONMENTAL QUALITY 9 a.m. - State Capitol, Room 112 BLAKESPEAR, CATHERINE, Chair

Location: 03/04/2026 - Senate Environmental Quality

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would modify the definition of tribal cultural resource to, among other things, include a site, feature, place, cultural landscape, sacred place, or object with cultural value to a California Native American tribe that is identified by the Native American Heritage Commission as a sacred place, as provided, or included in a local tribal register.

SB 1337 (Richardson, D) Transportation fuels: interagency working group.

Introduced: 02/20/2026

Status: 03/25/2026 - Set for hearing April 7.

Calendar: 04/07/26 S-ENERGY, UTILITIES AND COMMUNICATIONS 9 a.m. - 1021 O Street, Room 1200 ALLEN, BENJAMIN, Chair

Location: 03/04/2026 - Senate Energy, Utilities and Communications

Summary: Existing law establishes the Division of Petroleum Market Oversight to, among other things, provide independent oversight and analysis of the transportation fuels market for the protection of consumers by identifying market design flaws, market power abuses, and any other manner by which market participants act to harm competition or act contrary to the best interests of the consumers in the state. Existing law requires the director of the division, when requested, to appear before the appropriate policy committees of the Legislature to provide an update on the division’s performance as compared to its objectives, the status of competition in the transportation fuels markets, and other information the committees request. This bill would establish an interagency workgroup led by the State Energy Resources Conservation and Development Commission and consisting of the State Lands Commission, relevant air districts, local governments, airports, and ports to do specified things, including, among other things, strengthen coordination and establish clear lines of communication to prioritize critical energy policies and regulations, as specified, and to propose opportunities for partnership between the Governor’s office, state agencies, boards, commissions, offices, and other entities, as necessary, and the Legislature in order to advance solutions to strategically align regulations and permitting processes across all levels of government that could best support achievement of state policy goals.

SB 1361 (Durazo, D) Transit-oriented housing developments: exceptions: housing development policy.

Introduced: 02/20/2026

Last Amended: 03/25/2026

Status: 03/25/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/20/2026 - Senate Rules

Summary: Existing law requires a housing development project to be an allowed use as a transit-oriented housing development if certain requirements are met. Existing law provides that these provisions do not apply to a local agency until July 1, 2026, unless the local agency takes specified actions. Existing law defines various terms for these purposes. This bill would additionally exempt from the above-described provisions certain local agencies or local governments if the entity has adopted a policy by January 1, 2026, to complete at least 10,000 housing units, at least 50% of which will be income restricted, by January 1, 2032, except as specified.

SB 1375 (Cortese, D) California Environmental Quality Act: exemptions: City of San Jose: Diridon Station.

Introduced: 02/20/2026

Last Amended: 03/25/2026

Status: 03/25/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/20/2026 - Senate Rules

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. Existing law exempts from CEQA a public project for the improvement, institution, or increase of passenger rail service, including the maintenance, construction, or rehabilitation of stations, terminals, or existing operations facilities that will be exclusively used by zero-emission trains or specified rolling stock or locomotives, as provided. This bill would exempt from CEQA a public program for the modernization of Diridon Station in the City of San Jose, including, but not limited to, the track, platform, station, public plaza or realm, roadway crossing and access improvements, and intermodal facilities and connections. Because a lead agency would be required to determine the applicability of this exemption, the bill would impose a state-mandated local program. This bill would make legislative findings and declarations as to the necessity of a special statute for the Diridon Station Program in the County of Santa Clara.

SB 1382 (Alvarado-Gil, R) Department of Transportation: mountain passes: openings.

Introduced: 02/20/2026

Status: 03/26/2026 - Set for hearing April 14.

Calendar: 04/14/26 S-TRANSPORTATION 1:30 p.m. - 1021 O Street, Room 1200 CORTESE, DAVE, Chair

Location: 03/04/2026 - Senate Transportation

Summary: Existing law vests the Department of Transportation with possession and control of all state highways. Existing law requires the department, on or before July 1, 1992, to adopt and implement a deicing policy for state highways, as specified. Existing law specifically requires the department to remove snow from a specified portion of Interstate Route 80, as specified. This bill would require the department to ensure that all mountain passes under its control are open for operation by May 1 of each year. If it is projected that it is not feasible for the department to meet that requirement, the bill would require the department to publish on its internet website a written notice of which mountain passes it will not be able to open, including the documented causes, by April 1 of each year.

SB 1388 (Durazo, D) Local agencies: improvement and maintenance of natural habitat.

Introduced: 02/20/2026

Status: 03/04/2026 - Referred to Com. on L. GOV.

Location: 03/04/2026 - Senate Local Government

Summary: Existing law authorizes a local agency to, as specified, establish a district to provide for the improvement or maintenance of natural habitat. Existing law authorizes the local agency to perform those functions or contract with the state, another local agency, or a special district to perform those functions, as specified. This bill would additionally authorize a local agency to contract with a joint powers authority to perform the above-described functions.

SB 1408 (Arreguín, D) Contra Costa Transportation Authority: transactions and use tax.

Introduced: 02/20/2026

Last Amended: 03/23/2026

Status: 03/23/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on TRANS.

Calendar: 04/07/26 S-TRANSPORTATION 1:30 p.m. - State Capitol, Room 112 CORTESE, DAVE, Chair

Location: 03/04/2026 - Senate Transportation

Summary: Existing law authorizes various local governmental entities, subject to certain limitations and approval requirements, to levy a transactions and use tax for general purposes, in accordance with the procedures and requirements set forth in the Transactions and Use Tax Law, including a requirement that the combined rate of all taxes that may be imposed in accordance with that law in the county not exceed 2%. This bill would authorize, until January 1, 2045, the Contra Costa Transportation Authority to impose a transactions and use tax for the support of countywide transportation programs at a rate of no more than 1% that would, in combination with other transactions and use taxes, exceed the above-described combined rate limit of 2%, if the ordinance proposing the tax is approved by the voters, subject to applicable voter approval requirements, as specified.

SB 1411 (Stern, D) Greenhouse Gas Reduction Fund: funding conditions: high-speed rail.

Introduced: 02/20/2026

Status: 03/17/2026 - Set for hearing April 7.

Calendar: 04/07/26 S-TRANSPORTATION 1:30 p.m. - State Capitol, Room 112 CORTESE, DAVE, Chair

Location: 03/04/2026 - Senate Transportation

Summary: Existing law creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state. Existing law requires moneys collected by the State Air Resources Board from the auction or sale of certain allowances as part of a market-based compliance mechanism to be deposited into the Greenhouse Gas Reduction Fund and continuously appropriates a portion of the moneys in the fund for various purposes, including a specified portion to the authority for certain purposes. Existing law prohibits the authority from entering into new funding commitments with those moneys for activities outside of the Merced to Bakersfield segment, until June 30, 2030, or when that segment is fully funded, whichever is sooner. Notwithstanding that prohibition, existing law authorizes the authority to enter into new funding commitments outside of the Merced to Bakersfield segment for additional activities, not to cumulatively exceed $500,000,000, that maximize the efficiency of delivering the project, as specified. This bill would authorize the authority to enter into new funding commitments with the above-described moneys outside of the Merced to Bakersfield segment in any amount for additional activities that maximize the efficiency of delivering the project, as specified. By expanding the purposes for which continuously appropriated moneys may be used, the bill would make an appropriation.

SB 1423 (Stern, D) Transportation funding: State Transportation Improvement Program: Active Transportation Program.

Introduced: 02/20/2026

Last Amended: 03/25/2026

Status: 03/26/2026 - Withdrawn from committee. Re-referred to Com. on RLS.

Location: 03/26/2026 - Senate Rules

Summary: Existing law generally provides for programming and allocation of available state and federal transportation funds for transportation capital improvement projects through the state transportation improvement program process administered by the California Transportation Commission. Existing law requires 25% of available funds to be programmed and expended on interregional improvement projects nominated by the Department of Transportation through the adoption of an interregional transportation improvement program, and 75% of available funds to be programmed and expended on regional improvement projects nominated by transportation planning agencies through the adoption of a regional transportation improvement program. This bill would require at least 50% of funds programmed in the interregional transportation improvement program, and 50% of funds programmed in a regional transportation improvement program, to be programmed for safe streets projects, as specified.

SB 1424 (Archuleta, D) Sales and use taxes: electric vehicle fueling.

Introduced: 02/20/2026

Last Amended: 03/24/2026

Status: 03/25/2026 - Withdrawn from committee. Re-referred to Com. on RLS.

Location: 03/25/2026 - Senate Rules

Summary: Existing state sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state of, or on the storage, use, or other consumption in this state of, tangible personal property purchased from a retailer for storage, use, or other consumption in this state. The Sales and Use Tax Law provides various exemptions from those taxes, including an exemption for the sale of, or the storage, use, or consumption of, certain tangible personal property purchased for use by a qualified person to be used primarily in specified manufacturing, processing, refining, fabricating, recycling, research and development, or electric power, as prescribed. This bill would additionally exempt, under the provision described above, from state sales and use tax laws qualified tangible personal property purchased for use by a qualified person to be used primarily in the fueling of an electric vehicle.

SB 1425 (Cortese, D) High-Speed Rail Authority: property: right-of-way.

Introduced: 02/20/2026

Last Amended: 03/25/2026

Status: 03/25/2026 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/20/2026 - Senate Rules

Summary: The California High-Speed Rail Act creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties, including the power to acquire rights-of-way through purchase or eminent domain, as specified. This bill would establish a permit program, administered by the authority, for encroachments on the authority's rights-of-way. The bill would make any person who installs or performs an encroachment within the authority's right-of-way, without a permit, guilty of a misdemeanor. The bill would also make any person who willfully damages any feature of the high-speed train system or any portion of the authority's right-of-way guilty of a misdemeanor. The bill would provide for civil penalties for specified categories of encroachment and, unless authorized by law or an encroachment permit, would make it unlawful to manage water flows in certain ways that impact the high-speed train system or the authority's right-of-way, as specified. The bill would require all moneys, including moneys from permit fees and civil penalties, collected pursuant to its provisions to be deposited into the High-Speed Rail Property Fund. The bill would, upon appropriation by the Legislature, make the penalty moneys available to the authority for use in the development, improvement, and maintenance of the high-speed rail system, and the other moneys available for administering these provisions.

SCR 84 (Blakespear, D) California Rail Month.

Introduced: 05/19/2025

Last Amended: 03/12/2026

Status: 03/16/2026 - Read second time. Ordered to third reading.

Location: 03/16/2026 - Senate THIRD READING

Summary: Would recognize May 2026 as California Rail Month.

SCR 108 (Archuleta, D) Deputy David Piquette Memorial Highway.

Introduced: 01/08/2026

Status: 03/17/2026 - Set for hearing April 7.

Calendar: 04/07/26 S-TRANSPORTATION 1:30 p.m. - State Capitol, Room 112 CORTESE, DAVE, Chair

Location: 01/21/2026 - Senate Transportation

Summary: Would designate a specified portion of State Route 91 in the County of Orange as the Deputy David Piquette Memorial Highway. The measure would request that the Department of Transportation determine the cost of appropriate signs showing this special designation and, upon receiving donations from nonstate sources sufficient to cover the cost, to erect those signs.

SCR 124 (Wiener, D) Transportation access: persons with epilepsy.

Introduced: 02/12/2026

Last Amended: 03/02/2026

Status: 03/25/2026 - Read second time. Ordered to consent calendar.

Location: 03/24/2026 - Senate CONSENT CALENDAR

Summary: Would encourage relevant stakeholders to evaluate existing transportation programs, develop policy options, and consider pilot initiatives that improve reliable, affordable, and accessible transportation for individuals with epilepsy. The measure would also encourage coordination with federal partners and welcome the participation of advocacy groups in informing and advancing complementary state-federal strategies.

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Federal Legislative Status Report

Legislative and Communications Committee Meeting of April 16, 2026

Present: Directors Chaffee, Foley, Jung, Tavoularis, and Tettemer
Absent: Directors Nguyen and Wagner

Committee Vote

No action was taken on this item.

Staff Recommendation(s)

Receive and file as an information item.

OCTA

April 16, 2026

To: Legislative Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Federal Legislative Status Report

Overview

The Orange County Transportation Authority regularly updates the Legislative Committee on policy and regulatory issues directly impacting the agency's programs, projects, and operations. This report provides a summary of President Trump's Fiscal Year 2027 Budget Request and its implications for federal transportation funding and policy. It also includes an overview of a congressional letter supporting restoration of local Surface Transportation Block Grant and Congestion Mitigation and Air Quality Improvement Program project selection authority, and a summary of recent congressional leadership changes affecting federal transportation policy.

Recommendation

Receive and file as an information item.

Discussion

President Trump's Fiscal Year 2027 Budget

On April 3, 2026, President Trump unveiled his fiscal year (FY) 2027 discretionary budget request as part of a broader $2.2 trillion federal proposal, which includes $1.5 trillion in defense spending, an increase of approximately $445 billion, or more than 40 percent, above current levels. Within this proposal, the U.S. Department of Transportation (USDOT) is one of the few non-defense agencies to receive an increase in discretionary funding. The Administration proposes $26.6 billion in discretionary budget authority for USDOT, an increase of $1.6 billion, or 6.2 percent, above the FY 2026 enacted level.

While discretionary funding for USDOT increases modestly, the overall federal transportation funding picture is significantly reduced from FY 2026 levels due to the expiration of advance appropriations provided under the Infrastructure Investment and Jobs Act (IIJA). The FY 2027 budget does not propose extending these advance appropriations beyond FY 2026. As a result, total USDOT

budgetary resources are expected to decline substantially. Analysis estimates total USDOT funding would decrease from approximately $147.5 billion in FY 2026 to $114.1 billion in FY 2027, a reduction of $33.3 billion, or 22.6 percent.

The FY 2027 budget request also does not include a proposal for surface transportation reauthorization after the IIJA expires on September 30, 2026, and does not address the long-term solvency of the Highway Trust Fund. However, the budget assumes a modest increase in formula-based funding, including a 2.1 percent increase in Highway Trust Fund obligation limitations, contingent on congressional action to extend current authorization law beyond FY 2026.

Significant spending proposals and program changes include:

- The budget does not extend advance appropriations provided under the IIJA, resulting in a substantial reduction in overall USDOT funding levels beginning in FY 2027.

- A 2.1 percent increase in Highway Trust Fund obligation limitations for both highway and transit formula programs above FY 2026 levels, contingent on congressional action to extend current surface transportation authorization.

- Transit formula funding increases by approximately $300 million in FY 2027, maintaining core Federal Transit Administration (FTA) programs and resolving earlier uncertainty regarding potential reductions to formula funding.

- $1.2 billion for the FTA Capital Investment Grants Program, a significant reduction of $486 million from FY 2026 levels.

- $770 million for the Infrastructure for Rebuilding America Grant Program, with a stated focus on projects that improve freight movement, reduce congestion, and support nationally and regionally significant infrastructure.

- $300 million for the Consolidated Rail Infrastructure and Safety Improvements Program and $100 million for the Railroad Crossing Elimination Program, representing reduced overall rail funding following the expiration of IIJA advance appropriations.

- $713.7 million for the Bridge Formula Program, replacing a limited portion of bridge funding previously provided through IIJA.

- Elimination of several discretionary grant programs, including Rebuilding American Infrastructure with Sustainability and Equity and the National Infrastructure Project Assistance Grant Program, as well as elimination of earmark accounts included in prior appropriations bills.

- Cancellation of approximately $4.2 billion in unobligated funding for electric vehicle charging programs, including the National Electric Vehicle Infrastructure and Charging and Fueling Infrastructure programs.

- Creation of a new $403 million "D.C. Safe and Beautiful Fund" to support transit security, Union Station improvements, and related transportation projects in Washington, D.C.

Overall, the President's FY 2027 budget request reflects a shift toward a more limited federal transportation program focused on highways, freight, aviation, maritime infrastructure, and selected security-related investments, while reducing or eliminating funding for several discretionary grant programs that have historically supported transit, rail, and multimodal infrastructure. As with prior years, the President's budget request is unlikely to be enacted exactly as proposed, but it establishes the Administration's priorities and will help frame congressional appropriations and reauthorization discussions in FY 2027.

Congressional Letter Supporting Restoration of Local Surface Transportation Block Grant (STBG) Program and Congestion Management and Air Quality (CMAQ) Improvement Program project selection authority.

As has previously been reported to this Committee, OCTA, in coordination with regional transportation partners, continues to advance a targeted legislative proposal as part of surface transportation reauthorization to restore local project selection authority for STBG and CMAQ program funds within the Southern California Association of Governments (SCAG) region. This effort seeks to reinstate the long-standing, population-based suballocation framework that was in place for more than three decades prior to a 2021 federal corrective action that centralized project selection authority at the metropolitan planning organization (MPO) level.

Building on prior advocacy efforts, on March 23, 2026, members of the Southern California congressional delegation transmitted a bipartisan letter to the leadership of the House Transportation and Infrastructure (T&I) Committee in support of this proposal. The letter, signed by members of the Orange County delegation, including Representative Lou Correa (D-CA), Representative Young Kim (R-CA), Representative Dave Min (D-CA), and Representative Mike Levin (D-CA), along with additional members of the Southern California delegation, urges inclusion of legislative language in the upcoming surface transportation reauthorization bill to restore local STBG and CMAQ suballocation authority.

The letter reiterates that California's previous framework, under which STBG and CMAQ funds were distributed by population to county transportation commissions, enabled local agencies to efficiently plan and deliver projects tailored to their communities while ensuring accountability and timely use of federal funds. It further notes that the 2021 change has disrupted long-range

planning, delayed project delivery, and reduced local responsiveness in large and complex regions such as SCAG.

Consistent with prior proposals, the delegation supports a narrowly tailored amendment applicable to metropolitan planning areas with populations exceeding ten million in states with codified distribution formulas. Under this approach, county transportation commissions would resume responsibility for project selection, while MPOs would retain oversight and final approval of the regional transportation improvement program. The letter emphasizes that restoring this structure would improve efficiency, reduce administrative burden, and accelerate delivery of critical transportation projects.

Congressional Transportation Leadership Update

The House T&I Committee Chair Sam Graves (R-MO) has announced he will retire at the conclusion of the 119th Congress, concluding more than 25 years of service in the U.S. House of Representatives. First elected in 2000, Rep. Graves has represented Missouri's 6th District since 2001 and has served in senior leadership on the T&I Committee since 2019, including as Chair since 2023. Throughout his tenure, he has worked across administrations and with members of both parties to advance major transportation and infrastructure initiatives, including surface transportation reauthorization, aviation safety, and federal infrastructure investment. He previously chaired the House Small Business Committee and several T&I subcommittees, and has been recognized for legislative effectiveness and a collaborative approach to policymaking. His retirement comes amid a broader period of congressional transition and will mark a change in leadership for one of the primary committees overseeing federal transportation policy.

Summary

Information is provided on President Trump's Fiscal Year 2027 Budget Request and its implications for federal transportation funding, and recent congressional actions related to restoring local STBG and CMAQ project selection authority. Also included is an update on congressional transportation leadership changes.

Attachments

A. Letter from Ken Calvert, Representative, House of Representatives, J. Luis Correa, Representative, House of Representatives, and others, to Sam Graves, Chairman, House Transportation and Infrastructure Committee and Rick Larsen, Ranking Member, House Transportation and Infrastructure Committee, dated March 23, 2026, re: Support Requested: Proposal to Reinstate Local Surface Transportation Block Grant and Congestion Mitigation and Air Quality Regional Allocation Authority
B. Potomac Partners DC, Monthly Legislative Report – March 2026

Prepared by:



Clara Brotcke
Government Relations Representative,
Government Relations
(714) 560-5329

Approved by:



Kristin Jacinto
Executive Director,
Government Relations
(714) 560-5754



Congress of the United States
House of Representatives
Washington, DC 20515

! "" # $ %& ' (%
) % *+ + #"#

! , $
! , %
!
" ! - ' (%
) % *+ + #"#

. /

* ! , % $ /

) & - 0 -
- (, 1 (2 % %
3 4 - 1 342 % 5 % % +

& - - % %/
! -
' % - 3 -
-
(- 3 -
6 -

7 - - & ,
& (34 -
+ & %
. & % - -
+

In 2021, a federal corrective action prohibited Metropolitan Planning Organizations (MPOs) from delegating project selection, effectively centralizing control at the regional level. In the Southern California Association of Governments (SCAG) region, which is home to over 18.8 million people across six counties and nearly 200 cities, this shift has disrupted long-range planning, delayed project delivery, and diminished local responsiveness. Restoring the prior process will yield substantial efficiency gains by reducing administrative layers and directing more funding to project delivery, in a manner that ensures full obligation of federal funds.

We support a narrowly tailored amendment for inclusion in the next surface transportation reauthorization legislation. The amendment would restore direct formula allocation to county transportation agencies in metropolitan planning areas with populations exceeding 10 million. This change would enable county transportation commissions to continue managing and delivering projects efficiently, ensuring accountability and responsiveness to local needs while preserving MPO oversight of the broader transportation improvement program.

The following is the proposed legislative language:

Amend 23 U.S.C. §134(j) with:

(5) Formula distribution in large metropolitan areas.

In metropolitan planning areas with a total population exceeding 10,000,000, as determined by the most recent decennial census, the state department of transportation shall distribute funds provided under sections 133 and 149 to county transportation commissions created under state statute for project selection, based on the following:

(A) The distribution process for funding under section 133 shall be based on population.

(B) The distribution process for funding under section 149 shall be based on a formula that accounts for population and attainment status.

(C) The metropolitan planning organization retains responsibility for the final approval of the transportation improvement program.

As language is developed for the surface transportation reauthorization bill, we appreciate your consideration of this proposal.

Sincerely,

Ken Calvert
Member of Congress

J. Luis Correa
Member of Congress



Young Kim
Member of Congress



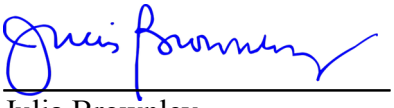
Mark Takano
Member of Congress



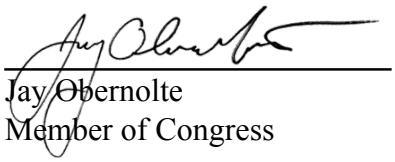
Dave Min
Member of Congress



Mike Levin
Member of Congress



Julia Brownley
Member of Congress



Jay Obernolte
Member of Congress

OCTA

POTOMAC PARTNERS DC

Monthly Legislative Report – **March 2026**

Advocacy Meetings

Office of Representative Ken Calvert (R-CA) – In March, we met regularly with Congressman Calvert's staff to finalize a Southern California delegation letter to the House Transportation and Infrastructure (T&I) Committee Chairman and Ranking Member urging inclusion of language in the upcoming surface transportation reauthorization to restore local suballocation authority for Surface Transportation Block Grant (STBG) and Congestion Mitigation and Air Quality (CMAQ) funds. The letter emphasizes that, for more than three decades, this structure enabled local agencies to deliver projects efficiently and with direct accountability, while the 2021 federal corrective action shifting authority to the MPO level has led to longer approval timelines, reduced flexibility, and increased administrative burdens. This effort reflects strong regional alignment and continues to gain traction with Committee leadership as reauthorization advances.

Office of Representative Linda Sanchez (D-CA) – We discussed with the Congresswoman's office a Community Project Funding request for the OC Loop Segment A Project, which will deliver a bikeway in the City of La Habra along the Union Pacific right-of-way. The project is part of OCTA's broader 66-mile OC Loop network and will provide safe, multimodal connections for residents, including access to schools, parks, and key community destinations.

Office of Representative Lou Correa (D-CA) – We worked closely with Congressman Correa's staff, who served as a co-lead on the delegation letter to the House Transportation and Infrastructure Committee Chairman and Ranking Member, urging inclusion of language in the upcoming surface transportation reauthorization to restore local suballocation authority for Surface Transportation Block Grant (STBG) and Congestion Mitigation and Air Quality (CMAQ) funds. We also engaged with the Congressman's staff on a Community Project Funding request to support the Metrolink Rehabilitation Project, which would fund critical improvements at the Orange, Santa Ana, and Anaheim Regional Transportation Intermodal Center (ARTIC) train stations.

Office of Representative Dave Min (D-CA) – In March, we met multiple times with Congressman David Min's staff to discuss a Fiscal Year (FY) 2027 Community Project Funding request for the Irvine Metrolink Rehabilitation Project. The project, led by the Orange County Transportation Authority, seeks to rehabilitate critical rail infrastructure serving Orange County, including upgrades to worn rail, signal components, rail cars, and related systems.

Office of Representative Mike Levin (D-CA) – We worked with Congressman Levin's staff on a Community Project Funding request for the PCH Bridge Replacement Project in Dana Point, California. The project would replace the existing rail bridge spanning Pacific Coast Highway with a new single-track steel through-plate girder bridge. The effort includes

demolition of the aging structure and construction of a modern, resilient bridge designed to improve safety and minimize disruption during construction.

Office of Representative David Rouzer (R-NC) – We met several times with Congressman Rouzer's Chief of Staff to discuss the timing of the surface transportation reauthorization, with the Committee now planning for an April markup of a draft bipartisan bill.

House Appropriations Majority Staff – We met several times with Appropriations Committee staff to clarify guidance and key application requirements for FY27 Community Project Funding requests and to discuss several of OCTA's priority projects submitted to delegation offices.

Office of Senator Adam Schiff (D-CA) – We followed up in March with Senator Schiff's appropriations staff to facilitate the submission of OCTA's Congressionally Directed Spending (CDS) request for the Orange County Maintenance Facility in Irvine, California.

Office of Senator Alex Padilla (D-CA) – We met with Senator Padilla's staff to discuss a joint Congressionally Directed Spending (CDS) request for the Orange County Maintenance Facility in Irvine, California.

Office of Representative Young Kim (R-CA) – We met with Congresswoman Kim's transportation staff to submit a FY27 Community Project Funding request for the State Route 91 (SR-91) East Corridor Operations Project. The request would support construction of key improvements along SR-91 in Orange and Riverside Counties. In addition, we helped facilitate an on-site tour of major transportation projects in Orange County for the Congresswoman's legislative staff to provide firsthand insight into regional infrastructure needs and priorities.

Office of Representative Derek Tran (D-CA) – We met with Congressman Tran's office to discuss and facilitate a Community Project Funding request for the State Route 57 (SR-57) Improvement Project.

FY26 and FY27 Appropriations Update

As negotiations continue to resolve the partial government shutdown affecting the Department of Homeland Security (DHS), the path forward appears increasingly tied to passage of a second budget reconciliation package using the same legislative mechanism as H.R. 1, the "One Big Beautiful Bill Act."

While a reconciliation path is being determined, some senior appropriators are also floating proposals to provide short-term supplemental funding for DHS to ensure federal employees impacted by the shutdown are paid and normal operations at airports in the United States are restored.

Regarding budget reconciliation this path allows certain fiscal measures to pass the Senate with a simple majority (51 votes), bypassing the traditional 60-vote threshold required to

advance most legislation. While designed as an expedited process to address budgetary priorities, reconciliation is limited in scope and cannot include extraneous policy provisions. To initiate reconciliation, both the House and Senate must first adopt identical budget resolutions directing committees to meet specified spending and revenue targets. Committees then draft legislative language consistent with those instructions. Earlier this year, the Republican Study Committee released its "Reconciliation 2.0" framework, titled *Making the American Dream Affordable Again*, which focuses on housing affordability, healthcare, energy policy, federal spending, and codifying key presidential executive actions.

Despite the unresolved FY26 DHS funding and the absence of a formal presidential budget submission, Congress has already begun the FY27 appropriations process. Member portals for FY27 Community Project Funding (CPF) requests have now closed, and submissions are currently under review. Notably, despite the ongoing partial shutdown, House appropriators held a series of hearings on March 25 and 26 to solicit member priorities and input on Fiscal Year 2027 funding bills. In the Senate, offices are similarly working to finalize Congressionally Directed Spending (CDS) requests, though timelines are slightly later than in the House.

At the same time, both chambers are also awaiting the President's budget request, which will serve as a starting point for negotiations or primarily signal the Administration's policy priorities. The Office of Management and Budget, led by Director Russ Vought, had previously indicated an April 3 target for release of the President's partial budget request.

House Republicans Discuss 2026 Agenda at Annual Policy Conference

House Republicans convened in Doral, Florida this month for their annual policy retreat, aiming to align on a legislative agenda for the remainder of the year ahead of the November midterm elections. The retreat comes as leadership navigates a narrow majority alongside broader economic pressures, rising energy costs, and ongoing geopolitical tensions.

Speaker Mike Johnson outlined four key legislative priorities for completion before November: surface transportation reauthorization, Foreign Intelligence Surveillance Act (FISA) reauthorization, a new Water Resources Development Act (WRDA), and advancing Farm Bill-related legislation. As mentioned earlier, Leadership also reaffirmed its intent to pursue a second budget reconciliation package using the same legislative vehicle as H.R. 1, the "One Big Beautiful Bill Act" (also referred to as the Working Families Tax Cut Act).

President Trump also addressed the conference and continues to play a central role in shaping the House GOP agenda. He has urged Congress to prioritize passage of the SAVE Act, a proof-of-citizenship voting requirement, and has signaled a willingness to withhold support for other legislative efforts until it is enacted.

More broadly, discussions at the retreat focused on leveraging reconciliation to advance elements of the Administration's economic agenda, including tax policy, cost-of-living

measures, and energy policy. At the same time, internal conversations highlighted the ongoing challenge for leadership in maintaining caucus unity while advancing an ambitious legislative agenda under tight political constraints.

House Republican leadership remains optimistic that they can advance a combination of a broader reconciliation package, targeted legislative items such as the Surface Transportation Reauthorization to support vulnerable incumbents, and elements of housing policy currently moving through the Senate. However, debate over specific policy provisions remains ongoing, and significant legislative action may ultimately be shaped by political dynamics heading into the midterm elections.

House T&I Chairman Sam Graves Announces Retirement

House Transportation and Infrastructure Committee Chairman Sam Graves (R-MO) announced he will not seek reelection, concluding a 25-year career in Congress and triggering a high-stakes leadership transition on one of Capitol Hill's most influential and bipartisan committees.

In a statement, Ranking Member Rick Larsen (D-WA) praised Graves as a "fierce advocate for infrastructure investment and transportation safety," highlighting their longstanding bipartisan partnership. Larsen pointed to a series of major legislative accomplishments under Graves' leadership, including the 2024 FAA Reauthorization, the Thomas R. Carper Water Resources Development Act of 2024, the Coast Guard Authorization Act of 2025, and the recently advanced ALERT Act, all of which demonstrated Graves' ability to deliver results in an often-polarized Congress.

Graves' departure comes at a pivotal moment, as the committee works toward surface transportation reauthorization ahead of a September 30 deadline. While members have expressed confidence that work will continue uninterrupted, this announcement adds a renewed sense of urgency for House Majority members and for Chairman Graves to complete the work currently underway.

Looking ahead to the next Congress, much will depend on the outcome of the November midterm elections, though early positioning is already underway. Congressman David Rouzer (R-NC), who chairs the Highways and Transit Subcommittee, has publicly declared his intention to seek the gavel if Republicans retain the majority and has been actively building support within the conference. If Democrats take control of the House, Rick Larsen is expected to pursue the chairmanship, having served as ranking member since 2023.

Graves' retirement was not entirely unexpected. In 2024, he received a waiver from the Republican Steering Committee to extend his tenure as chair beyond standard term limits, signaling that this term could be his last. Colleagues on both sides of the aisle have emphasized his pragmatic leadership style and ability to advance bipartisan legislation, qualities that may be tested as the committee transitions to new leadership.

Despite the leadership transition, committee members including Representatives David Rouzer (R-NC) and Daniel Webster (R-FL) have indicated that work on surface transportation reauthorization will continue. However, with a compressed legislative calendar and election-year dynamics, the path forward remains uncertain. Graves in recent conversations has stated he intends to remain fully engaged through the end of his term, signaling continuity in the near term even as the longer-term direction of the committee begins to take shape.

Trump Administration Challenges California Electric Vehicle (EV) Mandate in Federal Court

The U.S. Department of Transportation (USDOT) and U.S. Department of Justice have filed a lawsuit seeking to block California's electric vehicle (EV) mandate, arguing that the state's regulations unlawfully impose fuel economy standards that are preempted by federal law. The lawsuit, filed on behalf of the National Highway Traffic Safety Administration (NHTSA), asserts that California's policies effectively create state-specific fuel economy requirements, which are governed exclusively at the federal level under the Energy Policy and Conservation Act (EPCA). Federal officials argue that allowing individual states to set such standards would create a fragmented regulatory environment for automakers and increase vehicle costs nationwide.

Secretary Sean P. Duffy and Attorney General Pamela Bondi emphasized that the Administration's position is focused on maintaining a single national standard for fuel economy and protecting consumer affordability and manufacturing stability. The Administration also pointed to its broader "Freedom Means Affordable Cars" initiative, which aims to reduce vehicle costs and adjust federal Corporate Average Fuel Economy (CAFE) standards. The case specifically targets regulations adopted by the California Air Resources Board (CARB), arguing that these policies exceed state authority and interfere with interstate commerce. The litigation has been filed in the U.S. District Court for the Eastern District of California. This legal challenge marks a significant escalation in the ongoing federal-state dispute over vehicle emissions standards and EV policy, with potential implications for automakers, consumers, and the future structure of national transportation and environmental regulation.

USDOT Announces Nearly $1 Billion in Safe Streets & Roads for All Grants

Secretary Sean P. Duffy announced that the U.S. Department of Transportation will make approximately $999.5 million available through the Safe Streets and Roads for All (SS4A) grant program to support roadway safety improvements nationwide.

The funding is intended to help state and local governments enhance critical safety infrastructure, including improving emergency response times, expanding truck parking capacity, modernizing rail crossings, and investing in safer streets for pedestrians and families.

The program is designed to reduce roadway fatalities and serious injuries by supporting comprehensive, data-driven safety strategies. Eligible applicants must submit proposals by May 26, 2026, as outlined in the Notice of Funding Opportunity.

SS4A offers two primary grant categories:

- **Planning and Demonstration Grants**, which support the development or enhancement of Comprehensive Safety Action Plans; and
- **Implementation Grants**, which fund projects and strategies aligned with existing safety plans to address identified roadway risks.

Grant awards will be determined through a collaborative review process led by the Department, with input from the Federal Highway Administration, National Highway Traffic Safety Administration, and Federal Transit Administration.

House T&I Advance Commercial Drivers' License Legislation

On March 18, 2026, the House Transportation and Infrastructure Committee advanced H.R. 5688 ("Dalilah's Law"), a trucking safety bill focused on tightening commercial driver's license (CDL) requirements, including English proficiency standards, immigration status verification, and increased penalties for noncompliance. The markup was unusually partisan for the committee, with the bill developed and advanced largely along party lines and without bipartisan consensus.

While the bill moved forward as a stand-alone measure, leadership has agreed to keep these provisions separate from the broader Surface Transportation Reauthorization. This preserves momentum toward a bipartisan reauthorization package expected to move in April. This is a positive development, as it reduces the risk that divisive policy provisions could delay or complicate passage of the core surface transportation bill in the House.

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Cooperative Agreements with Special Services Agencies for Provision of OC ACCESS-Eligible Transportation, Internal Audit Report No. 26-509

Finance and Administration Committee Meeting of April 16, 2026

Present: Directors Federico, Go, Harper, Hennessey, Leon, and Sarmiento
Absent: Director Tettemer

Committee Vote

No action was taken on this information item.

Staff Recommendation(s)

Receive and file Cooperative Agreements with Special Services Agencies for Provision of OC ACCESS-Eligible Transportation, Internal Audit Report No. 26-509, as an information item.

April 16, 2026

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Janet Sutter, Executive Director
Internal Audit Department

Subject: Cooperative Agreements with Special Services Agencies for Provision of OC ACCESS-Eligible Transportation, Internal Audit Report No. 26-509

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of contract compliance and invoice review controls related to cooperative agreements with special services agencies for provision of alternative OC ACCESS-eligible transportation services. Based on the audit, controls are adequate. The Internal Audit Department identified areas of noteworthy accomplishment.

Recommendation

Receive and file Cooperative Agreements with Special Services Agencies for Provision of OC ACCESS-Eligible Transportation, Internal Audit Report No. 26-509, as an information item.

Background

To reduce OC ACCESS (ACCESS) service costs, the Orange County Transportation Authority (OCTA) maintains cooperative agreements (agreements) with five special services agencies (agencies) that provide transportation to and from their facilities to ACCESS-eligible individuals. Under the agreements, OCTA pays a $25 per-trip subsidy for provision of ACCESS-eligible trips, with an annual specified maximum obligation and annual increases to the per-trip subsidy based on the Consumer Price Index.

The Specialized Transit Services (STS) Department within the Operations Division is responsible for oversight and monitoring of these agreements. To

meet these obligations, STS has developed standard operating procedures to validate invoiced trips by the participating agencies. Monthly, the STS senior business unit analyst (BUA) obtains and analyzes trip-level data to confirm participant eligibility and to run a series of validation checks to ensure trips comply with program requirements. The STS BUA then provides the list of eligible trips back to the agency for use in submitting the invoice. The STS department manager reviews and approves invoices and the Accounts Payable Department issues checks for reimbursement.

To monitor compliance with contractual requirements, the STS senior field administrator conducts annual site visits at each agency to assess compliance with key contract requirements. Results of the site visits are documented using a standardized monitoring checklist, and any deficiencies are noted and corrective actions tracked.

Discussion

The Internal Audit Department concluded that contract compliance and invoice review controls are adequate and functioning and identified management practices deemed noteworthy, as follows:

STS has developed and implemented standard operating procedures and utilizes system checks to confirm participant eligibility and validate monthly trip data provided by the agencies.

STS also conducts annual site visits at each agency to confirm evidence of compliance with key contract requirements, such as insurance requirements, vehicle maintenance, driver training, drug and alcohol program administration, etc. Results of the reviews are documented using a standardized checklist.

Summary

The Internal Audit Department has completed an audit of contract compliance and invoice review controls related to cooperative agreements with special services agencies for provision of alternative OC ACCESS-eligible transportation.

Attachment

A. Cooperative Agreements with Special Services Agencies for Provision of OC ACCESS-Eligible Transportation, Internal Audit Report No. 26-509

Prepared by:

Gabriel Tang
Principal Internal Auditor, Internal Audit
714-560-5746

Approved by:

Janet Sutter
Executive Director, Internal Audit
714-560-5591

ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT

Cooperative Agreements with Special Services Agencies for Provision of OC ACCESS-Eligible Transportation

Internal Audit Report No. 26-509

March 19, 2026



Performed by: Gabriel Tang, CPA, Principal Internal Auditor
Janet Sutter, CIA, Executive Director

Distributed to: Johnny Dunning, Chief Operating Officer, Operations
Kim Tucker, Jack Garate

ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
Cooperative Agreements with Special Services Agencies for Provision of OC ACCESS-Eligible Transportation
March 19, 2026

Table of Contents

Conclusion 1

Background 1

Objectives, Scope, and Methodology 2

Audit Comment 3

Noteworthy Accomplishments 3

ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
Cooperative Agreements with Special Services Agencies for Provision of OC ACCESS-Eligible Transportation
March 19, 2026

Conclusion

The Internal Audit Department (Internal Audit) of the Orange County Transportation Authority (OCTA) has completed an audit of contract compliance and invoice review controls related to cooperative agreements with special services agencies for provision of alternative OC ACCESS-eligible transportation services. Based on the audit, controls are adequate. Internal Audit identified areas of noteworthy accomplishment.

Background

To reduce OC ACCESS (ACCESS) service costs, OCTA maintains cooperative agreements (agreements) with five special services agencies (agencies) that provide transportation to and from their facilities to ACCESS-eligible individuals. Under the agreements, OCTA pays a $25 per-trip subsidy for provision of ACCESS-eligible trips, with an annual specified maximum obligation and increases to the per-trip subsidy based on the Consumer Price Index. Agreements in place covering the period from July 1, 2024 through June 30, 2029, are as follows:

- Agreement No. C-4-2287 with Acacia Adult Day Services, initial year maximum obligation $204,300.
- Agreement No. C-4-2288 with Alzheimer's Family Services Center, initial year maximum obligation $245,125.
- Agreement No. C-4-2289 with Community SeniorServ, Inc., doing business as Meals on Wheels Orange County, initial year maximum obligation $368,950.
- Agreement No. C-4-2290 with SoCal Senior Services, LLC., initial year maximum obligation $433,050.
- Agreement No. C-4-2291 with Orange County Adult Achievement Center, doing business as My Day Counts, initial year maximum obligation $1,384,075.

The Specialized Transit Services (STS) Department within the Operations Division is responsible for oversight and monitoring of these agreements. To meet these obligations, STS has developed standard operating procedures to validate invoiced trips by the participating agencies. Monthly, the STS senior business unit analyst (BUA) obtains and analyzes trip-level data to confirm participant eligibility and to run a series of validation checks to ensure trips comply with program requirements. The STS BUA then provides the list of eligible trips back to the agency for use in submitting the invoice. The STS department manager reviews and approves invoices and the Accounts Payable Department issues checks for reimbursement.

To monitor compliance with contractual requirements, the STS senior field administrator conducts annual site visits at each agency to assess compliance with key contract requirements. Results of the site visits are documented using a standardized monitoring checklist, and any deficiencies are noted and corrective actions tracked.

Objectives, Scope, and Methodology

The objectives were to assess and test contract compliance and invoice review controls related to the cooperative agreements with special services agencies.

The methodology consisted of performing a walkthrough and testing of the trip validation and eligibility verification processes to determine whether validation worksheets detect errors and anomalies as intended, testing a sample of invoices for compliance with the invoice authorization policy and contract provisions, and testing evidence of annual monitoring site visits to verify controls in place to ensure agencies adhere to key contract and program requirements.

The scope was limited to Agreement Nos. C-4-2287, C-4-2288, C-4-2289, C-4-2290, C-4-2291, and all amendments to the agreements. The scope also included data validation Excel worksheets in use as of February 2, 2026. In addition, the scope included a judgmental sample of 25 invoices paid for services provided during the period of July 1, 2024 through December 31, 2025. The judgmental sample was selected to provide coverage throughout the scope period. Since the sample was non-statistical, any conclusions are limited to the sample items tested. Lastly, the scope included testing of annual monitoring site visits conducted for the fiscal year 2025.

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Comment

Noteworthy Accomplishments

STS has developed and implemented standard operating procedures, and utilizes system checks to confirm participant eligibility and validate monthly trip data provided by agencies.

STS also conducts annual site visits at each agency to confirm evidence of compliance with key contract requirements, such as insurance requirements, vehicle maintenance, driver training, drug and alcohol program administration, etc. Results of the reviews are documented using a standardized checklist.

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Approval of the Fiscal Year 2026-2027 Local Transportation Fund Claim for Laguna Beach Public Transportation Services

Finance and Administration Committee Meeting of April 16, 2026

Present: Directors Federico, Go, Harper, Hennessey, Leon, and Sarmiento
Absent: Director Tettemer

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

A. Approve the Laguna Beach Municipal Transit Lines Fiscal Year 2026-27 Local Transportation Fund Claim for public transportation services in the amount of $1,480,411.

B. Authorize the Chief Executive Officer of the Orange County Transportation Authority to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the amount of the claim.

OCTA

April 16, 2026

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Approval of the Fiscal Year 2026-27 Local Transportation Fund Claim for Laguna Beach Public Transportation Services

Overview

The Laguna Beach Municipal Transit Lines, a department within the City of Laguna Beach, is eligible to receive funding from the Local Transportation Fund in Orange County for providing public transportation services throughout the city. To receive the funds, the Laguna Beach Municipal Transit Lines must file a claim against the Local Transportation Fund with the Orange County Transportation Authority.

Recommendations

A. Approve the Laguna Beach Municipal Transit Lines Fiscal Year 2026-27 Local Transportation Fund Claim for public transportation services in the amount of $1,480,411.

B. Authorize the Chief Executive Officer of the Orange County Transportation Authority to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the amount of the claim.

Background

The Transportation Development Act (TDA) of 1971 established a funding source dedicated to public transit and non-transit-related projects. The TDA created a Local Transportation Fund (LTF) for transportation purposes specified in the TDA in each county in California. Revenues are derived from one-quarter cent of the current retail sales tax. The LTF revenues are collected by the California Department of Tax and Fee Administration and returned to the local jurisdictions based on the volume of sales during each month.

As required by the TDA in Orange County, the LTF receipts are deposited in the Orange County LTF account (Fund 182) in the Orange County Treasury and are administered by the Orange County Auditor-Controller (OCAC).

In Orange County, the Orange County Transportation Authority (OCTA) is the Transportation Planning Agency (TPA) responsible for the allocation of the LTF within its jurisdiction. Upon instructions from OCTA, LTF receipts are distributed by the OCAC among the various administrative, planning, and public transportation apportionments as specified in the TDA.

The Orange County Transit District and the Laguna Beach Municipal Transit Lines (LBMTL) are the only public transit operators in Orange County eligible to receive allocations from the LTF. Article 4 of TDA Section 6630 of the California Code of Regulations requires the City of Laguna Beach (City) to file a claim with OCTA to receive an allocation from the LTF for providing public transportation throughout the City.

Discussion

On February 23, 2026, the OCTA Board of Directors approved the LTF fiscal year (FY) 2026-27 apportionments. The total apportionment approved for the LBMTL equaled $1,480,411.

On March 24, 2026, the Laguna Beach City Council adopted a resolution authorizing the filing of an LTF claim with OCTA for public transportation services. The City submitted its FY 2026-27 LTF claim in the amount of $1,480,411, that will be used by the LBMTL to meet FY 2026-27 operating expenses. OCTA, as the TPA for Orange County, is authorized to approve LTF claims and make payments from the LTF through written instructions to the OCAC.

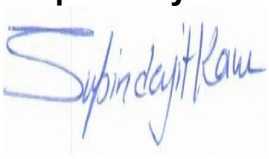
Summary

OCTA's approval of the City claim against the Orange County LTF in the amount of $1,480,411, will enable the LBMTL to continue providing public transportation services throughout the City during FY 2026-27.

Attachment

None.

Prepared by:



Sam Kaur
Department Manager,
Revenue and Grants Administration
(714) 560-5889

Approved by:



Andrew Oftelie
Chief Financial Officer,
Finance and Administration
(714) 560-5649

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Approval of the Fiscal Year 2026-2027 Local Transportation Fund Claim for Public Transportation and Community Transit Services

Finance and Administration Committee Meeting of April 16, 2026

Present: Directors Federico, Go, Harper, Hennessey, Leon, and Sarmiento
Absent: Director Tettemer

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

A. Approve the Orange County Transit District Fiscal Year 2026-27 Local Transportation Fund Claim for public transportation services in the amount of $205,036,189, and for community transit services in the amount of $10,869,295 for a total claim amount of $215,905,484.

B. Authorize the Chief Executive Officer to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the full amount of the claims.

OCTA

April 16, 2026

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Approval of the Fiscal Year 2026-27 Local Transportation Fund Claim for Public Transportation and Community Transit Services

Overview

The Orange County Transit District is eligible to receive funding from the Local Transportation Fund for providing public transportation and community transit services throughout Orange County. To receive the funds, the Orange County Transit District must file a claim against the Local Transportation Fund with the Orange County Transportation Authority.

Recommendations

A. Approve the Orange County Transit District Fiscal Year 2026-27 Local Transportation Fund Claim for public transportation services in the amount of $205,036,189, and for community transit services in the amount of $10,869,295 for a total claim amount of $215,905,484.

B. Authorize the Chief Executive Officer to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the full amount of the claims.

Background

The Transportation Development Act (TDA) of 1971 established a funding source dedicated to public transit and non-transit related projects. The TDA created a Local Transportation Fund (LTF) in each county for transportation purposes specified in the TDA. Revenues are derived from one quarter cent of the current retail sales tax.

The LTF revenues are collected by the California Department of Tax and Fee Administration and returned to local jurisdictions based on the volume of sales during each month. As required by the TDA, LTF receipts are deposited with the

Orange County Treasury (Fund 182) and are administered by the Orange County Auditor-Controller (OCAC). The Orange County Transportation Authority (OCTA) is the Transportation Planning Agency (TPA) responsible for the allocation of the LTF. Upon instructions from OCTA, LTF receipts are disbursed by the OCAC among the various administrative, planning, and public transportation apportionments as specified in the TDA.

In Orange County, OCTA has designated the Orange County Transit District (OCTD) as the public transportation services operator and the Consolidated Transportation Services Agency. Therefore, OCTD is the claimant for Article 4 and 4.5 funds. Section 6630 of the California Code of Regulations requires OCTD to file a claim with OCTA to receive an allocation from the LTF for providing public transportation and community transit services under Articles 4 and 4.5 of the TDA.

Discussion

On February 23, 2026, the OCTA Board of Directors (Board) approved the LTF fiscal year (FY) 2026-27 apportionments. A total of $215,905,484 was approved for OCTD, consisting of $205,036,189 for Article 4 public transit services and $10,869,295 for Article 4.5 community transit services. Public transit services provide support to the public transportation system and aid to public transportation research and demonstration projects, while community transit services are services for those, such as the disabled, who cannot use conventional transit services.

On February 23, 2026, the OCTD Board also adopted resolution authorizing the filing of the LTF claim for an estimated total of $215,905,484 for funding public transportation and community transit services for FY 2026-27. OCTA, as the TPA for Orange County, is authorized to approve LTF claims and make payments from the LTF to OCTD as the consolidation transportation service agency for Orange County.

Summary

OCTA's approval of the OCTD claim against the LTF in the amount of $215,905,484, will enable the OCTD to continue providing public transportation and community transit services throughout Orange County in FY 2026-27.

Attachment

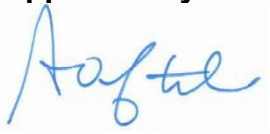
None.

Prepared by:



Sam Kaur
Department Manager
Revenue and Grants Administration
(714) 560-5889

Approved by:



Andrew Oftelie
Chief Financial Officer
Finance and Administration
(714) 560-5649

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Amendment to Cooperative Agreements with Regional Center of Orange County

Transit Committee Meeting of April 9, 2026

Present: Directors Amezcua, Jung, Kleiman, Leon, Janet Nguyen, Tam Nguyen, and Sarmiento
Absent: Director Klopfenstein

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Cooperative Agreement No C-4-2328, in the amount of $10,257,017, between the Orange County Transportation Authority and the Regional Center of Orange County to exercise the first two-year option term to share in the cost of paratransit services provided to individuals served by the Regional Center of Orange County from July 1, 2026, through June 30,2028.

April 9, 2026

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Cooperative Agreement with Regional Center of Orange County

Overview

On June 24, 2024, the Board of Directors approved a cooperative agreement with the Regional Center of Orange County to share in the cost of providing paratransit service to individuals served by the Regional Center of Orange County. The agreement included an initial two-year term with two additional two-year option terms. The initial term of the agreement expires on June 30, 2026, and an amendment is required to exercise the first two-year option term of the agreement.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Cooperative Agreement No. C-4-2328, in the amount of $10,257,017, between the Orange County Transportation Authority and the Regional Center of Orange County to exercise the first two-year option term to share in the cost of paratransit services provided to individuals served by the Regional Center of Orange County from July 1, 2026, through June 30, 2028.

Discussion

The Regional Center of Orange County (RCOC), under the Lanterman Act, is responsible for assisting individuals with developmental disabilities by providing services and support that promote independent and integrated living. As part of this responsibility, RCOC arranges and funds transportation services for the individuals it serves.

To meet this need, RCOC utilizes a range of transportation options including Orange County Transportation Authority (OCTA) fixed-route bus passes, OC ACCESS paratransit service, and privately contracted providers.

Since 2003, OCTA and RCOC have maintained a cost-sharing agreement to provide OC ACCESS service. This arrangement is mutually beneficial and structured in accordance with the Americans with Disabilities Act (ADA), which allows transit agencies to negotiate rates with social service agencies for services that may exceed minimum ADA requirements.

Under the agreement, individuals served by RCOC receive subscription service, providing a consistent and recurring travel schedule without the need to reserve trips within the standard one-to-three day advance window. Riders are not required to pay a fare at boarding; instead, OCTA tracks all trips provided and submits a detailed monthly invoice to RCOC, including comprehensive trip data to support reconciliation and satisfy state reporting requirements.

Trips provided to individuals served by RCOC represent a significant portion of OC ACCESS ridership. Based on recent trends, OCTA anticipates providing more than 350,000 trips annually during the option term, accounting for approximately one-third of total OC ACCESS demand.

The agreement establishes a negotiated one-way trip rate. The rate was set at $10.00 for fiscal year (FY) 2024-25 and $12.00 for FY 2025-26. For subsequent option terms, rates are adjusted based on the Consumer Price Index, as outlined in the agreement. The projected rates are $12.38 for FY 2026-27 and $12.77 for FY 2027-28. The estimated reimbursement for the first option term (FYs 2026-27 and 2027-28), is $10,257,017.

As structured, the agreement does not include a maximum reimbursement cap; all authorized trips are invoiced and reimbursed in accordance with the negotiated rate.

Fiscal Impact

The estimated reimbursement associated with Cooperative Agreement No. C-4-2328 is included in revenue projections for the proposed OCTA FY 2026-27 Budget, Operations Division, Specialized Transit Services, Account No. 0030-5246-00001-SD1.

Summary

Staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Cooperative Agreement No. C-4-2328, in the amount of $10,257,017, between the Orange County Transportation Authority and the Regional Center of Orange County, to exercise the first two-year option term for a cost-sharing arrangement for the provision of paratransit service to individuals served by the Regional Center of Orange County from July 1, 2026. through June 30, 2028.

Attachment

A. Regional Center of Orange County Cooperative Agreement No. C-4-2328 Fact Sheet

Prepared by:



Jack Garate
Department Manager,
Transit Services
(714) 560-5387

Approved by:



Johnny Dunning, Jr.
Chief Operating Officer,
Operations
(714) 560-5710

ATTACHMENT A

Regional Center of Orange County
Cooperative Agreement No. C-4-2328 Fact Sheet

1. June 24, 2024, Cooperative Agreement No. C-4-2328, in the amount of $9,799,154 (cost shared between Orange County Transportation Authority (OCTA) and Regional Center of Orange County (ROCC), approved by the Board of Directors (Board).

    - Agreement was executed on July 1, 2024, to provide OC ACCESS paratransit service to persons served by ROCC.
    - Agreement was for a two-year initial term with two, two-year option terms.

2. April 27, 2026, Amendment No. 1 to Agreement No. C-4-2328, in the amount of $10,257,017 (cost shared between OCTA and ROCC), pending Board approval.

    - Exercise the first two-year option term extending the agreement, two years effective July 1, 2026, through June 30, 2028.

Total anticipated revenue obligation of $10,257,017 shared between: OCTA and ROCC.

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Agreement for Detail Bus and Streetcar Cleaning and Pesticide Application Services

Transit Committee Meeting of April 9, 2026

Present: Directors Amezcua, Jung, Kleiman, Leon, Janet Nguyen, Tam Nguyen, and Sarmiento
Absent: Director Klopfenstein

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

A. Approve the selection of Gamboa Services, Inc., doing business as Corporate Image Maintenance, as the firm to provide detail bus and streetcar cleaning and pesticide application services.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C250080 between the Orange County Transportation Authority and Gamboa Services, Inc., doing business as Corporate Image Maintenance, in the amount of $1,462,070, for a three-year initial term with one, two-year option term to provide detail bus and streetcar cleaning and pesticide application services.

April 9, 2026

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Agreement for Detail Bus and Streetcar Cleaning and Pesticide Application Services

Overview

On December 8, 2025, the Board of Directors approved the release of a request for proposals to select a firm to provide detail bus and streetcar cleaning and pesticide application services. Board of Directors' approval is requested to execute an agreement to provide these services.

Recommendations

A. Approve the selection of Gamboa Services, Inc., doing business as Corporate Image Maintenance, as the firm to provide detail bus and streetcar cleaning and pesticide application services.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C250080 between the Orange County Transportation Authority and Gamboa Services, Inc., doing business as Corporate Image Maintenance, in the amount of $1,462,070, for a three-year initial term with one, two-year option term to provide detail bus and streetcar cleaning and pesticide application services.

Discussion

Transit buses and streetcars require routine detail cleaning and licensed pesticide application services to effectively control pests and maintain safe, sanitary conditions. These services are currently provided through a specialized contractor and are a critical component of the Orange County Transportation Authority (OCTA) pest management program. The existing agreement for these services will expire on April 30, 2026. Without a new agreement in place, there is a risk of service disruption, which could impact vehicle cleanliness, pest control effectiveness, and compliance with safety standards.

Procurement Approach

This procurement was handled in accordance with OCTA Board of Directors (Board)-approved procedures for professional and technical services. Various factors are considered in the award for professional and technical services. The award is recommended to the firm offering the most comprehensive overall proposal considering such factors as prior experience with similar projects, staffing and project organization, work plan, as well as cost and price.

On December 8, 2025, the Board authorized the release of Request for Proposals (RFP) 250080 and the proposed evaluation criteria and weightings, which was issued electronically on OpenGov, OCTA's online e-procurement website. The RFP was advertised in a newspaper of general circulation on December 8 and December 15, 2025. A pre-proposal conference was held on December 15, 2025, with four attendees representing three firms. Two addenda were issued to make available the pre-proposal conference registration sheet and presentation, respond to written questions, and handle administrative issues related to the RFP.

On January 8, 2025, three proposals were received. An evaluation committee consisting of staff from the Maintenance Resource Management, Facilities Maintenance, and Contracts Administration and Materials Management departments met to evaluate all the proposals received.

The proposals were evaluated based on the following Board-approved evaluation criteria and weightings:

- Qualifications of the Firm 30 percent
- Staffing and Project Organization 20 percent
- Work Plan 25 percent
- Cost and Price 25 percent

Several factors were considered in developing the evaluation criteria weightings. Qualifications of the firm criterion was weighted highest at 30 percent as the proposing firms needed to demonstrate a proven history in successfully completing similar projects and having the required licensing and experience in the application of pesticides and detail bus cleaning requirements. Staffing and project organization criterion was weighted at 20 percent as the firm needed to demonstrate the proposed key personnel have specific skillsets in order to complete the services required in the scope of work. Work plan was weighted at 25 percent to ensure proposals address each section of the work plan in sufficient detail to demonstrate a clear understanding of the scope of work and demonstrate the firm's understanding and ability to provide extensive cleaning and pesticide bait application. The cost and price criterion was assigned

25 percent to ensure OCTA receives fair and competitive pricing for the services provided.

On January 22, 2026, the evaluation committee reviewed the proposals based on the Board-approved evaluation criteria and shortlisted the two most qualified firms listed below in alphabetical order:

Firm and Location

Gamboa Services, Inc. doing business as Corporate Image Maintenance (Corporate Image)
Headquarters: Santa Ana, California
Project Officer: Santa Ana, California

UNISERVE Facilities Services (Uniserve)
Headquarters: Commerce, California
Project Officer: Commerce, California

On January 29, 2026, the evaluation committee conducted interviews with the two short-listed firms. The interviews consisted of a presentation by each firm to demonstrate the firms' understanding of OCTA's requirements. The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the evaluation committee's questions. Questions were related to qualifications of the firm, the availability of the project team, approach to the requirements of the scope of work, as well as specific clarification questions related to each firm's proposal.

At the conclusion of the interviews, a request for a best and final offer (BAFO) was issued to the two short-listed firms to seek additional clarifications related to schedule changes and final pricing. Corporate Image made adjustments to their pricing based on the clarifications. Uniserve did not make adjustments to their pricing based on the clarifications.

Based on the evaluation of the written proposals and the information obtained from the interviews and BAFOs, as well as cost and price, the evaluation committee recommends Corporate Image for consideration of the award. The following is a brief summary of the proposal evaluation results.

Qualifications of the Firm

Corporate Image has been providing detail cleaning and pesticide application services since 1994. The firm is headquartered in the City of Santa Ana and has 75 employees. The firm demonstrated relevant experience in providing detail cleaning and pesticide application services to OCTA. In addition, Corporate Image currently provides commercial building cleaning and maintenance

services to libraries, probation departments and sheriff stations in the County of Orange, as well as the Orange County Sanitation District and 24-Hour Fitness centers. Corporate Image proposed one subcontractor to perform pesticide application services and received positive feedback from its references.

Uniserve has been providing detail cleaning and pesticide application services since 1966. The firm is headquartered in the City of Commerce and has 750 employees. The firm demonstrated relevant experience in providing detail cleaning and pesticide application services to the City of Santa Monica Department of Transportation and City of Torrance transit. The firm also provides commercial building cleaning services to County of Los Angeles Internal Services Department and City of Los Angeles General Services Division. Uniserve proposed one subcontractor, K-Town Pest Control, Inc., to perform pesticide application services, and received positive feedback from its references.

Staffing and Project Organization

Corporate Image proposed a highly skilled project team with experience working on projects of similar size and scope. The proposed project manager has 30 years of relevant experience. The firm met the required staffing qualifications and requirements. The proposed staff has extensive experience cleaning OCTA buses and paratransit vehicles. All personnel will be available through the duration of the contract.

Uniserve proposed a skilled project team with experience working on projects of similar scope. The proposed project manager has ten years of experience. The firm met the required staffing qualifications and requirements. The firm proposed a core project team dedicated to this effort. Additionally, the firm maintains a vetted and cross-trained contingency workforce available to support any base facility as needed that can be deployed to any base facility to address unexpected vehicle surges or backlogs. All personnel will be available through the duration of the contract.

Work Plan

Corporate Image presented a comprehensive work plan that demonstrated a thorough understanding of the scope of work requirements. The firm described in detail its proposed approach. Corporate Image has prepared detailed cleaning procedures that will be implemented as part of the training for bus cleaning at OCTA facilities. The firm proposed daily, weekly, and monthly checklists to maintain quality compliance with OCTA requirements. The firm proposed a verification of work form that includes all required cleaning tasks to meet the requirements outlined in the scope of work, that will be signed off by the OCTA

base supervisor and Corporate Image supervisor. The firm also proposed work schedules and employee staffing by facility to demonstrate the resource allocation to meet OCTA's requirements. Additionally, the response to the clarifications in the BAFO provided further assurances regarding Corporate Image's ability to meet OCTA's requirements, as well as transparency related to associated costs.

Uniserve presented a work plan that demonstrates a clear understanding of the scope of work requirements and outlines its proposed approach in detail. The firm identified several enhancements to improve service delivery and performance monitoring. These include electronic real-time task tracking, digital verification with before and after photos, Quick Response Code functionality for instant reporting and feedback, and a synchronized "bait-then-clean" approach to ensure effective pest treatment and removal of residues. In addition, Uniserve offers a client performance dashboard that consolidates data to identify pest activity "hot spots", highlight vehicle models with recurring issues, and support trend analysis to optimize resource allocation and overall performance. Uniserve's responses to clarification requests in the BAFO provided further demonstrated its ability to meet OCTA's requirements and provided transparency regarding associated costs.

Cost and Price

Pricing scores were based on a formula, which assigned the higher score to the firm with the lower total project cost and scored the other proposal's total projected cost based on its relation to the lower total projected cost. Corporate Image proposed the lower total projected cost.

Fiscal Impact

The project was approved in OCTA Fiscal Year 2025-26 Budget, Transit Division, account nos. 2162-7613-D3107-2WP, 2168-7613-D3107-2WP, 2194-7613-D3107-2WP, 0035-7613-OC102-2WP, 2136-7613-D1208-0B2, 2137-7613-D2114-0B1, 2138-7613-D2108-0GH and 2148-7613-D2140-0JT, and is funded through local funds.

Summary

Staff is recommending the Board of Directors authorize the Chief Executive Officer to negotiate and execute Agreement No. C250080 between the Orange County Transportation Authority and Gamboa Services, Inc. dba Corporate Image Maintenance, in the amount of $1,462,070, for a three-year initial term with one, two-year option term to provide detail bus and streetcar cleaning and pesticide application services.

Attachments

A. Review of Proposals, RFP 250080 Detail Bus and Streetcar Cleaning and Pesticide Application Services
B. Proposal Evaluation Criteria Matrix, (Short-Listed Firms), RFP 250080 Detail Bus and Streetcar Cleaning and Pesticide Application Services
C. Contract History for the Past Two Years, RFP 250080: Detail Bus and Streetcar Cleaning and Pesticide Application Service

Prepared by:

Cliff Thorne
Director, Maintenance
(714) 560-5975

Approved by:

Johnny Dunning Jr.
Chief Operating Officer, Operations
(714) 560-5710

Pia Veesapen
Director, Contracts Administration and Materials Management
(714) 560-5619

Review of Proposals
RFP 250080 Detail Bus and Streetcar Cleaning and Pesticide Application Services
Presented to Transit Committee - April 9, 2026
3 firms proposed, 2 firms were interviewed, 1 firm is being recommended

ATTACHMENT A

Overall Ranking	Proposal Score	Firm & Location	Sub-Contractors	Evaluation Committee Comments	Initial Three-Year Term Price
1	89	**Gamboa Services, Inc. dba Corporate Image Maintenance** Santa Ana, California	Orkin Commercial Services	The firm was established in 1994 and has 75 employees. Currently provides bus cleaning and pesticide application services for all Orange County Transportation Authority (OCTA) buses. The firm proposed a highly skilled project team with experience working on projects of similar size and scope. The proposed project manager has 30 years of experience. The proposed project team have demonstrated experience performing bus and paratransit vehicle cleaning services across multiple OCTA facilities. The firm proposed a comprehensive work plan that demonstrated a thorough understanding of the scope of work requirements. Presented approach that met the requirements outlined in the scope of work and provided comprehensive and complete responses to interview questions. Received positive responses from references. Proposed the lower average price per vehicle, as well as lowest projected total price.	30-Foot bus = $186.08 40-Foot bus = $210.12 60-Foot bus = $325.95 Paratransit bus = $107.92 Streetcar = $435.00 Total Price = $1,462,070
2	88	**UNISERVE Facilities Services** Commerce, California	K-Town Pest Control, Inc.	The firm was established in 1966 and has 750 employees. Currently provides bus cleaning and pesticide application services for Santa Monica Department of Transportation and Torrance Transit. Proposed a knowledgeable project team with a vetted and cross-trained contingency workforce available to support any base facility as needed. The proposed project manager has ten years of experience. Demonstrated understanding of scope of work and met requirements outlined. Proposed enhancements including electronic real-time task tracking and digital verification of work, Quick Response code to scan for instant reporting and feedback, client performance dashboard to identify trends, and reallocate resources accordingly for performance optimization. Presented approach that met the requirements outlined in the scope of work and provided comprehensive and complete responses to interview questions. Received positive responses from references.	30-Foot bus = $207.04 40-Foot bus = $316.51 60-Foot bus = $371.68 Paratransit bus = $184.25 Streetcar = $529.93 Total Price = $1,747,783

Evaluation Panel:
Internal:
Maintenance Resource Management (2)
Facilities Maintenance (2)
Contracts Administration and Materials Management (1)

Proposal Criteria	Weight Factors
Qualifications of the Firm	30%
Staffing and Project Organization	20%
Work Plan	25%
Cost and Price	25%

ATTACHMENT B

PROPOSAL EVALUATION CRITERIA MATRIX (Short-Listed Firms)
RFP 250080 Detail Bus and Streetcar Cleaning and Pesticide Application Services

Gamboa Services Inc. dba Corporate Image Maintenance						Weights	Overall Score
Evaluator Number	1	2	3	4	5		
Qualifications of Firm	4.5	4.5	4.5	4.0	4.5	6	26.4
Staffing/Project Organization	4.5	4.5	4.0	4.5	4.5	4	17.6
Work Plan	4.0	4.0	4.0	4.0	4.0	5	20.0
Cost and Price	5.0	5.0	5.0	5.0	5.0	5	25.0
Overall Score	68.0	68.0	65.0	68.0	68.0		89

UNISERVE Facilities Services						Weights	Overall Score
Evaluator Number	1	2	4	4	5		
Qualifications of Firm	4.5	4.5	4.0	4.5	4.0	6	25.8
Staffing/Project Organization	4.5	4.5	4.5	4.5	4.5	4	18.0
Work Plan	5.0	4.5	4.5	4.5	4.5	5	23.0
Cost and Price	4.2	4.2	4.2	4.2	4.2	5	21.0
Overall Score	68.0	66.0	66.0	66.0	66.0		88

Scores for non-short-listed firm was 69.

ATTACHMENT C

CONTRACT HISTORY FOR THE PAST TWO YEARS

RFP 250080: Detail Bus and Streetcar Cleaning and Pesticide Application Services

Prime and Subconsultants	Contract No.	Description	Contract Start Date	Contract End Date	Subconsultant Amount	Total Contract Amount
Corporate Image Maintenance						
Contract Type: Time and Expense	C-0-2702	Bus Detail Cleaning & Pesticide Application Services	April 16, 2021	April 30, 2026		$ 1,887,682
Subconsultants:						
Orkin Pest Control						
Contract Type: Time-and-Expense	C-2-2438	Janitorial Services	November 1, 2022	October 31, 2025		$ 3,800,328
Subconsultants:						
None						
				Total		**$ 5,688,010**
Uniserve Facilities Services						
Contract Type: N/A	None	N/A	N/A	N/A		N/A
Subconsultants:						
N/A						
				Total		**$ -**

OCTA

April 27, 2026

To: Members of the Board of Directors

From: Darrell E. Johnson, Chief Executive Officer

Subject: Approval to Release Request for Proposals for Interim Hydrogen Mobile Fueling Stations

Overview

To comply with the California Air Resources Board's Innovative Clean Transit Rule, the Orange County Transportation Authority is actively operating and expanding a mixed fleet that includes battery-electric buses and fuel-cell-electric buses, while continuing to build the operational experience necessary to transition to a fully zero-emission fleet by 2040. As part of this required transition, a critical infrastructure gap has emerged following the expiration of the long-term hydrogen fueling station contract. To maintain operations for existing and incoming fuel-cell-electric buses, staff has developed a request for proposals to procure two hydrogen mobile fueling stations as an interim solution.

Recommendations

A. Approve the proposed evaluation criteria and weightings for Request for Proposals 250236 to select a firm to provide two interim hydrogen mobile fueling stations.

B. Approve the release of Request for Proposals 250236 for two interim hydrogen mobile fueling stations.

Discussion

On November 13, 2017, the Board of Directors (Board) approved the award of an agreement with Trillium USA Company LLC (Trillium) to install a hydrogen fueling station at the Santa Ana Bus Base to fuel the Orange County Transportation Authority's (OCTA) fleet of ten fuel-cell-electric buses (FCEB). The agreement included fueling station installation, operation, maintenance, and hydrogen fuel supply. The contract was competitively awarded and included an initial three-year term with two, one-year option terms. The final option term expired on December 31, 2024.

Following the expiration of the Trillium contract, the Board approved a sole source agreement on February 24, 2025, with Air Products and Chemicals, Inc. (Air Products) to continue operation, maintenance, and hydrogen fuel supply at the Santa Ana Bus Base. However, subsequent to Board approval, Air Products proposed significant changes to the agreement terms, and despite extended negotiations, a final agreement could not be reached. As a result, Air Products removed its leased equipment from the site on January 22, 2026, leaving OCTA without on-site hydrogen fueling capability.

To maintain operations, OCTA has been fueling its FCEB fleet at a commercial retail station in the City of Wilmington. This interim approach requires extensive travel between facilities, placing a strain on maintenance resources and increasing operating inefficiencies. In addition, recurring outages at the retail station have reduced fueling reliability and limited FCEB deployment.

At the same time, OCTA is expanding its FCEB fleet, with 40 additional buses scheduled for delivery through early 2027. To support this growth, OCTA plans to operate 25 FCEBs from both the Santa Ana and Garden Grove Bus Bases.

OCTA is actively pursuing long-term solutions, including replacing the fueling infrastructure at the Santa Ana Bus Base and constructing a second permanent hydrogen fueling station. However, due to the time required to design and build permanent facilities, a near-term fueling gap exists. The procurement of two mobile hydrogen fueling stations is necessary to bridge this gap, restore reliable fueling capability at both bases, and support continued and expanded FCEB operations until permanent infrastructure is in place.

Procurement Approach

OCTA's Board-approved procurement policies and procedures require that the Board approve all requests for proposals (RFP) over $1,000,000, as well as approve the evaluation criteria and weightings. Staff is submitting for Board approval the draft RFP and evaluation criteria and weightings, which will be used to evaluate proposals received in response to this RFP.

The proposed evaluation criteria and weightings are as follows:

- Qualifications of the Firm 30 percent
- Staffing and Project Organization 20 percent
- Work Plan 25 percent
- Cost and Price 25 percent

Several factors were considered in developing the evaluation criteria weightings. Qualifications of the firm criterion is weighted highest at 30 percent as the proposing firms must demonstrate a proven history in successfully completing similar projects. Staffing and project organization criterion is weighted at 20 percent as the firms must demonstrate the proposed key personnel have specific skill sets in order to complete the services required in the scope of work. Work plan is weighted at 25 percent to ensure proposals address each section of the work plan in sufficient detail to demonstrate a clear understanding of the scope of work. Cost and price criterion is weighted at 25 percent to ensure OCTA receives fair and competitive pricing for the services provided.

The contract term for this procurement will be for a one-year initial term with two, one-year option terms. The total cost for the initial term is anticipated to be approximately $6,779,429.

This RFP will be released upon Board approval of these recommendations.

Fiscal Impact

This project is included in the proposed OCTA Fiscal Year 2026-27 Budget. Funding for these services will be provided through the Local Transportation Fund utilizing Operations Division, Maintenance Department, account nos. 2168-7611-D2157-LFK, 2168-7519-D2157-LGK, 2168-7720-D2108-F30, 2162-7611-D2157-LFK, 2162-7519-D2157-LGK and 2162-7720-D2108-F30.

Summary

Board of Directors' approval is requested to release RFP 250236 to select a firm to provide two interim hydrogen mobile fueling stations to provide consistent fuel supply for the continued operation of hydrogen fuel-cell-electric buses, as well as approval of the proposed evaluation criteria and weightings.

Attachment

A. Draft Request for Proposals (RFP) 250236, Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

Prepared by:

Cliff Thorne
Director, Maintenance Administration
714-560-5975

Approved By:

Johnny Dunning, Jr.
Chief Operating Officer, Operations
(714) 560-5710

Pia Veesapen
Director, Contracts Administration and Materials Management
714-560-5619

ATTACHMENT A
RFP 250236

DRAFT REQUEST FOR PROPOSALS (RFP)

HYDROGEN MOBILE FUELERS FOR 40-FOOT HYDROGEN FUEL CELL BUSES

ORANGE COUNTY TRANSPORTATION AUTHORITY
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584
(714) 560-6282

Key RFP Dates

Issue Date: Monday, April 13, 2026

Question Submittal Date: Thursday, April 23, 2026

Proposal Submittal Date: May 12, 2026

SECTION I. INSTRUCTIONS TO OFFERORS

A. NOTICE OF REQUEST FOR PROPOSALS



NOTICE OF REQUEST FOR PROPOSALS

(RFP): "Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses"

TO: ALL OFFERORS

FROM: ORANGE COUNTY TRANSPORTATION AUTHORITY

The Orange County Transportation Authority (Authority) invites proposals from qualified consultants to provide two hydrogen mobile fuelers for 40-Foot hydrogen fuel cell buses. The budget for this project is $6,779,429 for a one-year initial term:

Please note that by submitting a Proposal, Offeror certifies that it is not subject to any Ukraine/Russia-related economic sanctions imposed by the State of California or the United States Government including, but not limited to, Presidential Executive Order Nos. 13660, 13661, 13662, 13685, and 14065. Any individual or entity that is the subject of any Ukraine/Russia-related economic sanction is not eligible to submit a Proposal. In submitting a Proposal, all Offerors agree to comply with all economic sanctions imposed by the State or U.S. Government.

Proposals must be submitted, electronically, through the Authority's OpenGov Procurement portal, at https://procurement.opengov.com/portal/octa/projects/238308 before the deadline of **2:00 pm on Tuesday, May 12, 2026. Authority will not accept hard copy proposals for this RFP.**

Offerors are instructed to submit a response to "**250236**" on the Authority's OpenGov Procurement portal, and follow the instructions as prompted to submit the proposal. The ability to submit a response will expire at the submittal deadline.

Should Offerors encounter technical issues with uploading the proposals via the link provided, Offerors are required to contact the Contract Administrator prior to the submission deadline. Proposals and supplemental information to proposals received after the date and time specified above will be rejected.

Firms interested in obtaining a copy of this Request for Proposals (RFP) may do so by downloading the RFP from the Authority's OpenGov Procurement portal.

To receive all further information regarding this RFP, firms and subconsultants must be registered on OpenGov Procurement and following this RFP on the Authority's public OpenGov Procurement portal.

A pre-proposal conference will be held both on-site/in-person and via teleconference on Tuesday, April 21, 2026, at 11:00 am.

For prospective Offerors who wish to join on-site/in-person, the pre-proposal conference will be held at the Authority's Administrative Office, 550 South Main Street, Orange, California, in Conference Room Administrative Offices I: 550 South Main Street Orange, CA 92868 Conference Room 09.

Prospective Offerors not attending in-person may join or call-in using the following credentials:

- Copy and Paste this link to join meeting online: https://teams.microsoft.com/meet/23679341232452?p=rjLbklgm0bQarbT9jN
- OR Call-in Number: (916) 550-9867
- Conference ID: 625 815 056#

A copy of the presentation slides and pre-proposal conference registration sheet(s) will be issued via addendum prior to the date of the pre-proposal conference. All prospective Offerors are encouraged to attend the pre-proposal conference.

The Authority has established June 2, 2026, as the date(s) to conduct interviews. All prospective Offerors will be asked to keep this date available.

Offerors are encouraged to subcontract with small businesses to the maximum extent possible.

All Offerors will be required to comply with all applicable equal opportunity laws and regulations.

The award of this contract is subject to receipt of state and/or local funds adequate to carry out the provisions of the proposed agreement including the identified Scope of Work.

B. PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held both on-site/in-person and via teleconference on Tuesday, April 21, 2026, at 11:00 am.

For prospective Offerors who wish to join on-site/in-person, the pre-proposal conference will be held at the Authority's Administrative Office, 550 South Main Street, Orange, California, in Conference Room Administrative Offices I: 550 South Main Street Orange, CA 92868 Conference Room 09.

Prospective Offerors not attending in-person may join or call-in using the following credentials:

- Copy and Paste this link to join meeting online:
  - https://teams.microsoft.com/meet/23679341232452?p=rjLbklgm0bQarbT9jN
- OR Call-in Number: (916) 550-9867
- Conference ID: 625 815 056#

A copy of the presentation slides and pre-proposal conference registration sheet(s) will be issued via addendum prior to the date of the pre-proposal conference. All prospective Offerors are encouraged to attend the pre-proposal conference.

C. SITE VISIT

Santa Ana Base:

A site visit will be held in-person and via teleconference on April 22, 2026, at 9:30 a.m.

For prospective Offerors who wish to join on-site/in-person, the site visit will be held at the Authority's Santa Ana Maintenance and Operations Base located at 4301 MacArthur Boulevard, Santa Ana, CA 92704.

Participants are limited to two (2) attendees per offeror. The Site Visit will begin promptly at 9:30 a.m. All attendees must bring and wear a reflective safety vest and safety glasses. Attendees not wearing a reflective safety vest and safety glasses will not be permitted to attend the Site Visit. The Authority will not provide reflective safety vests or safety glasses during the Site Visit.

Attendees should allocate approximately one (1) hour for the Site Visit. Upon arrival at the Santa Ana Maintenance and Operations Base, attendees shall make an immediate right after entering off of MacArthur and park at the visitor parking area. The Operations building is located directly in front of the parking lot, please wait in front of this building.

For your safety, please note:

- Reflective safety vests and safety glasses are required at all Authority bases.
- No cell phone use while walking in transit/parking areas.

- No driving in excess of 10mph on Authority property.

A copy of the site visit registration sheet(s) will be issued via addendum prior to the date of the site visit. Prospective offerors are strongly encouraged to attend the Site Visit.

Garden Grove Base:

A site visit will be held in-person and via teleconference on April 22, 2026, at 11:00 a.m.

For prospective Offerors who wish to join on-site/in-person, the site visit will be held at the Authority's Garden Grove Maintenance and Operations Base located at 11800 Woodbury Road, Garden Grove, CA 92843.

Participants are limited to two (2) attendees per offeror. The Site Visit will begin promptly at 11:00 a.m. All attendees must bring and wear a reflective safety vest and safety glasses. Attendees not wearing a reflective safety vest and safety glasses will not be permitted to attend the Site Visit. The Authority will not provide reflective safety vests or safety glasses during the Site Visit.

Attendees should allocate approximately one (1) hour for the Site Visit. Upon arrival at the Garden Grove Maintenance and Operations Base, attendees shall use the entrance on the left when entering from Woodbury Road. Offerors shall identify themselves as Mobile Fueler contractors attending the Site Visit for RFP 250236. Offerors shall press the call button at the gate, and the Maintenance supervisor shall grant them access. Offerors are to park at the visitor parking area.

For your safety, please note:

- Reflective safety vests and safety glasses are required at all Authority bases.
- No cell phone use while walking in transit/parking areas.
- No driving in excess of 10mph on Authority property.

A copy of the site visit registration sheet(s) will be issued via addendum prior to the date of the site visit. Prospective offerors are strongly encouraged to attend the Site Visit.

D. EXAMINATION OF PROPOSAL DOCUMENTS

By submitting a proposal, Offeror represents that it has thoroughly examined and become familiar with the work required under this RFP and that it is capable of performing quality work to achieve the Authority's objectives.

E. ADDENDA

The Authority reserves the right to revise the RFP documents. Any Authority changes to the requirements will be made by written addendum to this RFP. Any written addenda issued pertaining to this RFP shall be incorporated into the terms and conditions of any resulting

Agreement. The Authority will not be bound to any modifications to or deviations from the requirements set forth in this RFP as the result of oral instructions. Offerors shall acknowledge receipt of addenda in their proposals. Failure to acknowledge receipt of Addenda may cause the proposal to be deemed non-responsive to this RFP and be rejected.

F. AUTHORITY CONTACT

All communication and/or contacts with Authority staff regarding this RFP are to be directed to the following Contract Administrator:

Ellis Hoskin
Senior Contract Administrator
(714) 560-5551
ehoskin@octa.net

Commencing on the date of the issuance of this RFP and continuing until award of the contract or cancellation of this RFP, no Offeror, subcontractor, lobbyist or agent hired by the Offeror shall have any contact or communications regarding this RFP with any Authority's staff; member of the evaluation committee for this RFP; or any contractor or consultant involved with the procurement, other than the Contract Administrator named above or unless expressly permitted by this RFP. Contact includes face-to-face, telephone, electronic mail (e-mail) or formal written communication. Any Offeror, subcontractor, lobbyist or agent hired by the Offeror that engages in such prohibited communications may result in disqualification of the Offeror at the sole discretion of the Authority.

G. CLARIFICATIONS

1. Examination of Documents

Should an Offeror require clarifications of this RFP, the Offeror shall submit such request for clarification or inquiry through the "Question and Answer" section of this RFP on the Authority's OpenGov Procurement portal prior to 5:00 pm on Thursday, April 23, 2026. Should it be found that the point in question is not clearly and fully set forth, the Authority will issue a written addendum clarifying the matter which will be issued to this RFP on the Authority's OpenGov Procurement portal.

2. Submitting Requests

All questions, including questions that could not be specifically answered at the pre-proposal conference must be put in writing and received via the Authority's OpenGov Procurement portal before 5:00 pm, on Thursday, April 23, 2026.

3. Authority Responses

Responses from the Authority will be posted on the OpenGov Procurement portal at https://procurement.opengov.com/portal/octa/projects/238308.

To receive email notification of Authority responses when they are posted on the OpenGov Procurement portal, firms and subconsultants must be registered on OpenGov and following this RFP on the Authority's portal.

H. SUBMISSION OF PROPOSALS

1. Date and Time

Proposals must be received electronically through the Authority's OpenGov Procurement portal before 2:00 pm on Tuesday, May 12, 2026.

Proposals received after the above-specified date and time or submitted in any manner other than as specified above will be returned to Offerors unopened.

2. Acceptance of Proposals

a. The Authority reserves the right to accept or reject any and all proposals, or any item or part thereof, or to waive any informalities or irregularities in proposals.

b. The Authority reserves the right to withdraw or cancel this RFP at any time without prior notice and the Authority makes no representations that any contract will be awarded to any Offeror responding to this RFP.

c. The Authority reserves the right to issue a new RFP for the project.

d. The Authority reserves the right to postpone proposal openings for its own convenience.

e. Each proposal will be received with the understanding that acceptance by the Authority of the proposal to provide the services described herein shall constitute a contract between the Offeror and Authority which shall bind the Offeror on its part to furnish and deliver at the prices given and in accordance with conditions of said accepted proposal and specifications.

f. The Authority reserves the right to investigate the qualifications of any Offeror, and/or require additional evidence of qualifications to perform the work.

g. Submitted proposals are not to be copyrighted.

I. PRE-CONTRACTUAL EXPENSES

The Authority shall not, in any event, be liable for any pre-contractual expenses incurred by Offeror in the preparation of its proposal. Offeror shall not include any such expenses as part of its proposal.

Pre-contractual expenses are defined as expenses incurred by Offeror in:

1. Preparing its proposal in response to this RFP;
2. Submitting that proposal to the Authority;
3. Negotiating with the Authority any matter related to this proposal; or
4. Any other expenses incurred by Offeror prior to date of award, if any, of the Agreement.

J. JOINT OFFERS

Where two or more firms desire to submit a single proposal in response to this RFP, they should do so on a prime-subcontractor basis rather than as a joint venture. The Authority intends to contract with a single firm and not with multiple firms doing business as a joint venture.

K. TAXES

Offerors' proposals are subject to State and Local sales taxes. However, the Authority is exempt from the payment of Federal Excise and Transportation Taxes. Offeror is responsible for payment of all taxes for any goods, services, processes and operations incidental to or involved in the contract.

L. PROTEST PROCEDURES

The Authority has on file a set of written protest procedures applicable to this solicitation that may be obtained by contacting the Contract Administrator responsible for this procurement. Any protests filed by an Offeror in connection with this RFP must be submitted in accordance with the Authority's written procedures.

M. CONTRACT TYPE

It is anticipated that the Agreement resulting from this solicitation, if awarded, will be with fully burdened labor rates and anticipated expenses for work specified in the scope of work, included in the RFP as Attachment A. The Agreement will have an one (1)-year initial term and two (2), one (1)-year option terms.

N. CONFLICT OF INTEREST

All Offerors responding to this RFP must avoid organizational conflicts of interest which would restrict full and open competition in this procurement. An organizational conflict of interest means that due to other activities, relationships or contracts, an Offeror is unable, or potentially unable to render impartial assistance or advice to the Authority; an Offeror's objectivity in performing the work identified in the Scope of Work is or might be otherwise impaired; or an Offeror has an unfair competitive advantage. Conflict of Interest issues must be fully disclosed in the Offeror's proposal.

All Offerors must disclose in their proposal and immediately throughout the course of the evaluation process if they have hired or retained an advocate to lobby Authority staff or the Board of Directors on their behalf.

Offerors hired to perform services for the Authority are prohibited from concurrently acting as an advocate for another firm who is competing for a contract with the Authority, either as a prime or subcontractor.

O. CODE OF CONDUCT

All Offerors agree to comply with the Authority's Code of Conduct as it relates to Third-Party contracts which is hereby referenced and by this reference is incorporated herein. All Offerors agree to include these requirements in all of its subcontracts.

P. OWNERSHIP OF RECORDS/PUBLIC RECORDS ACT

All proposals and documents submitted in response to this RFP shall become the property of the Authority and a matter of public record pursuant to the California Public Records Act, Government Code sections 7920.000 et seq. (the "Act"). Offerors should familiarize themselves with the provisions of the Act requiring disclosure of public information. Offerors are discouraged from marking their proposal documents as "confidential" or "proprietary."

If a Proposal does include "confidential" or "proprietary" markings and the Authority receives a request pursuant to the Act, the Authority will endeavor (but cannot guarantee) to notify the Offeror of such a request. In order to protect any information submitted within a Proposal, the Offeror must pursue, at its sole cost and expense, any and all appropriate legal action necessary to maintain the confidentiality of such information. The Authority generally does not consider pricing information, subcontractor lists, or key personnel, including resumes, as being exempt from disclosure under the Act. In no event shall the Authority or any of its officers, directors, employees, agents, representatives, or consultants be liable to an Offeror for the disclosure of any materials or information submitted in response to the RFP or by failing to notify an Offeror of a request seeking its Proposal. The Authority reserves the right to make an independent decision to disclose records and material.

Notwithstanding the above, all information regarding proposal responses may be held as confidential until such time as the evaluation has been completed; an award has been made by the Board of Directors or Authority Staff, as appropriate; and the contract has been fully negotiated.

Q. STATEMENT OF ECONOMIC INTERESTS

The awarded Offeror (including designated employees and subconsultants) may be required to file Statements of Economic Interests (Form 700) in accordance with the Political Reform Act (Government Code section 81000 et seq.). This applies to individuals who make, participate in making, or act in a staff capacity for making governmental decisions. The AUTHORITY determines which individuals are required to file a Form 700, and if such determination is made, the individuals must file Form 700s with the AUTHORITY's Clerk of the Board no later than 30 days after the execution of the Agreement, annually thereafter for the duration of the Agreement, and within 30 days of termination of the Agreement.

SECTION II. PROPOSAL CONTENT

A. PROPOSAL FORMAT AND CONTENT

Proposals should be typed with a standard 12-point font, double-spaced and submitted on 8 1/2" x 11" size paper. Charts and schedules may be included in 11"x17" format. Proposals should not include any unnecessarily elaborate or promotional materials. Proposals should not exceed fifty (50) pages in length, excluding any appendices, cover letters, resumes, or forms.

1. Letter of Transmittal*

The Letter of Transmittal shall at a minimum, contain the following:

a. Identification of Offeror that will have contractual responsibility with the Authority. Identification shall include legal name of company, corporate address, telephone and fax number, and email address. Include name, title, address, email address, and telephone number of the contact person identified during period of proposal evaluation.

b. Identification of all proposed subcontractors including legal name of company, contact person's name and address, phone number and fax number, and email address; relationship between Offeror and subcontractors, if applicable.

c. A statement to the effect that the proposal shall remain valid for a period of not less than 120 days from the date of submittal.

d. Signature of a person authorized to bind Offeror to the terms of the proposal.

e. Signed statement attesting that all information submitted with the proposal is true and correct.

*Response required

2. Qualifications, Related Experience and References to Offeror

This section of the proposal should establish the ability of Offeror to satisfactorily perform the required work by reasons of: experience in performing work of a similar nature; demonstrated competence in the services to be provided; strength and stability of the firm; staffing capability; work load; record of meeting schedules on similar projects; and supportive client references.

Offeror to provide:

Profile of Firm*

Provide a brief profile of the firm, including the types of services offered; the year founded; form of the organization (corporation, partnership, sole proprietorship); number, size and location of offices; and number of employees.

*Response required

Firm's Financial Condition*

Provide a general description of the firm's financial condition and identify any conditions (e.g., bankruptcy, pending litigation, planned office closures, impending merger) that may impede Offeror's ability to complete the project.

*Response required

Firm's Experience*

Describe the firm's experience in performing work of a similar nature to that solicited in this RFP, and highlight the participation in such work by the key personnel proposed for assignment to this project.

*Response required

Subcontractors*

Identify subcontractors by company name, address, contact person, telephone number, email, and project function. Describe Offeror's experience working with each subcontractor.

*Response required

Lobbying or Advocating Services on Behalf of Offeror*

Identify all firms hired or retained to provide lobbying or advocating services on behalf of the Offeror by company name, address, contact person, telephone number and email address. This information is required to be provided by the Offeror immediately during the evaluation process, if a lobbyist or advocate is hired or retained.

*Response required

References*

Provide as a minimum three (3) references for the projects cited as related experience, and furnish the name, title, address, telephone number, and email address of the person(s) at the client organization who is most knowledgeable about the work performed. Offeror may also supply references from other work not cited in this section as related experience.

*Response required

Do you have a Dun & Bradstreet (DUNS) number? If so, enter it here.

Do you have an Unique Entity Identifier (UEI) number? If so, enter it here.

3. Proposed Staffing and Project Organization

This section of the proposal should establish the method, which will be used by the Offeror to manage the project as well as identify key personnel assigned.

Offeror to:

Identify Key Personnel*

Identify key personnel proposed to perform the work and include major areas of subcontract work. Include the person's name, current location, proposed position for this project, current assignment, level of commitment to that assignment, availability for this assignment and how long each person has been with the firm.

*Response required

Resumes of Key Personnel*
Furnish brief resumes (not more than two [2] pages each) for the proposed Project Manager and other key personnel that includes education, experience, and applicable professional credentials.

*Response required

Adequacy of Labor Resources*
Indicate adequacy of labor resources utilizing a table projecting the labor-hour allocation to the project.

*Response required

Project Organization Chart*
Provide a project organization chart, which clearly delineates communication/reporting relationships among the project staff.

*Response required

Key Personnel Availability*
Provide a statement that key personnel will be available to the extent proposed for the duration of the project acknowledging that no person designated as "key" to the project shall be removed or replaced without the prior written concurrence of the Authority.

*Response required

4. Work Plan
Offeror should provide a narrative, which addresses the Scope of Work, and shows Offeror’s understanding of Authority's needs and requirements.

Offeror to:

Approach*
Describe the approach to completing the Scope of Work. The approach to the work plan shall be of such detail to demonstrate the Offeror’s ability to accomplish the project objectives and overall schedule.

*Response required

Sequence of Activities*
Outline sequentially the activities that would be undertaken in completing the work and specify who would perform.

*Response required

Quality Control Methods*
Identify methods that Offeror will use to ensure quality control as well as budget and schedule control for the project.

*Response required

Special Issues or Problems*
Identify any special issues or problems that are likely to be encountered in this project and how the Offeror would propose to address them.

*Response required

Enhancements or Procedural/Technical Innovations to Scope of Work*
Offeror is encouraged to propose enhancements or procedural or technical innovations to the Scope of Work that do not materially deviate from the objectives or required content of the project.

Do you have any such enhancements or innovations to propose?

☐ Yes
☐ No

*Response required

When equals "Yes"
Enhancements or Innovations*
You have indicated that you have enhancements or procedural or technical innovations to the Scope of Work to propose. As previously stated, such enhancements or innovations must not materially deviate from the objectives or required content of the project.

*Response required

5. Exceptions/Deviations
State any technical and/or contractual exceptions and/or deviations from the requirements of this RFP, including the Authority's technical requirements and contractual terms and conditions set forth in the Scope of Work (Attachment A) and Proposed Agreement (Attachment C), using the form entitled "Proposal Exceptions and/or Deviations" included in this RFP. This Proposal Exceptions and/or Deviations form must be included in the original proposal submitted by the Offeror. If no technical or contractual exceptions and/or deviations are submitted as part of the original proposal, Offerors are deemed to have accepted the Authority's technical requirements and contractual terms and conditions set forth in the Scope of Work (Attachment A) and Proposed Agreement (Attachment C). Offerors will not be allowed to submit the Proposal Exceptions and/or Deviations form or any technical and/or contractual exceptions after the proposal submittal date identified in the RFP. Exceptions and/or deviations submitted after the proposal submittal date will not be reviewed by Authority.

All exceptions and/or deviations will be reviewed by the Authority and will be assigned a "pass" or "fail" status. Exceptions and deviations that "pass" do not mean that the Authority has accepted the change but that it is a potential negotiable issue. Exceptions and deviations that receive a "fail" status means that the requested change is not something that the Authority would consider a potential negotiable issue. Offerors that receive a "fail" status on their exceptions and/or deviations will be notified by the Authority and will be allowed to

retract the exception and/or deviation and continue in the evaluation process. Any exceptions and/or deviation that receive a "fail" status and the Offeror cannot or does not retract the requested change may result in the firm being eliminated from further evaluation.

Exceptions or Deviations*

Do you have any exceptions and/or deviations from the requirements of this RFP?

☐ Yes
☐ No

*Response required

When equals "Yes"

Exceptions or Deviations - Yes*

Offerors shall complete the form entitled "Proposal Exceptions and/or Deviations" provided in this RFP and submit it as part of the proposal. For each exception and/or deviation, a new form should be used, identifying the exception and/or deviation and the rationale for requesting the change. Exceptions and/or deviations submitted after the proposal submittal date will not be reviewed nor considered by the Authority.

- Proposal_Exceptions_and_Dev...

*Response required

6. Forms

Campaign Contribution Disclosure Form*

In conformance with the statutory requirements of the State of California Government Code Section 84308, part of the Political Reform Act and Title 2, California Code of Regulations 18438 through 18438.8, regarding campaign contributions to members of appointed Board of Directors, Offeror is required to complete and sign the Campaign Contribution Disclosure Form provided in this RFP and submit as part of the proposal.

This form must be completed regardless of whether a campaign contribution has been made or not and regardless of the amount of the contribution.

The prime contractor, subconsultants, lobbyists and agents are required to report all campaign contributions made from the proposal submittal date up to and until the Board of Directors makes a selection.

Offeror is required to submit only one copy of the completed form(s) as part of its proposal and it must be included in only the original proposal.

Offeror is required to report any campaign contributions made by the prime contractor, subconsultants, lobbyists and agents after the proposal submittal date, and up to the anticipated Board of Directors selection on August 24, 2026. The offeror shall use the campaign contribution form for any additional reporting. The forms must be submitted at least 15 calendar days prior to the Board Committee date on August 13, 2026 and sent via e-mail to the Contract Administrator.

- Campaign_Contribution_Discl...

*Response required

Status of Past and Present Contracts Form*

Offeror shall complete and sign the form entitled “Status of Past and Present Contracts” provided in this RFP and submit as part of its proposal. Offeror shall identify the status of past and present contracts where the firm has either provided services as a prime vendor or a subcontractor during the past five (5) years in which the contract has been the subject of or may be involved in litigation with the contracting authority. This includes, but is not limited to, claims, settlement agreements, arbitrations, administrative proceedings, and investigations arising out of the contract. Offeror shall have an ongoing obligation to update the Authority with any changes to the identified contracts and any new litigation, claims, settlement agreements, arbitrations, administrative proceedings, or investigations that arise subsequent to the submission of Offeror's proposal.

A separate form must be completed for each identified contract. Each form must be signed by the Offeror confirming that the information provided is true and accurate. Offeror is required to submit the completed form(s) as part of its proposal.

- Status_of_Past_and_Present_...

*Response required

7. Submittal

Appendices*

Information considered by Offeror to be pertinent to this project and which has not been specifically solicited in any of the aforementioned sections may be placed in a separate appendix section. Offerors are cautioned, however, that this does not constitute an invitation to submit large amounts of extraneous materials. Appendices should be relevant and brief.

*Response required

Submittal Confirmation*

Proposer hereby certifies that all information provided within this proposal is accurate to the best of their knowledge. Proposer acknowledges that they have examined and carefully studied all RFP and Contract Documents and any Addenda and that they have provided any necessary proof of their authority to submit a proposal on behalf of the Company/Firm Name stated on the proposal thereby committing the Company/Firm to the information contained within.

☐ Please confirm

*Response required

B. COST AND PRICE PROPOSAL

INITIAL TERM: EFFECTIVE THROUGH AUGUST 31, 2027

Enter below the firm-fixed prices. Prices include labor, direct costs, indirect costs, disposal fees, clean-up fees, travel time, trip charge overhead, freight, profits and all costs incurred to provide, install and ensure that hydrogen mobile fuelers requested will be provided as described in Exhibit A, Scope of Work. Prices quoted shall remain firm for the term of the agreement. Contractors must complete the pricing table in its entirety by entering a unit price for each line item within the pricing table in OpenGov.

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
1	Installation and commissioning		Ea.		
TOTAL					

INITIAL TERM: EFFECTIVE THROUGH AUGUST 31, 2027

Enter below the firm-fixed prices. Prices include labor, direct costs, indirect costs, disposal fees, clean-up fees, travel time, trip charge overhead, freight, profits and all costs incurred to provide, install and ensure that hydrogen mobile fuelers requested will be provided as described in Exhibit A, Scope of Work. Prices quoted shall remain firm for the term of the agreement. Contractors must complete the pricing table in its entirety by entering a unit price for each line item within the pricing table in OpenGov.

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
2	Rental Charges		Per Month		
3	Hydrogen fuel price		Per Kg.		
4	Delivery charges		Per delivery		
TOTAL					

OPTION TERM ONE: EFFECTIVE THROUGH AUGUST 31, 2028

Enter below the firm-fixed prices. Prices include labor, direct costs, indirect costs, disposal fees, clean-up fees, travel time, trip charge overhead, freight, profits and all costs incurred to provide, install and ensure that hydrogen mobile fuelers requested will be provided as described in Exhibit A, Scope of Work. Prices quoted shall remain firm for the term of the agreement. Contractors must complete the pricing table in its entirety by entering a unit price for each line item within the pricing table in OpenGov.

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
5	Rental Charges		Monthly		
6	Hydrogen fuel price		Per Kg.		
7	Delivery charges		Per delivery		
TOTAL					

OPTION TERM TWO: EFFECTIVE THROUGH AUGUST 31, 2029

Enter below the firm-fixed prices. Prices include labor, direct costs, indirect costs, disposal fees, clean-up fees, travel time, trip charge overhead, freight, profits and all costs incurred to provide, install and ensure that hydrogen mobile fuelers requested will be provided as described in Exhibit A, Scope of Work. Prices quoted shall remain firm for the term of the agreement. Contractors must complete the pricing table in its entirety by entering a unit price for each line item within the pricing table in OpenGov.

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
8	Rental Charges		Monthly		
9	Hydrogen fuel price		Per Kg.		
10	Delivery charges		Per delivery		
TOTAL					

SECTION III. EVALUATION AND AWARD

A. EVALUATION CRITERIA

The Authority will evaluate the offers received based on the following criteria:

No.	Evaluation Criteria	Scoring Method	Weight (Points)
1.	**Qualifications of the Firm** Technical experience in performing work of a closely similar nature; strength and stability of the firm; strength, stability, experience and technical competence of subcontractors; assessment by client references.	0-5 Points	30 *(30% of Total)*
2.	**Staffing and Project Organization** Qualifications of project staff, particularly key personnel and especially the Project Manager; key personnel's level of involvement in performing related work cited in "Qualifications of the Firm" section; logic of project organization; adequacy of labor commitment; concurrence in the restrictions on changes in key personnel.	0-5 Points	20 *(20% of Total)*
3.	**Work Plan** Depth of Offeror's understanding of Authority's requirements and overall quality of work plan; logic, clarity and specificity of work plan; appropriateness of resource allocation among the tasks; reasonableness of proposed schedule; utility of suggested technical or procedural innovations.	0-5 Points	25 *(25% of Total)*
4.	**Cost and Price** Reasonableness of the total price as well as the individual tasks; competitiveness with other offers received; adequacy of data in support of figures quoted.	0-5 Points	25 *(25% of Total)*

B. EVALUATION PROCEDURE

An evaluation committee will be appointed to review all proposals received for this RFP. The committee is comprised of Authority staff and may include outside personnel. The committee members will evaluate the written proposals using criteria identified in Section III A. A list of top ranked proposals, firms within a competitive range, will be developed based upon the totals of each committee members' score for each proposal.

During the evaluation period, the Authority may interview some or all of the proposing firms. The Authority has established June 2, 2026, as the date(s) to conduct interviews. All prospective Offerors are asked to keep this date available. No other interview dates will be provided, therefore, if an Offeror is unable to attend the interview on this date, its proposal may be eliminated from further discussion. The interview may consist of a short presentation by the Offeror after which the evaluation committee will ask questions related to the firm's proposal and qualifications.

At the conclusion of the proposal evaluations, the evaluation committee will score the proposals to develop a competitive range. Offerors remaining within the competitive range may be asked to submit a Best and Final Offer (BAFO). In the BAFO request, the firms may be asked to provide additional information, confirm or clarify issues and submit a final cost/price offer. A deadline for submission will be stipulated.

At the conclusion of the evaluation process, the evaluation committee will recommend to the Transit Committee, the Offeror with the highest final ranking or a short list of top ranked firms within the competitive range whose proposal(s) is most advantageous to the Authority. The Board Committee will review the evaluation committee's recommendation and forward its recommendation to the Board of Directors for final action.

C. AWARD

The Authority's Board of Directors will consider the selection of the firm(s) recommended by the Board Committee.

The Authority may also negotiate contract terms with the selected Offeror prior to award, and expressly reserves the right to negotiate with several Offerors simultaneously and, thereafter, to award a contract to the Offeror offering the most favorable terms to the Authority.

Offeror acknowledges that the Authority's Board of Directors reserves the right to award this contract in its sole and absolute discretion to any Offeror to this RFP regardless of the evaluation committee's recommendation or recommendation of a Board Committee.

The Authority reserves the right to award its total requirements to one Offeror or to apportion those requirements among several Offerors as the Authority may deem to be in its best interest. In addition, negotiations may or may not be conducted with Offerors; therefore, the proposal submitted should contain Offeror's most favorable terms and conditions, since the selection and award may be made without discussion with any Offeror.

The selected Offeror will be required to submit to the Authority's Accounting department a current IRS W-9 form prior to commencing work.

D. NOTIFICATION OF AWARD AND DEBRIEFING

Offerors who submit a proposal in response to this RFP shall be notified via the Authority's OpenGov Procurement portal. Such notification shall be made within three (3) business days of the date the contract is awarded.

Offerors who were not awarded the contract may obtain a debriefing concerning the strengths and weaknesses of their proposal. Unsuccessful Offerors, who wish to be debriefed, must request

the debriefing in writing or electronic mail and the Authority must receive it within three (3) business days of notification of the contract award.

Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

1. Overview

The Orange County Transportation Authority (OCTA) seeks to procure two (2) temporary hydrogen mobile fueler for two (2) OCTA locations to support its growing fleet of fuel cell electric buses (FCEBs). One (1) mobile fueler will be deployed at each of the following locations: the Santa Ana Base and the Garden Grove Base. OCTA currently operates ten (10) 40-foot FCEBs and anticipates the delivery of an additional forty (40) buses by end of 2026. Once the anticipated forty (40) buses are delivered, each base will be assigned twenty-five (25) buses. Each Mobile fueler shall be capable of supporting a fleet of Twenty-Five (25) buses FCEBs

Each of these FCEBs have a hydrogen storage capacity of 37.5 kg,

Contractor shall be responsible for all aspects of the project, including planning, design, permitting, equipment procurement, construction (as required), and commissioning of the Mobile fueler.

The contract term shall be for one (1) year-initial term, with two (2), one (1)-year option terms.

Each mobile fueler shall be capable of dispensing gaseous or liquid hydrogen for a minimum of Twenty-Five (25) buses within an eight (8) hour window at 350 bar.

2. Requirements

2.1 General

The intent of this specification is to describe the Authority's expectations of the requested deliverables without necessarily describing each individual item, connector, product, features, attributes, functionality, interface, etc., in all-inclusive detail; therefore, the Contractor shall be expected to understand the requirements and submit its bid accordingly.

2.2 Pre-Bid Requirements

Bidders are required to visit the SA and GG facilities and participate in job walks prior to providing bids. OCTA will coordinate and facilitate these visits to ensure that the locations selected by OCTA are suitable for the bidders' equipment.

Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

2.3 Legal

All provided products and work shall comply with all applicable federal, state, local regulations, and accepted industry practices typical for this type of work/deliverables.

In the event of any conflict between the requirements of this specification and any applicable legal requirement, the legal requirement shall prevail. Technical requirements that exceed the legal requirements are not considered to conflict.

2.4 Schedule

Bidders shall provide the proposed delivery timeline in weeks or months for the fueling solution, and all other deliverables associated with the fueling solution for each location: Santa Ana Base and Garden Grove Base. The equipment must be on-site and fully operational at both locations No later than (NLT) February 1, 2027.

2.5 Code of compliance

Code Compliance Bidders interim fueling solution and placement must meet all local, state, federal building code requirements, must meet all fire code, NFPA, Cal/OSHA, NEC, ANSI, NIOSH standards, and any and all other applicable codes and standards. The location of the mobile fueler will need to be assessed for the best location based on the proposed mobile fueler. Each Bidder must provide their recommended location in their proposal.

3. Project Coordination

3.1 Kickoff and Meeting Requirements

Within five (5) working days of the Notice to Proceed (NTP), the Contractor shall submit a preliminary project schedule to OCTA for approval. The final schedule, incorporating OCTA's feedback, shall be submitted within ten (10) working days of preliminary schedule approval. This approved schedule will serve as the official baseline for tracking project progress. Schedule updates shall be provided bi-weekly or at least monthly.

The Contractor shall conduct an in-person kickoff meeting with OCTA within ten (10) days of contract award. The meeting will cover the project scope, schedule, budget, roles, responsibilities, and include an initial site walk of the proposed Mobile fueler location.

Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

During the site visit, the Contractor shall review existing site conditions, including structures, utilities, traffic flow, and access routes. The Contractor is responsible for identifying and addressing any required modifications or design considerations related to existing infrastructure.

The Contractor shall participate in weekly one-hour conference calls throughout the contract period—from execution through commissioning and testing—unless otherwise approved in writing by OCTA.

OCTA's Project Manager (or designee) will conduct regular project reviews. The Contractor shall provide status updates, including risks, schedule reviews, budget status, and a three-week lookahead of upcoming activities.

The Contractor shall host all meetings via web conferencing, submit written action items within two (2) days of each meeting, and maintain an action log through project completion.

4. Specification

4.1 Bus Information

New Flyer Fuel cell electric bus (FCEB) XHE40 – 40-foot buses. Buses are equipped with TN1 and TN5 receptacles. These buses are equipped with communication plug for temperature compensated fill and wireless SAE J2799 Standard Infrared Fill Communication (IrDA) Protocol. Bidders may propose a configuration that supports either option.

NF OEM bus fuel tank specification (Buses with 37.5kgs fuel storage)

Operating Pressure... 5,075 psi (34,990 kPa)
Volume..... 82.4 GAL (312 L) 5,075 psi
Construction.....All Composite
Weight.....262 lbs. (119 kg) 35 psi
Service life……20 years
Hydrogen fuel storage system capacity of each tank .....7.5 kg, H2 (at 15 °C/59°F)

Codes and compliance per OEM
ANSI/CSA HGV2, HGV3.1
EC 79/2009 EU 406/2010
SAE J2578, J2579

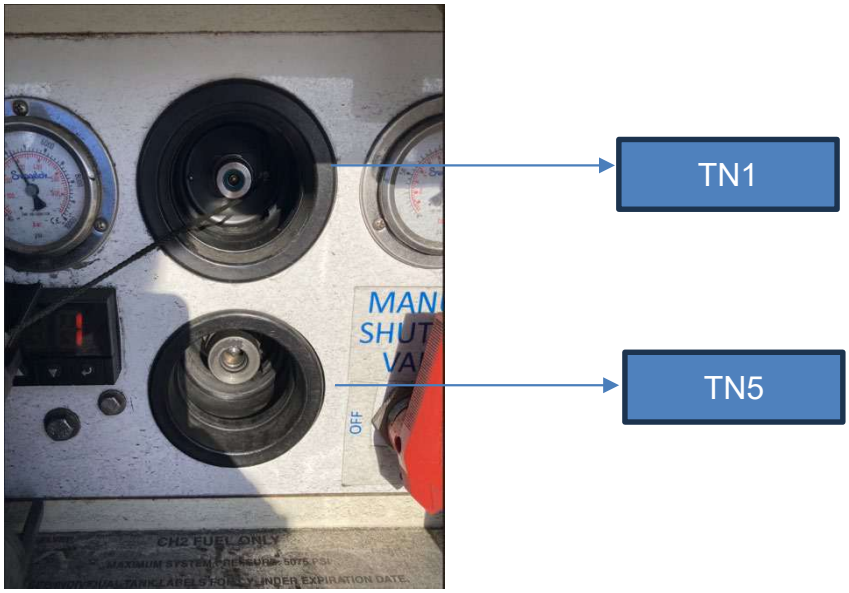
Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

FMVSS 304

4.2 Bus Fuel Dispenser

The fueling dispenser shall be compatible with TN1 or TN5 receptacle on the bus. Below is the picture of fill receptacle on an OCTA bus.



4.3 NF OEM bus Fuel Fill specification

Nominal Working Pressure: .....350 bar / 5,075 psig (at 15 °C/59°F)

Maximum Allowable Pressure: .....438 bar / 6,350 psig

Maximum Allowable Temperature: .....85 °C/185°F

4.4 Mobile fueler dispenser requirement

The dispenser shall be rated for H35 (350 bar) operation and shall comply with SAE J2601-2 standards. The dispenser shall be equipped with either a WEH TK16-HF (High Flow) nozzle or a WEH TK25 fast-fill nozzle, or an approved equivalent. The bidder shall specify whether the selected nozzle supports temperature-compensated communication fill or infrared (IrDA) communication fill.

Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

4.5 Fuel Purity

Bidder shall provide a Fuel Purity Certificate of Conformance verifying compliance with SAE J2719 hydrogen purity standards. The Contractor shall submit this certificate monthly to OCTA's Facilities Manager.

Fuel quality requirements from OEM bus manufacturer New Flyer:

Hydrogen quality must meet or exceed SAE J2719 specifications as well as the following exceptions to J2719:

CO2 < 1 ppm

CO < 0.1 ppm

S < 1 ppb

NH3 < 1 ppb

Fe <= 4 µg/h

Ni <= 3 µg/h

Cu, Cr, Al <= 1 µg/h

4.5 Estimated Fuel Usage

OCTA plans to operate twenty-five (25) 40' FCEBs at each base with an average daily usage of 25kgs/day per bus. Therefore, total daily usage is anticipated to be 750 kgs/day at each base. Such operations are expected seven (7) days a week. OCTA does not guarantee the exact usage of 750 kgs per day at each base as it is an estimate for the purposes of this solicitation. Based on this information, Bidder needs to include reserves to account for potential supply issues. Hence, Bidder shall provide a backup supply of hydrogen fuel to reduce the risk of not being able to fuel the OCTA buses. **Note:** OCTA has not taken delivery of 40 buses out of total projected 50 buses, so daily hydrogen usage may change in the future.

Total usage

# of Buses	Fuel tank Capacity (Kg)	Estimated Daily H2 usage (Kg)	Total fuel usage per day (kg)	Fuel tank configuration
50	37.5	25	250	5 tanks each 7.5kgs

Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

Usage per base

Bases	# of Buses	Estimated Daily H2 usage (Kg)	Total fuel usage per day (kg)
Sant Ana	25	25	750
Garden Grove	25	25	750
Total Usage			**1500**

4.6 Boil-Off Rate Disclosure

The proposer shall clearly identify and quantify the expected hydrogen boil-off rate (if any) associated with the mobile hydrogen fueler.

5. Delivery

5.1 Location

The Contractor shall be responsible for delivering all equipment and fuel to below locations:

Santa Ana Base, Maintenance.
4301 MacArthur Blvd,
Santa Ana, CA 92704

Garden Grove Base
11790 Cardinal Circle
Garden Grove, CA 92843

Note: The Contractor shall be fully responsible for delivery, unloading, placement, and on-site assembly of two (2) mobile fueler at the designated OCTA facilities. This responsibility includes, including but not limited to, all shipping, freight, handling, off-loading, rigging, hoisting, and any special equipment required to remove the systems from delivery vehicle(s) and place them inside the facilities. All delivery and installation costs shall be included in the Contractor's pricing.

5.2 Damage

The Contractor assumes all liabilities and risks associated with component delivery, storage, proper licensing and insurance for drivers and companies used to transfer components, to and from the Authority's properties.

The Contractor shall exclusively be responsible for all damages, liabilities, risks, and others, and excludes OCTA, OCTA property, OCTA personnel, representatives, agents and others of any liabilities, damages and/or risks associated with the delivery of these components to the specified OCTA Location.

6. Site Planning

Contractor shall be responsible for all design aspects of the Mobile fueler and shall include a preliminary site layout fifteen (15) business days after the kickoff meeting. The Preliminary Site Layout must include at a minimum:

1. Site Plan
2. Equipment Plan
3. Single Line Diagram, including load list
4. Electrical Site Plan, identifying new proposed electrical power improvements
5. Grounding Plan
6. Lighting Plan (if needed)
7. Flame and Gas Detection and Emergency Shutdown Plan
8. Exposure Setback Plan

The specifics of the plans must include the proposed location of all equipment, utility connection diagrams and schematics, safety equipment, barriers, Emergency Shutdown Devices, Flame/Gas detection devices, and a site layout including Contractor's proposed traffic circulation plan for filling the Mobile fueler and bus refueling.

OCTA requires sufficient space for maneuvering its bus fleet and Contractor shall ensure that regular bus operations are not impeded by the delivery and assembly of the Mobile fueler. Contractor must propose SOPs and provide appropriate traffic circulation and traffic control plans that demonstrate how the FCEBs will be parked for refueling at the Mobile

fueler. Mobile fueler equipment assembly shall be secured as necessary on OCTA's property, subject to OCTA's approval. The delivery and assembly shall be in a controlled area with restricted public access.

7. Base maps. Note: Bus shall be able to fuel perpendicular or parallel to mobile fueler. Location of mobile fuller shall be determined after the pre-bid meeting.

.

Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

OCTA SANTA ANA BASE



Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

OCTA GARDEN GROVE BASE



.

Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

8. Data Provisions

The Contractor shall provide a system to log total fuel dispensed for each fueling event. Automatic electronic logging is preferred; however, if not feasible, a manual readout of dispensed fuel must be available for recordkeeping.

Additionally, the Contractor shall provide a method to schedule fuel deliveries proactively, either through an automated system or by supplying the necessary data for OCTA staff to manage delivery scheduling.

9. Electrical Provisions

OCTA may provide the required electrical service, or the Contractor may do so, as specified in the proposal. If OCTA provides electrical service, the Contractor must submit all necessary technical information within five (5) business days of the kickoff meeting.

10. Lighting Improvements

The Contractor shall evaluate site lighting at the proposed Mobile fueler location and recommend any additional lighting required. If improvements are needed, the Contractor shall include a cost estimate in the proposal. OCTA reserves the right to install the lighting independently.

11. Permitting

The Contractor is responsible for obtaining all required permits and approvals from relevant Authorities Having Jurisdiction (AHJs), including the City of Santa Ana and City of Garden Grove, Orange County (and Fire District), and South coast Air Quality Management District (SQAMD). All permit submittals to AHJs must also be provided to OCTA.

The Contractor shall prepare and submit all drawings, studies, and supporting documentation necessary for permitting, delivery, and commissioning of the Mobile fueler. Permit applications must be complete, comply with all federal, state, and local regulations, and include any additional documents requested by AHJs.

The Contractor shall pay all applicable permit fees, respond to AHJ comments, revise plans as needed, and ensure all inspections are passed. The Contractor is responsible for closing out all permits.

Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

All permit fees will be reimbursed at cost upon submission of official payment receipts.

12. Site Preparation and Equipment Delivery

The Contractor shall perform all site preparation and equipment delivery tasks unless otherwise noted. OCTA anticipates no structural improvements or permanent installations.

The Contractor shall ensure all Mobile fueler equipment is assembled, tested, and calibrated using an OCTA-supplied FCEB prior to commissioning. Written authorization from the local fire authority must be obtained before the first hydrogen fill.

The Contractor shall attend monthly on-site meetings with OCTA to review site conditions, access, delivery progress, and potential utility conflicts. OCTA or its agents may conduct inspections and develop punch lists for corrective action. Completion timelines for punch list items shall be mutually agreed upon.

Any field deviations from approved plans must be verified by OCTA, redlined on the Contractor's drawings, and incorporated into the as-built documentation submitted after commissioning.

13. Special Provisions

The Contractor shall supply all miscellaneous materials necessary for full installation and compliance, including but not limited to:

1. Grounding the Mobile fueler
2. Crash protection
3. External materials required by codes and standards
4. Equipment and installations needed to Meet AHJ requirements
5. Secure Contractor-supplied equipment

14. Signage

The Contractor shall install all required and safety-critical signage for the Mobile fueler, including access restriction notices. Temporary traffic control devices (e.g., cones or signs) must be provided during Mobile fueler filling or bus refueling, as required by law or OCTA.

Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

15. Commissioning

15.1 Commissioning Plan

The Contractor shall provide a detailed Mobile fueler Commissioning Plan outlining steps, responsibilities, and schedule for commissioning activities. A summary plan must be included with the proposal, and the full plan submitted to OCTA at least twenty (20) business days before commissioning begins.

The Contractor shall coordinate performance testing with OCTA to minimize disruption to transit operations.

The contractor shall conduct testing to verify that all FCEBs located on the property at the time of test can be fully fueled within an eight-hour period.

15.2 Fuel purity testing

Before fueling any bus during commissioning (beginning with the first bus), the Contractor shall perform hydrogen purity testing to confirm that fuel dispensed from the Mobile fueler meets SAE J2719 standards. Samples shall be collected at the nozzle for each dispenser nozzle.

All test results shall be submitted to OCTA for verification of compliance. Any abnormalities or deviations from SAE J2719 standards must be immediately reported to OCTA.

Fueling shall not proceed unless hydrogen purity results meet the SAE J2719 requirements

16. Training

Contractor shall submit a Training Plan to OCTA outlining the organization and coordination of training sessions for OCTA staff, local first responders, and other designated stakeholders. These sessions shall include safety demonstrations and instruction on the safe and proper operation of the mobile fueler, tailored appropriately for each audience. OCTA staff and first responders must be trained prior to Project Acceptance. Contractor's Training Plan shall contain the following details, at a minimum:

1. A description of each course
2. Suggested attendees for each course
3. Suggested course length; and
4. Suggested timing for course delivery.

Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

OCTA personnel must be trained on the following topics:

1. Characteristics of hydrogen.
2. System safety, including safety features and appliances.
3. Topics specific to first responders.
4. Station operation (including understanding of installed signage).
5. Possible incidents and recommended mitigation.
6. Communications plan to respond to a safety incident.

The plan shall include OCTA, first responders, and the Contractor.

OCTA reserves the right to modify the proposed Training Plan to meet the needs of the Agency. OCTA will be responsible for coordinating secondary and annual refresher training sessions with internal staff and first responders.

Contractor's training course instructor(s) must be capable of training at least twenty OCTA personnel and/or first responders simultaneously in each course.

Contractor shall provide a Hydrogen Safety Training Plan, including all training material, for review and approval by OCTA's Project Manager prior to the commencement of any training. Contractor shall provide all necessary materials to facilitate the training with a minimum of ten (10) business days prior to course commencement.

Contractor shall prepare a quick reference Emergency Response Guide (ERG) that can be distributed to OCTA personnel and first responders to place in their trucks and engines.

The ERG shall provide a map showing the location of Mobile fueler equipment, ESD devices, as well as the distances to this equipment from the entry driveway and nearby structures. This will be provided in electronic format (PDF) at sufficient resolution (300dpi or greater) so that OCTA can easily reproduce in print/laminated sheets

17. Installation Closeout Documentation

Contractor shall provide OCTA with complete documentation at the completion of the Mobile fueler Commissioning as a condition to achieve Project Acceptance. The content of the closeout documentation must include, at minimum, the following:

Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

1. Technical Data sheets and Original Equipment Manufacturer (OEM) Manuals for all Equipment components of the Mobile fueler.
2. As-Built Drawings
3. Operations and Maintenance Manuals for the Mobile fueler and its component parts.
4. Contractor's Quality Assurance and Quality Control (QA/QC) documentation, including a log of all OCTA, AHJ(s), and Contractor's routine/periodic maintenance inspections.
5. Mobile fueler Standard Operating Procedures (SOPs), with special consideration made to local fire, life and safety, AHJ(s), NFPA 2 and NFPA 55 requirements.
6. Contractor's Emergency Response Plan (ERP), with considerations for inclusion into OCTA's overarching ERP of the Operations facility
7. Contractor's Hazardous Materials Business Plan, including material Safety Data Sheets (SDSs) for any hazardous materials handled on site in association with use of the Mobile fueler.
8. Contractor's Traffic Control Plans that document Contractor's recommended guidance to OCTA for the safe and lawful use of the Mobile fueler, including necessary operational boundaries and setbacks and recommended pavement striping or use of traffic control devices during Mobile fueler filling, bus refueling, or maintenance/operation of the Mobile fueler.

Contractor shall provide written manufacturer's specifications and guidance to OCTA on minimum hydrogen fuel tank levels, and operations and maintenance manuals shall be provided to OCTA for any equipment that must be maintained, as well as the associated training plans, training manuals, and training quick-reference cards so that OCTA personnel or its agents can clearly read and interpret said maintenance requirements and fuel levels.

18. Project Acceptance

Acceptance of the Mobile fueler will occur when OCTA issues Project Acceptance. Project Acceptance will occur when the following are completed, to OCTA's satisfaction:

1. The Contractor has completed all commissioning activities for the Mobile fueler.
2. The Mobile fueler has satisfactorily passed the Performance Test.

3. All safety-related open items have been satisfied and closed.
4. Contractor has provided OCTA with all the closeout documentation, including As-Built Drawings.
5. OCTA determined that the Mobile fueler is suitable for operation.
6. Achieving Project Acceptance does not relieve the Contractor from responsibility for errors, improper fabrication, and nonconformance to a requirement, or for deficiencies within Contractor's control.

19. Operations and Maintenance Phase

19.1 Station Operations

Contractor shall ensure the Mobile fueler is fully operational and available for use by OCTA on a continuous basis for the duration of the Contract term following Mobile fueler Commissioning and Project Acceptance.

Contractor shall also ensure that any operating permits (such as those with the Fire Department) are maintained by Contractor on OCTA's behalf throughout the Contract term.

19.2 Mobile fueler O&M and Fuel Testing

Contractor shall provide appropriate maintenance for the Mobile fueler equipment, for the duration of the Contract. Contractor shall perform all required preventive maintenance inspections and services on the Mobile fueler to ensure the Mobile fueler is in good condition to reduce potential downtime events.

Contractor shall perform all necessary preventative and corrective maintenance to ensure the proper and on-going operation of the Mobile fueler, including all supplied equipment, supplying spare parts and consumables, shall ensure reliable, repeatable, performance, and have a minimum of ninety-nine percent (99%) uptime during the OCTA fueling window throughout the Contract term.

1. Contractor must be available to receive reports of Mobile fueler malfunction 24 hours per day, every day of the year, including holidays and weekends.
2. Contractor must ensure that one of Contractor's representatives and an OEM representative (where applicable) can be on-site at OCTA's property within four (4) hours from receipt of any written or verbal communication from OCTA of malfunctioning equipment or other Mobile fueler issue that is impeding normal use or operation of the Mobile fueler. The malfunctioning system or component must

be properly functioning within 24 hours from receipt of OCTA's notice of said issue.

Contractor shall provide OCTA with an Operations and Maintenance (O&M) Plan and associated manuals prior to the start of Mobile fueler commissioning. The O&M Plan must reflect the exact equipment and components that Contractor installs on OCTA property and cannot be a generic O&M Plan.

Contractor shall provide OCTA with SOPs and response protocols that will be incorporated into OCTA's Emergency Response Plan (ERP) for any emergency situations that may occur during the operation or maintenance of the Mobile fueler.

The Contractor must conduct additional fuel purity tests following any repairs that have the potential of introducing contaminants into the closed system (equipment/materials wetted by H2). Contractor must conduct fuel purity tests each time said circumstance may arise.

Following Mobile fueler Commissioning and Project Acceptance, Contractor shall notify OCTA any time the SOPs are updated for any affected systems, equipment, or components of the Mobile fueler or pertaining to Contractor's Hydrogen Fueling Services. This includes changes imposed by Contractor's supplier or sub-Contractor partners (e.g., equipment OEMs).

Scheduled or preventive maintenance of the Mobile fueler may not be performed during OCTA's fueling window between 6pm – 2:30am daily.

The Mobile fueler may not be taken offline for more than 24 hours without the Contractor providing an alternative fueling solution for OCTA. If the Mobile fueler is taken offline for more than 24 hours, Contractor shall provide an alternative fueling solution before the next fueling period. Approval of any alternative will be in OCTA's sole discretion.

Contractor shall also provide all labor (delivery, assembly, or otherwise), testing, and post- operation commissioning necessary during the Contract term.

The Contractor must correct ESD detection devices that are triggered falsely or in error. The Contractor must replace repeated falsely triggered devices with an alternate approved device as a means of eliminating false alarms. Failure to correct repeated falsely triggered devices shall be grounds for OCTA to withhold Contractor invoice payments until said issues are resolved to OCTA's satisfaction.

Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

20. Provision of Fuel

Contractor shall provide hydrogen fuel to OCTA's facility located at:

Santa Ana Base, Maintenance.
4301 MacArthur Blvd, Santa Ana, California 92704

Garden Grove Base, Maintenance.
11790 Cardinal Circle
Garden Grove, CA 92843

Fuel will be delivered as required, and within 24 hours of scheduled delivery.

Contractor shall furnish all trucks, trailers, off-loading hose(s), tools, equipment, resources, apparatus, facility, transportation, trained labor and materials necessary to furnish the services herein described.

Contractor is required to furnish the designated supply location for the delivery of liquid or gaseous hydrogen.

Contractor must be in compliance with all relevant local, state, and federal laws/regulations, including, but not limited to transportation of Hazardous Materials and Safety Laws and Regulations. Upon request, Contractor must provide OCTA proof of compliance.

Prior to delivery of the first load of hydrogen under this Contract, Contractor shall inspect and provide to OCTA's Assigned Personnel, their safety validation of the site and equipment. The Assigned Personnel must acknowledge receipt and submit written approval to the Contractor before delivery of the first load of hydrogen will be accepted.

Contractor shall notify OCTA prior to the delivery of any reformulation of products supplied under this contract, and changes shall not be accepted without the prior written consent of OCTA.

20.1 Backup Fuel Supply

Contractor shall provide a backup supply of hydrogen fuel to reduce the risk of not being able to fuel the OCTA buses.

20.2 Preparation and Delivery

The delivery schedule will be determined by OCTA following Mobile fueler Commissioning. Contractor must coordinate the scheduling of fuel deliveries with OCTA's Maintenance Supervisor in order to accommodate OCTA's schedule.

Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

Contract shall notify OCTA's Assigned Personnel one (1) hour prior to delivery, but no earlier than 6:00 AM.

Contractor shall be responsible for off-loading fuel into the Contractor's proposed fueling solution and providing trained personnel capable of performing the off-loading of fuel without assistance from OCTA.

All deliveries that are measured in weight must be weighed at a station no further than twenty (20) miles from the delivery site, before, and after delivery.

21. Project Closeout and System Decommissioning

Contractor shall restore the Mobile fueler assembly site to its original condition and clean up, remove, and haul any debris, materials, equipment, or hazardous waste from OCTA's yard upon

Contract termination within thirty (30)-days written notice from OCTA, following the decommissioning and removal of the Mobile fueler at the conclusion of the Project.

22. Work Hours

Standard Business Hours 7am-5pm Monday – Friday. Contractor needs to notify OCTA facility manager before the delivery.

Contractor shall obtain written approval from OCTA's Project Manager for at least one (1) workday prior to any date upon which Contractor needs to deviate from those Work Hours (this includes any irregular, nighttime, Saturday or Sunday work due to limited staff available for oversight/monitoring).

23. Definitions:

- SAE – Society of Automotive Engineers
- ASME – American Society of Mechanical Engineers
- FMVSS – Federal Motor Vehicle Safety Standards
- HGV – Hydrogen Gas Vehicle
- ANSI – American National Standards Institute
- IBC – International Building Code
- IEC – International Electrotechnical Commission

Scope of Work

Hydrogen Mobile Fuelers for 40-Foot Hydrogen Fuel Cell Buses

- CGA – Compressed Gas Association
- NEC – National Electrical Code
- NFPA – National Fire Protection Association
- Cal/OSHA - California's Division of Occupational Safety and Health
- NEC – National Electrical Code
- ANSI - American National Standards Institute
- NIOSH - National Institute for Occupational Safety and Health

PROPOSED AGREEMENT NO. 250236

BETWEEN

ORANGE COUNTY TRANSPORTATION AUTHORITY

AND

_____

THIS AGREEMENT is effective as of this _____ day of _____, 2026 ("Effective Date"), by and between the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, CA 92863-1584, a public corporation of the State of California (hereinafter referred to as "AUTHORITY") and _____, _____ (hereinafter referred to as "CONTRACTOR").

WITNESSETH:

WHEREAS, AUTHORITY requires assistance from CONTRACTOR to provide two temporary hydrogen mobile fuelers for 40-Foot Hydrogen Fuel Cell Buses; and

WHEREAS, said work cannot be performed by the regular employees of AUTHORITY; and

WHEREAS, CONTRACTOR has represented that it has the requisite personnel and experience, and is capable of performing such services; and

WHEREAS, CONTRACTOR wishes to perform these services;

NOW, THEREFORE, it is mutually understood and agreed by AUTHORITY and CONTRACTOR as follows:

ARTICLE 1. COMPLETE AGREEMENT

A. This Agreement, including all exhibits and documents incorporated herein and made applicable by reference, constitutes the complete and exclusive statement of the terms and conditions of this Agreement between AUTHORITY and CONTRACTOR and it supersedes all prior representations, understandings and communications. The invalidity in whole or in part

of any term or condition of this Agreement shall not affect the validity of other terms or conditions.

B. AUTHORITY's failure to insist in any one or more instances upon CONTRACTOR's performance of any terms or conditions of this Agreement shall not be construed as a waiver or relinquishment of AUTHORITY's right to such performance or to future performance of such terms or conditions and CONTRACTOR's obligation in respect thereto shall continue in full force and effect. Changes to any portion of this Agreement shall not be binding upon AUTHORITY except when specifically confirmed in writing by an authorized representative of AUTHORITY by way of a written amendment to this Agreement and issued in accordance with the provisions of this Agreement.

ARTICLE 2. AUTHORITY DESIGNEE

The Chief Executive Officer of AUTHORITY, or designee, shall have the authority to act for and exercise any of the rights of AUTHORITY as set forth in this Agreement.

ARTICLE 3. SCOPE OF WORK

A. CONTRACTOR shall perform the work necessary to complete in a manner satisfactory to AUTHORITY the services set forth in Exhibit A, entitled "Scope of Work," attached to and, by this reference, incorporated in and made a part of this Agreement. All services shall be provided at the times and places designated by AUTHORITY.

B. CONTRACTOR shall provide the personnel listed below to perform the above-specified services, which persons are hereby designated as key personnel under this Agreement.

Names / Functions

C. No person named in paragraph B of this Article, or his/her successor approved by AUTHORITY, shall be removed or replaced by CONTRACTOR, nor shall his/her agreed-upon

function or level of commitment hereunder be changed, without the prior written consent of AUTHORITY.

D. Should the services of any key person become no longer available to CONTRACTOR, the resume and qualifications of the proposed replacement shall be submitted to AUTHORITY for approval as soon as possible, but in no event later than seven (7) calendar days prior to the departure of the incumbent key person, unless CONTRACTOR is not provided with prior notice by the departing employee. AUTHORITY shall respond to CONTRACTOR within seven (7) calendar days following receipt of these qualifications concerning acceptance of the candidate for replacement.

ARTICLE 4. TERM OF AGREEMENT

This Agreement shall commence upon the effective date of this Agreement, and shall continue in full force and effect through September 30, 2027, unless earlier terminated or extended as provided in this Agreement.

A. AUTHORITY, at its sole discretion, may elect to extend the term of this Agreement for an additional twelve (12) months commencing _____, 20__, and continuing through _____, 20__ ("First Option Term"), and thereupon require CONTRACTOR to continue to provide services, and otherwise perform, in accordance with Exhibit A and at the amounts or rates set forth in Article 5, "Payment."

B. AUTHORITY, at its sole discretion, may elect to extend the term of this Agreement for an additional twelve (12) months commencing _____, 20__, and continuing through _____, 20__ ("Second Option Term"), and thereupon require CONTRACTOR to continue to provide services, and otherwise perform, in accordance with Exhibit A and at the amounts or rates set forth in Article 5, "Payment."

C. AUTHORITY's election to extend this Agreement beyond the Initial Term shall not diminish its right to terminate the Agreement for AUTHORITY's convenience or CONTRACTOR's default as provided elsewhere in this Agreement. The "maximum term" of this Agreement shall be the

period extending from commencement through _____, 20__, which period encompasses the Initial Term, First Option Term, and Second Option Term.

ARTICLE 5. PAYMENT

A. For CONTRACTOR's full and complete performance of its obligations under this Agreement and subject to the maximum cumulative payment obligation provisions set forth in Article 6, AUTHORITY shall pay CONTRACTOR on a Time and Expense basis in accordance with the following provisions.

B. CONTRACTOR shall invoice AUTHORITY on a monthly basis for payments corresponding to the work actually completed by CONTRACTOR. Work completed shall be documented in a monthly progress report prepared by CONTRACTOR, which shall accompany each invoice submitted by CONTRACTOR. AUTHORITY shall pay CONTRACTOR at the hourly labor rates specified in Exhibit B, entitled "Price Summary Sheet," which is attached to and by this reference, incorporated in and made a part of this Agreement. These rates shall remain fixed for the term of this Agreement and are acknowledged to include CONTRACTOR's overhead costs, general costs, administrative costs and profit. CONTRACTOR shall also furnish such other information as may be requested by AUTHORITY to substantiate the validity of an invoice. At its sole discretion, AUTHORITY may decline to make full payment until such time as CONTRACTOR has documented to AUTHORITY'S satisfaction, that CONTRACTOR has fully completed all work required. AUTHORITY's payment in full shall constitute AUTHORITY's final acceptance of CONTRACTOR's work.

C. Invoices shall be submitted by CONTRACTOR on a monthly basis and shall be submitted in duplicate to AUTHORITY's Accounts Payable office. CONTRACTOR may also submit invoices electronically to AUTHORITY's Accounts Payable Department at vendorinvoices@octa.net. Each invoice shall be accompanied by the monthly progress report specified in paragraph B of this Article. AUTHORITY shall remit payment within thirty (30) calendar days of the receipt and approval of each invoice. Each invoice shall include the following information:

1. Agreement No. 250236;
2. Specify the effort for which the payment is being requested;
3. The time period covered by the invoice;
4. Labor (staff name, hours charged, hourly billing rate, current charges, and cumulative charges) performed during the billing period;
5. Total monthly invoice (including project-to-date cumulative invoice amount);
6. Itemized expenses including support documentation incurred during the billing period;
7. Monthly Progress Report;
8. Certification signed by the CONTRACTOR or his/her designated alternate that a) The invoice is a true, complete and correct statement of reimbursable costs and progress; b) The backup information included with the invoice is true, complete and correct in all material respects; c) All payments due and owing to subconsultants and suppliers have been made; d) Timely payments will be made to subconsultants and suppliers from the proceeds of the payments covered by the certification and; e) The invoice does not include any amount which CONTRACTOR intends to withhold or retain from a subconsultant or supplier unless so identified on the invoice.
9. Any other information as agreed or requested by AUTHORITY to substantiate the validity of an invoice.

ARTICLE 6. MAXIMUM OBLIGATION

Notwithstanding any provisions of this Agreement to the contrary, AUTHORITY and CONTRACTOR mutually agree that AUTHORITY's maximum cumulative payment obligation (including obligation for CONTRACTOR's profit) shall be _____ Dollars ($_____.00) which shall include all amounts payable to CONTRACTOR for its subcontracts, leases, materials and costs arising from, or due to termination of, this Agreement.

/

/

ARTICLE 7. NOTICES

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, returned receipt requested, postage prepaid and addressed as follows:

To CONTRACTOR:

To AUTHORITY:

Orange County Transportation Authority
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584
ATTENTION:
Name:
Title:
Phone:
Email:

ARTICLE 8. INDEPENDENT CONTRACTOR

A. CONTRACTOR's relationship to AUTHORITY in the performance of this Agreement is that of an independent contractor. CONTRACTOR's personnel performing services under this Agreement shall at all times be under CONTRACTOR's exclusive direction and control and shall be employees of CONTRACTOR and not employees of AUTHORITY. CONTRACTOR shall pay all wages, salaries and other amounts due its employees in connection with this Agreement and shall be responsible for all reports and obligations respecting them, such as

social security, income tax withholding, unemployment compensation, workers' compensation and similar matters.

B. Should CONTRACTOR's personnel or a state or federal agency allege claims against AUTHORITY involving the status of AUTHORITY as employer, joint or otherwise, of said personnel, or allegations involving any other independent contractor misclassification issues, CONTRACTOR shall defend and indemnify AUTHORITY in relation to any allegations made.

ARTICLE 9. INSURANCE

A. CONTRACTOR shall procure and maintain insurance coverage in full force and effect during the entire term of the Agreement. Coverage shall be full coverage and not subject to self-insurance provisions. CONTRACTOR shall provide the following insurance coverage:

1. Commercial General Liability, to include Products/Completed Operations, Independent Contractors', Contractual Liability, Advertising (if applicable to Scope of Work) and Personal Injury Liability, and Property Damage with a minimum limit of $5,000,000 per occurrence, $5,000,000 general aggregate and $5,000,000 Products/Completed Operations aggregate;
2. Automobile Liability Insurance to include owned, hired and non-owned autos with a combined single limit of $5,000,000 for each accident;
3. Workers' Compensation with limits as required by the State of California including a Waiver of Subrogation in favor of AUTHORITY, its officers, directors and employees; and
4. Employers' Liability with minimum limits of $1,000,000 per accident, $1,000,000 policy limit-disease, and $1,000,000 policy limit employee-disease.
5. Professional Liability with minimum limits of $5,000,000 only if the CONTRACTOR is required by contract or law to be licensed or specially certified and AUTHORITY is relying on performance based on that specialty license or certification.
6. Pollution Legal Liability with minimum limits of $5,000,000 per loss with a $5,000,000.00 annual aggregate for disposal at non-hazardous treatment, storage and disposal facilities.

Minimum limits of $5,000,000.00 per loss with an $5,000,000.00 annual aggregate limit shall apply separately.

B. Proof of such coverage, in the form of a certificate of insurance and an insurance policy blanket additional insured endorsement, designating the AUTHORITY, its officers, directors and employees as additional insureds on general liability and automobile liability, as required by Agreement. Proof of insurance coverage must be received by AUTHORITY within ten (10) calendar days from the effective date of the Agreement and prior to commencement of any work. Such insurance shall be primary and non-contributive to any insurance or self-insurance maintained by the AUTHORITY. Furthermore, AUTHORITY reserves the right to request certified copies or review all related insurance policies, in response to a related loss.

C. CONTRACTOR shall also include in each subcontract, the stipulation that subconsultants shall maintain insurance coverage in the amounts required of CONTRACTOR as provided in the Agreement. Subconsultants will be required to include AUTHORITY as additional insureds on the Commercial General Liability, and Auto Liability insurance policies.

D. Insurer must provide AUTHORITY with at least thirty (30) days' prior notice of cancellation or material modification of coverage, and ten (10) days' prior notice for non-payment of premium.

E. CONTRACTOR shall submit required insurance certificates to AUTHORITY's insurance tracking contractor, InsureTrack. CONTRACTOR shall respond directly to InsureTrack's request for updated insurance certificates and other insurance-related matters by email to octa@instracking.com.

F. CONTRACTOR shall include on the face of the certificate of insurance, the following information:

1. The Agreement Number 250236 and, the Senior Contract Administrator's Name,
2. For Certificate Holder: The Orange County Transportation Authority, its officers, directors, employers and agents, c/o InsureTrack, P.O. Box 60840 Las Vegas, NV 89160.

ARTICLE 10. ORDER OF PRECEDENCE

Conflicting provisions hereof, if any, shall prevail in the following descending order of precedence: (1) the provisions of this Agreement, including all exhibits; (2) the provisions of RFP 250236; (3) CONTRACTOR's proposal dated _____; (4) all other documents, if any, cited herein or incorporated by reference.

ARTICLE 11. CHANGES

A. By written notice or order, AUTHORITY may, from time to time, order work suspension and/or make changes in the general scope of this Agreement, including, but not limited to, the services furnished to AUTHORITY by CONTRACTOR as described in the Scope of Work. If any such work suspension or change causes an increase or decrease in the price of this Agreement or in the time required for its performance, CONTRACTOR shall promptly notify AUTHORITY thereof and assert its claim for adjustment within ten (10) calendar days after the change or work suspension is ordered, and an equitable adjustment shall be negotiated. However, nothing in this clause shall excuse CONTRACTOR from proceeding immediately with the Agreement as changed.

B. CONTRACTOR shall only commence work covered by an amendment after the amendment is executed by AUTHORITY.

ARTICLE 12. DISPUTES

A. Except as otherwise provided in this Agreement, when a dispute arises between CONTRACTOR and AUTHORITY, the project managers shall meet to resolve the issue. If project managers do not reach a resolution, the dispute will be decided by AUTHORITY's Director of Contracts Administration and Materials Management (CAMM), who shall reduce the decision to writing and mail or otherwise furnish a copy thereof to CONTRACTOR. The decision of the Director, CAMM, shall be the final and conclusive administrative decision.

B. Pending final decision of a dispute hereunder, CONTRACTOR shall proceed diligently with the performance of this Agreement and in accordance with the decision of AUTHORITY's Director,

CAMM. Nothing in this Agreement, however, shall be construed as making final the decision of any AUTHORITY official or representative on a question of law, which questions shall be settled in accordance with the laws of the State of California.

ARTICLE 13. TERMINATION

A. AUTHORITY may terminate this Agreement for its convenience at any time, in whole or part, by giving CONTRACTOR written notice thereof. Upon said notice, AUTHORITY shall pay CONTRACTOR its allowable costs incurred to date of termination and those allowable costs determined by AUTHORITY to be reasonably necessary to effect such termination. Thereafter, CONTRACTOR shall have no further claims against AUTHORITY under this Agreement.

B. In the event either Party defaults in the performance of any of their obligations under this Agreement or breaches any of the provisions of this Agreement, the non-defaulting Party shall have the option to terminate this Agreement upon thirty (30) days' prior written notice to the other Party. Upon receipt of such notice, CONTRACTOR shall immediately cease work, unless the notice from AUTHORITY provides otherwise. Upon receipt of the notice from AUTHORITY, CONTRACTOR shall submit an invoice for work and/or services performed prior to the date of termination. AUTHORITY shall pay CONTRACTOR for work and/or services satisfactorily provided to the date of termination in compliance with this Agreement. Thereafter, CONTRACTOR shall have no further claims against AUTHORITY under this Agreement. AUTHORITY shall not be liable for any claim of lost profits or damages for such termination.

ARTICLE 14. INDEMNIFICATION

CONTRACTOR shall indemnify, defend and hold harmless AUTHORITY, its officers, directors, employees and agents (indemnities) from and against any and all claims (including attorneys' fees and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage to or loss of use of property caused by the negligent acts, omissions or willful

misconduct by CONTRACTOR, its officers, directors, employees, agents, subconsultants or suppliers in connection with or arising out of the performance of this Agreement.

ARTICLE 15. ASSIGNMENTS AND SUBCONTRACTS

A. Neither this Agreement nor any interest herein nor claim hereunder may be assigned by CONTRACTOR either voluntarily or by operation of law, nor may all or any part of this Agreement be subcontracted by CONTRACTOR, without the prior written consent of AUTHORITY. Consent by AUTHORITY shall not be deemed to relieve CONTRACTOR of its obligations to comply fully with all terms and conditions of this Agreement.

B. If CONTRACTOR wishes to subcontract any of the work described in Exhibit B, AUTHORITY must be given prior notification and must consent to CONTRACTOR's subcontracting portions of the Scope of Work to the requested subconsultant(s). If AUTHORITY approves of the subconsultant, CONTRACTOR shall include in the subcontract agreement the stipulation that CONTRACTOR, not AUTHORITY, is solely responsible for payment to the subconsultant for the amounts owing and that the subconsultant shall have no claim, and shall take no action, against AUTHORITY, its officers, directors, employees or sureties for nonpayment by CONTRACTOR.

Subcontractor Name	Addresses	Function

ARTICLE 16. AUDIT AND INSPECTION OF RECORDS

CONTRACTOR shall provide AUTHORITY, or other agents of AUTHORITY, such access to CONTRACTOR's accounting books, records, payroll documents and facilities, as AUTHORITY deems necessary. CONTRACTOR shall maintain such books, records, data and documents in accordance with generally accepted accounting principles and shall clearly identify and make such items readily accessible to such parties during CONTRACTOR's performance hereunder and for a period of four (4) years from the date of final payment by AUTHORITY. AUTHORITY's right to audit books and

records directly related to this Agreement shall also extend to all first-tier subcontractors identified in Article 15 of this Agreement. CONTRACTOR shall permit any of the foregoing parties to reproduce documents by any means whatsoever or to copy excerpts and transcriptions as reasonably necessary.

ARTICLE 17. CONFLICT OF INTEREST

A. CONTRACTOR agrees to avoid organizational conflicts of interest. An organizational conflict of interest means that due to other activities, relationships or contracts, the CONTRACTOR is unable, or potentially unable to render impartial assistance or advice to the AUTHORITY; CONTRACTOR's objectivity in performing the work identified in the Scope of Work is or might be otherwise impaired; or the CONTRACTOR has an unfair competitive advantage. CONTRACTOR is obligated to fully disclose to the AUTHORITY in writing Conflict of Interest issues as soon as they are known to the CONTRACTOR. All disclosures must be submitted in writing to AUTHORITY pursuant to the Notice provision herein. This disclosure requirement is for the entire term of this Agreement.

B. If the AUTHORITY determines that CONTRACTOR, its employees, or subconsultants are subject to disclosure requirements under the Political Reform Act (Government Code section 81000 et seq.), CONTRACTOR and its required employees and subconsultants shall complete and file Statements of Economic Interest (Form 700) with the AUTHORITY's Clerk of the Board disclosing all required financial interests.

ARTICLE 18. CODE OF CONDUCT

CONTRACTOR agrees to comply with the AUTHORITY's Code of Conduct as it relates to Third-Party contracts, which is hereby referenced and by this reference is incorporated herein. CONTRACTOR agrees to include these requirements in all of its subcontracts.

ARTICLE 19. PROHIBITION ON PROVIDING ADVOCACY SERVICES

CONTRACTOR and all subconsultants performing work under this Agreement, shall be prohibited from concurrently representing or lobbying for any other party competing for a contract with

AUTHORITY, either as a prime consultant or subconsultant. Failure to refrain from such representation may result in termination of this Agreement.

ARTICLE 20. FEDERAL, STATE AND LOCAL LAWS

CONTRACTOR warrants that in the performance of this Agreement, it shall comply with all applicable federal, state and local laws, statutes and ordinances and all lawful orders, rules and regulations promulgated thereunder.

ARTICLE 21. EQUAL EMPLOYMENT OPPORTUNITY

In connection with its performance under this Agreement, CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age or national origin. CONTRACTOR shall take affirmative action to ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, age or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

ARTICLE 22. PROHIBITED INTERESTS

A. CONTRACTOR covenants that, for the term of this Agreement, no director, member, officer or employee of AUTHORITY during his/her tenure in office or for one (1) year thereafter, shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

B. No member of or delegate to, the Congress of the United States shall have any interest, direct or indirect, in this Agreement or to the benefits thereof.

ARTICLE 23. OWNERSHIP OF REPORTS AND DOCUMENTS

A. The originals of all letters, documents, reports and other products and data produced under this Agreement shall be delivered to, and become the property of AUTHORITY. Copies may be made for CONTRACTOR's records but shall not be furnished to others without written authorization from AUTHORITY. Such deliverables shall be deemed works made for hire and all rights in copyright therein shall be retained by AUTHORITY.

B. All ideas, memoranda, specifications, plans, manufacturing, procedures, drawings, descriptions, and all other written information submitted to CONTRACTOR in connection with the performance of this Agreement shall not, without prior written approval of AUTHORITY, be used for any purposes other than the performance under this Agreement, nor be disclosed to an entity not connected with the performance of the project. CONTRACTOR shall comply with AUTHORITY's policies regarding such material. Nothing furnished to CONTRACTOR, which is otherwise known to CONTRACTOR or is or becomes generally known to the related industry shall be deemed confidential. CONTRACTOR shall not use AUTHORITY's name, photographs of the project, or any other publicity pertaining to the project in any professional publication, magazine, trade paper, newspaper, seminar or other medium without the express written consent of AUTHORITY.

C. No copies, sketches, computer graphics or graphs, including graphic artwork, are to be released by CONTRACTOR to any other person or agency except after prior written approval by AUTHORITY, except as necessary for the performance of services under this Agreement. All press releases, including graphic display information to be published in newspapers, magazines, etc., are to be handled only by AUTHORITY unless otherwise agreed to by CONTRACTOR and AUTHORITY.

ARTICLE 24. PATENT AND COPYRIGHT INFRINGEMENT

A. In lieu of any other warranty by AUTHORITY or CONTRACTOR against patent or copyright infringement, statutory or otherwise, it is agreed that CONTRACTOR shall defend at its expense any claim or suit against AUTHORITY on account of any allegation that any item furnished under this Agreement or the normal use or sale thereof arising out of the performance of this Agreement, infringes upon any presently existing U.S. letters patent or copyright and CONTRACTOR shall pay all costs and damages finally awarded in any such suit or claim, provided that CONTRACTOR is promptly notified in writing of the suit or claim and given authority, information and assistance at CONTRACTOR's expense for the defense of

same. However, CONTRACTOR will not indemnify AUTHORITY if the suit or claim results from: (1) AUTHORITY's alteration of a deliverable, such that said deliverable in its altered form infringes upon any presently existing U.S. letters patent or copyright; or (2) the use of a deliverable in combination with other material not provided by CONTRACTOR when such use in combination infringes upon an existing U.S. letters patent or copyright.

B. CONTRACTOR shall have sole control of the defense of any such claim or suit and all negotiations for settlement thereof. CONTRACTOR shall not be obligated to indemnify AUTHORITY under any settlement made without CONTRACTOR's consent or in the event AUTHORITY fails to cooperate fully in the defense of any suit or claim, provided, however, that said defense shall be at CONTRACTOR's expense. If the use or sale of said item is enjoined as a result of such suit or claim, CONTRACTOR, at no expense to AUTHORITY, shall obtain for AUTHORITY the right to use and sell said item, or shall substitute an equivalent item acceptable to AUTHORITY and extend this patent and copyright indemnity thereto.

ARTICLE 25. FINISHED AND PRELIMINARY DATA

A. All of CONTRACTOR’s finished technical data, including but not limited to illustrations, photographs, tapes, software, software design documents, including without limitation source code, binary code, all media, technical documentation and user documentation, photo prints and other graphic information required to be furnished under this Agreement, shall be AUTHORITY’s property upon payment and shall be furnished with unlimited rights and, as such, shall be free from proprietary restriction except as elsewhere authorized in this Agreement. CONTRACTOR further agrees that it shall have no interest or claim to such finished, AUTHORITY-owned, technical data; furthermore, said data is subject to the provisions of the Freedom of Information Act, 5 USC 552.

B. It is expressly understood that any title to preliminary technical data is not passed to AUTHORITY but is retained by CONTRACTOR. Preliminary data includes roughs,

visualizations, software design documents, layouts and comprehensives prepared by CONTRACTOR solely for the purpose of demonstrating an idea or message for AUTHORITY's acceptance before approval is given for preparation of finished artwork. Preliminary data title and right thereto shall be made available to AUTHORITY if CONTRACTOR causes AUTHORITY to exercise Article 11, and a price shall be negotiated for all preliminary data.

ARTICLE 26. HEALTH AND SAFETY REQUIREMENTS

CONTRACTOR shall comply with all the requirements set forth in Exhibit __, titled "Level 2 SAFETY SPECIFICATIONS." As used therein, "Contractor" shall mean "Consultant," and "Subcontractor" shall mean "Sub-consultant."

ARTICLE 27. LIMITATION ON GOVERNMENTAL DECISIONS

CONTRACTOR shall not make, participate in making, or use its position to influence any governmental decisions as defined by the Political Reform Act, Government Code section 8100 et seq., and the implementing regulations in Title 2 of the California Code of Regulations section 18110 et seq. CONTRACTOR's personnel performing services under this Agreement shall not authorize or direct any actions, votes, appoint any person, obligate, or commit AUTHORITY to any course of action or enter into any contractual agreement on behalf of AUTHORITY. In addition, CONTRACTOR's personnel shall not provide information, an opinion, or a recommendation for the purpose of affecting a decision without significant intervening substantive review by AUTHORITY personnel, counsel, and management.

ARTICLE 28. FORCE MAJEURE

Either party shall be excused from performing its obligations under this Agreement during the time and to the extent that it is prevented from performing by an unforeseeable cause beyond its control, including but not limited to: any incidence of fire, flood; acts of God; commandeering of material, products, plants or facilities by the federal, state or local government; national fuel shortage; or a material act or omission by the other party; when satisfactory evidence of such cause is presented to

the other party; and provided further that such nonperformance is unforeseeable, beyond the control and is not due to the fault or negligence of the party not performing.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement No. 250236 to be executed as of the date of the last signature below.

CONTRACTOR	ORANGE COUNTY TRANSPORTATION AUTHORITY
_____	_____
SIGNATURE	**DARRELL E. JOHNSON, CHIEF EXECUTIVE OFFICER**
	APPROVED AS TO FORM:
	_____
	JAMES M. DONICH, GENERAL COUNSEL
	APPROVED:
	_____
	JOHNNY DUNNING JR., CHIEF OPERATIONS OFFICER

LEVEL 2 STANDARD HEALTH, SAFETY AND ENVIRONMENTAL SPECIFICATIONS

PART I – GENERAL

1.1 GENERAL HEALTH, SAFETY & ENVIRONMENTAL REQUIREMENTS

A. The Contractor, its subcontractors, suppliers, and employees have the obligation to comply with all Authority health, safety and environmental compliance department (HSEC), requirements of this safety specification, project site requirements, and bus yard safety rules as well as all federal, state, and local regulations pertaining to scope of work or agreements with the Authority. Additionally, manufacturer requirements are considered incorporated by reference as applicable to this scope of work.

B. Observance of repeated unsafe acts or conditions, serious violation of safety standards, non-conformance of Authority health, safety and environmental compliance department (HSEC) requirements, or disregard for the intent of these safety specifications to protect people and property, by Contractor or its subcontractors may be reason for termination of scope or agreements with the Authority, at the sole discretion of the Authority.

C. INJURY AND ILLNESS PREVENTION PROGRAM

The Contractor shall comply with CCR Title 8, Section with California Code of Regulations (CCR) Title 8, Section 3203. The intent and elements of the IIPP shall be implemented and enforced by the Contractor and its sub-tier contractors, suppliers, and vendors. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.

D. SUBSTANCE ABUSE PREVENTION PROGRAM

Contractor shall comply with the Policy or Program of the Company's Substance Abuse Prevention Policy that complies with the most recent Drug Free Workplace Act. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.

E. HAZARD COMMUNICATION PROGRAM

1. Contractor shall comply with CCR Title 8, Section 5194 Hazard Communication Standard. Prior to use on Authority property and/or project work areas Contractor shall provide the Authority Project Manager copies of SDS for all applicable products used, if any. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.

2. All chemicals including paint, solvents, detergents and similar substances shall comply with South Coast Air Quality Management District (SCAQMD) rules 103, 1113, and 1171.

F. STORM WATER POLLUTION PREVENTION PLAN

1. The Contractor shall protect property and water resources from fuels and similar products throughout the duration of the contract. Contractor shall comply with Storm Water Pollution Prevention Plan (SWPPP) requirements. The program or plan if required by scope shall be provided to the Authority's Project Manager, upon request, within 72 hours.

G. DESIGNATED HEALTH, SAFETY, ENVIRONMENTAL (HSE) REPRESENTATIVE

1. Upon contract award, the contractor within 10 business days shall designate a health and safety representative and provide a resume and qualifications to the Authority project manager, upon request, within 72 hours.

2. This person shall be a Competent or Qualified Individual as defined by the Occupational, Safety, and Health Administration (OSHA), familiar with applicable CCR Title 8 Standards, and has the authority to affect changes in work procedures that may have associated cost, schedule and budget impacts.

3. The Contractor's HSE Representative is subject to acceptance by the Authority Project Manager, and the HSEC Department. All contact information of the HSE Representative (name, phone, and fax and pager/cell phone number) shall be provided to the Authority Project Manager, upon request, within 72 hours.

4. The Contractor's HSE Representative shall hold a current certification from the Board of Certified Safety Professionals (BCSP) and have five years of demonstrated construction/scope experience enforcing HSE compliance on construction, industrial or similar project scopes. The designated HSE Representative shall participate in any required HSE related submittals. The Authority reserves the right to allow for an exception and to modify these minimum qualification requirements for unforeseen circumstances, at the sole discretion of the Authority Project Manager and HSEC Department Manager.

5. Competent Individual means an individual who is capable of identifying existing and predictable hazards in the surroundings or working conditions which are unsanitary, hazardous, or dangerous to employees and/or property, and who has authorization to take prompt corrective measures to eliminate them.

6. Qualified Individual means an individual who by possession of a recognized degree, certificate, certification or professional standing, or who by extensive knowledge, training, and experience, has successfully demonstrated his/her ability to solve or resolve problems relating to the subject matter, the work, or the Project.

H. SCOPE PLANNING

Prior to any scope work activity or task, the Contractor shall evaluate the hazards of the scope of work and the work environment to ensure proper control measures are identified for employee public and property protection measures to prevent incidents. This evaluation shall be implemented by developing a written site specific Job Hazard Analysis (JHA) or similar tool designed for planning the work to prevent incidents. The plan shall be provided to the Authority's Project Manager, upon request, within 72 hours.

I. ORIENTATION

1. The Contractor shall conduct and document a project site safety orientation for all Contractor personnel, subcontractors, suppliers, vendors, and new employees assigned to the project prior to performing any work on Authority projects. The safety orientation at a minimum shall include, as applicable, Personal Protection Equipment (PPE) requirements, eye protection, ANSI class 2 or 3 reflective vests, designated smoking, eating, and parking areas, traffic speed limit and routing, cell phone policy, and barricade requirements. When required by scope, additional orientation shall include fall protection, energy isolation/lock-out/tag-out (LOTO), confined space, hot work permit, security requirements, and similar project safety requirements.

2. Copies of orientation documents shall be provided to the Authority Project Manager within 72 hours upon request.

J. TRAFFIC & PARKING

The Contractor shall ensure that all Contractor vehicles, including those of their subcontractors, suppliers, vendors and employees are parked in designated parking areas, personal vehicles shall be parked in the employee parking lot, work vehicles required in the maintenance area of a bus base shall be identified by company name and/or logo, covered by the company insurance, and comply with traffic routes, and posted traffic signs in areas other than the employee parking lots. Vehicles without appropriate company name and logo are considered personal vehicles and not allowed in the maintenance area of the bus base.

K. GENERAL PROVISIONS

1. The Contractor shall provide all necessary tools, equipment, and related safety protective devices to execute the scope of work in compliance with Authority's HSEC requirements, CCR Title 8 Standards, and recognized safe work practices.

2. The Contractor shall immediately notify the Authority's Project Manager whenever local, state or federal regulatory agency personnel are identified as being onsite.

3. The Authority HSEC requirements, and references contained within this scope of work shall not be considered all-inclusive as to the hazards that might be encountered. Safe work practices shall be pre-planned and performed, and safe conditions shall be maintained during the course of this work scope.

4. The Contractor shall specifically acknowledge that it has primary responsibility to prevent and correct all health, safety and environmental hazards for which it and its employees, or its subcontractors (and their employees) are responsible. The Contractor shall further acknowledge their expertise in recognition and prevention of hazards in the operations for which they are responsible, that the Authority may not have such expertise, and is relying upon the Contractor for such expertise. The Authority retains the right to notify the Contractor of potential hazards and request the Contractor to evaluate and, as necessary, to eliminate those hazards.

5. The Contractor shall instruct all its employees, and all associated sub-contractors under contract with the Contractor who work on Authority property in the recognition, identification, and avoidance of unsafe acts and/or conditions applicable to its work.

6. California Code of Regulations (CCR) Title 8 Standards are minimum requirements, and each Contractor is encouraged to exceed minimum requirements. When the Contractor safety requirements exceed statutory standards, the more stringent requirements shall be achieved for the safeguard of the public and workers.

1.2 ENVIROMENTAL REQUIREMENTS

A. The Contractor shall comply with Federal, State, county, municipal, and other local laws and regulations pertaining to the environment, including noise, aesthetics, air quality, water quality, contaminated soils, hazardous waste, storm water, and resources of archaeological significance. Expense of compliance with these laws and regulations is considered included in the agreement. Contractor shall provide water used for dust control, or for pre-wetting areas to be paved, as required; no payment will be made by OCTA for this water.

B. The Contractor shall prevent pollution of storm drains, rivers, streams, irrigation ditches, and reservoirs with sediment or other harmful materials. Fuels, oils, bitumen, calcium chloride, cement, or other contaminants that would contribute to water pollution shall not be dumped into or placed where they will leach into storm drains, rivers, streams, irrigation ditches, or reservoirs. If operating equipment in streambeds or in and around open waters, protect the quality of ground water, wetlands, and surface waters.

C. The Contractor shall protect adjacent properties and water resources from erosion and sediment damage throughout the duration of the contract. Contractor shall comply with applicable NPDES permits and Storm Water Pollution Prevention Plan (SWPPP) requirements.

D. Contractor shall comply with all applicable EPA, Cal EPA, Cal Recycle, DTSC, SCAQMD, local, state, county and city standards, rules and regulations for hazardous and special waste handling, recycling and/ disposal. At a minimum, Contractor shall ensure compliance where applicable with SCAQMD Rule 1166, CCR Title 8, Section 5192, 29 CFR Subpart 1910.120, 49 CFR Part 172, Subpart H, 40 CFR Subpart 265.16 and CCR Title 22 Section 6625.16. Contractor shall provide OCTA a schedule of all hazardous waste and special or industrial waste disposal dates in advance of transport date. Only authorized OCTA personnel shall sign manifests for OCTA generated wastes. Contractor shall ensure that only current registered transporters are used for disposal of hazardous waste and industrial wastes. The Contractor shall obtain approval from OCTA for the disposal site locations in advance of scheduled transport date.

1.3 INCIDENT NOTIFICATION AND INVESTIGATION

A. The Authority shall be promptly notified of any of the following types of incidents including but not limited to:

1. Damage incidents of property (incidents involving third party, contractor or Authority property damage);

2. Reportable and/or Recordable injuries (as defined by the U. S. Occupational Safety and Health Administration), a minor injury, and near miss incidents;

3. Incidents impacting the environment, i.e. spills or releases on Authority property.

B. Notifications shall be made to Authority representatives, employees and/or agents. This includes incidents occurring to contractors, vendors, visitors, or members of the public that arise from the performance of Authority contract work. An immediate verbal notice followed by a written incident investigation report shall be submitted to Authority's Project Manager within 24 hours of the incident.

C. A final written incident investigative report shall be submitted within seven (7) calendar days and include the following information. The Current Status of anyone injured, photos of the incident area, detailed description of what happened, Investigative photos of the existing conditions and area around the injury/incident scene, the contributing factors that lead to the incident occurrence, a copy of the company policy or procedure associated with the incident and evaluation of effectiveness, copy of task planning documentation, copy of the Physician's first report of injury, copy of Cal/OSHA 300 log of work related injuries and illnesses, the Cal/OSHA 301 Injury Illness Incident Report, and corrective actions initiated to prevent recurrence. This information shall be considered the minimum elements required for a comprehensive incident report provided to OCTA.

D. A Serious Injury, Serious Incident, OSHA Recordable Injury/Illness, or a Significant Near Miss shall require a formal incident review at the discretion of the Authority's Project Manager. The incident review shall be conducted within seven (7) calendar days of the incident. This review shall require a company senior executive, company program or project manager from the Contractors' organization to participate and present the incident review as determined by the OCTA Project Manager. The serious incident presentation shall include action taken for the welfare of the injured, a status report of the injured, causation factors that lead to the incident, a root cause analysis (using 5 whys and fishbone methods), and a detailed recovery plan that identifies corrective actions to prevent a similar incident, and actions to enhance safety awareness.

1. Serious Injury: includes an injury or illness to one or more employees, occurring in a place of employment or in connection with any employment, which requires inpatient hospitalization for a period in excess of twenty-four hours for other than medical observation, or in which an employee suffers the loss of any member of the body, or suffers any serious degree of physical disfigurement. A serious injury also includes a lost workday or reassignment or restricted injury case as determined by the Physician's first report of injury or Cal/OSHA definitions.

2. Serious Incident: includes but not limited to property damage of $500.00 or more, an incident requiring emergency services (local fire, paramedics and ambulance response), news media or OCTA media relations response, and/or incidents involving other agencies (Cal/OSHA, EPA, AQMD, DTSC, Metrolink, FTA, FRA etc.) notification or representation.

3. OSHA Recordable Injury / Illness: includes and injury / illness resulting in medical treatment beyond First Aid, an injury / illness which requires restricted duty, or an injury / illness resulting in days away from work.

4. Significant Near Miss Incident; includes incidents where no property was damaged and no personal injury sustained, but where, given a slight shift in time or position, damage and/or injury easily could have occurred.

1.4 PERSONAL PROTECTIVE EQUIPMENT

Contractors, and all associated subcontractors, vendors and suppliers are required to provide their own personal protective equipment (PPE), including eye, head, foot, and hand protection, respirators, reflective safety vests, and all other PPE required to perform their work safely on Authority projects.

1.5 LANGUAGE REQUIREMENTS

The Contractor for safety reasons shall ensure employees that do not read, or understand English, shall have a bilingual supervisor or foreman when on the Authority property or projects.

1.6 WARNING SIGNS AND DEVICES

The Contractor shall provide signs, signals, and/or warning devices to be visible when and where a hazard exists. Signs, signals, and/or warning devices shall be removed when the hazard no longer exists.

1.7 REFERENCES

A. CCR Title 8 Standards (Cal/OSHA)
B. FCR Including 1910 and 1926 Standards
C. NFPA, NEC, ANSI, NIOSH Standards
D. Construction Industry Institute (CII)
E. Board of Certified Safety Professionals (BCSP)
F. OCTA Yard Safety Rules

END OF SECTION

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Approval to Sell Surplus Land for the Interstate 5 Improvement Project Between State Route 73 and Oso Parkway

Finance and Administration Committee Meeting of April 16, 2026

Present: Directors Federico, Go, Harper, Hennessey, Leon, and Sarmiento
Absent: Director Tettemer

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

A. Direct staff to sell the surplus land located within the Interstate 5 Improvement Project between State Route 73 and Oso Parkway.

B. Authorize the Chief Executive Officer to negotiate and execute the necessary documents to complete the sale of the surplus land for the offer price of $172,516.

OCTA

April 16, 2026

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Approval to Sell Surplus Land for the Interstate 5 Improvement Project Between State Route 73 and Oso Parkway

Overview

The Orange County Transportation Authority's Interstate 5 Improvement Project between State Route 73 and Oso Parkway required the acquisition of property rights from public and private parties, adjacent to the existing freeway and city streets. Now approximately 10,148 square feet of vacant commercial property, located at the corner of Camino Capistrano and Avery Parkway in the City of Laguna Niguel and identified as Assessor Parcel No. 637-231-01, is recommended to be sold as surplus land by the Orange County Transportation Authority. Therefore, staff is seeking approval to sell the vacant land as surplus land under the Surplus Land Act (Government Code Section 54220 et seq.).

Recommendations

A. Direct staff to sell the surplus land located within the Interstate 5 Improvement Project between State Route 73 and Oso Parkway.

B. Authorize the Chief Executive Officer to negotiate and execute the necessary documents to complete the sale of the surplus land for the offer price of $172,516.

Background

The acquisition of public and private properties is often required to implement transportation projects, even though extensive efforts are made during the planning and design process, to avoid or minimize the impacts to public and private properties. Cooperative Agreement No. C-5-3661 between the Orange County Transportation Authority (OCTA) and the California Department of Transportation (Caltrans) was approved by the Board of Directors (Board) on May 9, 2016, and amended on October 25, 2022. This cooperative agreement defined the roles and responsibilities of OCTA and Caltrans for final design,

construction, and right-of-way (ROW) acquisition for the Interstate 5 (I-5) Improvement Project between State Route 73 and Oso Parkway (Project). Pursuant to the cooperative agreement, Caltrans is the lead implementing agency for ROW acquisition for the Project, and OCTA is the lead agency for property management and for disposing of any OCTA-owned surplus property.

The approved design for the Project required the acquisition of improved commercial properties located adjacent to the Project to accommodate the reconstruction of the Avery Parkway interchange at I-5. Construction of the freeway is now complete; therefore, a portion of remaining property as acquired is no longer needed for the Project, resulting in the creation of surplus land (Attachment A). OCTA staff recommends that the Board authorize the Chief Executive Officer to execute the necessary documents to complete the sale of the surplus land located at the corner of Camino Capistrano and Avery Parkway, in the City of Laguna Niguel (City), Assessor Parcel Number 637-231-01 (Attachment B).

Discussion

The Project required acquisition of a commercial property located at the corner of Camino Capistrano and Avery Parkway. The property was needed to accommodate construction of the I-5 southbound on-ramp, and for Avery Parkway street improvements; however, a portion of said property is no longer needed for the Project. The surplus land is approximately 10,148 square feet of vacant property that is no longer needed by the Project and not planned to be used by OCTA. Staff has analyzed the potential uses for the surplus land and determined that it is not necessary for any highway-related purposes or other OCTA uses.

The Surplus Land Act (SLA) defines surplus land as “land owned in fee simple by a local agency for which the governing body takes formal action in a regular public meeting declaring that the land is surplus and is not necessary for the agency’s use.” Under the SLA, an “agency’s use” includes, but is not limited to, land that is being used or is planned to be used pursuant to a written plan adopted by the local agency’s governing board (Government Code Section 54221). The SLA requires OCTA to send notices of availability of surplus land to local public entities and housing sponsors and to engage in good-faith negotiations with any parties that, within 60 days, express interest to purchase or lease the land for purposes specified in the SLA.

On June 23, 2025, the Board formally declared the property as surplus land pursuant to Government Code Section 54221 and directed staff to seek and negotiate with potential buyers interested in the purchase of the surplus land. Per the SLA, OCTA staff mailed notices of availability on September 9, 2025. OCTA did not receive any letters of interest at the conclusion of the 60-day

period. Thereafter, as further required by the SLA, OCTA provided information regarding the proposed sale to the California Department of Housing and Community Development (HCD), including the mandatory affordable housing restrictions to be recorded on the property. On December 29, 2025, HCD determined that OCTA met all the requirements under the SLA (Attachment C); therefore, OCTA can proceed with the proposed disposition of the land.

Sale of the surplus land is being conducted in accordance with the SLA, OCTA's Real Property Policies and Procedures, and Caltrans guidelines. The property was appraised by a qualified appraiser on October 24, 2024, with a value of $18,300. OCTA used the services of its consultant, CBRE, Inc. (CBRE), for commercial brokerage services to facilitate the sale of the surplus land. CBRE was contracted by OCTA to seek potential buyers and conduct negotiations to recommend a qualified buyer to acquire the surplus land. On February 24, 2026, CBRE received a Letter of Intent (Attachment D) from a potential buyer to purchase the surplus land in the amount of $172,516. The Letter of Intent outlines the general terms and conditions upon negotiating a definitive purchase and sale agreement. The potential buyer shall have seven days to close escrow. The potential buyer has agreed to pay half the escrow and closing costs for this transaction, less CBRE's commission, which shall be paid by OCTA through an escrow. Per Agreement No. C-0-2160, between OCTA and CBRE, the commission rate is agreed upon at four percent of the purchase price, or $6,900.64.

Fiscal Impact

Proceeds from the surplus land sale will be returned to the local Measure M2 fund.

Summary

Staff recommends the Board of Directors direct staff to sell the surplus land located within the Interstate 5 Improvement Project between State Route 73 and Oso Parkway and authorize the Chief Executive Officer to negotiate and execute a purchase and sale agreement with the potential buyer for the sale price of $172,516.

Attachments

A. Photo Aerial Exhibit
B. PSOMAS Exhibit "A" Legal Description
C. Letter from Lisa Krause, Section Chief, Department of Housing and Community Development of Housing Policy Development, to Cassie Trapesonian, Attorney, Woodruff & Smart, APC, dated December 29, 2025, re: Orange County Transportation Authority – APN 637-231-01 Surplus Land Act Findings
D. Letter from Justin McMahon, Senior Vice President, CBRE Inc., to Lisa Vardakostas, A's Burgers, dated February 24, 2026, re: Letter of Intent SEC of Camino Capistrano and Avery Parkway

Prepared by:

Joe Gallardo
Manager, Real Property
(714) 560-5546

Approved by:

James G. Beil, P.E.
Executive Director, Capital Programs
(714) 560-5646

ATTACHMENT A

Photo Aerial Exhibit



N

Not to Scale,
For
Presentation
Purposes Only

* Portions of APN

PSOMAS

EXHIBIT 'A'

LEGAL DESCRIPTION

In the City of Laguna Niguel, County of Orange, State of California, being that portion of the land described in the Grant Deed recorded November 16, 2015, Instrument No. 2015000541661 of Official Records, lying southerly of the following described line:

Commencing at the centerline intersection of Camino Capistrano (formerly US Highway 101), having an easterly half-width of 40.00 feet, and Avery Parkway, formerly "Rancho Viejo Road", having a southerly half width of 50.00 feet, as shown on Parcel Map filed in Book 132, Page 27 of Parcel Maps, in the Office of the County Recorder of said County; thence South 87°42'36" East 57.02 feet along the centerline of said Avery Parkway; thence leaving said centerline at right angles South 02°17'24" West 50.00 feet to the westerly terminus of that certain course shown as "South 87°44'03" East 104.79 feet" in the northerly line of said Parcel 1; thence along the northerly and easterly lines of said Parcel 1 the following two courses:

1. South 87°42'36" East 105.41 feet;
2. South 04°18'20" West 89.33 feet to the **True Point of Beginning**;

thence North 86°26'13" West 66.28 feet to a curve concave southerly having a radius of 51.00 feet; thence westerly 13.16 feet along said curve through a central angle of 14°47'19", a radial line to said terminus bears North 11°13'32" West; thence non-tangent from said curve South 48°00'29" West 52.08 feet; thence South 08°33'38" West 24.21 feet to a point in the westerly line of said Parcel 1 which is distant North 02°16'44" East 32.22 feet thereon from the southwesterly corner thereof, and to the **Point of Termination**.

The sidelines of said described line shall be prolonged or shortened so as to terminate westerly in the westerly line of said Parcel 1 and easterly in the easterly line of said Parcel 1.

Containing 10,148 square feet.

PRELIMINARY

See Exhibit 'B' attached hereto and made apart hereof.

The bearings shown hereon are based on the California Coordinate System of 1983, Zone VI, North American Datum of 1983 (1991.35 epoch).

The distances shown herein are grid distances. Ground distances may be obtained by dividing grid distances by the combination factor of 0.99995281.

Prepared under the direction of

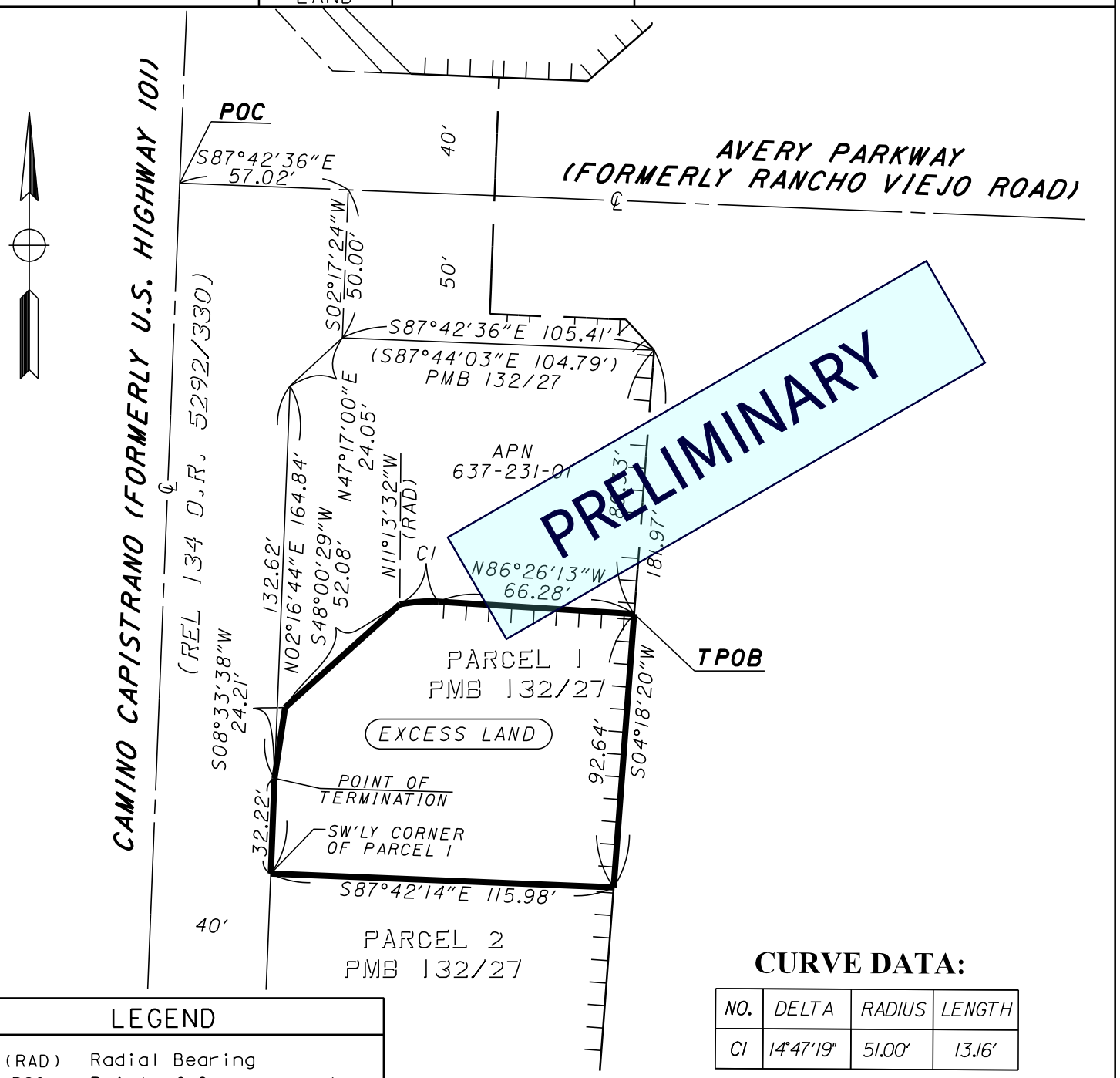
PRELIMINARY



Connie Barrett, PLS 9646 Date

EXHIBIT "B"

PARCEL#	TITLE	AREA	APN
N/A	EXCESS LAND	10,148 SF	637-231-01



CURVE DATA:

NO.	DELTA	RADIUS	LENGTH
C1	14°47'19"	51.00'	13.16'

LEGEND

(RAD)	Radial Bearing
POC	Point of Commencement
TPOB	True Point of Beginning
	Access Prohibited

NOTES

The distances shown herein are grid distances. Ground distances may be obtained by dividing grid distances by the combination factor of 0.99995281.

EXCESS LAND

FEET 0 25 50 100 150

PREPARED BY:
PSOMAS
5 Hutton Centre Drive, Ste. 300
Santa Ana, California 92707
(714)751-7373/(714)545-8883 (Fax)

DATE: 03-12-26 REV.: EA: OK0219 FA#:

DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
12	ORANGE	5	12.96	1	1

STATE OF CALIFORNIA - BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY GAVIN NEWSOM, *Governor*

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT
651 Bannon Street, Suite 400, Sacramento, CA 95811
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov

December 29, 2025

Cassie Trapesonian, Woodruff & Smart, APC
On behalf of Orange County Transportation Authority
550 South Main Street
Orange, CA 92868

SENT VIA EMAIL TO: ctrapesonian@woodruff.law

Dear Cassie Trapesonian:

RE: Orange County Transportation Authority - APN 637-231-01 – Surplus Land Act Findings Letter

Thank you for submitting your surplus land documentation, on behalf of the Orange County Transportation Authority (District), for review by the California Department of Housing and Community Development (HCD). Your complete documentation was received on December 2, 2025. This letter constitutes HCD's written findings pursuant to Government Code section 54230.5 of the Surplus Land Act (SLA), for surplus land identified as Assessor's Parcel Number (APN) 637-231-01 (Property).

Analysis

According to your letter and included documents, the District declared the property surplus on June 23rd, 2025, and sent Notices of Availability (NOA) on September 9th, 2025. During the required 60-day noticing period, no affordable housing entity expressed interest in the property. The District enclosed the appropriate draft affordability covenant, requiring 15 percent affordable housing, to be recorded against the Property.

Conclusion

If the submitted documentation and assertions by the District are complete and accurate, HCD finds that all the requirements under the SLA for the purposes of disposing of the Property have been met. Once a final disposition has taken place, please provide HCD with a copy of the respective recorded covenant pursuant to SLA Guidelines, Section 400(b)(1).

If you have any questions or need additional technical assistance, please contact Mathew Manweller, Senior Housing Specialist at Mathew.Manweller@HCD.ca.gov or submit a request via the Surplus Land Portal.

Sincerely,

Lisa Krause

Lisa Krause
Section Chief, Surplus Land Act

ATTACHMENT D

CBRE

Justin McMahon
Senior Vice President
License 01721162

CBRE, Inc.
Advisory & Transaction Services

18575 Jamboree Road, Suite 600
Irvine, CA 92612

949.725.8589 Tel
949.725-8545 Fax

justin.mcmahon@cbre.com
www.cbre.com

February 24, 2026

Lia Vardakostas
A's Burgers
Sent Via Email: as.sanjuancap@gmail.com

Re: Letter of Intent
SEC of Camino Capistrano and Avery Pkwy
Laguna Niguel, CA 92677

Dear Lia:

On behalf of the Orange County Transportation Authority ("OCTA"), the following sets forth the terms and conditions under which they would be prepared to proceed with the negotiations of a Purchase and Sale Agreement ("PSA") with Buyer of the above referenced property:

1.	**Seller**:	Orange County Transportation Authority ("Seller")
2.	**Buyer:**	Vardakostas Holdings ("Buyer")
3.	**Property:**	±10,148 square feet (±0.23 acres) parcel of land located at the SEC of Camino Capistrano and Avery Parkway in Laguna Niguel, CA. APN 637-231-01 ("Property")
4.	**Purchase Price**:	ONE HUNDRED SEVENTY-TWO THOUSAND FIVE HUNDRED SIXTEEN DOLLARS ($172,516), all cash at close of escrow.
5.	**Deposit**:	Buyer shall deposit with Escrow Holder the sum of TWENTY-FIVE THOUSAND DOLLARS ($25,000.00) within three days of opening escrow. Deposit shall be held in escrow and shall be applied toward the purchase price at closing. Buyer's deposit shall be non-refundable.
6.	**Interest Purchased:**	Fee simple interest in all land and improvements. Buyer is acquiring the Property "AS IS" without any representation or warranty of Seller, expressed, implied or statutory, as to the nature or condition of or title to Property or its fitness for Buyer's intended use.
7.	**Opening & Closing of Escrow**:	Escrow shall be opened at a title/escrow company ("Escrow Holder") selected by OCTA within three (3) days upon execution of the PSA. Buyer shall deposit the balance of the purchase price at or before closing. Buyer shall have seven (7) days to close the transaction.

8. **Closing Costs**: Buyer and Seller shall each pay one-half of escrow fees. Other closing costs shall be paid in accordance with customary practice in Orange County, California.

9. **Brokerage**: Seller and Buyer recognize CBRE, Inc. (Justin McMahon) as the broker representing the Seller in this transaction. Seller to pay CBRE, Inc. a brokerage fee at close of escrow per a separate written agreement. Each party hereby agrees to indemnify each other against any real estate commission claimed to be due and payable in connection with the sale of the Property other than as stated herein. Seller and Buyer each represent to each other that they have dealt with no broker other than Justin McMahon, CBRE.

10. **Purchase and Sale Agreement:** Seller to provide Buyer with a draft of the PSA incorporating the terms and conditions contained herein within five business (5) days of OCTA's Board of Directors approving this Letter of Intent ("Letter"). This Letter shall terminate and expire upon OCTA's Board of Directors rejecting this Letter.

11. **Restriction:** The sale of the Property is subject to an Access Control Line (ACL) that will be established by the California State Department of Transportation (Caltrans) along Avery Parkway as depicted on Attachment A. The ACL is a legal boundary that prohibits direct access from the Property to Avery Parkway without prior approval from Caltrans. As a result, neither the current nor any future owner may construct driveways, entrances, or exits across this line. This restriction constitutes a permanent encumbrance on the property and will remain in effect regardless of ownership. In addition, OCTA is required, when selling property it declares as Surplus Land under Government Code section 54221, to place restrictions on the future residential development of such property and record a Declaration of Covenants and Restrictions Deed against the Property (Attachment B).

12. **Non-Binding**. ***This Letter is not a commitment to sell the Property nor is it a commitment to exclusively negotiate with Buyer until OCTA's Board of Directors approve this Letter. The comments contained in this Letter do not address all of the Seller's terms and conditions that may be set forth in a PSA as the intent of this letter is general in nature is only an expression of the basic conditions to be incorporated into the PSA. It should be expressly understood that OCTA's Board of Directors is the only party authorized to approve any of the terms or conditions of any proposed sale of the Property. No agreement to sell the Property will exist until the execution of a binding PSA by both parties and if necessary, further approved by OCTA's Board of Directors. This Letter does not require either party to negotiate in good faith or to proceed to the completion of a binding PSA. The parties shall not be contractually bound unless and until they enter into a formal, written PSA, which must be in form and content satisfactory to each party and to each party's legal counsel, in their sole discretion. Neither party may rely on this Letter as creating any legal obligation of any kind. Notwithstanding the foregoing, Seller and Buyer agree to use***

reasonable efforts to negotiate and execute a mutually acceptable PSA within fifteen (15) business days thereafter.

If the foregoing outline of the basic terms and conditions is acceptable to Buyer as a basis for negotiations, we request that Buyer so acknowledges by signing and returning the enclosed copy of this letter by 4:00 p.m., Pacific Standard time **February 27, 2026.**

This letter is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive agreement has been fully negotiated, executed and delivered by the parties. The parties agree that this letter is not intended to create any binding agreement or obligation by either party to negotiate a definitive purchase and sale agreement and imposes no duty whatsoever on either party to continue negotiations, including without limitation any obligation to negotiate in good faith or in any way other than at arm's length. Prior to delivery of a definitive executed agreement, and without any liability to the other party, either party may (1) propose different terms from those summarized herein, (2) enter into negotiations with other parties and/or (3) unilaterally terminate all negotiations with the other party hereto.

Thank you for your consideration and we look forward to working with you on this transaction.

Sincerely,

CBRE Inc.

Justin McMahon
Senior Vice President

AGREED AND ACCEPTED:
Orange County Transportation Authority

By: _____
James G. Beil, Executive Director, Capital Program

Date: 3/31/2026

Approved as to Form:

By: _____
James M. Donich, General Counsel

Date: 3/25/26

AGREED AND ACCEPTED:
VARDAKOSTAS HOLDINGS

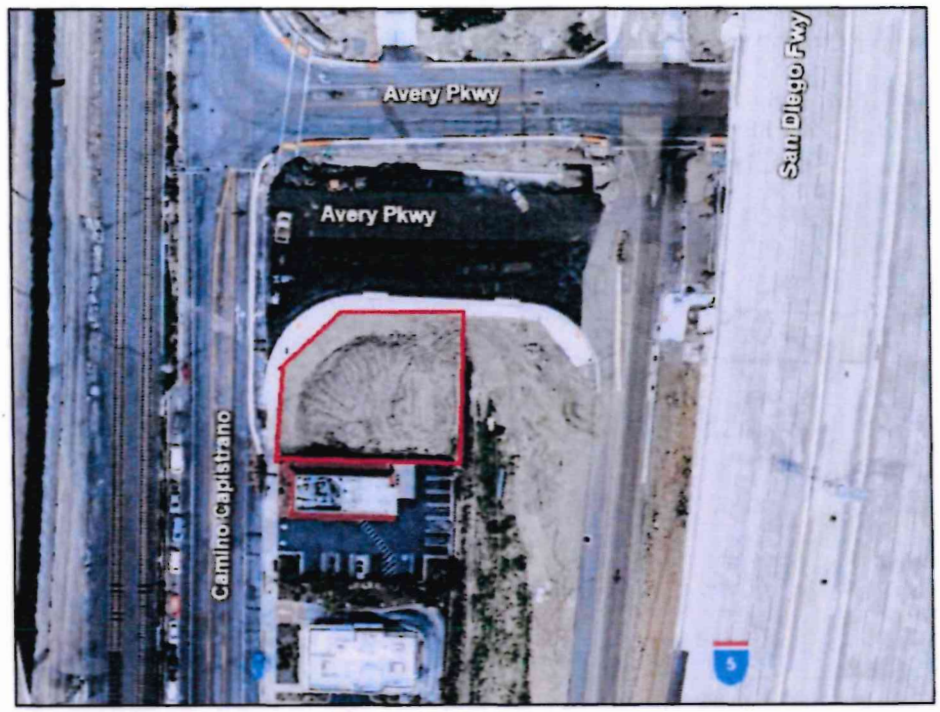
By: DocuSigned by: Lia Vardakostas 0766D7806025415...

Its: President

Date: 3/3/2026

Attachment A

Surplus Property – Corner of Camino Capistrano and Avery Parkway, Laguna Niguel (APN: 637-231-01)

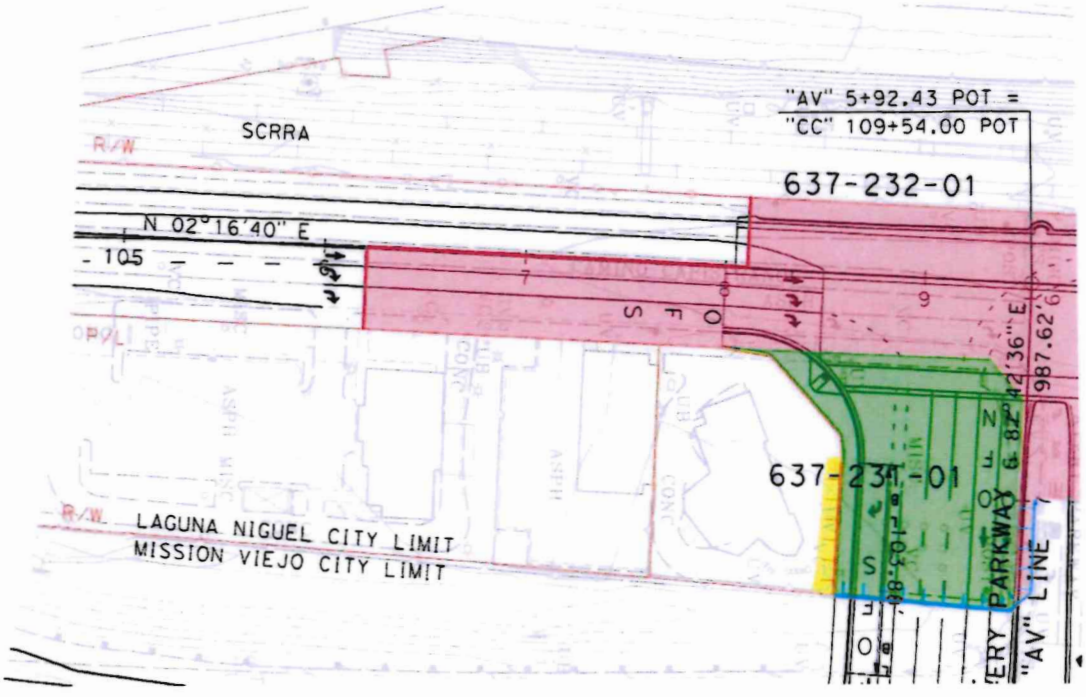


EXISTING R/W

EXISTING ACCESS CONTROL

ACCESS CONTROL

PROPOSED R/W



RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO _____ _____ _____ No Fee for Recording Pursuant to Government Code Section 27383	

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

DECLARATION OF COVENANTS AND RESTRICTIONS

This Declaration of Covenants, Conditions and Restrictions ("Covenant") is made as of this_____day of_____, 202_, by Vardakostas Holdings ("Declarant"), and the Orange County Transportation Authority, a public entity, ("Authority") with reference to the following facts:

A. Declarant is the owner of that certain real property (with all improvements thereon) described and depicted in Exhibit "A1" and "A2" attached hereto and incorporated herein ("Property").

B. The Authority is the previous owner of the Property, which was conveyed to Declarant pursuant to a Grant Deed recorded in the Official Records of Orange County, which is attached as Exhibit "B" and incorporated in this Covenant by reference.

C. Government Code section 54233 requires the Authority, when selling property, it declares as Surplus Land under Government Code section 54221, to place restrictions on the future residential development of such property.

D. The Authority has determined that the Property constitutes Surplus Land pursuant to Government Code section 54221.

E. Therefore, as a condition of conveyance of the Property to Declarant, Declarant and Authority agree to the following covenants and restrictions recorded against the Property pursuant to Government Code section 54233.

NOW, THEREFORE, the Authority and Declarant hereby declare that the following express covenants are to be taken and construed as running with the Property, including as set forth in California Civil Code section 1460, and, except as set forth below, shall pass to and be binding upon Declarant and its successors, assigns, heirs, grantees or lessees to the Property or any part thereof, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise. Each and every contract, deed, lease or other instrument covering or conveying the Property or any portion thereof shall be held conclusively to have been executed, delivered and accepted this Covenant and be subject to the covenants and restrictions contained herein regardless of whether such covenants and restrictions are set forth in such contract, deed, lease or other

instruments. These covenants and restrictions shall be enforceable against any owner who violates a covenant or restriction and each successor-in-interest who continues the violation by any of the entities described in subdivisions (a) to (f), inclusive, of Section 54222.5 of the California Government Code.

Section 1. Declarant hereby declares that the recitals above are true and are hereby incorporated by reference.

Section 2. Declarant declares that if ten (10) or more residential units are developed on the Property, not less than fifteen percent (15%) of the total number of residential units developed on the parcels shall be sold or rented at affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, or affordable rent, as defined in Section 50053 of the Health and Safety Code, to lower income households, as defined in Section 50079.5 of the Health and Safety Code. Rental units shall remain affordable to, and occupied by, Lower Income Households for a period of at least fifty-five (55) years for rental housing and forty-five (45) years for ownership housing. The initial occupants of all ownership units shall be Lower Income Households, and the units shall be subject to an equity sharing agreement consistent with the provisions of Government Code section 65915(c)(2).

Section 3. Declarant agrees to: (a) incorporate by express reference the terms of this Covenant in any deed or other legal instrument by which it divests itself of any interest in all or a portion of the Property; and (b) describe the Covenant in, and append it to, any contract for the transfer of any property interest in the Property.

Section 4. In the event that any one or more of the provisions contained in this Covenant shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Covenant shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

Section 5. This Covenant may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

Section 6. Declarant and Authority shall cause this Covenant, and all amendments and supplements to it, to be recorded in the Official Records of the County of Orange, California.

IN WITNESS WHEREOF, Declarant and Authority have executed this Covenant as of the date first above written.

AUTHORITY:

Orange County Transportation Authority

By: _____
Darrell E. Johnson, Chief Executive Officer

Dated: _____

DECLARANT:

Vardakostas Holdings

By: _____
Lia Vardakostas, President

Dated: _____

APPROVED AS TO FORM:

_____
James M. Donich, General Counsel

Dated: _____

EXHIBIT "A1" AND "A2"
LEGAL DESCRIPTION AND DEPICTION OF PROPERTY

EXHIBIT "B"
GRANT DEED

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On_____, 202__, before me,_____, Notary Public, personally appeared_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Signature

(Seal)

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On_____, 202___, before me,_____, Notary Public, personally appeared_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Signature

(Seal)

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Amendment to Measure M2 Project U Senior Non-Emergency Medical Transportation Program

Transit Committee Meeting of April 9, 2026

Present: Directors Amezcua, Jung, Kleiman, Leon, Janet Nguyen, Tam Nguyen, and Sarmiento
Absent: Director Klopfenstein

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-1-3446 between the Orange County Transportation Authority and the County of Orange to exercise the option term for continued Measure M2 funding for the Senior Non-Emergency Medical Transportation Program, effective July 1, 2026, through June 30, 2031.

April 9, 2026

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Measure M2 Project U Senior Non-Emergency Medical Transportation Program

Overview

On May 24, 2021, the Orange County Transportation Authority Board of Directors approved a cooperative agreement with the County of Orange for programs that expand mobility choices for seniors and individuals with disabilities under Project U, including Measure M2 funding support for the County of Orange Senior Non-Emergency Medical Transportation Program. The agreement includes a five-year initial term with a five-year option term. The initial term expires June 30, 2026. Staff is requesting the Board of Directors' approval to exercise the five-year option term effective July 1, 2026, through June 30, 2031.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-1-3446 between the Orange County Transportation Authority and the County of Orange to exercise the option term for continued Measure M2 funding for the Senior Non-Emergency Medical Transportation Program, effective July 1, 2026, through June 30, 2031.

Discussion

Measure M2 (M2) includes funding under Project U to support the growing transportation needs of seniors and individuals with disabilities. As part of Project U, one percent of net revenues is allocated to the Senior Non-Emergency Medical Transportation (SNEMT) Program (Program), which is administered by the Orange County Office on Aging (OCoA). Established in 2003, the Program is primarily funded through Tobacco Settlement Revenue (TSR), with additional support from Project U, providing approximately 140,000 annual trips for seniors.

Agreement No. C-1-3446, along with the SNEMT Funding Guidelines (Attachment B), was approved by the Board of Directors on May 24, 2021. The Program operates under policies and guidelines established by the Orange County Board of Supervisors. The M2 Ordinance requires the County of Orange (County) to maintain its historical funding commitment by allocating 5.27 percent of total annual TSR funding consistent with the level established in November 2006. As of June 2025, the County has met this requirement, contributing approximately $22.8 million in TSR funds. Combined with $45.2 million in M2 funding, this coordinated investment has enabled the Program to provide more than 1.7 million trips since 2011, ensuring that Orange County seniors have reliable access to critical medical appointments.

In addition to administering M2 funding, Orange County Transportation Authority (OCTA) staff works closely with the OCoA to support safe, reliable, and affordable transportation alternatives for seniors across Orange County.

The initial term of the cooperative agreement will expire on June 30, 2026. To ensure continuity of funding and service delivery, staff is seeking Board approval to exercise the five-year option term through June 30, 2031. Projected Measure M2 revenues for the Program over the five-year extension term total approximately $23.4 million, with annual funding levels ranging from approximately $4.64 million to $4.83 million.

Fiscal Impact

Funding for this cooperative agreement is included in OCTA's proposed Fiscal Year 2026–27 Budget, Operations Division Account No. 0017-7831-TU003-TQK. The program will be funded with local Measure M2 revenues. Future year funding is subject to annual budget approval and the availability of Measure M2 revenues.

Summary

Staff requests the Board of Directors authorize the Chief Executive Officer to execute Amendment No. 2 to Cooperative Agreement No. C-1-3446 with the County of Orange to exercise the option term for continued Measure M2 funding for the Senior Non-Emergency Medical Transportation Program through June 30, 2031.

Attachments

A. Measure M2 Project U, Senior Non-Emergency Medical Transportation, February 2011
B. M2 Project U, Senior Non-Emergency Medical Transportation Funding Guidelines, May 2021
C. Projected Available Measure M2 Revenues Senior Non-Emergency Medical Transportation
D. County of Orange, Cooperative Agreement No. C-1-3446 Fact Sheet

Prepared by:



Jack Garate
Department Manager,
Specialized Transit Services
(714) 560-5387

Approved by:



Johnny Dunning, Jr.
Chief Operations Officer, Operations
(714) 560-5710

ATTACHMENT A

Measure M2 Project U Senior Non-Emergency Medical Transportation Program February 2011	
Topic	**Description**
Funding Eligibility	County of Orange (County) shall continue to fund Senior Non-Emergency Medical Transportation Program (SNEMT) services in an annual amount at least equal to the same percentage of Tobacco Settlement Revenue (TSR) as of November 2006
Allocation Method	No less than the TSR funds annually expended and no greater than one percent of net revenues plus any accrued interest
Funding Distribution	Bi-monthly payments based on actual sales tax receipts
Reporting Requirements	• Annual TSR and SNEMT expenditure plans as prepared by the County to verify percent of total TSR funds allocated to the SNEMT • Quarterly reports with SNEMT program data and TSR expenditures • Annual audits
Eligible Customers	Seniors age 60+ *(Trip prioritization may be implemented on a quarterly basis should actual trip expenditures exceed projected program funding)*

M2 Project U
Senior Non-Emergency Medical Transportation Funding Guidelines

May 2021

1.0 Overview

The Measure M2 (M2) Project U – Senior Non-Emergency Medical Transportation (SNEMT) Program provides funding to support the Orange County Office on Aging program which provides non-emergency medical transportation service for seniors such as trips to doctor and dental appointments, therapy, dialysis, and pharmacy visits. M2 Project U SNEMT funding was established to continue and expand the existing program which has been funded with Tobacco Settlement Revenue (TSR) funds since 2003. The County Office on Aging administers the program which is operated through contract service providers.

The purpose of these guidelines is to provide procedures that assist in the administration of funding for the SNEMT program. OCTA shall enforce the provisions spelled out in these guidelines.

2.0 Objectives

- To enhance the existing Orange County SNEMT program.
- To sustain the SNEMT program by providing funds which augment declining TSR revenue.
- To provide non-emergency medical transportation for seniors as an alternative to OCTA ACCESS paratransit service.

3.0 Eligibility Requirements & Maintenance of Effort

The County must satisfy all M2 eligibility criteria to receive the formula allocation for this program.

The Maintenance of Effort requirement, as specified in the M2 Ordinance, indicates that the County shall continue to fund SNEMT program services in an annual amount equal to the same percentage of the total annual TSR funds received by the County as of November 2006. In Fiscal Year 2006-07, the TSR percentage allocated to the SNEMT program was 5.27 percent of the overall TSR received by the County.

The County is required to enter into a cooperative funding agreement with OCTA and adherence to strict funding guidelines is required by the M2 Ordinance.

4.0 Annual Maintenance of Effort Verification

County must submit to OCTA an annual verification of the SNEMT program budget with supporting documentation to confirm the allocation of at least 5.27 percent of TSR funding to the SNEMT program as required by the M2 Ordinance.

Annual documentation submitted to OCTA should confirm budgeted TSR funding for the current fiscal year and actual TSR funding for the prior fiscal year.

5.0 Funding Allocation Method & Distribution

Funding for the program is identified as no less than the TSR funds annually expended and no greater than one percent of M2 net sales tax revenues plus accrued interest. Funding allocations are based on actual sales tax receipts. Funding will be distributed on a bi-monthly basis and must be expended within three years of receipt. OCTA may grant an extension beyond the three-year limitation; however, an extension may not exceed five years from the date of the initial funding allocation. County must submit a justification letter requesting an extension beyond the three-year limitation for review and approval by OCTA at least 90 days prior to the end of the third year from the date of receipt of funds. Requests for an extension must include a plan of expenditure.

SNEMT earned interest must be spent on transportation activities consistent with SNEMT eligible expenses. Interest revenues must be expended within three years of receipt.

In the event the time limits for use of SNEMT funds are not satisfied, any retained SNEMT funds, including interest, shall be returned to OCTA.

6.0 Service Guidelines

SNEMT services are limited to non-emergency medical trips available to individuals 60 years of age and older.

The County is responsible for establishing program guidelines, operational policies, and administering and monitoring the provision of program services.

The County may initiate trip prioritization if actual expenditures exceed, or are within 75 percent of, the amount of TSR and M2 funding dedicated to the program (Attachment A). Once trip prioritization has been activated, it will remain in effect through the end of the same fiscal year in which the activation occurred. The Office on Aging will re-evaluate the need to continue or deactivate the trip prioritization

within the first quarter of the new fiscal year. If sufficient funding is available, all eligible older adults will be served, even if trip prioritization is still activated.

7.0 Eligible Expenses

The County shall ensure M2 funds and earned interest are used exclusively for eligible direct program-related expenses which may include contract service providers, staff time, program supplies and materials, marketing materials and community outreach. County shall ensure all program costs are fair and reasonable. Administrative costs are allowed and considered eligible program expenses consistent with the County's approved cost allocation plan. All program expenses are subject to audit.

8.0 Program Revenue

The County must ensure their service contractors maintain adequate procedures for collecting and reporting program revenue, including fees, donations and cash fares.

9.0 Reporting

The County is required to submit quarterly reports using a reporting template provided by OCTA. The County shall also be required to maintain supporting documentation, as specified by OCTA, to substantiate quarterly reporting data. Required reporting data may include, but is not limited to, the following:

- Quarterly TSR-Funded Trips
- Quarterly M2-Funded Trips
- Total Quarterly Trips
- Cumulative Total Trips
- Quarterly Program Operating Cost
- Quarterly OCTA Contribution
- Quarterly County Contribution
- Cumulative OCTA Contribution
- Cumulative County Contribution
- Program Monitoring Activities

Reports are due within 45 days from the end of each quarter. Failure to meet the established reporting deadline for two consecutive quarters during the fiscal year may result in a reduction of funding and/or other sanctions to be determined.

10.0 Audits & Inspection of Records

M2 funding is subject to audit. The County shall maintain program documentation and records for a period of no less than five years, including documentation evidencing the County's oversight and monitoring of contractors providing services under the Program. Program documents and records, including but not limited to contractor invoices, payroll records, trip sheets, and other program-related expenses, shall be available for review by OCTA SNEMT funding administrators, auditors, and authorized agents upon request. The County must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation which may include repayment, reduction in overall allocation, and/or other sanctions to be determined by the OCTA Board of Directors. Audits shall be conducted by the OCTA Internal Audit Department, or other authorized agent, as determined by OCTA.

SENIOR NON-EMERGENCY MEDICAL TRANSPORTATION PROGRAM
PROPOSED M2 FUNDING
CLIENT PRIORITY CRITERIA

Starting in April 2011, the Senior Non-Emergency Medical Transportation Program (SNEMT) will benefit from increased funding provided by Renewed Measure M (M2). As such, The Office on Aging will expand the program to include all persons age 60 and older. However, with the combination of a rapidly growing 60+ population and long-term uncertainties related to the funding sources for this program, it is necessary to develop procedures to prioritize trips to ensure the program stays within available revenue sources.

M2 funding for the SNEMT program will be made available on a bi-monthly basis. Total funding allocations will be based on actual sales tax receipts. The Office on Aging will be required to submit quarterly reporting with trip data and budget-to-actual program expenditures. If actual expenditures submitted on the quarterly report are 75% or more of the amount of funding dedicated to the program (MOE + M2 revenues) then the Office on Aging will have authorization to prioritize trips.

If the Office on Aging believes it is necessary to begin trip prioritization, they shall provide OCTA with a Notice of Intent for Trip Prioritization within 30 days and shall explain the reasoning for initiating trip prioritization. Trip prioritization will include the flexibility to leverage trips with other transportation resources to maximize program services and ensure that SNEMT serves as many seniors as possible. An example of leveraging trips with other resources is as follows: a client requiring trip services to chemotherapy may utilize other specialized transportation services to the medical appointment destination and utilize SNEMT transportation services for the return trip.

Once trip prioritization has been activated, it will remain in effect through the end of the same fiscal year in which the activation occurred. At the end of the fiscal year and based on information provided in the quarterly report, the need for prioritization will be reevaluated by the Office on Aging to determine if deactivation of prioritization is appropriate. It is important to note that if sufficient funding is available, all eligible older adults will be served, even if trip prioritization is still activated. The following criteria will be utilized for SNEMT trip prioritization:

PRIORITY CATEGORIES

Priority 1: Individuals who are:

Age 60 and over, at or below 50% of the Area Median Income, have no other access to specialized transportation services and in need of the following medically related trips:

- Need for life sustaining medical care such as dialysis, chemotherapy, radiation treatment
- Multi-system failure or conditions requiring immediate medical supervision/care, e.g. diabetes, heart disease, Chronic Obstructive Pulmonary Disease (COPD)
- Surgery or non-elective (immediate need) procedure

Priority 2: Individuals who are:

Age 60 and over in need of the following medically related trips:

- Need for life sustaining medical care such as dialysis, chemotherapy, radiation treatment
- Multi-system failure or conditions requiring immediate medical supervision/care, e.g. diabetes, heart disease, Chronic Obstructive Pulmonary Disease (COPD)
- Surgery or non-elective (immediate need) procedure

Priority 3: Individuals who are:

Age 60 and over, at or below 50% of the Area Median Income, have no other access to specialized transportation services and are in need of the following medically related trips:

- Rehab/Physical Therapy with a physical therapist
- Dental
- Elective procedures
- Vision
- All other non-urgent medical appointments

SENIOR NON-EMERGENCY MEDICAL TRANSPORTATION PROGRAM
PROPOSED M2 FUNDING
CLIENT PRIORITY CRITERIA

Priority 4: Individuals who are:

Age 60 and over in need of the following medically related trips

- Rehab/Physical Therapy with a physical therapist
- Dental
- Elective procedures
- Vision
- All other non-urgent medical appointments

Priority 5: Individuals who are:

Age 60 and over in need of the following medically related trips:

- Health education
- Disease management

Projected Available Measure M2 Revenues

Senior Non-Emergency Medical Transportation

Available Funding						
Program	**2027**	**2028**	**2029**	**2030**	**2031**	**Total**
Senior Non-Emergency Medical Transportation	$4,639,868	$4,616,800	$4,646,602	$4,663,403	$4,832,578	$23,399,251

ATTACHMENT D

County of Orange
Cooperative Agreement No. C-1-3446 Fact Sheet

1. May 24, 2021, Cooperative Agreement No. C-1-3446, approved by the Board of Directors (Board).

    - Agreement to provide Measure M2 funding in the amount of one percent of net revenues to support the Orange County Senior Non-Emergency Medical Transportation Program.
    - Initial term effective July 1, 2021, through June 30, 2026, with a five-year option term through June 30, 2031.

2. August 27, 2025, Amendment No. 1 to Cooperative Agreement No. C-1-3446, approved by the Contracts Administration and Materials Management Department.

    - Change of agency contact person.

3. April 27, 2026, Amendment No. 2 to Cooperative Agreement No. C-1-3446, pending approval by the Board.

    - Amendment to exercise the five-year option term effective July 1, 2026, through June 30, 2031.

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Measure M2 Quarterly Progress Report for the Period of October 2025 through December 2025

Executive Committee Meeting of April 6, 2026

Present: Chair Federico, Vice Chair Jung, Directors Chaffee, Hennessey, and Klopfenstein
Absent: Director Wagner

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Receive and file as an information item.

April 6, 2026

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Measure M2 Quarterly Progress Report for the Period of October 2025 through December 2025

Overview

Staff has prepared the Measure M2 Quarterly Progress Report for the second quarter of fiscal year 2025-26 as information for the Orange County Transportation Authority Board of Directors. This progress report highlights the delivery of Measure M2 projects and programs as promised to voters and the monitoring of external challenges. The full report will be available to the public via the Orange County Transportation Authority website.

Recommendation

Receive and file as an information item.

Background

On November 7, 2006, Orange County voters, by nearly 70 percent, approved the Renewed Measure M (M2) Transportation Investment Plan (Plan), a one half-cent sales tax for transportation improvements. Effective in 2011, the Plan provides a 30-year program of investments across a broad range of transportation and environmental initiatives and a governing ordinance, Ordinance No. 3 (M2 Ordinance), that defines the requirements for implementing the Plan. The M2 Ordinance designates the Orange County Transportation Authority (OCTA) as responsible for administering the Plan and ensuring that OCTA's contract with the voters is followed. The M2 Ordinance also charges OCTA to provide for a number of transparency measures and safeguards to uphold and reciprocate the public's trust in OCTA.

OCTA is committed to fulfilling the promises made to secure voter approval of the M2 initiative. This means completing the projects described in the Plan and adhering to numerous specific requirements, safeguards, and transparency provisions identified in the M2 Ordinance. One such requirement is the publication of quarterly status reports on the projects detailed in the Plan and its presentation to the OCTA Board of Directors (Board).

This report is built on individual project- and program-level staff reports that are regularly presented to the Board, covering the status of various activities in the Plan.

Discussion

This quarterly report (Attachment A) reflects activities and progress across all M2 programs for the period of October 1, 2025, through December 31, 2025. The quarterly report also includes project budget and schedule information as provided in the Capital Action Plan reports to the Board. Additionally, information on the Local Fair Share and Senior Mobility Program payments made to cities during the quarter is also included.

OCTA has established the M2 Program Management Office (PMO), charged with providing unified oversight to ensure compliance, fiscal responsibility, transparency, and accountability as laid out in the M2 Ordinance and Plan. Attachment A also includes a summary of PMO activities.

The following provides highlights of M2 accomplishments during the quarter by mode, notable items under the PMO activities, and key challenges that OCTA is monitoring and working to address.

Freeway Program

The M2 Freeway Program consists of 30 project segments to be delivered by 2041. To date, 17 project segments are complete, and another ten are underway and expected to be completed by 2030. The ten project segments that are underway include six projects that are in construction, three that are in final design, and a joint project with the Riverside County Transportation Commission that is currently advertised for progressive design-build construction. The joint project will improve State Route 91 (SR-91) eastbound between State Route 241 and State Route 71 (also known as the 91 Eastbound Corridor Operations Project). Completing these ten projects would bring the total number of completed projects to 27 by 2030, equating to approximately 90 percent of the M2 Freeway Program. The remaining three project segments are in various stages of project development. Notable freeway program highlights that occurred during the quarter are below.

- Interstate 5 (I-5) between Interstate 405 and State Route 55 (SR-55) – This project is comprised of two segments. The northerly segment, from Yale Avenue to SR-55, was advertised for construction on August 11, 2025; bids were opened on October 21, 2025 and the contract was awarded on November 12, 2025. The approved bid was approximately 8.5 percent below the engineer's estimate. Construction activities began in December 2025. (Project B)

- I-5, El Toro Road Interchange – A project update was presented to the Board on October 13, 2025. The environmental technical studies are anticipated to be complete in spring 2026, a draft environmental document circulated for public review and public hearing in mid-2026, and selection of a project alternative to advance to the design phase by the end of 2026. (Project D)

- SR-55 between I-5 and SR-91 – On December 8, 2025, the Board approved the release of a request for proposals for construction management support services. Construction is anticipated to begin in spring 2027. (Project F)

- SR-91 between State Route 57 to SR-55 – This project is comprised of three segments. On November 14, 2025, the Board approved the selection of a consultant to perform construction management support services for the westerly segment between La Palma Avenue and SR-57. The project was advertised for construction on May 12, 2025, bids opened on August 12, 2025, and the contract was awarded on October 20, 2025. The approved bid was 4.7 percent below the engineer's estimate. Construction activities began in December 2025. (Project I)

Streets and Roads

Since 2011, more than $1.3 billion[1,2] has been allocated to local jurisdictions for transportation improvements through M2 streets and roads programs, which include two competitive programs and one formula-based funding program. In addition, OCTA was able to leverage nearly $53.9 million in external funding to support these programs. To date, 509 project phases have been allocated through M2 competitive streets and roads funding programs, of which 363 phases, or approximately 71 percent, have been completed. Notable streets and roads highlights that occurred during the quarter are listed below.

- On September 8, 2025, the Board approved the release of the 2026 Regional Capacity Program and Regional Traffic Signal Synchronization Program call for projects (call). Applications for the call were received on November 20, 2025. Based on the project selection criteria outlined in the Comprehensive Transportation Funding Program guidelines, projects will be prioritized for Board consideration in spring 2026. (Projects O and P)

[1] Only includes disbursed funds. On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.
[2] On May 12, 2025, the Board determined the City of Huntington Beach ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Huntington Beach reestablishes eligibility.

- Through the Local Fair Share Program, 18 percent of M2 net revenues are allocated by formula to eligible local jurisdictions. During the quarter, approximately $12.3 million was disbursed, bringing the total provided through December 2025 to more than $835 million.[3,4] (Project Q)

Transit

The M2 transit mode includes several programs designed to provide expanded transportation options. M2 is the primary funding source for the Southern California Regional Rail Authority (Metrolink) commuter rail service in Orange County and includes funding for rail projects to improve operations and transit connections to extend the reach of the service. On October 21, 2024, Metrolink implemented Metrolink Reimagined, a service change that increased weekday train frequency and expanded midday and evening service to better accommodate new travel patterns resulting from alternative work schedules. The three Metrolink lines serving Orange County (Orange County, Inland Empire-Orange County, and the 91/Perris Valley lines) now operate 58 weekday trains, representing a 7.4 percent increase over pre-pandemic service levels. Compared to the same quarter last year, ridership levels on all three lines decreased by approximately 0.8 percent. Additional Metrolink challenges are discussed in the challenges section of this report.

Since 2011, M2 has provided competitive multi-year transit funding commitments for bus and station van services connecting to Metrolink ($483,133 to date), community-based transit circulators ($81.1 million to date), and transit stop improvements ($2.9 million to date). In addition, M2 provides a set amount of funding to support three programs (Senior Mobility Program, Senior Non-Emergency Medical Transportation Program, and Fare Stabilization Program), intended to expand mobility options for seniors and persons with disabilities ($154.1 million[3,4] to date). Other notable transit program activities from the quarter are highlighted below.

- OC Streetcar – A quarterly update was presented to the Board on November 24, 2025, providing information on the status of construction activities, vehicle delivery, and public outreach. During the quarter, work continued on installation of utilities and overhead wires, interior work at the maintenance and storage facility, and testing of the vehicles. A major testing milestone was achieved this quarter as the OC Streetcar was

[3] Only includes disbursed funds. On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.
[4] On May 12, 2025, the Board determined the City of Huntington Beach ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Huntington Beach reestablishes eligibility.

energized and operated solely by electricity without support in the Pacific Electric Right-of-Way. (Project S)

- Community-Based Transit Circulators – In September 2024, the Board directed staff to work with the City of Newport Beach on operational refinements for its proposed transit service when the fifth call was awarded. The efforts were completed and the Board approved the programming recommendation of $2.6 million for the City of Newport Beach's Balboa Island/Corona Del Mar local area transit service on October 27, 2025. (Project V)

Environmental Programs

The M2 program includes two innovative programs: the Environmental Cleanup Program (ECP) and the Environmental Mitigation Program (EMP). The ECP improves water quality by addressing transportation-related pollutants, while the EMP offsets the biological habitat impacts of M2 freeway projects.

Since 2011, the ECP has allocated approximately $66.6 million to local jurisdictions for 224 projects for trash removal devices (Tier 1) and 22 projects for large-scale water quality best management practices projects (Tier 2). It is estimated that 91.7 million gallons of trash have been captured since the inception of the program, which equates to over 16,200 trash truck loads of garbage that could have been deposited in Orange County streams and waters. On October 13, 2025, the Board approved programming recommendations for eight projects totaling approximately $3.1 million. (Project X)

Additionally, the Board has authorized $55 million for the EMP to acquire conservation lands and fund habitat restoration projects. OCTA has acquired more than 1,300 acres and funded 13 projects to restore habitat on 350 acres of open space across Orange County to fulfill the necessary M2 Freeway Program mitigation needs.

The wildlife and habitat on the acquired lands are protected in perpetuity, and long-term management of the properties will be funded by an endowment that is being established. OCTA has made ten deposits of approximately $2.9 million into the endowment. As of December 2025, the balance of the endowment was $39,898,925. Current projections indicate that OCTA remains on track to meet the endowment target of $46.2 million in fiscal year (FY) 2027-28; however, the performance of the fund may affect the timeframe for full funding of the endowment.

PMO

Next 10 Delivery Plan (Next 10 Plan)

The Next 10 Plan provides a strategic framework for delivering M2 freeway, roadway, transit, and environmental projects over a ten-year period. On December 8, 2025, the Board adopted the 2025 update of the Next 10 Plan, which incorporates the latest M2 sales tax revenue forecast of $13.2 billion, current programmed external revenues, and refined project information. Focusing on the timeframe of FY 2025-26 to FY 2034-35, the report confirmed that M2 remains deliverable as promised to the voters, with the exception of Metrolink operations, which will be discussed further in the challenges section of this report.

Ten-Year Review

The M2 Ordinance includes a provision to conduct a ten-year comprehensive review of all projects and programs. While the Next 10 Plan is focused on Plan delivery, the Ten-Year Review focuses on Plan performance. The first Ten-Year Review was completed in 2015, and the second effort is underway. During the quarter, an update was presented to the Board on December 8, 2025, summarizing analysis to date, outreach activities, emerging themes, and a draft action plan. The final report and accompanying action plan are anticipated to be presented to the Board in spring 2026.

Challenges

As with all major programs, challenges arise and need to be monitored and addressed. A few key challenges are highlighted below.

- Close monitoring of Metrolink operations and capital rehabilitation projects is necessary to ensure sustainability through 2041. Metrolink ridership recovery continues to struggle, which impacts farebox revenues and cost recovery. While increases in operating costs are anticipated, they further compound existing financial challenges. While Metrolink has implemented Metrolink Reimagined, an optimized service schedule to better accommodate new travel patterns, without changes in ridership growth, operations and rehabilitation costs, or additional external funds, the 2025 Next 10 Plan projects that the current service cannot be sustained beyond FY 2033-34. To address this shortfall, the Board directed staff to work with Metrolink to develop a financially sustainable service plan with a targeted funding level as part of the FY 2026-27 budget development process. OCTA will continue to actively engage with Metrolink and the other member agencies to monitor ridership levels and the corresponding financial impacts to M2.

- Over the past several years, coastal storm surges, combined with several other environmental factors, have damaged the Los Angeles – San Diego – San Luis Obispo Rail Corridor. These events have required increased maintenance and emergency repairs to stabilize the rail infrastructure. The emergency repairs have also led to intermittent service loss and delays. Although the affected portion of the railroad tracks in the City of San Clemente is located within Orange County, this rail corridor is vital for Metrolink and state-supported intercity rail (Pacific Surfliner), freight connection to the Port of San Diego, and is part of the Strategic Rail Corridor Network that supports national defense operations. In partnership with key stakeholders, a comprehensive plan to integrate engineering and sand nourishment solutions was developed to protect the coastal segment of the rail corridor in south Orange County in the immediate timeframe. To address the ongoing threats to a critical link in Southern California's rail network, emergency riprap repair activities in two of the four reinforcement areas were completed in June 2025. During the quarter, work continued to construct a catchment structure to protect the rail infrastructure from potential slope failure. Additional work to protect the rail line on the remaining segment continues with parallel efforts underway for sand nourishment. Updates will be provided to the Board as appropriate.

- The Coastal Rail Resiliency Study is underway to identify and evaluate potential near- and mid-term solutions to protect the rail line in place for approximately the next 30 years, while long-term solutions, which may include relocation, are developed to adapt the rail line to the changing environment. OCTA is leading the effort on the near- and mid-term resiliency measures. The State will lead the long-term study, and OCTA will be an active participant in the study. On October 13, 2025, an update on the refined alternative concepts for the Coastal Rail Resiliency Study was presented to the Board. As these studies progress, future updates to the Next 10 Plan will incorporate more current information.

Staff will continue to monitor these challenges to ensure M2 remains deliverable as promised to voters and provide updates to the Board as appropriate.

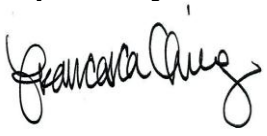
Summary

A quarterly report covering activities from October 2025 through December 2025, is provided to update progress in implementing the Plan. The above information and the attached details indicate significant progress on the overall M2 Program despite facing challenges. To be cost-effective and to facilitate accessibility and transparency of information available to stakeholders and the public, the M2 Quarterly Progress Report is made available through the OCTA website.

Attachment

A. Measure M2 Quarterly Progress Report, Second Quarter of Fiscal Year 2025 - 26, October 1, 2025 through December 31, 2025

Prepared by:



Francesca Ching
Manager, Measure M2
Program Management Office
(714) 560-5625

Approved by:



Rose Casey
Executive Director, Planning
(714) 560-5729



ATTACHMENT A

MEASURE M2 QUARTERLY PROGRESS REPORT

OCTA

Second Quarter of Fiscal Year 2025–26
October 1, 2025 through December 31, 2025

Second Quarter Highlights:

- Freeway Projects
- Streets and Roads
- Environmental Cleanup & Water Quality
- Freeway Mitigation Program
- Finance Matters
- Program Management Office
- Summary



















OCTA

MEASURE M2 PROGRESS REPORT

SUMMARY

On November 7, 2006, Orange County voters, by a margin of nearly 70 percent, approved the Renewed Measure M (M2) Transportation Investment Plan (Plan), a one-half cent sales tax for transportation improvements. Voters originally endorsed Measure M (M1) in 1990 with a sunset in 2011. The renewal of Measure M continues the investment of local tax dollars in Orange County's transportation infrastructure for another 30 years to 2041.

As required by M2 Ordinance No. 3 (M2 Ordinance), a quarterly report covering activities from October 1, 2025, through December 31, 2025, is provided to update progress in implementing the Plan. To be cost-effective and to facilitate accessibility and transparency of information to stakeholders and the public, M2 progress reports are available on the Orange County Transportation Authority (OCTA) website.



The cover photo highlights pavement repair in the City of Orange. OCTA partners with local jurisdictions to review the status of Comprehensive Transportation Funding Program (CTFP) projects and programs as part of the semi-annual review (SAR) process. The SAR evaluates the progress of active projects and provides jurisdictions the opportunity to request changes or adjustments to help ensure timely delivery. The most recent SAR was completed and approved by the OCTA Board of Directors (Board) on December 8, 2025.



OCTA

MEASURE M2 PROGRESS REPORT

TABLE OF CONTENTS

Section	Project	Page
Project Schedules		i
M2 Delivery Risk Update		1
Next 10 Delivery Plan Update		4
Freeway Program (Projects A-N)		9
Interstate 5 (I-5) Projects	[A-D]	9
State Route 22 (SR-22) Projects	[E]	13
State Route 55 (SR-55) Projects	[F]	13
State Route 57 (SR-57) Projects	[G]	14
State Route 91 (SR-91) Projects	[H-J]	16
Interstate 405 (I-405) Projects	[K-L]	19
Interstate 605 (I-605) Projects	[M]	20
Freeway Service Patrol	[N]	20
Streets and Roads Programs (Projects O, P and Q)		21
Regional Capacity Program and OC Bridges Railroad Program	[O]	21
Regional Traffic Signal Synchronization Program	[P]	23
Local Fair Share Program	[Q]	26
Transit Programs (Projects R, S, T, U, V and W)		27
High Frequency Metrolink Service	[R]	27
Transit Extensions to Metrolink	[S]	32
Metrolink Gateways	[T]	33
Expand Mobility Choices for Seniors and Persons with Disabilities	[U]	34
Community Based Transit/Circulators	[V]	35
Safe Transit Stops	[W]	36
Environmental Programs (Project X and Freeway Mitigation Program)		37
Environmental Cleanup	[X]	37
Freeway Mitigation Program (part of Projects A - M)		38
Program Management Office		41
M2 Financing and Schedule of Funding		47
Local Fair Share - M2 Funding by Agency		51
Capital Action Plan - Capital Project Status		53
Common Abbreviations		59



MEASURE M2 PROJECT SCHEDULES

Environmental | Design, Advertise, & Award | Design-Build | Construction | Complete

Measure M2 Projects and Programs

		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
A	I-5, SR-55 to SR-57																
B	I-5, I-405 to Yale Avenue																
B	I-5, Yale Avenue to SR-55																
C,D	I-5, Avenida Pico to Avenida Vista Hermosa/ Avenida Pico Interchange	*Completed in 2018*															
C	I-5, Avenida Vista Hermosa to Pacific Coast Highway	*Completed in 2017*															
C	I-5, Pacific Coast Highway to San Juan Creek Road	*Completed in 2018*															
C,D	I-5, SR-73 to Oso Parkway/ Avery Parkway Interchange																
C,D	I-5, Oso Parkway to Alicia Parkway/ La Paz Road Interchange																
C	I-5, Alicia Parkway to El Toro Road																
D	I-5, El Toro Road Interchange (Further Schedule TBD)																
D	I-5, Ortega Highway Interchange	*Completed in 2016*															
E	SR-22, Access Improvements	*Completed in 2008*															
F	SR-55, I-405 to I-5																
F	SR-55, I-5 to SR-91																
G	SR-57 NB, Orangewood Avenue to Katella Avenue																
G	SR-57 NB, Katella Avenue to Lincoln Avenue	*Completed in 2015*															
G	SR-57 NB, Orangethorpe Avenue to Yorba Linda Boulevard	*Completed in 2014*															
G	SR-57 NB, Yorba Linda Boulevard to Lambert Road	*Completed in 2014*															
G	SR-57 NB, Lambert Road to Orange/Los Angeles County Line (Further Schedule TBD)																
H	SR-91 WB, I-5 to SR-57	*Completed in 2016*															
I	SR-91 WB, SR-55 to Tustin Avenue Interchange	*Completed in 2016*															
I	SR-91, SR-55 to Lakeview Avenue																
I	SR-91, La Palma Avenue to SR-55																
I	SR-91, Acacia Street to La Palma Avenue																

Project schedules are based on phase start dates. Shown schedules are subject to change.
[1] Projects managed by local agencies
See https://octa.net/programs-projects/programs/measure-m/programs-projects#/schedule for full project schedules.



OCTA

MEASURE M2 PROJECT SCHEDULES

Measure M2 Projects and Programs

		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
J	SR-91, SR-55 to SR-241	*Completed in 2013*															
J	SR-91 EB, SR-241 to SR-71	*Completed in 2011*															
J	SR-91, SR-241 to Orange/Riverside County Line (Led by RCTC)																
K	I-405, SR-73 to I-605																
L	I-405, I-5 to SR-55 (Further Schedule TBD)	*Environmental Completed in 2018*															
M	I-605, Katella Avenue Interchange																
O	Kraemer Boulevard Grade Separation (Placentia)	*Completed in 2014*															
O	Lakeview Avenue Grade Separation (Anaheim/Placentia)	*Completed in 2017*															
O	Orangethorpe Avenue Grade Separation (Anaheim/Placentia)	*Completed in 2016*															
O	Placentia Avenue Grade Separation (Placentia)	*Completed in 2014*															
O	Raymond Avenue Grade Separation (Fullerton)[1]	*Completed in 2018*															
O	State College Boulevard Grade Separation (Fullerton)[1]	*Completed in 2018*															
O	Tustin Avenue/Rose Drive Grade Separation (Anaheim/Placentia)	*Completed in 2016*															
R	Sand Canyon Grade Separation (Irvine)	*Completed in 2016*															
R	Rail-Highway Grade Crossing Safety Enhancement	*Completed in 2011*															
R	San Clemente Beach Trail Safety Enhancements	*Completed in 2014*															
R	Anaheim Canyon Metrolink Station Improvements																
R	Fullerton Transportation Center Improvements																
R	Laguna Niguel/Mission Viejo Metrolink Station Americans with Disabilities Act (ADA) Ramps	*Completed in 2017*															
R	Orange Transportation Center Metrolink Parking Structure																
R	Placentia Metrolink Station Improvements and Parking Structure (Further Schedule TBD)	*Design Completed in 2017*															
R	San Clemente Pier Station Lighting	*Completed in 2017*															
R	Laguna Niguel to San Juan Capistrano Metrolink Station Passing Siding Project																
R	Tustin Metrolink Station Parking Structure	*Completed in 2011*															
R,T	Anaheim Regional Transportation Intermodal Center (ARTIC)[1]	*Completed in 2014*															
S	OC Streetcar																

Project schedules are based on phase start dates. Shown schedules are subject to change.

[1] Projects managed by local agencies

See https://octa.net/programs-projects/programs/measure-m/programs-projects#/schedule for full project schedules.



OCTA

MEASURE M2 PROGRESS REPORT

M2 DELIVERY RISK UPDATE

This section discusses the risks and challenges related to Measure M2 and the updated Next 10 Delivery Plan (Next 10 Plan) that the M2 Program Management Office (PMO) is monitoring with associated explanations and proposed actions.

	Delivery Risk	Explanation	Proposed Action
Financial			
1	Sales tax revenues are driven by economic conditions. The 2025 M2 revenue forecast is $13.2 billion, which is a $800 million (-5.7 percent) year-over-year decrease from the 2024 forecast.	While the 2025 M2 sales tax revenue forecast is lower, in most areas of the M2 Plan, programs can be scaled to available revenues. Additionally, 16 years of M2 delivery remain and fluctuations in economic conditions may affect future revenue projections.	Staff will continue to monitor sales tax revenue receipts to ensure that M2 is delivered as promised to voters.
2	Reduced external funding opportunities for the M2 freeway program.	State and federal priorities continue to shift and favor projects that reduce automobile travel, which could affect access to currently programmed as well as future external funding opportunities for the M2 freeway projects.	Current external funding commitments are assumed in the M2 cash flow for the 2025 Next 10 Plan, but prospects of future revenues for highway projects are low.
3	Potential for an environment of increasing cost for M2 capital projects.	The fall 2025 update of the Next 10 Plan Market Conditions Forecast and Risk Analysis anticipates an uptick in inflationary pressures in 2026, 2027, and 2028. This is due to a rise in building permits, California unemployment rates, and construction wages. Additionally, all construction material costs have increased.	The Next 10 Plan Market Conditions Forecast and Risk Analysis report is updated biannually and provides a three-year lookahead. OCTA will continue to monitor bid results and market conditions affecting project costs.

Moderate One to Watch



Delivery Risk		Explanation	Proposed Action
4	Schedule and scope changes on capital projects that impact delivery and project costs.	Changes as a result of updated highway standards, new regulatory requirements, or issues identified in the field may impact scope, schedule, and costs substantially.	OCTA will work closely with project partners and project contractors to limit changes in scope and schedules.
5	Support Southern California Regional Rail Authority (Metrolink) train service as an alternative to driving within the limits of available revenue.	The coronavirus (COVID-19) altered travel behavior, which has affected ridership and farebox revenues. The cost of Metrolink service continues to grow as contracted rates increase, the system ages, track-sharing arrangements with BNSF Railway Company (BNSF) are revised, and new air quality requirements are implemented. Without changes in service levels, ridership growth, and operations and rehabilitation costs, the current service cannot be sustained beyond FY 2033-34.	External funding (one-time federal funds through the Coronavirus Aid, Relief and Economic Security Act, Coronavirus Response and Relief Supplemental Appropriations Act, and Infrastructure Investment and Jobs Act) has helped alleviate some near-term financial concerns, but increasing operational costs and slow ridership recovery affect long-term sustainability. To address this shortfall, the Board directed staff to work with Metrolink to develop a financially sustainable service plan with a targeted funding level as part of the FY 2026-27 budget development process. OCTA will continue to work closely with Metrolink and member agencies to ensure cost increases are minimized, while continuing to seek external revenue.
Resource			
6	Substantial work underway in the region has resulted in significant demand for professional and skilled labor which may impact delivery given the volume of the M2 capital program.	The fall 2025 update of the Next 10 Plan Market Conditions Forecast and Risk Analysis reflects an increase in unemployment rates. This may temper costs and reduce delivery risk.	OCTA will monitor resources for professional and skilled labor needed for project delivery. Expert and timely coordination between OCTA and project partners is imperative to manage this risk.



Delivery Risk		Explanation	Proposed Action
7	New operational responsibilities with the OC Streetcar.	With the implementation of the OC Streetcar service, OCTA will be increasing its overall role in operations.	To ensure the success of the OC Streetcar, OCTA hired a streetcar operations manager with proven start-up experience to oversee start-up and daily operations. A contractor with extensive experience in operations of rail systems was selected to handle the startup and revenue operation phases.
Climate			
8	Climate-related hazards could affect M2 investments.	OCTA has experienced hazards affecting M2 investments. Wildfires present a continual risk to the M2 Environmental Mitigation Program (EMP) Preserves and resoration projects that have not been completed and approved by the United States Fish and Wildlife Service (USFWS) and the California Department of Fish and Wildlife (CDFW) (collectively, Wildlife Agencies). Additionally, tidal events, ocean currents and waves, storm surges, and slope movement affect OCTA's railroad track in the south Orange County.	OCTA has developed Fire Management Plans (FMP) for the seven properties purchased as part of the M2 Freeway EMP. External funding SB 1 (Chapter 5, Statutes of 2017) Trade Corridor Enhancement Program, Transit Intercity Rail Capital Program (TIRCP), and Consolidated Rail Infrastructure and Safety Improvements Grant Program is helping implement immediate protective measures to protect the rail infrastructure in south Orange County. Additionally, OCTA is leading a planning study to identify immediate as well as near- and mid-term solutions.
Regulatory			
9	Changing federal and state directives could affect M2 freeway project approvals.	Current state planning and project approval policies place great emphasis on reducing travel by automobile and encourage project alternatives that promote short trips where possible, travel by transit, bicycling or walking, and use of zero-emission vehicles. These requirements will affect the project environmental review process.	The majority of M2 freeway projects, where this risk would manifest itself, have obtained the necessary approvals. If the approvals require a review or revision, these new requirements could impact delivery.

Moderate One to Watch



NEXT 10 DELIVERY PLAN

Contact: Francesca Ching, M2 PMO Manager • (714) 560-5625

The Next 10 Plan sets priorities and funding commitments over a ten-year period, providing guidance to staff on the delivery of M2 projects and programs. Annually, staff reviews the Board-adopted commitments in the Next 10 Plan to ensure it remains deliverable with updated revenues and project costs.

On December 8, 2025, the Board adopted the 2025 Next 10 Plan, which spans fiscal year (FY) 2025-26 through FY 2034-35. The update incorporated the $13.2 billion sales tax revenue forecast, revised project estimates and schedules, as well as the fall market conditions forecast and risk analysis. As a result of OCTA's strategic planning to date, the 2025 Next 10 Plan continues to demonstrate that the Plan remains deliverable.

Next 10 Plan Deliverables

Significant progress continues with projects in and advancing towards construction, as well as funding allocations to local jurisdictions through competitive and formula funding programs.

1. Deliver 11 freeway improvement projects through construction (Projects A-M).

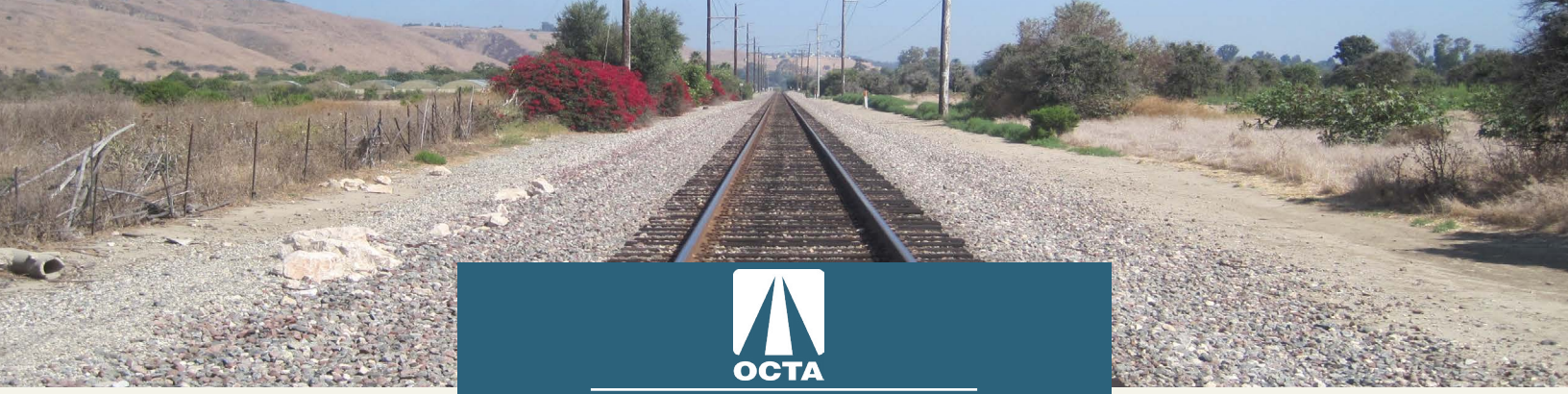
The M2 Freeway Program is currently made up of 30 projects/project segments. This deliverable includes 11 projects to be delivered through construction by FY 2034-35. Of the 11 projects to be delivered, six are in construction, three are in final design, one project is in the environmental phase, and a joint project with the Riverside County Transportation Commission (RCTC), was advertised as a progressive design-build contract. The joint project will improve SR-91 eastbound between SR-241 and SR-71 (also known as the SR-91 East Corridor Operations Project). Completion of these projects will bring the total number of completed projects to 28 by 2033, which equates to approximately 93 percent of the M2 Freeway Program. For more details, see pages i-ii (Project Schedules) and the project updates contained in their respective sections.

Upcoming activities:

- I-5, I-405 to Yale Avenue – Award Construction Contract
- SR-91, La Palma Avenue to SR-55 – Advertise for Construction
- SR-91 Eastbound Corridor Operations Project – Award Progressive Design-Build Contract

2. Prepare remaining freeway improvement projects for delivery (Projects A-M).

The two remaining projects (of the 30 total) are environmentally cleared or on track to be environmentally cleared by 2028, making them shelf-ready for further advancement. The remaining projects include Project G (SR-57 northbound from Lambert Road to Orange/Los Angeles County Line), and Project L (I-405 between I-5 and SR-55). These projects will continue to be reevaluated for earlier delivery as part of the annual Next 10 Plan review. For more details, see pages i-ii (Project Schedules) and the project updates contained in their respective sections.



3. Provide annual competitive funding opportunities for local jurisdictions to address bottlenecks and gaps in the street system (Project O), synchronize signals (Project P), and continue flexible funding to local jurisdictions to support pavement rehabilitation or other transportation needs as appropriate (Project Q).

As of December 2025, OCTA has awarded approximately $594.4 million in competitive funding through the Regional Capacity Program (RCP) (Project O) and Regional Traffic Signal Synchronization Program (RTSSP) (Project P) annual calls. Additionally, approximately $835.3 million[1,2] in Local Fair Share (LFS) (Project Q) funds have been distributed to local jurisdictions.

On September 8, 2025, the Board authorized the 16th call for projects (call) to support local streets and roads improvement projects throughout Orange County. Applications were received on November 20, 2025, and are under review. Based on the project selection criteria in CTFP guidelines, projects will be prioritized for Board consideration in spring 2026. For more details, see the project updates on page 21 and page 23.

[1] Only includes disbursed funds. On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.

[2] On May 12, 2025, the Board determined the City of Huntington Beach ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Huntington Beach reestablishes eligibility.

Upcoming activities:

- Project O and P – Programming recommendations for the 16th call

4. Maintain Metrolink service (Project R).

Project R provides funding for Metrolink operations and aims to increase rail services within the County and provide additional Metrolink service north of the City of Fullerton to the Los Angeles County Line. The program also provides for track improvements, the addition of trains and parking capacity, upgraded stations, and safety enhancements to allow cities to establish quiet zones along the tracks.

Close monitoring of Metrolink operations is necessary to ensure sustainability through 2041. The Metrolink Reimagined service change implemented in October 2024 aims to increase midday and evening train service to help Metrolink expand their customer market beyond the traditional commuter market. Following this service change, the three lines serving Orange County currently operate 58 weekday trains, representing a 7.4 percent increase to pre-COVID-19 operating levels. However, Metrolink ridership recovery continues to struggle, impacting farebox revenues and cost recovery. To exacerbate this shortfall, operating costs have also increased. Without changes in service levels, ridership growth, and operations and rehabilitation costs



or additional external funds, the current service cannot be sustained beyond FY 2033-34. To address this shortfall, the Board directed staff to work with Metrolink to develop a financially sustainable service plan with a targeted funding level as part of the FY 2026-27 budget development process. OCTA will continue to actively engage with Metrolink and the other member agencies to monitor ridership levels and the financial impacts to M2. For more details, see project updates on page 27.

Railroad track stabilization efforts in south Orange County have become a major focus area given its importance to continued operation of Metrolink in Orange County. While the rail line is currently open as a result of ongoing emergency work, longer-term solutions need to be developed to ensure the ability to provide reliable rail service in this portion of the County. In partnership with key stakeholders, a planning study is currently underway to identify and evaluate immediate as well as near- and mid-term solutions with the goal of protecting the rail line in place. A separate study will assess potential long-term solutions, which may include relocation of the rail line. The California State Transportation Agency has committed to lead the long-term study to plan for future investments necessary to ensure a resilient Los Angeles–San Diego–San Luis Obispo (LOSSAN) corridor. As these studies progress, future updates to the Next 10 Plan will incorporate more current information. For more details, see the project updates on page 29.

Additionally, OCTA remains committed to advancing the development of the Placentia Metrolink Station Project. However, project advancement beyond the environmental phase is dependent on a shared-use agreement between Metrolink and BNSF prior to advertisement and construction, as well as Metrolink's long-term fiscal sustainability and ability to support continued operations. For more details, see project updates on page 29.

5. Complete construction and begin operating the OC Streetcar. Additionally, work with local jurisdictions to consider recommendations from planning studies to guide development of future high-quality transit connections (Project S).

The 4.15-mile OC Streetcar will serve the Santa Ana Regional Transportation Center (SARTC) through Downtown Santa Ana and the Civic Center to Harbor Boulevard in the City of Garden Grove. Activities underway include continued installation of utilities and overhead wires, construction of the Maintenance and Storage Facility (MSF) interior, and testing of the vehicles. A major testing milestone was achieved this quarter as the OC Streetcar was powered solely by electricity without support in the Pacific Electric right-of-way (ROW). Construction is anticipated to be complete to begin revenue service operations in mid-2026. For more details, see the project updates on page 32.



6. Support expanded mobility choices for seniors and persons with disabilities (Project U).

Project U is comprised of three programs: the Senior Mobility Program (SMP), the Senior Non-Emergency Medical Transportation (SNEMT) Program, and the Fare Stabilization Program. Since inception, more than $154.1 million[3,4] has been provided to these three programs. The SMP provides funding to participating cities to design and implement transit service that best fits the needs of seniors (60 and above) in their communities.

[3] Only includes disbursed funds. On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.

[4] On May 12, 2025, the Board determined the City of Huntington Beach ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Huntington Beach reestablishes eligibility.

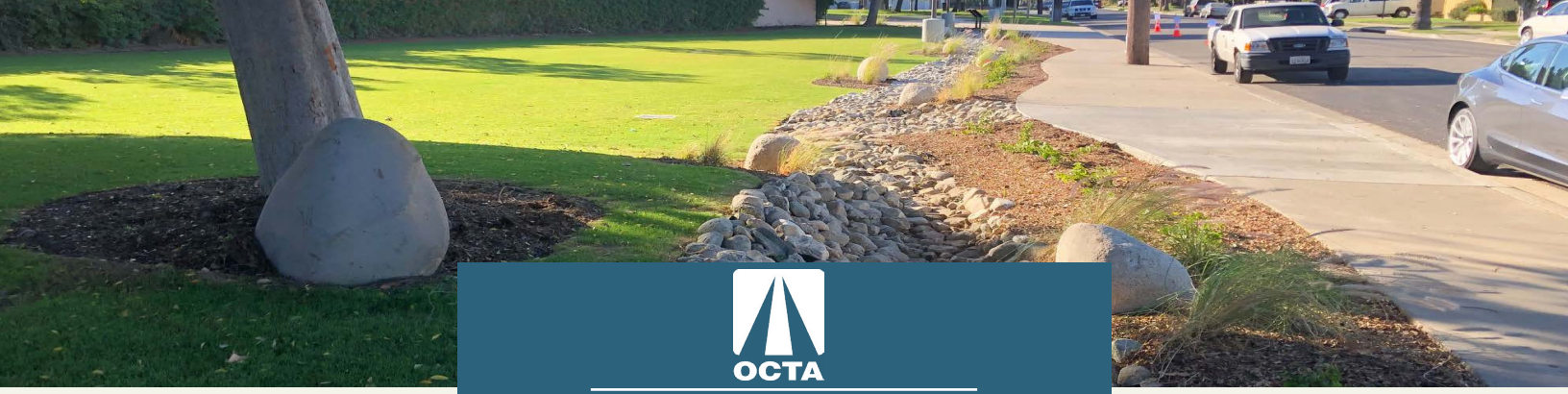
The SNEMT Program provides funding to the County of Orange Office on Aging for senior transportation to and from medical appointments, dentists, therapies, exercise programs, testing, and other health-related trips at a low cost to the rider than would otherwise be available. The Fare Stabilization Program provides stable discounted fares for seniors and persons with disabilities by lowering the cost of riding transit. For more details, see the program updates on page 34.

7. Work with local agencies to maintain successful community circulator projects and potentially provide grant opportunities for expanded or new local transit services (Project V).

Since inception, OCTA has approved 50 projects and ten planning studies totaling over $96.8 million through five calls. OCTA receives ridership reports from local agencies on a regular basis to monitor the success of awarded services against performance measures adopted by the Board. To date, 16 projects are active, four are planned, 13 have been cancelled (primarily due to low ridership), and 17 have been completed. Staff continues to work with local jurisdictions through letters of interest requests, workshops, CTFP guidelines revisions, calls, and cooperative agreement amendments to fine-tune this program and facilitate successful project implementation. For more details, see the program updates on page 35.

8. Continue to improve the top 100 busiest transit stops to enhance the customer experience (Project W).

Through three calls, the Board has approved $3.1 million to improve 122 city-initiated improvement projects at the busiest OCTA transit stops. The program is designed to ease transfers between bus lines and provide improvements such as the installation of bus benches or seating, shelters, improved lighting, and other passenger-related amenities. To date, 94 improvements have been completed, 18 improvements are in various stages of implementation, and ten improvements have been cancelled by the awarded agency. For more details, see the program updates on page 36.



9. Ensure the ongoing preservation of purchased open space, which provides comprehensive mitigation of the environmental impacts of freeway improvements and higher-value environmental benefits in exchange for streamlined project approvals (Projects A-M).

The M2 freeway EMP includes seven conservation properties (Preserves) totaling more than 1,300 acres and 13 restoration projects covering nearly 350 acres. In 2017, OCTA received biological resource permits after completing a state and federal Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan) for the EMP, allowing streamlined project approvals for the M2 freeway improvement projects. The Conservation Plan also includes a streamlined process for coordination of streambed alteration agreements. In 2018, OCTA secured programmatic permits and assurances for federal and state clean water permitting requirements. Receipt of these permits represents the culmination of years of collaboration and support by the Board, environmental community, and regulatory agencies.

To protect the Preserves in perpetuity, a non-wasting endowment was established. To date, OCTA has made ten annual deposits of approximately $2.9 million. As of December 31, 2025, the balance of the endowment was $39,898,925. While the performance of the endowment fund will affect the timeframe for full funding, current projections indicate that OCTA is still on track to meet the target of $46.2 million in FY 2027-28. For more details, see the program updates on page 38.

10. Work with the Environmental Cleanup Allocation Committee (ECAC) to develop the next tiers of water quality programs to prevent the flow of trash, pollutants, and debris into waterways from transportation facilities. In addition, focus on improving water quality on a regional scale that encourages partnerships among the local agencies as part of the Environmental Cleanup Program (ECP {Project X}).

In May 2010, the Board approved a two-tier approach to funding Project X. Tier 1 consists of funding equipment purchases and upgrades to existing catch basins and related best management practices, such as screens and other low-flow diversion devices. Tier 2 consists of funding regional, potentially multi-jurisdictional, and capital-intensive projects. Since inception, the Board has awarded approximately $43.4 million in funding for 241 Tier 1 projects through 15 calls and approximately $34.9 million for 26 Tier 2 projects through three calls. The 16th Tier 1 call for projects is anticipated to be released in early 2026. For more details, see the program updates on page 37.

Upcoming activities:

- Project X Tier 1 – Release the 16th call



FREEWAYS

PROJECT A

INTERSTATE 5 (I-5) PROJECTS

Segment: **I-5, SR-55 to SR-57**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project added a second high-occupancy vehicle (HOV) lane (approximately three miles) in both directions along I-5 between SR-55 and SR-57 in the City of Santa Ana. The final Environmental Document (ED) and Project Report (PR) were approved on April 27, 2015. Construction began on December 27, 2019, and the improvements opened to traffic on August 24, 2020. The total cost is measured against an amended baseline cost established in the first quarter of FY 2017-18; the final schedule is measured against an amended baseline schedule established in the second quarter of FY 2018-19. The project was officially completed three months ahead of schedule on January 6, 2021, and plant establishment was completed on May 24, 2021.

PROJECT B

I-5, I-405 to SR-55 is one project broken into two segments. The final ED and PR were approved on January 7, 2020. Each segment was combined with the Caltrans Multi-Asset project during the design phase.

Segment: **I-5, I-405 to Yale Avenue**

Status: Design Phase Underway – 99 Percent Complete

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project will add an additional general purpose lane (approximately 4.5 miles) in both directions of I-5 between I-405 and Yale Avenue, improve interchanges, and replace and add new auxiliary lanes in the City of Irvine. The forecasted schedule is measured against an amended baseline schedule established in the first quarter of FY 2022-23; the forecasted cost is measured against an amended baseline cost established in the second quarter of FY 2024-25. The project was advertised for construction on August 18, 2025. This quarter, the construction bids were opened on November 18, 2025. The project is anticipated to be awarded and approved by Caltrans in early 2026 and to begin construction in April 2026.

Segment: **I-5, Yale Avenue to SR-55**

Status: Design Phase Completed; Construction Phase Initiated

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project will add an additional general purpose lane (approximately 4.5 miles) in both directions of I-5 between Yale Avenue and SR-55, improve interchanges, and replace and add new auxiliary lanes in the cities of Irvine and Tustin. The forecasted schedule is measured against an amended baseline schedule established in the second quarter of FY 2025-26; the forecasted cost is measured



against an amended baseline cost established in the second quarter of FY 2024-25. The project was advertised for construction on August 11, 2025. During the quarter, construction bids were opened on October 21, 2025, construction contract was awarded on November 12, 2025, and construction began on December 10, 2025.

PROJECT C AND PART OF PROJECT D

I-5, Avenida Pico to San Juan Creek Road is one project broken into three segments. The final ED and PR were approved on October 26, 2011. All three segments were completed, and the improvements opened to traffic on March 13, 2019.

Segment: **I-5, Avenida Pico to Avenida Vista Hermosa/Avenida Pico Interchange**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project added a carpool lane (approximately 0.7 miles) in both directions of I-5 between Avenida Pico and Avenida Vista Hermosa in the City of San Clemente, included major improvements through reconstruction of the Avenida Pico Interchange (part of Project D), and added bicycle lanes in both directions on Avenida Pico. Construction began on December 22, 2014, and was officially completed on August 23, 2018. Plant establishment was completed in May 2019. The total cost is measured against an amended baseline cost established in the second quarter of FY 2011-12; the final schedule is measured against an amended baseline schedule established in the second quarter of FY 2014-15.

Segment: **I-5, Avenida Vista Hermosa to Pacific Coast Highway**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project added a carpool lane (approximately 2.5 miles) in both directions of I-5 between Avenida Vista Hermosa and Pacific Coast Highway (PCH) in the City of San Clemente and reconstructed on- and off-ramps at Avenida Vista Hermosa and Camino de Estrella. Construction began on July 3, 2014, and was officially completed on July 31, 2017. Plant establishment was completed in May 2018. The total cost is measured against an amended baseline cost established in the second quarter of FY 2011-12; the final schedule is measured against an amended baseline schedule established in the second quarter of FY 2013-14.

Segment: **I-5, Pacific Coast Highway to San Juan Creek Road**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project added a carpool lane (approximately 2.5 miles) in both directions of I-5 between PCH and San Juan Creek Road in the cities of Dana Point, San Clemente, and San Juan Capistrano and reconstructed the on- and off-ramps at PCH/Camino Las Ramblas. Construction began on December 20, 2013, and was officially completed on July 3, 2018. Plant establishment was



completed in March 2019. The total cost is measured against an amended baseline cost established in the second quarter of FY 2011-12; the final schedule is measured against an amended baseline schedule established in the second quarter of FY 2013-14.

I-5, SR-73 to El Toro Road is one project broken into three segments. The final ED and PR for all three segments were approved on May 6, 2014. Improvements for the three segments opened to traffic in March 2025. A separate landscape contractor began plant establishment efforts for all three segments on June 10, 2025, with completion anticipated by December 2026.

Segment: **I-5, SR-73 to Oso Parkway/Avery Parkway Interchange**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project added a general purpose lane (approximately 2.2 miles) in both directions of I-5 between Avery Parkway and Oso Parkway and reconstructed the Avery Parkway Interchange (part of Project D) in the cities of Laguna Hills, Laguna Niguel, and Mission Viejo. Construction began on January 15, 2020, and was completed on July 30, 2025. The total cost is measured against an amended baseline cost established in the third quarter of FY 2014-15; the final schedule is measured against an amended baseline schedule established in the third quarter of FY 2019-20.

Segment: **I-5, Oso Parkway to Alicia Parkway/La Paz Road Interchange**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project added a general purpose lane (approximately 2.6 miles) in both directions along I-5 between Oso Parkway and Alicia Parkway and reconstructed the La Paz Road Interchange (part of Project D) in the cities of Laguna Hills and Mission Viejo. Construction began on April 4, 2019, and was completed on December 19, 2024. The total cost is measured against an amended baseline cost established in FY 2014-15; the final schedule is measured against an amended baseline schedule established in the fourth quarter of FY 2018-19.

Segment: **I-5, Alicia Parkway to El Toro Road**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project added a general purpose lane in the southbound direction (approximately 1.7 miles) and extended the second HOV lane (approximately one mile) in both directions along I-5 between Alicia Parkway to El Toro Road in the cities of Laguna Hills, Laguna Woods, Lake Forest, and Mission Viejo. Construction began on October 13, 2020, and was completed on July 9, 2025. The total cost is measured against an amended baseline cost established in the third quarter of FY 2014-15; the final schedule is measured against an amended baseline schedule established in the first quarter of FY 2020-21. This quarter, the contractor continued slope erosion control and staff continued project closeout activities.



FREEWAYS

PROJECT D

This project will update and improve key I-5 interchanges at Avenida Pico, Ortega Highway, Avery Parkway, La Paz, and El Toro Road. Three interchange improvements at La Paz, Avery Parkway, and Avenida Pico are included and discussed as part of the respective segments in Project C.

Segment: **I-5, Ortega Highway Interchange**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project widened and reconstructed the SR-74 Ortega Highway bridge over I-5 and improved local traffic flow along SR-74 and Del Obispo Street in the City of San Juan Capistrano. The final ED and PR were approved on June 1, 2009. Construction began on September 18, 2012, and all lanes on the new bridge opened to traffic on September 4, 2015. The final schedule is measured against an amended baseline scheduled established in the fourth quarter of FY 2011-12. The project was officially completed on January 15, 2016.

Segment: **I-5, El Toro Road Interchange**

Status: Environmental Phase Two Underway – 75 Percent Complete

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: Caltrans is the lead for the environmental phase of this project. The project area includes the cities of Laguna Hills, Laguna Woods, and Lake Forest, which are direct stakeholders of the project improvements. The study began in April 2017 and the draft Initial Study/Environmental Assessment was completed in March 2019. The three stakeholder cities were not in consensus on a preferred alternative, and costs identified for the remaining alternatives were significantly higher than the assumed cost in the Next 10 Plan, which created additional challenges. The environmental phase was anticipated to be completed in late 2019; however, without the cities' consensus, OCTA does not support the finalization of the document. OCTA requested Caltrans put completion of the ED on hold until a consultant, retained by OCTA, provides a further assessment of the alternatives to help facilitate reaching an agreement. The three cities reached a consensus to add two new alternatives from the assessment into the environmental process. The environmental phase was reinitiated in January 2023 to incorporate feedback from the cities on the proposed alternatives. The forecasted cost and schedule are measured against an amended baseline cost and schedule established in the fourth quarter of FY 2022-23. This quarter, OCTA and Caltrans continued coordination with the cities of Laguna Hills, Laguna Woods, and Lake Forest on the proposed alternatives, preliminary design, and environmental phase studies. In addition, Caltrans completed draft cost estimates for ROW and construction.



FREEWAYS

PROJECT E

STATE ROUTE 22 (SR-22) PROJECTS

Segment: **SR-22 Access Improvements**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: Completed in 2008, this project made improvements at three key SR-22 interchanges (Brookhurst Street, Euclid Street, and Harbor Boulevard) in the City of Garden Grove to reduce freeway and street congestion. This M2 project was completed early as a "bonus project" provided by the original M1.

PROJECT F

STATE ROUTE 55 (SR-55) PROJECTS

Segment: **SR-55, I-405 to I-5**

Status: Construction Underway – 63 Percent Complete

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project will add a general purpose lane (approximately four miles) and a second HOV lane (approximately four miles) in both directions between I-405 and I-5 in the cities of Irvine, Santa Ana, and Tustin. Auxiliary lanes will be added and extended in some segments within the project limits. The final ED and PR were approved on August 31, 2017. The forecasted cost is measured against an amended baseline cost established in the fourth quarter of FY 2017-18; the forecasted schedule is measured against an amended baseline schedule established in the fourth quarter of FY 2021-22. Construction began on August 10, 2022. This quarter, work continued with roadway, retaining wall, bridge widening, electrical, and drainage construction activities.

Segment: **SR-55, I-5 to SR-91**

Status: Design Phase Underway – 89 Percent Complete

Contact: Jeff Mills, Capital Projects • (714) 4560-5925

Summary: This project includes the addition of a general purpose lane (approximately two miles) in both directions between I-5 and SR-22 and operational improvements between SR-22 and SR-91 in the cities of Anaheim, Orange, Santa Ana, and Tustin. The project limits span approximately 7.5 miles. The final ED and PR were approved on March 30, 2020. The forecasted cost is measured against an amended baseline cost established in the fourth quarter of FY 2020-21; the forecasted schedule is measured against an amended baseline schedule established in the third quarter of FY 2022-23. The design of this project was initiated on August 8, 2022. This quarter, the design team continued to address comments on the 100 percent design package submittal and submitted the roadway design package to Caltrans for review. ROW activities are underway.



FREEWAYS

PROJECT G

STATE ROUTE 57 (SR-57) PROJECTS

Segment: **SR-57 Northbound, Orangewood Avenue to Katella Avenue**

Status: Construction Underway – One Percent Complete

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project will add a new northbound general purpose lane (approximately one mile) on SR-57 from Orangewood Avenue to Katella Avenue in the cities of Anaheim and Orange. The new northbound general purpose lane will join the completed Project G segments between Katella Avenue and Lambert Road, which opened to traffic in 2014. The final ED and PR were approved on March 29, 2019. The forecasted cost is measured against an amended baseline cost established in the second quarter of FY 2025-26; the forecasted schedule is measured against an amended baseline schedule established in the fourth quarter of FY 2022-23. Construction began on October 13, 2025. During the quarter, the construction team held a pre-construction meeting, initiated the permitting process, and began clearing and grubbing vegetation.

Segment: **SR-57 Northbound, Katella Avenue to Lincoln Avenue**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project increased capacity by adding a new general purpose lane (approximately 2.8 miles) and improved on- and off-ramps and soundwalls on northbound SR-57 between Katella Avenue and Lincoln Avenue in the City of Anaheim. Bridges at Katella Avenue and Douglas Road were also widened in the northbound direction. The final ED was approved on September 30, 2009, and the final PR was approved on November 25, 2009. Construction began on November 17, 2011, and the improvements opened to traffic on November 19, 2014. The final schedule is measured against an amended baseline schedule established in the second quarter of FY 2011-12. The project was officially completed on April 21, 2015.

Segment: **SR-57 Northbound, Orangethorpe Avenue to Yorba Linda Boulevard**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project increased capacity by adding a northbound general purpose lane (approximately 2.4 miles) between Orangethorpe Avenue in the City of Placentia to Yorba Linda Boulevard in the City of Fullerton and improved operations with the reconstruction of northbound on- and off-ramps, widening of seven bridges, and the addition of soundwalls. The final ED and PR were approved on November 30, 2007. Construction began on October 26, 2010, and the improvements opened to traffic on April 28, 2014. The final schedule is measured against an amended baseline schedule established in the fourth quarter of FY 2013-14. The project was officially completed on November 6, 2014.



FREEWAYS

Segment: **SR-57 Northbound, Yorba Linda Boulevard to Lambert Road**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project improved capacity, operations, and traffic flow on SR-57 with the addition of a new northbound general purpose lane (approximately 2.5 miles) between Yorba Linda Boulevard in the City of Fullerton and Lambert Road in the City of Brea. Additional project benefits included on- and off-ramp improvements, the widening and seismic retrofit (as required) of six bridges in the northbound direction, and the addition of soundwalls. Existing lanes and shoulders were also widened to standard widths, enhancing safety for motorists. The final ED and PR were approved on November 30, 2007. Construction began on November 2, 2010, and the improvements opened to traffic on September 23, 2013. The total cost is measured against an amended baseline cost established in the second quarter of FY 2010-11; the final schedule is measured against an amended baseline schedule established in the fourth quarter of FY 2013-14. The project was officially completed on May 2, 2014.

Segment: **SR-57 Northbound, Lambert Road to Orange/Los Angeles County Line**

Status: Project Initiation Phase – Complete; Environmental Phase Underway – Three Percent Complete

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: The proposed project includes mainline and interchange improvements at Lambert Road. Through the SB 1 (Chapter 5, Statutes of 2017) Trade Corridor Enhancement Program, funds were allocated to construct the interchange improvements at Lambert Road, which complemented and served as the first phase to the improvement project. Construction began in mid-2019, opened to traffic in December 2023, and construction was completed in early 2024. Preparation of the new PSR-PDS for the second phase began in August 2023, utilizing State Transportation Investment Program funding, to study potential northbound mainline improvements from Lambert Road to Orange/Los Angeles County Line (up to two miles). Caltrans approved the final PSR-PDS in October 2025 and is leading the environmental phase, which began on November 25, 2025.

PROJECT H

STATE ROUTE 91 (SR-91) PROJECTS

Segment: **SR-91 Westbound, I-5 to SR-57**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project increased capacity by adding a general purpose lane (approximately 4.5 miles) in the westbound direction between the cities of Anaheim and Fullerton and provided operational improvements at on- and off-ramps between Brookhurst Street and State College Boulevard. The final ED was approved on May 20, 2010, and the final PR was approved on June 16, 2010. Construction began on February 6, 2013, and the improvements opened to traffic on March 7, 2016. The final schedule is



measured against an amended baseline schedule established in the third quarter of FY 2012-13. The project was officially completed on June 23, 2016.

PROJECT I

Segment: **SR-91, SR-55 to Tustin Avenue Interchange**
Status: **PROJECT COMPLETE**
Contact: Jeff Mills, Capital Projects • (714) 560-5925
Summary: This project improved traffic flow at the SR-55/SR-91 interchange by adding a westbound auxiliary lane (approximately two miles) beginning at northbound SR-55 to the westbound SR-91 connector through the Tustin Avenue interchange in the City of Anaheim. The project reduced weaving congestion in the area and included reconstruction of the westbound side of the Santa Ana River Bridge to accommodate the additional lane. The final ED was approved on May 11, 2011, and the final PR was approved on May 19, 2011. Construction began on November 1, 2013, and the improvements opened to traffic on May 14, 2016. The total cost is measured against an amended baseline cost established in the fourth quarter of FY 2010-11; the final schedule is measured against an amended baseline schedule established in the fourth quarter of FY 2012-13. The project was officially completed on July 15, 2016.

SR-91, between SR-57 and SR-55 is one project broken into three segments. To augment the decrease in projected M2 revenues, on September 12, 2016, the Board approved to use 91 Express Lanes excess revenue to fund this project. The final ED and PR were approved on June 22, 2020.

Segment: **SR-91, SR-55 to Lakeview Avenue**
Status: Construction Underway - 16 Percent Complete
Contact: Jeff Mills, Capital Projects • (714) 560-5925
Summary: This project will provide westbound operational improvements (approximately 2.2 miles), which includes the realignment of the existing westbound SR-91 on- and off-ramps, the addition of a new on-ramp from the Lakeview Avenue overcrossing bridge to connect directly to southbound SR-55, and construction of a barrier to separate westbound SR-91 from SR-55. With the proposed improvements, the existing Lakeview Avenue overcrossing bridge is anticipated to be replaced with a new bridge. The forecasted schedule is measured against an amended baseline schedule established in the third quarter of FY 2024-25; the forecasted cost is measured against an amended baseline cost established in the fourth quarter of FY 2023-24. This project was combined with the Caltrans multi-asset project during the design phase. Construction activities began on April 8, 2025. During the quarter, the contractor continued installation of retaining walls, drainage systems, and foundation, and construction of columns for the first phase of the Lakeview Avenue bridge reconstruction.



FREEWAYS

Segment: **SR-91, La Palma Avenue to SR-55**
Status: Design Phase Underway - 97 Percent Complete
Contact: Jeff Mills, Capital Projects • (714) 560-5925
Summary: This project will provide an additional eastbound general purpose lane (approximately 2.7 miles), replace the eastbound shoulder, and restore auxiliary lanes as needed throughout the project limits. With the proposed improvements, the existing Kraemer Boulevard and Tustin Avenue overcrossing bridges are anticipated to be replaced with new bridges and the Santa Ana River bridge will be widened. The forecasted cost is measured against an amended baseline cost established in the fourth quarter of FY 2019-20; the forecasted scheduled is measured against an amended baseline schedule established in the first quarter of FY 2020-21. The design of this project was initiated on June 17, 2020. This quarter, the design team continued to address and resolve outstanding comments on the final design package submittal. In addition, a draft ROW certification was submitted to Caltrans for review, and additional utility relocation permits were obtained. Due to risks identified during the ROW phase, there is a potential for delay to the construction schedule.

Segment: **SR-91, Acacia Street to La Palma Avenue**
Status: Design Phase Complete; Construction Phase Initiated
Contact: Jeff Mills, Capital Projects • (714) 560-5925
Summary: This project will provide westbound operational improvements (approximately 1.8 miles) by adding a fourth general purpose lane along westbound SR-91 from the northbound SR-57 to the westbound SR-91 connector, extending the southbound SR-57 to westbound SR-91 connector auxiliary lane through the State College Boulevard interchange, tying into the existing westbound SR-91 auxiliary lane west of State College Boulevard, and reconfiguring the westbound SR-91 to SR-57 connector to provide dedicated exits to SR-57. With the proposed improvements, the existing La Palma Avenue overcrossing bridge will be replaced with a new bridge. The forecasted schedule is measured against an amended baseline schedule established in the second quarter of FY 2025-26; the forecasted cost is measured against an amended baseline cost established in the fourth quarter of FY 2023-24. This project was combined with the Caltrans multi-asset project during the design phase. The project was advertised for construction on May 12, 2025, and bids were opened on August 12, 2025. The contract was awarded on October 20, 2025, and approved on December 1, 2025. Pre-construction activities began in December 2025.

PROJECT J

Segment: **SR-91, SR-55 to SR-241**
Status: **PROJECT COMPLETE**
Contact: Jeff Mills, Capital Projects • (714) 560-5925
Summary: This project added a general purpose lane (approximately six miles) in both directions of SR-91 between SR-55 and SR-241 in the cities of Anaheim and Yorba Linda. In addition to adding 12 lane miles to SR-91, the project also delivered a second eastbound exit lane at Lakeview Avenue, Imperial Highway, and Yorba Linda Boulevard/Weir Canyon Road off-ramps. Beyond these capital



improvements, crews completed work on safety barriers, lane striping, and soundwalls. The final ED and PR were approved on April 24, 2009. Construction began on May 27, 2011, and opened to traffic in December 2012. The final schedule is measured against an amended baseline schedule established in the fourth quarter of FY 2010-11. The project was officially completed on March 5, 2013.

Segment: **SR-91 Eastbound, SR-241 to SR-71**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project improved mobility and operations by adding an eastbound lane (approximately six miles) through a key stretch of SR-91 between Orange County's SR-241 and Riverside County's SR-71, widened existing eastbound lanes and shoulders, and reduced traffic weaving as a result of traffic exiting at SR-71 and Green River Road. The final ED and PR were approved on December 28, 2007. Construction began on September 16, 2009, and the improvements opened to traffic on December 2, 2010. The final schedule is measured against an amended baseline schedule established in the second quarter of FY 2010-11. The project was officially completed on January 31, 2011. Because this project was shovel-ready, OCTA was able to obtain American Recovery and Reinvestment Act funding for this M2 project, saving M2 revenues for future projects.

Segment: **SR-91, SR-241 to Orange/Riverside County Line**

Status: RCTC's Westbound Corridor Operation Project – Completed in January 2022; Eastbound Corridor Operation Project Environmental Phase Underway – 75 Percent Complete

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: Since the SR-91 corridor is one of the busiest in the region, implementation of this project requires coordinating and constructing the improvements in multiple segments and capitalizing on available funding. Freeway improvements that cross county lines require close coordination to maintain seamless travel. This project plans to add a general purpose lane on SR-91 between SR-241 and SR-71. While the portion of this project between SR-241 and the Orange/Riverside County Line is part of OCTA's M2 Project J, the matching segment between the county line and SR-71 is part of RCTC's Measure A. The sixth lane addition requires joint implementation to ensure smooth delivery of the project. With significant SR-91 freeway improvements taking place as a result of both counties' sales tax measures, the construction timing of the additional general purpose lane between SR-241 and SR-71 was anticipated to take place post-2035. However, RCTC requested OCTA's support to accelerate a portion of the ultimate project in the westbound direction (in Orange County) to address a bottleneck issue affecting the City of Corona. With OCTA's support, RCTC developed the 91 Westbound Corridor Operation Project (approximately 2.1 miles), which began construction in late 2020 and was completed in January 2022.

In addition, OCTA and RCTC conducted a feasibility study to determine how best to implement the sixth general purpose lane while minimizing environmental and construction impacts in the eastbound direction between SR-241 and SR-71. The final alternatives analysis report was completed in April 2022. RCTC is leading the effort to proceed with the environmental phase of the project, to be referred to as the 91 Eastbound Corridor Operation Project (approximately three miles). This effort began in June 2023 and is



anticipated to be completed by mid-2026. This quarter, the project team continued working on preliminary engineering for the build alternatives, as well as updating cost estimates, environmental technical studies, and a Supplemental Project Report. RCTC plans to utilize progressive design-build as the project delivery approach that will include preliminary design (Phase I) followed by final design and construction (Phase II). RCTC released the request for qualifications for a progressive design-build contract on November 13, 2025. Proposals are due on January 21, 2026. Phase I is anticipated to begin mid-2026.

PROJECT K

INTERSTATE 405 (I-405) PROJECTS

Segment: **I-405, SR-73 to I-605**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project added a general purpose lane (approximately 16 miles) between Euclid Street and I-605 in both directions and a second HOV lane (approximately 14 miles) combined with the existing HOV lane to provide dual express lanes in both directions of I-405 from SR-73 to I-605, otherwise known as the 405 Express Lanes.[5] Additional improvements included reconstruction of local interchanges and enhancements to freeway entrances and exits along the corridor from SR-73 to I-605 through the cities of Costa Mesa, Fountain Valley, Garden Grove, Huntington Beach, Los Alamitos, Seal Beach, and Westminster. The final ED and PR were approved on June 15, 2015. Construction activities began on January 31, 2017, and the project fully opened to traffic on December 1, 2023. The final schedule is measured against an amended baseline schedule established in the second quarter of FY 2020-21; the total cost is measured against an amended baseline cost established in the fourth quarter of FY 2022-23. Final acceptance and relief of maintenance is expected in 2026. During the quarter, work continued on remaining miscellaneous construction activities including landscaping and punch-list items.

[5] The general purpose lane portion of the project is an M2 project and was funded by a combination of local, state, and federal funds. The express lanes portion of the project was financed and will be paid for by those who choose to pay a toll and use the 405 Express Lanes.

PROJECT L

Segment: **I-405, I-5 to SR-55**

Status: Environmental Phase Complete

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project studied potential improvements along approximately 8.5 miles of I-405 between I-5 and SR-55 in the City of Irvine. The project development team reviewed the alternatives and public comments received during public circulation, and as a result of the effort, recommended adding one general purpose lane in both directions. The forecasted schedule is measured against an amended



baseline schedule established in the third quarter of FY 2015-16. The final ED and PR were approved on August 31, 2018. The design phase is anticipated to begin in 2030 and will be constructed beyond the Next 10 Plan timeframe.

PROJECT M

INTERSTATE 605 (I-605) PROJECTS

Segment: **I-605, Katella Avenue Interchange Improvements**

Status: Construction Underway - 23 Percent Complete

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project will make enhancements to the on- and off-ramps and operational improvements on Katella Avenue at the I-605 Interchange in the City of Los Alamitos. In addition, pedestrian and bicycle improvements will incorporate complete streets components, including enhanced safety for all modes of travel. The final ED and PR were approved on October 3, 2018. The forecasted cost is measured against an amended baseline cost established in the third quarter of FY 2019-20; the forecasted schedule is measured against an amended baseline schedule established in the fourth quarter of FY 2024-25. The project was awarded and construction activities began on April 3, 2025. During the quarter, the contractor continued to work on roadway and drainage improvements along Katella Avenue. Grading operations for the re-aligned northbound on-ramp have begun. In addition, the construction management team continued to coordinate with the design team and utility companies on timing of final utility relocations.

PROJECT N

FREEWAY SERVICE PATROL

Status: Service Ongoing

Contact: Patrick Sampson, Motorist Services • (714) 560-5435

Summary: The Freeway Service Patrol (FSP) assists motorists whose vehicles become disabled along Orange County freeways and removes congestion-causing debris from traffic lanes to reduce freeway congestion and collisions. In June 2012, M2 began supporting FSP with local funds to maintain existing service levels and expand services through 2041. During the quarter, FSP provided 14,824 services.[6] Since June 2012, FSP has provided 889,167 services[6] on the Orange County freeway system.

[6] *Service calculations are based on all services provided as FSP is funded by M2 and external sources.*



STREETS AND ROADS

PROJECT O

REGIONAL CAPACITY PROGRAM

Status: 16th Call Applications Under Review

Contact: Charvalen Alacar, Planning • (714) 560-5401

Summary: This program, in combination with required local matching funds, provides funding for improvements on Orange County's Master Plan of Arterial Highways. Since 2011, through 15 calls, the Board has awarded 195 projects (237 project phases) totaling more than $432 million, including $23.4 million in external funding. To date, 157 project phases have been completed, 53 are in various stages of implementation, and 27 have been cancelled by the awarded local jurisdictions. On September 8, 2025, the Board approved the release of the 16th call. Applications were received on November 20, 2025, and are under review. Based on the project selection criteria in the CTFP guidelines, projects will be prioritized for Board consideration in spring 2026.

OC Bridges Railroad Program

This program built seven grade separations (either under or overpasses) where high-volume streets are impacted by freight trains along the BNSF railroad in north Orange County. On September 13, 2021, the Board approved program closeout and budget adjustment to approximately $666.55 million for all the OC Bridges grade separation projects, of which $152.6 million was committed M2 and $513.9 million in leveraged external funding. Funding reimbursement and closeout for all seven grade separation projects have been completed.

Segment: **Kraemer Boulevard Grade Separation**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925



Summary: This project grade separated the local street from railroad tracks by building an underpass for vehicular traffic under the railroad crossing in the cities of Anaheim and Placentia. Construction began on November 9, 2012, and the improvements opened to traffic on June 28, 2014. The final schedule is measured against an amended baseline schedule established in the second quarter of FY 2011-12. Construction acceptance was obtained in December 2014. OCTA turned over maintenance responsibilities to the cities and completed the one-year warranty in December 2015 with no issues or claims identified. Funding reimbursement and closeout have been completed.



STREETS AND ROADS

Segment: **Lakeview Avenue Grade Separation**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project grade separated the local street from railroad tracks by building a bridge for vehicular traffic over the railroad crossing and reconfiguring the intersection of Lakeview Avenue and Orangethorpe Avenue in the cities of Anaheim and Placentia. Construction began on March 3, 2014, and the improvements opened to traffic on June 6, 2017. The final schedule is measured against an amended baseline schedule established in the first quarter of FY 2013-14. Construction acceptance was obtained in June 2018. OCTA turned over maintenance responsibilities to the cities and extended the one-year warranty to July 2019 for some minor repair items. The Board approved a final claim resolution in July 2019. Funding reimbursement and closeout have been completed.

Segment: **Orangethorpe Avenue Grade Separation**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project grade separated the local street from railroad tracks by building a bridge for vehicular traffic over the railroad crossing in the cities of Anaheim and Placentia. Construction began on April 25, 2013, and the improvements opened to traffic on June 23, 2016. The final schedule is measured against an amended baseline schedule established in the third quarter of FY 2012-13. Construction acceptance was obtained in October 2016. OCTA turned over maintenance responsibilities to the cities and extended the one-year warranty to June 2019 for some minor repair items. No additional issues or repairs were identified. Funding reimbursement and closeout have been completed.

Segment: **Placentia Avenue Grade Separation**

Status: **PROJECT COMPLETE**

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project grade separated the local street from railroad tracks by building an underpass for vehicular traffic under the railroad crossing in the City of Placentia. Construction began on October 5, 2011, and the improvements opened to traffic on March 12, 2014. The total cost is measured against an amended baseline cost established in the fourth quarter of FY 2009-10; the final schedule is measured against an amended baseline schedule established in the second quarter of FY 2011-12. Construction acceptance was obtained in December 2014. OCTA turned over maintenance responsibilities to the cities and completed the one-year warranty in December 2015 with no issues or repairs identified. Funding reimbursement and closeout have been completed.



STREETS AND ROADS

Segment: **Raymond Avenue Grade Separation**
Status: **PROJECT COMPLETE**
Contact: Jeff Mills, Capital Projects • (714) 560-5925
Summary: This project grade separated the local street from railroad tracks by building an underpass for vehicular traffic under the railroad crossing in the City of Fullerton. The City of Fullerton managed construction while OCTA provided construction oversight, public outreach, railroad coordination, and ROW support. Construction began on March 27, 2014, and the improvements opened to traffic on October 2, 2017. The total cost is measured against an amended baseline cost established in the first quarter of FY 2010-11; the final schedule is measured against an amended baseline schedule established in the third quarter of FY 2013-14. Construction acceptance was obtained in May 2018. OCTA turned over maintenance responsibilities to the City of Fullerton and completed the one-year warranty on constructed items. Funding reimbursement and closeout have been completed.

Segment: **State College Boulevard Grade Separation**
Status: **PROJECT COMPLETE**
Contact: Jeff Mills, Capital Projects • (714) 560-5925
Summary: This project grade separated the local street from railroad tracks by building an underpass for vehicular traffic under the railroad crossing in the City of Fullerton. The City of Fullerton managed construction while OCTA provided construction oversight, public outreach, railroad coordination, and ROW support. Construction began on March 27, 2014, and the improvements opened to traffic on November 1, 2017. The total cost is measured against an amended baseline cost established in the second quarter of FY 2010-11; the final schedule is measured against an amended baseline schedule established in the third quarter of FY 2013-14. Construction acceptance was obtained in March 2018. OCTA turned over maintenance responsibilities to the City of Fullerton and completed the one-year warranty on constructed items. Funding reimbursement and closeout have been completed.

Segment: **Tustin Avenue/Rose Drive Grade Separation**
Status: **PROJECT COMPLETE**
Contact: Jeff Mills, Capital Projects • (714) 560-5925
Summary: This project grade separated the local street from railroad tracks by building a bridge over the railroad crossing for vehicular traffic in the cities of Anaheim and Placentia. Construction began on April 22, 2013, and the improvements opened to traffic on December 7, 2015. The total cost is measured against an amended baseline cost established in the first quarter of FY 2010-11; the final schedule is measured against an amended baseline schedule established in the third quarter of FY 2012-13. Construction acceptance was obtained in October 2016. OCTA turned over maintenance responsibilities to the cities and extended the one-year warranty to November 2018 for some minor repair items. No additional issues or repairs were identified. Funding reimbursement and closeout have been completed.



PROJECT P

REGIONAL TRAFFIC SIGNAL SYNCHRONIZATION PROGRAM

Status: 16th Call Applications Under Review

Contact: Anup Kulkarni, Planning • (714) 560-5867

Summary: This program provides funding and assistance to implement multi-agency signal synchronization. The target of the program is to regularly coordinate a network of over 2,000 signalized intersections along 750 miles of roadway within Orange County. OCTA also leverages external funding to further enhance the efficiency of the street grid and reduce travel delays.

To date, OCTA and local agencies have synchronized 3,789 intersections over 979 miles of streets (109 completed projects). Through 15 calls, 123 projects[7] totaling approximately $162.3 million have been awarded. Overall, OCTA has funded 143 projects[7] totaling nearly $196.8 million, including $40.1 million in leveraged external funding. On September 8, 2025, the Board approved the release of the 16th call. Applications were received on November 20, 2025, and are under review. Based on the project selection criteria in the CTFP guidelines, projects will be prioritized for Board consideration in spring 2026.

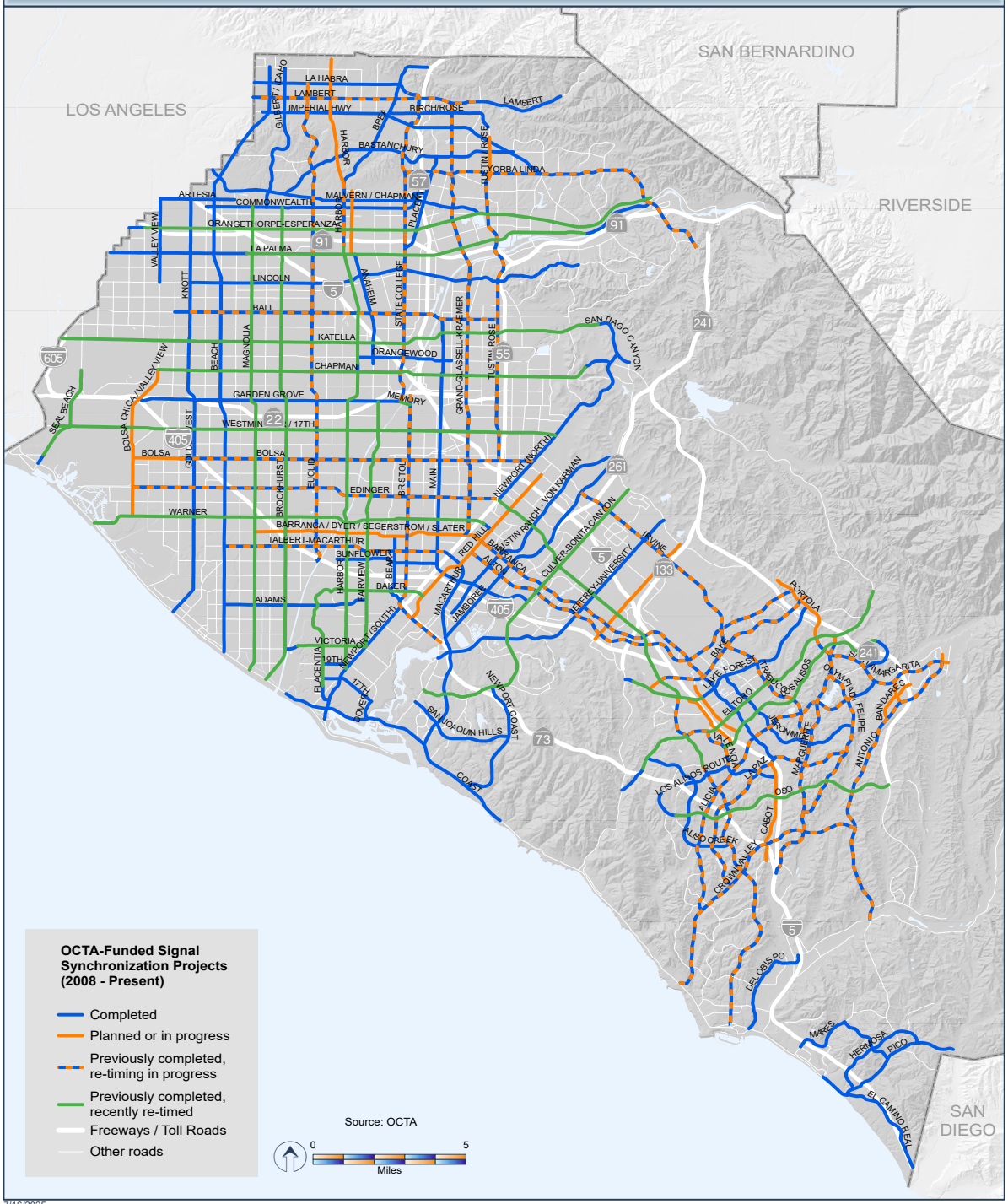
In parallel with the annual call, OCTA is leading the Countywide Signal Synchronization Baseline Project. The project aims to develop and implement a countywide signal synchronization network for Orange County and will consist of approximately 2,500 retimed signals along regionally significant corridors to ensure seamless travel across the County. This effort began in June 2024 with data collection ongoing. While this innovative project is entirely externally funded, the results will benefit and shape the future of the M2 Regional Traffic Signal Synchronization Program.

[7] *To date, three projects totaling approximately $1.6 million have been cancelled by the awarded local jurisdictions.*



STREETS AND ROADS

OCTA-Funded Signal Synchronization Projects (2008 - Present)





STREETS AND ROADS

PROJECT Q

LOCAL FAIR SHARE

Status: Ongoing

Contact: Sean Murdock, Finance • (714) 560-5685

Summary: To help cities and the County of Orange keep up with the rising cost of repairing the aging street system, this program provides flexible funding intended to augment, not replace, existing transportation expenditures by the cities and the County. On a bimonthly basis, 18 percent of net revenues are allocated by formula. Since 2011, approximately $835.3 million[8,9] in LFS payments have been provided to local jurisdictions, of which more than $12.3 million[8,9] was provided this quarter.

For more details, see funding allocation by local agency on pages 51-52.

[8] Only includes disbursed funds. On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.

[9] On May 12, 2025, the Board determined the City of Huntington Beach ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Huntington Beach reestablishes eligibility.



TRANSIT

PROJECT R

HIGH FREQUENCY METROLINK SERVICE

Project R provides funding for Metrolink operations and aims to increase rail services within the County and provide additional Metrolink service north of the City of Fullerton to the Los Angeles County Line. The program provides for track improvements, the addition of trains and parking capacity, upgraded stations, and safety enhancements to allow cities to establish quiet zones along the tracks. This program also includes funding for grade crossing improvements at high-volume arterial streets, which cross Metrolink tracks.

Project: **Metrolink Grade Crossing Improvements**
Status: **PROJECT COMPLETE**
Contact: Megan Taylor, Operations • (714) 560-5601
Summary: Enhancements at 50 of the designated 52 Orange County at-grade rail-highway crossings were completed in support of the Metrolink Service Expansion Program (MSEP) in October 2012. The total cost is measured against an amended baseline cost established in the fourth quarter of FY 2010-11. As a result of one private crossing, which did not allow OCTA to make enhancements, and one street closure, which eliminated the need for enhancements, the final count of enhanced rail-highway crossings was 50. Completion of the safety improvements provided each corridor city with the opportunity to establish a "quiet zone" at their respective crossings. Quiet zones are intended to prohibit the sounding of train horns through designated crossings, except in the case of emergencies, construction work, or safety concerns identified by the train engineer. The cities of Anaheim, Dana Point, Irvine, Orange, San Clemente, San Juan Capistrano, Santa Ana, and Tustin have established quiet zones within their communities.

Project: **Metrolink Service Expansion Program**
Status: **PROJECT COMPLETE**
Contact: Megan Taylor, Operations • (714) 560-5601
Summary: Following the completion of the MSEP improvements in 2012, OCTA deployed a total of ten new Metrolink intracounty trains operating between the cities of Fullerton and Laguna Niguel/Mission Viejo, primarily during the midday and evening hours.

In October 2024, Metrolink implemented the Metrolink Reimagined service change to increase midday and evening train service to help Metrolink expand their customer market beyond the traditional commuter market. Following this service change, the three lines serving Orange County now operate 58 trains, surpassing the number of trains operating pre-COVID-19. However, Metrolink ridership recovery continues to struggle, impacting farebox revenues and cost recovery. Total boardings on Metrolink lines that serve Orange County for the quarter are one percent lower than in the same quarter in FY 2024-25 and 43 percent lower compared to the same quarter of FY 2019-20 (used as a pre-pandemic data set). To exacerbate this shortfall, operating costs have also increased. While TIRCP formula funds will help sustain Metrolink operations in the near-term, without changes in service levels, ridership growth, and operations and rehabilitation costs or additional external funds, the current service cannot be sustained beyond



TRANSIT

FY 2033-34. To address this shortfall, the Board directed staff to work with Metrolink to develop a financially sustainable service plan with a targeted funding level as part of the FY 2026-27 budget development process. OCTA will continue to actively engage with Metrolink and the other member agencies to monitor the impacts of Metrolink Reimagined on revenue and expenditures to determine the financial impact to M2.

Rail Corridor and Station Improvements

Additionally, under MSEP, funding is provided for rail line and station improvements to accommodate increased service. Rail station parking lot expansions and better access to platforms, among other improvements have been made or are underway. For schedule information on station improvement projects, please see the Capital Action Plan on pages 53-57.

Project: **Anaheim Canyon Metrolink Station Improvements**

Status: **PROJECT COMPLETE**

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This project added a second main track and passenger platform, extended the existing passenger platform, added improvements to at-grade crossings for pedestrian circulation, and installed new station amenities including benches, shade structures, and ticket vending machines. The improvements were completed on January 30, 2023. The total cost is measured against an amended baseline cost established in the third quarter of FY 2016-17; the final schedule is measured against an amended baseline schedule established in the fourth quarter of FY 2020-21.

Project: **Fullerton Transportation Center Improvements**

Status: **PROJECT COMPLETE**

Contact: Jim Beil, Capital Programs • (714) 560-5646

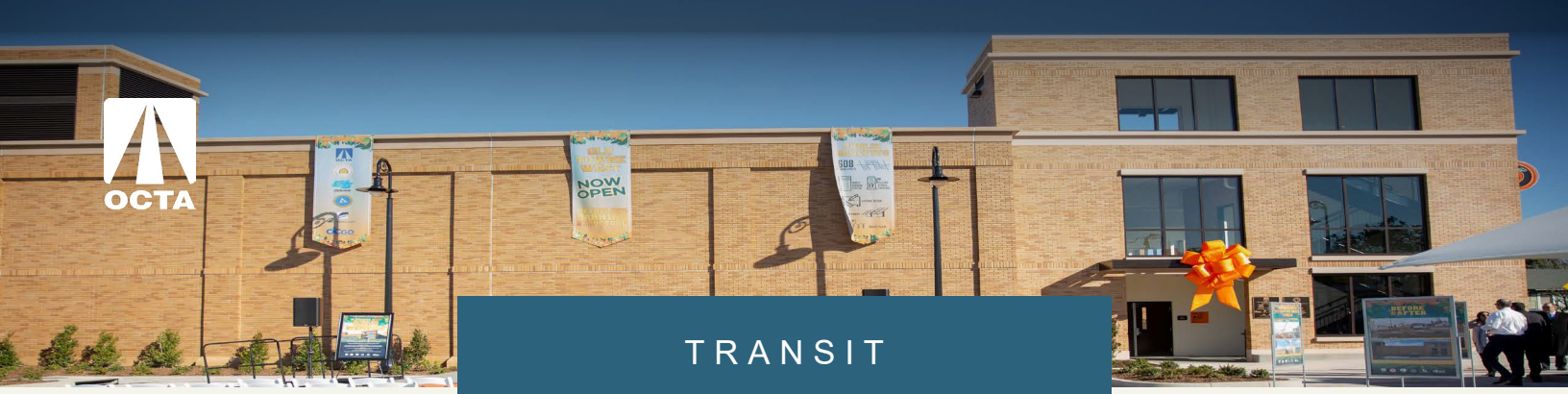
Summary: Completed early on, this project constructed a new five-level parking structure to provide additional transit parking at the Fullerton Transportation Center for both intercity rail service and commuter rail passengers. Construction on this city-led project began on October 18, 2010, and the improvements were completed on June 19, 2012. After completion, an elevator upgrade project was initiated with leftover savings. The elevator project modified the existing pedestrian bridge to add two new traction elevators, one on each side. The City of Fullerton was the lead on this project, which was completed on May 1, 2019.

Project: **Laguna Niguel/Mission Viejo Metrolink Station Americans with Disabilities Act (ADA) Ramps**

Status: **PROJECT COMPLETE**

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This project added new ADA-compliant access ramps on either side of the pedestrian undercrossing and a unisex ADA-compliant restroom, vending machine room, and three passenger canopies. Construction began on February 23, 2016, and the improvements were completed on September 20, 2017. The final schedule is measured against an amended baseline schedule established in the third quarter of FY 2018-19.



TRANSIT

Project: **Orange Transportation Center Metrolink Parking Structure**

Status: **PROJECT COMPLETE**

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This project constructed a 608-space, five-level, shared-use parking structure that is located on Lemon Street between Chapman Avenue and Maple Street in the City of Orange. Per a cooperative agreement between OCTA and the City of Orange, the City of Orange led the design phase, and OCTA led the construction phase of the project. Construction began on July 17, 2017, and the improvements were completed on February 15, 2019. The total cost is measured against an amended baseline cost established in the fourth quarter of FY 2015-16; the final schedule is measured against an amended baseline schedule established in the second quarter of FY 2017-18.

Project: **New Placentia Metrolink Station and Parking Structure**

Status: Design Complete; Ready for Advertisement subject to BNSF construction and maintenance (C&M) agreement

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This project will construct a new Metrolink station to include a platform, parking, a new bus stop, and passenger amenities in the City of Placentia. Plans for the proposed Placentia Metrolink Station Project were near completion when the City of Placentia requested to modify them to include a parking structure to be built where surface parking had been designed. On June 27, 2016, the Board approved a cooperative agreement with the City of Placentia that revised the project's scope and budget, and with the changes, the City of Placentia will contribute towards the cost. The project will also include a third track which should assist with the on-time performance of train operations and provide operational flexibility for both freight and passenger trains. OCTA is the lead agency for design and construction and BNSF will be the lead on rail construction. The initial final design was completed on July 22, 2017, based on a previously agreed layout. The forecasted cost and schedule is measured against an amended baseline cost and schedule established in the first quarter of FY 2016-17. OCTA remains committed to delivering the Placentia Metrolink Station Project. However, the project is on hold pending a shared-use agreement between Metrolink and BNSF and potential design layout reconfiguration.

Project: **San Clemente Pier Station Lighting**

Status: **PROJECT COMPLETE**

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This OCTA-led project resurfaced and added lighting to the existing platform, new ticket station, and new decorative handrails at the San Clemente Pier Station in the City of San Clemente. The improvements were completed on March 17, 2017, and project closeout was completed in the same month.

Additional Rail Corridor Improvements

In September 2021, a failing slope severely degraded the railroad track structure in the City of San Clemente in the Cyprus Shore area south of the San Clemente Pier [Mile Post (MP) 206.8]. Emergency repair efforts were taken between late 2021 and early 2022. However, higher tidal events coupled with the movement of an ancient slide impacted the stability of the track, leading to a temporary



suspension of rail service. Funded by the commuter rail fund and some State emergency funds, emergency work to stabilize the railroad track was sufficiently completed to allow full passenger rail service resumption on April 2023. The track stabilization efforts were substantially completed in August 2023.

During this time, a hillside owned by the City of San Clemente at the Casa Romantica Cultural Center and Gardens (MP 204.6) failed and continued to move incrementally. Landslide debris continued to crumble down the slope and foul the tracks owned by OCTA, which led to the suspension of all passenger rail services in the City of San Clemente and south Orange County in April 2023. A temporary barrier wall at the bottom of the slope was constructed and service resumed in July 2023, to protect the railroad track while the City of San Clemente continued construction of the long-term slope stabilization repairs. OCTA continues to work with partners to seek additional funding as needed.

In January 2024, landslide movement caused debris from the hillside slope along the Mariposa Trail Bridge (Mariposa Point [MP 204.2]) in the City of San Clemente to fall onto the ROW and railroad tracks, including dislodging two spans of the city-owned pedestrian bridge, which temporary suspended rail service in the area. As the hillside continued experience movement, a catchment wall was designed and constructed and resumed passenger rail service in March 2024.

A comprehensive plan to integrate engineering and sand nourishment solutions is underway to protect the coastal segment of the rail corridor in south Orange County in the immediate timeframe. In December 2024, OCTA received $305 million in state and federal funding to implement the necessary immediate protective solutions for inland slope stability and coastal erosion, identified as Areas 1 through 4 for the rail corridor within the City of San Clemente. While the rail line is currently open as a result of ongoing emergency work, longer-term solutions must be developed to ensure the ability to provide reliable rail service in this portion of the County. In partnership with key stakeholders, a planning study is currently underway to identify and evaluate immediate short- and medium-term solutions with the goal of protecting the rail line in place for approximately the next 30 years. A separate long-term study will assess potential long-term solutions, which may include relocation of the rail line. OCTA is leading the effort on the near-term resiliency measures. The State will lead the long-term study, but the lead state agency has not been identified; OCTA will remain an active participant in the study. Future implications to M2 with respect to service levels or project costs are unknown at this time.

Completed:

- Constructed grade separation project at 17th Street
- Constructed surface parking lot at the Laguna Niguel/Mission Viejo Station
- Constructed safety enhancements at seven pedestrian railroad crossings along the beach trail
- Installation of the Control Point project at Fourth Street in the City of Santa Ana, and Control Point project by the stadium in the City of Anaheim, which provided greater efficiency and reliability for passenger rail service
- Implementation of Positive Train Control system, which improves rail safety by monitoring and controlling train movement
- Implementation of video surveillance systems at the Fullerton, Irvine, Laguna Niguel, Mission Viejo, Orange, Santa Ana, and Tustin stations



TRANSIT

- Railroad ROW Slope Stabilization project at eight locations within the rail corridor to prevent future erosion and slope instability
- Replacement of detectable tiles and painted guidelines at six stations
- Replacement of stairs at the Fullerton Transportation Center
- ROW acquisition to replace the San Juan Creek railroad bridge in the City of San Juan Capistrano, which will not preclude a future bicycle trail on the south end along the creek
- Emergency track stabilization in the City of San Clemente at Cyprus Shore, Casa Romantica, and Mariposa Point
- Repair riprap in Areas 1 and 2 and remove the pedestrian bridge in Area 3 in the City of San Clemente as identified in the Coastal Rail Resiliency Study
- Six project study reports for potential grade separations
- Approximately 2,500 cubic yards of sand were placed at North Beach in the City of San Clemente

Underway:

- Award contract for slope stabilization and drainage improvements in the cities of Lake Forest, Mission Viejo and Laguna Niguel
- Construction of the San Juan Creek railroad bridge replacement in the City of San Juan Capistrano, led by Metrolink
- Construction of Area 3 catchment wall and restoration of the coastal trail in the City of San Clemente
- Rehabilitation of pedestrian audible warning system in the City of San Clemente
- Alternative analyses to evaluate solutions for coastal protective measures for Area 4 in the City of San Clemente as identified in the Coastal Rail Resiliency Study; associated environmental studies, conceptual designs, and permit preparation for Area 4
- Continue to seek inland and offshore sand sources to be environmentally cleared and permitted for placement on the beach for Areas 1, 2, and 4

Project: **Sand Canyon Grade Separation**



Status: **PROJECT COMPLETE**

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This project separated the local street from railroad tracks in the City of Irvine by constructing an underpass for vehicular traffic. Construction began on May 3, 2011, and the improvements opened to traffic on July 14, 2014. The project was completed, and construction acceptance was obtained from the City of Irvine on January 15, 2016. The final schedule is measured against an amended baseline scheduled established in the second quarter of FY 2010-11. The project completed the one-year warranty period, and no repairs were identified. The project closed out in January 2017.



TRANSIT

Project: **Tustin Metrolink Station Parking Structure**
Status: **PROJECT COMPLETE**
Contact: Jim Beil, Capital Programs • (714) 560-5646
Summary: This early completion project provided additional parking at the Tustin Metrolink Station to meet requirements associated with MSEP by constructing a new four-story parking structure with approximately 735 spaces and on-site surface parking. Construction on the parking structure began on October 27, 2010, and opened to the public on September 22, 2011.

Project: **Laguna Niguel to San Juan Capistrano Passing Siding Project**
Status: **PROJECT COMPLETE**
Contact: Jim Beil, Capital Programs • (714) 560-5646
Summary: This project added a new passing siding railroad track (approximately 1.8 miles) adjacent to the existing mainline track, which enhanced the operational efficiency of passenger services within the LOSSAN rail corridor. Construction began on March 12, 2019, and the improvements were completed on November 17, 2020. The final schedule is measured against an amended baseline schedule established in the third quarter of FY 2018-19.

PROJECT S

TRANSIT EXTENSIONS TO METROLINK

To broaden the reach of Metrolink to other Orange County cities, communities, and activity centers, Project S includes a competitive program that allows cities to apply for funding to connect passengers to their final destination via transit extensions. There are currently two categories for this program: a fixed-guideway program (streetcar) and a rubber tire transit program.

Project: **OC Streetcar**
Status: Full Funding Grant Agreement Executed November 30, 2018; Construction Work Ongoing, All Eight Vehicles Completed and Delivered, Preparations Underway for Start-Up
Contact: Jeff Mills, Rail • (714) 560-5925
Cleve Cleveland, Rail • (714) 560-5535
Summary: The OC Streetcar will serve the SARTC through Downtown Santa Ana, and the Civic Center to Harbor Boulevard in the City of Garden Grove. At the request of the two cities, OCTA is serving as the lead agency for the project. Construction on the project began on November 19, 2018.

Construction

Construction is 96 percent complete. During the quarter, work continued on the emergency walkway ramps at the Santa Ana River Bridge, final train signal control programming, utility adjustments, blank-out sign testing, and overhead contact system wire installation and registration throughout the project. In addition, work at the MSF interior continued with the delivery and installation of the turntables and installation of the overhead cranes.



TRANSIT

Vehicles

All eight vehicles have been delivered to the MSF. Bumper installation has been completed on three of the eight vehicles, with installations for the remaining vehicles ongoing. The vehicle manufacturer continued static and dynamic testing to ensure the vehicles are prepared and available for systems integration testing.

Operations

During the quarter, OCTA made significant progress toward system start-up and operational readiness through close coordination with various stakeholders. On November 12, 2025, a major milestone was achieved with the successful completion of the live wire testing on the first segment, marking the first time the streetcar was energized and operated using mainline power. In December 2025, additional milestones were achieved, including completion of brake seating, successful live wire testing at track speed (44 miles per hour), and completion of simultaneous start testing using two vehicles to test power usage.

Cost and Schedule

The baseline cost and schedule is measured against an amended baseline cost and schedule established during the second quarter of FY 2025-26. In February 2025, the Board approved a revised project budget of $649 million. The project is anticipated to begin revenue service in summer 2026.

Project: **Bus and Station Van Extension Projects**

Status: Last Service Completed on June 30, 2020; No Future Calls Anticipated

Contact: Charvalen Alacar, Planning • (714) 560-5401

Summary: Bus and station van extension projects help enhance the frequency of service in the Metrolink corridor by linking communities within the central core of Orange County to commuter rail. To date, the Board has approved one round of funding for bus and van extension projects, totaling over $732,000. On July 23, 2012, the Board approved funding for one project in the City of Anaheim and three projects in the City of Lake Forest. The City of Lake Forest has cancelled all three projects. The Anaheim Canyon Metrolink Station Bus Connection project provided service between the Anaheim Canyon Metrolink station and the Anaheim Resort area; this project was completed on June 30, 2020, under Project S. The service continues under a Project V grant and is subject to meeting minimum performance requirements as part of the Project V program.

PROJECT T

METROLINK GATEWAYS

Project: **Anaheim Regional Transportation Intermodal Center**

Status: **PROJECT COMPLETE**

Contact: George Olivo, Capital Programs • (714) 560-5872

Summary: This project constructed the ARTIC located at 2626 East Katella Avenue in the City of Anaheim. ARTIC is a major multimodal transportation hub serving commuters and residents in the City of Anaheim. In addition to OCTA buses and Metrolink trains, ARTIC provides transit connections



to Pacific Surfliner Amtrak, Anaheim Resort Transit, shuttle and charter bus service, taxis, bicycles, other private transportation services available, and accommodates future high-speed rail trains. The City of Anaheim, which led the construction effort, began construction on September 24, 2012, and opened the facility to rail and bus service on December 6, 2014. This facility replaced the former Anaheim Metrolink Station that was located on the opposite side of the freeway in the Los Angeles Angels of Anaheim Stadium parking lot.

PROJECT U

EXPAND MOBILITY CHOICES FOR SENIORS AND PERSONS WITH DISABILITIES

Project U expands mobility choices for seniors and persons with disabilities, and includes the SMP, the SNEMT Program, and the Fare Stabilization Program. Since inception, approximately $154.1 million[10,11,12] in Project U funding has been provided under M2.

[10] Payments are made every other month (January, March, May, July, September, and November). July payments are based on June accruals, and therefore counted as June payments. The amount totaled for one FY quarter either covers one or two payments, depending on the months that fall within that quarter.

[11] Only includes disbursed funds. On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.

[12] On May 12, 2025, the Board determined the City of Huntington Beach ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Huntington Beach reestablishes eligibility.

Project: **Senior Mobility Program**
Status: Ongoing
Contact: Jack Garate, Transit • (714) 560-5387
Summary: The SMP provides one percent of net M2 revenues to eligible local jurisdictions to provide transit services that best meet the needs of seniors living in their community. According to the SMP Funding and Policy Guidelines, M2 revenue is allocated to local jurisdictions proportionally, relative to the total county's senior population, by the residents aged 60 and above multiplied by available revenues. The remaining unallocated funds are distributed to the M2 Project U Fare Stabilization Program.

Since inception, more than $43.7 million[10,11,12] has been provided to support nearly 3.4 million boardings for seniors traveling to medical appointments, nutrition programs, shopping destinations, and senior and community center activities. This quarter, approximately $641,000[10,11,12] was paid out to 30 of the 32 participating cities that are currently active.



TRANSIT

Project: **Senior Non-Emergency Medical Transportation Program**

Status: Ongoing

Contact: Jack Garate, Transit • (714) 560-5387

Summary: This program provides one percent of net M2 revenues to supplement existing countywide SNEMT services. Since inception, approximately $46.9 million has been allocated to support more than 1.7 million SNEMT boardings[13]. This quarter, approximately $748,000[10] in SNEMT funding was paid to the County of Orange.

[13] The SNEMT program is operated by the County of Orange Office on Aging. Total boardings are calculated based on all services funded by M2 and the County of Orange.

Project: **Fare Stabilization Program**

Status: Ongoing

Contact: Sean Murdock, Finance • (714) 560-5685

Summary: From 2011 to 2015, one percent of net M2 revenues was dedicated to stabilizing fares and providing fare discounts for bus services and specialized ACCESS services for seniors and persons with disabilities. Effective January 28, 2016, an amendment to the M2 Ordinance adjusted this amount to 1.47 percent of net M2 revenues to be dedicated to the Fare Stabilization Program.

Approximately $1.1 million in revenue was allocated this quarter to support the Fare Stabilization Program. The amount of funding utilized each quarter varies based on ridership. During the quarter, based on nearly 1.9 million program-related boardings recorded on fixed-route and ACCESS services, approximately $586,000 was utilized. The senior and disabled boardings recorded are based on pass sales and ACCESS boardings figures. Since inception, nearly $63.5 million has been allocated to support more than 166 million program-related boardings.

PROJECT V

COMMUNITY-BASED TRANSIT/CIRCULATORS

Status: Service Updates

Contact: Charvalen Alacar, Planning • (714) 560-5401

Summary: This program provides funding for local jurisdictions to develop local bus transit services, such as community-based circulators and shuttles, which complement regional bus and rail services to meet needs in areas not adequately served by regional transit. To date, through five calls, the Board has awarded 50 projects and ten planning studies totaling approximately $99.4 million[14]. Of the 50 transit circulator projects[15], 16 are currently active, four are planned, 13 have been cancelled (primarily due to low ridership), and 17 have been completed.



On January 25, 2021, the Board approved changes to the Project V program guidelines to better support these key community services in a post-COVID-19 environment. Key revisions included modifying minimum performance standards and allowing for escalation in the subsidy per boarding and annual FY funding caps. Staff continued to work with local jurisdictions to update existing cooperative agreements to incorporate these programmatic changes.

[14] Includes a $700,000 programming increase to the 2024 call Balboa Peninsula Trolley Service Continuation project, approved by the Board on September 23, 2024, and confirmed on August 25, 2025, and a $2,624,060 programming increase to the 2024 call for the Balboa Island-Corona del Mar Local Area Transit Service project, approved by the Board on October 27, 2025.

[15] Includes reinstatement of the $1.65 million award from the 2018 Project V call to the City of San Clemente for the existing San Clemente Rides ride-hailing service. The 2018 Project V award was cancelled by the Board on December 10, 2018, and reinstated on August 14, 2023, to correct for issues in the service model that were encountered during the pandemic.

OCTA receives ridership reports from local agencies on a regular basis to monitor the success of these services against performance measures adopted by the Board. The most recent Project V ridership report was presented to the Board on August 25, 2025. The report identified that all of the active services met the ridership and service performance standards. The next ridership report is anticipated to be presented to the Board in February 2026. Lessons learned from the success of implemented services are incorporated into recommendations for future funding guidelines and programming recommendations.

PROJECT W

SAFE TRANSIT STOPS

Status: City-Initiated Improvements Underway or Completed

Contact: Charvalen Alacar, Planning • (714) 560-5401

Summary: This program provides funding for passenger amenities at the busiest transit stops across Orange County. Stop improvements are designed to ease transfers between bus lines and provide passenger amenities such as the installation of bus benches or seating, shelters, and lighting.

To date, through a competitive process, OCTA has issued three calls (July 2014, June 2019, and September 2020), which have awarded just over $3.1 million to support improvements at 122 locations. Of the 122 projects, 94 have been completed, 18 are in various stages of implementation, and ten have been cancelled. Staff is reviewing M2 revenues and assessing the appropriate timing for the next call.



ENVIRONMENTAL

PROJECT X

CLEAN UP HIGHWAY AND STREET RUNOFF THAT POLLUTES BEACHES

Project: **Environmental Cleanup Program**

Status: 15th Tier 1 Call Applications Approved

Contact: Dan Phu, Planning • (714) 560-5907

Summary: This program implements street and highway-related water quality improvement programs and projects that assist agencies countywide with federal Clean Water Act standards for urban runoff. It is intended to augment, not replace, existing transportation-related water quality expenditures and to emphasize high-impact capital improvements over local operations and maintenance costs. The ECAC is charged with making recommendations to the Board on the allocation of funds. These funds are allocated on a countywide, competitive basis to assist agencies in meeting the Clean Water Act standards for controlling transportation-related pollution.

The ECP is composed of a two-tiered funding process focusing on early priorities (Tier 1), and a second program designed to prepare for more comprehensive capital investments (Tier 2). All Orange County cities plus the County of Orange have received funding under this program. To date, there have been 15 rounds of funding under the Tier 1 grants program.

On October 13, 2025, programming recommendations for the 15th Tier 1 call were approved by the Board for approximately $3.1 million. To date, 241 Tier 1 projects, totaling approximately $43 million, have been awarded by the Board since 2011. Of the 241 projects, construction on 203 projects have been completed, 21 are in various stages of implementation, and 17 have been cancelled by the awarded agency. The 16th Tier 1 call is anticipated to be released in early 2026.

It is estimated that approximately 91.7 million gallons of trash have been captured since the inception of the program, which equates to over 16,200 trash truck loads of garbage that could have been deposited in Orange County streams and waters. Over time, the volume of trash captured is expected to increase.

To date, 26 Tier 2 projects totaling approximately $35 million have been awarded by the Board since 2013. Of the 26 projects, construction on 18 projects have been completed, four projects are in progress, and four projects have been cancelled by the awarded agency. It is estimated that Tier 2-funded projects, once fully functional, will have an annual groundwater recharge and water savings potential of approximately 352 million gallons of water from infiltration, recharge facilities, and diversion to recycled water supply. The appropriate timing of the next Tier 2 call will be assessed and determined by funding availability as well as the number of viable projects from eligible agencies.



ENVIRONMENTAL

FREEWAY MITIGATION

Segment: **Environmental Mitigation Program**

Status: Biological Permits Issued and Conservation Plan in Place

Contact: Adriann Cardoso, Planning • (714) 560-5915

Summary: Working in collaboration with the Wildlife Agencies, this program allocates funds to acquire land and fund habitat restoration projects to offset the environmental impacts of M2 freeway projects. In June 2017, OCTA received biological resource permits after completing a state and federal Conservation Plan. This Conservation Plan commits to protecting the natural habitat and wildlife on OCTA's Preserves, funding multiple habitat restoration projects, and minimizing impacts to resources during construction of M2 freeway projects, allowing streamlined project approvals for the M2 freeway projects with little additional coordination from the Wildlife Agencies. This program represents the culmination of years of collaboration and support by the Board, environmental community, and Wildlife Agencies. The OCTA Conservation Plan is unique, as it is only the second state/federal conservation plan approved in Orange County.

The Conservation Plan includes a streamlined process for coordination for streambed alteration agreements for portions of freeway projects that cross through streams and riverbeds. In 2017, the United States Army Corps of Engineers issued a programmatic permit to OCTA and Caltrans (as owner/operator of the state highway system). The State Board provided a letter to OCTA in 2018, which further secured assurances related to advanced mitigation and freeway project permit issuance. These efforts are the result of years of collaboration and constitute another groundbreaking milestone for the M2 EMP.

The Board has approved the acquisition of seven properties (Preserves) totaling 1,300 acres and 13 restoration projects totaling 350 acres. To date, ten restoration projects (one of these projects has two distinct areas) have been completed and have been approved by the Wildlife Agencies. The Board authorized $42 million (inclusive of setting aside funds for long-term land management) for property acquisitions, $10.5 million to fund habitat restoration activities, and $2.5 million for conservation plan development and program support, for a total of approximately $55 million.

The Conservation Plan requires the establishment of an endowment to fund the long-term management of the Preserves. The most recent Board-adopted 2024 Next 10 Plan confirms that OCTA will be able to continue endowment deposits of $2.9 million annually. To date, OCTA has made ten endowment deposits. As of December 31, 2025, the endowment balance was $39,898,925, which is above the target of $36,208,324 for the second quarter of FY 2025-26. Based on the performance to date, current projections indicate that OCTA still remains on track to meet the endowment target of $46.2 million in FY 2027-28; however, the performance of the endowment fund may affect the timeframe. The next report summarizing the status of the endowment is anticipated to be presented to the Board in March 2026. Staff will continue to oversee and provide endowment updates to the Board, Finance and Administration (F&A) Committee and the Environmental Oversight Committee (EOC) on a regular basis.



ENVIRONMENTAL

Resource management plans (RMP) for the Preserves were completed in 2018. These RMPs guide the management of the Preserves as outlined within the Conservation Plan. The RMPs will be reviewed and updated as necessary, approximately every five years. Updates to the documents are currently underway and are anticipated to include new figures depicting more recent plant and animal species information, documentation of completed management tasks, potential new tasks identified, and the incorporation of the recently completed FMPs. All revisions will be coordinated with the Wildlife Agencies, shared with the EOC, and posted on OCTA's website. Staff will continue to oversee and manage the Preserves until a long-term manager(s) is established.

Conservation Plan reports are completed annually. These reports include the tracking of impacts associated with covered freeway improvement projects, other management and monitoring activities on Preserves, status and activities, the progress of the restoration projects, plan administration, and public outreach activities. These reports take time to develop as they fold in multiple reports from various consultants and contractors working on the OCTA Preserves and the funded restoration projects through the end of every calendar year. Annual reports to date document that OCTA's activities are in compliance and on target with the Conservation Plan commitments. The annual report documenting the 2024 calendar year activities has been completed and reviewed by the Wildlife Agencies and was shared with the EOC and Board in late-2025. The 2025 annual report is anticipated to be completed and approved in mid-2026 and will subsequently be shared with the EOC, Board, and posted on the OCTA website.

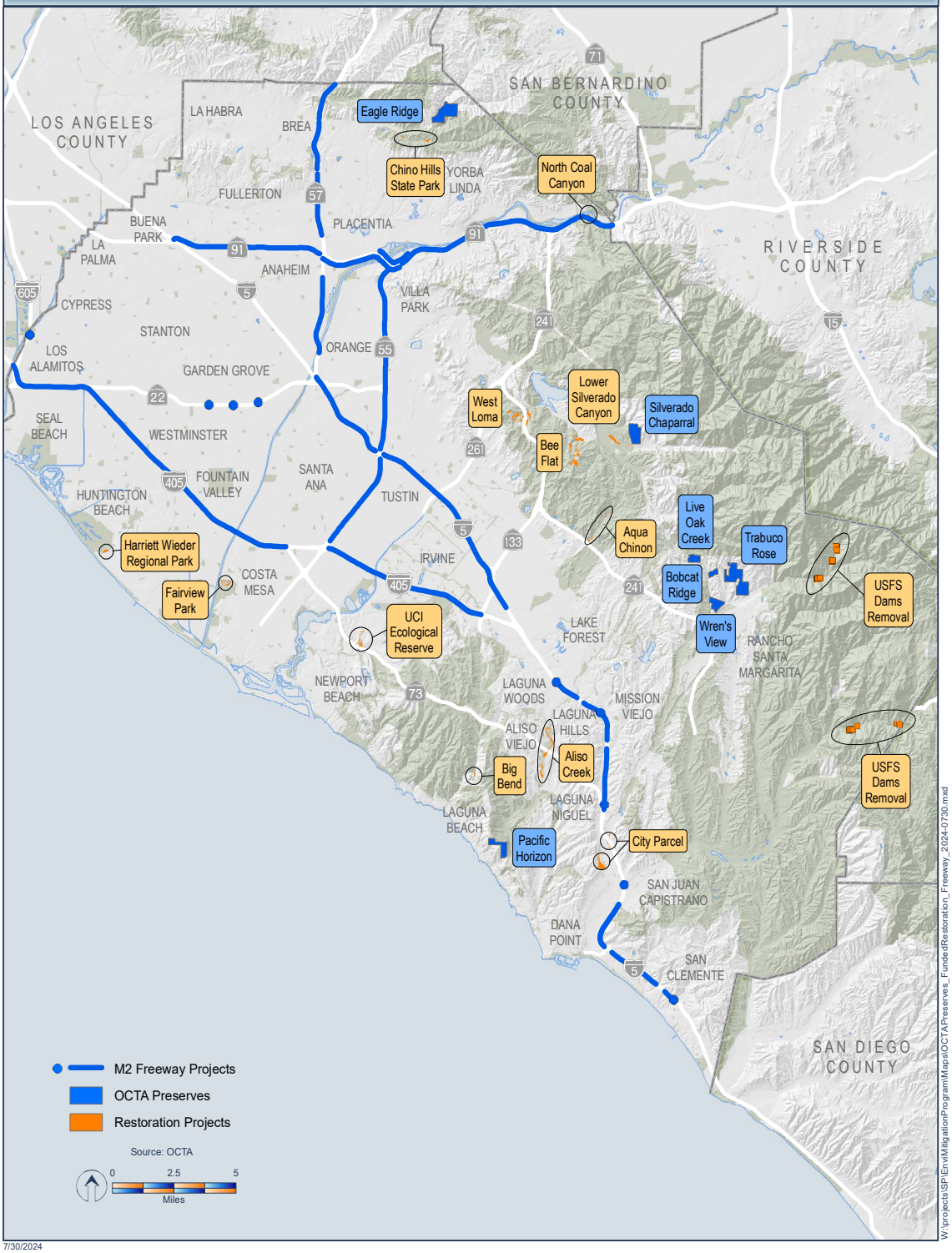
The EMP accomplishments have largely met the intent of the program. These efforts are the result of years of positive collaboration between OCTA and the aforementioned agencies, stakeholders, and the public. The success of this program has been recognized at the regional and national level. Through these efforts, pre-negotiated permit terms have helped streamline project implementation and reduce the required mitigation needs. Without the EMP's established process, additional mitigation-related requirements could have been incurred, resulting in increased project costs and schedule risks. The established permits and partnerships have also enabled swift response to other OCTA project needs.

Docent-led hikes and equestrian ride tours are offered throughout the year at various OCTA Preserves. The 2026 hike and ride schedule is available at www.PreservingOurLegacy.org.

As part of the safeguards in place for the M2 Program, a 12-member EOC makes recommendations on the allocation of environmental freeway mitigation funds and monitors the implementation of the Conservation Plan between OCTA and state and federal Wildlife Agencies. The EOC has led efforts with policy recommendations to the Board and has operated in an open and transparent manner which has garnered the trust of stakeholders, ranging from the environmental community to the recreational community to Orange County citizens. See the map of Preserves and funded restoration properties on the following page.

ENVIRONMENTAL

OCTA Preserves and Funded Restoration Projects



7/30/2024

W:\projects\SP\EnvMitigationProgram\Maps\OCTAPreserves_FundedRestoration_Freeway_2024-0730.mxd



PROGRAM MANAGEMENT

PROGRAM MANAGEMENT OFFICE

Contact: Francesca Ching, M2 PMO Manager • (714) 560-5625

The M2 PMO provides inter-divisional coordination for all Measure M-related projects and programs. To ensure agency-wide compliance, the PMO holds a bimonthly committee meeting comprised of executive directors and key staff from each of the divisions, who meet to review significant issues and activities within the M2 programs. This quarter, the focus of the PMO has been on several major items, including the following:

Market Conditions Forecast and Risk Analysis

On September 11, 2017, the Board was presented with a Next 10 Plan Market Conditions Forecast and Risk Analysis Report conducted by Dr. Wallace Walrod and Dr. Marlon Boarnet through a contract with the Orange County Business Council. The consultant team's analysis identified strong potential for OCTA to experience an increasing cost environment during the Next 10 Plan delivery years. This, coupled with a reduction in revenue, could present the potential for significant challenges in the delivery of M2 and the Next 10 Plan.

The Board directed staff to continue to work with the consultant team to monitor and track key early warning indicators and provide the Board with updates in a timeline consistent with updates on the M2 sales tax revenue forecast. The consultant team continues to analyze trends in material costs, labor costs, and general economic conditions to determine a range of potential cost impacts providing insight on OCTA's capital program twice a year.

On October 13, 2025, the consultant team presented the results of the 2025 fall analysis to the Board. The analysis identified that OCTA may experience an uptick in inflationary pressures with the most recent data available. Major drivers include a rise in building permits, California unemployment rates, and construction wages. Additionally, the cost of all construction materials increased on an annualized basis. Staff incorporated information from this analysis into the M2 cash flow for the 2025 update of the Next 10 Plan and will provide future updates to the Board as appropriate.

Next 10 Delivery Plan

On November 14, 2016, the Board adopted the Next 10 Plan, which provides guidance on the delivery of M2 projects and programs between FY 2016-17 and FY 2025-26. In December 2020, the Board approved to shift the timeframe to FY 2020-21 through FY 2029-30. The intent is for the Next 10 Plan to be a living document with delivery timeframes shifted to ensure revenue and project information stay current. The PMO monitors progress on the ten deliverables identified in the Next 10 Plan and provides status updates.

Annually, OCTA reviews the Next 10 Plan and M2 program assumptions based on changes to the revenue forecast and updated project cost and schedules. On December 8, 2025, the Board approved the 2025 Next 10 Plan, which spans FY 2025-26 to FY 2034-35. The 2025 update of the Next 10 Plan incorporated an updated sales tax revenue forecast of $13.2 billion (supplemented with external revenue – federal,



state, and local dollars), insight from the updated construction market forecast, current programmed external revenues, revised bonding assumptions, and refined project information. Through this process, staff confirms that the M2 Program remains deliverable; however, this update continues to emphasize that Metrolink operations requires close monitoring.

M2 Performance Assessment

The M2 Ordinance includes a requirement for a performance assessment to be conducted at least once every three years to evaluate OCTA's efficiency and effectiveness in the delivery of M2 as committed to the voters. Five performance assessments have been completed covering FY 2006-07 through FY 2008-09, FY 2009-10 through FY 2011-12, FY 2012-13 through FY 2014-15, FY 2015-16 through FY 2017-18, and FY 2018-19 through FY 2020-21. Findings and recommendations are implemented as appropriate. The sixth assessment began in July 2024 and covers the period between July 1, 2021, and June 30, 2024. The consultant team presented the final report to the Board on March 10, 2025. The consultant's report reflected a positive assessment of OCTA's efficiency and effectiveness in the delivery of M2 projects and programs. While there were no significant findings, four recommendations for enhancements were made: improving transparency in project reporting, strengthening E-procurement evaluation processes, clarifying internal procedures related to contract approvals, and addressing the timeliness of grant payments.

To date, several actions have been completed to address these recommendations. To improve transparency in project reporting, staff incorporated details on how capital project costs and schedules are measured into the M2 Quarterly Report. The new e-procurement system was launched in September 2025, which included enhanced evaluation processes. Internal procedures related to contract approvals were updated in January 2025, and steps recommended by the payment process consultant have been initiated to improve the timeliness of grant payments. Actions to complete the remaining recommendations are underway and are anticipated to be completed by the end of FY 2025-26.

M2 Ten-Year Review

The M2 Ordinance includes a provision to conduct a ten-year comprehensive review of M2 programs and projects. The ten-year review is intended to evaluate the performance of the overall program and may result in revisions to further improve performance. Due to the early initiation of project development activities prior to the start-up of revenue collection in 2011, the first review was completed in 2015. The second effort is underway. During the quarter, a ten-year review update was presented to the Board on December 8, 2025, summarizing analyses to date, outreach activities, emerging themes, and a draft action plan to guide implementation over the next five years. Outreach continued this quarter through briefings with elected officials, stakeholder presentations, and continued participation in community and industry meetings. Feedback from these activities will help guide the development of key findings and recommendations. The final comprehensive report and accompanying Action Plan are anticipated to be presented to the Board in April 2026.

M2 Ordinance Tracking Matrix

The M2 Ordinance includes numerous requirements that staff must follow to keep the commitment to Orange County voters through the passage of M2. The PMO annually updates the M2 Ordinance Tracking



Matrix to verify that OCTA complies with all requirements detailed in the M2 Ordinance. The tracking matrix was finalized and shared with the TOC on June 10, 2025. This document is for PMO tracking purposes, but is also helpful to Taxpayer Oversight Committee (TOC) members during their annual compliance finding. During the quarter, staff initiated efforts to update the tracking matrix for calendar year 2025 and is anticipated to be completed in spring 2025.

PMO M2 Tracking Tools

The PMO has developed several tracking tools to assist in reporting consistency and increased transparency of the M2 program. See the following for a brief explanation of PMO M2 tracking tools and their current status:

Local Jurisdiction Fact Sheets

Fact sheets have been created for the County of Orange and each of Orange County's 34 cities. The city fact sheets provide data on transportation and transit projects (funded through M2, state, and federal grants) in a format that emphasizes key points concisely on a single printed page. The city fact sheets are utilized when speaking with the jurisdictions to provide a summary overview of how OCTA has provided the local agency with funding (M2 and other) and transportation improvements. This quarter, staff initiated efforts to update the fact sheets through December 2025 which are anticipated to be complete in early 2026.

Engineer's Estimate versus Bids Tracking

The estimate versus bid tracking process allows the PMO to monitor the bidding environment for capital projects in the M2 Program. Capital projects that were planned for and began construction early in the M2 Program have shown cost savings due to a favorable bidding environment during the recession. For these earlier M2 projects, savings can be primarily traced back to construction costs.

There are continued concerns regarding workforce availability in construction and manufacturing labor markets, and there is uncertainty regarding tariffs and the potential impacts they may have. While recent market conditions analyses have indicated that OCTA may experience a tempering of cost pressures related to decreased demand for construction services, a lack of labor resources, and high construction material and labor costs still remain. It should be noted that the engineer's estimate is based on several factors – such as bidding history and historical and current market rates (materials, labor, equipment, etc.) – and adjusted accordingly for the project's conditions. Because the estimate uses prior information, there may be a lag between an uptick or a downtick in the market.

The northerly segment of Project B (I-5, Yale Avenue to SR-55) was advertised for construction on August 11, 2025, bids were opened on October 21, 2025, and the project was awarded on November 12, 2025. The lowest responsive and responsible bidder was approximately 8.5 percent below the engineer's estimate. In addition, the southerly segment of Project B (I-5, I-405 to Yale Avenue) was advertised for construction on August 18, 2025, and bids were opened on November 18, 2025. The apparent lowest responsive and responsible bidder was approximately 18.5 percent below the engineer's estimate. Staff will continue to monitor the construction market and update the spreadsheet as appropriate.



PROGRAM MANAGEMENT

M2 Administrative Safeguards

M2 includes a one percent cap on administrative expenses for salaries and benefits of OCTA administrative staff on an annual basis. In a legal opinion on M2, it was determined that in years where administrative salaries and benefits are above one percent, only one percent can be allocated with the difference borrowed from other non-M2 fund sources. Conversely, in years where administrative salaries and benefits are below one percent, OCTA can still allocate the full one percent for administrative salaries and benefits but may use the unused portion to repay the amount borrowed from prior years in which administrative salaries and benefits were above one percent.

Based on the original M2 revenue projections, OCTA expected to receive $24.3 billion in M2 funds, with one percent of total revenues available to fund administrative salaries and benefits over the life of the program. As M2 revenue projections declined ($13.2 billion or 45.6 percent lower as of December 31, 2025) because of economic conditions, the funds available to support administrative salaries and benefits have also declined from the original expectations. While revenue has declined, the administrative effort needed to deliver M2 remains the same. Additionally, the initiation of the Early Action Plan (EAP) in 2007 required administrative functions four years prior to revenue collection. While the EAP resulted in project savings and significant acceleration of the program, administrative functions were required during this time with associated administrative costs.

As a result of the aforementioned factors, OCTA has incurred higher than one percent administrative costs. OCTA has Board approval to use funds from the Orange County Unified Transportation Trust (OCUTT) fund to cover costs above the one percent, and to repay those funds with interest in future years when OCTA administrative costs fall below the one percent cap. OCTA has borrowed approximately $5.3 million from OCUTT to date. As of December 31, 2025, the total borrowings to date from OCUTT, along with accrued interest, have been paid off.

Staff meets quarterly to review all labor costs to ensure costs attributed to the one percent cap are accurately reported and that there are no misplaced project-related costs.

Taxpayer Oversight Committee

The M2 Ordinance requires a TOC to oversee compliance with the M2 Ordinance. With the exception of the elected Auditor Controller of Orange County, who is identified as the chair in the M2 Ordinance, all other members cannot be elected or appointed officials. Members are recruited and screened for expertise and experience independently by the Grand Jurors Association of Orange County and are selected from the qualified pool by lottery. The TOC used to meet every other month, but the TOC voted on April 11, 2023, to meet quarterly beginning in FY 2023-24. The responsibilities of the 11-member M2 TOC are to:

- Approve, by a vote of no less than two-thirds of all committee members, any amendments to the Plan proposed by OCTA which changes funding categories, programs, or projects identified on page 31 of the Plan
- Receive and review the following documents submitted by each eligible jurisdiction:
    - Congestion Management Program



  - Mitigation Fee Program
  - Expenditure Report
  - Local Traffic Signal Synchronization Plan
  - Pavement Management Plan
- Review yearly audits and hold an annual public hearing to determine whether OCTA is proceeding in accordance with the Plan
- Receive and review the triennial performance assessments of the Orange County Local Transportation Authority to assess the performance of OCTA in carrying out the purposes of the Ordinance
- The TOC Chair shall annually certify whether M2 funds have been spent in compliance with the Plan

On December 9, 2025, the TOC approved the Annual Eligibility Review (AER) Subcommittee eligibility recommendations and voted to receive and file the M2 Quarterly Revenue and Expenditure Report. In addition, the TOC received presentations on the sales tax forecast, 2025 Next 10 Plan, M2 Ten-Year Review, and OC Streetcar.

Two subcommittees assist the TOC with their safeguard responsibilities: the AER Subcommittee and the Audit Subcommittee. The AER Subcommittee meets a few times per year, as needed, to receive and review the following documents submitted by local jurisdictions to be deemed eligible to receive M2 funding: Congestion Management Program, Mitigation Fee Program, Local Signal Synchronization Plan, Pavement Management Plan, and Expenditure Reports. On October 29, 2025, the AER Subcommittee affirmed receipt and review of all 35 local jurisdictions' Congestion Management Program, Mitigation Fee Program, and the Pavement Management Plan submittals. The Audit Subcommittee meets as needed and is responsible for reviewing the quarterly M2 Revenue and Expenditure Reports and the annual M2 Audit, as well as any other items related to M2 audits.

M2 FINANCING AND SCHEDULE OF FUNDING

Contact: Sam Kaur, Revenue and Grants • (714) 560-5889

Revenue Forecast and Collection

OCTA contracts with three universities (Chapman University; California State University, Fullerton; and University of California, Los Angeles) to provide a long-range forecast of taxable sales to forecast M2 revenues for purposes of planning projects and program expenditures.

In the past, OCTA averaged the three university taxable sales projections to develop a long-range forecast of M2 taxable sales. On March 28, 2016, the Board approved a revised sales tax forecast methodology as part of the FY 2016-17 budget development process. This methodology includes a more conservative approach by utilizing the MuniServices, LLC forecast for the first five years, and the three-university average for the remaining years.

OCTA continuously monitors actual sales tax receipts, and revenue forecast information is provided by MuniServices, LLC quarterly. As required by law, OCTA pays the California Department of Tax and Fee Administration a fee to collect the sales tax. The M2 Ordinance estimated this fee to be 1.5 percent of the revenues collected over the life of the program.

Current Forecast

Originally, the 2005 projections for M2 sales tax collections were anticipated at $24.3 billion. OCTA received final sales tax receipts for FY 2024-25 in August 2025 and presented the 2025 M2 sales tax revenue forecast update to the Board on October 27, 2025. The revised total nominal sales tax collections over the life of M2 is estimated to be $13.2 billion, which represents a year-over-year decrease of $800 million in forecasted sales tax when compared to last year's forecast.

OCTA remains in a strong financial position, supported by healthy agency-wide reserve levels. The M2 program incorporates its own consideration of economic uncertainties to address potential revenue shortfalls or cost increases. The agency is actively monitoring various factors, including inflation, interest rates, and demographic changes in Orange County to assess their potential impact on sales tax revenues. In light of the observed revenue decline and economic uncertainties, OCTA prioritizes fiscal stewardship and proactive financial planning to ensure our commitment to the public; promises made, promises kept.

The next updated forecast is anticipated to be presented to the Board in October 2026. As a reference, there is no projected growth for FY 2025-26.

Schedule of Revenues, Expenditures and Changes in Fund Balance as of December 31, 2025 (Unaudited)

Schedule 1

($ in thousands)	Quarter Ended Oct 1, 2025 - Dec 31, 2025	Year to Date Jul 1, 2025 - Dec 31, 2025 *(A)*	Period from Inception to Dec 31, 2025 *(B)*
Revenues:			
Sales taxes	$ 100,042	$ 214,883	$ 5,019,196
Other agencies' share of Measure M2 costs:			
Project related	12,547	17,597	913,665
Non-project related	-	-	454
Interest:			
Operating:			
Project related	1,514	2,804	12,863
Non-project related	10,123	20,219	173,225
Bond proceeds	-	-	104,570
Debt service	218	396	4,562
Commercial paper	-	-	393
Right-of-way leases			
Project related	110	193	2,287
Non-project related	-	-	17
Proceeds on sale of assets held for resale	-	-	17,597
Donated assets held for resale			
Project related	-	-	2,071
Miscellaneous:			
Project related	-	-	331
Non-project related	-	-	125
Total revenues	124,554	256,092	6,251,356
Expenditures:			
Supplies and services:			
Sales tax administration fees	916	1,831	47,135
Professional services:			
Project related	3,417	5,212	627,920
Non-project related	300	407	42,560
Administration costs:			
Project related	3,209	6,413	149,849
Non-project related:			
Salaries and Benefits	1,101	2,351	51,924
Other	2,302	4,604	90,049
Other:			
Project related	173	213	8,128
Non-project related	7	50	6,433
Payments to local agencies:			
Project related	23,580	40,533	1,588,246
Capital outlay:			
Project related	22,351	26,306	2,557,652
Non-project related	-	-	31
Debt service:			
Principal payments on long-term debt	-	-	138,355
Interest on long-term debt and commercial paper	-	11,775	398,211
Total expenditures	57,356	99,695	5,706,493
Excess (deficiency) of revenues over (under) expenditures	67,198	156,397	544,863
Other financing sources (uses):			
Transfers out:			
Project related	(12,185)	(16,467)	(849,576)
Transfers in:			
Project related	5,978	6,521	601,039
Bond proceeds	-	-	1,068,603
Payment to refunded bond escrow agent	-	-	(312,829)
Total other financing sources (uses)	(6,207)	(9,946)	507,237
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	$ 60,991	$ 146,451	$ 1,052,100

Schedule of Revenues, Expenditures and Changes in Fund Balance as of December 31, 2025 (Unaudited)

Schedule 2

($ in thousands)	Quarter Ended Oct 1, 2025 - Dec 31, 2025 (actual)	Year to Date Jul 1, 2025 - Dec 31, 2025 (actual)	Period from Inception through Dec 31, 2025 (actual)	Period from January 1, 2026 through March 31, 2041 (forecast)	Total
		(C.1)	*(D.1)*	*(E.1)*	*(F.1)*
Revenues:					
Sales taxes	$ 100,042	$ 214,883	$ 5,019,196	$ 8,192,146	$ 13,211,342
Operating interest	10,123	20,219	173,225	429,240	602,465
Subtotal	110,165	235,102	5,192,421	8,621,386	13,813,807
Other agencies share of M2 costs	-	-	454	-	454
Right-of-way leases	-	-	17	-	17
Miscellaneous	-	-	125	-	125
Total revenues	110,165	235,102	5,193,017	8,621,386	13,814,403
Administrative expenditures:					
Sales tax administration fees	916	1,831	47,135	61,505	108,640
Professional services	300	407	38,785	64,091	102,876
Administration costs:					
Salaries and Benefits	1,101	2,351	51,924	84,638	136,562
Other	2,302	4,604	90,049	146,130	236,179
Other	7	50	2,597	4,313	6,910
Payments to local agencies:					
Capital outlay	-	-	31	-	31
Environmental cleanup	1,155	1,722	57,231	163,817	221,048
Total expenditures	5,781	10,965	287,752	524,494	812,246
Net revenues	$ 104,384	$ 224,137	$ 4,905,265	$ 8,096,892	$ 13,002,157
		(C.2)	*(D.2)*	*(E.2)*	*(F.2)*
Financing expenditures:					
Debt interest expense	-	11,775	398,211	234,987	633,198
Professional services	-	-	3,775	-	3,775
Other	-	-	3,836	-	3,836
Total financing expenditures	-	11,775	405,822	234,987	640,809
Interest revenue:					
Interest revenue from bond proceeds	-	-	104,570	-	104,570
Interest revenue from debt service funds	218	396	4,562	11,632	16,194
Interest revenue from commercial paper	-	-	393	-	393
Total bond revenues	218	396	109,525	11,632	121,157
Net financing expenditures:	$ (218)	$ 11,379	$ 296,297	$ 223,355	$ 519,652

Schedule of Revenues, Expenditures and Changes in Fund Balance as of December 31, 2025 (Unaudited)

Schedule 3

Project	Description	Total Net Revenues Inception to March 31, 2041 (actual) + (forecast)	Net Revenues Inception to Dec 31, 2025 (actual)	Expenditures Inception to Dec 31, 2025 (actual)	Reimbursements Inception to Dec 31, 2025 (actual)	(J) - (K) = (L) Net M2 Cost Inception to Dec 31, 2025 (actual)
	(G)	*(H)*	*(I)*	*(J)*	*(K)*	*(L)*
	($ in thousands)					
	Freeways (43% of Net Revenues)					
A	I-5 Santa Ana Freeway Interchange Improvements	$ 512,482	$ 193,342	$ 10,908	$ 8,786	$ 2,122
B	I-5 Santa Ana/SR-55 to El Toro	327,334	123,492	65,713	26,242	39,471
C	I-5 San Diego/South of El Toro	683,672	257,926	467,024	53,044	413,980
D	I-5 Santa Ana/San Diego Interchange Upgrades	281,320	106,132	3,293	527	2,766
E	SR-22 Garden Grove Freeway Access Improvements	130,846	49,364	5	-	5
F	SR-55 Costa Mesa Freeway Improvements	399,081	150,560	185,851	86,767	99,084
G	SR-57 Orange Freeway Improvements	282,083	106,420	61,282	15,083	46,199
H	SR-91 Improvements from I-5 to SR-57	152,654	57,591	34,961	824	34,137
I	SR-91 Improvements from SR-57 to SR-55	454,146	171,334	87,281	83,378	3,903
J	SR-91 Improvements from SR-55 to County Line	384,034	144,883	18,685	17,193	1,492
K	I-405 Improvements between I-605 to SR-55	1,169,767	441,313	1,719,329	380,303	1,339,026
L	I-405 Improvements between SR-55 to I-5	348,597	131,513	9,249	6,954	2,295
M	I-605 Freeway Access Improvements	21,808	8,227	12,425	16	12,409
N	All Freeway Service Patrol	163,558	61,705	17,061	-	17,061
	Freeway Mitigation	279,546	105,463	65,213	13,711	51,502
	Subtotal Projects	5,590,928	2,109,265	2,758,280	692,828	2,065,452
	Net Finance Expenditures	-	-	203,380	-	203,380
	Total Freeways	$ 5,590,928	$ 2,109,265	$ 2,961,660	$ 692,828	$ 2,268,832
	%					50.7%
	Street and Roads Projects (32% of Net Revenues)					
O	Regional Capacity Program	$ 1,300,232	$ 490,532	$ 844,996	$ 507,884	$ 337,112
P	Regional Traffic Signal Synchronization Program	520,070	196,204	147,207	33,003	114,204
Q	Local Fair Share Program	2,340,388	882,948	846,576	77	846,499
	Subtotal Projects	4,160,690	1,569,684	1,838,779	540,964	1,297,815
	Net Finance Expenditures	-	-	59,591	-	59,591
	Total Street and Roads Projects	$ 4,160,690	$ 1,569,684	$ 1,898,370	$ 540,964	$ 1,357,406
	%					30.4%

Schedule of Revenues, Expenditures and Changes in Fund Balance as of December 31, 2025 (Unaudited)

Schedule 3

Project	Description	Total Net Revenues Inception to March 31, 2041 (actual) + (forecast)	Net Revenues Inception to Dec 31, 2025 (actual)	Expenditures Inception to Dec 31, 2025 (actual)	Reimbursements Inception to Dec 31, 2025 (actual)	(J) - (K) = (L) Net M2 Cost Inception to Dec 31, 2025 (actual)
	(G)	*(H)*	*(I)*	*(J)*	*(K)*	*(L)*
	($ in thousands)					
	Transit Projects (25% of Net Revenues)					
R	High Frequency Metrolink Service	$ 1,296,772	$ 476,639	$ 525,592	$ 100,708	$ 424,884
S	Transit Extensions to Metrolink	1,147,789	433,021	318,653	151,974	166,679
T	Metrolink Gateways	66,457	43,427	98,220	60,956	37,264
U	Expand Mobility Choices for Seniors and Persons with Disabilities	450,852	164,324	157,408	88	157,320
V	Community Based Transit/Circulators	259,974	98,079	25,076	1,998	23,078
W	Safe Transit Stops	28,695	10,826	2,132	26	2,106
	Subtotal Projects	3,250,539	1,226,316	1,127,081	315,750	811,331
	Net Finance Expenditures	-	-	33,326	-	33,326
	Total Transit Projects	$ 3,250,539	$ 1,226,316	$ 1,160,407	$ 315,750	$ 844,657
	%					18.9%
	Measure M2 Program	$ 13,002,157	$ 4,905,265	$ 6,020,437	$ 1,549,542	$ 4,470,895

Project	Description	Total Revenues Inception to March 31, 2041 (actual) + (forecast)	Revenues Inception to Dec 31, 2025 (actual)	Expenditures Inception to Dec 31, 2025 (actual)	Reimbursements Inception to Dec 31, 2025 (actual)	Net M2 Cost Inception to Dec 31, 2025 (actual)
	(G)	*(H.1)*	*(I.1)*	*(J)*	*(K)*	*(L)*
	($ in thousands)					
	Environmental Cleanup (2% of Revenues)					
X	Clean Up Highway and Street Runoff that Pollutes Beaches	$ 276,276	$ 103,848	$ 57,231	$ 311	$ 56,920
	Net Finance Expenditures	-	-	-	-	-
	Total Environmental Cleanup	$ 276,276	$ 103,848	$ 57,231	$ 311	$ 56,920
	%					1.1%
	Taxpayer Safeguards and Audits					
	Collect Sales Taxes (1.5% of Sales Taxes)	$ 198,170	$ 75,288	$ 47,135	$ -	$ 47,135
	%					0.9%
	Oversight and Annual Audits (1% of Revenues)	$ 138,138	$ 51,924	$ 51,924	$ (0)	$ 51,924
	%					1.0%



LOCAL FAIR SHARE

M2 Funds		
ENTITY	2ND QUARTER FY 2025-26	FUNDS TO DATE*
ALISO VIEJO	$173,067	$10,445,901
ANAHEIM	$1,443,324	$88,018,310
BREA	$233,836	$15,008,914
BUENA PARK	$0**	$20,145,666**
COSTA MESA	$600,958	$38,367,808
CYPRESS	$208,784	$13,651,442
DANA POINT	$139,796	$8,820,575
FOUNTAIN VALLEY	$256,374	$16,277,464
FULLERTON	$544,006	$34,351,655
GARDEN GROVE	$612,020	$39,081,622
HUNTINGTON BEACH	$0***	$47,954,002***
IRVINE	$1,312,597	$74,907,343
LAGUNA BEACH	$103,601	$6,620,548
LAGUNA HILLS	$134,028	$8,837,652
LAGUNA NIGUEL	$270,225	$17,402,958
LAGUNA WOODS	$54,043	$3,372,304
LA HABRA	$215,562	$13,915,056
LAKE FOREST	$334,326	$21,099,827
LA PALMA	$57,969	$4,013,847
LOS ALAMITOS	$52,697	$3,396,528
MISSION VIEJO	$369,598	$24,081,124
NEWPORT BEACH	$438,876	$28,640,186
ORANGE	$682,269	$43,516,389
PLACENTIA	$200,519	$12,251,615
RANCHO SANTA MARGARITA	$169,271	$11,046,142



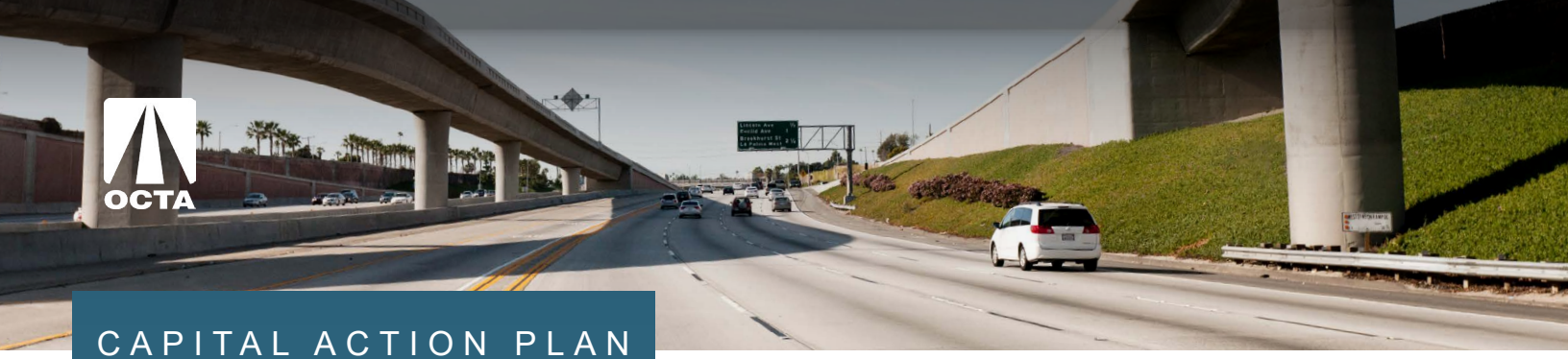
LOCAL FAIR SHARE

M2 Funds		
ENTITY	**2ND QUARTER FY 2025-26**	**FUNDS TO DATE***
SAN CLEMENTE	$234,070	$14,911,517
SAN JUAN CAPISTRANO	$160,344	$10,016,577
SANTA ANA	$1,098,674	$71,892,235
SEAL BEACH	$97,231	$6,402,238
STANTON	$126,667	$7,872,426
TUSTIN	$385,951	$23,847,591
VILLA PARK	$21,462	$1,370,055
WESTMINSTER	$335,516	$22,137,418
YORBA LINDA	$248,136	$15,856,422
COUNTY UNINCORPORATED	$996,438	$55,771,316
TOTAL M2 FUNDS	**$12,312,235**	**$835,302,670**

** Only includes disbursed funds.*
*** On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.*
**** On May 12, 2025, the Board determined the City of Huntington Beach ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Huntington Beach reestablishes eligibility.*

Withheld funds are listed below.

ENTITY	**2ND QUARTER FY 2025-26**	**FUNDS TO DATE**
BUENA PARK	$371,993	$3,272,799
HUNTINGTON BEACH	$785,152	$3,035,667
TOTAL M2 FUNDS WITHHELD	**$1,157,145**	**$6,308,466**



CAPITAL ACTION PLAN

Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

Yellow = Forecast milestone is one to three months later than plan

Red = Forecast milestone is over three months later than plan

Non-bolded = Planned/Baseline **Bold = Forecasted/Actual**

Capital Projects	Cost Baseline/Forecast (millions)	Schedule Plan/Forecast Complete Environmental	Complete Design	Award Contract	Complete Construction
Freeway Projects:					
I-5, SR-55 to SR-57	$38.1	Jun-13	Mar-17	Dec-17	Apr-21
Project A	$38.9	**Apr-15**	**Jun-17**	**Nov-18**	**Jan-21**
I-5, I-405 to Yale Avenue	$280.6	Aug-18	May-24	Feb-26	Sep-29
Project B	$388.1	**Jan-20**	**Nov-24**	Jan-26	Aug-29
I-5, Yale Avenue to SR-55	$238.3	Aug-18	Feb-25	Dec-25	Feb-31
Project B	$327.9	**Jan-20**	**Aug-24**	**Nov-25**	Feb-31
I-5, Pico to Vista Hermosa	$113.0	Dec-11	Oct-13	Dec-14	Aug-18
Project C	$83.6	**Oct-11**	**Oct-13**	**Dec-14**	**Aug-18**
I-5, Vista Hermosa to Pacific Coast Highway	$75.6	Dec-11	Feb-13	Dec-13	Mar-17
Project C	$75.3	**Oct-11**	**May-13**	**Jun-14**	**Jul-17**
I-5, Pacific Coast Highway to San Juan Creek Road	$70.7	Dec-11	Jan-13	Oct-13	Sep-16
Project C	$74.3	**Oct-11**	**Jan-13**	**Dec-13**	**Jul-18**
I-5, SR-73 to Oso Parkway	$151.9	Jun-14	Jan-18	Dec-18	Apr-25
Project C & D	$229.4	**May-14**	**Aug-18**	**Dec-19**	**Jul-25**
I-5, Oso Parkway to Alicia Parkway	$196.2	Jun-14	Jun-17	Jun-18	Nov-23
Project C & D	$230.3	**May-14**	**Dec-17**	**Mar-19**	**Dec-24**
I-5, Alicia Parkway to El Toro Road	$133.6	Jun-14	Jun-18	May-19	Oct-24
Project C	$227.3	**May-14**	**May-19**	**Sep-20**	**Jul-25**
I-5, SR-73 to El Toro Road (Landscape)	TBD	N/A	N/A	N/A	N/A
Project C	$12.4	N/A	**Oct-24**	**May-25**	Dec-26
I-5, I-5/El Toro Road Interchange	TBD	Apr-26	TBD	TBD	TBD
Project D	TBD	Dec-26	TBD	TBD	TBD

*Status through December 2025. For detailed project information, please refer to the individual project section within this report.



CAPITAL ACTION PLAN

Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

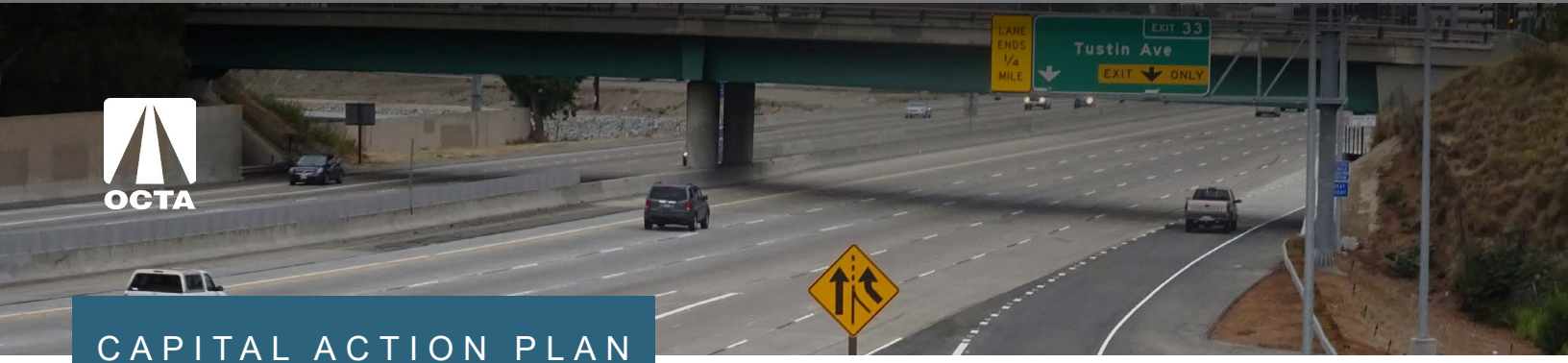
Yellow = Forecast milestone is one to three months later than plan

Red = Forecast milestone is over three months later than plan

Non-bolded = Planned/Baseline **Bold = Forecasted/Actual**

Capital Projects	Cost Baseline/Forecast	Schedule Plan/Forecast			
	(millions)	Complete Environmental	Complete Design	Award Contract	Complete Construction
I-5, I-5/Ortega Interchange	$90.9	Jun-09	Nov-11	Aug-12	Sep-15
Project D	$79.8	**Jun-09**	**Dec-11**	**Aug-12**	**Jan-16**
I-5, I-5/Ortega Interchange (Landscape)	N/A	N/A	N/A	N/A	N/A
Project D	N/A	N/A	**Oct-14**	**Sep-15**	**Sep-16**
SR-55, I-405 to I-5	$410.9	Nov-13	Apr-20	May-22	Feb-27
Project F	$505.7	**Aug-17**	**Apr-20**	**May-22**	Mar-27
SR-55, I-5 to SR-91	$131.3	Jan-20	Jul-25	Jul-26	Oct-29
Project F	$202.1	**Mar-20**	Jan-26	Apr-27	Jul-30
SR-57 Northbound (NB), Orangewood Avenue to Katella Avenue	$71.8	Dec-18	Jul-24	Nov-25	Apr-29
Project G	$135.4	**Mar-19**	**Aug-24**	**Sep-25**	Jun-28
SR-57 (NB), Katella Avenue to Lincoln Avenue	$78.7	Jul-09	Nov-10	Aug-11	Sep-14
Project G	$38.0	**Nov-09**	**Dec-10**	**Oct-11**	**Apr-15**
SR-57 (NB), Katella Avenue to Lincoln Avenue (Landscape)	N/A	N/A	N/A	N/A	N/A
Project G	N/A	N/A	**Jul-10**	**Sep-17**	**Jun-18**
SR-57 (NB), Orangethorpe Avenue to Yorba Linda Boulevard	$80.2	Dec-07	Dec-09	Oct-10	May-14
Project G	$52.3	**Dec-07**	**Jul-09**	**Oct-10**	**Nov-14**
SR-57 (NB), Yorba Linda Boulevard to Lambert Road	$79.3	Dec-07	Dec-09	Oct-10	Sep-14
Project G	$54.1	**Dec-07**	**Jul-09**	**Oct-10**	**May-14**
SR-57 (NB), Orangethorpe Avenue to Lambert Road (Landscape)	N/A	N/A	N/A	N/A	N/A
Project G	N/A	N/A	**Aug-17**	**Feb-18**	**Apr-19**
SR-57 (NB), Lambert Road to Tonner Canyon	TBD	TBD	TBD	TBD	TBD
Project G	TBD	Aug-28	TBD	TBD	TBD

*Status through December 2025. For detailed project information, please refer to the individual project section within this report.



OCTA

CAPITAL ACTION PLAN

Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

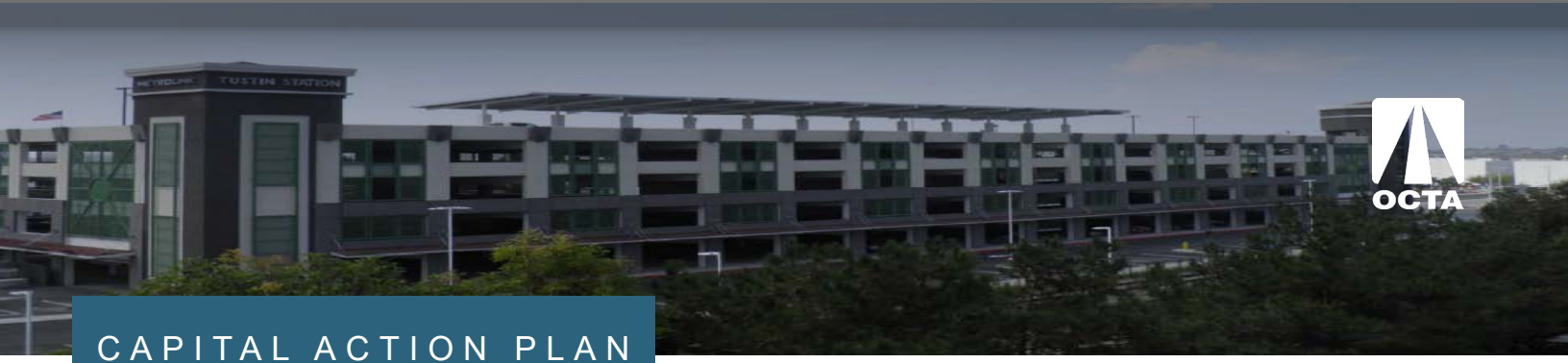
Yellow = Forecast milestone is one to three months later than plan

Red = Forecast milestone is over three months later than plan

Non-bolded = Planned/Baseline **Bold = Forecasted/Actual**

Capital Projects	Cost Baseline/Forecast	Schedule Plan/Forecast			
	(millions)	Complete Environmental	Complete Design	Award Contract	Complete Construction
SR-91 Westbound (WB), I-5 to SR-57	$78.1	Apr-10	Feb-12	Nov-12	Apr-16
Project H	$59.2	**Jun-10**	**Apr-12**	**Jan-13**	**Jun-16**
SR-91 Westbound (WB), I-5 to SR-57 (Landscape)	N/A	N/A	N/A	N/A	N/A
Project H	N/A	N/A	**Aug-16**	**Mar-17**	**Nov-17**
SR-91, SR-55 to Lakeview Avenue (Segment 1)	$108.6	Oct-18	Jan-23	Feb-24	Mar-28
Project I	$140.7	**Jun-20**	**Mar-23**	**Jan-25**	Mar-28
SR-91, La Palma Avenue to SR-55 (Segment 2)	$208.4	Oct-18	Jul-23	Jul-24	Mar-28
Project I	$380.7	**Jun-20**	**Jan-25**	Oct-26	Dec-30
SR-91, Acacia Street to La Palma Ave (Segment 3)	$147.7	Oct-18	Apr-24	Dec-25	Sep-30
Project I	$257.5	**Jun-20**	**Oct-24**	**Oct-25**	Sep-30
SR-91 (WB), Tustin Interchange to SR-55	$49.9	Jul-11	Mar-13	Oct-13	Jul-16
Project I	$42.5	**May-11**	**Feb-13**	**Oct-13**	**Jul-16**
SR-91, SR-55 to SR-241	$128.4	Jul-09	Jan-11	Sep-11	Dec-12
Project J	$79.7	**Apr-09**	**Aug-10**	**May-11**	**Mar-13**
SR-91, SR-55 to SR-241 (Landscape)	N/A	N/A	N/A	N/A	N/A
Project J	N/A	N/A	**Feb-13**	**Oct-13**	**Feb-15**
SR-91 Eastbound, SR-241 to SR-71	$104.5	Dec-07	Dec-08	Jul-09	Nov-10
Project J	$57.8	**Dec-07**	**Dec-08**	**Aug-09**	**Jan-11**
SR-91 EB Corridor Operations Project (SR-241 to SR-71) (PDB)	TBD	N/A	N/A	N/A	N/A
Project J	TBD	Jun-26	Jul-27	N/A	Jul-30
I-405, SR-55 to I-605 (Design-Build)	$2,160.0	Mar-13	Nov-15	Nov-16	Feb-24
Project K	$2,160.0	**May-15**	**Nov-15**	**Nov-16**	**Feb-24**

*Status through December 2025. For detailed project information, please refer to the individual project section within this report.



CAPITAL ACTION PLAN

Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

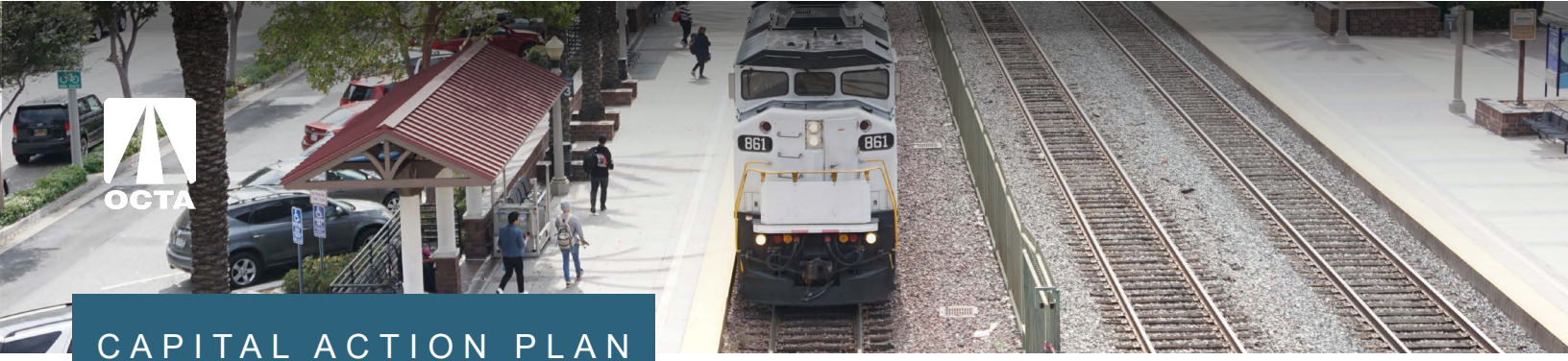
Yellow = Forecast milestone is one to three months later than plan

Red = Forecast milestone is over three months later than plan

Non-bolded = Planned/Baseline **Bold = Forecasted/Actual**

Capital Projects	Cost Baseline/Forecast	Schedule Plan/Forecast			
	(millions)	Complete Environmental	Complete Design	Award Contract	Complete Construction
I-405, I-5 to SR-55	TBD	Jul-18	TBD	TBD	TBD
Project L	TBD	**Aug-18**	TBD	TBD	TBD
I-605, I-605/Katella Interchange	$29.0	Nov-18	Mar-23	Feb-24	Jul-27
Project M	$53.0	**Oct-18**	**Jan-23**	**Apr-25**	Jul-27
Grade Separation Projects:					
Raymond Avenue Railroad Grade Separation	$77.2	Nov-09	Aug-12	May-13	Aug-18
Project O	$126.2	**Nov-09**	**Dec-12**	**Feb-14**	**May-18**
State College Boulevard Railroad Grade Separation (Fullerton)	$73.6	Jan-11	Aug-12	May-13	May-18
Project O	$99.6	**Apr-11**	**Feb-13**	**Feb-14**	**Mar-18**
Placentia Avenue Railroad Grade Separation	$78.2	May-01	Mar-10	Jun-11	Nov-14
Project O	$64.5	**May-01**	**Jun-10**	**Jul-11**	**Dec-14**
Kraemer Boulevard Railroad Grade Separation	$70.4	Sep-09	Jul-10	Aug-11	Oct-14
Project O	$63.8	**Sep-09**	**Jul-10**	**Sep-11**	**Dec-14**
Orangethorpe Avenue Railroad Grade Separation	$117.4	Sep-09	Dec-11	May-12	Sep-16
Project O	$105.9	**Sep-09**	**Oct-11**	**Jan-13**	**Oct-16**
Tustin Avenue/Rose Drive Railroad Grade Separation	$103.0	Sep-09	Dec-11	Aug-12	May-16
Project O	$96.6	**Sep-09**	**Jul-11**	**Feb-13**	**Oct-16**
Lakeview Avenue Railroad Grade Separation	$70.2	Sep-09	Oct-11	May-13	Mar-17
Project O	$110.9	**Sep-09**	**Jan-13**	**Nov-13**	**Jun-17**
17th Street Railroad Grade Separation	TBD	Jun-16	TBD	TBD	TBD
Project R	TBD	**Nov-17**	TBD	TBD	TBD
Sand Canyon Avenue Railroad Grade Separation	$55.6	Sep-03	Jul-10	Feb-11	May-14
Project R	$61.9	**Sep-03**	**Jul-10**	**Feb-11**	**Jan-16**

*Status through December 2025. For detailed project information, please refer to the individual project section within this report.



CAPITAL ACTION PLAN

Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

Yellow = Forecast milestone is one to three months later than plan

Red = Forecast milestone is over three months later than plan

Non-bolded = Planned/Baseline **Bold = Forecasted/Actual**

Capital Projects	Cost Baseline/Forecast (millions)	Schedule Plan/Forecast Complete Environmental	Complete Design	Award Contract	Complete Construction
Transit Projects:					
Rail-Highway Grade Crossing Safety Enhancement	$94.4	Oct-08	Sep-08	Aug-09	Dec-11
Project R	$90.4	**Oct-08**	**Sep-08**	**Aug-09**	**Dec-11**
San Clemente Beach Trail Safety Enhancements	$6.0	Jul-11	Apr-12	Oct-12	Jan-14
Project R	$5.0	**Jul-11**	**Jun-12**	**May-13**	**Mar-14**
Emergency Track Stabilization at MP206.8	N/A	N/A	N/A	N/A	N/A
Project R	$23.3	N/A	N/A	**Oct-22**	**Aug-23**
Placentia Metrolink Station and Parking Structure	$34.8	May-07	Jan-11	TBD	TBD
Project R	$40.1	**May-07**	**Feb-11**	TBD	TBD
San Juan Capistrano Passing Siding	$25.3	Jan-13	May-16	Dec-16	Feb-21
	$33.2	**Mar-14**	**Aug-18**	**Mar-19**	**Nov-20**
Anaheim Canyon Station	$27.9	Dec-16	May-19	Nov-19	Jan-23
	$34.2	**Jun-17**	**Oct-20**	**Mar-21**	**Jan-23**
Orange Station Parking Expansion	$33.2	Dec-12	Apr-13	Nov-16	Feb-19
	$30.9	**May-16**	**Apr-16**	**Jun-17**	**Feb-19**
Fullerton Transportation Center - Elevator Upgrades	$3.5	N/A	Dec-13	Sep-14	Mar-17
	$4.2	N/A	**Dec-13**	**Apr-15**	**May-19**
Laguna Niguel/Mission Viejo Station ADA Ramps	$3.5	Jan-14	Aug-14	Jan-15	Apr-17
	$5.2	**Feb-14**	**Jul-15**	**Oct-15**	**Sep-17**
OC Streetcar	$671.4	Mar-12	Sep-17	Aug-18	Jul-26
Project S	$671.4	**Mar-15**	**Nov-17**	**Sep-18**	Jul-26
Anaheim Regional Transportation Intermodal Center	$227.4	Feb-11	Feb-12	Jul-12	Nov-14
Project R & T	$232.2	**Feb-12**	**May-12**	**Sep-12**	**Dec-14**

*Status through December 2025. For detailed project information, please refer to the individual project section within this report.

This Page Intentionally Left Blank



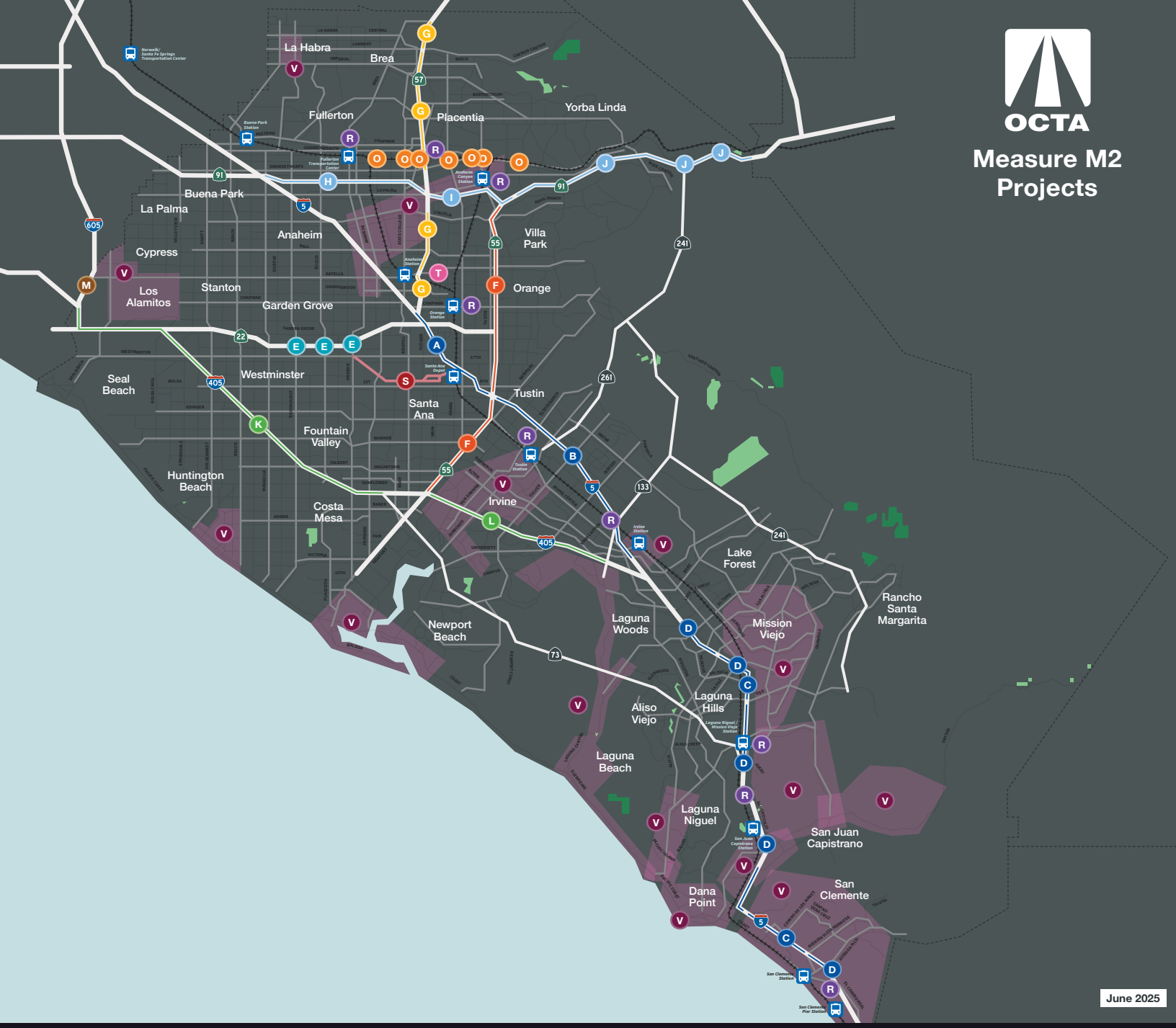
COMMON ABBREVIATIONS

Americans with Disabilities Act	ADA
Anaheim Regional Transportation Intermodal Center	ARTIC
Annual Eligibility Review	AER
Board of Directors	Board
BNSF Railway Company	BNSF
California Department of Transportation	Caltrans
Conservation Properties	Preserves
Construction and Maintenance	C&M
Coronavirus	COVID-19
Comprehensive Transportation Funding Program	CTFP
Early Action Plan	EAP
Environmental Cleanup Allocation Committee	ECAC
Environmental Cleanup Program	ECP
Environmental Document	ED
Environmental Mitigation Program	EMP
Environmental Oversight Committee	EOC
Fire Management Plan	FMP
Fiscal Year	FY
Freeway Service Patrol	FSP
High-Occupancy Vehicle	HOV
Interstate 5	I-5
Interstate 405	I-405
Interstate 605	I-605
Local Fair Share	LFS
Los Angeles – San Diego – San Luis Obispo	LOSSAN
Maintenance and Storage Facility	MSF
Measure M	M1
Measure M2 or Renewed Measure M	M2
Metrolink Service Expansion Program	MSEP
Mile Post	MP
Next 10 Delivery Plan	Next 10 Plan
Natural Community Conservation Plan/Habitat Conservation Plan	Conservation Plan



COMMON ABBREVIATIONS

Orange County Flood Control District	OCFCD
Orange County Transportation Authority	OCTA
Orange County Unified Transportation Trust	OCUTT
Ordinance No. 3	M2 Ordinance
Overhead Contact System	OCS
Pacific Coast Highway	PCH
Program Management Office	PMO
Project Study Report-Project Development Support	PSR-PDS
Project Report	PR
Regional Capacity Program	RCP
Regional Traffic Signal Synchronization Program	RTSSP
Resource Management Plan	RMP
Right-of-Way	ROW
Riverside County Transportation Commission	RCTC
Santa Ana Regional Transportation Center	SARTC
Senior Mobility Program	SMP
Senior Non-Emergency Medical Transportation	SNEMT
Interregional Transportation Improvement Plan	ITIP
State Route 22	SR-22
State Route 55	SR-55
State Route 57	SR-57
State Route 71	SR-71
State Route 74	SR-74
State Route 91	SR-91
State Route 241	SR-241
Southern California Regional Rail Authority	Metrolink
Taxpayer Oversight Committee	TOC
To Be Determined	TBD
Transit and Intercity Rail Capital Program	TIRCP
Transportation Investment Plan	Plan



Freeway Improvement Program

Interstate 5 (I-5) Projects

- A SR-55 to SR-57
- B I-405 to SR-55
- C SR-73 to El Toro Road
- C Avenida Pico to San Juan Creek Road
- D Highway Interchanges

State Route 22 (SR-22) Projects

- E Access Improvements

State Route 55 (SR-55) Projects

- F I-405 to I-5
- F I-5 to SR-91

State Route 57 (SR-57) Projects

- G Northbound, Orangewood Avenue to Katella Avenue
- G Northbound, Katella Avenue to Lincoln Avenue
- G Northbound, Orangethorpe Avenue to Lambert Road
- G Northbound, Lambert Road to Tonner Canyon Road

State Route 91 (SR-91) Projects

- H Westbound, I-5 to SR-57
- I SR-57 to SR-55
- J SR-55 to Riverside County Line

Interstate 405 (I-405) Projects

- K SR-73 to I-605
- L I-5 to SR-55

Interstate 605 (I-605) Projects

- M Katella Avenue Interchange Improvements

Freeway Mitigation Program

- Restoration Projects (Part of Projects A-M)
- Acquisition Projects (Part of Projects A-M)

Streets & Roads

- O Grade Separation Program
- P Signal Synchronization Project Corridors

Rail

- Metrolink Rail Line
- Metrolink Station

Transit Projects

- R Grade Separation and Station Improvement Projects
- S Transit Extensions to Metrolink
- T Metrolink Station Conversion to accept Future High-Speed Rail Systems
- V Community Based Transit/Circulators

Other Projects Not Shown

Project N:
- Freeway Service Patrol

Project O:
- Regional Capacity Program

Project Q:
- Local Fair Share Program

Project R:
- Grade Crossing & Trail Safety Enhancements
- Metrolink Service Expansion Program

Project U:
- Senior Mobility Program
- Senior Non-Emergency Medical Transportation Program
- Fare Stabilization Program

Project W:
- Safe Transit Stops

Project X:
- Environmental Cleanup Program

COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Measure M2 Ten-Year Review Report and Action Plan

Executive Committee Meeting of April 6, 2026

Present: Chair Federico, Vice Chair Jung, Directors Chaffee, Hennessey, and Klopfenstein
Absent: Director Wagner

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

A. Receive and file the Measure M2 Ten-Year Review Report as an information item.

B. Approve the proposed Action Plan to guide potential Measure M2 performance enhancements.

C. Direct staff to proceed with implementation of the Action Plan.

OCTA

April 6, 2026

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Measure M2 Ten-Year Review Report and Action Plan

Overview

Approved by Orange County voters in 2006, the Renewed Measure M Transportation Investment Plan established a 30-year, half-cent sales tax program. Ordinance No. 3, the governing ordinance, includes a taxpayer safeguard provision to conduct a comprehensive review of the project and program elements of the Renewed Measure M Transportation Investment Plan at least every ten years. The results of the first ten-year review were presented to the Board of Directors on October 12, 2015. Efforts for the second review, consistent with the Board of Directors-approved framework, have been completed. The final Ten-Year Review Report is presented to the Orange County Transportation Authority Board of Directors for information along with an accompanying Action Plan for consideration.

Recommendations

A. Receive and file the Measure M2 Ten-Year Review Report as an information item.

B. Approve the proposed Action Plan to guide potential Measure M2 performance enhancements.

C. Direct staff to proceed with implementation of the Action Plan.

Background

On November 7, 2006, Orange County voters approved the Renewed Measure M (M2) Transportation Investment Plan (Plan). Effective in 2011, the Plan provides a 30-year program of investments across a broad range of transportation and environmental initiatives and a governing ordinance, Ordinance No. 3 (M2 Ordinance), that defines the requirements for implementing the Plan. The M2 Ordinance designates the Orange County Transportation Authority (OCTA) as the responsible agency for administering the Plan to ensure that OCTA's contract with the voters is followed. The M2 Ordinance also requires OCTA to

implement a number of transparency measures and safeguards to uphold the public's trust.

OCTA is committed to fulfilling the promises made to voters who approved the half-cent sales tax measure. This means not only completing the projects described in the Plan, but adhering to numerous specific requirements and high standards of quality called for in the M2 Ordinance. One such requirement is a provision to conduct a comprehensive review at least every ten years of all project and program elements included in the Plan. The Plan summary page is included as Attachment A.

This requirement is found within Section 11 of the M2 Ordinance:

> TEN-YEAR COMPREHENSIVE PROGRAM REVIEW - At least every ten years the Authority shall conduct a comprehensive review of all projects and programs implemented under the Plan to evaluate the performance of the overall program and may revise the Plan to improve its performance. The review shall include consideration of changes to local, state and federal transportation plans and policies; changes in land use, travel and growth projections; changes in project cost estimates and revenue projections; right-of-way constraints and other project constraints; level of public support for the Plan; and the progress of the Authority and jurisdictions in implementing the Plan. The Authority may amend the Plan based on its comprehensive review, subject to the requirements of Section 12.

Although M2 sales tax revenue collection began on April 1, 2011, early mobilization efforts were initiated through the Board of Directors' (Board) adoption of the Early Action Plan in 2007, following the approval of M2 in 2006. As such, the initial ten-year period was assumed to have begun on November 8, 2006. The first M2 ten-year review (Review) was presented to the Board on October 12, 2015.

The first Review highlighted substantial progress in delivering the Plan as promised to the voters and reaffirmed public support for M2. No major external factors were identified that would require changes to the Plan. However, in reviewing the financial capacity of the Plan, a need to shift funds between programs within the transit category was identified. In addition to receiving the Review on October 12, 2015, the Board directed staff to initiate an amendment to address the funding shortfalls. On October 26, 2015, the Board determined that the intent of the Metrolink Gateways Program (Project T) had been fulfilled through the construction of the Anaheim Regional Transportation Intermodal Center and directed staff to proceed with amending the M2 Ordinance and Plan to reallocate the remaining Project T funds to High-Frequency Metrolink Service (Project R) and the Fare Stabilization Program (Project U) to ensure

commitments to voters could be upheld. On December 14, 2015, the Board approved the amendment.

Discussion

The second Review was initiated in early 2024 and has been completed; it is included as Attachment B. The timing of the Review was aligned with the M2 midpoint; April 1, 2026, marks 15 years of M2 revenue collection. The timing allows for a more in-depth analysis of successes as well as lessons learned from the delivery of projects and programs that have been active since 2011, with some dating back to 2006. The M2 Program Management Office (PMO) has led the Review effort with support from other OCTA divisions.

On October 14, 2024, the Board approved the Review framework, which included five objectives:

1. Research and identify external policy and/or regulatory changes at the local, state, and federal level, as well as changes in land use, travel, and growth projections that require consideration.
2. Evaluate current project and program cost estimates and the financial capacity of the sales tax revenue through 2041 to confirm Plan delivery.
3. Review M2 program and project elements to determine if there are performance issues or constraints to attain the promised delivery.
4. Assess public and stakeholder support for the Plan.
5. Identify OCTA's and local jurisdictions' progress in implementing the Plan.

Since the framework approval, four updates have been provided to the Board to underscore the significant, comprehensive nature of this review and the outreach efforts. Most recently, in December 2025, an update was presented along with initial findings and a draft Action Plan.

The PMO has implemented a coordinated, multi-pronged approach that groups the five review objectives into four areas of analysis – policy and planning context, financial, project delivery, and public priority – to evaluate performance of the Plan. All OCTA divisions have been engaged to ensure consistency in data inputs and alignment with parallel initiatives such as the 2026 Long-Range Transportation Plan. Through this process, four key themes emerged – timing of the review, Southern California Regional Rail Authority (Metrolink) operations, pavement maintenance, and senior mobility needs.

Policy and Planning Context

To analyze the policy and planning context, the review assessed changes in transportation policies, plans, and regulations at the local, state, and federal levels, as well as land use, travel behavior, and growth projections. Over the past decade, numerous policy changes and evolution of Orange County's landscape

have influenced how M2 projects are planned, funded, and delivered; however, none have materially affected OCTA's ability to fulfill the commitments made to the voters.

Since 2011, Orange County has continued to experience steady growth in population (+3.8 percent), housing (+10.2 percent), and employment (+12 percent). This growth has contributed to increased travel demand and continued reliance on the regional freeway and arterial network. Despite these changes, the policy and planning analysis indicate that the core assumptions underlying the Plan remain valid. M2's balanced approach – investing in freeways, streets and roads, transit, and environmental programs – continues to align with Orange County's transportation needs.

Financial

On the financial side, annual updates of the M2 Next 10 Delivery Plan (Next 10 Plan) have reaffirmed that despite fluctuations in revenue forecasts and project cost estimates over time, M2 commitments remain deliverable.

However, recent updates of the Next 10 Plan highlight that Metrolink operations requires close monitoring because the current service plan, ridership trends, and operating and rehabilitation costs are not fiscally sustainable through 2041. Despite the service changes implemented in October 2024, Metrolink's recovery continues to struggle, with farebox revenue and ridership consistently falling below forecasts while operating costs rise. Without changes in service levels, ridership growth, operations and rehabilitation costs or additional external funds, the 2025 Next 10 Plan projects that the current service cannot be sustained beyond fiscal year (FY) 2033-34. OCTA will continue to actively engage with Metrolink and the other regional transportation agencies that fund the service to monitor ridership levels and the financial impacts to M2. To underscore the importance of ensuring fiscal sustainability through 2041, the proposed Action Plan also captures the Board-approved Metrolink recommendations from the 2025 Next 10 Plan.

Project Delivery

OCTA, in partnership with other agencies, has made significant progress delivering the Plan. As reported in the FY 2025-26 second quarter M2 progress report, many M2 elements have been completed or are underway. Additional analysis as part of the Review is included in respective sections below.

- M2 Freeway Program
  - 17 of 30 freeway projects have been completed with ten more anticipated to be open to traffic by 2030.

  - Through the Freeway Environmental Mitigation Program (EMP), OCTA has acquired 1,300 acres and funded 13 restoration projects, providing higher-value environmental benefits in exchange for streamlined project approvals. To date, it is estimated that over $2.5 million has been saved by leveraging the programmatic mitigation.
  - The EMP endowment, which will pay for the long-term management of the acquired land, has been established and on track to be fully funded by FY 2027-28.
  - The Freeway Service Patrol has provided over 889,000 services (including motorist assists and debris removal) on the Orange County freeway system to reduce freeway congestion and collisions.
- M2 Streets and Road Program
  - More than $1.3 billion has been provided to local jurisdictions through three programs.
  - The Regional Capacity Program has funded over $365 million for 210 project phases.
  - Through the Regional Traffic Signal Synchronization Program (RTSSP), nearly $196.8 million has been funded for 143 projects for 3,789 intersections over 979 miles.
  - OCTA is currently leading the Countywide Signal Synchronization Baseline Project to develop and implement a coordinated, countywide network of approximately 2,500 retimed signals along regionally significant corridors, improving traffic flow and ensuring seamless travel across Orange County. While this innovative project is entirely externally funded, the project's outcomes, anticipated in 2029, will directly inform and enhance the future of the RTSSP.
  - Over $835 million[1,2] has been disbursed via formula to eligible local jurisdictions through the Local Fair Share Program to help keep up with the rising cost of repairing the aging street system. Orange County currently has the best pavement statewide with an average pavement condition index of 79; the state average is 65.
- M2 Transit Program
  - The OC Streetcar is under construction and has reached significant testing milestones.
  - Over $154 million has been provided through three programs to expand mobility choices for seniors and persons with disabilities.

[1] Only includes disbursed funds. On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.

[2] On May 12, 2025, the Board determined the City of Huntington Beach ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Huntington Beach reestablishes eligibility.

The 60 and older population in Orange County has grown on average by 40 percent according to the latest United States Census Bureau decennial update. As such, the proposed Action Plan includes an evaluation and update of the Senior Mobility Program guidelines to support evolving mobility needs.

  - Community-based transit circulators have been successful and well-received by the respective communities. Of the 50 projects OCTA has awarded, 16 services are active, four are planned, 13 have been cancelled, and 17 have been completed.
  - OCTA has also awarded over $3 million to support 112 transit stop safety enhancement projects, of which 94 have been completed to date. Included in the Action Plan is a proposal to update the list of the 100 busiest transit stops.
- M2 Environmental Cleanup Program – Through a two-tiered funding process, OCTA has assisted jurisdictions countywide to attain federal Clean Water Act standards for urban runoff. Since inception of the program, approximately 91.7 million gallons of trash have been captured and when fully functional, an estimated annual groundwater recharge and water savings potential of 352 million gallons.

Based on current project and program schedules, the Plan will reach a pivotal point within the next five years. Assuming no major unforeseen events and successful implementation of the 2025 update of the Next 10 Plan, several key milestones are expected: the M2 Freeway Program will be approximately 90 percent complete, the Freeway Environmental Mitigation Program endowment will be fully funded, the Countywide Signal Synchronization Baseline Project will be completed, the OC Streetcar will have been in service for several years, successful community-based transit circulators grants will require renewal, and all transit stop safety enhancement projects will be completed – surpassing the 100 improvements promised in the Plan. While the M2 Ordinance requires a comprehensive review of Plan performance at least every ten years, with the significant number of projects and programs currently in progress, it is not an optimal time to make long-term modifications to the Plan. Staff therefore recommends that the next comprehensive review be conducted prior to the next ten-year interval, following substantial completion of key program milestones to better align with future planning needs.

Public Priority

As part of the Review, OCTA conducted a comprehensive engagement effort to assess continued support for M2 and evaluate whether the Plan remains aligned with current transportation priorities in Orange County. Input was gathered through a statistically valid countywide survey of 1,025 residents, 2,585 qualitative survey responses, focus groups, stakeholder interviews, elected official roundtables, OCTA public committee meetings, a public webinar, and outreach at 26 community and cultural events across all five supervisorial

districts. This multi-phased approach provided broad community insight into awareness, priorities, and perceptions of M2.

Findings indicate continued support for locally controlled transportation funding and strong alignment between public priorities and the Plan. Roadway maintenance, traffic flow improvements, and congestion relief were consistently identified as top priorities. Transit services – particularly for seniors and persons with disabilities – also received strong support, reinforcing the importance of maintaining a balanced program that addresses both roadway performance and accessibility needs.

Through Technical Advisory Committee working groups and elected official roundtables, representatives from cities emphasized the need for additional pavement maintenance funding. While M2 provides formula funding through the Local Fair Share Program to support local street maintenance, cities noted that rising construction costs, aging infrastructure, and increased traffic volumes are placing pressure on existing allocations. In response, while maintaining transparency and accountability, staff is proposing to evaluate the creation of a competitive pavement maintenance subprogram within the Regional Capacity Program in the Action Plan.

Engagement findings also highlight an opportunity to strengthen public awareness of M2-funded improvements. While most residents recognize OCTA and support continued transportation investment, fewer associate specific projects with M2. Support increases when residents are informed about how M2 funds are allocated and the projects that are delivered. Collectively, these findings indicate that M2 remains aligned with public expectations at the midpoint of the program, while reinforcing the importance of continued transparency and communication.

Next Steps

Upon Board approval, staff will proceed with implementation of the proposed Action Plan (Attachment C). Progress on Action Plan implementation will be reported to the Board through regular M2 Quarterly Reports and at key milestones. Consistent with the M2 Ordinance, staff will continue to monitor program performance, financial capacity, project delivery risks, public priorities, and changes in policy and planning assumptions to ensure continued successful delivery of the Plan.

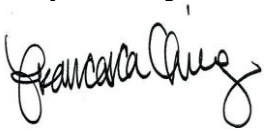
Summary

A comprehensive Review has been completed as required by the M2 Ordinance. The PMO led the Review with participation from OCTA divisions. The findings confirm that M2 remains aligned with voter commitments and Orange County transportation priorities. The final Review Report is presented for Board information along with an Action Plan for consideration.

Attachments

A. Measure M Investment Summary
B. Measure M2 Ten-Year Review Report
C. Measure M2 Ten-Year Review Proposed Action Plan

Prepared by:



Francesca Ching
Manager, Measure M2
Program Management Office
(714) 560-5625

Approved by:



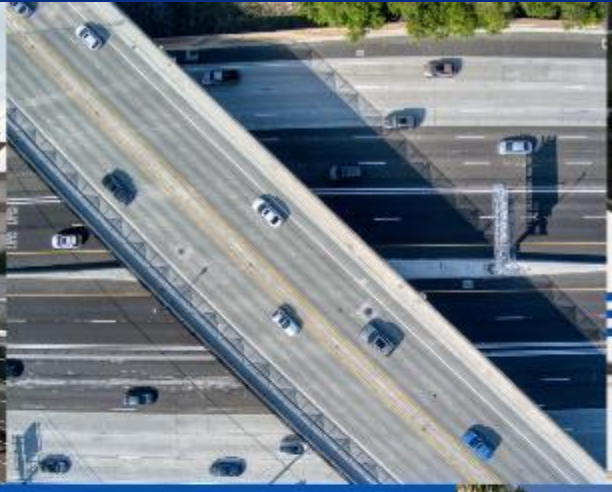
Rose Casey
Executive Director, Planning
(714) 560-5729

Measure M Investment Summary

LOCATION		PROJECTS	COSTS 2005 estimates in millions	
Freeway Projects (in millions)				**$4,871.1**
I-5	Santa Ana Freeway Interchange Improvements	A	$470.0	
I-5	Santa Ana/San Diego Freeway Improvements	B C D	1,185.2	
SR-22	Garden Grove Freeway Access Improvements	E	120.0	
SR-55	Costa Mesa Freeway Improvements	F	366.0	
SR-57	Orange Freeway Improvements	G	258.7	
SR-91	Riverside Freeway Improvements	H I J	908.7*	
I-405	San Diego Freeway Improvements	K L	1,392.5*	
I-605	Freeway Access Improvements	M	20.0	
All	Freeway Service Patrol	N	150.0	
Streets & Roads Projects (in millions)				**$3,625.0**
Regional Capacity Program		O	$1,132.8	
Regional Traffic Signal Synchronization Program		P	453.1	
Local Fair Share Program		Q	2,039.1	
Transit Projects (in millions)				**$2,832.0**
High Frequency Metrolink Service		R	$1,129.8*	
Transit Extensions to Metrolink		S	1,000.0	
Metrolink Gateways		T	57.9*	
Expand Mobility Choices for Seniors and Persons with Disabilities		U	392.8*	
Community Based Transit/Circulators		V	226.5	
Safe Transit Stops		W	25.0	
Environmental Cleanup (in millions)				**$237.2**
Clean Up Highway and Street Runoff that Pollutes Beaches		X	$237.2	
Taxpayer Safeguards and Audits (in millions)				**$296.6**
Collect Sales Taxes (State charges required by law)			$178.0	
Oversight and Annual Audits			118.6	
Total (2005 dollars in millions)				**$11,861.9**

*Asterisk notes project estimates that have been amended since 2006.







ATTACHMENT B

OCTA

Measure M2 Ten-Year Review

Presented to the Board of Directors on
April 27, 2026













Table of Contents

1. Executive Summary 9
2. Review Process 11
   - 2.1 Purpose 11
   - 2.2 Background 11
   - 2.3 Process 13
3. Planning and Policy Context 15
   - 3.1 State and Federal Legislation 15
   - 3.2 Land Use 17
   - 3.3 Growth 20
   - 3.4 Travel 36
   - 3.5 Summary and Conclusions 40
4. Financial Analysis 43
   - 4.1 Program Revenue and Assumptions 43
   - 4.2 Freeways 50
   - 4.3 Streets and Roads 51
   - 4.4 Transit 52
   - 4.5 Environmental Cleanup 54
   - 4.6 Summary and Conclusion 54
5. Project Delivery Analysis 56
   - 5.1 Historical Context and Strategic Evolution 56
   - 5.2 M2 Project Schedules and Status 57
   - 5.3 Delivery Risks/Constraints 78
   - 5.4 Summary and Conclusion 81
6. Public Priority Analysis 83
   - 6.1 Background 83
   - 6.2 Goals and Objectives 83
   - 6.3 Outreach and Data Collection Approach 83
   - 6.4 Key Themes 84
   - 6.5 Summary 85
7. Action Plan 87
8. Conclusion 90
9. Appendices 92
   - 9.1 Appendix A: M2 Amendments to Date 92
   - 9.2 Appendix B: State and Federal Legislation 93
   - 9.3 Appendix C: Maps 104
   - 9.4 Appendix D: M2 Project/Program Progress and Constraints 107
   - 9.5 Appendix E: M2 Project/Program Schedules 129
   - 9.6 Appendix F: M2 Ten-Year Review Community Engagement Summary Report 132

Table of Figures

Figure 3-1: Regional Population Density Comparison 20
Figure 3-2: Change in Orange County Population Density, 2011–2024 22
Figure 3-3: Orange County Population Density, 2024 23
Figure 3-4: Projected Change in Orange County Population Density, 2024–2041 24
Figure 3-5: Projected Orange County Population Density, 2041 25
Figure 3-6: Change in Orange County Housing Density, 2011–2024 27
Figure 3-7: Orange County Housing Density, 2024 28
Figure 3-8: Projected Change in Orange County Housing Density, 2024–2041 29
Figure 3-9: Orange County Housing Density Projection, 2041 30
Figure 3-10: Change in Orange County Employment Density, 2011–2024 32
Figure 3-11: Orange County Employment Density, 2024 33
Figure 3-12: Projected Change in Orange County Employment Density, 2024–2041 34
Figure 3-13: Projected Orange County Employment Density, 2041 35
Figure 3-14: Intercounty Worker Flow Patterns, 2011 37
Figure 3-15: Intercounty Worker Flow Patterns, 2022 38
Figure 3-16: Indexed Growth in Population, Housing, and Employment (2011–2041) 40
Figure 4-1: Historical M2 Revenue Forecasts 43
Figure 4-2: M2 Sales Tax Revenue Actuals and Projections (FY 2011–FY 2041) 44
Figure 4-3: Indexed Infrastructure Cost Correlates, 2016-2025 45
Figure 4-4: Range of Cost Fluctuations by Index Score 47
Figure 4-5: Orange County Business Council Orange County Transportation ICCPI Score Forecasts 47
Figure 4-6: M2 Program Funding Breakdown 48
Figure 4-7: Historical Trend in 20-Year AAA Municipal Bond Yields 49
Figure 4-8: Freeway Program Funding Breakdown 51
Figure 4-9: Streets and Roads Program Funding Breakdown 52
Figure 4-10: Transit Program Funding Breakdown 53
Figure 5-1: Freeway Program Cost and Status 58
Figure 5-2: FSP Motor Assists by Category 61
Figure 5-3: OC Bridges Program Cost and Status 63
Figure 5-4: Intersection LOS Comparison: Baseline vs. 2025 (AM and PM) 64
Figure 5-5: Regional Capacity Program: Annual Funding Utilization 65
Figure 5-6: RTSSP Outcomes 67
Figure 5-7: LFS Expenditures by Category 68
Figure 5-8: Transit Program Capital Projects Cost and Schedule 69
Figure 7-1: Proposed Action Plan 88
Figure 9-1: Orange County Population Density, 2011 104
Figure 9-2: Orange County Housing Density, 2011 105

Figure 9-3: Orange County Employment Density, 2011 106
Figure 9-4: M2 Freeway Projects Through Construction Schedule 129
Figure 9-5: M2 Freeway Projects Through Environmental Phase/Shelf Ready Schedule 130
Figure 9-6: M2 Transit Projects Through Construction Schedule 130
Figure 9-7: M2 ECP Grants and Call Schedule 131

Common Abbreviations

Agreed-Upon Procedures	AUP
American Recovery and Reinvestment Act	ARRA
American Rescue Plan Act	ARPA
Americans with Disabilities Act	ADA
Anaheim Rapid Connection	ARC
Anaheim Regional Transportation Intermodal Center	ARTIC
Assembly Bill	AB
BNSF Railway Company	BNSF
California Air Resources Board	CARB
California Department of Tax and Fee Administration	CDTFA
California Department of Transportation	Caltrans
California Environmental Quality Act	CEQA
California State Transportation Agency	CalSTA
California Transportation Commission	CTC
Call for Projects	Call
Comprehensive Business Plan	CBP
Congestion Management Program	CMP
Congestion Mitigation Air Quality	CMAQ
Conservation properties	Preserves
Construction Manager/General Contractor	CM/GC
Coronavirus	COVID-19
Coronavirus Aid, Relief, and Economic Security	CARES
Coronavirus Response and Relief Supplemental Appropriations Act	CRRSAA
Department of Motor Vehicles	DMV
Early Action Plan	EAP
Environmental Cleanup Program	ECP
Environmental Document	ED
Environmental Mitigation Program	EMP
Federal Transit Administration	FTA
Fédération Internationale de Football Association	FIFA
Fiscal year	FY
Fixing America's Surface Transportation	FAST
Freeway Service Patrol	FSP
Funding and Policy Guidelines	Guidelines
High-Occupancy Toll	HOT
High-Occupancy Vehicle	HOV
High-Speed Rail	HSR

Inflation Reduction Act	IRA
Infrastructure Construction Cost Pressure Index	ICCPI
Infrastructure Investment and Jobs Act	IIJA
Intersection Capacity Utilization	ICU
Interstate 5	I-5
Interstate 15	I-15
Interstate 405	I-405
Interstate 605	I-605
Level of Service	LOS
Local Fair Share	LFS
Los Angeles – San Diego – San Luis Obispo	LOSSAN
Low Carbon Transit Operations Program	LCTOP
Maintenance and Storage Facility	MSF
Maintenance of Effort	MOE
Master Plan of Arterial Highways	MPAH
Measure M	M1
Measure M2	M2
Mile Post	MP
National Environmental Policy Act	NEPA
Natural Community Conservation Plan/Habitat Conservation Plan	Conservation Plan
Next 10 Delivery Plan	Next 10 Plan
OCTA Board of Directors	Board
Orange County Business Council	OCBC
Orange County Local Transportation Authority	Authority
Orange County Transportation Authority	OCTA
Orange County Unified Transportation Trust	OCUTT
Ordinance No. 3	M2 Ordinance
Pacific Coast Highway	PCH
Project Report	PR
Project Study Report-Project Development Support	PSR-PDS
Regional Capacity Program	RCP
Regional Housing Needs Allocation	RHNA
Regional Traffic Signal Synchronization Program	RTSSP
Solutions for Congested Corridors Program	SCCP
Regional Transportation Plan	RTP
State of Good Repair	SGR
Renewed Measure M Transportation Investment Plan	Plan
Resource Management Plan	RMP
Right-of-Way	ROW

Riverside County Transportation Commission	RCTC
Santa Ana Regional Transportation Center	SARTC
Senate Bill	SB
Senior Mobility Program	SMP
Senior Non-Emergency Medical Transportation	SNEMT
Southern California Regional Rail Authority	Metrolink
State Route 55	SR-55
State Route 57	SR-57
State Route 71	SR-71
State Route 73	SR-73
State Route 74	SR-74
State Route 91	SR-91
State Route 133	SR-133
State Route 241	SR-241
State Transit Assistance	STA
State Transportation Improvement Program	STIP
Surface Transportation Block Grant	STBG
Sustainable Communities Strategy	SCS
Tax Cuts and Jobs Act	TCJA
Taxpayer Oversight Committee	TOC
Ten-Year Review	Review
Transit and Intercity Rail Capital Program	TIRCP
Transportation Infrastructure Finance and Innovation Act	TIFIA
United States	U.S.
Vehicle Miles Traveled	VMT
Year of Expenditure	YOE



1

Executive Summary

1. Executive Summary

In 2006, nearly 70 percent of voters approved the renewal of Measure M (M1) to continue Orange County's half-cent transportation sales tax for 30 years (2011 through 2041). Renewed Measure M, also referred to as Measure M2 (M2), funds a balanced program of freeway improvements, local streets and roads investments, transit enhancements, and environmental initiatives that are defined in the Renewed Measure M Transportation Investment Plan (Plan). M2 is administered by the Orange County Transportation Authority (OCTA), in its capacity as the Orange County Local Transportation Authority (OCTA), and is delivered in partnership with the County of Orange and the County's 34 cities. As required by Ordinance No. 3 (M2 Ordinance), this comprehensive Ten-Year Review (Review) evaluates M2 program performance and assesses whether changing conditions warrant adjustments to the Plan.

Overall, the Review finds that the M2 program remains on track to deliver the transportation improvements promised to voters. Since implementation, OCTA and its partners have made significant progress advancing projects and programs across all four investment categories. Major freeway improvements are underway or complete along key corridors, while cities continue to receive funding to maintain streets, repair pavement, improve intersections, and synchronize traffic signals. Transit investments have expanded mobility options and supported programs serving seniors and persons with disabilities, and environmental initiatives have preserved open space and funded projects that improve water quality and reduce pollution entering local waterways.

Independent performance assessments and program monitoring confirm that OCTA has maintained strong program management and fiscal stewardship. Oversight mechanisms—including annual audits, triennial performance assessments, and review by the Taxpayer Oversight Committee (TOC)—ensure transparency, accountability, and compliance with the M2 Ordinance, helping ensure that revenues are used as intended.

The Review also considers external factors that influence program implementation, including regulatory changes, land use, travel and growth projections, economic conditions, and public support. OCTA has responded by leveraging external funding opportunities, refining delivery strategies, and adjusting implementation plans where necessary. Because many program elements are scalable to available revenues, the program remains fiscally sustainable while continuing to deliver transportation improvements.

Public outreach conducted as part of the Review indicates continued support for the M2 program and its balanced approach to transportation investments. Stakeholders consistently emphasized the importance of maintaining existing infrastructure, addressing congestion, expanding multimodal travel options, and supporting environmental sustainability—priorities that align with the original objectives of the Plan.

Looking ahead, the M2 program remains well positioned to deliver the remaining projects and programs through 2041. The Action Plan outlined in Section 7 identifies targeted steps to strengthen program delivery, address emerging risks, and ensure that investments remain aligned with evolving transportation needs across Orange County. Continued collaboration among OCTA, local jurisdictions, regional partners, and community stakeholders will be essential to implement these actions. Through careful financial management, proactive planning, and adherence to strong taxpayer safeguards, the M2 program will continue to improve mobility, support economic vitality, and enhance quality of life for residents, businesses, and visitors throughout Orange County.



2

Review Process

2. Review Process

2.1 Purpose

M1, approved by Orange County voters in 1990, established a locally controlled half-cent sales tax to fund transportation improvements from 1991 through 2011. Over its 20-year duration, M1 delivered the projects promised to voters and demonstrated disciplined financial management supported by strong independent oversight.

> *"At least every ten years the Authority shall conduct a comprehensive review of all projects and programs implemented under the Plan to evaluate the performance of the overall program and may revise the Plan to improve its performance."*
>
> *— M2 Ordinance, Section 11*

Building on that success, nearly 70 percent of voters approved M2 in November 2006, extending the half-cent sales tax for an additional 30 years through 2041. The Plan includes a balanced portfolio of freeways, streets and roads, transit, and environmental investments designed to address Orange County's evolving mobility needs. The Plan also incorporates enhanced taxpayer safeguards to ensure continued transparency, accountability, and protection of voter-approved funds:

Built-In Taxpayer Safeguards

Foundational Requirements	Public Reporting Requirements	Funding Requirements
✓ Only approved projects and programs	✓ Quarterly reports	✓ Specific eligibility requirements for local jurisdictions
✓ Voters approve major changes	✓ Annual reports	✓ Funds provided shall augment, not replace, existing funds
✓ Independent TOC	✓ Triennial Performance Assessment	✓ Penalties for misuse of funds
✓ Annual public hearing and certification	✓ Review	✓ Limits on administrative/ oversight expenses
✓ Regular audits and reviews of expenditures		

One of the safeguards mandated by the Plan is the requirement to conduct a comprehensive review of the M2 program at least once every ten years to evaluate overall performance and determine whether refinements to the Plan are warranted. The Plan identifies specific elements that must be included in the Review.

The overarching purpose of the comprehensive review is to evaluate the performance of the Plan while ensuring the intent of the Plan as approved by the voters is not compromised for the 30-year duration.



2.2 Background

To accelerate Orange County transportation benefits, the OCTA Board of Directors (Board) has pursued the expeditious implementation of M2 through the adoption of delivery plans. In 2007, the Board adopted the Early Action Plan (EAP) to mobilize M2 projects and programs prior to sales tax revenue collection, which began April 1, 2011. Since that time, two other delivery plans

have been adopted, the M2020 Plan and Next 10 Delivery Plan (Next 10 Plan), which have directed advancement of projects and investments across all program areas.

The first Review, presented to the Board on October 12, 2015, considered November 8, 2006 as the effective date of the M2 Ordinance. This second Review builds on the previous Review, incorporates and aligns with the 2025 update of the Next 10 Plan, triennial performance assessments, and M2 Quarterly Progress Reports, along with a robust and inclusive public outreach campaign. Collectively, these inputs provide a comprehensive assessment of M2's progress to date, long-term outlook, and external factors affecting the delivery of the Plan.

Conducted at the midpoint of the 30-year program, this Review provides a timely opportunity to evaluate performance to date and to identify potential adjustments, as needed, to support the continued fulfillment of voter commitments.



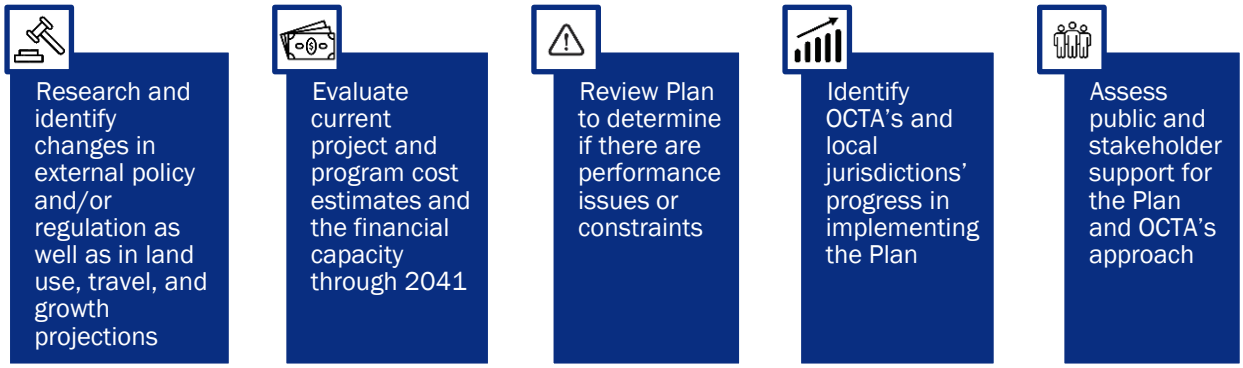
The M2 Ordinance establishes a defined process for amending the M2 Ordinance and the Plan. This process includes a public hearing, notification to local jurisdictions, approval by two-thirds vote of the TOC (if amending the Plan), and approval by the Board. Amendments within a transportation category (the Freeway Program, Streets and Roads Program, or Transit Program) in the Plan can be made using this process. An amendment that changes allocation among the transportation categories or to the funding allocation of the Local Fair Share (LFS) Program requires taking the amendment back to the voters. A list of M2 Ordinance and Plan amendments is included as Appendix A.

As the Review process was initiated, several important considerations were identified as foundational:

- Success of M1 was based on delivering the improvements as promised to the voters - promises made, promises kept;
- The Plan was developed based on market research, stakeholder input and approved by nearly 70 percent of Orange County voters;
- M2 is a balanced plan that emphasizes transportation system performance, multimodal mobility, infrastructure preservation, and environmental sustainability;
- All M2-related actions must remain consistent with the Plan's transparency and accountability safeguards;
- Currently at the midpoint of the 30-year program; and
- With substantial work currently underway across all program areas, no major changes to the Plan are recommended at this time.

2.3 Process

The second Review kicked off with the Board through an M2 Workshop in September 2024, which served to reintroduce M2, highlight key accomplishments to date, and outline the statutory requirement for the effort. Building on that discussion, staff presented the Review framework in October 2024, which detailed the scope, areas of analysis, and the following five objectives:



Progress updates were provided to the Board throughout the review period, both as standalone items and as part of regular M2 Quarterly Progress Reports. This ongoing communication ensured transparency and allowed staff to incorporate Board feedback into the development of the report.

The Review was developed through a collaborative, agencywide effort led by OCTA's M2 Program Management Office (PMO) with guidance from the M2 Program Management Committee. This group, composed of management and staff from all divisions of OCTA, meets regularly to coordinate the implementation of M2 and direct the comprehensive review effort, which included four categories of analysis:

Planning and Policy Context	Financial Analysis	Project Delivery Analysis	Public Priority Analysis
• Assessed changes in transportation policies, plans, and regulations at the local, state, and federal levels. • Examined land use, travel behavior, and growth projections to evaluate implications for M2 project delivery.	• Reviewed sales tax revenue performance, long-term forecasts, bonding assumptions, and overall fiscal capacity. • Evaluated updated project cost estimates—planning, capital, and operating—and their impact on the ability to deliver the Plan through 2041.	• Measured progress toward implementing the Plan, including coordination with partner agencies such as the California Department of Transportation (Caltrans) and local jurisdictions. • Identified delivery successes, challenges, and potential constraints across the full portfolio of M2 projects, including freeway, transit, street and road, and environmental programs.	• Engaged stakeholders through a robust public outreach campaign, including briefings with cities and committees, and conducted surveys to assess awareness of and support for M2 and its long-term priorities.

The following sections present the results from each of the four areas of analysis and provide an evaluation of the M2 Program performance to date. Based on these evaluations and findings, a proposed Action Plan was prepared to address opportunities and risks, as summarized in Section 7, Action Plan.



3

Planning and Policy Context

3. Planning and Policy Context

Reviewing the Changes Affecting Orange County's Transportation Systems

To assess the evolving conditions affecting Orange County's transportation system, the review examines not only changes in the policy and regulatory environment, but also shifts in land use, growth patterns, and travel patterns since the adoption of M2. The Review includes a summary of significant federal and state legislation enacted between 2006 and 2014, followed by a more detailed examination of legislative and regulatory developments from 2015 through 2025. In parallel, this analysis considers how changes in population, housing, and employment have influenced travel demand and infrastructure needs. Travel patterns about where people work and live have evolved over the past decade, shaped by regional job/housing imbalances, increased intercounty commuting, and the growth of alternative work schedules and arrangements. Collectively, these policies, land use, growth, and travel trends provide important context for evaluating transportation planning, funding, and project delivery, and for assessing their implications for the performance and continued implementation of the M2 Program.

3.1 State and Federal Legislation

M2 has been central to funding and delivering a wide range of transportation projects throughout Orange County. The success of these projects has been shaped by a complex and evolving legislative landscape at both the state and federal levels. Since voter approval in 2006 - and with a particular emphasis over the past decade - numerous laws have influenced how OCTA finances, plans, and implements its M2 commitments. Legislative actions have touched on key areas such as transportation funding, environmental regulation, tolling authority, transit operations, procurement methods, and infrastructure investment, each contributing to the broader conditions under which OCTA operates.



At both the state and federal level, legislation has played a dual role in both enabling and constraining project delivery. Funding-related bills often provided critical opportunities to supplement M2 revenues, while new environmental and regulatory mandates introduced layers of compliance that sometimes increased project complexity, timelines, or costs. These shifts required OCTA to be proactive, adaptable, and strategic in order to ensure timely and cost-effective delivery. OCTA has strategically pursued legislation to advance and streamline the delivery of major infrastructure initiatives, maximizing the impact of M2 dollars and ensuring taxpayer investments go further. At the same time, federal legislation since 2015, including economic stimulus packages provided during the pandemic, infrastructure investment acts, and expanded transit funding initiatives, has directly influenced OCTA's access to federal grants and broader funding programs.

3.1.1 Funding Stability and Leverage



State and federal transportation funding legislation has played a critical role in supplementing M2 revenues and enabling OCTA to advance voter-approved projects more efficiently. Major state funding initiatives enacted since 2015 have provided revenue streams for freeways, streets and roads, transit capital, and operations. These programs enhanced funding predictability and allowed OCTA to strategically leverage external resources to accelerate delivery of programs and projects as sales tax revenues fluctuated.

At the federal level, multi-year surface transportation authorization acts and subsequent extensions helped stabilize formula funding for freeways and transit, supporting long-term planning and project delivery. More recently, federal infrastructure and recovery legislation expanded discretionary funding opportunities, enabling OCTA to pursue competitive grants aligned with M2 priorities.

These funding dynamics – and the degree to which external funds supplement M2 – are discussed further in Section 4, Financial Analysis, including assumptions related to long-term revenues, external funding availability, and fiscal capacity through 2041. The implications of these assumptions for program delivery are reflected in Section 5, Project Delivery Analysis, and are carried forward into Section 7, Action Plan, which identifies strategies to manage economic and funding uncertainty.

3.1.2 Project Delivery Flexibility



Legislative actions over the past decade expanded the tools available to transportation agencies to manage delivery in an increasingly complex construction environment. State legislation broadened authority for alternative delivery methods such as design-build, construction manager/general contractor (CM/GC), and progressive design-build, providing agencies with greater flexibility to manage risk, control costs, and compress schedules for large and technically challenging projects.

OCTA has utilized these authorities to improve delivery of M2 investments, particularly the Interstate 405 (I-405) Improvement Project. These delivery methods have supported OCTA's efforts to reduce schedule risk, manage cost escalation, and deliver benefits earlier where feasible—an outcome that is evaluated in Section 5, Project Delivery Analysis, including schedule status and delivery constraints.

3.1.3 Environmental and Regulatory Requirements

Environmental and climate-related legislation enacted at the state and federal levels has substantially influenced transportation planning and project delivery under M2. Changes to environmental review processes, performance metrics, and greenhouse gas reduction targets increased the complexity of advancing transportation projects.



OCTA has responded by proactively adapting its delivery approach, including integrating sustainability and mitigation strategies into project design, coordinating closely with Caltrans, and advancing programmatic approaches to mitigation where appropriate. These regulatory influences and their implications for project delivery risk are reflected in Section 5.4, Delivery Risks, including the report's discussion of regulatory uncertainty and approval requirements.

Because environmental and regulatory shifts can affect both costs and delivery timelines, the potential implications for financial capacity—including assumptions associated with future project approvals and cost escalation—are addressed in Section 4, Financial Analysis.

3.1.4 Transit Operations and Resilience

Legislation affecting transit funding and operations has influenced M2 implementation. State actions related to transit assistance programs, low-carbon transit initiatives, and fare policy provided both flexibility and new compliance obligations for transit operators. These measures supported investments in emissions reduction, service expansion, and fare affordability, while reinforcing accountability and reporting requirements.

At the federal level, emergency relief legislation enacted in response to the coronavirus (COVID-19) pandemic played a critical role in stabilizing transit operations during an unprecedented period of ridership loss and revenue decline. These funds helped maintain essential transit services and workforce capacity, supporting continuity of operations during the pandemic recovery period.



More recent legislative attention to climate resilience and rail corridor sustainability has highlighted emerging risks associated with extreme weather, coastal erosion, and long-term infrastructure reliability. These issues are particularly relevant to rail operations and are reflected in the Review's evaluation of transit program sustainability, including risk considerations related to long-term Southern California Regional Rail Authority (Metrolink) service and corridor resilience.

Accordingly, this topic is carried forward in Section 4.4, Transit (Financial Analysis) and Section 5, Project Delivery Analysis, which discuss the intersection of service levels, ridership recovery, operating costs, and funding capacity. It also directly informs the recommended monitoring and decision points identified in Section 7, Action Plan, particularly actions related to Metrolink sustainability and resilience planning.

3.1.5 Summary and Implications for M2

These legislative developments formed an ever-changing framework within which OCTA had to operate to fulfill its M2 obligations. While some policies streamlined project delivery or expanded resources, others introduced new challenges that had to be carefully managed. Despite this, OCTA has successfully met its voter-mandated objectives by aligning its strategies with both state and federal legislative trends, ensuring that Orange County's transportation network continues to evolve in step with policy and public need. Further details on specific legislation signed into law on topics impacting OCTA, particularly those that have influenced the financing, delivery, and oversight of M2, is provided in Appendix B.

3.2 Land Use

Land-use patterns play a central role in shaping travel behavior, transportation demand, and the effectiveness of mobility investments. Since the approval of M2 in 2006, land-use policy and development patterns in Orange County have evolved incrementally rather than undergoing a fundamental shift. While state and regional policies have increasingly emphasized compact development, infill, and transit-oriented strategies, Orange County remains largely built out, and the pace and scale of land-use change have been influenced by market conditions, local planning decisions, and physical and environmental constraints.



It is important to note that OCTA does not have control over the location, type, or intensity of land-use development throughout Orange County. Growth in population and employment are additional factors that are closely tied to land use, which OCTA has little influence over.

Over the past decade, state legislation and regional planning initiatives have strengthened the formal linkage between land use and transportation planning. These policies have introduced new analytical requirements and planning frameworks, but they have not altered the voter-approved structure of the Plan. As a result, M2 investments continue to reflect Orange County's existing development patterns while adapting to evolving regulatory and planning contexts.

3.2.1 State Policy Influence on Local Land Use

SB 375 (Chapter 728, Statutes of 2008) requires regional transportation plans to incorporate a Sustainable Communities Strategy (SCS) that aligns land use and transportation investments with greenhouse gas reduction targets. While M2 predates SB 375, its projects and programs are incorporated into the Regional Transportation Plan (RTP)/Sustainable Communities Strategy, demonstrating consistency with regional climate and mobility objectives. Importantly, SB 375 does not require changes to voter-approved local transportation sales tax plans, allowing M2 to remain focused on delivering the projects and programs promised to voters while adapting to evolving policy requirements. In Orange County, implementation of the SCS has progressed incrementally, with jurisdictions advancing land-use policies that support compact development, higher residential densities, and transit-oriented development near major corridors and activity centers.

Specifically for M2, the Plan as a whole includes elements that support and enhance regional SCS in Orange County. Brief summaries of the specific programs are listed below:

Projects A through N	Freeway improvements and Freeway Service Patrol (FSP) provide emission reductions through congestion relief
Freeway Environmental Mitigation Program (EMP)	Natural resource protection strategy to provide for more comprehensive mitigation of environmental impacts from M2 Freeway Program projects
Projects O and P	Traffic signal synchronization and street improvements provide emission reductions through congestion relief and allow for bicycle and pedestrian project elements
Project Q	Local funding for city-selected transportation projects that provides for preservation of the streets and roads system and includes bicycle, pedestrian, water quality, and transit enhancements as eligible expenditures
Project R	Expanded Metrolink service including improvements to stations and parking to improve transit reliability, convenience, and reduce reliance on freeways
Project S	Transit extensions to improve access between Metrolink stations, residential, and employment centers and provide an alternative to driving
Project T	Station to connect to planned future high-speed rail (HSR) services
Project U	Sustain mobility choices for seniors and persons with disabilities and provides an alternative to driving
Project V	Community-based transit/circulators to complement regional transit services with local communities and provides an alternative to driving
Project W	Transit stop improvements to support transfers between major bus lines and provide passenger amenities such as shelter improvements, enhanced lighting, bicycle racks, and trash receptacles
Project X	Water quality improvement programs/projects to meet federal Clean Water Act standards for urban runoff and augment required mitigations

Another significant policy shift occurred with the implementation of SB 743, which replaced traditional automobile level of service (LOS) with vehicle miles traveled (VMT) as the primary metric for evaluating transportation impacts under the California Environmental Quality Act (CEQA). This change reduced the

emphasis on congestion mitigation as a sole driver of transportation improvements and increased the focus on reducing overall vehicle travel. However, congestion, safety, and system reliability remain critical operational concerns for local jurisdictions and transportation agencies. As a result, while project evaluation metrics have evolved, the underlying travel demand generated by Orange County's land-use patterns has continued to necessitate investments in freeway, arterial, and multimodal infrastructure.

State housing legislation enacted over the past decade has also influenced land-use planning across Orange County. Higher Regional Housing Needs Allocation (RHNA) targets and laws intended to streamline housing development – particularly near transit corridors – have prompted zoning changes and increased residential capacity in certain areas, most notably in north and central County. While these changes support long-term goals related to housing supply and sustainability, transportation impacts associated with new development often materialize before meaningful shifts in travel behavior occur. As a result, transportation infrastructure continues to play a critical role in accommodating growth while supporting gradual transitions toward multimodal travel. Over time, these land-use changes have the potential to alter travel patterns by increasing proximity between housing, employment, services, and transit, though the transportation impacts of these policies are expected to materialize gradually.

3.2.2 Local Land-Use Trends

At the local level, many Orange County local jurisdictions have continued to advance complete streets policies designed to enhance safety, accessibility and convenience to expand active transportation networks, including bicycle and pedestrian facilities. These improvements enhance safety, provide first- and last-mile connections to transit, and support local mobility. M2 streets and roads programs – particularly the Regional Traffic Signal Synchronization Program (RTSSP) – have complemented these efforts by improving system efficiency within constrained rights-of-way (ROW). While active transportation has become an increasingly important component of the transportation system, it functions primarily as a complement to, rather than a replacement for, automobile travel given existing land-use patterns. Particularly, south Orange County remains predominantly auto oriented due to lower density. As a result, providing frequent, cost-effective transit service remains challenging in many areas despite increasing state-level emphasis on mode shift.



Emerging land-use considerations related to climate adaptation and goods movements have also become more prominent over the past decade. Coastal communities face growing challenges related to sea level rise, coastal erosion, and flooding, while inland and hillside areas are increasingly affected by wildfire risk and extreme heat. Recent state legislation has emphasized integrating climate adaptation and resilience into transportation and land-use planning, influencing decisions about development location, infrastructure design, and long-term system protection. At the same time, the growth of e-commerce and logistics-related land uses has increased demand for reliable freeway and arterial access, particularly in employment and industrial areas.



Changes in goods movement and logistics have introduced additional land use and transportation considerations. Growth in e-commerce, warehousing, and last-mile distribution has increased freight activity and truck travel, often in areas not historically designed for high volumes of goods movement. These trends raise land-use compatibility challenges related to truck access, roadway design, air quality, and impacts on nearby residential communities. Coordinating land-use policy with freight and goods movement planning is increasingly important to managing these impacts while supporting economic activity.



Equity and environmental justice considerations have also become more prominent in land-use decision-making. State and federal legislation increasingly emphasizes ensuring that transportation and land-use investments do not disproportionately burden disadvantaged communities and that the benefits of improved mobility, access, and environmental quality are shared

equitably. Land-use policies influence access to housing, employment, transportation options, and essential services, making equity a key consideration as Orange County continues to accommodate growth.

3.2.3 Implications for Transportation and M2

Overall, land-use changes over the past decade have not fundamentally altered the assumptions or structure of the M2 Plan. Orange County remains a largely built-out region characterized by incremental infill, redevelopment, and gradual increases in density concentrated in specific areas. These patterns reinforce the importance of a balanced transportation investment strategy that addresses roadway performance, supports multimodal options where appropriate, and responds to evolving policy and environmental conditions.

As Orange County continues to respond to state mandates, housing pressures, climate-related risks, and changes in travel behavior, ongoing coordination between land-use planning and transportation investment will remain essential. The Plan—developed to reflect local conditions and voter priorities—continues to provide the flexibility needed to address these evolving land-use dynamics while maintaining consistency with the commitments made to voters.

3.3 Growth

Orange County is one of California's most populous and economically significant regions, home to several million residents and jobs distributed across 34 cities. Within the footprint of nearly 800 square miles and 42 miles of coastline, the County functions as a major regional employment center while also attracting substantial recreational and visitor travel which generates travel demand that extends beyond daily commuting.



Orange County is highly urbanized, with nearly all residents living within a relatively compact developed footprint. Population densities in many areas approach or exceed several thousand people per square mile, reflecting limited land availability and a long-standing emphasis on infill development. Several cities, including the City of Santa Ana, rank among the most densely populated mid-sized cities in the nation.

Consistent with long-term regional growth trends, Orange County has experienced sustained growth since 2011 across population, housing, and employment. Over this period, population, job, and housing growth have all increased at meaningful rates, accompanied by growth in travel demand on arterial and local roadways. The following sections describe recent and projected growth trends in population, housing, and employment, followed by an assessment of how these trends influence travel behavior and worker flow patterns within and beyond Orange County.

3.3.1 Population

Orange County is home to over 3.1 million residents, making it the third most populous county in California and the sixth largest county in the nation with a population larger than 18 states. Not only is Orange County populous, but it has the second highest density in California with the average population density of nearly 4,000 residents per square mile (see Figure 3-1).

Figure 3-1: Regional Population Density Comparison

COUNTY POPULATION PER SQUARE MILE	
COUNTY	POPULATION PER SQUARE MILE
Orange	3,999
Los Angeles	2,403
San Diego	783
Riverside	351
California (Statewide)	253
San Bernardino	110

Source: U.S. Census Bureau, Population Division
Annual Estimates of the Resident Population for Counties in California

Since 2011, Orange County population has grown by approximately 3.8 percent. As shown in Figure 3-2 and Figure 3-3, the most pronounced growth occurred

in cities such as Anaheim, Irvine, as well as in unincorporated areas. Much of the County's coastal and southern areas experienced more modest growth, consistent with limited land availability and established development patterns.

Orange County has experienced notable growth in its older population over the past decade. Based on 2010 and 2020 United States (U.S.) Census data, the number of residents aged 60 and older increased on average by 40 percent, significantly outpacing overall population growth. This demographic shift reflects the aging of the baby boomer generation and is expected to continue over the coming decade. As the population ages, transportation needs evolve, which reinforces the importance of maintaining and enhancing programs that support mobility needs. Further discussion about this is included in Section 5.2.3.

Looking ahead, population growth is projected to continue this trend of incremental, infill-oriented growth. By 2041, population density is anticipated to increase by approximately 5.5 percent, with most growth in central Orange County and along key transportation corridors while growth in southern and eastern portions of the County remains comparatively dispersed (see Figure 3-4). Overall, projections suggest that future population increases will largely occur within the existing urban footprint, placing continued emphasis on efficient land use and the capacity of the current transportation system (see Figure 3-5).



These population trends underscore the importance of focusing transportation investments on areas with higher and growing densities, where demand for mobility options is greatest. As Orange County accommodates additional residents, ensuring reliable, multimodal transportation access will be critical to supporting mobility, economic vitality, and quality of life.

See Appendix C for a map of Orange County Population Density in 2011.

Figure 3-2: Change in Orange County Population Density, 2011–2024

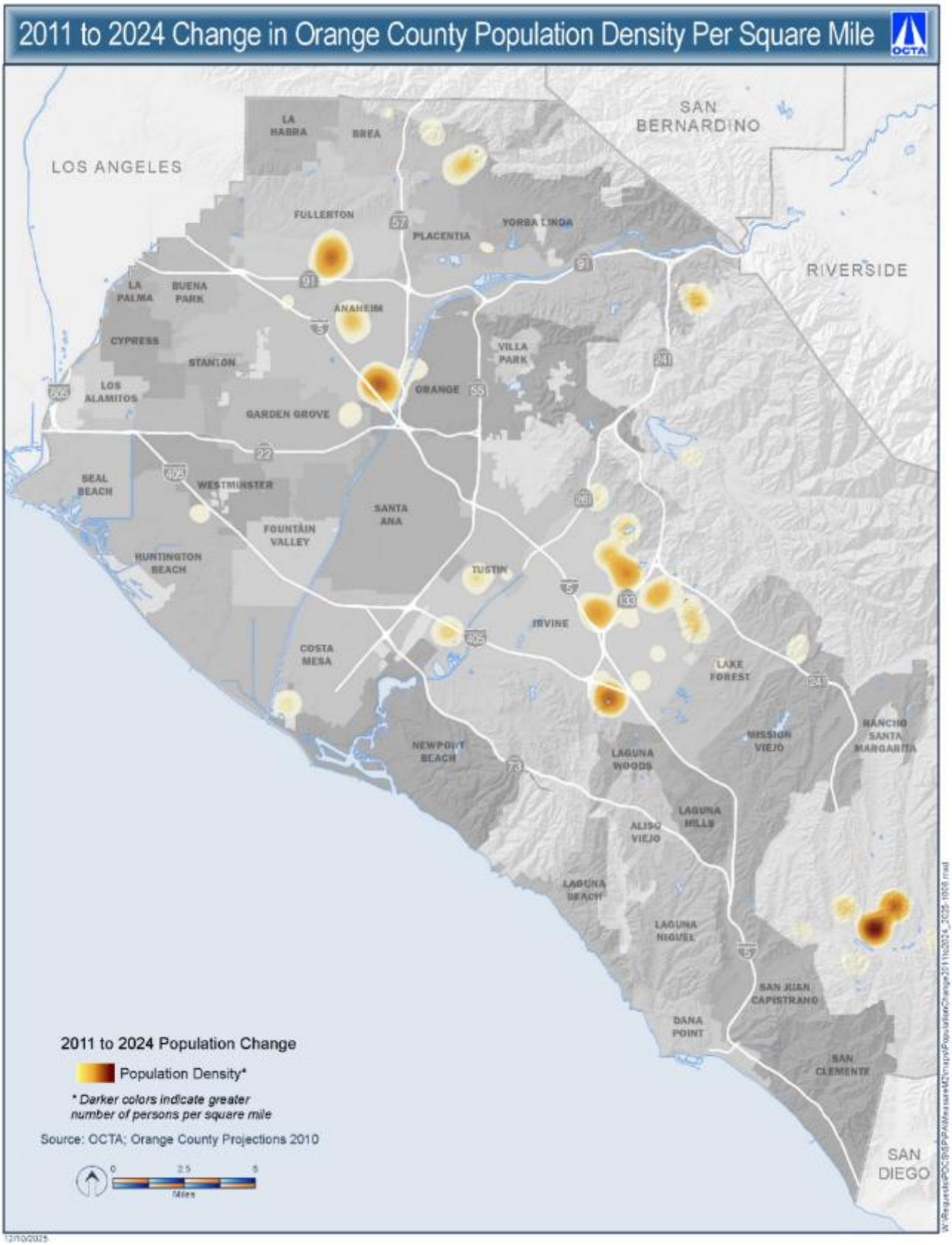


Figure 3-3: Orange County Population Density, 2024

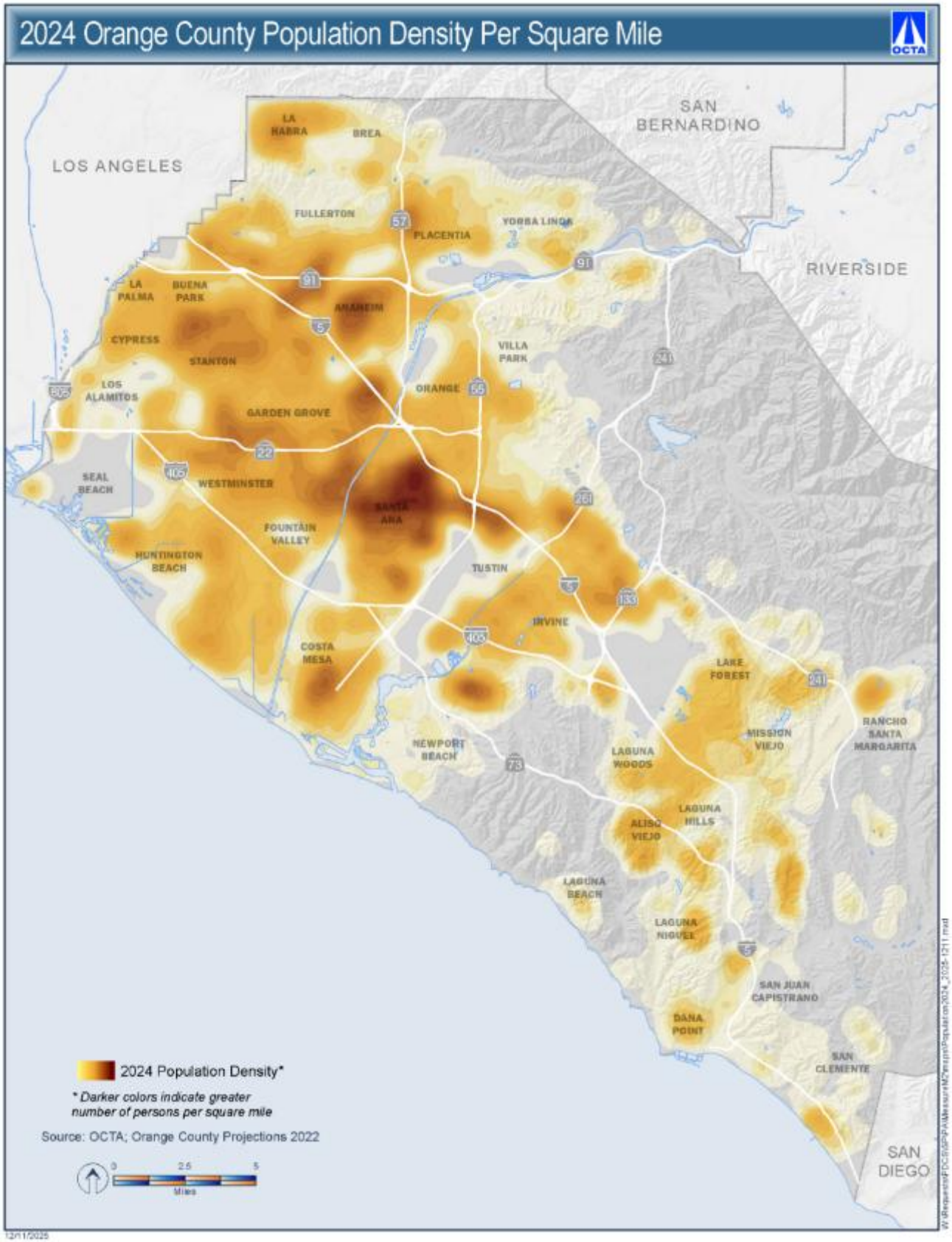


Figure 3-4: Projected Change in Orange County Population Density, 2024–2041

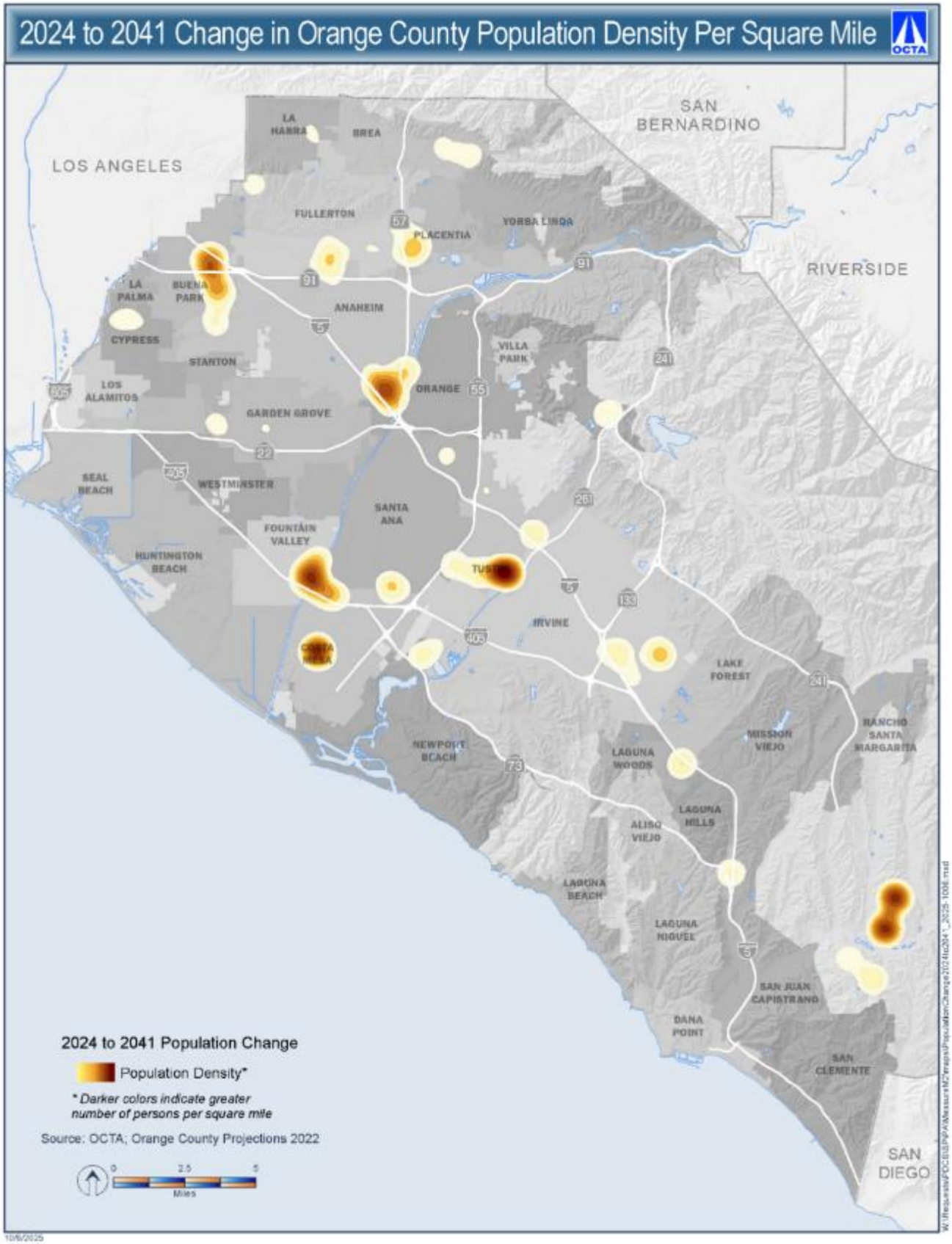
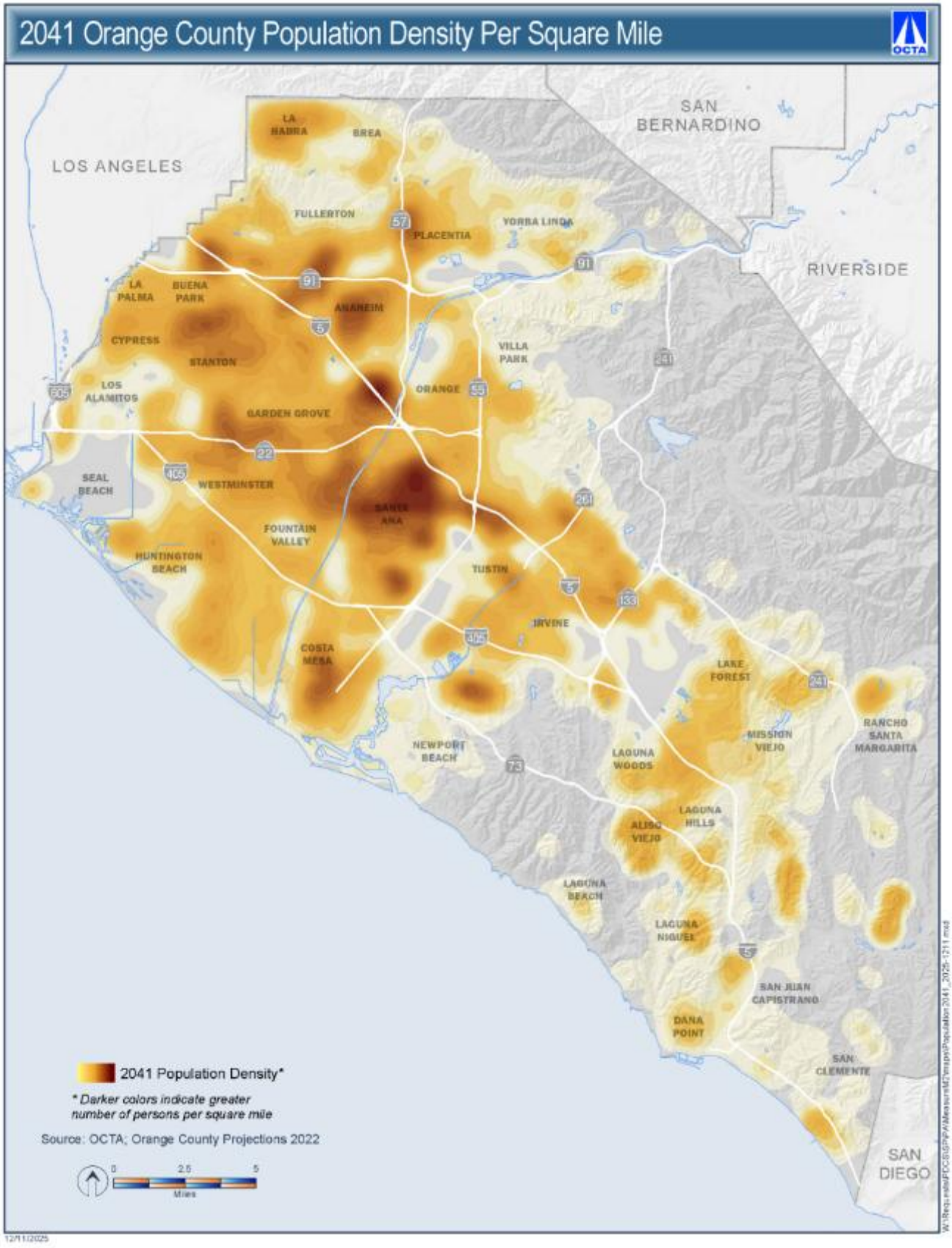


Figure 3-5: Projected Orange County Population Density, 2041



3.3.2 Housing

Housing growth in Orange County has increased by approximately 10.2 percent. As shown in Figure 3-6 and Figure 3-7, notable increases in housing density since 2011 have generally occurred within the County's existing urbanized footprint, though the intensity and location of growth have varied across jurisdictions.

Housing growth is projected to continue at a moderate pace (10.2 percent) through 2041 in general areas as reflected in Figure 3-8. The 2041 projected housing density map (Figure 3-9) generally indicates continued intensification in central Orange County and along major transportation corridors, including areas near freeway interchanges and regional employment centers.

Overall, these housing trends suggest that Orange County will accommodate future growth largely through redevelopment and increased residential density, which underscores the need for transportation investments that enhance multimodal accessibility, relieve congestion, and address travel demand.

See Appendix C for a map of housing density per square mile in 2011.



Figure 3-6: Change in Orange County Housing Density, 2011–2024

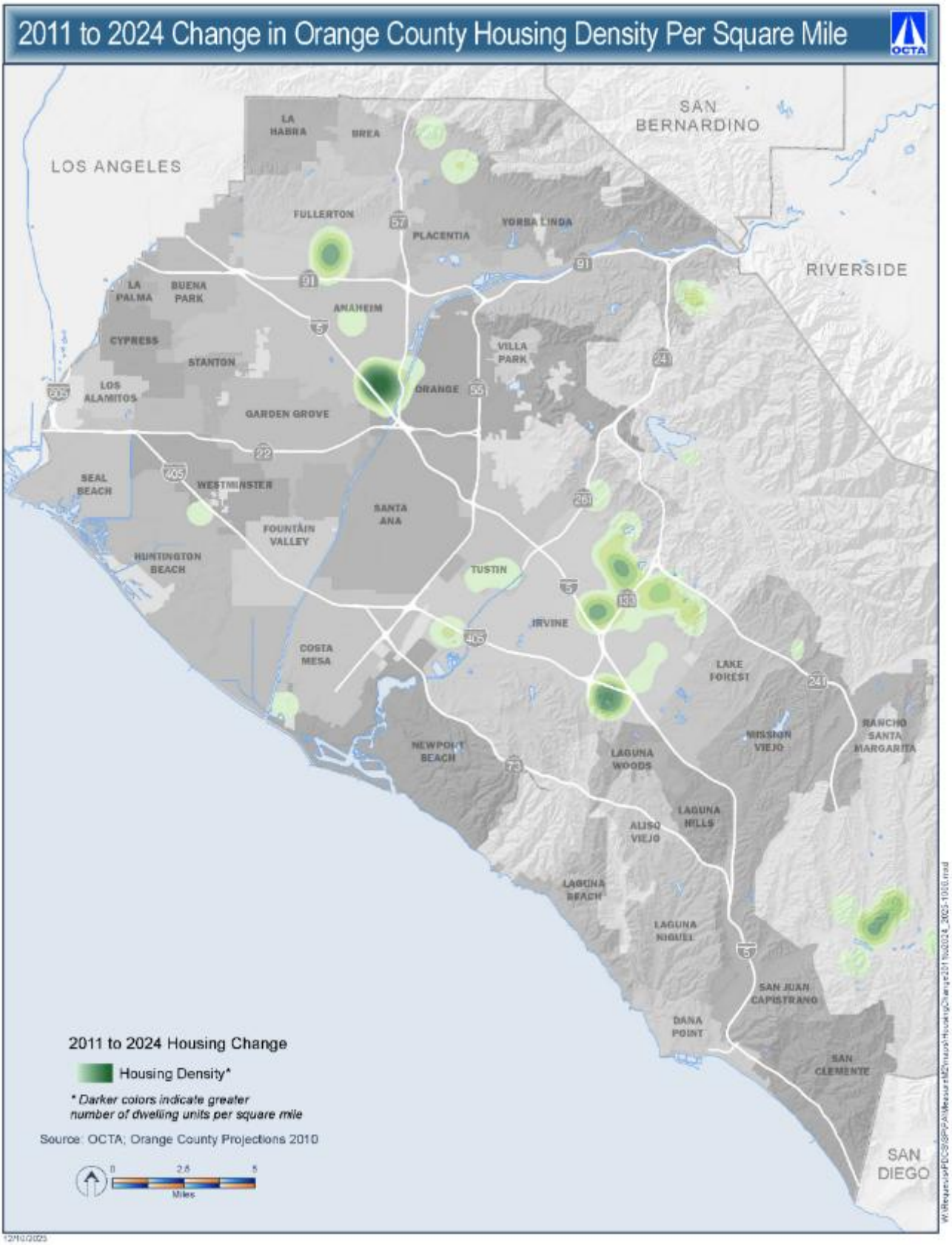


Figure 3-7: Orange County Housing Density, 2024

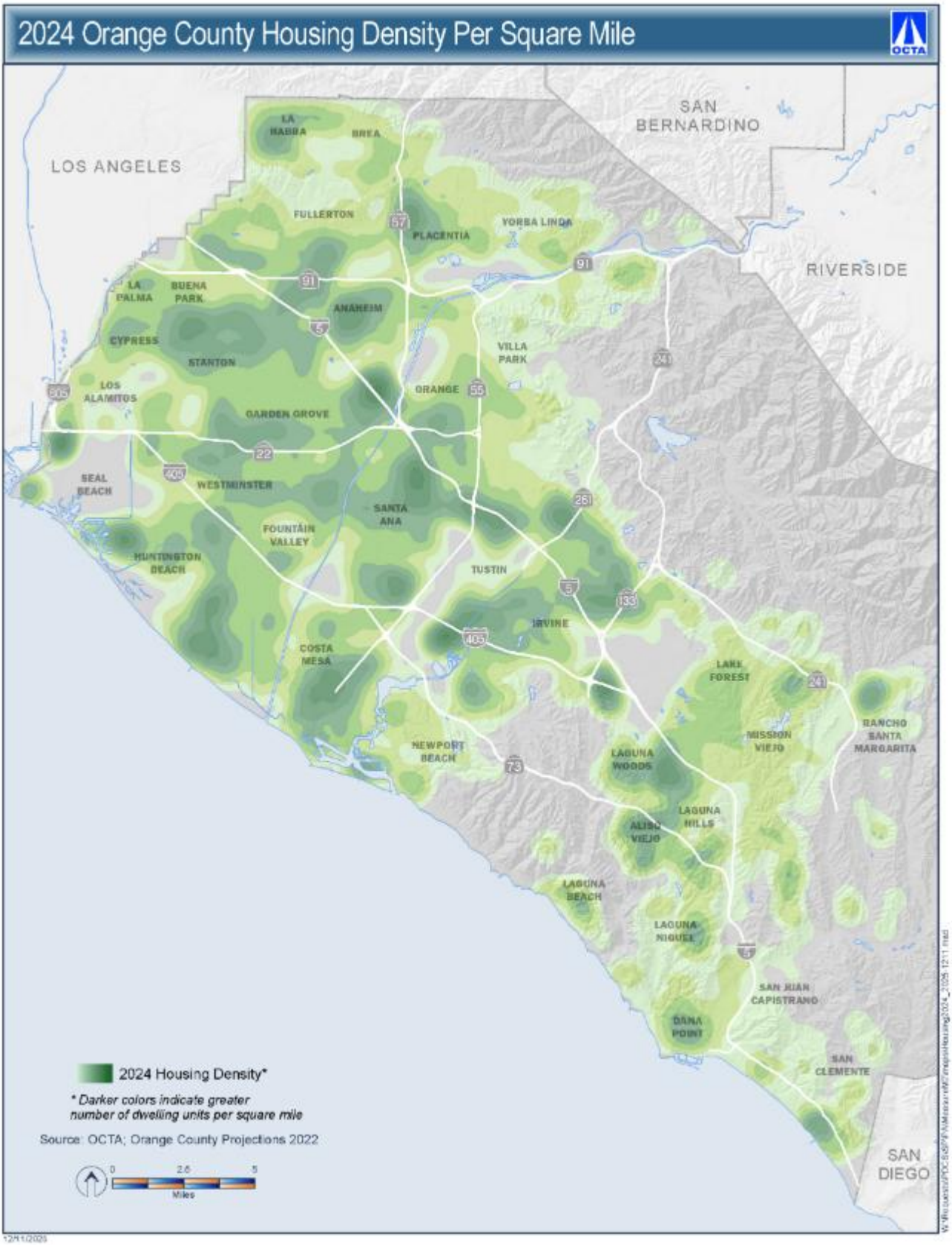


Figure 3-8: Projected Change in Orange County Housing Density, 2024–2041

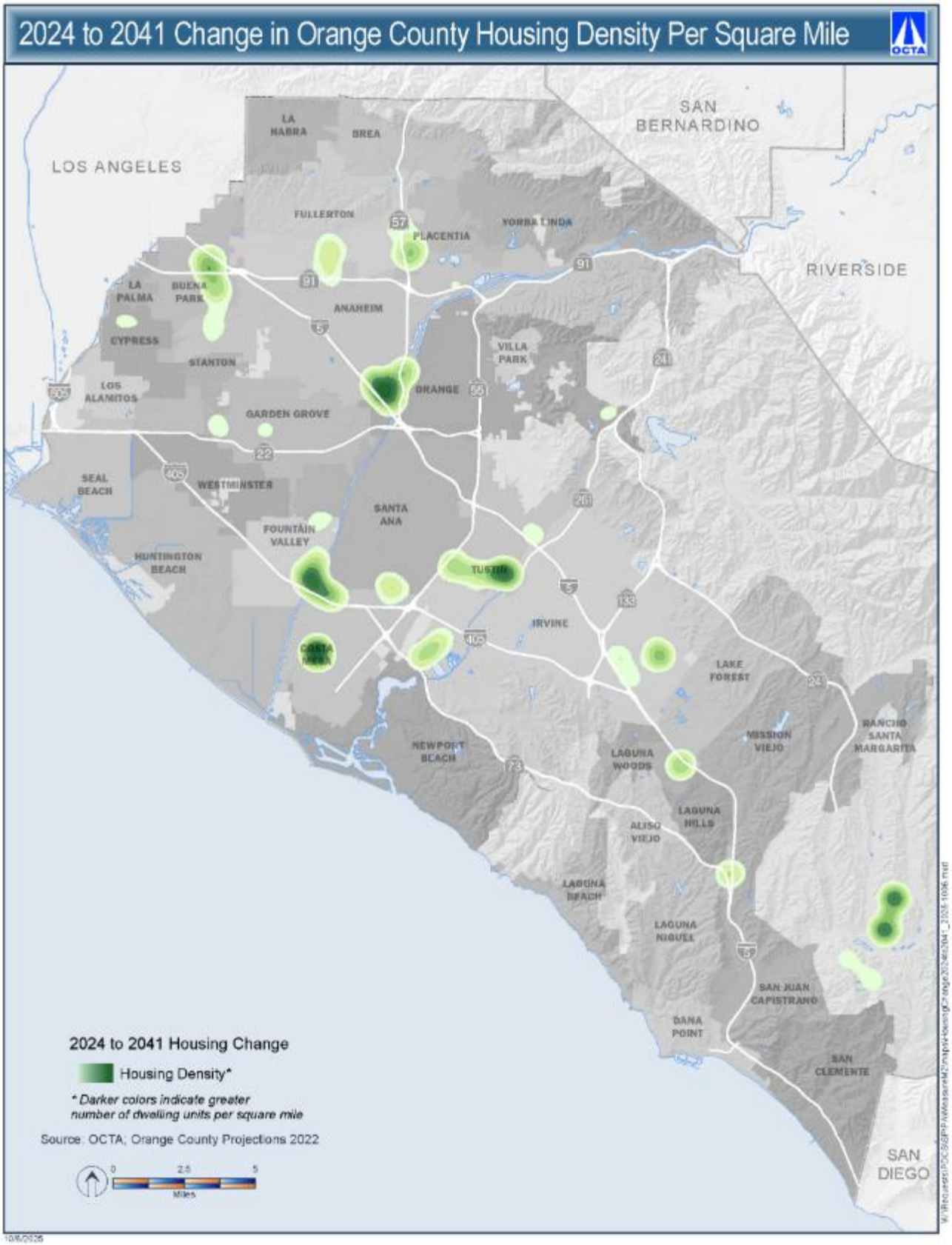
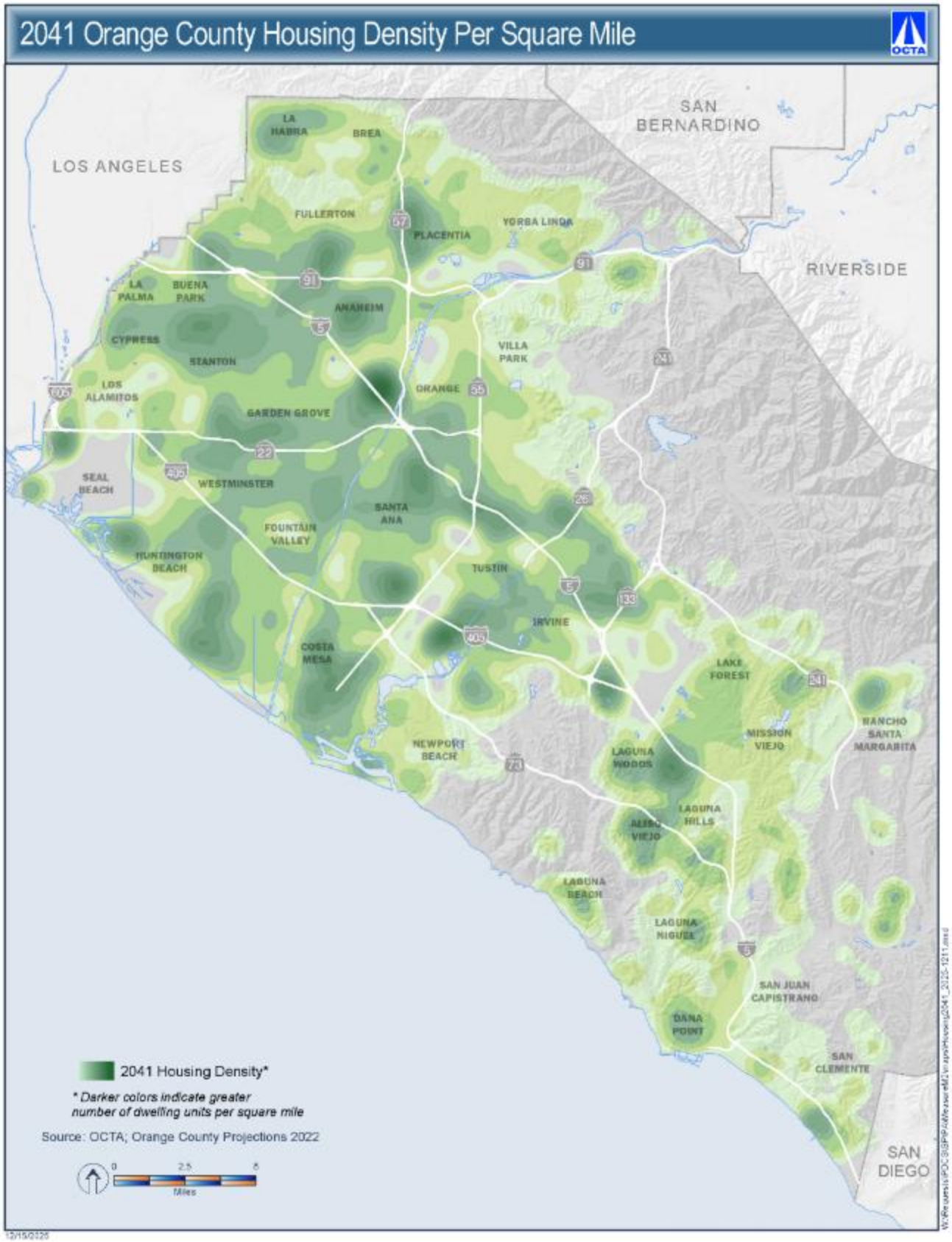


Figure 3-9: Orange County Housing Density Projection, 2041



3.3.3 Employment

Employment growth in Orange County has remained concentrated in established job centers, reflecting long-standing land-use patterns and access to regional transportation infrastructure. Since 2011, changes in employment density were generally in central Orange County (see Figure 3-10 and Figure 3-11). Notable employment growth during this period occurred in key employment hubs and along freeway corridors. Employment changes in South County and more suburban areas were comparatively modest and more dispersed, consistent with their predominantly residential land-use patterns.

Looking ahead to 2041, employment growth is projected to continue focusing on existing employment centers rather than creating new, large-scale job concentrations. The 2041 employment density map (see Figure 3-12 and Figure 3-13) indicates further intensification in central Orange County and within major business districts, including areas near regional activity centers, medical campuses, and established office and industrial zones. Projected employment growth also follows key transportation corridors, highlighting the ongoing relationship between job location decisions and regional accessibility.

Overall, employment trends suggest that future job growth in Orange County will largely build upon existing employment hubs, reinforcing the importance of reliable and efficient transportation connections between residential areas and major job centers. These patterns emphasize the need for continued investment in multimodal transportation options, congestion management strategies, and corridor-based improvements to support commuting patterns and regional economic activity.

See Appendix C for a map of Orange County Employment Density Per Square Mile in 2011.



Figure 3-10: Change in Orange County Employment Density, 2011–2024

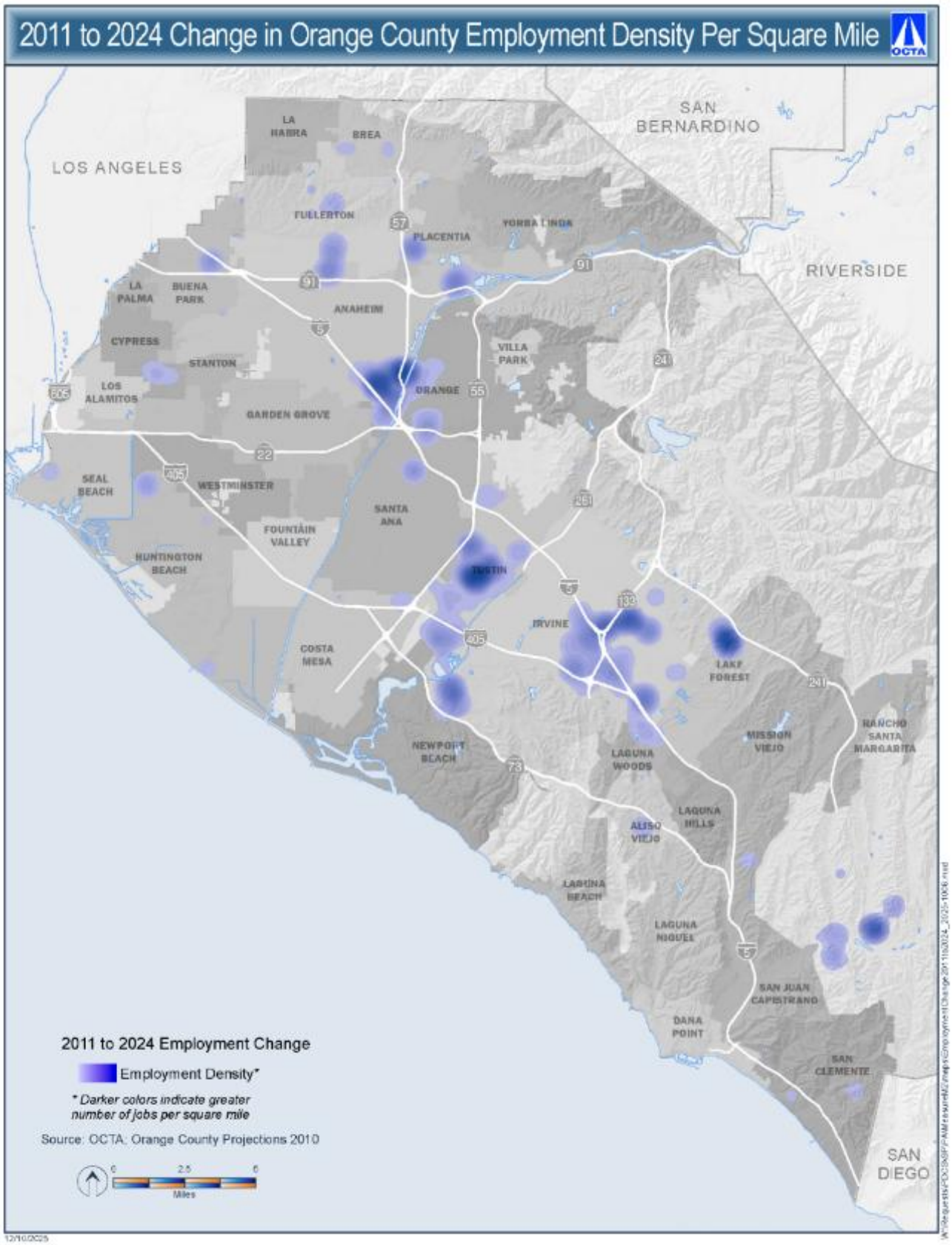


Figure 3-11: Orange County Employment Density, 2024

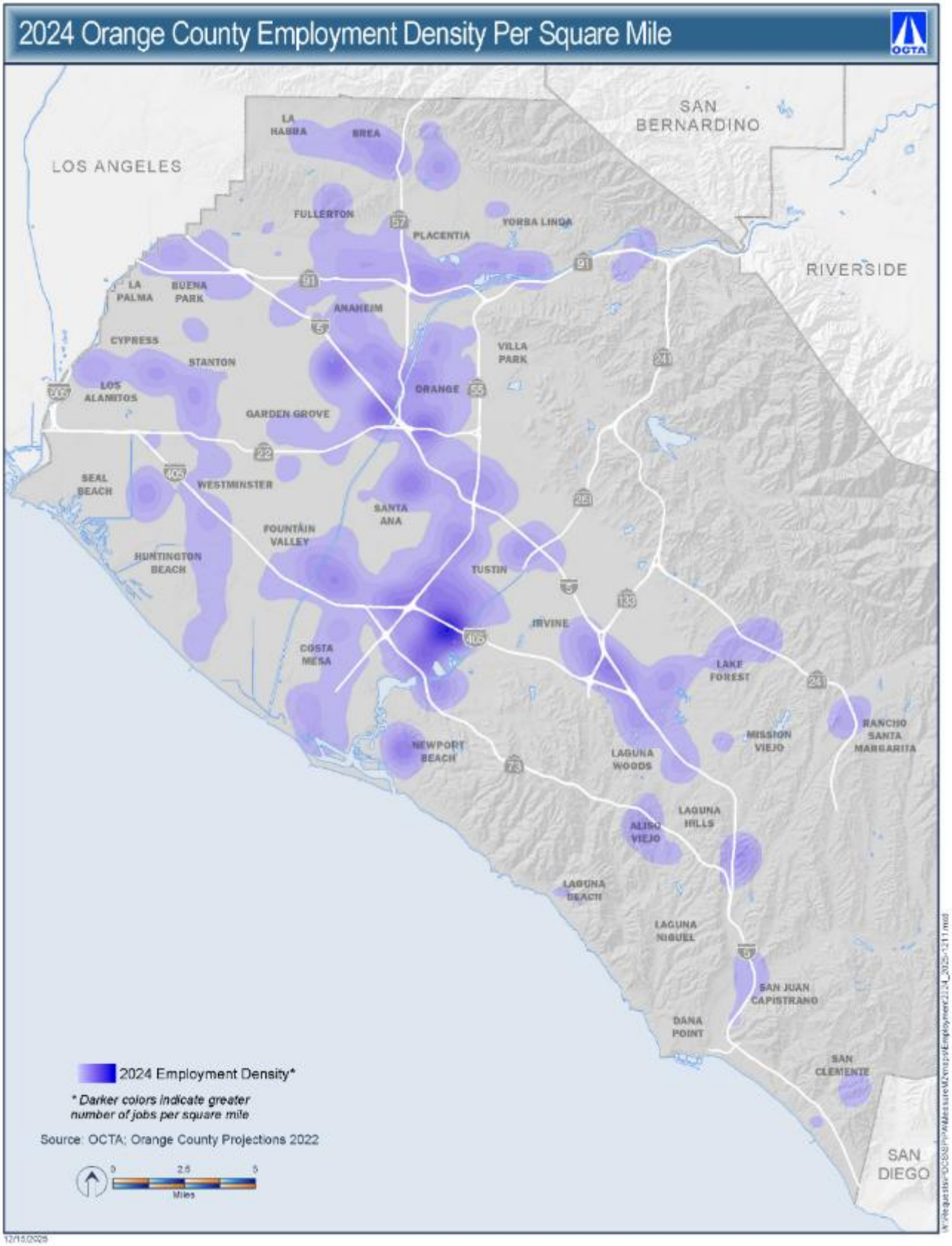


Figure 3-12: Projected Change in Orange County Employment Density, 2024–2041

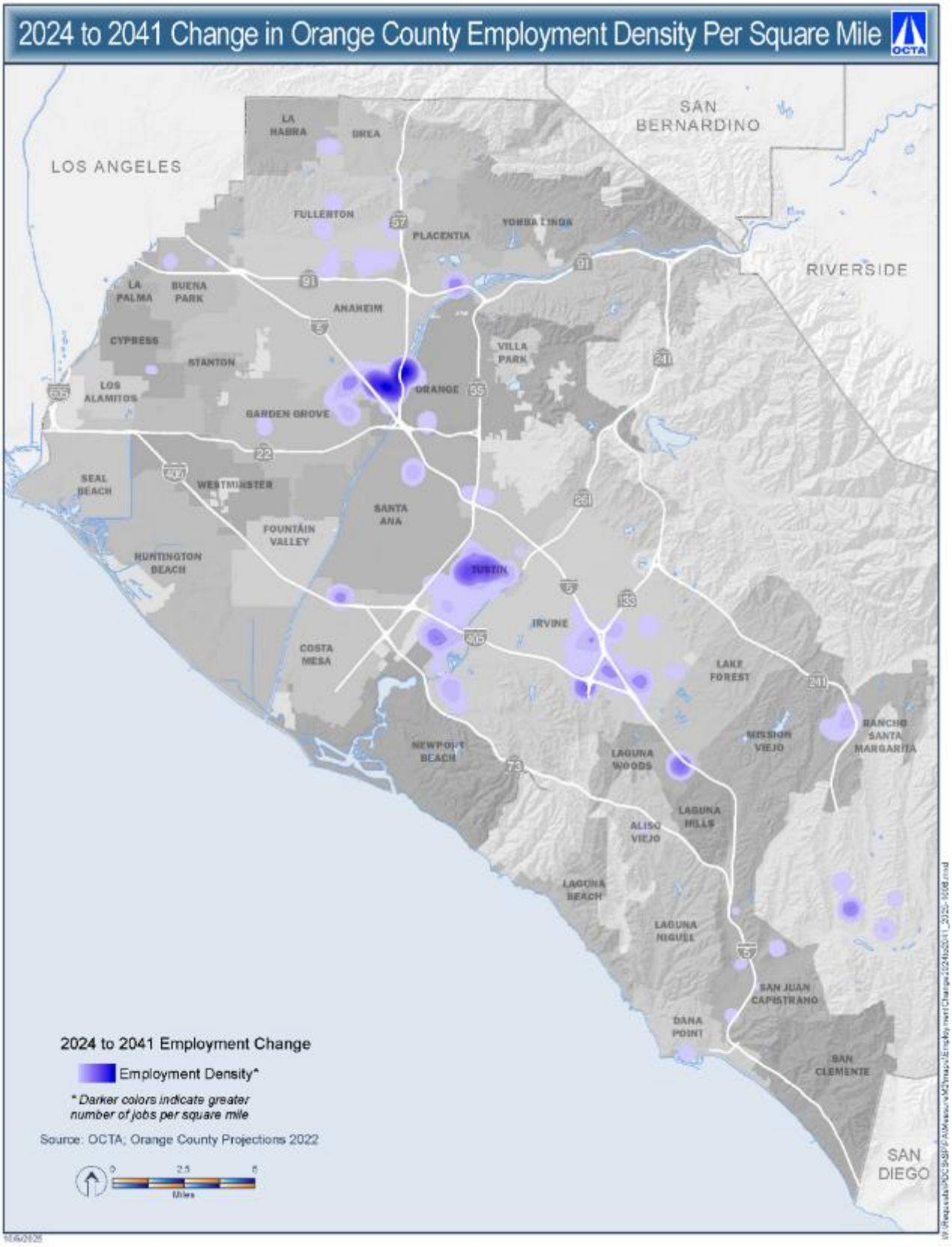
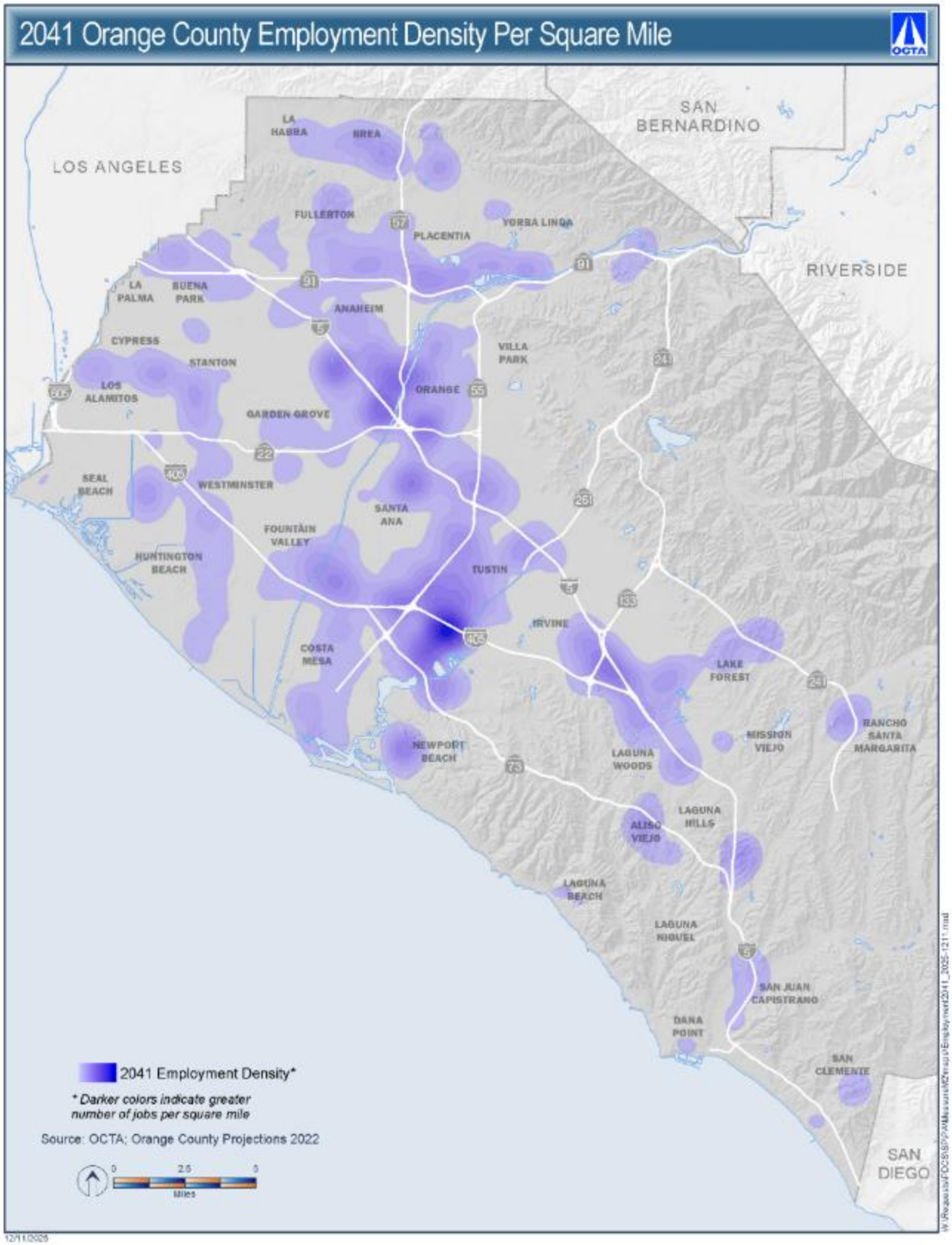


Figure 3-13: Projected Orange County Employment Density, 2041



3.4 Travel

3.4.1 Worker Flow Patterns

Orange County continues to function as both a major employment center and a net importer of workers from surrounding counties. A comparison of intercounty worker flow patterns between 2011 (Figure 3-14) and 2022 (Figure 3-15) indicates that the majority of work trips occurred internally, with residents living and working within Orange County accounting for the largest share of total worker flow activity. Between 2011 and 2022, internal work trips increased, reflecting overall growth in employment and continued concentration of jobs within the county.

Intercounty worker flow also increased over this period. Inflows from Los Angeles, Riverside, San Bernardino, San Diego, and other counties grew between 2011 and 2022, indicating a rising number of workers traveling into Orange County for employment. Los Angeles County remains the largest source of inbound commuters, followed by Riverside and San Bernardino counties. At the same time, outbound workers from Orange County to neighboring counties also increased, particularly to Los Angeles and Riverside counties, reflecting the region's interconnected labor market and housing dynamics.



Overall, the increase in both inbound and outbound intercounty workers suggests growing regional integration and longer-distance commute patterns. These trends place additional pressure on major freeway corridors and highlight the importance of coordinated regional transportation planning. As worker flow continues to intensify across county boundaries, investments that improve corridor capacity, support high-occupancy and transit options, and enhance system reliability will be critical to managing travel demand and maintaining regional mobility.

Figure 3-14: Intercounty Worker Flow Patterns, 2011

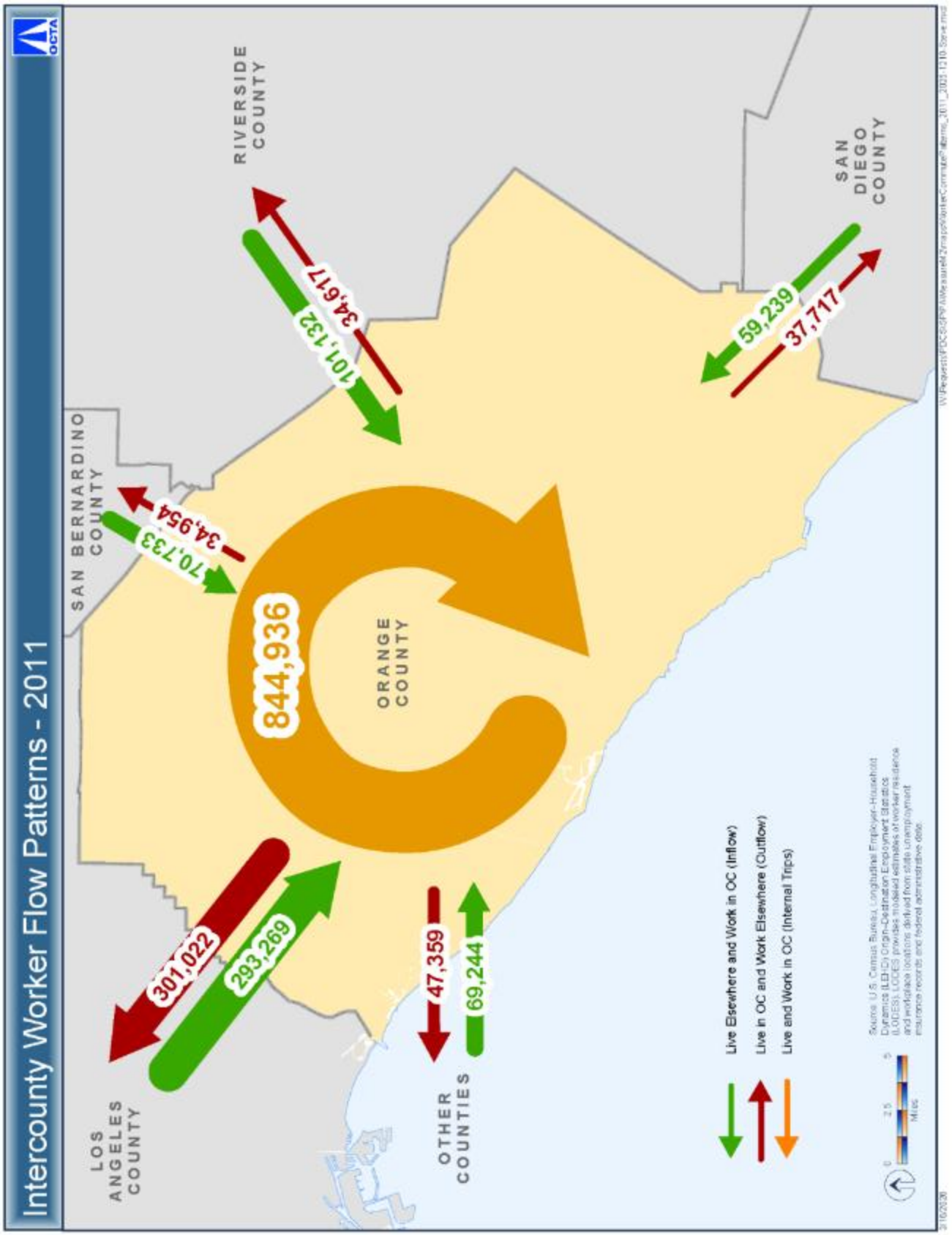
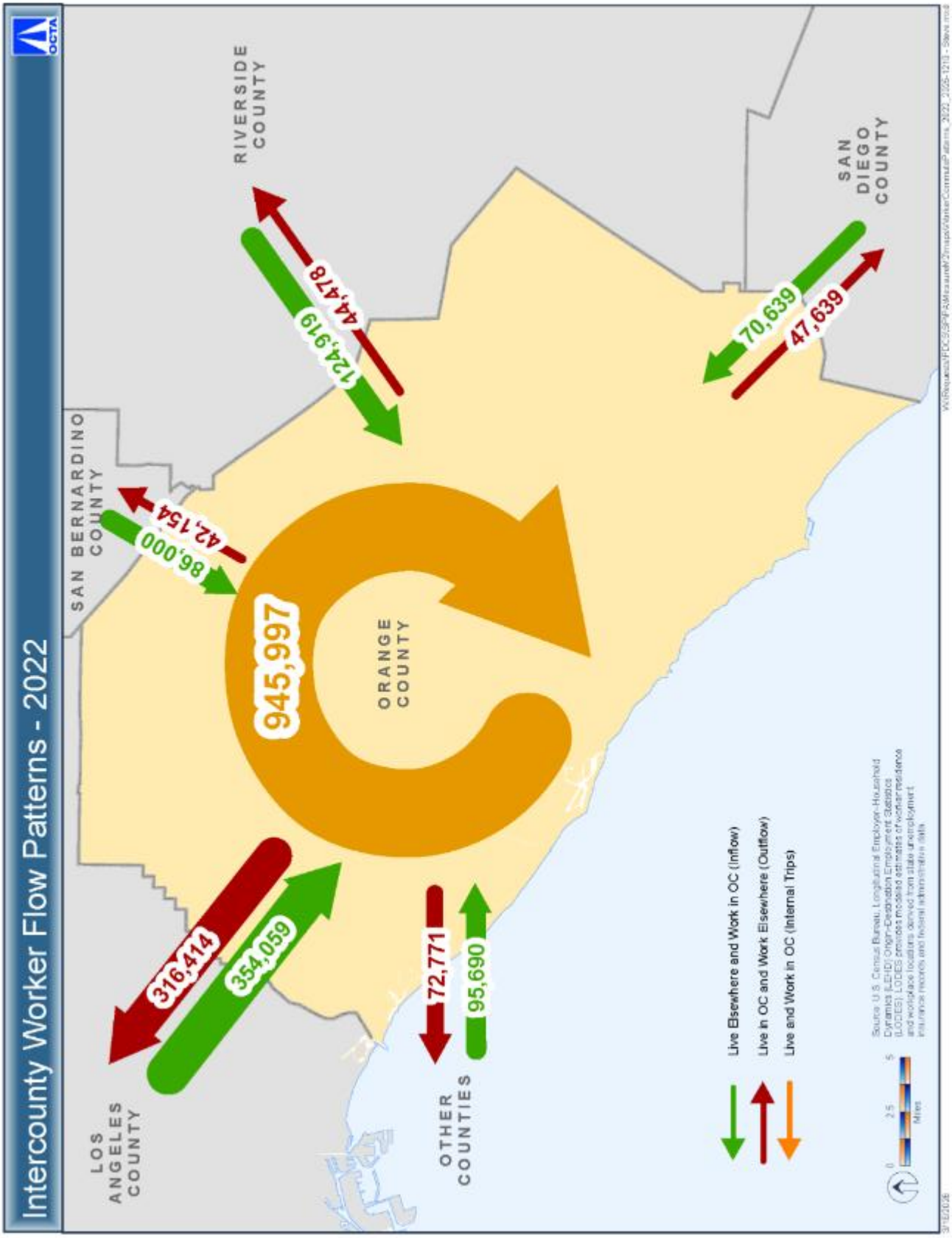


Figure 3-15: Intercounty Worker Flow Patterns, 2022



3.4.2 Travel Demand and System Performance

Modeling Scenarios: Baseline, No M2, and 2041 M2 Only

To evaluate the performance of M2 investments to Orange County's transportation system, three modeling scenarios were examined: current conditions with M2 investments implemented to date (Baseline), a counterfactual scenario representing conditions if M2 had not been implemented (No M2), and a long-term scenario reflecting 2041 conditions assuming full buildout/delivery of the M2 Program (2041 M2 Only).

Baseline and No M2

The Baseline and No M2 scenarios attempt to isolate the impacts of M2 investments: the present-day analysis compares modeled current conditions with M2 to a counterfactual scenario in which M2-funded projects are removed. Results from the model indicate that, without M2, overall system performance would be measurably worse across multiple travel and congestion indicators. In the absence of M2 investments, total vehicle hours of delay increase by approximately 15 percent compared to the Baseline, and delay as a share of total travel time rises from 11 to 13 percent. Additionally, transit usage is lower, reflecting reduced service levels and network coverage, while roadway conditions experience higher levels of congestion. Vehicle delay increases, average travel speeds decline, and peak-period conditions deteriorate on both freeways and arterial roadways. These findings demonstrate that M2 investments play a significant role in supporting mobility and mitigating congestion under present-day conditions, even as travel demand continues to grow. Without M2, Orange County would be experiencing substantially worse congestion and reduced travel reliability.

2041 M2 Only

The 2041 M2 Only scenario evaluates the transportation network after all M2 projects and programs are fully built out/delivered under projected growth conditions. Under this scenario, transit and active transportation services are held at 2024 levels, transportation demand management and mobility hub trip reduction assumptions are excluded, while signal synchronization and the full Master Plan of Arterial Highways (MPAH) network remain in place.

The 2041 M2 Only scenario reflects future population, employment, and housing growth, resulting in higher overall travel demand. However, despite this increase in demand, overall system performance remains comparable to current conditions. Total vehicle hours of delay in 2041 M2 Only are similar to the Baseline and significantly lower than the No M2 scenario. Delay as a percentage of travel time remains at 11 percent, matching current levels.

Speed and reliability metrics further demonstrate the long-term effectiveness of M2. Average daily travel speeds and both freeway and arterial peak-period speeds in 2041 are projected to be maintained at or near today's performance, indicating that M2 investments help prevent growth-related increases in commute times.

Transit performance also improves in the 2041 M2 Only scenario as daily transit trips increase substantially. This emphasizes M2's role in supporting a more balanced, multimodal transportation system that helps absorb growth and reduce pressure on the roadway network.

Overall, the modeling results show that M2 does not eliminate growth-related increases in travel demand, but it significantly improves the system's ability to manage growth. Full implementation of M2 allows Orange County to accommodate future growth while maintaining congestion levels, travel speeds, and commute times comparable to present day.

3.5 Summary and Conclusions

The planning and policy context surrounding the M2 Program has evolved considerably since voter approval in 2006. Over the past two decades—and particularly within the last ten years—changes in federal and state legislation, regional planning policies, land-use patterns, and travel behavior have collectively influenced the environment in which transportation investments are delivered.

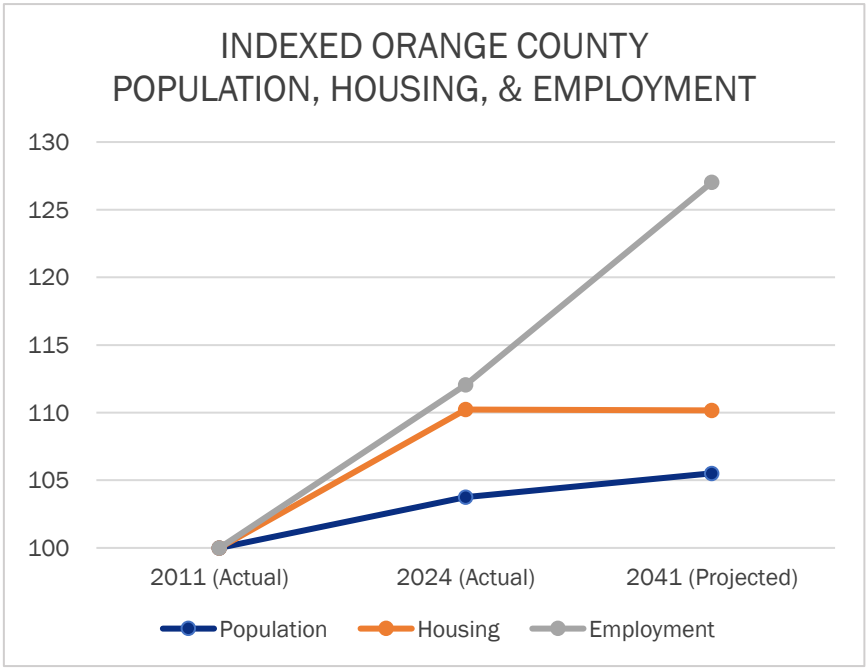
At the state and federal levels, transportation policy has increasingly emphasized sustainability, greenhouse gas reduction, and multimodal mobility. Legislative actions related to climate policy, environmental review, housing production, and transportation funding have introduced new regulatory requirements and performance metrics that affect project planning and delivery. At the same time, federal surface transportation authorizations and infrastructure funding initiatives have created opportunities to supplement local funding sources and accelerate project delivery.

While these legislative changes have introduced additional regulatory complexity, they have also expanded tools and funding opportunities available to OCTA. In response, OCTA has adapted its planning and delivery strategies—leveraging external funding, incorporating sustainability and mitigation strategies, and utilizing alternative delivery methods—to maintain progress on voter-approved investments while complying with evolving policy requirements.

Since the inception of M2, Orange County has experienced sustained growth across population, housing, and employment, accompanied by corresponding increases in travel activity from residents, workers, and visitors. Over this period, the county's population, housing, and employment have each grown, while the number of workers who both live and work within Orange County has increased. Intercounty worker flows have also intensified, with growth in workers who live outside the County but are employed in Orange County, while worker flows from Orange County to neighboring counties have evolved as regional housing and employment dynamics have shifted.

Looking ahead, Orange County is projected to continue experiencing growth across all major indicators, including continued demand generated by tourism and visitor activity. As shown in Figure 3-16, population, housing, and employment are all expected to increase, with employment and housing outpacing population growth. These trends will influence both internal and intercounty worker flows and contribute to overall travel demand. Together, they reflect the County's continued role as a major regional employment center and reinforce the importance of maintaining strong freeway, arterial, and transit system performance.

Figure 3-16: Indexed Growth in Population, Housing, and Employment (2011–2041)



Despite the growth in residents, jobs, and travel demand, congestion levels within Orange County have not increased at the same rate as underlying growth indicators. Instead, long-term congestion trends suggest that increases in travel demand have been partially offset by transportation investments, operational improvements, and system management strategies that have been implemented. When viewed in a broader regional context, congestion conditions in Orange County have generally tracked more favorably, underscoring the importance of continued investment.

It is important to note that these trends have also been influenced by a range of external factors beyond local transportation investments alone. Major economic events, such as the Great Recession and the COVID-19 pandemic, have affected travel behavior and commuting patterns, including shifts toward alternative work arrangements. Additional influences include the growth of e-commerce and goods movement, regional housing availability and migration patterns, changes in tourism and visitor travel, changes in state and federal transportation policy, emergence of new mobility technologies, and environmental and climate-related events such as wildfires, flooding, and coastal impacts. Together, these factors shape travel demand and congestion outcomes and should be considered when interpreting historical trends and future projections.



4

Financial Analysis

4. Financial Analysis

Evaluating OCTA's Capacity to Complete M2 Commitments

To evaluate OCTA's capacity to deliver the voter-approved Plan through 2041, this Review examined the program's revenue forecasts, expenditure projections, financing strategies, and safeguard framework. The analysis considers how changes in sales tax performance, construction market conditions, external funding availability, and economic factors have affected long-term financial assumptions since M2 implementation began. It also reviews financial sustainability by program category, identifying areas of flexibility as well as elements with fixed commitments that require continued oversight. Collectively, this financial assessment provides the basis for determining that the M2 Program remains fiscally sound and capable of fulfilling the commitments made to Orange County voters.



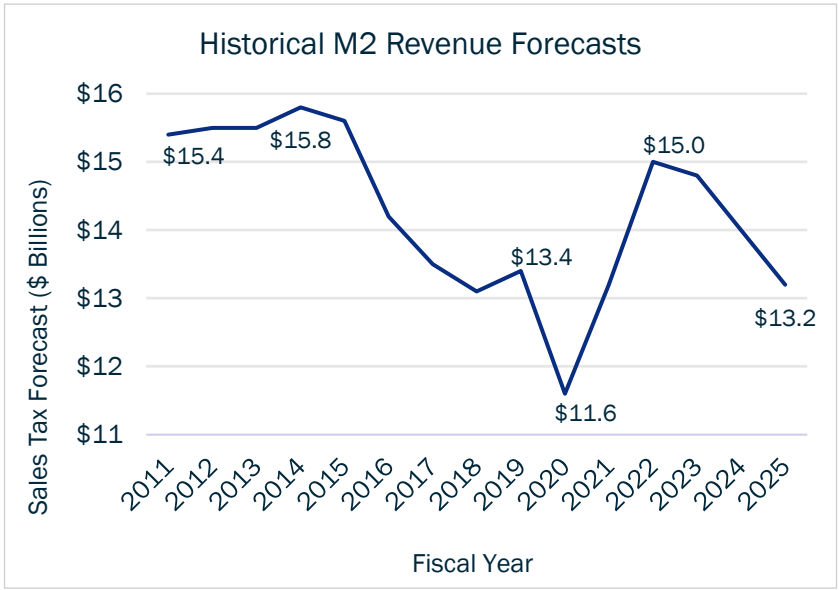
4.1 Program Revenue and Assumptions

4.1.1 Sales Tax Forecast

M2 is funded through a half-cent countywide sales tax in effect from April 1, 2011, through March 31, 2041. As the primary source of revenue for the program, the sales tax forecast provides the basis for assessing OCTA's long-term financial capacity to deliver the voter-approved Plan.

Since inception, M2 sales tax revenues have demonstrated sensitivity to broader economic cycles, reflecting changes in consumer spending, employment levels, inflation, and overall regional economic performance, as shown in Figure 4-1. Following initial program implementation during a period of economic recovery post-Great Recession, annual revenues grew steadily through the mid-2010s. Subsequent economic disruption during the COVID-19 pandemic introduced volatility; however, revenues rebounded as taxable sales shifted and consumer spending patterns adjusted. More recently, growth has moderated in response to higher inflation, increased interest rates, and softening economic conditions.

Figure 4-1: Historical M2 Revenue Forecasts



Over the first half of the M2 program period, long-term revenue projections have been revised annually to reflect updated economic assumptions. Forecast adjustments have included both upward and downward revisions, underscoring the cyclical and inherently uncertain nature of sales tax-based revenue streams. The October 2025 forecast projects total sales tax revenue available to support the M2 Program at approximately $13.2 billion over the 30-year period. This represents a decrease from the

prior year forecast and reflects flat recent-year performance combined with more conservative short- and long-term growth expectations.

Consistent with Board-approved methodology, the forecast applies short-term growth projections from MuniServices, LLC for the first five years of the forecast period and incorporates the average growth rates from California State University, Fullerton, Chapman University, and the University of California, Los Angeles for the remaining years. Under the current assumptions, short-term growth averages approximately two percent annually, while long-term growth averages approximately three percent, resulting in an overall average annual growth rate of approximately 2.7 percent across the program through 2041, as shown in Figure 4-2.

Figure 4-2: M2 Sales Tax Revenue Actuals and Projections (FY 2011–FY 2041)

	Fiscal Year	Gross Sales Tax	Growth Rate
Actuals	2011*	$ 61,756,868	6.5%
	2012	$ 250,892,931	6.2%
	2013	$ 266,384,076	6.2%
	2014	$ 279,599,946	5.0%
	2015	$ 291,615,675	4.3%
	2016	$ 300,944,523	3.2%
	2017	$ 308,768,664	2.6%
	2018	$ 321,480,529	4.1%
	2019	$ 332,358,188	3.4%
	2020	$ 317,963,821	-4.3%
	2021	$ 345,345,181	8.6%
	2022	$ 424,896,566	23.0%
	2023	$ 439,123,114	3.3%
	2024	$ 431,412,458	-1.8%
	2025	$ 431,842,537	0.1%
Short-Term	2026	$ 431,842,537	0.0%
	2027	$ 441,389,937	2.2%
	2028	$ 453,637,233	2.8%
	2029	$ 465,010,764	2.5%
	2030	$ 475,271,165	2.2%
Long-Term	2031	$ 491,279,604	3.4%
	2032	$ 507,420,796	3.3%
	2033	$ 523,943,853	3.3%
	2034	$ 540,318,739	3.1%
	2035	$ 556,044,373	2.9%
	2036	$ 572,108,603	2.9%
	2037	$ 588,604,782	2.9%
	2038	$ 605,211,267	2.8%
	2039	$ 622,327,623	2.8%
	2040	$ 640,044,080	2.8%
	2041*	$ 493,611,419	2.8%
		$ 13,212,451,852	2.7%

** Fiscal year (FY) 2011 includes sales tax receipts for one quarter and FY 2041 represents forecasted sales tax receipts for three quarters*

From a financial capacity perspective, the updated forecast indicates that, while revenue growth is expected to be more moderate than in prior periods, the M2 Program remains deliverable within available resources. The structure of the M2 Plan provides flexibility in several program categories where expenditures can be scaled to match available revenues. In addition, OCTA has historically applied conservative budgeting practices, maintained prudent reserve levels, and leveraged external funding sources to supplement M2 revenues. These tactics have mitigated the impact of revenue volatility and supported continued project advancement.

Although economic uncertainty remains—including potential impacts from inflation, interest rate fluctuations, trade policy changes, political instability, and demographic trends—no structural revenue shortfall has been identified that would compromise overall program completion. Ongoing annual forecast updates, integration with the Comprehensive Business Plan (CBP), and annual updates to the Next 10 Plan provide a mechanism to recalibrate project timing and funding assumptions as necessary to maintain fiscal sustainability.

Based on current projections and financial management practices, OCTA retains the capacity to deliver the Plan through 2041, consistent with commitments made to Orange County voters.

4.1.2 Market Conditions Forecast

In addition to monitoring sales tax revenues, OCTA evaluates construction market conditions to assess potential cost pressures that may affect delivery of the M2 Program. Because M2 includes a significant capital component—particularly within the Freeway Program—construction cost trends directly influence long-term financial capacity and project timing.

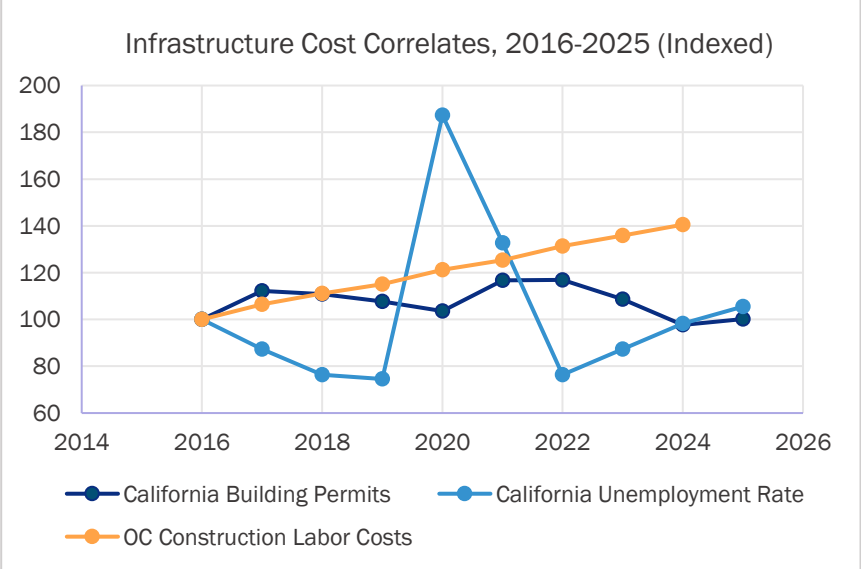
Over the first half of the M2 program period, construction market conditions have fluctuated considerably. Early years following M2 approval coincided with recovery from the Great Recession, when bid prices were favorable and construction costs were relatively contained. As regional economic activity accelerated in the mid-to-late 2010s, competition for labor and materials increased, placing upward pressure on costs.

More recently, the post-pandemic period introduced heightened volatility in material prices, labor availability, and broader economic conditions. Inflationary pressures in 2021 and 2022 resulted in significant increases in key infrastructure inputs, including structural concrete, steel, and aggregate. Although some moderation occurred thereafter, construction costs remain sensitive to macroeconomic variables such as interest rates, labor market conditions, global supply chains, and trade policies.

In September 2017, the Board was presented with a Market Conditions Forecast and Risk Analysis report conducted by economists Dr. Wallace Walrod and Dr. Marlon Boarnet through a contract with the Orange County Business Council (OCBC). The result of this analysis identified strong potential for OCTA to experience an increasing cost environment in the near term. Recognizing the benefits of proactive monitoring and forecasting of market conditions, the Board directed staff to continue to work with OCBC and provide OCTA with cost risk factors for project delivery. Since that time, OCTA has continued partnership with OCBC to track and forecast construction market indicators through the creation of an Infrastructure Construction Cost Pressure Index (ICCPI). The ICCPI evaluates trends in statewide building permits, unemployment rates, localized construction wages, selected Caltrans material cost indices, and general economic conditions. Some of the main factors considered are indexed in Figure 4-3. The ICCPI assigns a score corresponding to a projected range of annual construction cost fluctuations (Figure 4-4).

Historically, ICCPI scores have reflected periods of both elevated and moderate inflationary environments. The most recent update in fall 2025 indicates a forecasted index value of three through 2028, corresponding to a projected annual cost fluctuation range of approximately two to six percent (Figure 4-5). This represents a moderate inflationary environment, elevated relative to recessionary periods but below the extreme cost escalation observed during peak construction boom cycles and the immediate post-pandemic period.

Figure 4-3: Indexed Infrastructure Cost Correlates, 2016-2025



Recent analyses indicate that construction wages continue to rise, select material costs have increased on an annualized basis, and economic uncertainty remains present. Broader economic forces—including tariff policies, Federal Reserve interest rate decisions, labor market adjustments, and international instability—may influence construction cost trajectories in ways that cannot be fully modeled.

From a long-term financial capacity perspective, the anticipated moderate cost environment reinforces the importance of disciplined cost estimating and ongoing market monitoring. OCTA's Project Controls Department adjusts escalation assumptions based on historical trends and current data. Over the past two decades, a three percent escalation assumption has, on average, provided an appropriate baseline. In recent years, escalation assumptions in the range of 3.5 to five percent, combined with project-specific contingencies, have been applied to reflect market realities.

Looking ahead, while construction cost volatility remains a risk factor, current forecasts suggest a stable, moderate inflationary environment rather than a return to the extreme conditions experienced in prior cycles. Through continued monitoring of market indicators and integration of these forecasts into the CBP and Next 10 Plan, OCTA maintains the ability to adjust project timing, manage cost exposure, and preserve overall M2 Program deliverability through 2041.

Figure 4-4: Range of Cost Fluctuations by Index Score

Index Score	Low	Midpoint	High
0	-17%	-9.5%	-2%
1	-2%	-0.5%	1%
2	1%	1.5%	2%
3	2%	4%	6%
4	6%	8.5%	11%
5	11%	25.5%	40%

Figure 4-5: Orange County Business Council Orange County Transportation ICCPI Score Forecasts

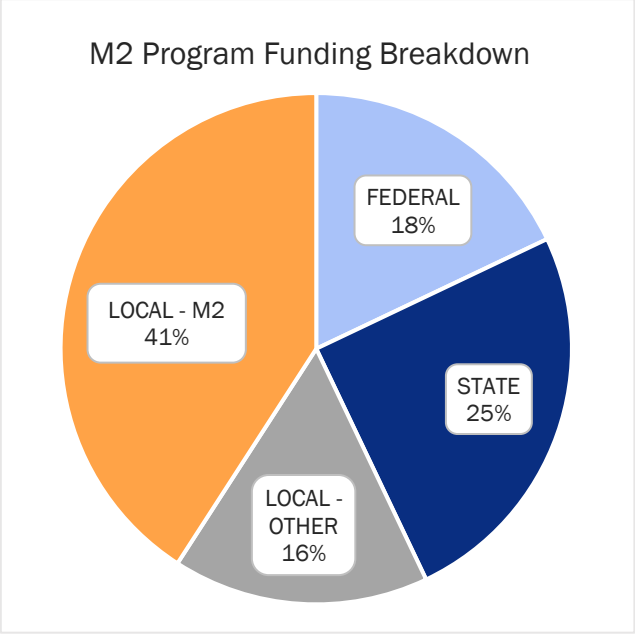
Year	Fall 2018	Spring 2019	Fall 2019	Spring 2020	Fall 2020	Spring 2021	Fall 2021	Spring 2022	Fall 2022	Spring 2023	Fall 2023	Spring 2024	Fall 2024	Spring 2025	Fall 2025
2018	4														
2019	3	4													
2020	3	3	3	3	0										
2021		3	3	2	1	1	5								
2022			3	2	1	2	4	5	5						
2023					3	4	4	4	4	4	3				
2024							4	4	4	4	3	2	2		
2025									2	3	2	3	3	2	3
2026											2	2	2	2	3
2027													2	2	3
2028															3

4.1.3 External Funding Availability

M2 was structured to be deliverable based on solely local sales tax revenues. While the program does not depend on external funding to fulfill its core promises, OCTA has historically pursued and secured state, federal, and other funding sources to supplement M2 revenues, advance project schedules, and reduce reliance on debt.

Over the first half of the M2 program period, OCTA has successfully leveraged a broad range of external funding programs. These have included federal highway and transit grants, state transportation improvement funds, voter-approved state bond programs, cap-and-trade transit programs, corridor-specific revenues such as net excess 91 Express Lanes funds, and federal financing tools such as Transportation Infrastructure Finance and Innovation Act (TIFIA) loans. The strategic use of these external funds has allowed OCTA to accelerate project delivery, offset periods of lower sales tax growth, and preserve M2 capacity for future commitments.

Figure 4-6: M2 Program Funding Breakdown



External funding has been particularly significant for major capital investments, including freeway improvements and transit projects, where competitive state and federal programs have historically supported regional mobility enhancements.

Looking forward, the availability of state and federal funding programs remains subject to policy priorities, economic conditions, and legislative action. Recent shifts in state and federal transportation policy increasingly emphasize multimodal investments, greenhouse gas reduction strategies, and system preservation. These trends may influence the types of projects that are most competitive for discretionary funding opportunities.

Although future external funding levels are uncertain, the M2 Program remains financially structured to deliver its commitments independent of additional external funds. OCTA will continue to actively pursue external funding and coordinate with regional, state, and federal partners to maximize available resources. By integrating external funding assumptions conservatively into long-range financial planning, OCTA maintains fiscal flexibility while preserving the integrity and deliverability of the voter-approved Plan.

4.1.4 Financing and Bonding

Complementing the strategic pursuit of external funding, the M2 Ordinance identifies pay-as-you-go financing as the preferred method of funding transportation improvements, while also providing authority for bond financing when necessary to advance projects, manage cash flow, and mitigate inflationary risk. Over the first half of the M2 Program period, OCTA has strategically utilized both approaches to support timely delivery of voter-approved commitments.

Following M2 approval in 2006, the Board adopted the EAP, which enabled OCTA to initiate project development activities prior to the start of revenue collection in 2011. During the economic downturn associated with the Great Recession, this strategy positioned OCTA to advance projects in a favorable bidding environment and capture significant one-time external funding, including State Proposition 1B and American

Recovery and Reinvestment Act (ARRA) funds. By accelerating projects during a period of lower construction costs and interest rates, OCTA delivered mobility benefits earlier while preserving long-term program capacity.

As market conditions evolved and project delivery schedules were refined through the M2020 Plan and subsequent Next 10 Plans, bond financing was incorporated to manage cash flow timing, hedge against cost escalation, and maintain project delivery schedules. The use of bonds allowed OCTA to advance key freeway improvements during periods when inflationary pressures were rising and construction markets were tightening. This approach proved consistent with practices implemented under M1 and demonstrated OCTA's ability to balance fiscal prudence with timely delivery.

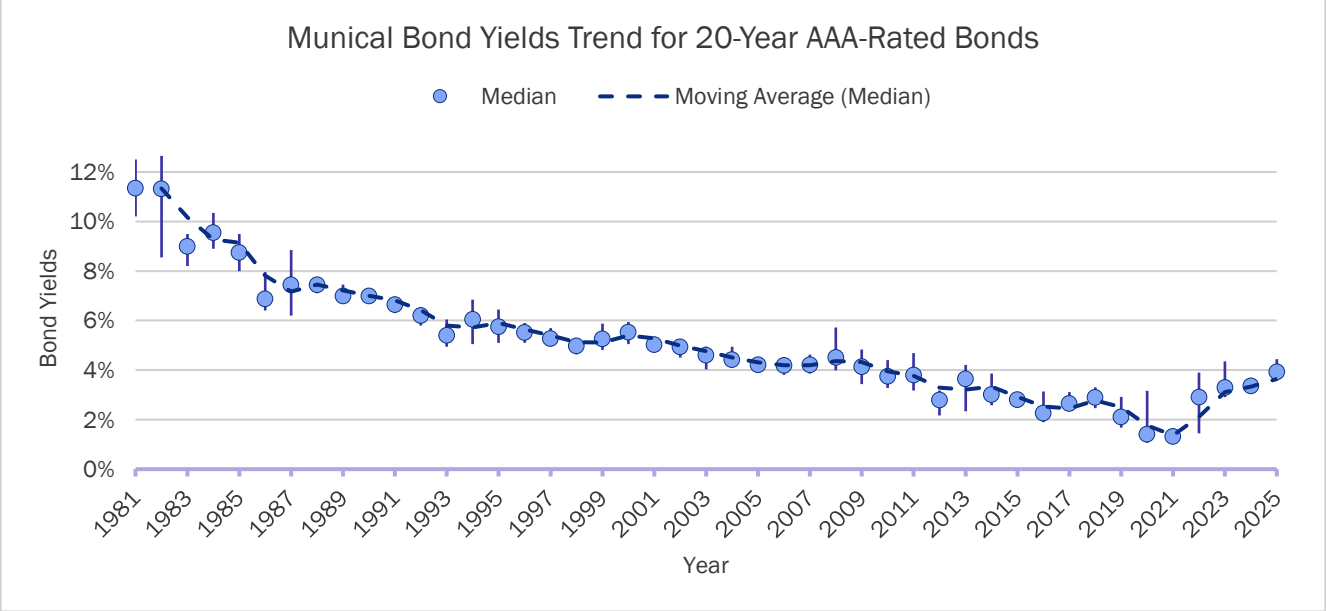
Current financial planning assumptions reflect a transition back to a predominantly pay-as-you-go model for the remaining program period. Based on updated revenue forecasts and cash flow modeling, no additional bond issuances are currently assumed through 2041. Existing debt service obligations are supported by conservative coverage ratios that provide substantial financial flexibility and protection against revenue variability.

Municipal bond markets have experienced cyclical changes over the life of the program (see Figure 4-7). While long-term interest rates remain historically moderate relative to prior decades, they have trended upward in recent years. OCTA continues to monitor interest rate conditions, debt capacity, and coverage ratios to ensure that financing decisions remain aligned with overall program sustainability.

From a financial capacity perspective, OCTA retains significant bonding authority should future conditions warrant additional financing to support project delivery. However, under current projections, available sales tax revenues, programmed external funds, prudent reserve balances, and disciplined cash flow management provide sufficient capacity to complete the Plan through 2041 without reliance on new debt.

Through strategic use of financing tools, conservative fiscal management practices, and ongoing integration of revenue forecasts into delivery planning, OCTA has maintained financial stability while advancing the M2 Program consistent with commitments made to Orange County voters.

Figure 4-7: Historical Trend in 20-Year AAA Municipal Bond Yields



4.1.5 Administrative Cap and Collection Costs

The M2 Ordinance limits administrative expenditures for OCTA salaries and benefits to one percent of annual M2 revenues. A legal opinion clarifies that in years when administrative salaries and benefits exceed one percent, only one percent may be charged to M2, with any excess temporarily advanced from non-M2 fund sources; conversely, in years when administrative costs fall below the cap, OCTA may allocate the full one percent and apply any unused capacity to repay prior borrowings with interest. Based on original revenue projections of $24.3 billion, one percent was expected to fund administrative salaries and benefits over the life of the program; however, updated projections as of June 30, 2025, estimated total M2 revenues at approximately $13.2 billion, reducing the funding available to support administrative functions while the effort required to deliver the program has remained largely unchanged. In addition, the EAP initiated in 2007 required administrative functions four years prior to revenue collection, resulting in necessary upfront costs despite generating project acceleration and savings. To manage these timing and revenue impacts, the Board authorized the temporary use of the Orange County Unified Transportation Trust (OCUTT) fund to cover administrative costs exceeding the one percent threshold, with repayment and accrued interest required in subsequent years when costs fell below the cap; approximately $5.3 million has been borrowed to date. As of December 31, 2025, all borrowings and accrued interest have been fully repaid. Staff conducts quarterly labor allocation reviews to ensure accurate reporting to prevent misclassification of project-related costs and to ensure administrative expenditures during the review period remain compliant with the M2 Ordinance.

In addition to the one percent administrative limitation, state law requires that the California Department of Tax and Fee Administration (CDTFA) deduct its costs of administering and collecting the M2 transactions and use tax prior to remitting revenues to OCTA. These charges are established pursuant to statutory cost-recovery provisions and are reflected in the monthly distribution statements provided to OCTA. As a result, M2 allocations are based on revenues received after CDTFA administrative fees and related adjustments. While these collection costs represent a relatively small portion of total receipts, they are a structural revenue deduction that reduces the amount available for program distribution and are incorporated into OCTA's revenue forecasts and cash flow planning.

4.2 Freeways

The M2 Freeway Program represents approximately 43 percent of total net M2 revenues and consists of 13 voter-approved projects segmented into 30 project elements to accommodate project delivery. Unlike other components of the Plan, the M2 Freeway Program is defined by specific project scopes and cannot be scaled to available revenues.

Included in the M2 Freeway Program is the Freeway EMP, which is funded through five percent of the 43 percent allocation to provide comprehensive, programmatic mitigation for freeway improvements.

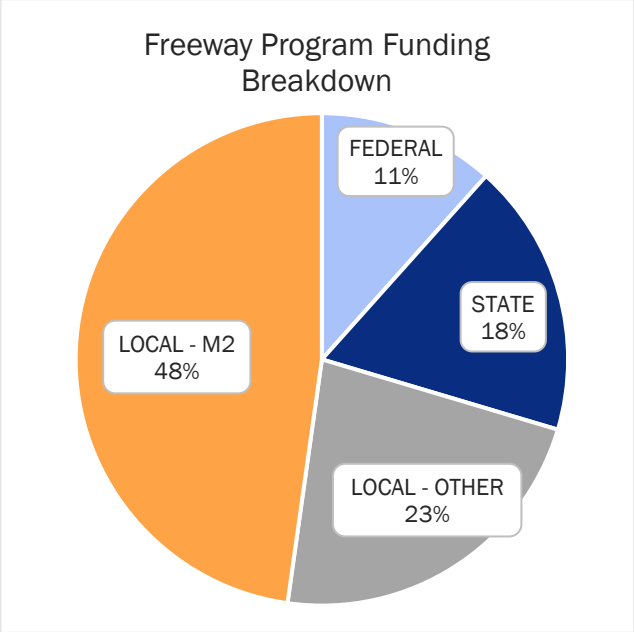
The EMP was established to provide natural resource preservation, habitat restoration, and long-term management of conservation lands in exchange for streamlined environmental approvals and greater certainty in freeway project delivery. To protect the seven conservation properties (Preserves) in perpetuity, a non-wasting endowment was created to fund long-term management and maintenance obligations. As of December 31, 2025, the endowment balance was approximately $39.9 million, and OCTA continues to make annual deposits consistent with Board-adopted funding assumptions.

As part of this Review, OCTA evaluated the long-term funding framework for the EMP, including land management costs incurred to date and projected future obligations. Based on this review, the existing endowment target of approximately $46.2 million remains sufficient to support anticipated long-term stewardship responsibilities.

Based on the 2025 Next 10 Plan financial assumptions, total revenues available to support the M2 Freeway Program are projected at approximately $8.9 billion through 2041, with total program costs estimated at approximately $8.8 billion over the same period. Revenues include the proportional share of M2 sales tax allocations, prior bond proceeds, committed state and federal grants, corridor-specific revenues, and associated interest earnings. Under current projections, the program remains financially balanced over the life of M2.

In addition to M2 revenues, the M2 Freeway Program continues to leverage substantial external funding. As shown in Figure 4-8, approximately 52 percent of total freeway funding is derived from non-M2 sources, including federal, state, and other local contributions. These external funds include a combination of federal formula and discretionary programs [e.g., Congestion Mitigation Air Quality (CMAQ), Surface Transportation Block Program (STBG), and Federal Transit Administration (FTA) grants], state programs such as the State Transportation Improvement Program (STIP) and SB 1 (Chapter 5, Statutes of 2017), and other sources including local contributions, toll revenues, bond proceeds, and specialized financing mechanisms such as TIFIA loans. This diversified funding structure reduces reliance on M2 sales tax revenues and supports delivery of voter-approved improvements.

Figure 4-8: Freeway Program Funding Breakdown



While the 2025 sales tax forecast reflects lower projected M2 revenues compared to prior years, no additional bond issuances are assumed through 2041. The Freeway Program maintains strong debt coverage ratios and retains bonding capacity should future economic conditions warrant supplemental financing.

Each project has been reviewed with updated schedules and cost estimates reflecting current engineering information and market conditions. With most projects now in final design or construction, estimates are more refined than in earlier phases. Although recent increases in material and labor costs are reflected in updated projections, the 2025 Next 10 Plan confirms that the M2 Freeway Program remains financially deliverable.

4.3 Streets and Roads

The M2 Streets and Roads Program represents approximately 32 percent of net M2 revenues and consists of three programmatic elements: the RCP (Project O), the RTSSP (Project P), and the LFS Program (Project Q).

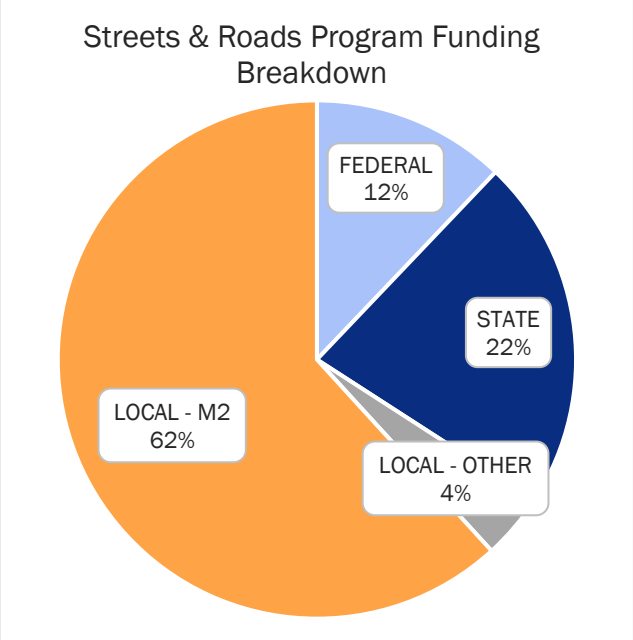
Unlike the M2 Freeway Program, the M2 Streets and Roads category is programmatic in nature and is designed to scale to available revenues. Funding is delivered primarily on a pay-as-you-go basis through competitive calls for projects (call) and formula-based distributions to local jurisdictions.

Based on updated financial assumptions, total revenues available to support the Streets and Roads Program are projected at approximately $4.9 billion through 2041, with total program costs estimated at

approximately $4.7 billion over the same period. Under current projections, the category remains financially balanced over the life of M2.

As shown in Figure 4-9, the Streets and Roads Program leverages a diverse mix of funding sources, largely in part to the OC Bridges Program, which is comprised of seven grade separation projects. Approximately 38 percent of total funding is derived from external sources, including federal, state, and other local contributions, while 62 percent is supported by M2 sales tax revenues. These external funds include a mix of federal formula and discretionary sources (such as CMAQ, STBG, and other federal grants), state programs including STIP, SB 1, and competitive partnership programs, and local contributions from jurisdictions and partner agencies. These sources are frequently paired with local matching requirements, particularly for programs like Project O and Project P.

Figure 4-9: Streets & Roads Program Funding Breakdown



Because Projects O and P are awarded through competitive processes and Project Q is distributed by formula, funding levels can be adjusted to reflect updated sales tax forecasts without amending the M2 Ordinance. This structural flexibility provides resilience during economic fluctuations while continuing to deliver congestion relief, signal synchronization, grade separations, and local street preservation improvements throughout the County.

Under current revenue and expenditure assumptions, the Streets and Roads Program remains financially sustainable through 2041.

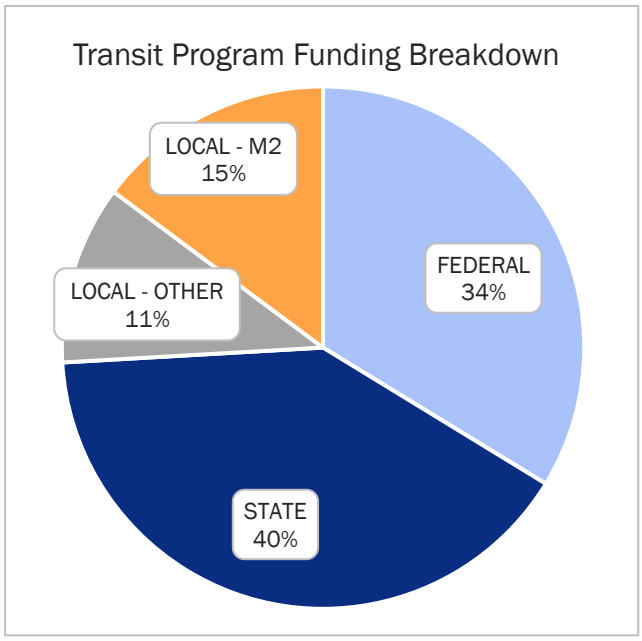
4.4 Transit

The M2 Transit Program represents 25 percent of net M2 revenues and supports a combination of capital and operating programs, including Metrolink service (Project R), transit extensions to Metrolink (Project S), Metrolink Gateways Program (Project T), mobility programs for seniors and persons with disabilities (Project U), community-based transit/circulators (Project V), and transit stop amenities (Project W).

Similar to the M2 Streets and Roads Program, most M2 Transit Program elements are programmatic and scalable to available revenues. Some competitive grant programs, capital improvements, and certain service elements can be adjusted over time; however, some elements of the Plan are defined and cannot scale to available revenue. Based on updated financial assumptions, total revenues available to support the M2 Transit Program are projected at approximately $4.2 billion through 2041, with total program costs estimated at approximately $4.1 billion over the same period.

As shown in Figure 4-10, the M2 Transit Program leverages substantial external funding. Approximately 74 percent of total transit funding is derived from federal and state sources, 15 percent is supported by M2 sales tax revenues, and the remainder by other local contributions. These external funds include a combination of federal formula and discretionary sources (such as FTA Sections 5307, 5309, and 5337, CMAQ, and New Starts funding), state programs including STIP, SB 1, and Cap-and-Trade programs such as the Transit and Intercity Rail Capital Program (TIRCP), and additional local contributions. These sources are frequently paired with local matching requirements, particularly for programs like Project V, W, and X.

Figure 4-10: Transit Program Funding Breakdown



Project R (Metrolink Service) represents the most significant long-term financial risk within the M2 Program. Without changes in service levels, ridership growth, operating and rehabilitation costs, or additional external funding, current projections indicate that the existing service model cannot be sustained beyond fiscal year (FY) 2033-34. While the M2 Transit Program can be sustainable through 2041, the financial outlook for Project R requires corrective action to ensure long-term sustainability.

Project U (Fare Stabilization Program) is defined by specific M2 Ordinance requirements and therefore cannot scale to available revenue. As identified in the 2015 Review, significant projected revenue reductions at that time created a funding shortfall within the Fare Stabilization Program. To preserve voter commitments, the Board approved an amendment to the M2 Ordinance that closed out Project T following completion of the Anaheim Regional Transportation Intermodal Center (ARTIC) and reallocated funds to Projects R and U. As a result of that action and updated revenue assumptions, the Fare Stabilization Program is fully funded and projected to remain solvent through 2041.

As part of the 2025 Next 10 Plan and included in the proposed Action Plan, the Board directed staff to continue working with Metrolink to develop a financially sustainable service plan to ensure service continuity through 2041. This effort includes establishing a target OCTA funding level as part of the FY 2026-27 budget development process and requesting Metrolink to provide regular updates on systemwide performance, operating trends, ridership recovery, capital investment needs, and long-term financial projections.

Under current revenue and expenditure assumptions, the M2 Transit Program can be financially deliverable through 2041; however, proactive policy and financial planning actions related to Project R are necessary to preserve long-term program stability and uphold commitments to Orange County voters.

4.5 Environmental Cleanup

M2 includes an Environmental Cleanup Program (ECP [Project X]), which receives two percent of gross M2 sales tax revenues, to fund water quality improvement projects related to transportation-generated runoff. It is delivered through a competitive, two-tiered structure grant program. Funding levels and award cycles are scalable based on available revenues, project readiness, and local jurisdiction interest. Based on updated financial assumptions, total revenues available to support the ECP are projected at approximately $264.5 million through 2041, with projected costs of approximately $240.1 million over the same period. Under current projections, the program remains financially balanced and deliverable through the life of M2.

4.6 Summary and Conclusion

The Review evaluated the financial capacity of the M2 Program to meet the commitments made to Orange County voters. Updated revenue forecasts, expenditure projections, and cash flow assumptions indicate that the overall M2 Program remains financially deliverable through 2041.

Although the M2 Freeway Program represents the greatest financial exposure due to its defined, fixed-scope commitments, under current revenue and expenditure assumptions, projected revenues are sufficient to support total costs. The M2 Streets and Roads Program and Environmental Cleanup Program remain structurally scalable and financially balanced over the life of M2.

The M2 Transit category presents a more complex financial outlook, particularly with respect to ongoing support for Metrolink service. Metrolink plays a critical role in the regional transportation network, but its financial sustainability requires close monitoring; the 2025 Next 10 Plan reported that the current service cannot be sustained beyond FY 2033-34. Corrective action is needed if ridership growth, operating and rehabilitation costs, or additional external funding does not improve from current estimates. The Fare Stabilization Program (Project U), which was previously addressed through an M2 Ordinance amendment identified through the 2015 Review, is now fully funded and projected to remain solvent through 2041. While the Transit category as a whole remains balanced, sustaining existing Metrolink service levels through 2041 will require continued policy oversight, coordination with regional partners, and development of a financially sustainable service plan.

OCTA's ability to leverage substantial federal, state, and local partner funding has strengthened overall financial capacity and reduced reliance on M2 sales tax revenues alone. Continued success in securing and managing external funds will remain an important component of long-term program stability.

Based on this comprehensive financial review, no structural changes to the Plan are required at this time. With continued prudent fiscal management, conservative forecasting practices, disciplined cost control, and proactive oversight of identified risk areas, OCTA retains the financial capacity to deliver the Plan consistent with the commitments approved by voters.



5

Project Delivery Analysis

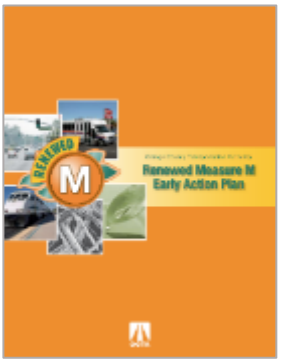
5. Project Delivery Analysis

Identifying Progress and Project Constraints

To assess progress in delivering the voter-approved Plan, this Review evaluates delivery of M2 projects and programs to date and identifies the key constraints that may influence delivery through 2041. The Review examines delivery performance across all modes, including schedule status, major milestones, and implementation strategies that have been applied to maintain momentum under changing economic, regulatory, and market conditions. It also summarizes the evolution of OCTA's delivery approach and highlights the primary risks and dependencies that affect remaining work. Collectively, this assessment confirms that the M2 Program has made substantial progress and remains positioned to complete voter commitments, while identifying targeted areas where continued oversight and proactive management are required to maintain deliverability.

5.1 Historical Context and Strategic Evolution

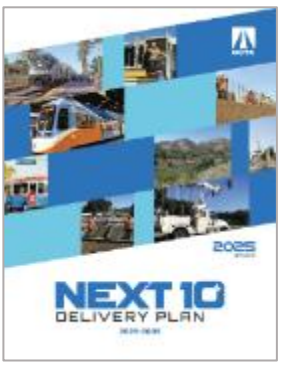
Since voter approval of M2 in 2006, OCTA has delivered projects and programs under a wide range of economic, policy, and operational conditions. The M2 Program was launched during a period of strong economic growth but soon encountered significant external disruptions that shaped early delivery strategies and continue to influence program implementation today.



Shortly after M2 approval, the Board advanced M2 projects through the adoption of an EAP in 2007 that prioritized project readiness and leveraged debt financing and external funding to initiate construction activities before revenues were fully realized. Soon after, the Great Recession (2008–2009) resulted in a substantial decline in sales tax revenues, reducing long-term revenue projections and introduced some uncertainty into program delivery. Despite this, OCTA was able to capitalize on favorable construction market conditions, deliver congestion relief earlier than originally planned, and position projects to compete successfully for state and federal funds.



Building on the EAP, OCTA adopted the M2020 Plan in 2012 to accelerate delivery of key freeway, street, transit, and environmental projects. The M2020 Plan emphasized expediting construction, managing cost escalation risks, and leveraging external revenues while staying true to the commitments approved by voters. As economic conditions evolved, OCTA transitioned to the Next 10 Plan framework, which established a rolling ten-year outlook to regularly assess project schedules, funding assumptions, and delivery risks. The Next 10 Plan has since been updated annually to reflect changes in sales tax forecasts, construction market conditions, and project development status.



Over the life of M2, OCTA has also adapted to significant policy and operational shifts at the state and federal levels. These include evolving environmental and climate regulations, changes in transportation funding priorities, and increased emphasis on sustainability, multimodal mobility, and system optimization.

More recently, the COVID-19 pandemic introduced new challenges affecting travel behavior, construction markets, and transit operations. While sales tax revenues

rebounded more quickly than initially anticipated, the pandemic resulted in changes to commuting patterns and placed additional financial pressure on transit operations, particularly Metrolink. OCTA has continued to adjust delivery plans, monitor fiscal risks, and refine project sequencing to maintain program momentum while preserving long-term financial sustainability.

Together, these historical conditions and strategic adaptations have shaped the current M2 delivery framework. The cumulative result is a program that has remained resilient through economic downturns, responsive to policy change, and capable of advancing major infrastructure investments while upholding the commitments made to Orange County voters. This foundation informs the assessment of progress and constraints discussed in the following sections.

5.2 M2 Project Schedules and Status

The M2 Program includes a balanced portfolio of freeway, streets and roads, transit, and environmental investments designed to improve mobility, enhance safety, support economic vitality, and protect natural resources throughout Orange County. As M2 advances, projects continue to move through environmental clearance, design, ROW acquisition, construction, and closeout in accordance with the M2 Ordinance and the Plan. The following sections provide a comprehensive update on the current cost estimates, implementation status, and actual or estimated completion dates for each M2 project and program as of December 2025.

5.2.1 Freeway Program

The M2 Freeway Program supports a series of improvements intended to enhance mobility and reduce congestion on Orange County's regional freeway network. These improvements focus on relieving traffic chokepoints, improving interchange operations, and enhancing the overall efficiency and reliability of major freeway corridors throughout the county. The M2 Freeway Program includes three primary components:

- Projects A–M: Freeway Improvement Projects, which deliver congestion relief, improve interchange, and enhance operations across Orange County's major freeway corridors.
- Project N: FSP, which provides roadside assistance to quickly remove disabled vehicles and debris from freeway lanes to reduce congestion and improve safety.
- Freeway EMP, which implements habitat preservation and restoration activities to offset environmental impacts associated with freeway improvements in exchange for streamlined permits.

Together, these elements support the overall objectives of the M2 Freeway Program by improving traffic flow, enhancing safety and reliability, and addressing environmental commitments associated with major transportation infrastructure investments. The following sections provide a detailed review of each component and evaluate program performance as part of the Review.

Figure 5-1 summarizes the current cost based on the year of expenditure (YOE), status, and completion date of the M2 Freeway Program. For additional details on project progress, constraints, and updated schedules, refer to Appendix D and Appendix E.

Figure 5-1: Freeway Program Cost and Status

Project Letter	Project Title	Segments	Current Cost Estimate (Millions, YOE)	Current Status	Actual/Estimated Completion Date
A	Interstate 5 (I-5), State Route 55 (SR-55) to State Route 57 (SR-57)	N/A	$38.85	Completed	January 2021
B	I-5, I-405 to SR-55	I-5, I-405 to Yale Avenue	$392.31	Design, Advertise, and Award	August 2029
		I-5, Yale Avenue to SR-55	$332.09	Construction	February 2031
C/D	I-5, Avenida Pico to San Juan Creek Road	I-5, Avenida Pico to Avenida Vista Hermosa/ Avenida Pico Interchange (D)	$83.60	Completed	August 2018
		I-5, Avenida Vista Hermosa to Pacific Coast Highway (PCH)	$75.26	Completed	July 2017
		I-5, PCH to San Juan Creek Road	$74.27	Completed	July 2018
	I-5, State Route 73 (SR-73) to El Toro Road	I-5, SR-73 to Oso Parkway/ Avery Parkway Interchange (D)	$229.83	Completed	July 2025
		I-5, Oso Parkway to Alicia Parkway/ La Paz Road Interchange (D)	$230.35	Completed	December 2024
		I-5, Alicia Parkway to El Toro Road	$227.26	Completed	July 2025
		I-5, SR-73 to El Toro Road Landscape	$12.37	Construction	December 2026
D	I-5 Interchange Improvements	I-5, Ortega Highway Interchange	$79.80	Completed	January 2016
		I-5, El Toro Road Interchange	$11.49	Environmental	TBD
E	State Route 22 (SR-22) Access Improvements	N/A	N/A	Completed	2008 (M1 bonus project)
F	SR-55 Improvements	SR-55, I-405 to I-5	$505.72	Construction	March 2027
		SR-55, I-5 to State Route 91 (SR-91)	$202.14	Design, Advertise, and Award	July 2030
G	SR-57 Improvements	SR-57 Northbound, Orangewood Avenue to Katella Avenue	$135.44	Construction	June 2028
		SR-57 Northbound, Katella Avenue to Lincoln Avenue	$38.00	Completed	April 2015

Project Letter	Project Title	Segments	Current Cost Estimate (Millions, YOE)	Current Status	Actual/Estimated Completion Date
		SR-57 Northbound, Orangethorpe Avenue to Yorba Linda Boulevard	$52.30	Completed	November 2014
		SR-57 Northbound, Yorba Linda Boulevard to Lambert Road	$54.07	Completed	May 2014
		SR-57 Northbound, Lambert Road to Orange/ Los Angeles County Line	$13.94	Environmental	TBD
H	SR-91 Westbound, I-5 to SR-57	N/A	$59.23	Completed	June 2016
I	SR-91, SR-55 to Tustin Avenue Interchange	N/A	$42.47	Completed	July 2016
	SR-91, SR-57 and SR-55	SR-91, SR-55 to Lakeview Avenue	$140.75	Construction	March 2028
		SR-91, La Palma Avenue to SR-55	$380.68	Design, Advertise, and Award	December 2030
		SR-91, Acacia Street to La Palma Avenue	$257.45	Construction	September 2030
J	SR-91, SR-55 to Orange/Riverside County Line	SR-91, SR-55 to State Route 241 (SR-241)	$79.74	Completed	March 2013
		SR-91 Eastbound, SR-241 to State Route 71 (SR-71)	$57.77	Completed	January 2011
		SR-91, SR-241 to Orange/Riverside County Line [Led by Riverside County Transportation Commission (RCTC)]	$101.17	Environmental	Estimated 2030
K	I-405, SR-73 to Interstate 605 (I-605)	N/A	$1,620.00	Completed	February 2024
L	I-405, I-5 to SR-55	N/A	$7.02	Environmental Completed in 2018	Further Schedule TBD
M	I-605, Katella Avenue Interchange Improvements	N/A	$53.01	Construction	July 2027
N	FSP	N/A	$166.4	889,167 Assists	Ongoing

Project Letter	Project Title	Segments	Current Cost Estimate (Millions, YOE)	Current Status	Actual/Estimated Completion Date
A-M	Freeway EMP	Preserves	$42.00	7 Properties Totaling 1,300 Acres	Ongoing
		Restoration Projects	$10.50	13 Projects Totaling 350 Acres	10 Projects Complete

Projects A-M: Freeway Improvement Projects

As defined in the Plan, the M2 Freeway Program includes 13 projects (Projects A through M), which deliver targeted capital improvements to Orange County's regional freeway system, I-5, I-405, I-605, SR-55, SR-57, and SR-91. These projects focus on relieving congestion, improving interchanges, and enhancing operational efficiency along some of the County's most heavily traveled corridors. For delivery purposes, the 13 projects have been segmented into 30.

Substantial progress has been made in implementing these improvements. Through the EAP covering the years 2007 to 2012, several key M2 freeway projects were advanced and implemented prior to the collection of sales tax revenues. As of December 31, 2025, 17 of 30 freeway projects or project segments have been completed with ten more underway. Of the ten underway, six are in construction, three are in final design, and a joint project with the RCTC is in environmental revalidation. The joint project will improve SR-91 between SR-241 and SR-71. By 2030, these ten projects are anticipated to be open to traffic, bringing the total number of completed projects to 27, which equates to approximately 90 percent of the M2 Freeway Program. The three remaining projects (of the 30 total) are environmentally cleared or on track to be environmentally cleared by 2028, making them shelf-ready for future advancement. This progress reflects effective program management, strategic use of external funding, and continued coordination with Caltrans and local jurisdictions to advance complex freeway projects.

The performance of these investments is reflected in systemwide analyses. OCTA's modeling compared current conditions with M2 investments to a counterfactual scenario without them (also discussed in Section 3.4.2). Results indicate that average freeway speeds during peak periods are approximately four percent higher with M2 investments in place. Similar improvements are observed across both peak travel periods, with morning peak speeds approximately three percent higher and evening peak speeds approximately five percent higher than conditions without M2. The percentages represent systemwide improvements across a heavily utilized regional freeway network and reflect the cumulative effect of multiple capacity and operational improvements delivered through M2's balanced approach.

Looking forward, modeling of future conditions demonstrates that full implementation of the M2 program—including the remaining freeway improvements—helps Orange County accommodate projected growth while maintaining freeway performance comparable to today's conditions. Despite increases in population, employment, and overall travel demand, average peak-period freeway speeds in the 2041 M2 only scenario remain generally consistent with current conditions.

Taken together, these findings indicate that the freeway improvement projects are performing as intended and remain central to maintaining regional mobility. Based on this assessment, the Freeway Program is meeting its intended objectives and no changes to Projects A through M are recommended at this time.

Project N: Freeway Service Patrol

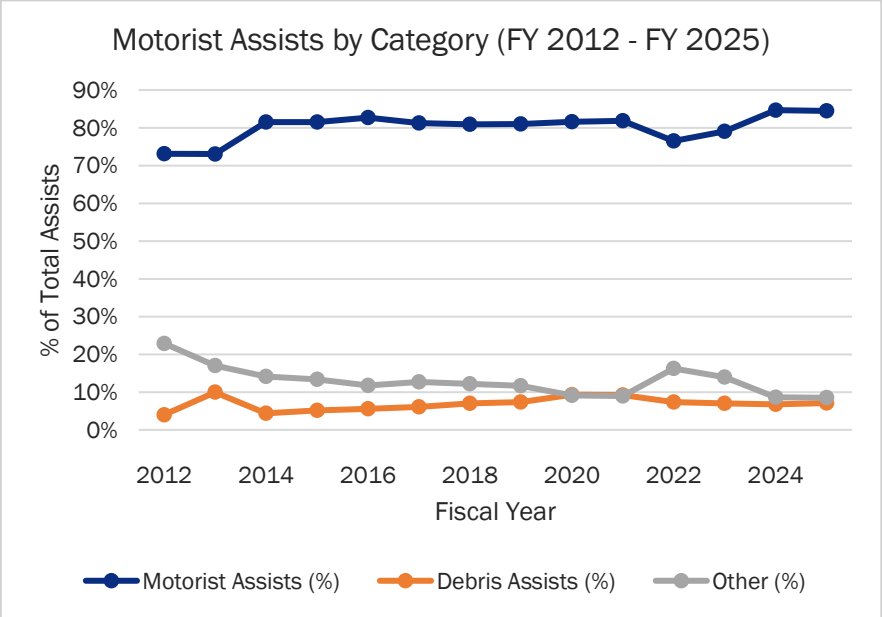
Project N, FSP, provides free roadside assistance to stranded motorists and removes debris from Orange County freeways to quickly restore traffic flow and improve safety.

The program continues to perform strongly and deliver measurable congestion relief benefits to the traveling public. In June 2012, M2 began supporting FSP with local funds to maintain existing service levels and expand services through 2041. Since then, FSP has provided over 889,000 services on the Orange County freeway system, which includes services funded through both M2 and external sources. As shown in Figure 5-2, the majority of FSP activity consists of direct motorist assists, which consistently account for approximately 80 to 85 percent of total services in recent years. Debris removal represents a smaller but important share of activity, typically ranging from four to nine percent. The sustained level of motorist assists demonstrates the program's continued role in quickly clearing disabled vehicles, restoring freeway flow, and reducing the potential for secondary collisions.

In FY 2023-24, FSP generated approximately $6 in congestion relief benefits for every $1 invested, based on estimated vehicle delay and fuel savings. This strong benefit-cost ratio underscores FSP's effectiveness as an operational strategy to mitigate non-recurring congestion and improve reliability on the County's freeway system.

Based on the Review, Project N is meeting its intended objectives and is performing well. No changes to the program are recommended at this time.

Figure 5-2: FSP Motor Assists by Category



Freeway EMP

The Freeway EMP was established as part of the M2 Freeway Program to offset environmental impacts associated with freeway improvements while supporting more efficient project delivery. Working in collaboration with the U.S. Fish and Wildlife Service and California Department of Fish and Wildlife (DFW) (collectively referred to as Wildlife Agencies), the program funds land acquisition, habitat preservation, and habitat restoration activities that mitigate impacts from the M2 freeway projects. In exchange, the program provides a comprehensive, programmatic approach to environmental mitigation that streamlines permitting and environmental approvals for M2 freeway projects. It is estimated that over $2.5 million has been saved by leveraging this programmatic mitigation.

A key milestone for the EMP occurred in 2017, when OCTA received biological resource permits following completion of a state and federal Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan) developed in coordination with Wildlife Agencies. The Conservation Plan establishes a long-term framework for protecting natural habitats and wildlife on OCTA-owned Preserves, funding

restoration projects, and minimizing environmental impacts during construction of M2 freeway improvements. The plan also provides streamlined coordination for streambed alteration agreements and other environmental permits required for freeway projects, helping to improve project delivery certainty while maintaining environmental protections.



To date, the Board has approved the acquisition of the Preserves, totaling approximately 1,300 acres. In addition, 13 habitat restoration projects covering roughly 350 acres have been initiated to enhance ecological value within the preserve system. To date, ten restoration projects have been completed and have been approved by the Wildlife Agencies. Restoration activities and land management efforts are implemented in coordination with the Wildlife Agencies to ensure compliance with the Conservation Plan and to support long-term habitat health and biodiversity.

To support ongoing stewardship of the Preserves, the EMP includes a non-wasting endowment established to fund long-term land management and maintenance obligations. As of December 31, 2025, the endowment balance was approximately $39.9 million. OCTA continues to make annual deposits consistent with Board-adopted funding assumptions. As part of the Review, OCTA evaluated the long-term funding framework for the EMP and confirmed that the existing endowment target of approximately $46.2 million remains sufficient to support anticipated long-term stewardship responsibilities. See Section 4.2 for additional details. As the endowment approaches its target funding level, OCTA will continue to coordinate with Wildlife Agencies and stakeholders and seek future Board direction regarding long-term management arrangements and any potential program considerations consistent with the objectives of the M2 Freeway Program.



Resource Management Plans (RMP) for the Preserves were completed in 2018 and guide ongoing habitat management activities under the Conservation Plan. These plans are periodically updated to incorporate new biological information, document completed management activities, and identify future restoration priorities. In addition, annual Conservation Plan reports track environmental compliance, restoration progress, and monitoring activities across the Preserves. To date, these reports demonstrate that the program remains in compliance with Conservation Plan commitments and is progressing consistent with program objectives.

Overall, the EMP has successfully fulfilled its intended purpose of providing comprehensive environmental mitigation while supporting timely implementation of freeway improvements. The program reflects years of collaboration among OCTA, the Wildlife Agencies, stakeholders, and the public and has been recognized regionally for its innovative programmatic approach to transportation-related mitigation. Based on this assessment, the Freeway EMP continues to meet the objectives established in the Plan, and no changes to the program are recommended at this time.

5.2.2 Streets and Roads Program

The M2 Streets and Roads Program supports Orange County's mobility and economic vitality by investing in the local street network that carries a significant share of daily travel throughout the county. These investments focus on improving roadway conditions, relieving congestion at key bottlenecks, improving traffic flow through regional signal coordination, and delivering targeted gap closures and safety enhancements on major arterial corridors. The M2 Streets and Roads Program includes three primary components:

- Project O: RCP, which provides competitive funding to local jurisdictions for improvements to the MPAH, including intersection enhancements and gap closure projects that improve traffic flow and safety. The program also included the OC Bridges Program, which delivered seven grade separation projects to eliminate vehicle–train conflicts along the BNSF Railway Company (BNSF) corridor and improve safety and reliability for both motorists and freight movement.
- Project P: RTSSP, which supports coordination of traffic signals across jurisdictions to reduce stop-and-go conditions, improve travel time reliability, and reduce greenhouse gas emissions by minimizing vehicle idling and enhancing overall corridor efficiency.
- Project Q: LFS Program, which provides formula-based funding to cities and the County of Orange to support locally determined transportation priorities such as pavement rehabilitation, operational improvements, and multimodal enhancements.

Together, these programs support the overall objectives of the M2 Streets and Roads Program by improving roadway conditions, enhancing traffic flow and safety, and helping local jurisdictions maintain and improve critical transportation infrastructure. The following sections provide a detailed review of each component and evaluate program performance as part of the Review. For additional details on project progress and constraints, refer to Appendix D and Appendix E. Figure 5-3 summarizes the current cost, status, and completion date of the grade separation projects in the OC Bridges program.

Figure 5-3: OC Bridges Program Cost and Status

Project	Cost (Millions)	Status	Completion Date
Kraemer Boulevard Grade Separation	$63.83	Completed	December 2014
Lakeview Avenue Grade Separation	$110.93	Completed	June 2017
Orangethorpe Avenue Grade Separation	$105.89	Completed	October 2016
Placentia Avenue Grade Separation	$64.54	Completed	December 2014
Raymond Avenue Grade Separation	$125.94	Completed	May 2018
State College Boulevard Grade Separation	$99.58	Completed	March 2018
Tustin Avenue/Rose Drive Grade Separation	$96.68	Completed	October 2016

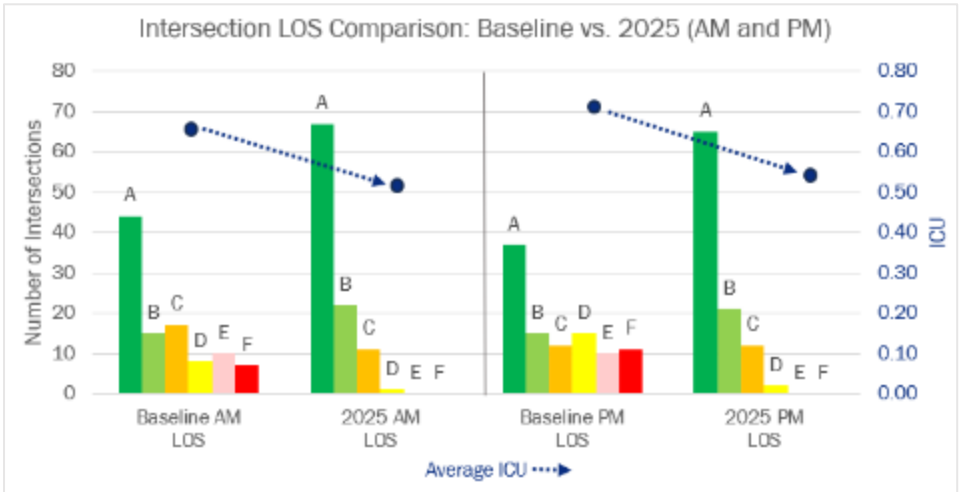
Project O: RCP



Project O, the RCP, provides competitive funding to local jurisdictions for improvements to the MPAH, including intersection enhancements, gap closures, and grade separations. Since 2011, through 15 competitive calls, the Board has awarded 195 projects (237 project phases) totaling more than $432 million, including approximately $23.4 million in leveraged external funding. To date, 157 project phases have been completed, with additional projects in various stages of implementation. The related OC Bridges Program further delivered seven grade separation projects addressing roadway conflicts with freight rail operations in north Orange County. All projects have been completed and closed out, representing a significant regional investment in safety and mobility.

The benefits of these investments are reflected in system performance analyses. Travel demand modeling conducted for the Review compared current conditions with M2 investments to a counterfactual scenario without them. Results indicate that average arterial speeds during peak periods are approximately nine percent higher with M2 investments in place. Similar improvements are observed across both peak travel periods, with morning peak speeds approximately nine percent higher and evening peak speeds also approximately nine percent higher than conditions without M2. These percentage represent systemwide improvements across the regional arterial network and reflect the cumulative impact of intersection improvements, corridor enhancements, and grade separations delivered through Project O.

Figure 5-4: Intersection LOS Comparison: Baseline vs. 2025 (AM and PM)



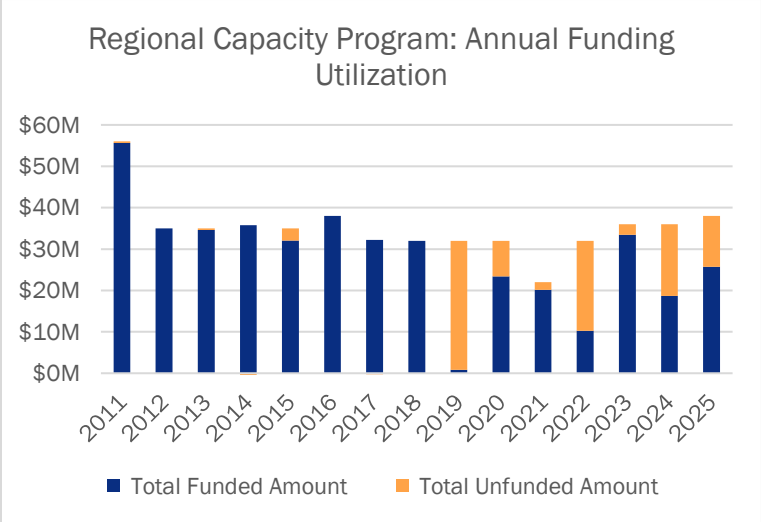
Congestion Management Program (CMP) monitoring results further demonstrate long-term improvements in intersection performance across the County. The 2025 Orange County CMP report indicates that average intersection capacity utilization (ICU) has improved significantly since the program's baseline monitoring period. As shown in Figure 5-4, between 1991 and 2025, the countywide average AM ICU improved from 0.67 to 0.54 and the PM ICU improved from 0.71 to 0.57, reflecting approximately 19 percent improvement in intersection operating conditions. These trends indicate that Orange County agencies have continued to effectively operate, maintain, and improve the arterial network over time.

Looking forward, modeling of future conditions demonstrates that continued implementation of the M2 program—including arterial improvements delivered through Project O—helps Orange County

accommodate projected growth while maintaining arterial system performance comparable to today's conditions. Despite increases in population, employment, and travel demand, average arterial speeds in the 2041 M2 only scenario remain generally consistent with current conditions.

As the arterial network continues to mature and many jurisdictions approach buildout, the nature of improvement needs within the system is also evolving. While earlier RCP cycles were highly competitive, reflecting strong demand for arterial widening and capacity expansion, more recent funding cycles have experienced more fluctuations (see Figure 5-5). In several recent calls, the share of funding awarded has declined, indicating a potential shift in program demand. This trend suggests that demand for traditional MPAH capacity projects may be moderating, as the pool of feasible, large-scale expansion projects has naturally narrowed. In this context, undersubscription does not reflect diminished program value, but rather an evolution in system needs and local priorities.

Figure 5-5: Regional Capacity Program: Annual Funding Utilization



This shift aligns with feedback received during public outreach and stakeholder discussions. Several cities noted that opportunities for major corridor widening or new capacity projects are increasingly limited due to built-out conditions, constrained ROW, and community impacts.

At the same time, stakeholder engagement has highlighted a growing priority: pavement maintenance. "Fixing potholes and repairing roadways" continues to rank among the top transportation priorities in public surveys. In TAC focus groups and elected official roundtables, the need for additional pavement funding was consistently emphasized. Across residents, staff, and policymakers, maintaining smooth, reliable streets remains a fundamental expectation. This is further discussed in Section 6, Public Priority Analysis.

Orange County currently has the highest pavement quality in the State, according to the latest *California Statewide Local Streets and Roads Needs Assessment – Final Report*. However, sustaining this performance will require continued investment. The *Local Agency Pavement Preservation 10-Year (FY 2022–2032) Pavement Management Plan* (2022) indicates that under current funding levels, overall pavement condition remains acceptable but is trending downward, with deferred maintenance projected to increase over time.

Financial modeling demonstrates that maintaining current PCI levels would require a significant funding increase, while achieving measurable improvement would require an even greater commitment. If pavement conditions approach the minimum threshold, segments will increasingly shift from preventative treatments to major rehabilitation, increasing long-term costs and financial volatility. Maintaining pavement within the optimal preventative range better positions Orange County to sustain system performance through 2041.

An April 2025 survey of 34 Orange County jurisdictions further underscores this challenge: 75 percent of agencies allocate less than 25 percent of their total budgets to street repairs, 72 percent report residents as "engaged" or "highly engaged" on pavement issues, and the most frequently cited concern was the need for increased pavement funding amid rising construction costs.



Taken together, these trends suggest that while Project O has successfully delivered arterial capacity improvements, evolving system conditions and stakeholder priorities warrant evaluation of how the program may continue to add value within a largely built-out network.

In response, staff proposes to evaluate the potential creation of a competitive pavement maintenance subprogram within the M2 Streets and Roads Program under Project O. At this stage, the action is limited to evaluation and analysis and does not eliminate any of the existing subprograms. The intent is to assess RCP structure, eligibility criteria, funding targets, and impacts on the existing framework before any formal changes are considered.

This approach maintains transparency, competitive allocation principles, and fiscal discipline while ensuring M2 remains responsive to evolving system needs and stakeholder priorities.

Project P: RTSSP

Project P, the RTSSP, continues to demonstrate strong performance in improving traffic flow and reducing delay across Orange County, enabling synchronization across jurisdictional boundaries and creating regional corridors that benefit multiple cities and improve systemwide mobility.

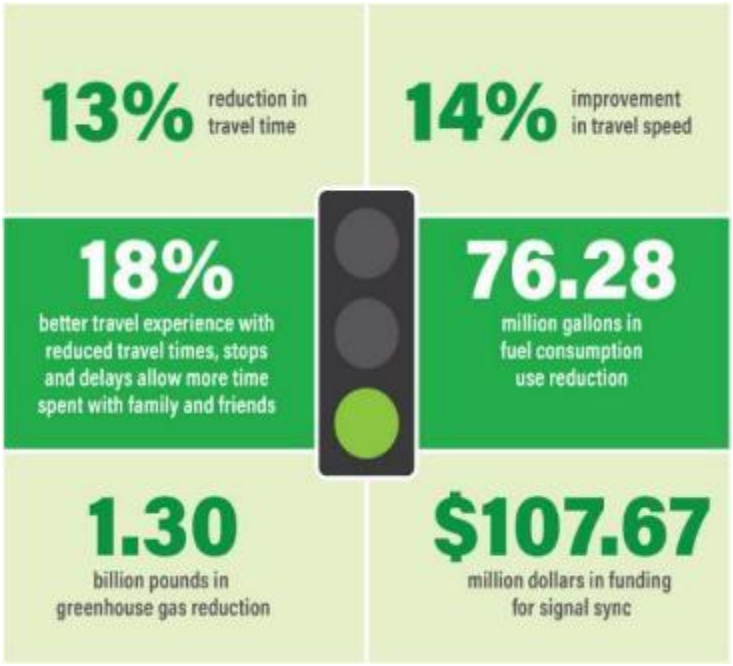
To date, OCTA and local jurisdictions have synchronized 3,789 intersections over 979 miles of streets through 109 completed projects—well exceeding the original target. Through 15 competitive calls, 123[1] projects totaling approximately $162.3 million have been awarded. Overall, OCTA has funded 143 projects totaling nearly $196.8 million, including $40.1 million in leveraged external funding.

RTSSP outcomes have been both measurable and significant. As illustrated in Figure 5-6, synchronized corridors have achieved a 13 percent reduction in travel time, a 14 percent improvement in travel speeds, and an 18 percent improvement in overall travel experience driven by reduced stops and delays. These operational enhancements have also produced substantial environmental and economic benefits, including an estimated 76.28 million gallons in fuel consumption reduction and approximately 1.30 billion pounds in greenhouse gas reductions over the life of the projects. In total, approximately $107.7 million has been invested in improvements along 979 miles of roadway and 3,789 signals, underscoring the program's strong return on investment.

[1] To date, three projects totaling approximately $1.6 million have been cancelled by the awarded local jurisdictions.

A key focus moving forward is completion of the Countywide Signal Synchronization Baseline Project, which serves as the primary Project P Action Plan item identified through the Review. The purpose of this effort is to assess current signal timing conditions, establish a consistent countywide baseline, and identify opportunities to optimize performance before advancing additional capital investments. The baseline, anticipated to conclude in 2029 with finalization by 2030, will provide updated timing plans and performance data for signals across the County. Completion of the study will generate critical data to inform future funding strategies, performance expectations, and program structure.

Figure 5-6: RTSSP Outcomes



Project Q: Local Fair Share Program

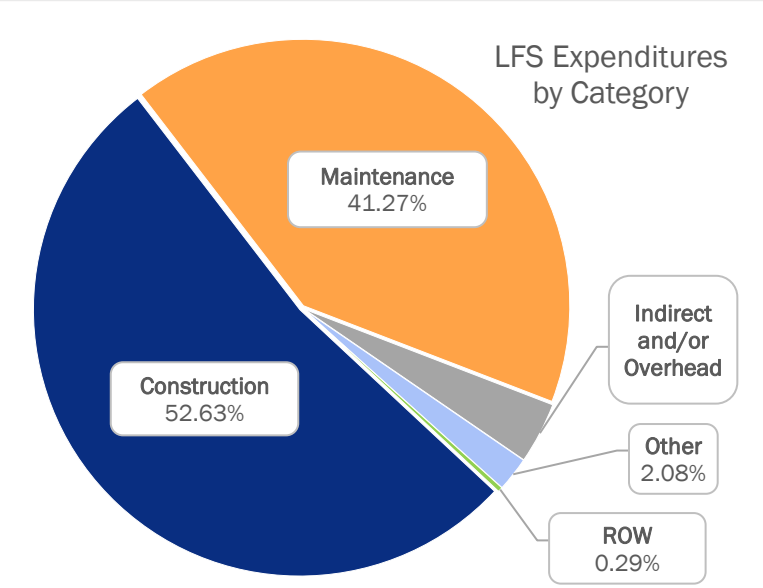
Project Q, the LFS Program, allocates 18 percent of net M2 revenues to Orange County cities and the County of Orange on a formula basis. The intent of the LFS Program is to help local jurisdictions keep up with the rising costs of repairing the aging street system. Funds may also be used for other local transportation needs, as prioritized by each local jurisdiction. Since 2011, approximately $835.3 million in LFS payments have been provided to eligible local jurisdictions.

The LFS formula distributes funds based on three variables: 50 percent based on population, 25 percent based on MPAH centerline miles, and 25 percent based on taxable sales. Each of these factors continues to reflect a logical measure of transportation need. Population captures service demand and resident usage of the system. MPAH mileage reflects the extent of arterial infrastructure that a jurisdiction must maintain. Taxable sales serve as a proxy for economic activity and non-resident travel generation, recognizing that commercial centers attract additional traffic beyond the resident population. Together, these variables balance demand, infrastructure responsibility, and economic activity.

To further assess whether the formula continues to function as intended, staff evaluated growth in each variable between 2011 and 2024 and compared it to growth in LFS receipts over the same period. While population growth across cities has generally been modest—and in some cases flat or negative—taxable sales growth has been substantially stronger and more variable. The MPAH component, by contrast, remains largely stable over time, reflecting each local jurisdiction's long-term responsibility for maintaining the regional arterial network rather than short-term growth trends. The overall average growth in LFS receipts during this period was approximately 79 percent, consistent with the combined influence of the underlying variables. Despite significant variability in taxable sales growth across jurisdictions, LFS receipt growth has remained consistently positive across nearly all cities. This reflects the stabilizing structure of the three-part formula and confirms that the allocation methodology remains responsive to demographic and economic change and continues to operate as designed. No structural imbalance was identified that would warrant changing the existing 50/25/25 formula structure.

Annual expenditure reports submitted by local jurisdictions also demonstrate that LFS funds are being directed toward core transportation purposes. As shown in Figure 5-7, approximately 52.63 percent of LFS expenditures are used for construction and 41.27 percent for maintenance activities. Only 3.72 percent is allocated to indirect or overhead costs, with minimal expenditures for ROW or other categories. This spending profile reflects a strong emphasis on direct capital and maintenance investment, with limited administrative burden.

Figure 5-7: LFS Expenditures by Category



Based on this review, the LFS Program is performing effectively. The allocation formula remains logical and responsive, and expenditures align with the program's intended purpose. No changes to the formula structure or weighting are recommended at this time.

5.2.3 Transit Program

The M2 Transit Program accounts for 25 percent of the Plan and supports a range of investments intended to expand mobility options and improve connectivity across Orange County's transit network. These investments include expansion of regional rail service, enhanced connections between transit and local communities, and targeted programs that improve accessibility and safety for transit users. Together, these initiatives help support a more balanced multimodal transportation system by providing alternatives to driving, improving first- and last-mile connections, and enhancing mobility for seniors and persons with disabilities.

The M2 Transit Program consists of several components, including expanded Metrolink service, transit connections to major activity centers, improvements to transit facilities, and community-based transit services that complement regional routes. These programs are designed to work together to strengthen regional rail service while improving local access to transit throughout the County.

Figure 5-8 summarizes the current cost, status, and completion date of all Transit projects and programs. For additional details on project progress, constraints, and updated schedules, refer to Appendix D and Appendix E.

Figure 5-8: Transit Program Capital Projects Cost and Schedule

Project Letter	Program	Project	Current Cost Estimate (Millions, YOE)	Current Status	Actual/ Estimated Completion Date
R	High Frequency Metrolink Service	Metrolink Grade Crossing Improvements	$90.42	Completed	December 2011
		Anaheim Canyon Metrolink Station Improvements	$34.21	Completed	January 2023
		Fullerton Transportation Center Improvements	$34.00	Completed	May 2019
		Laguna Niguel/ Mission Viejo Metrolink Station Americans with Disabilities Act (ADA) Ramps	$5.16	Completed	September 2017
		Orange Transportation Center Metrolink Parking Structure	$30.86	Completed	February 2019
		Placentia Metrolink Station and Parking Structure	$40.06	Environmental Completed	TBD
		San Clemente Pier Station Lighting	$0.373	Completed	March 2017
		Tustin Metrolink Station Parking Structure	$15.39	Completed	September 2011
		Laguna Niguel to San Juan Capistrano Passing Siding Project	$33.23	Completed	November 2020
		Sand Canyon Grade Separation	$61.87	Completed	January 2016
		San Clemente Beach Trail Safety Enhancements	$5.00	Completed	March 2014
		Laguna Niguel/ Mission Viejo Station Surface Parking Lot	$4.14	Completed	October 2013
		San Juan Creek Railroad Bridge Replacement	$65.58	Construction	February 2027
S	Transits Extension to Metrolink	OC Streetcar	$671.40	Construction	July 2026
T	Metrolink Gateways	ARTIC	$232.19	Completed; Closed Out	December 2014

Project R: High-Frequency Metrolink Service

Project R provides funding to support Metrolink operations and expand regional rail service within Orange County. The program aims to increase rail service within the County and provide additional Metrolink service north of the City of Fullerton to the Los Angeles County Line. Project R also supports improvements to rail infrastructure necessary to sustain and expand service, including grade crossing improvements, track

enhancements, signal and communications system upgrades, station improvements, and other operational investments. Since program inception, these investments have delivered a range of safety, operational, and passenger access improvements across the regional rail network. To date, safety enhancements have been completed at approximately 50 at-grade rail-highway crossings, enabling several cities to establish quiet zones along the rail corridor. Station improvements have also been completed at multiple locations to enhance passenger access and system reliability, including parking expansions, accessibility upgrades, and platform improvements in Orange County. OCTA also remains committed to advancing development of the new Placentia Metrolink Station; however, advancement beyond the environmental phase is dependent on execution of a shared-use agreement between Metrolink and BNSF, as well as Metrolink's long-term fiscal sustainability and ability to support continued operations.



In 2012, OCTA deployed ten new Metrolink intracounty trains operating between the cities of Fullerton and Laguna Niguel/Mission Viejo, primarily during the midday and evening hours. In October 2019, several intracounty trains were extended to Los Angeles County to increase ridership through a redeployment of the trains without significantly impacting operating costs. This change resulted in 54 weekday trains operating between the three lines within Orange County. During the peak of the COVID-19 pandemic, service was reduced to 41 trains. In October 2021, partial service was restored which increased service to 45 trains.

In October 2024, Metrolink implemented the *Metrolink Reimagined* service change to increase midday and evening service and improve operational efficiency. As a result, the three Metrolink lines serving Orange County now operate 58 weekday trains, exceeding the number of trains operating prior to the COVID-19 pandemic. However, ridership recovery has lagged behind service restoration. Current ridership levels remain significantly below pre-pandemic levels, affecting farebox revenue and overall cost recovery. At the same time, operating costs have increased due to inflation and systemwide service needs. As mentioned in Section 4.4, without changes in service levels, ridership growth, operating and rehabilitation costs, or additional external funding, current projections indicate that the existing service model cannot be sustained beyond FY 2033-34.

Another issue affecting Metrolink service in Orange County has been the stability of the coastal rail corridor in south Orange County. Beginning in September 2021, a failing slope in the City of San Clemente severely degraded the railroad track structure near Cyprus Shore [Mile Post (MP) 206.8], requiring emergency repairs to stabilize the corridor. While initial stabilization efforts allowed passenger rail service to resume, continued slope movement and coastal erosion caused additional service disruptions during 2023 and 2024. Landslides near the Casa Romantica Cultural Center and Gardens (MP 204.6) and the Mariposa Trail Bridge (MP 204.2) resulted in debris falling onto the railroad ROW and temporary suspensions of passenger rail service. Emergency stabilization measures—including temporary barrier and catchment walls—were implemented to restore service and protect the track infrastructure.



In December 2024, OCTA secured approximately $305 million in state and federal funding to implement immediate protective solutions addressing inland slope stability and coastal erosion within the City of San Clemente. OCTA is leading efforts to implement these near-term resiliency measures while coordinating with regional partners on a broader strategy to protect the corridor. While emergency stabilization work has allowed rail service to resume, longer-term solutions remain necessary to ensure reliable passenger rail operations along this portion of the corridor. A planning study is currently underway to evaluate short-term and medium-term strategies to protect the rail line in place for approximately the next 30 years, while a separate long-term study will evaluate potential alternatives, including possible relocation of the rail line. OCTA will remain an active participant in these efforts, and future implications for M2 service levels or project costs remain uncertain.

Project R continues to provide important regional mobility benefits by supporting expanded Metrolink service and rail infrastructure improvements across Orange County. However, the financial sustainability of the program requires continued coordination with Metrolink and partner agencies. As part of the Review, staff recommends continued work with Metrolink to develop a financially sustainable service plan, including establishing a target OCTA funding level as part of the FY 2026-27 budget development process, and requesting that Metrolink provide regular updates to the OCTA Board regarding systemwide performance and financial conditions.

Project S: Transits Extension to Metrolink

Project S establishes a competitive program for local jurisdictions to broaden the reach of Metrolink to other Orange County cities, communities, and activity centers by connecting passengers to their final destinations via transit extensions. The program includes two categories: a fixed-guideway program and a rubber tire transit program. The emphasis of Project S is on expanding access to the core rail system and establishing seamless connections within the central core and north and south Orange County.

Fixed Guideway

The M2 Plan includes fixed-guideway transit investments intended to enhance connectivity between major activity centers, strengthen links to the regional rail network, and provide alternatives to automobile travel.



As part of this vision, the Anaheim Rapid Connection (ARC) was identified as a potential fixed-guideway connection between the Anaheim Resort area and the Anaheim Regional Transportation Intermodal Center (ARTIC). While early planning and environmental work was initiated, subsequent efforts shifted toward broader corridor-based studies to evaluate more flexible and integrated transit solutions. Although ARC has not advanced as a standalone project, its underlying connectivity objectives continue to be reflected in ongoing transit planning.

Through a competitive process, the OC Streetcar advanced beyond initial study and into full project development. The project will operate between the Santa Ana Regional Transportation Center (SARTC), Downtown Santa Ana, and Harbor Boulevard in the City of Garden Grove, providing a key connection to regional rail. OCTA is serving as the lead agency at the request of the cities of Santa Ana and Garden Grove.

Construction is approximately 96 percent complete. All eight vehicles have been delivered to the maintenance and storage facility (MSF), and systems integration testing is underway. Major milestones achieved to date include completion of track installation, traction power substations, and station platforms, as well as successful live wire testing, marking the first time the streetcar operated under mainline power. Vehicle commissioning, system integration, and safety certification activities are ongoing as the project progresses through final construction and pre-revenue phases. The Board approved a revised project budget in February 2025, reflecting updated cost and schedule assumptions.

Because the project has not yet entered revenue service, ridership, farebox recovery, and operational performance metrics cannot be evaluated as part of this Review. These measures will be critical to assessing long-term program effectiveness. As noted in the Action Plan, by the next Review in 2031, the OC Streetcar will have been in operation for several years, providing meaningful performance and ridership data to inform future policy decisions.

Bus and Station Van Extension Projects

Since 2011, M2 has provided competitive, multi-year transit funding commitments for bus and station van services connecting to Metrolink, with approximately $298,333 programmed to date, supporting first- and last-mile access to the regional rail system. One call for rubber tire transit extensions was issued, resulting in approximately $732,000 in funding for four projects in the cities of Anaheim and Lake Forest. The City of Lake Forest subsequently cancelled its three projects. The Anaheim Canyon Metrolink Station Bus Connection Project was successfully completed on June 30, 2020. The service continues under a subsequent Project V grant and is subject to Project V performance standards. No future calls for rubber tire transit extensions are currently anticipated.

Based on the Review, Project S is progressing as intended. The fixed-guideway component is nearing completion, and the rubber tire component has concluded its initial round of funding. Performance evaluation of the OC Streetcar will occur following commencement of revenue service. No action is recommended at this time.

Project T: Metrolink Gateways



Project T was established to provide funding for local improvements to Metrolink stations along the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor in Orange County to facilitate connections to future HSR systems. The program was intended to ensure Orange County's presence in the development and implementation of HSR systems that would serve the County.

As part of EAP efforts, OCTA held a competitive call in 2009 for eligible station cities to develop and implement station projects in preparation for future HSR systems. The cities of Anaheim, Fullerton, Irvine, and Santa Ana were awarded funding for planning of major expansions of their Metrolink stations. Through this process, ARTIC advanced to construction. Environmental clearance for ARTIC was completed in early 2012, and the facility opened to rail and bus service on December 6, 2014. ARTIC was designed as a multimodal transportation hub capable of accommodating future HSR service and regional connectivity.

As part of the 2015 Review, Project T was evaluated and determined to be complete upon delivery of ARTIC. The 2015 Review included an action item recommending amendment of the M2 Ordinance and Plan to formally close out Project T, as ARTIC fulfilled the intent of the program as the only Orange County station identified on the planned HSR route. The Board subsequently approved the M2 Ordinance amendment on December 14, 2015, officially closing the project.

Based on this Review, Project T remains complete and closed in accordance with prior Board action. No further action is recommended at this time.

Project U: Expand Mobility Choices for Seniors and Persons with Disabilities

Project U supports programs that expand mobility options for seniors and persons with disabilities throughout Orange County. The program funds three initiatives: the Senior Mobility Program (SMP), the Senior Non-Emergency Medical Transportation (SNEMT) Program, and the Fare Stabilization Program. Together, these programs provide transportation services and fare assistance that help improve access to healthcare, essential services, and community activities for populations that may face barriers to mobility.

SMP

The SMP allocates one percent of M2 net revenue to enable participating cities (currently 32) to design and implement transportation services tailored to the needs of adults age 60 and older in their communities. The program builds on a locally driven approach that emphasizes community-based transportation solutions rather than countywide services. Cities have implemented a variety of service models, including shuttle services, demand-response rides, subsidized taxi programs, and partnerships with transportation providers, allowing each jurisdiction to address the unique mobility needs of their senior population.



Since inception, more than $43.7 million has been provided to eligible local jurisdictions to support nearly 3.4 million boardings for seniors traveling to medical appointments, nutrition programs, shopping destinations, and senior and community center activities. This demand is expected to increase as demographic trends shift. As noted in Section 3.3.1, the population age 60 and older in Orange County has grown significantly over the past decade – on average 40 percent based on U.S. Census Bureau data – and is projected to continue increasing.

During the COVID-19 pandemic, the Board approved temporary SMP Guidelines exceptions to provide flexibility to local jurisdictions. These actions allowed participating cities to modify services in response to public health restrictions, including permitting the use of SMP funds for meal delivery in lieu of transportation to senior nutrition programs and temporarily suspending funding distribution requirements for jurisdictions with fully suspended services. These temporary measures helped cities continue supporting a vulnerable population during the State of Emergency while maintaining program funding integrity.

While SMP continues to deliver meaningful mobility benefits, stakeholder engagement conducted as part of the Review highlighted a range of perspectives across participating cities regarding program administration, funding utilization, and future direction. Input varied among stakeholders, with some expressing in expanding services, while others indicated challenges in fully utilizing existing allocations. The current Board-adopted SMP Funding and Policy Guidelines (SMP Guidelines) were last updated in 2018. Given the passage of time,

evolving service delivery approaches, and increasing demand associated with a growing senior population, a review of the SMP Guidelines is appropriate to ensure they continue to effectively support local implementation.

Accordingly, staff proposes an Action Plan item to evaluate and update the SMP Guidelines. This effort would focus on reaffirming program objectives, incorporating lessons learned from local implementation, and ensuing alignment between program requirements and operational realities. The review would also consider opportunities to enhance administrative efficiency, while maintaining the flexibility that enables cities to tailor services to their local senior populations.

SNEMT

The SNEMT Program, administered in partnership with the County of Orange Office on Aging, allocates one percent of M2 net revenue to provide transportation for seniors traveling to medical appointments and other health-related services. The program fills an important gap for individuals who may not qualify for OC ACCESS paratransit services or who require transportation options beyond those available through existing transit programs. Through contracts with social service agencies and transportation providers, the program offers specialized transportation services that complement the broader transit network. Since inception, approximately $46.9 million has been allocated to support more than 1.7 million SNEMT boardings.

Fare Stabilization Program



The Fare Stabilization Program allocates 1.47 percent of M2 net revenues to ensure that transit fares for seniors and persons with disabilities remain discounted at levels established when the M2 Ordinance was adopted. The program supports discounted fares on OCTA's fixed-route bus services as well as OC ACCESS paratransit services, helping maintain affordability for transit-dependent populations. Since inception, nearly $63.5 million has been allocated to support more than 166 million program-related boardings. Staff analysis confirms that the Fare Stabilization Program continues to fund fares in an amount equal to the percentage of partial funding of fares as of the effective date of the M2 Ordinance.

Overall, Project U continues to provide meaningful mobility benefits to seniors and persons with disabilities across Orange County. The program remains aligned with the objectives established in the Plan, and the proposed evaluation of the SMP Guidelines will help ensure the program continues to effectively support accessible transportation options through 2041.

Project V: Community Based Transit/Circulators

Project V provides competitive funding to local jurisdictions to implement community-based transit services that complement regional bus and rail operations and address localized mobility needs. As part of the Review, staff evaluated Project V to assess delivery status, compliance with adopted performance standards, and overall program effectiveness.



Since program inception, the Board has approved 50 projects and ten planning studies through five competitive calls, totaling approximately $99.4 million. Of the 50 transit circulator projects, 16 services are currently active, four are planned, 17 have been completed, and 13 were cancelled, primarily due to low ridership. Project V services have collectively carried approximately 5.97 million passengers to date.

Project V services are evaluated on a quarterly basis. Consistent with established program guidelines, Project V-funded services are expected to operate within a maximum cost-per-boarding standard set at twice the M2 Project V subsidy, and local jurisdictions are responsible for costs beyond the OCTA subsidy. Services not meeting performance standards are required to disclose performance to their governing boards and determine whether to continue, restructure, or discontinue service. This structured monitoring process reinforces accountability and ensures that funding is directed toward viable, community-supported services. The most recent semi-annual ridership report, covering April 2025 through September 2025, confirmed that nearly all active services met the adopted cost per boarding and service performance standards. The maximum allowable cost per boarding for FY 2024-25 and FY 2025-26 was established at $21.63, equal to twice the M2 subsidy per boarding of $10.81, and all but one active service operated within this threshold.

The Review also confirms that the program continues to adapt to evolving travel patterns. Seasonal, special event, commuter, fixed-route, and demand-responsive services remain aligned with local mobility needs, and underperforming services in prior cycles were either restructured or discontinued. The current portfolio reflects a more performance-driven and locally responsive program.

Looking ahead, successful community-based transit/circulator grants will require renewal to sustain operations beyond the current extension period. Through the 2024 Project V call, 11 existing services were extended through June 2031. As those cooperative agreement terms approach expiration, continuation of high-performing services beyond that timeframe will require future Board authorization through a subsequent call or formal renewal action. This reflects the normal lifecycle of this competitive grant program and long-term program planning rather than a delivery deficiency.

Based on the Review assessment of service delivery, ridership performance, and program oversight mechanisms, Project V is performing as intended. Active services are meeting adopted performance standards, monitoring practices are functioning effectively, and no programmatic modifications or corrective actions are recommended at this time.

Project W: Safe Transit Stops

Project W provides funding to enhance passenger amenities at transit stops to improve safety, accessibility, and the overall customer experience. Eligible improvements have historically included shelters, seating, lighting, and related amenities intended to support bus riders at high-activity locations.

Since program inception, approximately $3 million has been allocated through three calls for improvements at 122 transit stops. Of these, 94 improvements have been completed and 18 are in various stages of implementation. As a result, the program has substantially fulfilled the M2 Ordinance's original commitment to improve the 100 busiest transit stops. While the program has successfully delivered stop-level enhancements, a significant balance of available funding remains unprogrammed.



The Review identified that the current eligibility framework—tied to the 100 busiest transit stops—has not been updated in recent years, as no calls have been conducted. As a result, the list of eligible stops may not fully reflect current ridership patterns and system conditions. As part of the Action Plan, staff will evaluate updating the list of the 100 busiest transit stops to ensure it reflects current transit activity and priorities. Based on the Review, Project W continues to serve an important role in enhancing the transit passenger environment. Updating the list will help ensure that future investments are aligned with current system needs.

5.2.4 Environmental Program

The Environmental Program supports efforts to address transportation-related environmental impacts and improve water quality throughout Orange County. These investments focus on reducing pollutants entering local waterways, supporting compliance with federal and state water quality regulations, and enhancing environmental conditions associated with transportation infrastructure.

The program includes Project X, the ECP, which fund projects designed to capture, treat, and prevent transportation-related runoff from entering creeks, rivers, and coastal waters. These projects are implemented in coordination with local jurisdictions and water quality agencies and are designed to complement broader regional water quality and environmental management efforts. For additional details on project progress, constraints, and updated schedules, refer to Appendix D and Appendix E.

Project X: Environmental Cleanup Program

Project X implements transportation-related water quality improvement projects designed to reduce pollutants entering Orange County waterways in compliance with federal Clean Water Act requirements. The program consists of a two-tier structure: Tier 1 projects focus on distributed improvements such as trash capture devices and irrigation retrofits, while Tier 2 projects support larger capital improvements that provide water quality and water resource benefits.



Since program inception, 241 Tier 1 projects, totaling approximately $43 million, have been awarded by the Board since 2011. Of the 241 projects, construction on 203 projects have been completed, 21 are in various stages of implementation, and 17 have been cancelled by the awarded agency. Tier 1 installations have removed approximately 91.7 million gallons of trash from Orange County waterways through December 2025. This volume is equivalent to more than 16,200 trash truck loads of debris that would otherwise

have entered local streams and coastal waters. On an annual basis, more than 11 million gallons of trash are currently captured through installed Tier 1 devices, reflecting sustained and ongoing performance.

To date, 26 Tier 2 projects totaling approximately $35 million have been awarded by the Board since 2013. Of the 26 projects, construction on 18 projects has been completed, four projects are in progress, and four projects have been cancelled by the awarded agency. It is estimated that Tier 2-funded projects, once fully functional, will have an annual groundwater recharge and water savings potential of approximately 352 million gallons of water from infiltration, recharge facilities, and diversion to recycled water supply.

Based on the Review, Project X is performing as intended. The program continues to deliver measurable environmental benefits, including substantial trash removal and water resource enhancements, consistent with the commitments of the M2 Ordinance. No action is recommended at this time.

5.2.5 Taxpayer Safeguards and Audits

M2 was approved by voters with explicit taxpayer protections embedded in the M2 Ordinance. These safeguards were designed to ensure transparency, fiscal discipline, and accountability throughout the 30-year life of the program. They include independent oversight, recurring audits, strict eligibility requirements for local jurisdictions, limits on administrative costs, regular public reporting, triennial performance assessments, and a comprehensive review every ten years. These overlapping layers of accountability provide structural assurance that M2 revenues are spent as promised.



As part of this Review, OCTA evaluated the safeguard framework to determine whether any structural changes are warranted. Based on this evaluation, OCTA concludes that the existing taxpayer safeguards remain appropriate. As such, no modifications are recommended at this time.

OCTA maintains a comprehensive Ordinance Tracking Matrix to monitor compliance with all requirements contained in the M2 Ordinance. The matrix documents responsible divisions, reporting frequencies, and supporting documentation for each requirement. This structured compliance framework ensures that all statutory and voter-mandated provisions are systematically reviewed and updated on a recurring basis.

The TOC provides an independent layer of accountability and oversight for the M2 Program. Chaired by the Orange County Auditor-Controller, the TOC is responsible for reviewing expenditures, audits, and program performance to ensure compliance with the M2 Ordinance. Each year, following a public hearing, the TOC Chair, on behalf of the TOC, certifies whether M2 revenues have been expended in accordance with voter-approved requirements. The TOC has consistently found that OCTA is proceeding in compliance with the M2 Ordinance. In addition, at the request of the TOC, the Board authorized annual compliance audits to further strengthen oversight and transparency. A limited compliance audit for FY 2022-23 and a full compliance audit for FY 2023-24 found that OCTA complied, in all material respects, with the requirements of the M2 Ordinance, with no deficiencies in internal control reported.

A key transparency safeguard is the requirement for quarterly progress reports to the Board. These reports provide updates on project status, expenditures, schedule performance, and program delivery milestones. Quarterly reporting ensures that emerging issues are publicly disclosed in a timely manner and that corrective actions, when necessary, are visible to the Board, the TOC, and the public.

The M2 Ordinance also requires the publication of an annual report detailing how revenues have been spent and progress toward implementing the Plan. These annual reports summarize program accomplishments, financial performance, and compliance activities, and are made publicly available. This recurring reporting requirement provides a consistent, year-over-year accounting of M2 revenues and expenditures.

In addition to quarterly and annual reporting, the M2 Ordinance requires a triennial performance assessment to evaluate efficiency, effectiveness, economy, and program results. Six have been performed to date. The most recent performance assessment, covering FY 2021-22 through FY 2023-24, concluded that OCTA maintains strong program management practices, fiscal responsibility, and compliance with M2 Ordinance requirements. While minor recommendations for process enhancements were identified, no material deficiencies were reported.

The M2 Ordinance further requires a comprehensive Review to evaluate the performance of all projects and programs implemented under the Plan. This Review serves as a structural checkpoint to assess revenue projections, project delivery, changing conditions, and continued public support. The current Review represents the second such comprehensive evaluation and confirms that the M2 Program remains financially viable and operationally sound under the existing framework.

Independent financial oversight is reinforced through annual audits and compliance reviews. For the fiscal year ended June 30, 2024, an independent compliance audit concluded that OCTA, designated as the Authority, complied in all material respects, with the requirements of the M2 Ordinance and that no reportable deficiencies in internal control were identified.

Local jurisdictions receiving M2 funds are subject to annual eligibility reviews and periodic agreed-upon procedures (AUP) engagements performed by an independent accounting firm. These reviews test expenditures, reporting practices, and compliance with maintenance of effort requirements. The AUP process has demonstrated its effectiveness by identifying instances where jurisdictions did not meet eligibility standards or reported unsupported expenditures. In such cases, the Board suspended disbursements, required reimbursement of ineligible costs, and mandated corrective actions prior to reinstating eligibility. These actions demonstrate that the safeguards are actively enforced and functioning as intended.

The M2 Ordinance also limits administrative expenditures to one percent of annual M2 revenues. OCTA monitors this threshold quarterly and reports compliance through audited financial statements and compliance reviews. Administrative expenditures have remained in compliance with the M2 Ordinance's one percent limitation. See Section 4.1.5, Administrative Cap and Collection Costs for additional information.

Based on this evaluation, the taxpayer safeguards embedded in the M2 Ordinance continue to protect voter-approved revenues and ensure transparency, accountability, and disciplined program delivery. The safeguards are working as designed, and no changes are warranted at this time.

5.3 Delivery Risks/Constraints

Delivery of the Plan occurs within a dynamic implementation environment shaped by economic conditions, regulatory requirements, construction market forces, and interagency coordination. While OCTA has made substantial progress advancing projects and programs across all funding categories, certain delivery risks and constraints—many of which are outside OCTA's direct control—continue to influence schedules, costs, and sequencing. These risks vary by program area and reflect differences in project complexity, scalability, and operational requirements.

5.3.1 Freeway Program

The Freeway Program represents the largest and most complex component of the M2 Program and carries the greatest delivery risk. Freeway projects are defined with fixed scopes in the M2 Ordinance and must be delivered regardless of changing external conditions. As the program has advanced, delivery risks have shifted from early planning uncertainty to execution-related constraints.

A primary risk continues to be ROW acquisition and third-party coordination. OCTA relies on Caltrans to perform ROW acquisition, relocation assistance, and to process resolutions of necessity through the California Transportation Commission (CTC). Resource availability at Caltrans, competing statewide priorities, and complex utility coordination can affect project schedules on a project-by-project basis.

Construction market conditions also present ongoing risk. Labor availability, contractor capacity, and material cost volatility may influence bid prices and construction timelines, particularly for projects advancing later in the program.

Regulatory and policy considerations represent an additional constraint. While most M2 freeway projects have completed environmental review, projects that have not yet advanced through all phases may be affected by evolving requirements related to environmental review, climate considerations, and managed lane implementation, potentially requiring additional analysis or schedule adjustments.



Finally, interagency coordination remains critical for freeway delivery. Several corridors require coordination among multiple agencies to align schedules, funding responsibilities, and construction sequencing, introducing dependencies that may affect delivery timelines.

Despite these risks, the majority of freeway projects are complete, under construction, or in advanced stages of development, and OCTA continues to actively manage delivery constraints through phased implementation and disciplined project controls.

The Freeway EMP continues to progress consistent with voter-approved commitments and does not face significant near-term delivery constraints. Programmatic permits and comprehensive conservation planning have reduced regulatory risk and supported streamlined freeway project approvals. Remaining risks associated with the mitigation program are primarily long-term and environmental in nature, including habitat restoration success, wildfire impacts, and ongoing stewardship responsibilities. These risks are addressed through monitoring and adaptive management practices.

5.3.2 Streets and Roads Program

Delivery risks within the M2 Streets and Roads Program remain limited. A key strength of this program area is its flexibility, which allows funding levels and project timing to be adjusted without compromising overall program objectives.

Most M2 streets and roads projects are delivered by local jurisdictions through competitive or formula-based programs. As a result, delivery risks are primarily local and project-specific, including staffing capacity, utility coordination, and compliance with eligibility and timely use of funds requirements.

For larger capital projects, particularly grade separations, ROW costs, utility conflicts, and legal settlements can increase project costs and affect schedules. These challenges are generally isolated and do not represent systemic program constraints.

Overall, the M2 Streets and Roads Program continue to progress as planned, with no significant delivery constraints identified at the program level.

5.3.3 Transit Program

The M2 Transit Program remains deliverable but faces a distinct set of operational and programmatic risks. Unlike most capital programs, certain transit components such as rail service—cannot be easily adjusted without affecting service levels.

A primary risk is the long-term sustainability of rail operations. Changes in travel behavior, ridership recovery patterns, and rising operating costs place pressure on transit services and require ongoing coordination among partner agencies.

Interagency and railroad coordination also remains a constraint. Rail infrastructure improvements and service expansion depend on agreements governing track access, scheduling, and maintenance responsibilities, which can affect both capital project delivery and operational flexibility.

In addition, climate-related risks increasingly affect transit infrastructure, particularly along the coastal rail corridor in south Orange County. Coastal erosion, storm surges, and slope instability have required emergency actions to maintain service and underscore the need for continued coordination and long-term resilience planning.

5.3.4 Environmental Programs

The ECP remains highly flexible and continues to advance without significant delivery risks. Projects are implemented in partnership with local jurisdictions, with delivery risks generally limited to individual project implementation and compliance with eligibility and timely use of funds requirements.

5.3.5 Other External Factors

In addition to program-specific delivery risks, broader external factors have influenced the implementation of the M2 Program over time. These factors—largely outside of OCTA's control—have affected funding, travel behavior, and project delivery across all program areas.



Economic conditions have played a significant role. The Great Recession resulted in a substantial decline in sales tax revenues early in the program, requiring adjustments to project timing, financing strategies, and increased reliance on external funding. More recently, the COVID-19 pandemic introduced similar challenges, with declines in sales tax revenues and ongoing uncertainty in revenue forecasts.

The pandemic also significantly affected travel behavior and system performance. Transit ridership declined sharply, particularly for Metrolink and other discretionary services, leading to temporary service reductions and continued challenges in ridership recovery. Programs serving more vulnerable populations were especially impacted. Within the SMP, ridership declined and some service providers ceased operations. In response, OCTA implemented temporary program adjustments, including allowing the use of funds for meal delivery in lieu of transportation services and holding allocations for agencies with suspended services until

operations could resume. Additional flexibility was provided through temporary suspension of certain program requirements to support continuity of service.

Similarly, Project V services experienced widespread disruption, with many services suspended or delayed due to reduced demand and public health restrictions. OCTA responded by implementing programmatic revisions, including adjustments to performance metrics and funding provisions, to support the re-establishment of services in a post-pandemic environment.

Capital project delivery was also affected by external conditions, particularly during and following the pandemic. Supply chain disruptions, labor constraints, and construction cost escalation introduced schedule pressures and cost increases across major projects, including freeway improvements and the OC Streetcar.

At the policy level, OCTA and the Board implemented targeted relief measures in response to these external pressures, including temporary modifications to M2 Ordinance requirements—such as modification of maintenance of effort (MOE) provisions—to support local jurisdictions during the pandemic. OCTA also leveraged federal relief funding, including resources provided through the Coronavirus Aid, Relief, and Economic Security (CARES) Act and related programs, to help stabilize transit operations and offset revenue losses.

Beyond economic and public health events, evolving technologies are also influencing the transportation system. Advancements such as real-time traveler information, mobile applications, and emerging vehicle technologies—including electric vehicles and early applications of artificial intelligence—are shaping how people travel and interact with the system. While these technologies were not explicitly anticipated in the original M2 Plan, they are increasingly influencing system performance and user expectations.

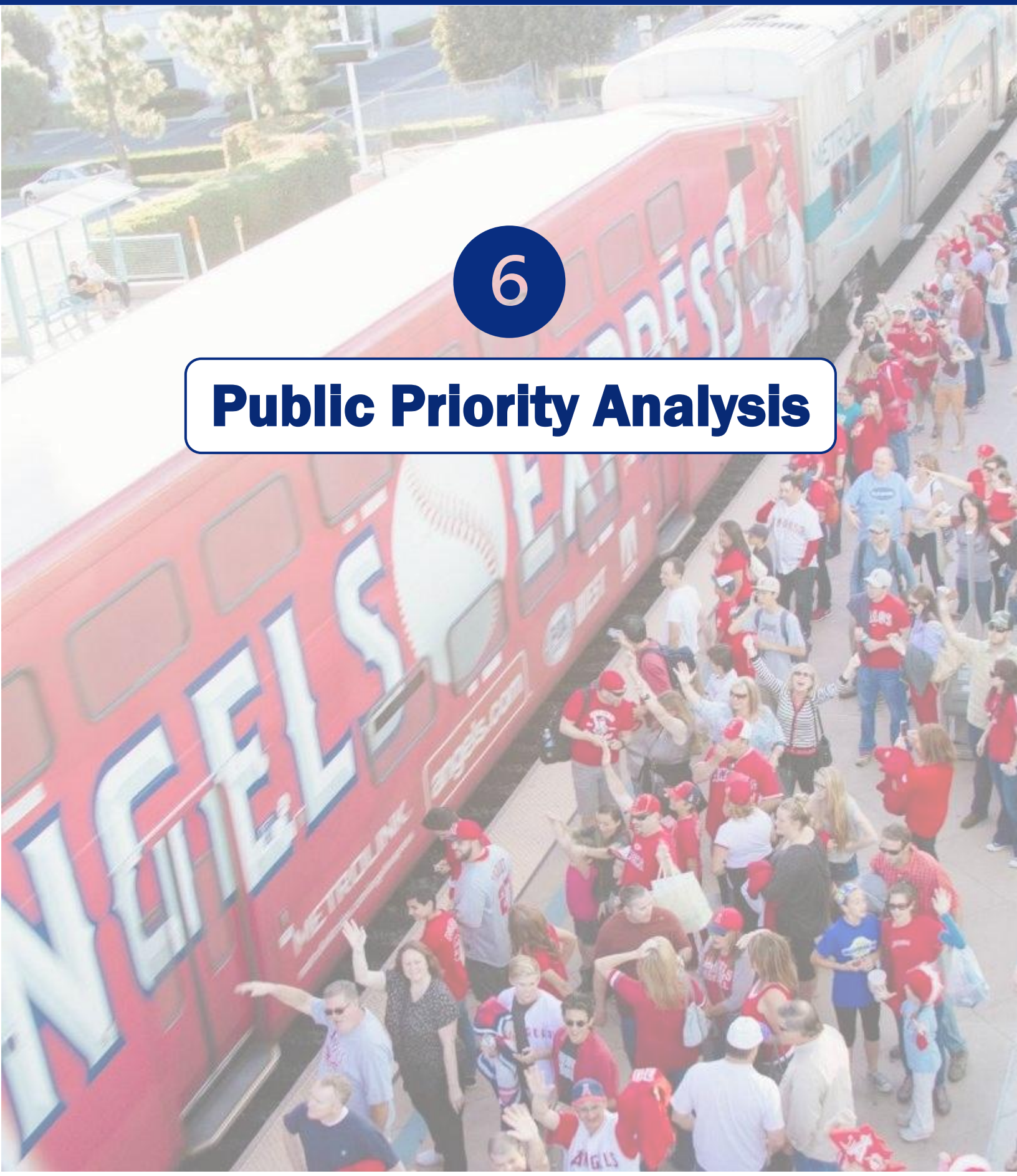
Collectively, these external factors underscore the importance of flexibility and adaptive management in delivering a long-term voter-approved program. While these conditions have introduced challenges, OCTA's ability to respond and adjust has allowed the M2 Program to continue advancing while maintaining its core commitments.

5.4 Summary and Conclusion

Overall, the Project Delivery Analysis demonstrates that the M2 Program has made substantial progress in advancing the promises made to voters and remains on track for delivery through 2041. All major program categories are actively underway, with many projects completed or in construction, reflecting effective program management and sustained coordination among OCTA, local jurisdictions, and regional partners.

While a range of delivery risks and constraints have been identified, these factors are being actively managed and do not materially affect OCTA's ability to deliver. The scalability of several program elements, combined with OCTA's ability to leverage external funding and apply adaptive delivery strategies, continue to showcase flexibility and innovation.

In summary, no major modifications to the delivery approach are warranted at this time; however, continued monitoring and strategic adjustments, as outlined in the proposed Action Plan, will ensure successful delivery in the next 15 years of M2 delivery.



6

Public Priority Analysis

6. Public Priority Analysis

Assessing Public and Stakeholder Continued Support for M2

6.1 Background



The M2 Ordinance requires public and stakeholder input; it is an integral component of the Review. Public Priority Analysis evaluates whether the Plan continues to align with the needs, expectations, and priorities of Orange County residents and stakeholders, and whether public support for the program remains strong at the midpoint of M2.

To support this assessment, OCTA conducted a comprehensive, inclusive, multi-phased outreach and engagement campaign. This effort combined broad-based public opinion research with targeted qualitative engagement to ensure broad representation and depth of understanding.

Collectively, these efforts provide a robust foundation for evaluating public support for M2, identifying priority transportation needs, and informing potential refinements to program delivery and communication strategies.

6.2 Goals & Objectives

The public priority analysis was guided by the following objectives:

- Evaluate awareness and perceptions of M2 and OCTA's role in delivering transportation improvements;
- Identify current transportation priorities, trends, and challenges;
- Assess the level of public support for continuing local transportation funding under M2; and
- Understand residents' priorities across major transportation investment areas, including streets and roads, freeways, transit, and environmental programs.

6.3 Outreach and Data Collection Approach

OCTA implemented an extensive, multilingual, countywide engagement program between January and August 2025, supplemented by a quantitative survey conducted in early 2026. The outreach effort included stakeholder briefings, elected official roundtables, public webinars, focus groups, community events, and both qualitative and quantitative surveys. Public and stakeholder input was gathered through multiple, complementary methods to ensure both depth and breadth of feedback.

Key engagement activities included:

- ✓ A countywide quantitative survey of 1,025 residents;
- ✓ 2,585 completed qualitative surveys;
- ✓ Two elected official roundtables;
- ✓ Five Technical Advisory Committee Member focus groups;
- ✓ Stakeholder briefings and thought leader interviews;
- ✓ Four focus groups;
- ✓ A virtual public webinar; and
- ✓ Outreach at 26 community and cultural events across all five supervisorial districts.

This layered approach allowed OCTA to validate broad public priorities while also capturing nuance and context behind the feedback. Additionally, all materials were provided in English, Spanish, and Vietnamese, and surveys were offered in additional languages to ensure broad participation.

6.4 Key Themes

Continued Support for Local Transportation Funding



Public support for continued local transportation funding remains strong. A majority of survey respondents indicated that maintaining existing local funding for transportation in Orange County is important, with support increasing further when respondents were reminded of how M2 funds are used.

At the same time, perceptions of the transportation system are measured. Most respondents rated overall transportation conditions as "fair," with fewer selecting "excellent" and only a small share rating the system as "poor." This suggests that while the system is viewed as generally functional, residents see clear room for improvement—particularly in addressing traffic congestion and roadway conditions.

Taken together, these findings indicate that residents continue to value M2's locally controlled funding structure while expecting ongoing progress and visible results.

Roadway Maintenance and Traffic Flow Remain Top Priorities

Across all survey questions related to transportation investments, the highest priorities consistently focused on maintaining and improving existing infrastructure. Top-ranked priorities included:

- Fixing potholes and repairing roadways
- Coordinating signals to improve traffic flow
- Improving intersections and reducing congestion on major roads

These priorities align closely with the three M2 Streets and Roads Programs—RCP, RTSSP, and LFS—reinforcing the relevance of the Plan's existing investment structure.

Transit Support is Strong but Secondary to Roadway Preservation

Public support for transit investments remains solid, particularly for programs serving seniors, people with disabilities, and safety improvements at transit stops and stations. Transit services such as bus frequency improvements, Metrolink service, and community shuttles generally received majority support as high or

medium priorities. However, transit investments consistently ranked below roadway maintenance, congestion relief, and operational improvements. This pattern reflects an ongoing expectation among residents that transit investments complement—rather than replace—continued investment in streets, roads, and freeways.



Awareness Gaps Persist Despite Positive Perceptions

While OCTA as a transportation agency is relatively strong, awareness of M2 itself is more limited. Approximately half of survey respondents reported being unfamiliar with M2 prior to being asked, and a majority were not aware that specific transportation improvements were funded by M2. This disconnect highlights an important distinction: the public broadly support transportation funding and the outcomes delivered, but do not always associate those outcomes with M2. This finding underscores the importance of continued transparency, communication, and visibility regarding how M2 funds are used.

Auto-Dominant Travel Behavior Remains the Norm

Survey results confirm that most Orange County residents continue to rely primarily on driving alone for daily travel. Transit, bicycling, and walking account for a much smaller share of primary travel modes, even among respondents who express support for transit investments. At the same time, younger and lower-income residents were more likely to rely on transit and prioritize multimodal investments, while older residents placed greater emphasis on roadway maintenance and congestion relief. These differences reinforce the importance of maintaining a balanced transportation program that addresses current travel behavior while planning for evolving mobility needs.

Administrative Efficiency, Regional Coordination, and Cross-Jurisdictional Leadership are Important to Partner Agencies

City and agency partners emphasized the importance of streamlined reimbursement processes, funding flexibility, and continued interjurisdictional coordination to improve project delivery. Stakeholders encouraged OCTA to maintain its role as a regional integrator – aligning investments across city boundaries, corridors, and modes. Participants also highlighted the value of multi-benefit investments that integrate transportation performance with environmental stewardship, resilience, and community health outcomes.



6.5 Summary

Overall, the Public Priority Analysis indicates that M2 remains well aligned with the public's expectations and transportation needs in Orange County. Residents continue to support local transportation funding, value the balanced structure of the program, and emphasize maintaining and improving existing infrastructure. While satisfaction with the transportation system is generally moderate, public sentiment is consistent and pragmatic, focusing on congestion relief, roadway maintenance, and reliable mobility options. At the same time, the analysis identifies opportunities to strengthen public awareness of M2 and enhance communication regarding how funds are allocated and delivered. A summary report of the outreach campaign is included as Appendix F.



7

Action Plan

7. Action Plan

Based on current project and program schedules, the Plan will reach a pivotal point within the next five years. Assuming no major unforeseen events and successful implementation of the latest, Board-adopted 2025 update of the Next 10 Plan, several key milestones are expected:

- Approximately 27 of the 30 Freeway Program projects (about 90 percent) are anticipated to be complete, substantially reducing overall program delivery risk;
- The Freeway EMP endowment for long-term management of the Preserves is anticipated to be fully funded, enabling discussion around next steps;
- The Countywide Signal Synchronization Baseline Project will be completed, guiding future calls under the RTSSP;
- The OC Streetcar will have been in operation for several years, providing performance and ridership data;
- Successful community-based transit/circulators grants will require renewal; and
- All transit stop safety enhancement projects will be completed—surpassing the 100 improvements promised in the Plan.



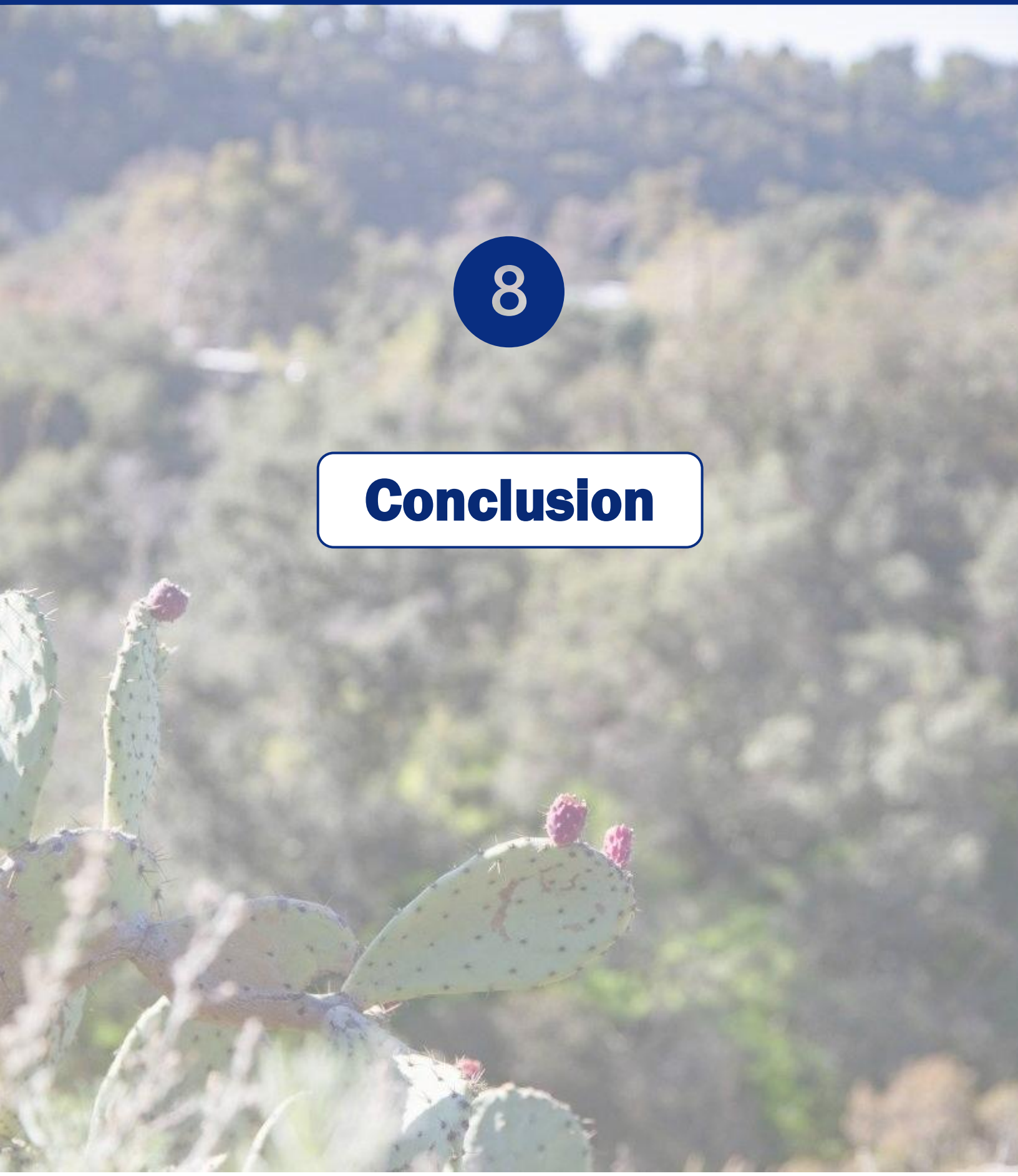
With the significant number of projects and programs currently in progress, it is not an optimal time to make long-term modifications to the Plan. While the M2 Ordinance requires a comprehensive review of Plan performance at least every ten years, OCTA staff recommends that the next comprehensive review be conducted in advance of the ten-year interval to better align with program milestones and future planning needs. By 2031, many M2 programs and projects are expected to reach key milestones that will more meaningfully inform long-term decisions.



Over the next five years, staff proposes the actions outlined in Figure 7-1 for five programs. These actions emphasize evaluating, monitoring, refining, and strategically preparing to ensure that OCTA is well-positioned to successfully deliver the remainder M2. All other M2 projects and programs are recommended to continue implementation as currently planned.

Figure 7-1: Proposed Action Plan

Program	Action
Project O RCP	Evaluate the creation of a competitive pavement subprogram. See Section 5.2.2, Project O for more information.
Project P RTSSP	Assess the results and recommendations from the Countywide Signal Synchronization Baseline Project. See Section 5.2.2, Project P for more information.
Project R High-Frequency Metrolink Service	• Direct staff to continue to work with Metrolink to develop a financially sustainable service plan, including establishing a target OCTA funding level as part of the FY 2026-27 budget development process. • Request Metrolink to provide regular updates to the OCTA Board on systemwide performance. See Section 5.2.3, Project R for more information.
Project U Expand Mobility Choices for Seniors and Persons with Disabilities	Evaluate and update the SMP Guidelines to ensure consistency, enhance clarity, and support evolving mobility needs. See Section 5.2.3, Project U for more information.
Project W Safe Transit Stops	Update the list of the 100 busiest stops. See Section 5.2.3, Project W for more information.



8

Conclusion

8. Conclusion

The M2 program continues to demonstrate strong progress in delivering the transportation improvements promised to Orange County voters. Nearly halfway through the 30-year program timeline, OCTA and its partner agencies have advanced a substantial portion of the voter-approved investments across the freeway, streets and roads, transit, and environmental program areas. Major freeway improvements are underway or complete, local jurisdictions continue to receive flexible funding to address community transportation needs, transit programs are expanding mobility options for residents, and environmental initiatives are preserving open space and improving water quality. These accomplishments reflect a coordinated regional effort to deliver projects that improve mobility, enhance safety, and support Orange County's quality of life.

Independent performance assessments confirm that OCTA has maintained strong program management practices, sound fiscal stewardship, and transparent reporting processes to ensure compliance with the requirements established in the M2 Ordinance. These taxpayer safeguards—including independent audits, oversight by the TOC, and regular public reporting—continue to provide accountability and confidence that M2 revenues are being used as intended.

At the same time, the Review highlights the importance of maintaining flexibility in responding to changing conditions. External factors such as economic cycles, construction market pressures, evolving regulatory requirements, and shifts in travel behavior can affect project costs, schedules, and funding availability. OCTA has demonstrated an ability to adapt to these changes by leveraging external funding opportunities, refining project delivery strategies, and updating implementation plans to maintain progress toward the commitments made to voters. The program's delivery plans and ongoing financial monitoring ensure that M2 remains positioned to deliver the full slate of improvements through 2041.

Looking ahead, the continued success of the M2 Program will depend on sustained collaboration among OCTA, local jurisdictions, regional partners, and the public. As Orange County's transportation system evolves, the program will continue to support investments that reduce congestion, maintain critical infrastructure, expand mobility choices, and protect the region's natural resources. Through continued oversight, careful financial management, and responsive planning, the M2 Program remains well positioned to fulfill its commitments and deliver lasting transportation benefits for Orange County residents, businesses, and visitors.



9 Appendices

9. Appendices

9.1 Appendix A: M2 Amendments to Date

To date, five M2 amendments have taken place; the December 2015 amendment made changes to the M2 Ordinance as well as the Plan. All instances followed the amendment procedures outlined in the M2 Ordinance.

Ordinance Amendments

1. November 25, 2013: Strengthened the eligibility and selection process for TOC members by preventing any person with a financial conflict of interest from serving as a member. It also requires currently elected or appointed officers who are applying to serve on the TOC to complete an "Intent to Resign" form.
2. December 14, 2015 *(corrected March 14, 2016)*: Accounted for additional funding from Project T allocated to the Fare Stabilization Program by changing Attachment B (of the M2 Ordinance) to reflect 1.47 percent delegation (rather than one percent). Corrected amendment language was presented to the Board on March 14, 2016.
3. June 22, 2020: Temporarily changed the MOE requirements for FY 2019-20 and FY 2020-21 to assist local jurisdictions through the unprecedented period of uncertainty due to the economic impacts of the COVID-19 pandemic.
4. May 24, 2021: Extended temporary changes for maintenance of effort requirements for FY 2020-21 into FY 2021-22 to continue assisting local jurisdictions during the COVID-19 pandemic.

Plan Amendments

1. November 9, 2012: Occurred after the Board adoption of the M2020 Plan. This amendment reallocated funds within the Freeway Program, between SR-91 (Project J) and I-405 (Project K).
2. December 14, 2015 *(corrected March 14, 2016)*: Occurred after the first Review. Closed out Metrolink Gateways (Project T) and reallocated the remaining funds within the Transit Program between Metrolink Service Expansion (Project T) and Fare Stabilization Program (Project U). Corrected amendment language was presented to the Board on March 14, 2016.

9.2 Appendix B: State and Federal Legislation

9.2.1 State Legislation

The ability of OCTA to deliver projects under M2 is influenced by state legislation related to transportation funding, environmental regulations, tolling authority, transit operations, and procurement methods. These legislative actions shaped how projects were financed, approved, and executed, often introducing new compliance requirements or funding opportunities that either streamlined or complicated project delivery. The following sections outline key legislation from 2006 to 2024, with an emphasis on legislation from 2014 through 2024, categorized by their impact areas, and presented in alphanumeric, chronological order.

I. Transportation Funding and Taxation

State funding was a critical factor in ensuring that M2 projects were delivered as planned. Several legislative measures shaped transportation funding mechanisms, determining how much revenue was available, and how funds were allocated:

- AB 398 (Chapter 135, Statutes of 2017) – California Global Warming Solutions Act of 2006: market-based compliance mechanisms: fire prevention fees: sales and use tax manufacturing exemption.
    - Extended California's cap-and-trade program through 2030, ensuring continued funding for transportation and transit-related greenhouse gas reduction projects through programs like the TIRCP and Low Carbon Transit Operations Program (LCTOP).
- AB 784 (Chapter 684, Statutes of 2019) – Sales and use taxes: exemption: California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project: transit buses.
    - Provided a sales and use tax exemption for qualifying zero-emission transit buses purchased by public agencies through state incentive programs, expiring January 1, 2024. This exemption has since been extended to January 1, 2026, by AB 2622 (Chapter 353, Statutes of 2022).
- AB 1113 (Chapter 86, Statutes of 2017) – State Transit Assistance (STA) Program.
    - Clarified and revised eligibility and processes associated with STA funds, ensuring that revenues from the diesel sales tax portion of the program are distributed more predictably among transit agencies.
- SB 1 (Chapter 5, Statutes of 2017) – Transportation funding.
    - SB 1 represented a historic investment in California's transportation infrastructure, generating over $5 billion annually through increased gasoline and diesel taxes, vehicle registration fees, and a new transportation improvement fee. It created a stable and ongoing revenue source dedicated to repairing roads, improving highway safety, and expanding transit options across the state.
    - The bill established and expanded several major funding programs, including:
        - Local Streets and Roads Program – supporting city and county efforts to maintain and rehabilitate local infrastructure;
        - State Highway Operations and Protection Program – targeting critical repairs to state highways and bridges;

        - STA – providing significant funding for transit capital improvements and operations;
        - Solutions for Congested Corridors Program – integrating multimodal improvements to reduce congestion and improve mobility;
        - Active Transportation Program – enhancing safety and connectivity for bicyclists and pedestrians.
    - STA:
        - Base STA Allocation: SB 1 increased baseline STA funding, which is distributed to transit operators based on existing formulas to support operational needs such as fuel, staffing, and maintenance.
        - State of Good Repair Program: Created a separate funding stream under STA to support transit capital projects that maintain or repair existing assets, improve system safety, and ensure long-term reliability. Operators must submit annual project lists and expenditure reports to the State Controller to remain eligible.
    - OCTA has been a key beneficiary of SB 1, which has provided funds for freeway improvements, arterial road upgrades, and enhancements to bus and rail services. These investments have allowed OCTA to advance many M2 priority projects that support regional mobility, sustainability, and equity goals.
    - To ensure public trust, SB 1 includes strict accountability measures, such as the requirement for project reporting, performance audits, and the constitutional protection of funds through voter-approved Proposition 69 (2018). Local agencies must also demonstrate that SB 1 funds are supplementing—not supplanting—existing transportation investments. Overall, SB 1 marked a transformational shift in California's approach to maintaining and modernizing its transportation system.
- SB 9 (Chapter 710, Statutes of 2015) – Greenhouse Gas Reduction Fund: TIRCP.
    - Modified TIRCP to focus on transformative capital improvements, expanding funding eligibility for rail, bus, and ferry transit projects.
- SB 125 (Chapter 54, Statutes of 2023) – Transportation budget trailer bill.
    - A budget trailer bill that accompanied AB 102 (Chapter 38, Statutes of 2023), which appropriated $2 billion to the TIRCP and $410 million to the Zero-Emission Transit Capital Program, as part of a $5.1 billion transition funding package. OCTA was designated to receive $380 million. This bill established accountability measures for the funding created a Transit Transformation Task Force administered by the California State Transportation Agency (CalSTA) to make policy recommendations for future transit reforms.
- SB 508 (Chapter 716, Statutes of 2015) – Transportation funds: transit operators: pedestrian safety.
    - Modified performance metrics related to state funding for public transit and updated related provisions, specifically related to the Local Transportation Fund and fare box recovery ratio requirements.
- SB 824 (Chapter 479, Statutes of 2016) – LCTOP
    - Updated the statutory framework of LCTOP which allocates funding from the Greenhouse Gas Reduction Fund to support transit projects that reduce greenhouse gas emissions.

This legislation clarified that LCTOP funds must be used to expand or improve services in ways that increase transit ridership and specified that these funds should not replace existing sources of operating funding.

- SB 942 (Chapter 988, Statutes of 2022) – LCTOP: free or reduced fare transit program.
    - Allowed California public transit agencies with the flexibility to utilize LCTOP funds for free- or reduced-fare transit programs on a continuous basis.

II. Managed Lanes and Mobility Pricing

Managed lanes and road pricing policies play an increasing role in California's approach to improving mobility, managing congestion, and supporting transportation system performance. This section includes legislation related to tolling, high-occupancy vehicle (HOV) and express lanes, and road usage charges.

- AB 194 (Chapter 687, Statutes of 2015) – High-occupancy toll (HOT) lanes.
    - Provided the CTC authority to authorize regional transportation agencies to develop and operate high-occupancy toll lanes and expanded the authority to include other toll facilities; added similar authority for the CTC to authorize Caltrans to develop toll facilities.
- AB 544 (Chapter 630, Statutes of 2017) – Vehicles: HOT lanes.
    - Extended the ability of qualifying low-emission and zero-emission vehicles to use HOV lanes with a special Department of Motor Vehicles (DMV)-issued decal until federal authorization ends or 2025, while establishing eligibility rules based on income and prior rebates, and allowing toll benefits unless restricted by law.
- AB 2250 (Chapter 500, Statutes of 2014) – Toll facilities: revenues.
    - Requires any toll revenues generated from a locally administered managed lane on the state highway system to be expended only within the respective corridor in which the managed lane is located.
- AB 2594 (Chapter 969, Statutes of 2022) – Vehicle registration and toll charges.
    - Made changes to the administration of tolls for bridges, toll roads, and express lanes. Specifically, this legislation required toll agencies to provide payment plan options for low-income drivers, imposed limits on penalties and late fees for unpaid tolls, and required clearer notification procedures for toll violations.
- AB 2678 (Chapter 414, Statutes of 2024) – Vehicles: HOV lanes.
    - Extends until January 1, 2027, California's authorization for certain low-emission and zero-emission vehicles displaying valid DMV-issued decals to use HOV lanes regardless of vehicle occupancy, aligning with any future federal extensions beyond the current federal authorization expiration of September 30, 2025.
- AB 2949 (Chapter 8871, Statutes of 2022) – Vehicles: toll exemptions.
    - Exempts veterans' vehicles, including those with disabled veteran, Purple Heart, Medal of Honor, or Pearl Harbor Survivor plates, from paying tolls or related fines on toll roads, bridges, highways, and vehicular crossings.

- SB 339 (Chapter 308, Statutes of 2021) – Vehicles: road usage charge pilot program.
    - Extended the authority of CalSTA and related entities to conduct pilot projects exploring a road usage charge as an alternative to the per-gallon fuel tax. Building on the original pilot established under SB 1077 (Chapter 835, Statutes of 2014), this legislation authorized the development of new pilot studies, including those involving actual payment of simulated charges by participants.
- SB 957 (Chapter 367, Statutes of 2018) – Vehicles: HOV lanes.
    - Allowed low-income drivers to receive new HOV lane access decals for qualifying used clean vehicles.
- SB 1119 (Chapter 606, Statutes of 2018) – LCTOP.
    - Waived the requirement that transit agencies spend 50 percent of their LCTOP funds directly in disadvantaged communities if the funds are used for projects like zero-emission buses, fare subsidies, or expanded services that connect to those communities.

III. Transit

Strengthening and expanding public transit systems has remained a consistent legislative focus. Bills in this section address funding stability for transit, improve service coordination and accessibility, and enhance rider safety.

- AB 1351 (Chapter 627, Statutes of 2019) – Transit operators: paratransit and dial-a-ride services: assessment.
    - Required CalSTA, in coordination with public transit operators, to conduct a statewide assessment of how paratransit and dial-a-ride services accommodate individuals with disabilities who are certified by other transit agencies within the State.
- SB 434 (Chapter 396, Statutes of 2023) – Transit operators: street harassment survey.
    - Required transit operators to collect and publish data on street harassment to improve rider safety, with outreach to underrepresented and limited-English-proficient populations.
- SB 882 (Chapter 167, Statutes of 2016) – Crimes: public transportation: minors.
    - Prohibited minors from being charged with an infraction or misdemeanor for fare evasion on public transit systems.

IV. Passenger and Freight Rail

Passenger and freight rail remain vital components of California's multimodal transportation network. Legislation in this section focused on modernizing HSR, improving intercity rail connectivity, and increasing resilience to climate change impacts along major corridors like the LOSSAN Rail Corridor. These policies support long-term investment in efficient, low-emission rail systems to move people and goods reliably throughout the State.

- SB 677 (Chapter 407, Statutes of 2023) – Intercity rail: LOSSAN Rail Corridor.
    - Required the LOSSAN Rail Corridor Agency to include climate change impacts, resiliency projects, and funding strategies in its annual intercity rail business plan. This legislation directed the agency to assess vulnerabilities to climate-related threats such as sea-level rise,

coastal erosion, and extreme weather events along the corridor. It also required identification of potential resiliency projects and the funding approaches necessary to implement them.

- SB 742 (Chapter 652, Statutes of 2019) – Intercity passenger rail services: motor carrier transportation of passengers.
    - Expanded the scope of intercity bus services connected to rail. This legislation authorized Caltrans and joint powers authorities to contract for and fund motor-coach routes that link with intercity passenger rail systems, and, to sell tickets to riders who were not rail passengers. This lifted previous restrictions that limited these bus routes to rail travelers only.
- SB 1098 (Chapter 777, Statutes of 2024) – Passenger and freight rail: LOSSAN Rail Corridor.
    - Required CalSTA, in collaboration with the LOSSAN Rail Corridor Agency and other stakeholders, to prepare a comprehensive report detailing the infrastructure needs and funding requirements for modernizing the LOSSAN Rail Corridor. This legislation established a requirement for biennial reports beginning in 2027 to track progress and performance over time.
- SB 1225 (Chapter 802, Statutes of 2012) – Intercity rail agreements.
    - Authorizes Caltrans to enter into an Interagency Transfer Agreement to transfer the management/operation of intercity passenger rail service to a local joint powers authority in the LOSSAN Rail Corridor.

V. Transportation Planning and Project Delivery

To accelerate project delivery and improve cost-effectiveness, California has embraced innovative procurement methods such as design-build and progressive design-build. Legislation in this section expanded local and regional agency authority to use these approaches for a wider range of transportation projects, while also promoting accountability, transparency, and streamlined permitting for large infrastructure investments.

- AB 115 (Chapter 20, Statutes of 2017) – Transportation.
    - Implemented key statutory changes to carry out the 2017–18 state budget and support the rollout of SB 1, California's major transportation funding package. As part of this effort, it authorized transportation agencies to use alternative project delivery methods—including CM/GC authority—to speed up project completion.
- AB 400 (Chapter 201, Statutes of 2023) – Local agency design-build projects: authorization.
    - Expanded design-build authority to joint powers authorities constructing transit projects and extended the authorization through 2031.
- AB 401 (Chapter 586, Statutes of 2013) – Transportation: design-build: highways.
    - Provides the authority, until January 1, 2024, for regional transportation agencies to utilize design-build procurement for an unlimited number of projects on, or adjacent to, the state highway system, as well as expressways that are part of a local sales tax measures approved before January 1, 2014.

- AB 515 (Chapter 314, Statutes of 2017) – State Highway System Management Plan.
    - Required Caltrans to develop a comprehensive State Highway System Management Plan integrating rehabilitation and maintenance planning with regional agency input.
- AB 1282 (Chapter 643, Statutes of 2017) – Transportation Permitting Task Force.
    - Directed the Secretary of CalSTA to create a task force to make recommendations to improve coordination and certainty in permitting transportation projects, with a report submitted to the Legislature by December 1, 2019.
- AB 1475 (Chapter 289, Statutes of 2019) – CM/GC method: transportation projects.
    - Expanded the definition of construction manager and authorized use of the CM/GC project delivery method for additional local transportation projects.
- AB 1499 (Chapter 212, Statutes of 2021) – Transportation: design-build: highways.
    - Extended authorization for Caltrans and regional transportation agencies to use the design-build procurement method for transportation projects in California until January 1, 2034.
- AB 2086 (Chapter 629, Statutes of 2024) – Transportation funding: California Transportation Plan: public dashboard.
    - Required the California Transportation Plan to include a financial feasibility analysis and directed Caltrans to expand a public dashboard tracking project performance and funding impacts.
- SB 617 (Chapter 310, Statutes of 2023) – Public contracts: progressive design-build: local and regional agencies: transit.
    - Expanded authority for use of progressive design-build for major infrastructure projects.
- SB 706 (Chapter 500, Statutes of 2023) – Public contracts: progressive design-build: local agencies.
    - Allowed cities, counties, cities and counties, or special districts to use progressive design-build for major projects.

VI. Environmental and Regulatory Compliance

Ensuring infrastructure development aligns with California's environmental goals has led to numerous reforms in planning, permitting, and mitigation practices. This section includes legislation that strengthened CEQA streamlining sustainable transportation projects, prioritized climate adaptation, facilitated renewable energy and wildlife connectivity efforts, and updated emissions reduction strategies across sectors.

- AB 28 (Chapter 4, Statutes of 2017): Caltrans: environmental review process: federal pilot program.
    - AB 28 reinstated California's participation in a federal pilot program that allows the State to assume responsibility for conducting federal environmental reviews under the National Environmental Policy Act (NEPA). Through this delegation, Caltrans was authorized to carry out NEPA reviews in place of the federal government (specifically the Federal Highway Administration), streamlining the environmental review process for transportation projects.

- AB 32 (Chapter 488, Statutes of 2006): Air pollution: greenhouse gases: California Global Warming Solutions Act of 2006.
    - Required California Air Resources Board (CARB) to adopt regulations to reduce statewide greenhouse gas emissions levels to 1990 levels by 2020. Also included mechanisms such as mandatory emissions reporting, a market-based cap-and-trade program, and regulations promoting cleaner fuels and energy efficiency. AB 32 also directed CARB to develop a scoping plan to identify and implement cost-effective strategies for long-term emissions reductions.
- AB 252 (Chapter 160, Statutes of 2019) – Caltrans: environmental review process: federal program.
    - AB 252 extended indefinitely Caltrans' authority under the NEPA Assignment Program for state highway projects, maintaining the state's delegated role in performing NEPA reviews. This extension helped ensure continued efficiency in project delivery by allowing Caltrans to independently process federal environmental approvals without reverting to federal agency oversight. Original legislation was AB 1039 (Chapter 31, Statutes of 2006), which granted Caltrans a limited waiver through July 1, 2007. This waiver was subsequently extended by AB 892 (Chapter 482, Statutes of 2011), extending authority until January 1, 2017, and AB 28 (Chapter 4, Statutes of 2017) extended the sunset date until January 1, 2020, ensuring continuous NEPA assignment authority for highway projects.
- AB 2553 (Chapter 275, Statutes of 2024) – Housing development: major transit stops: vehicular traffic impact fees.
    - Expanded the definition of "major transit stop" to include additional forms of high-quality transit service, such as bus rapid transit and frequent bus routes, for the purposes of CEQA exemptions and impact fee eligibility. It also revised the standards under which local jurisdictions calculate and reduce vehicular traffic impact fees for housing projects located near transit. The goal is to promote infill housing and reduce reliance on car travel by encouraging development in transit-rich areas.
- SB 32 (Chapter 249, Statutes of 2016) – California Global Warming Solutions Act of 2006: emissions limit.
    - Extended the parameters of AB 32 (Chapter 488, Statutes of 2006) and required CARB to ensure that statewide greenhouse gas emissions are reduced to at least 40 percent below the 1990 level by 2030.
- SB 145 (Chapter 57, Statutes of 2023) – Environmental mitigation: Caltrans.
    - Allows Caltrans to purchase and manage land or mitigation credits for environmental mitigation related to transportation projects, established streamlined procedures and funding mechanisms for long-term habitat maintenance, and exempted certain environmental purchases from standard contracting rules, all under a temporary authorization through 2033.
- SB 146 (Chapter 58, Statutes of 2023) – Public resources: infrastructure: contracting.
    - Extended California's authority to assume federal environmental review responsibilities for any railroad, local public transportation, or multimodal project under NEPA through 2033, and expanded this authority to local transportation agencies. It also permitted Caltrans to use job order contracting for certain maintenance and compliance work.

- SB 147 (Chapter 59, Statutes of 2023) – Fully protected species: California Endangered Species Act: authorized take.
    - Temporarily authorized the California DFW to issue permits allowing the incidental take of fully protected species for certain infrastructure and clean energy projects under strict conditions. Also required population assessments for annual reporting and removed three species from the fully protected species list, all of which is effective until December 31, 2033.
- SB 149 (Chapter 60, Statutes of 2023) – CEQA: administrative and judicial procedures: record of proceedings: judicial streamlining.
    - SB 149 expanded the definition of Environmental Leadership Development Projects under CEQA to include major infrastructure and climate-related projects, extended certification and approval deadlines to 2032 and 2034, strengthened environmental and equity requirements for applicants, and streamlined judicial review by limiting CEQA record content and expediting court procedures.
- SB 150 (Chapter 61, Statutes of 2023) – Construction: workforce development: public contracts.
    - Required Caltrans to partner with the California Workforce Development Board to support high-road construction careers, limited state agencies after January 1, 2026 from entering into project labor agreements over $35 million unless they include community benefit provisions, and directed state agencies to convene stakeholders to develop contract terms maximizing benefits to disadvantaged communities, with recommendations that were due by March 30, 2024.
- SB 288 (Chapter 200, Statutes of 2020) and SB 922 (Chapter 987, Statutes of 2022): CEQA: exemptions: transportation-related projects.
    - SB 288 expanded CEQA exemptions to support the implementation of sustainable transportation projects. It provided streamlined environmental review for a broad range of transit, bicycle, pedestrian, and zero-emission bus infrastructure projects. Notably, SB 288 also extended the CEQA exemption for bicycle transportation plans through 2030, facilitating quicker delivery of these environmentally beneficial projects.
    - SB 922 built upon the foundation established by SB 288 by refining and broadening the scope of the exemptions. It eliminated the requirement that a bicycle transportation plan must be limited to an urbanized area, allowing greater flexibility in plan eligibility. Additionally, SB 922 expanded the exemption to include active transportation plans and pedestrian plans, further supporting statewide goals for increased mobility, public health, and emissions reduction.
- SB 375 (Chapter 728, Statutes of 2008) – Transportation planning: travel demand models: sustainable communities strategy: environmental review.
    - Requires regional transportation plans to include a sustainable communities strategy designed to achieve regional greenhouse gas emission reduction targets per AB 32 through coordination between transportation, land use, and housing planning. Projects specifically listed in a local sales tax measure for transportation projects approved prior to December 31, 2008, are excluded. In addition, nothing is to require a transportation authority with a locally approved sales tax measure adopted prior to December 31, 2010,

from changing the funding allocations for categories of transportation projects approved by voters.

- SB 734 (Chapter 210, Statutes of 2016) – Environmental quality: Jobs and Economic Improvement Through Environmental Leadership Act of 2011.
    - Extended the Governor's authority to certify environmental leadership projects for CEQA streamlining and added labor and parking provisions. These certifications enable qualifying projects to benefit from expedited judicial review, helping to reduce delays in the development of large-scale, sustainable infrastructure and transit-oriented developments. The added provisions also encourage labor compliance and promote transportation efficiency by addressing parking impacts.
- SB 743 (Chapter 386, Statutes of 2013) – Environmental quality: transit-oriented infill projects, judicial review streamlining for environmental leadership development projects, and entertainment and sports center in the City of Sacramento.
    - Required the Office of Planning and Research to propose revisions to CEQA guidelines to establish new, non-level of service criteria for determining transportation impacts of projects within "transit priority areas," potentially expanding criteria to other areas. Potential metrics include vehicle miles traveled, vehicle miles traveled per capita, etc.

VII. Workforce and Labor Policies

Recognizing that infrastructure investments must be matched with a trained and protected workforce, legislation in this section expanded labor protections, improved workforce development pipelines, and provided emergency worker benefits during public health crises. These measures supported equitable labor practices, union engagement, and sustainable careers in construction, transit, and public service.

- AB 5 (Chapter 296, Statutes of 2019) – Worker status: employees and independent contractors.
    - Codified the "ABC test" for determining worker classification under state labor, unemployment, and wage laws, establishing that most workers are presumed to be employees unless specific conditions are met, while providing exemptions for certain occupations.
- AB 96 (Chapter 419, Statutes of 2023) – Public employment: local public transit agencies: autonomous transit vehicle technology.
    - Required transit agencies to notify and bargain with employee unions before adopting autonomous transit vehicle technology that could impact jobs.
- AB 1484 (Chapter 691, Statutes of 2023) – Temporary public employees.
    - Mandated inclusion of temporary public employees in bargaining units upon request.
- AB 1912 (Chapter 909, Statutes of 2018) – Public employees' retirement: joint powers agreements: liability.
    - Required member agencies of joint powers authorities jointly liable for public retirement obligations and established procedures for apportioning and enforcing liability.

- SB 95 (Chapter 13, Statutes of 2021) – Employment: COVID-19: supplemental paid sick leave.
    - Required employers to provide supplemental paid sick leave for COVID-19-related absences and extended protections to in-home supportive service providers.
- SB 866 (Chapter 53, Statutes of 2018) – Employment.
    - Expanded labor rights and payroll deduction processes for public employees, enhanced protections for union membership, and established new workforce development and prison-to-employment programs.
- SB 1159 (Chapter 85, Statutes of 2020) – Workers' compensation: COVID-19: critical workers.
    - Established a presumption of workers' compensation eligibility for employees who contract COVID-19 under specified conditions, including outbreak-related exposures.

IX. Conclusion

The legislative landscape significantly influenced the scope, timeline, and cost of M2 projects. While funding-related bills created opportunities for additional revenue, regulatory and environmental mandates introduced compliance challenges. By proactively adapting to these legislative changes, OCTA ensured the efficient and timely delivery of transportation improvements, meeting the commitments made to voters under M2.

9.2.2 Federal Legislation

Since 2015, several major federal legislative measures have been enacted that impact transportation funding, infrastructure investment, economic stimulus, and supply chain stability—all of which play a role in OCTA's ability to deliver M2 projects and programs. Federal legislation can directly impact OCTA's ability to secure grants, fund major capital improvements, and maintain essential transit services by shaping funding availability, regulatory requirements, and economic conditions. Below is an overview of key federal acts and how they influence OCTA's work:

- ***Fixing America's Surface Transportation (FAST) Act*** – Enacted in 2015, the FAST Act provided long-term funding certainty for surface transportation infrastructure, supporting highway and transit projects through formula-based allocations. It helped stabilize funding for ongoing M2 projects and enhanced OCTA's ability to plan and execute long-term capital investments. The FAST Act expired on September 30, 2020, but was extended through September 30, 2021, followed by a series of short extensions through December 3, 2021.
- ***Tax Cuts and Jobs Act (TCJA) of 2017*** – While primarily a tax reform bill, TCJA influenced infrastructure financing by altering tax-exempt bond structures, a key funding mechanism for transportation projects. Changes to private activity bonds and tax-exempt advance refunding bonds impacted how transportation agencies finance large-scale projects, potentially affecting long-term borrowing costs for M2-funded improvements.
- ***CARES Act, 2021*** – This omnibus spending bill provided emergency COVID-19 relief, including funding for public transit through the FTA. The additional federal support helped transit agencies, including OCTA, maintain operations despite ridership declines during the pandemic. This funding helped sustain bus services and rail operations without severe cuts, ensuring M2 projects and transit operations could continue moving forward.

- ***Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) of 2021*** – CRRSAA provided nearly $14 billion in supplemental transit funding nationwide through the FTA to address ongoing COVID-19 impacts. For OCTA, this relief supported operating expenses, including employee salaries, personal protective equipment, and sanitization efforts. The funding helped preserve essential transit services, stabilize operations during fluctuating ridership, and offset revenue shortfalls—bolstering OCTA's ability to sustain M2 commitments amid the pandemic.
- ***American Rescue Plan Act (ARPA) of 2021*** – ARPA injected billions into public transit agencies nationwide, including direct assistance for operating costs, worker protection, and pandemic recovery efforts. OCTA benefited from this federal relief, allowing for the continuation of essential transit services while also preventing workforce reductions that could have slowed the progress of M2 projects.
- ***Infrastructure Investment and Jobs Act (IIJA) of 2021*** – The IIJA represents a historic investment in U.S. infrastructure. It expanded federal funding for highways, bridges, and public transit, offering OCTA opportunities to pursue additional grant funding and accelerate delivery of M2 projects, particularly those related to bus and rail expansion, active transportation, and safety improvements. The IIJA expires on September 30, 2026.
- ***Inflation Reduction Act (IRA) of 2022*** – The IRA directed substantial federal investments toward clean energy, climate resilience, and greenhouse gas reduction, with new funding opportunities for transportation electrification and emissions reduction programs. For OCTA, the IRA presents potential funding avenues for zero-emission bus deployment, charging infrastructure, and sustainability initiatives aligned with long-term environmental goals. While not directly focused on surface transportation, the IRA's incentives may complement M2's sustainability objectives and support innovative transit strategies in Orange County.
- ***Fiscal Responsibility Act of 2023*** – This legislation included provisions to address the federal debt ceiling and federal spending limits. While it provided short-term stability in government funding, it also created budget constraints that may impact future discretionary transportation grants and transit funding. OCTA relies on federal matching funds and discretionary grants to advance M2 projects, and funding limitations at the federal level could pose challenges in securing competitive grants for major infrastructure improvements.

9.3 Appendix C: Maps

Figure 9-1: Orange County Population Density, 2011

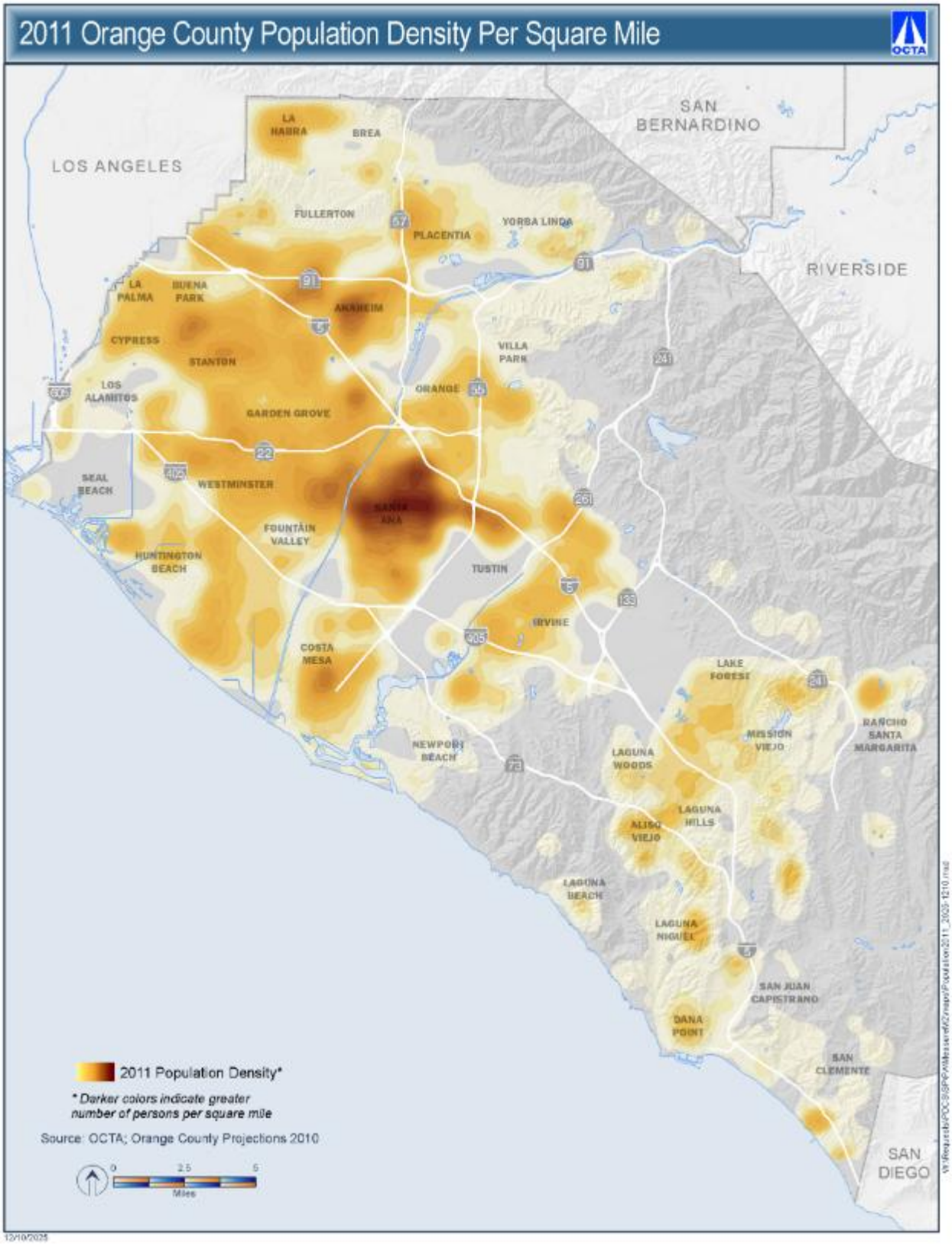


Figure 9-2: Orange County Housing Density, 2011

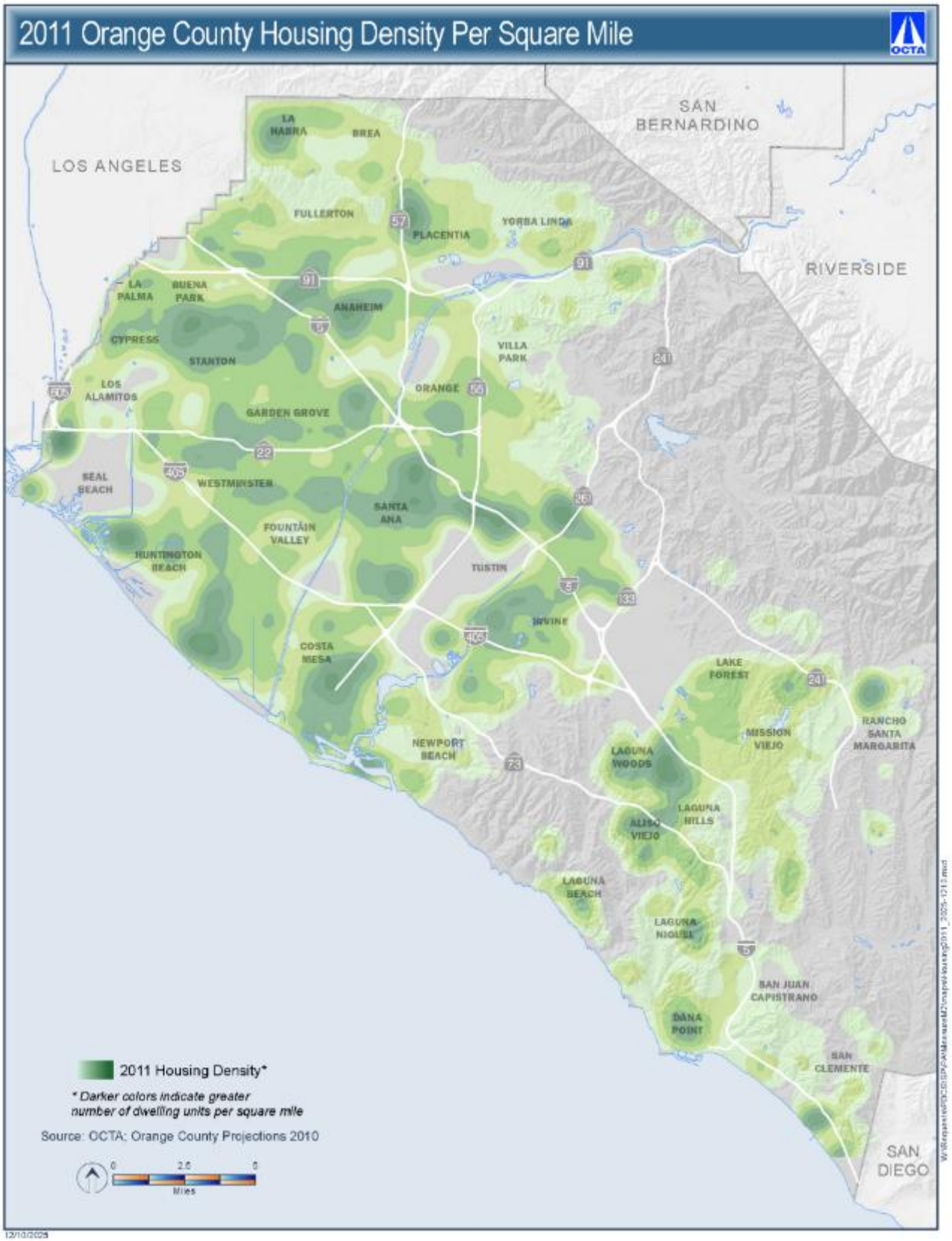
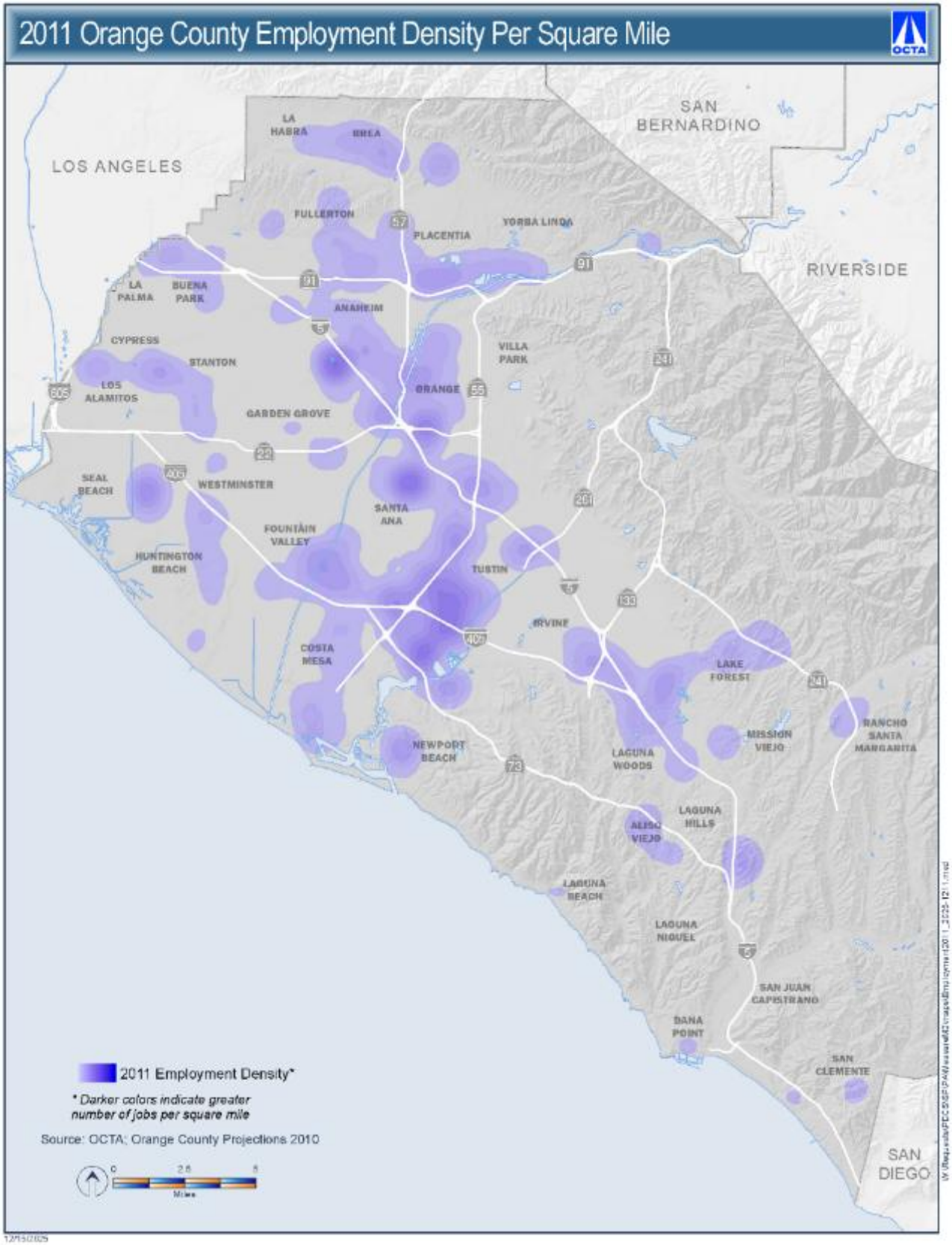


Figure 9-3: Orange County Employment Density, 2011



9.4 Appendix D: M2 Project/Program Progress and Constraints

Project	Plan Description	Scope/Project Description	Status/Discussion
Freeways			
Project A Santa Ana Freeway (I-5) Improvements Between Costa Mesa Freeway (SR-55) and "Orange Crush" Area (SR-57)	Reduce freeway congestion through improvements at the SR-55/I-5 Interchange area between the Fourth Street and Newport Boulevard ramps on I-5, and between Fourth Street and Edinger Avenue on SR-55. Also, add capacity on I-5 between SR-55 and SR-57 to relieve congestion at the Orange Crush.	This project added a second HOV lane (approximately three miles) in both directions along I-5 between SR-55 and SR-57 in the City of Santa Ana. While the M2 Ordinance originally referenced improvements between Fourth Street and Edinger Avenue, these elements were not advanced as part of this project due to lack of support and consensus among Caltrans and local jurisdictions. As a result, improvements within this segment were excluded from Project A and, where applicable, addressed through other projects, including Project F.	The final Environmental Document (ED) and Project Report (PR) were approved on April 27, 2015. Improvements opened to traffic on August 24, 2020. Construction completed on January 6, 2021, and plant establishment was completed in May 2021.
Project B Santa Ana Freeway (I-5) Improvements from the Costa Mesa Freeway (SR-55) to the El Toro "Y" Area	Build new lanes and improve the interchanges in the area between SR-55 and the State Route 133 (SR-133) (near the El Toro "Y"). This segment of I-5 is the major route serving activity areas in the cities of Irvine, Tustin, Santa Ana and north Orange County. The project will also make improvements at local interchanges, such as Jamboree Road.	*I-5, I-405 to Yale Avenue*	
		This project will add an additional general purpose lane (approximately 4.5 miles) in both directions of I-5 between I-405 and Yale Avenue, improve interchanges, and replace and add new auxiliary lanes in the City of Irvine.	The final ED and PR were approved on January 7, 2020. The project was advertised for construction on August 18, 2025. Construction bids were opened on November 18, 2025. The project is anticipated to be awarded and approved by Caltrans in early 2026 to begin construction in April 2026.
		I-5, Yale Avenue to SR-55	
		This project will add an additional general purpose lane (approximately 4.5 miles) in both directions of I-5 between Yale Avenue and SR-55, improve interchanges, and replace and add new auxiliary lanes in the cities of Irvine and Tustin.	The final ED and PR were approved on January 7, 2020. The project was advertised for construction on August 11, 2025. Construction bids were opened on October 21, 2025, construction contract was awarded on November 12, 2025, and construction began on December 10, 2025.
Project C/D San Diego Freeway (I-5)	Add new lanes to I-5 from the vicinity of the El Toro Interchange in the City of Lake Forest to the vicinity of SR-73 in the City of Mission Viejo. Also add new lanes	*I-5, Avenida Pico to Avenida Vista Hermosa/Avenida Pico Interchange (D)*	
		This project added a carpool lane (approximately 0.7 miles) in both directions of I-5 between	The final ED and PR were approved on October 26, 2011. Construction began on

Project	Plan Description	Scope/Project Description	Status/Discussion
Improvements south of the El Toro "Y"	on I-5 between PCH and Avenida Pico interchanges to reduce freeway congestion in the City of San Clemente. The project will also make major improvements at local interchanges as listed in Project D.	Avenida Pico and Avenida Vista Hermosa in the City of San Clemente, included major improvements through reconstruction of the Avenida Pico Interchange (part of Project D), and added bicycle lanes in both directions on Avenida Pico.	December 22, 2014, and completed on August 23, 2018. Plant establishment was completed in January 2021.
		I-5, Avenida Vista Hermosa to PCH	
		This project added a carpool lane (approximately 2.5 miles) in both directions of I-5 between Avenida Vista Hermosa and PCH in the City of San Clemente and reconstructed on- and off-ramps at Avenida Vista Hermosa and Camino de Estrella.	The final ED and PR were approved on October 26, 2011. Construction began on July 3, 2014, and was officially completed on July 31, 2017. Plant establishment was completed in May 2018.
		I-5, PCH to San Juan Creek Road	
		This project added a carpool lane (approximately 2.5 miles) in both directions of I-5 between PCH and San Juan Creek Road in the cities of Dana Point, San Clemente, and San Juan Capistrano and reconstructed the on- and off-ramps at PCH/ Camino Las Ramblas.	The final ED and PR were approved on October 26, 2011. Construction began on December 20, 2013, and was officially completed on July 3, 2018. Plant establishment was completed in March 2019.
		I-5, SR-73 to Oso Parkway/Avery Parkway Interchange (D)	
		This project added a general purpose lane (approximately 2.2 miles) in both directions of I-5 between Avery Parkway and Oso Parkway and reconstructed the Avery Parkway Interchange (part of Project D) in the cities of Laguna Hills, Laguna Niguel, and Mission Viejo.	The final ED and PR for all three segments were approved on May 6, 2014. Construction began on January 15, 2020, and was officially completed on July 30, 2025. The landscaping for this project is being delivered through a separate contract. See I-5, SR-73 to El Toro Road Interchange Project.
		I-5, Oso Parkway to Alicia Parkway/La Paz Road Interchange (D)	
		This project added a general purpose lane (approximately 2.6 miles) in both directions along I-5 between Oso Parkway and Alicia Parkway and reconstructed the La Paz Road Interchange	The final ED and PR for all three segments were approved on May 6, 2014. Construction began on April 4, 2019, and was officially completed on December 19, 2024.

Project	Plan Description	Scope/Project Description	Status/Discussion
		(part of Project D) in the cities of Laguna Hills and Mission Viejo.	The landscaping for this project is being delivered through a separate contract. See I-5, SR-73 to El Toro Road Interchange Project.
		I-5, Alicia Parkway to El Toro Road	
		This project added a general purpose lane in the southbound direction (approximately 1.7 miles) and extended the second HOV lane (approximately one mile) in both directions along I-5 between Alicia Parkway to El Toro Road in the cities of Laguna Hills, Laguna Woods, Lake Forest, and Mission Viejo.	The final ED and PR for all three segments were approved on May 6, 2014. Construction began on October 13, 2020, and was officially completed on July 9, 2025. The landscaping for this project is being delivered through a separate contract. See I-5, SR-73 to El Toro Road Interchange Project.
		I-5, SR-73 to El Toro Road Landscape	
		Landscaping for the I-5 between SR-73 and the El Toro Road project was separated from the mainline construction contracts.	The landscaping portion for all three segments began in June 2025 and is anticipated to be completed in December 2026.
Project D Santa Ana Freeway / San Diego Freeway (I-5) Local Interchange Upgrades (see also Project C)	Update and improve key I-5 interchanges such as Avenida Pico, Ortega Highway, Avery Parkway, La Paz Road, El Toro Road, and others to relieve street congestion around older interchanges and on-ramps.	*I-5, Ortega Highway Interchange*	
		This project widened and reconstructed the SR-74 Ortega Highway bridge over I-5 and improved local traffic flow along SR-74 and Del Obispo Street in the City of San Juan Capistrano.	The final ED and PR were approved on June 1, 2009. Construction began on September 18, 2012, and all lanes on the new bridge opened to traffic on September 4, 2015. Construction was completed on January 15, 2016, and landscaping was completed in August 2019.
		I-5, El Toro Road Interchange	
		This project would improve the I-5/El Toro Road interchange by modifying entrance and exit ramps and modifying or replacing existing bridge structures to reduce congestion and improve traffic operations at the interchange and nearby intersections.	The project is currently in the environmental phase, which began in April 2017. The environmental process was restarted in January 2023 to incorporate feedback from the cities of Laguna Hills, Laguna Woods, and Lake Forest after additional alternatives were identified. OCTA and Caltrans continue coordinating with the three cities on proposed

Project	Plan Description	Scope/Project Description	Status/Discussion
			alternatives, preliminary design, and environmental studies. Draft cost estimates for ROW and construction have been prepared, and the environmental phase is anticipated to be completed in late 2026.
Project E Garden Grove Freeway (SR-22) Access Improvements	Construct interchange improvements at Euclid Street, Brookhurst Street, and Harbor Boulevard to reduce freeway and street congestion near these interchanges.	This project made improvements at three key SR-22 interchanges (Brookhurst Street, Euclid Street, and Harbor Boulevard) in the City of Garden Grove to reduce freeway and street congestion.	This project was completed early in 2008 as a "bonus project" provided by the original M1.
Project F Costa Mesa Freeway (SR-55) Improvements	Add new lanes to SR-55 between Garden Grove Freeway (SR-22) and the San Diego Freeway (I-405), generally within existing ROW, including merging lanes between interchanges to smooth traffic flow. This project also provides for freeway operational improvements for the portion of SR-55 between SR-91 and SR-22.	*SR-55, I-405 to I-5*	
		This project will add a general purpose lane (approximately four miles) and a second HOV lane (approximately four miles) in both directions between I-405 and I-5 in the cities of Irvine, Santa Ana, and Tustin. Auxiliary lanes will be added and extended in some segments within the project limits.	The final ED and PR were approved on August 31, 2017. Construction began on August 10, 2022 and is anticipated to be completed in 2027.
		SR-55, I-5 to SR-91	
		This project includes the addition of a general purpose lane (approximately two miles) in both directions between I-5 and SR-22 and operational improvements between SR-22 and SR-91 in the cities of Anaheim, Orange, Santa Ana, and Tustin. The project limits span approximately 7.5 miles.	The final ED and PR were approved on March 30, 2020. The design of this project was initiated on August 8, 2022, and is anticipated to be completed in 2030.
Project G Orange Freeway (SR-57) Improvements	Build a new northbound lane between Orangewood Avenue and Lambert Road. Other projects include improvements to the Lambert interchange and the addition of a northbound truck climbing lane between Lambert Road and Tonner Canyon Road. The improvements will be designed and coordinated	*SR-57 Northbound, Orangewood Avenue to Katella Avenue*	
		This project will add a new northbound general purpose lane (approximately one mile) on SR-57 from Orangewood Avenue to Katella Avenue in the cities of Anaheim and Orange. The new northbound general purpose lane will join the completed Project G segments between Katella Avenue and Lambert Road, which opened to traffic in 2014.	The final ED and PR were approved on March 29, 2019. The project was advertised for construction on July 7, 2025, bids were opened on September 4, 2025, and the contract was awarded on September 26, 2025. Construction began on October 13, 2025 and is anticipated to be completed in 2028.

Project	Plan Description	Scope/Project Description	Status/Discussion
	specifically to reduce congestion at SR-57/SR-91 interchange.	*SR-57 Northbound, Katella Avenue to Lincoln Avenue*	
		This project increased capacity by adding a new general purpose lane (approximately 2.8 miles) and improved on- and off-ramps and soundwalls on northbound SR-57 between Katella Avenue and Lincoln Avenue in the City of Anaheim. Bridges at Katella Avenue and Douglas Road were also widened in the northbound direction.	The final ED was approved on September 30, 2009, and the final PR was approved on November 25, 2009. Construction began on November 17, 2011, and the improvements opened to traffic on November 19, 2014. The project reached completion on April 21, 2015, followed by landscape construction on June 1, 2018, and plant establishment in June 2021.
		SR-57 Northbound, Orangethorpe Avenue to Yorba Linda Boulevard	
		This project increased capacity by adding a northbound general purpose lane (approximately 2.4 miles) between Orangethorpe Avenue in the City of Placentia to Yorba Linda Boulevard in the City of Fullerton and improved operations with the reconstruction of northbound on- and off-ramps, widening of seven bridges, and the addition of soundwalls.	The final ED and PR were approved on November 30, 2007. Construction began on October 26, 2010, and the improvements opened to traffic on April 28, 2014. Plant establishment was completed in July 2022.
		SR-57 Northbound, Yorba Linda Boulevard to Lambert Road	
		This project improved capacity, operations, and traffic flow on SR-57 with the addition of a new northbound general purpose lane (approximately 2.5 miles) between Yorba Linda Boulevard in the City of Fullerton and Lambert Road in the City of Brea. Additional project benefits included on- and off-ramp improvements, the widening and seismic retrofit (as required) of six bridges in the northbound direction, and the addition of soundwalls. Existing lanes and shoulders were also widened to standard widths, enhancing safety for motorists.	The final ED and PR were approved on November 30, 2007. Construction began on November 2, 2010, and the improvements opened to traffic on September 23, 2013. The project was officially completed on May 2, 2014. Plant establishment was completed in July 2022.
		SR-57 Northbound, Lambert Road to Orange/Los Angeles County Line	

Project	Plan Description	Scope/Project Description	Status/Discussion
		This project proposes to improve capacity and operations on northbound SR-57 between Lambert Road in the City of Brea and the Orange/ Los Angeles County Line (approximately two miles). Improvements under study include the potential addition of a northbound general purpose or truck-climbing lane, as well as associated operational and safety enhancements within the corridor. The project builds upon the completed interchange improvements at Lambert Road, which were delivered as an initial phase through SB 1 Trade Corridor Enhancement Program funding. The current effort focuses on evaluating mainline improvements to address congestion, improve freight mobility, and enhance overall corridor performance in coordination with Caltrans and regional partners.	Project initiation is complete and the environmental phase is underway. Preparation of a new Project Study Report–Project Development Support (PSR-PDS) document began in August 2023 to reassess prior concepts and reflect current corridor conditions. Caltrans approved the final PSR-PDS in October 2025 and is leading the environmental phase, which commenced on November 25, 2025. Completion of the environmental phase is anticipated in 2028, after which the project will be positioned for future advancement, subject to funding availability and continued coordination with project partners. Plant establishment was completed in February 2018.
Project H Riverside Freeway (SR-91) Improvements from the Santa Ana Freeway (I-5) to the Orange Freeway (SR-57)	Add capacity in the westbound direction and provide operational improvements at on and off ramps to the SR-91 between I-5 and the Orange Freeway (SR-57), generally within existing ROW, to smooth traffic flow and relieve the SR-57/SR-91 interchange.	This project increased capacity by adding a general purpose lane (approximately 4.5 miles) in the westbound direction between the cities of Anaheim and Fullerton and provided operational improvements at on- and off-ramps between Brookhurst Street and State College Boulevard.	The final ED was approved on May 20, 2010, and the final PR was approved on June 16, 2010. Construction began on February 6, 2013, and the improvements opened to traffic on March 7, 2016. The project was officially completed on June 23, 2016. A separate landscape project was completed in November 2017, and plant establishment was completed in November 2020.
Project I Riverside Freeway (SR-91) Improvements from Orange Freeway (SR-57) to the Costa Mesa Freeway (SR-55) Interchange Area	Improve the SR-91/SR-55 to SR-91/ SR-57 interchange complex, including nearby local interchanges such as Tustin Avenue and Lakeview, as well as adding freeway capacity between SR-55 and SR-57.	*SR-91, SR-55 to Tustin Avenue Interchange*	
		This project improved traffic flow at the SR-55/SR-91 interchange by adding a westbound auxiliary lane (approximately two miles) beginning at northbound SR-55 to the westbound SR-91 connector through the Tustin Avenue interchange in the City of Anaheim. The project reduced weaving congestion in the area and included reconstruction of the westbound side of the Santa Ana River Bridge to accommodate the additional lane.	The final ED was approved on May 11, 2011, and the final PR was approved on May 19, 2011. Construction began on November 1, 2013, and the improvements opened to traffic on May 14, 2016. The project was officially completed on July 15, 2016. Plant establishment was completed in July 2017.

Project	Plan Description	Scope/Project Description	Status/Discussion
		SR-91, SR-55 to Lakeview Avenue	
		This project will provide westbound operational improvements (approximately 2.2 miles), which includes the realignment of the existing westbound SR-91 on- and off-ramps, the addition of a new on-ramp from the Lakeview Avenue overcrossing bridge to connect directly to southbound SR-55, and construction of a barrier to separate westbound SR-91 from SR-55. With the proposed improvements, the existing Lakeview Avenue overcrossing bridge is anticipated to be replaced with a new bridge.	The final ED and PR were approved on June 22, 2020. This project was combined with the Caltrans multi-asset project during the design phase. Construction activities began on April 8, 2025, and are anticipated to be completed in 2028.
		SR-91, La Palma Avenue to SR-55	
		This project will provide an additional eastbound general purpose lane (approximately 2.7 miles), replace the eastbound shoulder, and restore auxiliary lanes as needed throughout the project limits. With the proposed improvements, the existing Kraemer Boulevard and Tustin Avenue overcrossing bridges are anticipated to be replaced with new bridges and the Santa Ana River bridge will be widened.	The final ED and PR were approved on June 22, 2020, and design is substantially complete. The project is preparing for advertisement, with construction is anticipated to begin in late 2026. However, risks identified during the ROW certification phase may affect the construction schedule. Caltrans Headquarters has not approved ROW certification due to unresolved coordination issues, including access and maintenance agreements with the Orange County Flood Control District. In addition, extended Caltrans Office Engineer review timelines delayed final design completion through late 2025.
		SR-91, Acacia Street to La Palma Avenue	
		This project will provide westbound operational improvements (approximately 1.8 miles) by adding a fourth general purpose lane along westbound SR-91 from the northbound SR-57 to the westbound SR-91 connector, extending the southbound SR-57 to westbound SR-91 connector auxiliary lane through the State College Boulevard Interchange, tying into the existing westbound SR-91 auxiliary lane west of	The final ED and PR were approved on June 22, 2020. This project was combined with the Caltrans multi-asset project during the design phase. The project was advertised for construction on May 12, 2025, and bids were opened on August 12, 2025. The contract was awarded on October 20, 2025, and approved on December 1, 2025. Pre-construction

Project	Plan Description	Scope/Project Description	Status/Discussion
		State College Boulevard, and reconfiguring the westbound SR-91 to SR-57 connector to provide dedicated exits to SR-57. With the proposed improvements, the existing La Palma Avenue overcrossing bridge will be replaced with a new bridge.	activities began in December 2025, and construction is anticipated to be completed in 2030.
Project J Riverside Freeway (SR-91) Improvements from Costa Mesa Freeway (SR-55) to the Orange/ Riverside County Line	This project adds capacity on SR-91 beginning at SR-55 and extending to Interstate 15 (I-15) in Riverside County. The first priority will be to improve the segment of SR-91 east of SR-241. The goal is to provide up to four new lanes of capacity between SR-241 and Riverside County Line by making best use of available freeway property, adding reversible lanes, building elevated sections and improving connections to SR-241. These projects would be constructed in conjunction with similar coordinated improvements in Riverside County extending to I-15 and provide a continuous set of improvements between SR-241 and I-15. The portion of improvements in Riverside County will be paid for from other sources. This project also includes improvements to the segment of SR-91 between SR-241 and SR-55. The concept is to generally add one new lane in each direction and improve the interchanges.	*SR-91, SR-55 to SR-241*	
		This project added a general purpose lane (approximately six miles) in both directions of SR-91 between SR-55 and SR-241 in the cities of Anaheim and Yorba Linda. In addition to adding 12 lane miles to SR-91, the project also delivered a second eastbound exit lane at Lakeview Avenue, Imperial Highway, and Yorba Linda Boulevard/Weir Canyon Road off-ramps. Beyond these capital improvements, crews completed work on safety barriers, lane striping, and soundwalls.	The final ED and PR were approved on April 24, 2009. Construction began on May 27, 2011, and opened to traffic in December 2012. The project was officially completed on March 5, 2013. Plant establishment was completed in February 2018.
		SR-91 Eastbound, SR-241 to SR-71	
		This project improved mobility and operations by adding an eastbound lane (approximately six miles) through a key stretch of SR-91 between Orange County's SR-241 and Riverside County's SR-71, widened existing eastbound lanes and shoulders, and reduced traffic weaving as a result of traffic exiting at SR-71 and Green River Road.	The final ED and PR were approved on December 28, 2007. Construction began on September 16, 2009, and the improvements opened to traffic on December 2, 2010. The project was officially completed on January 31, 2011, with plant establishment was completed in May 2011. Because this project was shovel-ready, OCTA was able to obtain ARRA funding for this M2 project, saving M2 revenues for future projects.
		SR-91, SR-241 to Orange/Riverside County Line	
		This project improves mobility and operations along SR-91 between SR-241 and the Orange/ Riverside County line through a combination of coordinated improvements with the RCTC. The ultimate project includes adding a general purpose lane in each direction between SR-241 and SR-71 to	A portion of the project—the 91 Westbound Corridor Operation Project—began construction in November 2020 and was completed in January 2022. For the remaining improvements, OCTA and RCTC completed a feasibility study in April 2022 to evaluate options for

Project	Plan Description	Scope/Project Description	Status/Discussion
		address congestion and improve corridor continuity across county lines. Initial improvements have already been delivered through the 91 Westbound Corridor Operation Project (approximately two miles), which added a westbound general purpose lane between Green River Road and SR-241. Future improvements focus on eastbound capacity enhancements and operational improvements within the corridor, including potential lane additions and associated improvements to accommodate projected travel demand.	implementing the additional general purpose lane while minimizing environmental and construction impacts. RCTC is leading the environmental phase for the Eastbound Corridor Operation Project, which began in June 2023 and is anticipated to be completed by mid-2026. Preliminary engineering, environmental technical studies, and a Supplemental Project Report are underway. RCTC released a request for qualifications for a progressive design-build contract on November 13, 2025, with proposals due January 21, 2026. Project delivery requires ongoing coordination between OCTA and RCTC, as improvements span county boundaries and must be implemented jointly to ensure seamless operations. Risks to schedule, scope, and cost are dependent on this interagency coordination. In addition, engineering challenges related to corridor topography within the Santa Ana Canyon and environmental constraints associated with the Santa Ana River may affect design complexity, environmental clearance, and overall delivery timing.
Project K San Diego Freeway (I-405) Improvements between the I-605 Freeway in Los Alamitos area and Costa Mesa Freeway (SR-55)	Add new lanes to the San Diego Freeway between I-605 and SR-55, generally within the existing ROW. The project will make best use of available freeway property, update interchanges and widen all local overcrossings according to city and regional master plans. The improvements will be coordinated with other planned I-405 improvements in the I-405/SR-22/I-605 interchange area to the north and I-405/SR-73 improvements to the south. The improvements will adhere to	This project added a general purpose lane (approximately 16 miles) between Euclid Street and I-605 in both directions and a second HOV lane (approximately 14 miles) combined with the existing HOV lane to provide dual express lanes in both directions of I-405 from SR-73 to I-605, otherwise known as the 405 Express Lanes. Additional improvements included reconstruction of local interchanges and enhancements to freeway entrances and exits along the corridor from SR-73 to I-605 through the cities of Costa Mesa, Fountain Valley, Garden Grove, Huntington Beach, Los Alamitos, Seal Beach, and Westminster. Note, the general	The final ED and PR were approved on June 15, 2015. Construction activities began on January 31, 2017, and the project fully opened to traffic on December 1, 2023. Final acceptance and relief of maintenance is expected in 2026.

Project	Plan Description	Scope/Project Description	Status/Discussion
	recommendations of the Interstate 405 Major Investment Study (as adopted by the Board on October 14, 2005) and will be developed in cooperation with local jurisdictions and affected communities.	purpose lane portion of the project is an M2 project and was funded by a combination of local, state, and federal funds. The express lanes portion of the project was financed and will be paid for by those who choose to pay a toll and use the 405 Express Lanes.	
Project L San Diego Freeway (I-405) Improvements between Costa Mesa Freeway (SR-55) and Santa Ana Freeway (I-5)	Add new lanes to the freeway from SR-55 to the I-5. The project will also improve chokepoints at interchanges and add merging lanes near on- and off- ramps such as Lake Forest Drive, Irvine Center Drive and SR-133 to improve the overall freeway operations in the I-405/I-5 El Toro "Y" area.	This project studied potential improvements along approximately 8.5 miles of I-405 between I-5 and SR-55 in the City of Irvine. The project development team reviewed the alternatives and public comments received during public circulation, and as a result of the effort, recommended adding one general purpose lane in both directions.	The final ED and PR were approved on August 31, 2018. The design phase is anticipated to begin in 2030.
Project M I-605 Freeway Access Improvements	Improve freeway access and arterial connection to I-605 serving the communities of Los Alamitos and Cypress. The project will be coordinated with other planned improvements along SR-22 and I-405.	This project will make enhancements to the on- and off-ramps and operational improvements on Katella Avenue at the I-605 Interchange in the City of Los Alamitos. In addition, pedestrian and bicycle improvements will incorporate complete streets components, including enhanced safety for all modes of travel.	The final ED and PR were approved on October 3, 2018. The project was awarded and construction activities began on April 3, 2025. Construction is anticipated to be completed in 2027.
Project N FSP	The FSP provides competitively bid, privately contracted tow truck service for motorists with disabled vehicles on the freeway system. This service helps stranded motorists and quickly clears disabled vehicles out of the freeway lanes to minimize congestion caused by vehicles blocking traffic and passing motorists rubbernecking.	The FSP assists motorists whose vehicles become disabled along Orange County freeways and removes congestion-causing debris from traffic lanes to reduce freeway congestion and collisions.	In June 2012, M2 began supporting FSP with local funds to maintain existing service levels and expand services through 2041. Since then, FSP has provided over 889,000 services on the Orange County freeway system.
Projects A-M Freeway EMP	Provide for comprehensive, rather than piecemeal, mitigation of the environmental impacts of freeway improvements. Using a proactive, innovative approach, the Master Agreement negotiated between OCTA	The Freeway EMP provides comprehensive mitigation for the environmental impacts of M2 freeway improvements (Projects A–M). The program includes acquisition and preservation of open space, habitat restoration, and implementation of a Conservation Plan to protect biological resources. Through a	The EMP is fully established, with biological resource permits issued in 2017 following completion of the Conservation Plan, and additional regulatory assurances secured in 2018 to support streamlined delivery of M2 freeway projects. OCTA continues to

Project	Plan Description	Scope/Project Description	Status/Discussion
	and state and federal resource agencies will provide higher-value environmental benefits such as habitat protection, wildlife corridors and resource preservation in exchange for streamlined project approvals for the freeway program as a whole.	programmatic approach, the EMP enables streamlined environmental approvals for freeway projects while delivering higher-value environmental benefits, including habitat protection, wildlife connectivity, and resource preservation. Key elements include management of seven Preserves totaling approximately 1,300 acres and implementation of approximately 350 acres of habitat restoration projects.	manage the Preserves and implement restoration projects in coordination with Wildlife Agencies. RMPs for all Preserves were completed in 2018 and are currently being updated, and annual reporting confirms the program remains in compliance with permit requirements. The endowment established to fund long-term preserve management continues to be funded through annual deposits of approximately $2.9 million and remains on track to meet the long-term funding target. While the program has largely met its objectives, risks remain related to environmental conditions such as drought and wildfires, which may impact restoration success and require adaptive management or additional funding. In addition, endowment performance may influence the timing of achieving full funding for long-term management.
Streets and Roads			
Project O RCP	This program, in combination with local matching funds, provides a funding source to complete the Orange County MPAH. The program also provides for intersection improvements and other projects to help improve street operations and reduce congestion. The program allocates funds through a competitive process and targets projects that help traffic the most by considering factors such as degree of congestion relief, cost effectiveness, project readiness, etc. Local jurisdictions must	*Regional Capacity Program*	
		This program, in combination with required local matching funds, provides funding for improvements on Orange County's MPAH.	Since 2011, through 15 calls, the Board has awarded 195 projects (237 project phases) totaling more than $432 million, including $23.4 million in external funding. To date, 157 project phases have been completed, 53 are in various stages of implementation, and 27 have been cancelled by the awarded local jurisdictions.

Project	Plan Description	Scope/Project Description	Status/Discussion
	provide a dollar-for-dollar match to qualify for funding, but can be rewarded with lower match requirements if they give priority to other key objectives, such as better road maintenance and regional signal synchronization. Roughly 1,000 miles of new street lanes remain to be completed, mostly in the form of widening existing streets to their ultimate planned width. Completion of the system will result in a more even traffic flow and efficient system. Another element of this program is funding for construction of railroad over or underpass grade separations where high-volume streets are impacted by freight trains along the BNSF railroad in northern Orange County.	*OC Bridges Program*	
		This program built seven grade separations (either under or overpasses) where high-volume streets are impacted by freight trains along the BNSF railroad in north Orange County. • Kraemer Boulevard – vehicle underpass • Lakeview Avenue – vehicle overpass • Orangethorpe Avenue – vehicle overpass • Placentia Avenue – vehicle underpass • Raymond Avenue – vehicle underpass • State College Boulevard – vehicle underpass • Tustin Avenue/Rose Drive – vehicle overpass	On September 13, 2021, the Board approved program closeout and budget adjustment to approximately $666.55 million for all the OC Bridges grade separation projects, of which $152.6 million was committed M2 and $513.9 million in leveraged external funding. Funding reimbursement and closeout for all seven grade separation projects have been completed. • Kraemer Boulevard – completed in 2014 • Lakeview Avenue – completed in 2017 • Orangethorpe Avenue – completed in 2016 • Placentia Avenue – completed in 2014 • Raymond Avenue – completed in 2018 • State College Boulevard – completed in 2018 • Tustin Avenue/Rose Drive – completed in 2015
Project P RTSSP	This program targets over 2,000 signalized intersections across the County for coordinated operation. The goal is to improve the flow of traffic by developing and implementing regional signal coordination programs that cross jurisdictional boundaries. The County of Orange and Caltrans will be required to work together and prepare a common traffic signal synchronization plan and the necessary governance and legal arrangements before receiving funds. In addition, cities will be required to provide 20 percent of the costs. Once in place, the program will provide funding for ongoing maintenance and operation of the synchronization plan. Local jurisdictions will be required to publicly report on the performance of their signal	This program provides funding and assistance to implement multi-agency signal synchronization. The target of the program is to regularly coordinate a network of over 2,000 signalized intersections along 750 miles of roadway within Orange County. OCTA also leverages external funding to further enhance the efficiency of the street grid and reduce travel delays.	To date, OCTA and local agencies have synchronized 3,789 intersections over 979 miles of streets (109 completed projects). Through 15 calls, 123 projects totaling approximately $162.3 million have been awarded. Overall, OCTA has funded 143 projects totaling nearly $196.8 million, including $40.1 million in leveraged external funding.

Project	Plan Description	Scope/Project Description	Status/Discussion
	synchronization efforts at least every three years.		
Project Q LFS Program	This element of the program will provide flexible funding to help cities and the County of Orange keep up with the rising cost of repairing the aging street system. In addition, cities can use these funds for other local transportation needs such as residential street projects, traffic and pedestrian safety near schools, signal priority for emergency vehicles, etc. The funds under this program are distributed to cities and the County of Orange by formula. The formula will account for population, street mileage, and amount of sales tax collected in each jurisdiction.	To help cities and the County of Orange keep up with the rising cost of repairing the aging street system, this program provides flexible funding intended to augment, not replace, existing transportation expenditures by the cities and the County. On a bimonthly basis, 18 percent of net revenues are allocated by formula. On a bimonthly basis, 18 percent of net revenues are allocated by formula.	Since 2011, approximately $835.3 million in LFS payments have been provided to local jurisdictions.
Transit			
Project R High-Frequency Metrolink Service	This project will increase rail services within the county and provide frequent Metrolink service north of Fullerton to Los Angeles. The project will provide for track improvements, more trains, and other related needs to accommodate the expanded service. This project is designed to build on the successes of Metrolink and complement service expansion made possible by the current M2. The service will include upgraded stations and added parking capacity; safety improvements and quiet zones along the tracks; and frequent shuttle service and other means, to move arriving passengers to nearby destinations. The project also includes funding for improving grade crossings and constructing over or underpasses at	*Metrolink Grade Crossing Improvements*	
		Improvements were implemented at designated at-grade rail-highway crossings throughout Orange County to enhance safety, reduce conflicts between rail and roadway users, and support expanded Metrolink service. Enhancements included upgraded warning devices, improved signalization and gate systems, crossing surface improvements, and other safety treatments. These improvements also enabled the establishment of quiet zones in participating jurisdictions by meeting federal safety requirements.	This project is complete. Safety enhancements were implemented at 50 of the originally identified 52 at-grade rail crossings in support of the Metrolink Service Expansion Program, with completion in October 2012. Two crossings were not improved due to a private crossing constraint and a roadway closure that eliminated the need for improvements.
		Metrolink Service Expansion Program	
		This program provides funding to support Metrolink operations and expand regional rail service within Orange County. The program includes investments in rail infrastructure, service expansion, and operational	Initial capital and service expansion elements of the program were completed in 2012, including the deployment of ten new Metrolink intracounty trains operating between the cities

Project	Plan Description	Scope/Project Description	Status/Discussion
	high-volume arterial streets that cross the Metrolink tracks.	enhancements to increase train frequency, improve system reliability, and expand access to regional rail. Initial improvements included track and signal upgrades, station enhancements, and the deployment of additional trains to support expanded service, particularly during midday and evening periods.	of Fullerton and Laguna Niguel/Mission Viejo, expanding service beyond traditional peak periods. Service has since evolved in response to changing travel patterns. In October 2024, Metrolink implemented the *Metrolink Reimagined* service change, increasing midday and evening service and improving operational efficiency. As a result, the three Metrolink lines serving Orange County now operate 58 weekday trains, exceeding pre-pandemic service levels. Despite these increases, ridership recovery remains below pre-pandemic levels, affecting farebox revenue and cost recovery, while operating and rehabilitation costs continue to rise. Although external funding sources are expected to support operations in the near term, current projections indicate that without adjustments to service levels, sustained ridership growth, or additional funding, existing service levels may not be financially sustainable through the full M2 program horizon. Additional risks include reliance on external funding, coordination with rail partners, and ongoing vulnerabilities along the coastal rail corridor that may affect service reliability and costs.
		Anaheim Canyon Metrolink Station Improvements	
		This project enhanced capacity and functionality to support increased rail service. Improvements included construction of a second main track and passenger platform, extension of the existing platform, upgrades to at-grade crossings to improve pedestrian circulation and safety, and installation of new station amenities such as benches, shade structures, and ticket vending machines.	This project was completed in January 2023.

Project	Plan Description	Scope/Project Description	Status/Discussion
		Fullerton Transportation Center Improvements	
		This project enhanced multimodal access and passenger amenities at the Fullerton Transportation Center. Improvements included construction of a new five-level parking structure to expand transit parking capacity for Metrolink and Amtrak users, as well as subsequent upgrades to station accessibility. These later improvements included modifications to the existing pedestrian bridge and installation of new traction elevators to improve vertical circulation and ADA accessibility across the rail platforms.	Construction on the city-led parking expansion project began in October 2010, and the improvements were completed in June 2012. After completion, the elevator upgrade project was initiated with leftover savings. The City of Fullerton was the lead on this project, which was completed on May 1, 2019.
		Laguna Niguel/Mission Viejo Metrolink Station ADA Ramps	
		This project improved accessibility and passenger amenities at the Laguna Niguel/Mission Viejo Metrolink Station. Improvements included construction of new ADA-compliant access ramps on both sides of the pedestrian undercrossing, replacing elevators that were prone to outages. Additional enhancements included installation of passenger canopies, a unisex ADA-compliant restroom, and supporting station facilities such as a vending machine room.	Construction began in February 2016, and the improvements were completed in September 2017.
		Orange Transportation Center Metrolink Parking Structure	
		This project constructed a 608-space, five-level, shared-use parking structure located on Lemon Street between Chapman Avenue and Maple Street in the City of Orange. Delivered through a cooperative agreement between OCTA and the City of Orange, the City led the design phase and OCTA led construction. The project expanded parking capacity to support Metrolink and bus transit users, while accommodating shared-use parking for the surrounding area.	Construction began in July 2017, and the improvements were completed in February 2019.

Project	Plan Description	Scope/Project Description	Status/Discussion
		Placentia Metrolink Station and Parking Structure	
		This project will construct a new Metrolink station in the City of Placentia, including a passenger platform, parking structure, bus stop, and supporting passenger amenities. The project scope was expanded during design to replace planned surface parking with a structured parking facility through a cooperative agreement with the City of Placentia, which also includes a local funding contribution. The project also includes construction of a third main track to improve operational flexibility and support more reliable passenger and freight rail service.	Final design was completed in July 2017, and the project is currently ready for advertisement. However, advancement to construction remains on hold pending execution of a shared-use agreement between Metrolink and BNSF, as well as potential design refinements. As a result, the project schedule is uncertain and subject to resolution of these external dependencies. Key risks include reliance on third-party agreements with BNSF, potential scope or design modifications, and broader considerations related to Metrolink's long-term operational and financial capacity to support new service. OCTA continues to coordinate with partner agencies to advance the project when conditions allow.
		San Clemente Pier Station Lighting	
		This OCTA-led project enhanced the San Clemente Pier station platform by installing new bollard lighting along the full platform length, upgrading passenger amenities, and adding decorative safety railings. Improvements also included resurfacing the platform and related safety repairs to improve visibility, accessibility, and overall passenger safety.	This project was completed in March 2017.
		Tustin Metrolink Station Parking Structure	
		This project expanded parking capacity at the Tustin Metrolink Station through construction of a four-story parking structure and associated surface parking facilities. The project was delivered to support increased ridership and improve access to Metrolink and bus transit services.	Construction on the parking structure began in October 2010, and opened to the public in September 2011.

Project	Plan Description	Scope/Project Description	Status/Discussion
		Laguna Niguel to San Juan Capistrano Passing Siding Project	
		This project improved rail operations within the LOSSAN corridor through construction of approximately 1.8 miles of passing siding track adjacent to the existing mainline. The project enables trains traveling in opposite directions to pass without delay, increasing operational flexibility and supporting more efficient passenger rail service.	Construction began on March 2019, and the improvements were completed in November 2020.
		Sand Canyon Grade Separation	
		This project improved mobility and safety in the City of Irvine by separating roadway and rail operations along the LOSSAN Rail Corridor. The project constructed an underpass to carry Sand Canyon Avenue beneath the railroad tracks, widened the roadway to increase capacity, and included related improvements such as retaining walls, drainage, and bicycle and pedestrian enhancements.	Construction began in May 2011, and the improvements opened to traffic in July 2014. The project was completed, and construction acceptance was obtained from the City of Irvine in January 2016. The project completed the one-year warranty period, and no repairs were identified. The project closed out in January 2017.
		San Clemente Beach Trail Safety Enhancements	
		This project enhanced safety at multiple pedestrian crossings along the San Clemente Beach Trail by implementing a comprehensive set of improvements at locations including Dije Court, El Portal, Corto Lane, San Clemente Pier, T Street, Lost Winds, and Calafia. Enhancements included installation of an audible pedestrian warning system, emergency exit swing gates, pedestrian channelization and fencing, additional active warning devices, and widening of crossing surfaces and walkway approaches. These improvements reduced the risk of pedestrian-train conflicts and improved overall safety for trail users by increasing awareness and providing safer crossing conditions. OCTA led the design phase, while Metrolink led construction.	Construction was completed in March 2014, and the pedestrian audible warning system was activated on June 24, 2016.

Project	Plan Description	Scope/Project Description	Status/Discussion
		Laguna Niguel/Mission Viejo Station Surface Parking Lot	
		This project expanded parking capacity at the Laguna Niguel/Mission Viejo Metrolink Station to accommodate increased demand associated with expanded rail service. The project constructed a new surface parking lot adding approximately 176 spaces on OCTA-owned property located south of the existing station, increasing total parking supply and supporting park-and-ride access.	This project was completed in October 2013.
		San Juan Creek Railroad Bridge Replacement	
		This project will replace the existing rail bridge over San Juan Creek in the City of San Juan Capistrano to improve safety, reduce maintenance needs, and meet current design and load standards. The project includes demolition of the existing bridge, construction of a new bridge structure, and development of supporting substructure elements designed to accommodate potential future rail infrastructure. The project also preserves the opportunity for future bicycle trail connectivity along the creek corridor.	Construction is underway, with completion anticipated in early 2027. The project is being delivered in coordination with Metrolink and requires careful sequencing to maintain rail operations during construction. Key risks include construction complexity within an environmentally sensitive creek area, coordination with multiple stakeholders, and potential schedule impacts associated with maintaining active rail service during construction and bridge changeover activities.
Project S Transit Extensions to Metrolink	Frequent service in the Metrolink corridor provides a high-capacity transit system linking communities within the central core of Orange County. This project will establish a competitive program for local jurisdictions to broaden the reach of the rail system to other activity centers and communities. Proposals for extensions must be developed and supported by local jurisdictions and will be evaluated against well-defined and well-known criteria.	*OC Streetcar*	
		The OC Streetcar is a 4.15-mile fixed-guideway transit project connecting the SARTC to Downtown Santa Ana and Harbor Boulevard in the City of Garden Grove. The project includes construction of track within existing streets, stations, an overhead contact system, bridges, and an MSF, as well as procurement of modern streetcar vehicles. The project is intended to improve transit connectivity, expand access to regional rail, and provide an alternative to automobile travel.	Construction on the project began on November 19, 2018, and is approximately 96 percent complete as of December 2025. All eight vehicles have been delivered, and system testing, integration, and operational readiness activities are ongoing in preparation for service.
		Bus and Station Van Extension Projects	

Project	Plan Description	Scope/Project Description	Status/Discussion
		Bus and Station Van Extension Projects were implemented to improve first- and last-mile connections to Metrolink stations by linking surrounding communities and activity centers to commuter rail. These projects included local bus and van services designed to enhance access to the regional rail system and improve overall transit connectivity within central Orange County.	The program is complete, with the final service concluded on June 30, 2020. One project in the City of Anaheim successfully operated service connecting the Anaheim Canyon Metrolink Station to key destinations, while previously approved projects in the City of Lake Forest were ultimately cancelled. The Anaheim service continues under the Project V (Community-Based Transit/Circulators Program), subject to performance requirements. No additional calls for Bus and Station Van Extension Projects are anticipated. There are no remaining delivery risks, as the program has been completed. Future first- and last-mile transit needs are expected to be addressed through other M2 transit programs, including Project V.
Project T Convert Metrolink Station(s) to Regional Gateways to Connect Orange County with HSR	This program will provide the local improvements that are necessary to connect planned future HSR systems to stations on the Orange County Metrolink route. The State of California is currently planning an HSR system linking Northern and Southern California. One line is planned to terminate in Orange County. In addition, several magnetic levitation systems that would connect Orange County to Los Angeles and San Bernardino Counties, including a link from the City of Anaheim to Ontario airport, are also being planned or proposed by other agencies.	Project T funded improvements to Metrolink stations along the LOSSAN Rail Corridor to support future connections to HSR. The primary project delivered under this program was ARTIC, a multimodal transportation hub that serves Metrolink, Amtrak, local and regional bus services, and other transportation modes. The facility was designed to accommodate future HSR connectivity and enhance regional mobility.	Project T is complete. The ARTIC facility began construction on September 24, 2012, and opened to rail and bus service on December 6, 2014. In December 2015, the Board amended the M2 Ordinance to formally close out Project T, determining that completion of ARTIC fulfilled the intent of the program as the only Orange County station on the planned HSR corridor. There are no remaining delivery risks, as the program has been completed. Future HSR connectivity in Orange County remains dependent on statewide implementation of the HSR system, which is outside OCTA's control.
Project U Expand Mobility Choices for Seniors and	This project will provide services and programs to meet the growing transportation needs of seniors and persons with disabilities as follows:	*Fare Stabilization*	
		From 2011 to 2015, one percent of net M2 revenues was dedicated to stabilizing fares and providing fare discounts for bus services and specialized OC ACCESS services for seniors and persons with disabilities.	Since inception, nearly $63.5 has been allocated to support more than 166 million program-related boardings recorded on fixed-route and ACCESS services. The amount

Project	Plan Description	Scope/Project Description	Status/Discussion
Persons with Disabilities	• 1.47 percent of net revenues will stabilize fares and provide fare discounts for bus services, specialized OC ACCESS services and future rail services. • One percent of net revenues will be available to continue and expand local community van service for seniors through the existing Senior Mobility Program. • One percent will supplement existing countywide senior non-emergency medical transportation services.	Effective January 28, 2016, an amendment to the M2 Ordinance adjusted this amount to 1.47 percent of net M2 revenues to be dedicated to the Fare Stabilization Program.	of funding utilized is based on ridership, which is based on pass sales and ACCESS boardings figures.
		Senior Mobility Program	
		The SMP provides one percent of net M2 revenues to eligible local jurisdictions to provide transit services that best meet the needs of seniors living in their community. According to the SMP Guidelines, M2 revenue is allocated to local jurisdictions proportionally, relative to the total county's senior population, by the residents aged 60 and above multiplied by available revenues.	Since inception, more than $43.7 million has been provided to support nearly 3.4 million boardings for seniors traveling to medical appointments, nutrition programs, shopping destinations, and senior and community center activities.
		Senior Non-Emergency Medical Transportation Program	
		This program provides one percent of net M2 revenues to supplement existing countywide SNEMT services.	Since inception, approximately $46.9 million has been allocated to support more than 1.7 million SNEMT boardings.
Project V Community-Based Transit/ Circulators	This project will establish a competitive program for local jurisdictions to develop local bus transit services such as community-based transit/circulators, shuttles and bus trolleys that complement regional bus and rail services, and meet needs in areas not adequately served by regional transit. Projects will need to meet performance criteria for ridership, connection to bus and rail services, and financial viability to be considered for funding. All projects must be competitively bid, and they cannot duplicate or compete with existing transit services.	This program provides funding for local jurisdictions to develop local bus transit services, such as community-based circulators and shuttles, which complement regional bus and rail services to meet needs in areas not adequately served by regional transit.	To date, through five calls, the Board has awarded 50 projects and ten planning studies totaling approximately $99.4 million. Of the 50 transit circulator projects, 16 are currently active, four are planned, 13 have been cancelled (primarily due to low ridership), and 17 have been completed.
Project W	This project provides for passenger amenities at 100 busiest transit stops across the County. The stops will be	This program provides funding for passenger amenities at the busiest transit stops across Orange County. Stop improvements are designed to	To date, through a competitive process, OCTA has issued three calls (July 2014, June 2019, and September 2020), which have awarded

Project	Plan Description	Scope/Project Description	Status/Discussion
Safe Transit Stops	designed to ease transfer between bus lines and provide passenger amenities such as improved shelters, lighting, current information on bus and train timetables and arrival times, and transit ticket vending machines.	ease transfers between bus lines and provide passenger amenities such as the installation of bus benches or seating, shelters, and lighting.	just over $3.1 million to support improvements at 122 locations. Of the 122 projects, 94 have been completed, 18 are in various stages of implementation, and ten have been cancelled.
Environmental			
Project X ECP	Implement street and highway related water quality improvement programs and projects that will assist Orange County cities, the County of Orange, and special districts to meet federal Clean Water Act standards for urban runoff. The environmental cleanup monies may be used for water quality improvements related to both existing and new transportation infrastructure, including capital and operations improvements.	This program implements street- and highway-related water quality improvement programs and projects that assist agencies countywide with federal Clean Water Act standards for urban runoff. It is intended to augment, not replace, existing transportation-related water quality expenditures and to emphasize high-impact capital improvements over local operations and maintenance costs. The Environmental Cleanup Allocation Committee is charged with making recommendations to the Board on the allocation of funds. These funds are allocated on a countywide, competitive basis to assist agencies in meeting the Clean Water Act standards for controlling transportation-related pollution. The ECP is composed of a two-tiered funding process focusing on early priorities (Tier 1), and a second program designed to prepare for more comprehensive capital investments (Tier 2). All Orange County cities plus the County of Orange have received funding under this program. To date, there have been 15 rounds of funding under the Tier 1 grants program.	**Tier 1:** On October 13, 2025, programming recommendations for the 15th Tier 1 call were approved by Board for approximately $3.1 million. To date, 241 Tier 1 projects, totaling approximately $43 million, have been awarded by the Board since 2011. Of the 241 projects, construction on 203 projects have been completed, 21 are in various stages of implementation, and 17 have been cancelled by the awarded agency. The 16th Tier 1 call is anticipated to be released in early 2026. It is estimated that approximately 91.7 million gallons of trash have been captured since the inception of the program, which equates to over 16,200 trash truck loads of garbage that could have been deposited in Orange County streams and waters. Over time, the volume of trash captured is expected to increase. **Tier 2:** To date, 26 Tier 2 projects totaling approximately $35 million have been awarded by the Board since 2013. Of the 26 projects, construction on 18 projects have been completed, four projects are in progress, and four projects have been cancelled by the awarded agency. It is estimated that Tier 2-funded projects, once fully functional, will have an annual groundwater recharge and

Project	Plan Description	Scope/Project Description	Status/Discussion
			water savings potential of approximately 352 million gallons of water from infiltration, recharge facilities, and diversion to recycled water supply. The appropriate timing of the next Tier 2 call will be assessed and determined by funding availability as well as the number of viable projects from eligible agencies.

9.5 Appendix E: M2 Project/Program Schedules

This appendix presents current M2 project and program schedules from the 2025 Next 10 Plan, approved by the Board on November 10, 2025. The schedules reflect updates through December 31, 2025.

Figure 9-4: M2 Freeway Projects Through Construction Schedule

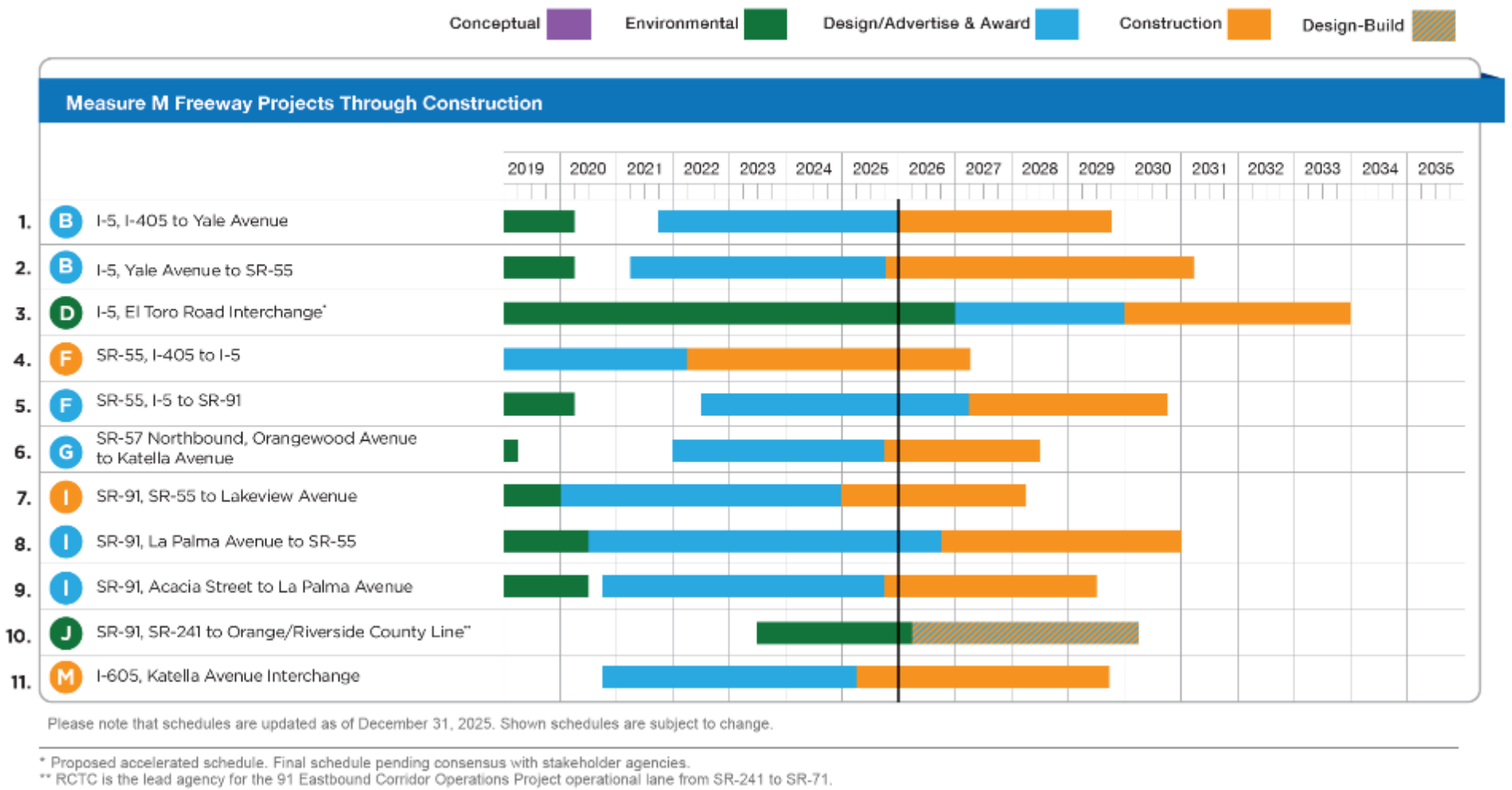
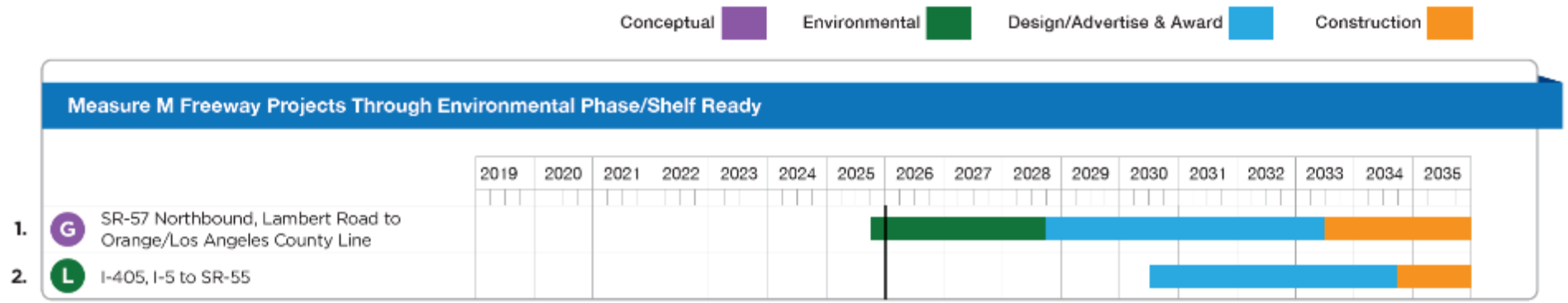


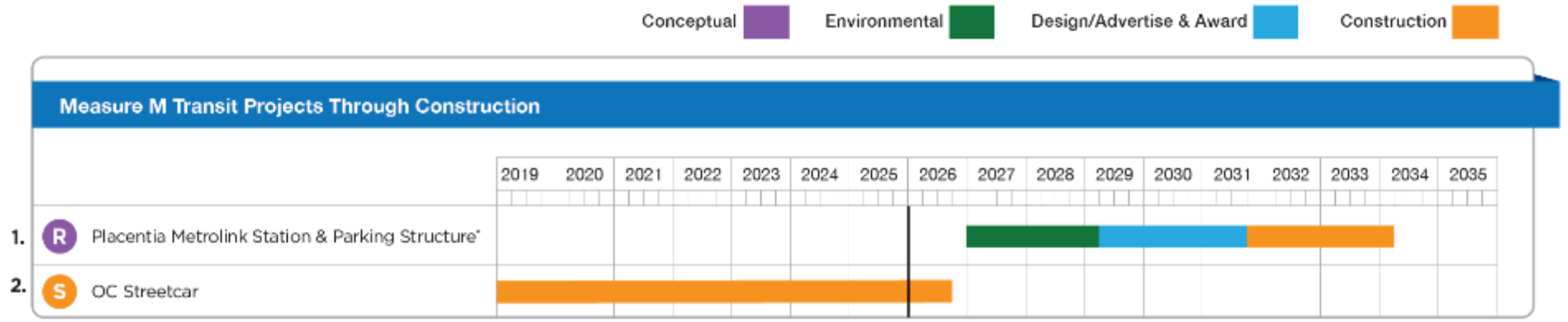
Figure 9-5: M2 Freeway Projects Through Environmental Phase/Shelf Ready Schedule



Please note that schedules are updated as of December 31, 2025. Projected and active project schedules are subject to change.

The Next 10 Plan provides direction through 2035. Schedules and revenues will be reviewed annually. The Board will adopt an updated delivery plan to provide direction on further advancement as appropriate.

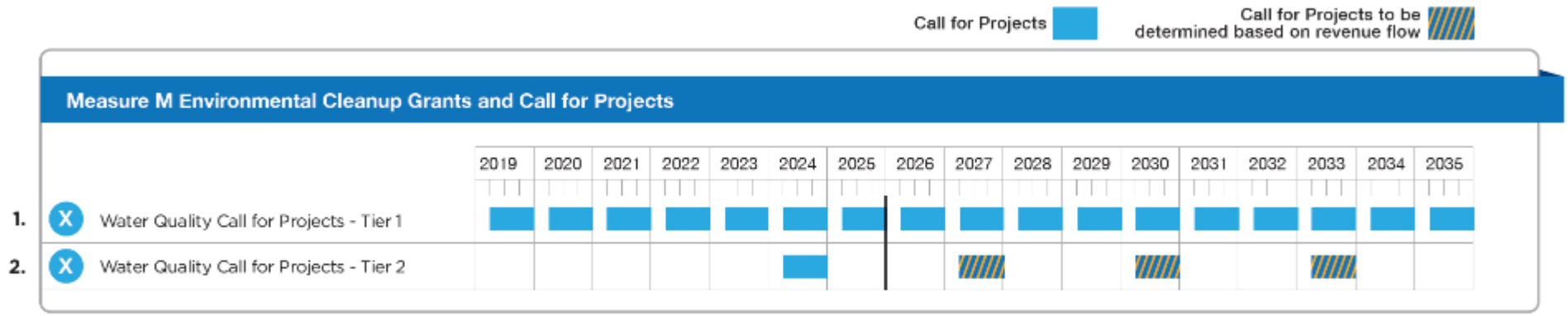
Figure 9-6: M2 Transit Projects Through Construction Schedule



OC Streetcar schedule updated as of December 31, 2025. Shown schedules are subject to change.

*Proposed accelerated schedule. Final schedule pending consensus with stakeholder agencies.

Figure 9-7: M2 ECP Grants and Call Schedule



Tier 1 grants program consists of funding for equipment purchases and upgrades to existing storm drains and related best management practices.

Tier 2 grants program consists of funding for regional, potentially multi-jurisdictional, capital-intensive projects.

9.6 Appendix F: M2 Ten-Year Review Community Engagement Summary Report

APPENDIX F

Measure M2 Ten-Year Review

Community Engagement Summary Report

February 2026



Community Engagement Summary Report

February 2026

Prepared for: Orange County Transportation Authority
550 South Main Street
Orange, CA 92868

Prepared by: Arellano Associates
5851 Pine Avenue, Suite A
Chino Hills, CA 91709
and
OCTA Staff

Page intentionally left blank.

Table of Contents

I. EXECUTIVE SUMMARY 1
i. Community Engagement Approach 1
ii. Balanced and Inclusive Engagement 2
iii. Key Themes 2
iv. Engagement Highlights 4
II. MEETINGS & EVENTS 5
i. Virtual Public Webinar 5
ii. Agency Stakeholder Engagements 6
A. Technical Advisory Committee Focus Groups 6
B. Elected Official Roundtables 7
iii. Stakeholder Briefings 9
A. Regional Stakeholder Interviews 9
B. Stakeholder Virtual Briefings 11
C. OCTA Committee and Stakeholder Briefings 12
iv. Community & Pop-up Events 12
v. Public Opinion Research 14
A. Focus Groups Findings 14
B. Quantitative Survey Findings 15
III. INFORMATIONAL RESOURCES & TOOLS 15
i. Stakeholder Database 16
ii. Fact Sheet 16
iii. Frequently Asked Questions (FAQ) 16
iv. Infographic 16
v. Webpage 16
vi. Community Survey 17
IV. NOTIFICATION EFFORTS 17
i. Electronic Mail Distribution (E-blasts) 18
ii. Print Advertisements 18
iii. Paid Social Media Advertisements 19
iv. Organic Social Media Posts 19
v. Website Notice 19
vi. Letter to State and Federal Offices 20
vii. Stakeholder Electronic Communications Toolkit 20
viii. Flyer Distribution 20
ix. Bus Interior Advertisements 20
x. OC Bus App 20
xi. OCTA Blog 21
xii. Earned Media Coverage 21
V. CONCLUSION 21

Tables

Table 1: Virtual Community Webinar Overview 6
Table 2: Technical Advisory Committee Focus Groups Overview 7
Table 3: Elected Official Roundtable Meetings Overview 8
Table 4: Regional Stakeholder Interviews 9
Table 5: OCTA Committee and Stakeholder Briefings 12
Table 6: Community Events 13
Table 7: Community Survey Metrics 17
Table 8: Eblast Distribution Metrics 18
Table 9: Print Advertisements 18
Table 10: Paid Social Media Metrics 19
Table 11: Organic Social Media 19
Table 12: Earned Media Coverage 21

Appendices

Appendix A: Focus Group Summary A1
Appendix B: Quantitative Survey Executive Summary A11
Appendix C: Community Survey Executive Summary A23
Appendix D: Letter to State and Federal Offices A29

Page intentionally left blank.

I. EXECUTIVE SUMMARY

Measure M2 is a 30-year, half-cent sales tax for transportation improvements administered by the Orange County Transportation Authority (OCTA). The program was approved by nearly 70% of voters in 2006 and took effect in 2011, following the end of the original Measure M (1991-2011), which generated approximately $4 billion for local transportation projects. Established through Ordinance No. 3 (Ordinance), Measure M2 includes a Transportation Investment Plan (Plan) that funds a range of improvements – enhancing freeways, local streets, and public transit, while also addressing environmental mitigation and sustainability. The Ordinance requires that, at least every ten years, OCTA shall conduct a comprehensive review of all projects and programs implemented under the Plan to evaluate the performance of the overall program and may revise the Plan to improve its performance.

The Measure M2 Ten-Year Review (Review) takes into consideration changes in policies, regulations, land use, travel patterns, growth projections, project cost estimates, and revenue projections. It also considers right-of-way constraints and other project constraints, the level of public support for the Plan, and the progress of OCTA, the County, and its 34 cities in implementing the Plan. Public and stakeholder engagement is a key component of this process, providing valuable input to assess the level of public support for the Plan and to identify potential areas for refinement.

To that end, OCTA implemented a comprehensive community outreach program designed to inform and engage stakeholders about Measure M2 and the Review, and to gather feedback. Engagement efforts included a virtual webinar, multiple briefings and presentations with key stakeholders and interest groups, and four focus groups. A qualitative feedback survey was also developed and conducted to gauge the public's needs and priorities in the county. Throughout engagement efforts, the outreach team promoted the Review and survey at several community and cultural events, as well as through print and digital advertisements. In addition, a quantitative survey of Orange County residents was developed and conducted to assess transportation priorities and perceptions of OCTA and Measure M2. Feedback from the engagement effort was used to develop recommendations to guide potential refinements and ensure the continued success of Measure M2 initiatives.

i. Community Engagement Approach

A comprehensive outreach plan was prepared at the beginning of the Review process to outline key engagement activities used to collect input from key stakeholders and the community from January through August 2025. The outreach plan, presented to the OCTA Board of Directors (Board), also outlined the anticipated timeline, identified target audiences, and detailed strategies for effectively engaging them. Outreach strategies prioritized connecting with hard-to-reach communities while focusing on a broad reach across the county.

Prior to launching community engagement efforts, OCTA developed a suite of informational resources to raise awareness about the Review and the Plan. These materials included a dedicated webpage (octa.net/M2Review) and multilingual (English, Spanish, and Vietnamese) fact sheets and FAQs. These resources were shared at community events across Orange County, distributed via email, and linked during online meetings to expand reach.

Throughout the Review, OCTA engaged key stakeholders, including OCTA committees, elected officials, city staff, and other prominent Orange County organizations, to gather feedback on the Plan. In May 2025, a qualitative survey was launched and remained open through July to capture community needs and priorities across Orange County. During the engagement period, OCTA hosted a public webinar and presented at one of OCTA's Bus Customer Roundtable to share information about Measure M2 projects and programs, answer questions, and collect additional feedback. OCTA also hosted several focus groups to learn about residents' transportation experiences, priorities, challenges, and suggestions for improving mobility across the county. To ensure widespread participation in the Review, outreach efforts combined traditional and digital methods, including email, paid and organic social media, print and online newspaper advertisements, and a promotional digital toolkit. OCTA also focused on reaching current transit riders by promoting the survey via bus interior advertising. Additional key engagement strategies included connecting with the public at community events and distributing informational flyers at community centers and libraries throughout the county.

ii. Balanced and Inclusive Engagement

OCTA remained committed to reaching communities that have been historically hard to reach in the planning process. Targeted efforts were made to design and implement outreach strategies that effectively reached those communities throughout the county. This included engaging with and receiving feedback from organizations representing communities from a range of demographic backgrounds, age groups, and socioeconomic status to gather meaningful input. To increase reach and accessibility, all informational materials and presentations were translated into Spanish and Vietnamese. Each e-blast was translated in Spanish and Vietnamese, and OCTA placed advertisements in local Spanish- and Vietnamese-language newspapers. In addition, the qualitative survey was offered in English, Spanish, Vietnamese, Korean, and Mandarin. Bilingual outreach staff also promoted the survey at a variety of cultural events and supported language inclusivity by offering Spanish and Vietnamese interpretation during the virtual webinar.

iii. Key Themes

The following themes reflect input gathered through community surveys, focus groups, regional stakeholder interviews, stakeholder briefings, agency meetings, and a countywide quantitative survey. Together, these engagement activities provide insight into current public perceptions, priorities, and opportunities for refinement of the Measure M2 program.

- **Continued Support for Local Transportation Investment:** Residents broadly expressed support for continued local transportation funding. Survey findings indicate that 80% of residents consider continuing local transportation funding important, including 60% who say it is extremely or very important. After hearing how Measure M2 funds are used, support increases to 85% overall, including 65% who rate it extremely or very important. Stakeholders emphasized the importance of protecting local control, demonstrating measurable value, and clearly communicating program outcomes – particularly considering affordability concerns and evolving state policy requirements. These findings suggest that continued investment in transportation infrastructure remains a priority for Orange County residents.
- **Moderate Satisfaction with the Transportation System:** While overall quality of life in Orange County remains positively rated (73% excellent/good), perceptions of the transportation system are more measured. Only 40% rate the system excellent or good, while 36% describe it as "fair," and 21% rate it poor or very poor. This indicates that while the transportation system is generally viewed as functional, residents continue to expect ongoing improvement – particularly in addressing traffic congestion and road conditions.
- **Roadway Maintenance, Traffic Operations, and Congestion Relief Remain Top Priorities:** Across engagement formats, roadway maintenance, traffic signal coordination, interchange improvements, and congestion management were consistently identified as the highest priorities. Fixing potholes, repairing streets, synchronizing signals, and improving traffic flow on major corridors ranked above other tested improvements. These priorities reflect the daily travel patterns of most residents, who primarily rely on automobiles. Stakeholders also emphasized improving system efficiency through operational enhancements and technology-based solutions.
- **Broad Support for Transit, with Emphasis on Accessibility and First-/Last-Mile Connections:** Transit investments received majority support, particularly services for seniors and people with disabilities (79% medium/high priority; 50% high priority). Participants emphasized the importance of maintaining reliable, affordable, and accessible transit options for residents who depend on them. Expansion of bus and rail services also received support, though these investments ranked below roadway maintenance in relative priority. Stakeholders noted that improving convenience – including better first- and last-mile connections, microtransit options, and coordination with major destinations – is essential to increasing transit usage. These findings reinforce the importance of maintaining a balanced transportation program that addresses both roadway performance and transit accessibility.

- **Awareness of Measure M2 and Specific Improvements Is Limited:** Although nearly all residents recognize OCTA (94%), fewer than half have heard of Measure M2 (46%), and only 39% report awareness of specific improvements funded by the program. A substantial share of respondents selected "not sure" when evaluating OCTA's performance or use of public funds. Stakeholders similarly emphasized the need for stronger communication and visibility of Measure M2 investments, and broader outreach to emerging and hard-to-reach communities. These results point to an opportunity to strengthen public understanding of how Measure M2 funds are allocated and delivered.
- **Differences in Priorities Reflect Changing Demographics and Travel Behavior:** Engagement findings indicate variation in transportation priorities across demographic groups. Younger and lower-income residents were more likely to rely on transit and prioritize multimodal investments, while older residents placed greater emphasis on roadway maintenance and congestion relief. Stakeholders also noted generational shifts in travel preferences, increasing interest in micro-mobility options, and the increasing need to serve aging populations. These differences highlight the importance of long-term planning that responds to evolving travel behavior and demographic trends while maintaining core infrastructure performance.
- **Administrative Efficiency, Regional Coordination, and Cross-Jurisdictional Leadership Are Important to Partner Agencies:** City and agency partners emphasized the importance of streamlined reimbursement processes, funding flexibility, and continued interjurisdictional coordination to improve project delivery. Stakeholders encouraged OCTA to maintain its role as a regional integrator – aligning investments across city boundaries, corridors, and modes – and to help jurisdictions efficiently compete for and administer available transportation funding. Participants also highlighted the value of multi-benefit investments that integrate transportation performance with environmental stewardship, resilience, and community health outcomes.

iv. Engagement Highlights

OCTA conducted extensive outreach throughout the Review to connect with the community and gather feedback. The main highlights of these efforts include:

- Collected 2,585 completed qualitative surveys from May to July 2025
- Surveyed 1,025 residents in January 2026 as part of a statistically valid, quantitative research survey
- Held 1 Community Webinar, 2 Stakeholder Briefings, 2 Elected Official Roundtable Meetings, 5 Technical Advisory Committee Focus Groups, 15 Regional Stakeholder Interviews, 4 Focus Groups

- Presented at 4 Mayors Forums, 1 OC Bus Customer Roundtable, 5 Taxpayer Oversight Committee Meetings, 1 Stakeholder Working Group Meeting, 1 Accessible Transit Advisory Committee Meeting, 1 Legislative Briefing, 1 Diverse Community Leaders Meeting, 1 Senior Mobility Program Roundtable, 1 CAC Bicycle and Pedestrian Active Transportation Subcommittee Meeting, and 1 Citizens Advisory Committee Meeting
- Delivered multilingual printed meeting notices to local organizations, businesses, and neighborhoods
- Expanded awareness through elected official outreach, including providing e-toolkits to Board members
- Placed ads inside buses traveling throughout Orange County
- Provided multilingual office-hour appointments for stakeholders to learn more about the Review and share feedback
- Engaged 3,000+ community members across 26 community events in Orange County, spanning all five Orange County Supervisorial Districts
- Distributed 7 email notices to nearly 2,000 interested community stakeholders
- Reached 119,000+ readers in English, Spanish, and Vietnamese through seven Orange County newspapers
- Advertised the survey and community webinar through 5 social media advertisements that received 748,000 total impressions
- Developed and distributed a digital communication toolkit with the survey link, webinar details, and project information, and shared it with the County, 34 cities, and the offices of local state and federal elected officials, among other agencies
- Provided materials in English, Spanish, and Vietnamese and offered the survey in English, Spanish, Vietnamese, Korean, and Mandarin
- Announced the project through OCTA's On the Move and NextStop blogs

II. MEETINGS & EVENTS

As part of the outreach process, a robust series of meetings and events were conducted to engage with the community, key stakeholders, and city and elected representatives on Measure M2. This section provides an overview of the various engagement touchpoints conducted throughout the project.

i. Virtual Public Webinar

A virtual community webinar was held to gather feedback from Orange County stakeholders on Measure M2. The community webinar began with an overview of the project, followed by an interactive poll, Q&A session, and open discussion section. The community webinar was held on June 5, 2025, and focused on providing a project overview to the community and gathering

feedback on their priorities for Measure M2 and potential improvements. To increase accessibility for and engagement with non-English speakers, Spanish and Vietnamese interpretation was provided during the webinar. For an overview of webinar participation, please see Table 1 below.

Table 1: Virtual Community Webinar Overview

Webinar Details	Webinar
Registrants	60
Meeting Participants	45
Questions/Comments	17

Key themes from the webinar are summarized below:

- Improvements to streets and roads are most prioritized by the community.
- Strong interest in increasing rail services and expanding trolley connections and neighborhood shuttles.
- Main transportation improvement challenges are limited grant funding and rising construction costs.
- Maintaining Metrolink services remains an important community priority.
- Requests for clearer communication, accessible reports, and more convenient meeting times.

ii. Agency Stakeholder Engagements

As part of the Review engagement process, OCTA conducted a series of in-person meetings with agency stakeholders, elected officials, and city staff. These included five Technical Advisory Committee (TAC) focus group discussions, and two Elected Official Roundtables designed to facilitate discussion and share an overview of Measure M2 and gather input on transportation priorities and regional needs.

A. Technical Advisory Committee Focus Groups

OCTA held five focus group sessions with Technical Advisory Committee (TAC) members at its headquarters to engage Public Works Directors and staff from local jurisdictions across Orange County. These sessions provided an opportunity to gather input, discuss regional transportation needs, assess the performance and impact of Measure M2 programs, and identify opportunities to improve program delivery and effectiveness. Discussions were guided by six key questions covering topics such as current transportation challenges, the effectiveness of Measure M2, and ways OCTA can enhance transparency and collaboration moving forward. TAC participation is found in Table 2.

Table 2: Technical Advisory Committee Focus Groups Overview

Group A Jan 22, 2025	Group B Jan 22, 2025	Group C Jan 28, 2025	Group D Jan 23, 2025	Group E Jan 23, 2025
Aliso Viejo	County of Orange	Fountain Valley	Garden Grove	Buena Park
Anaheim	Fullerton	Laguna Beach	Laguna Niguel	Costa Mesa
Brea	La Habra	Los Alamitos	Laguna Woods	Dana Point
Cypress	Lake Forest	Placentia	Newport Beach	Huntington Beach
Dana Point	San Clemente	San Juan Capistrano	Rancho Santa Margarita	La Palma
Irvine	Seal Beach	Westminster	Stanton	Laguna Hills
Orange	Villa Park		Tustin	Mission Viejo
Yorba Linda				Santa Ana

Key themes from the five sessions were:

- Transportation and Infrastructure Priorities: Focus on improving roadways, traffic flow, and multimodal connectivity to enhance regional mobility.
- Safety and Accessibility: Prioritize pedestrian and cyclist safety through infrastructure upgrades, design standards, and education programs.
- Land Use and Development Coordination: Integrate transportation planning with land use and development to promote efficient, transit-oriented growth.
- Regional Collaboration and Funding: Strengthen coordination among agencies and pursue diverse funding sources to implement transportation priorities.
- Public Outreach and Engagement: Maintain transparency, inclusive communication that involves stakeholders and improves community understanding.
- Emerging Trends: Plan for sustainable technologies, climate resilience, and data-driven transportation solutions.

B. Elected Official Roundtables

Two in-person Elected Official Roundtables were held at OCTA Headquarters on June 5 and July 16, 2025. These sessions included participation from elected representatives across Orange County and served as a forum to discuss transportation priorities, assess program performance, and identify opportunities for future enhancements.

Each meeting featured a presentation outlining the purpose and scope of the Review, key program accomplishments, ongoing challenges, and priorities for the next decade. City-specific allocation packets were shared, and participants were invited to provide feedback on the impact of Measure M2-funded projects, programs, and services, and ways OCTA could improve

coordination with local jurisdictions. Input gathered during these discussions helped shape the Review's findings and guide potential areas for refinement to Measure M2. Orange County cities represented at each roundtable are found in Table 3.

Table 3: Elected Official Roundtable Meetings Overview

Roundtable Details	Elected Official Roundtable #1 Thursday, June 5, 2025 9:00 – 11:00 AM	Elected Official Roundtable #2 Wednesday, July 16, 2025 9:00 – 11:00 AM
Attendance	• 11 Elected Office / City Staff Attendees	• 31 Elected Office / City Staff Attendees
OC Cities Represented	• Aliso Viejo • Cypress • Fountain Valley • Garden Grove • Irvine • Orange • San Clemente • Seal Beach • Villa Park	• Anaheim • Brea • Cypress • Dana Point • Fullerton • Huntington Beach • Irvine • Laguna Niguel • Los Alamitos • Mission Viejo • Newport Beach • Orange • San Clemente • San Juan Capistrano • Seal Beach • Villa Park • Yorba Linda

Key themes from the meetings are summarized below:

- Regional Growth and Land Use Coordination: Emphasize regional collaboration to align land use, housing, and transportation planning while maintaining local character and streamlining development processes.
- Transportation and Infrastructure Investment: Improve multimodal transportation networks, expand first- and last-mile connections, and ensure balanced, transparent distribution of regional infrastructure funding.
- Environmental Sustainability and Climate Resilience: Advance green infrastructure, water and energy efficiency, and regional climate action to address wildfire, heat, and drought impacts, and prioritize vulnerable communities.

- Collaboration and Public Engagement: Strengthen coordination among agencies, promote consistent messaging, and engage communities through inclusive, transparent outreach efforts.
- Policy and Legislative Priorities: Advocate for funding flexibility, streamlining of the California Environmental Quality Act review process, and incentives that support interjurisdictional cooperation and accelerate sustainable regional development.

iii. Stakeholder Briefings

Stakeholder briefings were held to engage community leaders and key stakeholders on the Review. This included three Community Leader Roundtables, additional briefings, and interviews. These briefings focused on gathering input from leaders on the Review, understanding their vision for transit in Orange County, and encouraging continued participation in the process.

A. Regional Stakeholder Interviews

One-on-one interviews were held with OCTA leadership and regional stakeholders across Orange County, including major employers and policy influencers. These discussions provided valuable insights into stakeholders' perspectives on Measure M2, opportunities for improvement, and strategies to help OCTA achieve its future transportation goals. A summary of interview participation is provided in Table 4.

Table 4: Regional Stakeholder Interviews

No.	Organization	Date
1	Automobile Club of Southern California	8/5/25
2	Rancho Mission Viejo	8/27/25
3	Orange County Business Council	8/28/25
4	UC Irvine	10/14/25
5	Hills for Everyone	11/13/25
6	Endangered Habitats League	11/14/25
7	American Council of Engineering Companies – OC	12/19/25
8	Disney	12/22/25
9	Southern California Association of Governments	1/5/26
10	Orange County Coastkeeper	1/6/26
11	Irvine Company	1/19/26
12	Asian American Architects/Engineers Association	1/19/26
13	WTS OC	2/3/26
14	Orange County Public Works	2/5/26
15	International Chinese Transportation Professionals Association	2/20/26

Key themes from the interviews are summarized below:

- Measure M2 Credibility, Local Control, and Delivering on Promises: Stakeholders consistently expressed confidence that Measure M2 has delivered on its commitments, particularly citing transparency, fiscal discipline, and the Environmental Mitigation Program. At the same time, several participants emphasized the importance of protecting local control, guarding against state and federal overreach, and clearly demonstrating the measurable value of investments as affordability concerns increase.
- Balancing Capacity, Operations, and Livability: Continued investment in roadway capacity remains important – especially in high-demand corridors and South County – but stakeholders increasingly emphasized optimizing what exists. Operational improvements, interchange enhancements, signal synchronization, and congestion management were viewed as critical to improving everyday mobility while advancing safety, sustainability, and community livability goals.
- Technology and Data as System Performance Tools: There was widespread support for integrating emerging technologies, including adaptive signal systems, connected and autonomous vehicles, AI-driven optimization, and improved interagency data sharing. Stakeholders stressed that technology should enhance reliability and safety, while also acknowledging cybersecurity and governance considerations.
- Transit Experience, First/Last Mile, and Micro-Mobility: While car dependency remains strong in Orange County, stakeholders noted that transit must be convenient, frequent, and well-integrated with development to succeed. Microtransit, smaller vehicles, better first- and last-mile connections, and coordination with Metrolink and major destinations were repeatedly identified as opportunities. Participants emphasized that improving the user experience is essential to increasing ridership.
- Environmental Mitigation and Multi-Benefit Infrastructure: The Freeway Mitigation Program was frequently cited as a signature success of Measure M2. Stakeholders encouraged continued investment in habitat connectivity, resilience, wildfire mitigation, stormwater management, and multi-benefit infrastructure that addresses transportation, environmental, and public health outcomes simultaneously.
- Cross-Boundary Coordination and Regional Leadership: Many participants highlighted the need for stronger coordination across city boundaries, corridors, and agencies. OCTA was viewed as uniquely positioned to provide regional integration, technical assistance to smaller jurisdictions, and leadership on multi-jurisdictional projects.
- Communication, Public Awareness, and Storytelling: A consistent theme across business, environmental, and industry stakeholders was the need to increase public

awareness of Measure M2 investments. Participants noted that while projects are visible, residents often do not associate them with Measure M2 funding. Stronger communication, clearer recognition of funding sources, and broader outreach to emerging and underrepresented communities were recommended.

B. Stakeholder Virtual Briefings

On July 31, 2025, the project team conducted two stakeholder briefings with representatives from a range of Orange County organizations to gather feedback on the Review. Participants represented diverse sectors, including healthcare, transportation, education, community-based organizations, and countywide agencies. Organization leaders were invited to share their perspectives on Measure M2, discuss current transportation challenges facing their organizations, and provide input on future transportation investments. Participating organizations included:

- Braille Institute
- Huntington Beach City School District
- LGBTQ Center OC
- OC Labor
- Regional Center of Orange County (RCOC)
- Santa Ana Active Streets Coalition
- Streets for All
- Unidos South OC

Key themes from the stakeholder briefings are summarized below:

- Community Awareness and Communication: Stakeholders emphasized the need for OCTA to increase public awareness of Measure M2 and clearly communicate its benefits. Stakeholders noted that the community can recognize transportation projects but do not associate them with Measure M2 funding.
- Balance and Access: A key focus of discussion centered on balanced transportation access. Participants stressed that investments should extend beyond freeway expansion and instead include improvements to public transit options for families and individuals without cars.
- Transit Experience and Reliability: Participants frequently described bus service as inconvenient, inefficient, or unreliable. While people would be willing to use more transit services, it is not a practical solution for people who currently have personal vehicles.
- Environmental and Health Concerns: Stakeholders recognized how transportation investments affect air quality, noise, and public health, especially in communities located near major freeways. Participants emphasized that environmental justice considerations should be integrated into planning to address disproportionate impacts on low-income communities.

C. OCTA Committee and Stakeholder Briefings

Throughout the Review, the project team presented at 10 OCTA-led committees, roundtables, and stakeholder briefings. These sessions provided opportunities to share an overview of the Review, gather feedback, and respond to questions from committee members, community leaders, transit riders, and elected official staff. Table 5 provides an overview of these engagements.

Table 5: OCTA Committee and Stakeholder Briefings

No.	Date	Committee/Group
1	9/10/24	Taxpayer Oversight Committee (TOC)
2	3/11/25	Taxpayer Oversight Committee (TOC)
3	3/25/25	Senior Mobility Program (SMP) Roundtable
4	4/15/25	Community Advisory Committee (CAC)
5	4/17/25	Legislative Staff Briefing
6	4/22/25	Accessible Transit Advisory Committee (ATAC)
7	6/4/25	Diverse Community Leaders Group
8	6/10/25	Taxpayer Oversight Committee (TOC)
9	6/12/25	OCTA Bus Customer Roundtable
10	6/17/25	CAC Bicycle and Pedestrian Active Transportation Subcommittee
11	6/18/25	Elected Official Briefing: Assemblymember Dixon
12	9/9/25	Taxpayer Oversight Committee (TOC)
13	12/9/25	Taxpayer Oversight Committee (TOC)

iv. Community & Pop-up Events

As part of the outreach campaign, the project team conducted 26 pop-up events throughout Orange County between May and August 2025. These in-person engagements were designed to inform the public about Measure M2 and collect feedback on how residents prioritize investment in mobility projects. Events were strategically selected to reach a cross-section of the county, including all five Supervisorial Districts. Information booths were hosted at a variety of events such as farmers markets, summer concert series, street fairs, wellness expos, senior community events, and cultural celebrations such as Cinco de Mayo, Juneteenth, and local Pride events.

Across the 26 events, the project team interacted with more than 3,000 community members, providing information through multilingual fact sheets and display boards. All materials were available in English, Spanish, and Vietnamese, and staff fluent in Spanish and Vietnamese supported outreach efforts at several events. These pop-ups were especially effective for

connecting with seniors, families, and residents who were unfamiliar with Measure M2 prior to the event.

Key themes that emerged during the engagement series included a strong interest in how Measure M2 funds are distributed, especially for projects such as street repairs, signal synchronization, and expanded community-based circulator services. Many attendees voiced the need for more frequent and reliable bus service, particularly in areas like Mission Viejo, Santa Ana, and Costa Mesa. In nearly every city, residents requested greater transparency and updates on project timelines and tax usage. A recurring point of clarification was that Measure M2 is not a new tax but a continuation of a local funding source approved by voters.

While overall awareness of Measure M2 varied, most participants expressed appreciation for the improvements funded by the measure once provided with additional information. The use of multilingual materials, visual displays, and community-specific engagement strategies helped foster meaningful conversations. Several residents shared that they rely on the OC Bus system for commuting or accessing essential services and welcomed continued investments in connectivity and infrastructure. Table 6 provides an overview of these events.

Table 6: Community Events

No.	Date	Event	City
1	5/3/2025	Cinco de Mayo	Anaheim
2	5/9/2025	Southwest Senior Center's Mother's Day Celebration*	Santa Ana
3	5/9/2025	Mother's Day Celebration*	Santa Ana
4	5/10/2025	Korean American Seniors Association of O.C.'s Resource Fair*	Buena Park
5	5/16/2025	Norooz Clinic Foundation's Community Health event*	Costa Mesa
6	5/17/2025	Asian American Pacific Islander (AAPI) Event*	Westminster
7	5/23/2025	San Clemente Senior Community Resource Fair	San Clemente
8	5/25/2025	Santa Ana Zoo - Party for the Planet	Santa Ana
9	5/27/2025	Surf City Nights	Huntington Beach
10	5/28/2025	Fullerton Farmers Market	Fullerton
11	5/31/2025	Spring into Summer Concert with O.C. Parks*	Santa Ana
12	5/31/2025	Health and Wellness Expo	Brea
13	6/1/2025	Tustin Street Fair & Cook-Off	Tustin
14	6/5/2025	Anaheim Farmers Market	Anaheim
15	6/14/2025	Juneteenth Celebration	Santa Ana
16	6/14/2025	O.C. Philippines Independence Day Celebration*	Irvine
17	6/18/2025	Santa Ana Father's Day Celebration*	Santa Ana
18	6/18/2025	San Juan Summer Nites Concert Series	San Juan Capistrano

19	6/19/2025	Garden Grove Summer Series	Garden Grove
20	6/21/2025	Mission Viejo Pride's Second Annual Pride Event	Mission Viejo
21	6/21/2025	Irvine Juneteenth Celebration*	Irvine
22	6/22/2025	Fountain Valley Summerfest 2025	Fountain Valley
23	6/27/2025	Family Summer Resource Fair*	Anaheim
24	6/28/2025	Older Adults Resource Fair*	Irvine
25	7/3/2025	Independence Day Community Celebration	Costa Mesa
26	8/23/2025	Lake Forest Concert in the Park & Car Show	Lake Forest

**Events OCTA's Community Engagement Team participated in*

v. Public Opinion Research

A. Focus Groups Findings

In April and May 2025, FM3 Research conducted four focus groups with 40 Orange County residents representing diverse geographic areas, demographic backgrounds, and transportation usage patterns. Two sessions were held north of the SR-55 Freeway (including one Spanish-language group) and two south of the SR-55. The discussions provided qualitative insight into residents' transportation experiences, priorities, and perceptions of Measure M2.

Traffic congestion emerged as the dominant concern across all groups. Participants widely agreed that congestion has worsened or remained persistently high, often attributing this to population growth and development outpacing infrastructure improvements. Despite these concerns, most participants described the transportation system overall as "fair" to "good," with residents south of the SR-55 generally offering more positive assessments than those north of the SR-55.

When discussing public transportation, participants focused primarily on bus service, citing concerns about convenience, frequency, reliability, and safety. While most acknowledged Orange County's strong car culture, several expressed interest in expanded rail, trolley, and first-/last-mile options if service were more accessible and efficient. Views were mixed on toll roads and express lanes, with some questioning fairness and congestion impacts, while others acknowledged time-saving benefits.

Awareness of Measure M2 was limited. Few participants could describe the program prior to reviewing ballot language, though most responded positively to its stated goals. Support was frequently qualified by skepticism about whether improvements have kept pace with growth and whether funds are distributed fairly across communities. Participants emphasized the importance of transparency, accountability, and clearly communicated outcomes.

Overall, the focus groups reinforced themes later confirmed in the quantitative survey: roadway maintenance and congestion relief remain top priorities, transit investments are broadly supported – particularly when focused on convenience and accessibility – and there is opportunity to increase public awareness of Measure M2 and its funded improvements. Additional details and findings from these sessions are provided in ***Appendix A***.

B. Quantitative Survey Findings

The quantitative survey results provided insight into how residents experienced the transportation system and what they viewed as the highest priorities for investment. While residents generally reported positive perceptions of quality of life in Orange County, views of the transportation system were more mixed. Many respondents rated overall transportation conditions as fair, indicating moderate satisfaction alongside opportunities for continued improvement.

Roadway maintenance and congestion relief emerged as the highest transportation priorities across the county. Fixing potholes and repairing streets, coordinating traffic signals to improve traffic flow, and reducing congestion on major roadways consistently ranked as top priorities. These findings reflected the fact that most residents primarily travel by car and interact most frequently with local streets and freeways.

Awareness of Measure M2 was limited prior to the survey, with approximately half of respondents reporting they were unfamiliar with the program. Most respondents were also unable to identify specific transportation improvements funded by Measure M2. Out of the 1,025 respondents, 80 percent indicated that continuing local transportation funding was at least somewhat important, with support increasing further after respondents received additional information about Measure M2's purpose and use of funds.

The survey also revealed differences in transportation use and priorities across demographic groups. Younger residents and lower-income residents were more likely to rely on transit and to prioritize transit services, safety, and accessibility. Older and higher-income residents placed greater emphasis on roadway maintenance and traffic operations. Together, these findings highlighted the importance of maintaining a balanced transportation program that addressed core infrastructure needs while responding to the diverse mobility needs of Orange County's communities. Quantitative survey findings are provided in ***Appendix B*.**

III. INFORMATIONAL RESOURCES & TOOLS

Section III outlines the informational resources and tools developed to support public understanding and participation throughout the engagement process. These materials were designed to communicate key Review information, encourage stakeholder involvement, and gather feedback.

i. Stakeholder Database

A comprehensive stakeholder database served as a key tool to organize, track, and engage contacts and organizations with an interest in or involvement with Measure M2 programs and policies. For this effort, contacts were sourced from existing OCTA project databases including OC Transit Vision, Transportation Demand Management, and Long-Range Transportation Plan. Additional research was conducted to identify and include other relevant organizations. Two opt-in emails were also distributed to contacts who had previously engaged with OCTA projects. These emails introduced the Review and invited recipients to confirm their interest in receiving future updates and participating in upcoming engagement opportunities. As outreach activities progressed, the stakeholder database was updated with contacts gathered through meetings, briefings, community events, and surveys. The database was used to disseminate updates, invite participation in the qualitative survey and webinar, and track engagement across all outreach efforts.

ii. Fact Sheet

A fact sheet was developed to provide the community with background on Measure M2 as well as an overview of the Review. The fact sheet was translated into Spanish and Vietnamese and was featured on the Review webpage, distributed at all community events, included in the electronic resource toolkit, and shared through email campaigns.

iii. Frequently Asked Questions (FAQ)

An FAQ document was developed to provide more detailed information about the Review. It featured commonly asked questions and responses regarding Measure M2 and the Ten-Year Review process. The FAQ was translated into Spanish and Vietnamese and made available at community pop-up events, on the Review webpage, and through the electronic toolkit.

iv. Infographic

A high-level infographic was developed to visually showcase Measure M2 milestones and accomplishments to date. The infographic highlighted key achievements, revenue allocations, completed projects, and overall program outcomes. It was translated into English, Spanish, and Vietnamese, and made available at community events. In addition, a full-size pull-up banner version of the infographic was also created and displayed at events as a visually engaging summary of the program.

v. Webpage

The OCTA Measure M2 Ten-Year Review webpage served as a comprehensive resource for information and updates. It provided background information on Measure M2 and the Review, outlined the Plan development timeline, and included community event details to support public

involvement. The webpage also featured collateral materials including fact sheets, FAQs, infographics, and recordings and presentations from the June 2025 webinar. The webpage was promoted through printed materials distributed at community events and across social media platforms, encouraging the public to explore additional information and sign up for updates.

vi. Community Survey

A key component of garnering public input was a comprehensive, countywide qualitative community survey. The survey was active from May to August 2025 and was designed to better understand public awareness of Measure M2, assess perceptions of its impact, and identify priorities for future transportation investments.

The survey included questions regarding familiarity with Measure M2-funded projects, transportation needs, and preferred improvements. Optional demographic questions were included to ensure broad and representative feedback. Community input collected through this effort helped inform the Review process and guide OCTA's long-term planning and investment strategies.

The survey was offered in English, Spanish, Vietnamese, Korean, and Mandarin to promote inclusivity and expand participation, especially among hard-to-reach communities. Notification campaigns followed a similar approach, promoting the survey through traditional and digital tactics, including e-blasts, social media, newspaper advertisements, flyer distribution, stakeholder engagements (see section IV), and bus interior advertisements. Community events also served as an important platform for encouraging participation. Survey participation by language is described in Table 7.

For a full overview and analysis of the qualitative survey, please visit ***Appendix C***.

Table 7: Community Survey Metrics

Date	Surveys Collected by Language					Total Surveys Collected
	English	Spanish	Vietnamese	Korean	Mandarin	Total
5/6/25 - 8/23/25	1,977	226	165	178	39	2,585

IV. NOTIFICATION EFFORTS

Notification efforts were made through the combined utilization of electronic mail distribution (eblasts), print advertisements, social media posts, website notices, a digital toolkit, and advertisement and promotion through bus interior advertisements.

i. Electronic Mail Distribution (E-blasts)

Electronic mail distribution was a primary method of communicating with the public, including Spanish- and Vietnamese-speaking communities. A total of seven e-blasts were distributed to invite interested stakeholders and community organizations to participate in the community webinar, complete the survey, and provide input. E-blasts were sent to contacts within the project's stakeholder database, which was updated regularly as new individuals subscribed for updates. See Table 8 for a full list of electronic email distribution.

Table 8: Eblast Distribution Metrics

Date	Type of Eblast	Sent	Open Rate
Community Webinar Eblasts			
5/6/25	Save The Date Eblast #1	1,436	57%
5/15/25	Reminder Eblast #2	1,434	38%
5/29/25	Reminder Eblast #3	1,500	41%
6/4/25	Reminder Eblast #4	1,499	41%
6/12/25	Webinar Thank You Eblast	1,533	45%
Survey Eblasts			
6/19/25	Survey Reminder & Updates Opt-in Eblast	1,974	10%
7/1/25	Survey Closure Eblast	3,112	23%

ii. Print Advertisements

Print and digital newspaper advertisements were placed in English, Spanish, and Vietnamese to promote the Review, invite public participation in the virtual community webinar, and encourage survey responses. As shown in Table 9, between May 12 and June 30, 2025, a total of 13 English-language advertisements ran across five newspapers – Dana Point Times, San Clemente Times, Orange County News, Fullerton Observer, and Foothill Sentry – collectively reaching over 220,000 readers throughout Orange County. To expand access and promote inclusive participation, Vietnamese-language advertisements were published three times in Vien Dong Daily News, reaching nearly 20,000 readers. Spanish-language promotions were shared through Miniondas' digital channels. This multilingual outreach approach was strategically designed to reflect regional demographics and maximize community engagement.

Table 9: Print Advertisements

No.	Newspaper	Run Dates	Circulation (Approx)	Type
1	Fullerton Observer	5/12/25, 6/1/25	79,000	Print/Digital
2	Dana Point Times	5/21/25, 5/28/25, 6/4/25	28,750	Print/Digital
3	Orange County News - Garden Grove	5/21/25, 5/28/25	2,500	Print

No.	Newspaper	Run Dates	Circulation (Approx)	Type
4	San Clemente Times	5/22/25, 5/9/25, 6/5/25	43,750	Print/Digital
5	Orange County News - Stanton	5/23/25, 5/30/25	2,500	Print
6	Vien Dong Daily News (Vietnamese)	5/23/25, 5/30/25, 6/6/25	20,000	Print
7	Miniondas (Spanish)	6/1/25 – 6/22/25	3,800	Digital
8	Foothill Sentry	6/1/2025 – 6/30/25	41,750	Print/Digital

iii. Paid Social Media Advertisements

Paid social media advertisements on Facebook and Instagram were used to extend the reach of community surveys and beyond OCTA's existing followers. These targeted advertisements ensured content reached specific audiences based on location, interests, and demographics. The paid campaigns ran across both platforms to maximize visibility and engagement, as shown in Table 10.

Table 10: Paid Social Media Metrics

Date	Platforms Distributed	Total Reach	Total Impressions
7/1/25-7/6/25	Facebook, Instagram	162,978	748,753

iv. Organic Social Media Posts

Organic social media posts on Facebook (FB) and X were used to promote the community survey and the webinar to OCTA's followers. To support promotion efforts, four posts were published on Facebook, and four on X. A complete list of posting dates is shown in Table 11.

Table 11: Organic Social Media

Date	Platforms Distributed
5/13/25	FB, X
5/22/25	FB, X
5/30/25	FB, X
6/19/25	FB, X

v. Website Notice

OCTA's Measure M2 Ten-Year Review webpage was continuously updated to inform the public of upcoming engagement opportunities, provide informational resources, and encourage participation through the community survey. The page was featured within the main Measure M2 website, which includes additional background, funding, and project information.

vi. Letter to State and Federal Offices

OCTA transmitted a formal notification letter regarding the Measure M2 Ten-Year Review to 22 state and federal elected officials representing Orange County. The correspondence provided an overview of the Review process, key milestones, and opportunities for engagement. This effort ensured that members of the Orange County legislative delegation were informed of the Review and invited to share input. For a sample letter, please see ***Appendix D***.

vii. Stakeholder Electronic Communications Toolkit

An electronic toolkit was developed to promote the community webinar and survey, featuring ready-to-use copy, content, and graphics for stakeholders to share with their audiences. The toolkit was posted on OCTA's digital campaign webpage and distributed twice to local municipalities, community organizations, local and federal government officials, Board members, and OCTA committee partners. Suggested promotional tactics included template content for e-blasts, newsletters, social media, website posts, calendar postings, and a phone script.

viii. Flyer Distribution

Bilingual flyers were distributed in two coordinated rounds across Orange County in May and June 2025. The initial May distribution effort focused on raising awareness of the community webinar and survey. Following the webinar, a second distribution campaign was implemented to encourage additional survey participation. In total, flyers were delivered to 53 libraries, city halls, and community centers. Locations were selected based on their proximity to key neighborhoods, public accessibility, and high foot traffic to help increase outreach to hard-to-reach communities. Materials were available in English/Spanish and English/Vietnamese to support broader language access.

ix. Bus Interior Advertisements

To increase awareness and engagement, the Review was promoted through interior bus advertisements which were placed on OCTA buses across the county. The bus advertisements featured the Review webpage and a QR code directing riders to the survey. The advertisement was presented in English, Spanish, and Vietnamese.

x. OC Bus App

The Review was also promoted through the OC Bus App, strategically positioning information where frequent riders could easily access it. Integrating the survey details into a platform regularly used by transit riders increased and encouraged broader community participation.

xi. OCTA Blog

Two posts were published on OCTA's *On the Move* and *NextStop* blogs to promote the community webinar and survey. The posts helped raise awareness and encouraged public participation in the Review process.

xii. Earned Media Coverage

Throughout the engagement period, several cities and media organizations shared information about the Review, community survey, and webinar. Table 12 below provides an overview of the coverage.

Table 12: Earned Media Coverage

Date	Source	Media Type
5/17/25	City of Huntington Beach	Instagram Post
5/29/25	City of Laguna Hills	Instagram Post
6/3/25	City of Fountain Valley	Online Article
6/12/25	City of Laguna Hills	Instagram Post
6/17/25	City of Fountain Valley	Facebook Post
6/21/25	Fullerton Observer	Online Article

V. CONCLUSION

The Measure M2 Ten-Year Review outreach program was designed to engage, inform, and gather meaningful feedback from stakeholders representing all of Orange County. Through surveys, public meetings, stakeholder briefings, focus groups, pop-up events, and digital outreach efforts conducted across all five Supervisorial Districts, OCTA incorporated input from thousands of community members and partners throughout the county.

Feedback from agency partners and regional stakeholders recognized Measure M2's record of delivery while also emphasizing the importance of continued transparency and visibility. Public and community participants emphasized the importance of greater visibility and clear communications regarding how Measure M2 funds are allocated and projects and programs are delivered.

While many acknowledged the program's achievements, participants also identified ongoing challenges related to traffic congestion and emphasized the need to balance continued roadway investment with community livability, sustainability, and safety. Across all engagement activities, stakeholders encouraged stronger collaboration among OCTA, local governments, businesses, and research institutions, as well as expanded investment in public transit, emerging mobility technologies, and other innovative transportation solutions to address evolving travel needs.

The cumulative input received provided OCTA with valuable insights into community priorities and the level of public support for the Plan. The Ten-Year Review process reinforced OCTA's commitment to accountability and ensuring that voter-approved transportation funds remain aligned with community needs and expectations. The insights gathered through this process will help guide future decision-making and ensure that Measure M2 investments continue to support a safe, efficient, and sustainable transportation system in Orange County.

Appendix A: Focus Group Executive Summary

Executive Summary
Orange County
Transportation Focus Groups
April 30 and May 6, 2025

Submitted by FM3 Research



Contact:
Richard Bernard, Ph.D.
Partner

FM3 RESEARCH | OPINION RESEARCH & STRATEGY

July 2, 2025 330-388

TABLE OF CONTENTS

INTRODUCTION 1

METHODOLOGY 1

Research Objectives 1
Participant Recruitment Parameters 1
Research Design and Plan 2

EXECUTIVE SUMMARY 3

Awareness of OCTA 3
Impressions of the Orange County Transportation System 3
Transportation Funding 4
Long-range Transportation Planning 5
Measure M 6

INTRODUCTION

This report provides a summary of key findings from four focus groups conducted on behalf of the Orange County Transportation Authority (OCTA).

The focus groups were conducted as part of OCTA's review of Measure M priorities for its Long-Range Transportation Plan (LRTP).

It is important to note that while we spoke to 40 Orange County residents of diverse backgrounds, they do not constitute a random and representative sample of County residents or voters. Focus group findings are not intended nor can they be generalized to the broader population of residents with any kind of statistical precision. However, focus groups provide the unique opportunity to dig deeply into mindsets, customary actions or beliefs and provide in-depth evaluations of issues that explain the thinking behind residents' answers to questions that can be asked in a survey. Qualitative research helps to better inform decisions by allowing for wide-ranging and open-ended discussion where we hear from residents in their own words rather than being limited to yes and no and multiple choice questions most commonly found in survey research. The focus group findings will be valuable to inform the content of a survey which will quantify the opinions expressed in the groups.

METHODOLOGY

Fairbank, Maslin, Maullin, Metz & Associates conducted four focus groups among Orange County residents, with two groups held on April 30, 2025, and two groups on May 6, 2025.

Research Objectives

The objective of the research broadly was to assess opinions regarding transportation in the County. More specifically, the research addressed the following topic areas:

- Awareness of OCTA, including familiarity with who is responsible for transportation in Orange County
- Opinions of and concerns with the Orange County transportation system, including highways and freeways, public transportation (including the difference between streetcars, trolleys, and light rail), toll roads, local roads, and active transportation
- Views on current and future transportation funding
- Opinions of and priorities regarding the Long-Range Transportation Plan (LRTP)
- Awareness and opinions of Measure M/M2 and assess OCTA efforts to continue to be in line with public expectations/needs

Participant Recruitment Parameters

The participants were recruited to reflect much of the diversity of Orange County, including geographic, racial/ethnic, income, educational attainment, transit use, gender, age (participants were recruited between the ages of 21 and 75), political, and occupational differences.

The focus groups included residents (both registered voters and non-voters) who live in Orange County. Each group included 10 participants and was approximately two hours in duration. The groups were segmented by geography.

- Two groups of residents living north of the 55 were held in Garden Grove on April 30, 2025, with one group conducted in English and the other conducted in Spanish for those whose preferred language is Spanish (referred to in this report as "English-speaking" and "Spanish-speaking" groups).

- Two groups of residents living south of the 55 Freeway were held in Irvine on May 6, 2025. One group was made up of residents from the Central subregion of cities south of the 55 and the other from the South subregion. Both groups were conducted in English.

By segmenting the groups by geographic region, it allowed us to hear perspectives that may be influenced by many geographic-related factors, such as distance from bordering counties, commuting patterns, access to or awareness of local public transportation (such as the Laguna Beach and San Clemente trolleys and the developing Santa Ana streetcar), area specific transportation concerns (such as the landslides in San Clemente), and socio-economic differences that impact transportation behavior and needs. While focus groups are not designed to quantifiably document differences in opinion that emerge as a result of geographic factors, the findings will help inform future quantitative research that will be able to do so. Future quantitative research will also allow us to document differences by race, gender, age, years of residency and other demographic and behavioral differences that emerge in these focus groups.

Research Design and Plan

FM3 managed all aspects of the research plan and design, including the following:

- Design of screening questionnaires used to recruit participants
- Management of the recruitment process
- Drafting of moderator's guide and participant workbooks
- Management of and coordination with focus group venues
- Management of participant incentives and observer and participant meals
- Moderating of focus groups
- Debrief of focus groups after each night of groups and in follow-up calls
- Audio and video recordings of the groups and verbatim transcripts
- Report of findings, including a PowerPoint presentation, detailed report, and this executive summary.

EXECUTIVE SUMMARY

Awareness of OCTA

- **Most participants recognize the name "OCTA," but their familiarity is modest.** Just a few in each group were able to volunteer OCTA as responsible for transportation in Orange County, and most associate OCTA primarily (or only) with buses.

Impressions of the Orange County Transportation System

- **Traffic is at the forefront of many participants' concerns, and the participants voiced throughout the groups that traffic has gotten worse or remains "bad."**

- **Participants believe growth—including increased population, new apartment buildings, and new businesses—has led to persistent congestion despite expanded lanes and other County efforts to mitigate traffic.** While they recognize that efforts have been made to reduce congestion—including freeway lane expansions—most feel that any improvement is, at best, short-lived as the area's growing population and changing commuting patterns quickly fill in those new lanes. Moreover, some participants do not recognize even momentary improvements and believe some money is misspent or wasted.

- **While some say remote work has reduced congestion, others feel it has led to traffic all day rather than just at typical peak times.**

- **Despite concerns about traffic, the participants generally have a fair to positive impression of the Orange County transportation system overall. However, reviews are more positive among residents living south of the 55 than north of it** (16 of the 20 giving an "excellent" or "good" review in the south compared to three in the north). Residents south of the 55 were more likely to consider transportation beyond public transit in assessing the system, while those north of the 55 were more likely to mention issues with bus services and public transit generally as behind their reviews.

- **The participants view Orange County's transportation system positively in comparison to neighboring counties—particularly Los Angeles County.** Many believe Orange County's roads are in better condition, the freeways are "wider," and there is less traffic—noting that everything slows down as soon as you enter Los Angeles County. A few participants mentioned that public transportation is better in Los Angeles County, and some participants consider the San Diego system to be "tied" with Orange County.

- **When the participants hear "public transportation," their thinking is primarily focused on buses—with nearly all participants voicing concern with the convenience, efficiency, and for some, reliability and safety of buses.**

- **Some participants, primarily those living south of the 55, have experience with local shuttles and trolleys and view them very favorably.**

- **While those aware of local trolleys and street cars view them positively, there is confusion about the terminology "streetcar," "trolley," and "light rail"—with some using the terms "streetcar" and "trolley" interchangeably.** This highlights the importance of better defining the forms of transportation OCTA wishes

to market or communicate about rather than relying on residents to know what OCTA means when it talks about light rail, street cars, or trolleys specifically.

- **Several participants volunteered their opposition to toll roads and express lanes because they believe they cause more congestion for those who cannot afford to pay for these dedicated lanes or do not qualify.** While the focus group moderator clearly explained at multiple times in the groups that OCTA is not responsible for all toll roads in Orange County, the discussion reveals that opinions of these toll roads influence opinions of OCTA, how county transportation funds are spent, and the system generally.

Transportation Funding

- **The participants have little awareness of how transportation in Orange County is funded.** They speculate that it is paid for by taxes—local, state, federal, or just in general; a bond measure; fines and special fees, business taxes, and DMV registration. Just one participant volunteered Measure M specifically, while several participants recalled signs saying "your tax dollars at work."

- **Most participants believe there is a need for continued funding and at least "some" need for additional transportation funds to reduce congestion in Orange County—saying without it, the system will decline and get worse.** However, several in the North of 55 English-speaking group oppose continued funding because they believe traffic has gotten worse despite the funding, which they attribute to money being misspent. And several across the groups say there is "some" need rather than a "great" need for more funding because of concerns about how existing funds have been spent and accountability.

- **Throughout the discussion, some participants in the North of 55 Spanish-speaking group spoke out that they feel their areas do not receive the same level of funding or attention as other areas.** As a result, they gave weaker ratings to the transportation system and offered less support for continued or additional funding.

- **The participants generally prefer local funding** where there is more control over how it is used and a guaranteed source of revenue rather than state and federal funding which is less predictable and has strings attached. Yet some worry that local funding means increased local taxes.

Long-range Transportation Planning

- **Upgrading, expanding, and improving freeways and public transit are the top long-range transportation planning priorities overall.** Many participants would like to see investments in both freeways and public transit—often seeing the latter as an aspirational solution and the former as a more immediate, practical one.

- **Those who prioritize freeway and highway transportation improvements—particularly reducing bottlenecks and adding lanes—generally do so because they use those freeways often.** However, a few participants were skeptical that adding lanes on freeways/highways will reduce traffic and think it will just lead to more cars on the roads.

- **Some participants who consider investments in public transportation to be a top priority would like to see expanded hours and more frequent bus service, while others would like to see a large-scale rail system connecting all areas of the County.**

- **As mentioned, Orange County gets high marks from the participants for the quality of the roads—especially in comparison to other areas. As a result, it is not surprising that the funding area including local roads is a second-tier priority behind freeway/highway improvements and public transportation**. Some spoke about the importance of maintaining roads and filling potholes as well as improving light synchronization.

- **Nearly all the participants believe some funding should be allocated to protection from extreme weather, but they place it far below public transit, freeways, and local roads as a priority.** While they recognize that earthquakes, extreme heat, fires, and, particularly, storms can degrade the quality of roads, lead to potholes, or cause dangerous flooding and landslide conditions, they feel that the low likelihood of these conditions having a major impact makes allocating funding in this area a lower priority. Even participants in San Clemente, where landslides have impacted train tracks, believe the situation is a "one-off" and most funds are better allocated elsewhere.

- **Adding bike lanes and other active transportation projects are the lowest priorities for nearly all participants.** Many participants feel there are adequate bike lanes, while others believe bike lanes take away from car lanes and contribute to more congestion. Some also spoke about the dangers of e-bikes being in the bike lanes—and the risks they pose for cyclists, pedestrians, and drivers alike.

- **While freeways and public transit are the clear top priorities, many feel the County needs a combination of priorities,** believing funds should also be allocated to improving local roads, and to a lesser extent, protecting transportation infrastructure from extreme weather and improving bike and pedestrian transportation.

- **When asked to evaluate 19 individual items, those related to freeway and public transit topped the list,** including: fixing freeway bottlenecks, adding regular lanes to freeways, developing a light rail transit network, improving the frequency of local bus services and extending hours of operation, adding dedicated truck lanes on highways and freeways, improving freeway conditions to destinations outside of Orange County, and expanding hours for Metrolink rail services. Two of the top items related to local roads: widening street intersections to better accommodate increased traffic flow and filling potholes and street maintenance.

- **Among the lowest priorities (and among the most often named as their single lowest priority) are adding dedicated express lanes to local freeways or converting existing freeway lanes to dedicated express toll lanes**—reflecting the opposition to these "pay" lanes heard from many throughout the groups.

- **Adding charging stations for electric cars in public parking lots and other areas is also among the most named as the lowest priority,** with the participants feeling owners of electric cars should charge their cars at home and not take up space where others need to park**.** Items related to bike and pedestrian improvements as well as environmental protections were low priorities as well.

- **By 21 to 9, participants prioritize improving freeways and local roads over investments in public transit and bike lanes when asked to make a choice.[1] However, most would like to see improvements in both areas.** Only those in the South of 55 Central Subregion group prioritize public/active transit.

Measure M

- **There is little awareness of Measure M.** Those who said it is familiar once they hear about Measure M erroneously believe it is something they voted on recently, and they may be confusing it with other measures assigned the letter "M."

- **Many recall signs saying "your tax dollars at work" once others mention them. And while a few noted seeing these signs along with "an M,"** others may be confusing it with signs with similar language, such as for SB 1.

- **The participants' transportation priorities are reflected in the Measure M language:** with a focus on freeway and highway congestion, public transit improvements, fixing potholes, and synchronizing lights. Therefore, it is not surprising that, on its face, nearly all the participants had a positive response to the Measure M ballot language—**37 of the 40 participants believe the passage of Measure M is a "good thing."**

- **Many qualify their support of the Measure M—calling it a "somewhat good" thing—because they believe Measure M sounds good "on paper" or "in theory," but do not believe the improvements promised have been realized—nor believe they will be in the time left on the 30-year measure.**

- **Those with more modest impressions of Measure M after learning more about it feel that the County has not kept up with growth and the demands on the system—with some feeling money has been misspent and there has been a lack of accountability, while others feel planning may have been poor or that that improvements just have not been able to keep pace.** They believe more should have been accomplished and the improvements more noticeable given that the County is more than half-way through the 30-year period established by Measure M.

- **Statements on behalf of Measure M resonated more in the South of 55 focus groups than in the North of 55 groups.** Nearly all the participants in the South of 55 groups found statements focused on accountability, local control, and preparing for future needs to be convincing reasons to support measure M. Meanwhile, just four in the North of 55 English-speaking group found the accountability statement convincing and two each for the local control and future needs statements (a vote was not taken in the Spanish-speaking group).

- Participants were provided three statements and asked how convincing they find each one to have a more positive opinion about Measure M:

[1] The question was not asked in the North of 55 English-speaking group.

- Those who found the ***Accountability*** statement convincing felt it addressed the concerns about transparency and accountability. Again, however, some felt it was more aspirational than applied, saying they are not certain if the promises in this statement have been borne out in reality.
- Those who found the ***Local*** statement convincing agree that local jurisdictions know their needs better than state or federal governments.
- Those who found the ***Future Needs*** statement convincing agree that it is important to update and "reevaluate" transportation plans within Measure M to prepare for the future. However, some still voiced reservations that these technological advances are actually being employed—reflecting the overlay of skepticism the influences their responses.

Appendix B: Quantitative Survey Executive Summary

Orange County Transportation Survey Executive Summary

Submitted by FM3 Research



Contact:
Richard Bernard, Ph.D.
Partner

FM3 RESEARCH | OPINION RESEARCH & STRATEGY

March 12, 2026

320-1239

TABLE OF CONTENTS

TABLE OF CONTENTS II

INTRODUCTION AND METHODOLOGY 1

INTRODUCTION 1
METHODOLOGY 1

EXECUTIVE SUMMARY 2

PART 1: QUALITY OF LIFE 2
PART 2: TRANSPORTATION CONDITIONS AND SERVICES 3
Rating of Transportation Systems and Services 3
Transportation Priorities 4
PART 3: OCTA AND MEASURE M 6
Awareness and Opinions of OCTA 6
Awareness of and Opinions of Measure M 7
PART 4: TRAVEL BEHAVIOR 8
PART 5: EMPLOYMENT AND COMMUTING BEHAVIOR 8

INTRODUCTION AND METHODOLOGY

Introduction

In 1990, Orange County voters approved Measure M, a 20-year, half-cent sales tax dedicated to funding transportation improvements, including public transit, freeways and highways, local roads, and active transportation projects, as well as protection against weather-related impacts. In 2006, Measure M funding was renewed for an additional 30 years (2011 until 2041). As part of Measure M, the Orange County Transportation Authority (OCTA) periodically conducts a Comprehensive Review of the Measure M program to determine whether policies, projects, and future objectives need adjustment. One aspect of this review is to assess support for Measure M transportation investments and evaluate whether OCTA's Measure M goals remain in alignment with the priorities of Orange County residents. This research study is an important component of that effort.

Methodology

From January 8 through 15, 2026, Fairbank, Maslin, Maullin, Metz & Associates (FM3) conducted a dual-mode survey (online and via landline and cellular phones) of 1,025 Orange County residents ages 18 and older.[1]

The survey was commissioned by OCTA[2] to determine residents' satisfaction with the transportation system overall and across specific service areas, as well as to identify transportation priorities. In addition, the survey measured changes in public opinion compared to previous OCTA studies conducted in 2005, 2006, 2011, 2015, 2018, 2021, and 2024.[3] New questions were also added to the current study to explore awareness and perceptions of OCTA and Measure M, as well as attitudes toward continuing Measure M funding.

The margin of error for the survey sample as a whole is plus or minus 3.1 percentage points at the 95th confidence interval. This means 95 times out of 100, the survey results would fall within 3.1 percentage points of the results that would have been obtained if every adult resident in Orange County had been interviewed. The margin of error for smaller subgroups is larger.

Please note that the sum of two parts may not add up to the whole because of rounding error. For example, if 34.3% of residents give an "excellent" review and 21.3 give a "good" review, the total for positive reviews would equal 56%, not the 55% one would expect from adding up the two parts.

[1] For the balance of this executive summary, survey respondents will be referred to as residents or respondents.
[2] FM3 worked closely with OCTA to design the questionnaire.
[3] Previous studies were conducted by True North Research.

EXECUTIVE SUMMARY

The survey results clearly show that residents believe it is important to continue the existing local funding for the Orange County Transportation system "now and into the future." Support for continuing Measure M funding grows when they are told its role in maintaining and improving the overall transportation system in Orange County.

Residents' transportation improvement priorities align with those of Measure M program goals. *Three out of four or more respondents support nearly every improvement tested – although with varying levels of priority. Fewer than 20% believe no funding should be spent in any area and between half and as much as 95% rated each improvement area a "medium" or "high" priority. The relative priority ranking of each specific improvement has changed little over the studies conducted since 2015.*

These findings come despite generally lukewarm ratings toward specific aspects of the transportation system in Orange County. *The modest reviews (a low proportion giving an "excellent" rating and a high number rating each item as "fair") most likely reflect some dissatisfaction. However,* ***low numbers of respondents give any one aspect of the transportation system a "poor" review.***

While nearly all respondents recognize OCTA's name when asked, the survey suggests awareness with OCTA and the role it plays is more modest. Furthermore, less than half of respondents had heard of Measure M – *even after being told that it is the County's half-cent transportation sales tax to help improve freeways, local streets, and transit services.* ***A low number of respondents said they could name a specific Measure M improvement.***

In essence, support for continued local transportation funding and Measure M specifically most likely reflects residents' perception of need based on their interaction with the transportation system – even if they don't know exactly what local funding has improved and who oversees the funding and projects.

Greater awareness of OCTA and Measure M may not bring with it more support for the transportation improvements it seeks to address. However, FM3 research has shown that more awareness of funding bodies and oversight agencies helps improve trust and the perception of transparency, effectiveness, and efficiency – all aspects of OCTA that the survey revealed respondents either could not rate or viewed less favorably.

Part 1: Quality of Life

- **Orange County residents have a positive impression of the quality of life in the County.** Three out of four (73%) respondents call the quality of life "excellent" (22%) or "good" (51%). Just 7% believe the quality of life is "poor," with the remaining 20% seeing it as "fair" (often reflecting an average or below average rating). Overall positive reviews of the quality of life in Orange County are down slightly from past years (79% to 85% in surveys from 2011 to 2024), and the proportion calling the quality of life "excellent," at 22%, is down six points from 28% in 2024 and from a high of 35% in 2015. FM3 research for other jurisdictions in Orange County and throughout California suggests that such decline may reflect concerns about cost of living (particularly housing as well as the cost of good, utilities, etc.), and perceptions of traffic, crime, and the local economy

(availability of jobs and stability of local businesses) typically top among them as well as national factors (inflation and societal concerns) that are beyond a local or regional jurisdiction's influence or control.

Part 2: Transportation Conditions and Services

Rating of Transportation Systems and Services

- **Ratings of the overall transportation system are lukewarm.** Four in 10 (40%) rate *the overall transportation system including bus, rail, freeways, highways, local roads, public transportation, sidewalks, bike lanes, trails, and all the ways that people get around the County* as "excellent" (7%) or "good" (33%). While just 2 in 10 consider the transportation system "poor" (14%) or "very poor" (7%), 36% consider it "fair" – a rating which generally indicates an average or below average impression. Although positive ratings outweigh negative ratings by 2 to 1, a large proportion of residents have a more modest, or "fair," view.

- **Large proportions of residents are unfamiliar with carpooling programs and public transit services in Orange County.** When asked about specific aspects of the transportation system, respondents were most unfamiliar with the following:

  - *Vanpool programs* (69% not sure)
  - *ACCESS Paratransit services for people with disabilities* (62% not sure)
  - *Rideshare and carpool matching programs* (53% not sure)
  - *Metrolink rail service* (43% not sure)
  - *Bus service* (39% not sure)

  Twenty-nine percent (29%) of respondents were unable to rate *the overall quality and condition of the 91 Express Lanes* and 25% were unable to rate the 405 Express Lanes. Bikeway planning is also unfamiliar to 25% of respondents.

  The high proportion unable to give a rating most likely reflects the usage rate of each of these services. Half of respondents have used the 91 or 405 Express Lanes in the last year, while 24% have used Metrolink, 14% a regular bus, and 2% used ACCESS paratransit service. When asked about their primary mode of transportation, 89% said they typically drive alone.

  There is little change in the familiarity compared to 2024 other than regarding *Metrolink rail service* where 36% were unable to give a rating in 2024 compared to 43% currently.

- **The results show that two-thirds or more of respondents familiar enough to give a review have a positive or fair (or average) impression of each transportation service studied. However, less than half of respondents consider any one area to be "excellent" or "good."**[4]

[4] The exception is for *the overall quality and condition of the 405 Express Lanes,* where 50% of those familiar have a positive impression (excellent or good rating).

- **Specifically, the services receiving the most positive reviews among those able to give a rating (with positive reviews outweighing negative ones in most cases by 2 to 1 or more) mainly focus on freeway and street conditions**:

  - *The overall quality and condition of the 405 Express Lanes* (50% excellent/good, 19% poor/very poor)
  - *The overall quality and condition of the 91 Express Lanes* (47%, 23%)
  - *ACCESS Paratransit services for people with disabilities* (46%, 28%)
  - *The overall quality and condition of freeways* (45%, 19%)
  - *The overall quality and condition of city streets* (43%, 23%)
  - *The overall transportation system including bus, rail, freeways, highways, local roads, public transportation, sidewalks, bike lanes, trails, and all ways that people get around the County* (41%, 22%)

- **Respondents able to give a review are slightly less positive about public transit, carpool services, and bikeway and road and freeway "planning," with near equal proportions giving a positive or negative assessment in most cases**:

  - *Rideshare and carpool matching programs* (39% excellent/good, 26% poor/very poor)
  - *Bikeway planning* (37%, 29%)
  - *Bus service* (36%, 33%)
  - *Metrolink rail service* (36%, 31%)
  - *Road and freeway planning* (35%, 28%)
  - *Vanpool programs* (32%, 32%)

- **There is little change in the proportion of respondents (of those able to give a review) with a positive impression of each transportation area compared to 2024. However, positive ratings are down notably in every area compared to 2015 and 2011** (the two prior studies where the question was asked).

Transportation Priorities

- **The survey shows that residents' priorities continue to align with Measure M program goals. Majorities feel all 25 service areas tested should receive funding – although with varying degrees of priority.**

- **The top priorities are focused on roadways, as well as extreme weather and pollution impacts. Notably, none of the top priorities address public transit other than services for seniors and those with disabilities. Instead, they reflect areas where most residents interact with the transportation system: roads.** Specifically, the top priorities include the following:

  - *Fix potholes and repair roadways* (95% high or medium priority, 76% high priority)
  - *Coordinate traffic signals on major roadways to improve traffic flow* (88%, 64%)
  - *Close gaps, improve intersections, and reduce traffic congestion on major roads throughout the county* (85%, 54%)

- *Take steps to protect the transportation system from flooding, mudslides, sink holes, and other extreme weather events* (82%, 48%)
- *Clean up polluted runoff from roads to reduce water pollution and protect local beaches* (81%, 48%)
- *Provide transit services to seniors and people with disabilities at a discounted rate* (79%, 50%)

- **Second-tier priorities – called high or medium priorities by 6 in 10 to 7 in 10 – include those increasing accessibility and safety of public transit, as well as freeway transportation.** These services include:

  - *Improve safety and security at transit stops and stations* (72% medium or high priority, 43% high priority)
  - *Modify streets so they can safely accommodate all forms of transportation including cars, transit, pedestrians, and bicyclists* (69%, 37%)
  - *Preserve and restore open space land to offset the impacts of freeway improvement projects* (68%, 39%)
  - *Add local bus and shuttle services in communities that aren't well served by regional transit services* (65%, 31%)
  - *Construct roads over or under rail tracks where needed to improve traffic flow* (63%, 29%)
  - *Widen the freeways* (62%, 30%)
  - *Provide free assistance and tow truck service to motorists who break down on freeways* (61%, 32%)
  - *Make it easier to get to METROLINK stations using shuttles, light rail, and other transit services* (61%, 31%)
  - *Improve ACCESS paratransit service for people with disabilities* (60%, 31%)

- **The lowest ranked priorities include those focused on specific forms of mass transit, particularly increasing these services – as well as creating more express lanes.** Yet apart from items focused on bike lanes, streetcars, and vanpools, these items are still priorities to nearly half or more residents. These findings align with FM3 focus group research on behalf of OCTA that found a value in providing public transit but a prioritization of road and freeway-related improvements.

- Specifically, the lowest ranked items based on the proportion calling them a medium or high priority include the following:

  - *Make it easier for transit riders to get to their final destination by offering shuttles, e-bikes, e-scooters, and rideshare services at transit stations* (57% medium/high priority, 28% high priority)
  - *Expand the Metrolink rail services* (56%, 31%)
  - *Add more local community shuttles or trolleys* (56%, 27%)
  - *Increase the frequency and hours of bus service* (55%, 26%)
  - *Add more bus routes* (54%, 23%)
  - *Maintain existing Metrolink service at the current level* (53%, 22%)
  - *Build express lanes on additional freeways to help relieve traffic congestion* (48%, 25%)
  - *Add more bike lanes* (45%, 19%)
  - *Add more local light rail streetcars* (41%, 22%)
  - *Expand vanpool programs* (28%, 9%)

- **The ranking of each transportation improvement as a priority has stayed consistent over the surveys conducted in the last 10 years.** While some items tested in each survey varied, generally, items ranked at the top in the current study were also at the top in all prior surveys since 2015 – showing that residents' priorities remain stable.

Part 3: OCTA and Measure M

Awareness and Opinions of OCTA

- **Nearly all respondents (94%) had heard of OCTA before the survey** – up from a range of 83% to 89% in past years. This question indicates a strong level of recognition – meaning residents recognize the name "OCTA" when asked. Recognition is often stronger than "recall" – with "recall" meaning to be able to volunteer a name when asked a question such as, "What is the name of the organization responsible for…?"

- **Favorable ratings of OCTA outnumber unfavorable reviews by 3 to 1 among those familiar.** When those who had heard of OCTA were asked their impression of the agency, 30% were unable to give an opinion – highlighting that recognition does not always equal familiarity. Fifty-one percent (51%) of the remaining respondents have a favorable view and 18% have an unfavorable one.

- **After hearing/reading a brief paragraph about OCTA being responsible for planning, funding, and developing Orange County's transportation system, favorable reviews outnumber unfavorable ones by 2 to 1 among those familiar (53% to 25%).** Some of the increase in unfavorable reviews may reflect that the paragraph reminded some respondents of aspects of the transportation system with which they are less satisfied. For example, many residents have concerns about express lanes and mentioning OCTA owning and operating the 91 and 405 Express Lanes may have contributed to the increase in unfavorable reviews.

  From 2011 to 2024, the surveys showed a trend toward more positive reviews after hearing additional information, with favorable ratings rising from 42% in 2011 to 59% in 2024. These ratings fell slightly to 53% currently. This change may reflect the ever-increasing scrutiny placed on government agencies, as well as changes in the information paragraph language[5].

- **Respondents are more likely to agree with positive statements about OCTA than to disagree. However, between 2 in 10 and 4 in 10 are not familiar enough to give an opinion**. The proportion that agree with each statement is down at least slightly from 2024 in each area.

  - Nearly 6 in 10 (58%) agree that *OCTA helps our local and regional economies function by improving our transportation system*. Just 21% disagree, with another 21% unable to give an opinion.

[5] The current survey included mention of Metrolink, which past surveys did not. It also described OCTA as *operating the countywide bus and paratransit system* rather than in previous surveys where it mentioned *planning, funding, managing, and developing . . . bus and transit services*. These language changes may contribute to the difference in results.

- By 2 to 1, respondents agree that *OCTA is a public agency I trust* (51% to 24%), with 25% unable to give an opinion.

- Also, by 2 to 1, respondents agree that *OCTA is actively seeking solutions to our transportation issues*, with 46% agreeing and 22% disagreeing (32% are unable to give an opinion).

- Respondents are nearly divided in their opinion of whether *OCTA makes good use of public funds,* with 35% agreeing and 26% disagreeing. A high proportion of respondents – 40% – are unsure.

- Four in 10 (41%) respondents are also unable to give an opinion regarding whether *OCTA listens to the general public*. Those providing a review are nearly divided: 32% to 27%.

Awareness of and Opinions of Measure M

- **Nearly half of respondents (46%) have heard of Measure M when told it is *Orange County's half-cent transportation sales tax program approved by voters in 2006 that helps improve freeways, local streets, and transit services throughout the county.*** However, awareness is modest, with only 16% having heard "a lot", while 31% have heard "a little." Half (50%) of respondents had not heard of Measure M (with 4% unsure if they had). Past surveys offered less information about Measure M, describing it as *also known as OC Go, Orange County's voter-approved half-cent transportation sales tax.* Awareness is up significantly from past years, most likely reflecting the additional information helping to spur recall. The proportion aware of Measure M in years prior ranged from 26% to 33%.

- **Most residents are not aware of specific transportation improvements funded by Measure M.** For the first time this year, respondents were asked if they are aware of specific transportation improvements in Orange County – such as freeway improvements, pothole repairs, or transit enhancements – that have been made possible by Measure M. **Four in 10 (39%) said they are aware of specific Measure transportation improvements, while 6 in 10 (61%) are not.** It is important to note that respondents who said they are familiar were not asked to name the specific improvement. Therefore, it is possible that they could erroneously consider an improvement to be related to Measure M.

- **Eight in 10 residents consider it at least "somewhat" important to continue this local transportation funding.** Six in 10 (60%) consider it "extremely" (29%) or "very" (31%) important *to continue this existing local funding for the overall Orange County transportation system now and into the future.* Another 20% consider it "somewhat" important, for a total of 80% considering continuing local transportation to be important. This question was asked for the first time this year.

- **After hearing how Measure M funds are used, the proportion considering continuing these local funds now and into the future increases** – further showing the value of educating residents about Measure M's role in maintaining and improving the transportation system. Sixty-five percent (65%) say it is "extremely" or "very" important to continue Measure M funding, and, in all, 85% of respondents consider this funding at least

"somewhat important." Therefore, hearing about Measure M specifically increases the already high level of support for continuing local funding for the Orange County transportation system.

Part 4: Travel Behavior

- **Nearly 9 in 10 respondents volunteered that they primarily drive alone when traveling in Orange County. No more than 5% name any other form of transportation as their primary means.** Five percent (5%) most often use the local bus, 2% Metrolink rail, and 1% each carpool with one other person; bike; or use a motorcycle, moped, motorized scooter, or e-bike.

- **Reflecting the reliance on a motor vehicle to drive around Orange County, the results show that no more than 7% use any form of mass transit at least monthly.**

  - One in four have used Metrolink rail in the past year, although just 5% report doing so at least once per month.

  - Smaller numbers have used a regular bus (14%) or OC Bus Rapid (6%) in the last year, with 7% and 3%, respectively, doing so at least once a month. However, Latino residents are more likely to have used a regular bus in the past year (24%) than white or Asian and Pacific Islander (API) residents (9%).

  - One in 10 (11%) respondents have used a community shuttle or trolley in the past 12 months, with 3% doing so at least once a month.

  - ACCESS Paratransit was used in the last 12 months by 2% of respondents – reflecting the limited audience it is designed to serve.

- **Half of respondents have used either the 91 (52%) or 405 (51%) Express Lanes in the last year, with 1 in 4 (24% and 27%, respectively), doing so at least once per month.**

Part 5: Employment and Commuting Behavior

- **Sixty-five percent (65%) of those surveyed are employed full-time (56%) or part-time (9%).** Another 5% are students, 2% are homemakers, and 20% are retired. Four percent (4%) are between jobs, while 2% are disabled and unable to work.

- **Among those employed, 16% work exclusively from home and 61% commute exclusively to a workplace outside of home, while 23% do a mix of both.** There is little difference in results among those who work full- and part-time.

- **Among those who work full time, 42% work from home five or more days a week**, while 27% do so three to four days and another 27% work one to two days. A lower number of those working part-time work from home five or more days a week (24%), while a higher proportion do so three to four days a week (42%). This is most likely because they work part time.

Appendix C: Community Survey Summary



Measure M Ten-Year Review

Orange County Transportation Authority

Measure M Ten-Year Review - Survey Analysis

Survey Results

The qualitative community survey was open to the public from May 6, 2025, through July 6, 2025, and generated 2,585 across English, Spanish, Vietnamese, Korea, and Mandarin languages. The following summarizes key findings from the survey, highlighting the community perspectives of Measure M's performance and transportation priorities across Orange County.

Table 1: Survey Respondent Profile

Q1: Which of the following best describes you? (Select all that apply)*	
Resident of Orange County	90%
Commuter who travels through Orange County	17%
Business owner in Orange County	5%
Transportation advocate or nonprofit representative	4%
Local government staff	3%
OCTA Committee Member	2%
Other	4%
Elected Official	1%

Table 2: Measure M Familiarity

Q2: Prior to taking this survey, how familiar were you with M2?	
Not familiar at all	54%
Somewhat familiar	18%
Heard of it, but don't know the details	17%
Very Familiar	11%

Table 3: Measure M Transportation Investments Awareness

Q3: Prior to taking this survey, which of the following M2 transportation investments were you aware of? (Select all that apply)	
Freeway improvements on I-5, I-405, I-605, SR-22, SR-55, SR-57 and SR-91 to relieve congestion	40%

I was not aware of any transportation investments being made	38%
Fix potholes and resurface streets	22%
OC Streetcar (a form of light transit that will be in operation early next year)	21%
Provide transit services, at reduced rates, for seniors and persons with disabilities	17%
Expand Metrolink rail, station parking capacity, and connections to local communities	16%
Motorist and towing services for vehicles stuck on freeways	11%
Reduce air and water pollution, and protect local beaches by cleaning up oil runoff from roadways	10%
Synchronize traffic lights at 2,000 intersections across the county	8%
Purchase land for preservation and fund habitat restoration projects	5%
Other	1%

Table 4: Public Opinion on M2's Transportation Improvements

Q4: M2 has delivered the projects, programs and services mentioned in the previous question. Based on this, do you believe M2 has helped improve transportation in Orange County?	
Yes, but there is still room for improvement	33%
I'm not sure	32%
Yes, significantly	26%
No	9%

Table 5: Transportation Improvement Prioritization

Q5: Using the list below, which transportation improvements do you think should be prioritized in Orange County? (Select up to five)	
Freeway improvements to reduce congestion	45%
Fix potholes and repair roadways	40%
Expand Metrolink service	31%
Expand bus service including bus rapid transit (fewer stops)	29%
Improve connections to transit hubs using shuttles, light rail, or other transit services	26%
Add more bike lanes and sidewalks	22%
Increase traffic signal synchronization to improve traffic flow	22%
Construct roads over or under rail tracks where needed to improve traffic flow	18%
Increase services and programs for seniors	18%
Expand light rail services like the OC Streetcar	16%
Provide free motorist services to broken-down vehicles on the freeway	16%
Expand environmental cleanup programs	13%
Improve paratransit services for persons with disabilities	12%
Other	3%

Question 6 invited open-ended feedback from survey respondents. The top 5 most frequently mentioned themes and comments are summarized below:

Q6 Do you have any other comments, suggestions, or concerns related to transportation in Orange County or M2? (Open-ended)

- Rail Expansion/improvement (Metrolink, Streetcar, LOSSAN): 26 mentions

- More/faster bus service and frequency (including weeknights/weekends): 20
- Bus stop & rider amenities (shelter, shade, benches, lighting, restrooms, signage): 18
- Bike/ped and micromobility (protected lanes, walkability, trails): 13
- Opposition to freeway widening/additional toll roads: 8

Demographics

Several optional questions were asked to gather information about survey participants, including their income, age, and other characteristics. These responses help OCTA better understand who participated in the survey.

Figure 1: Age Range

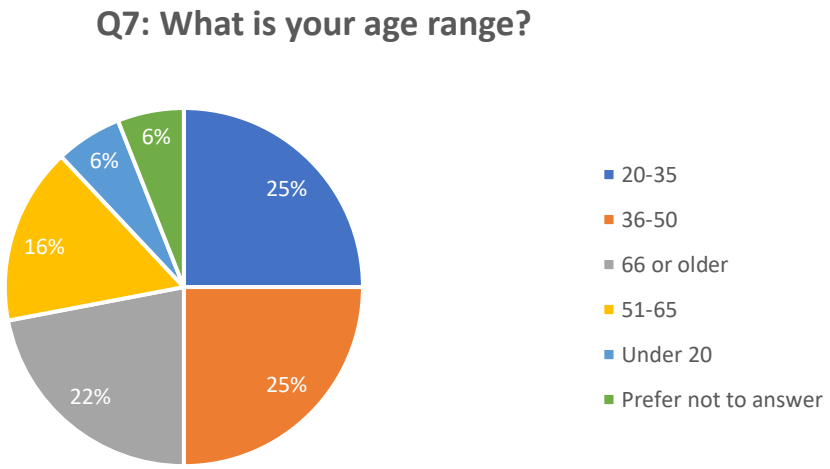


Figure 2: Orange County Residency

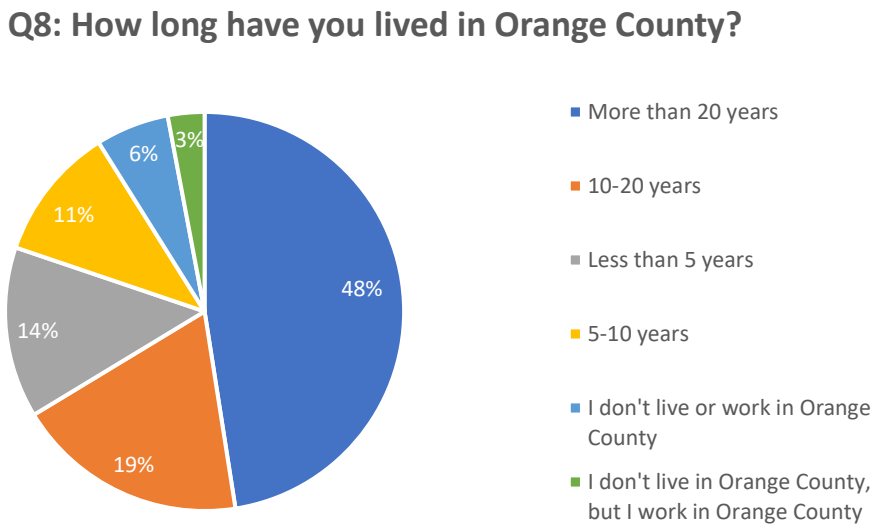


Figure 3: Annual Household Income

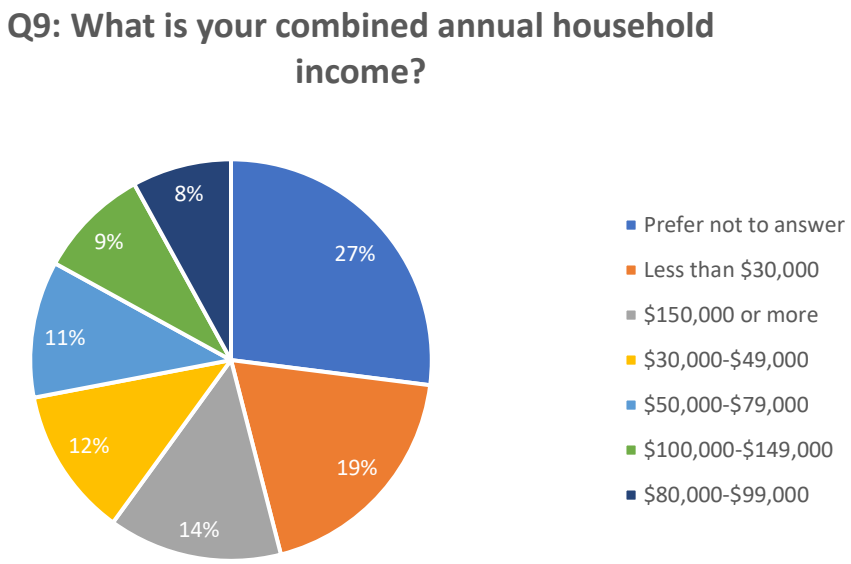


Figure 4: Ethnicity

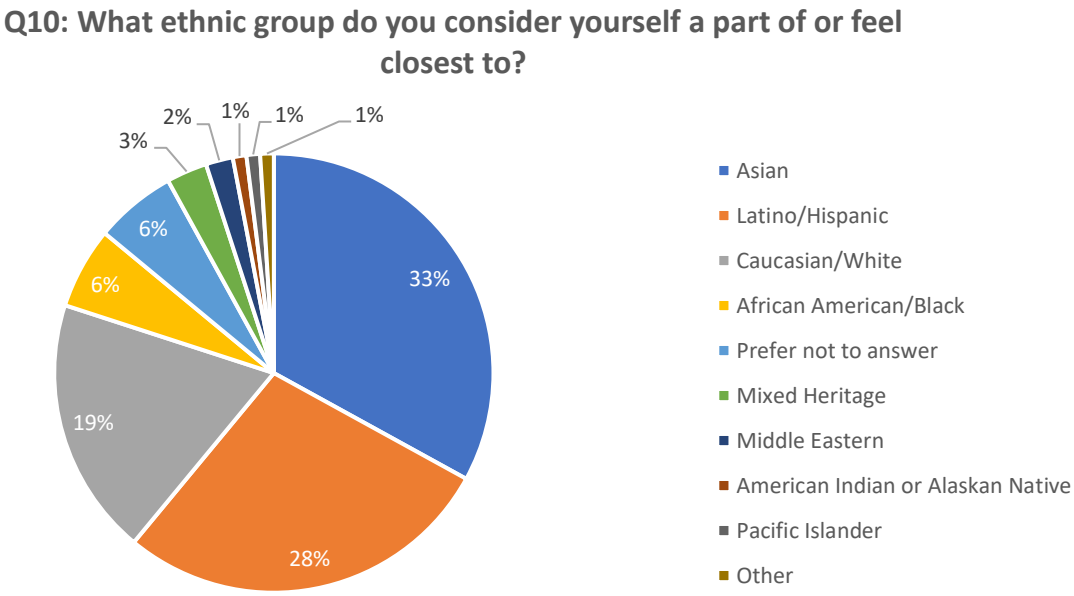


Figure 5: Total Zip Codes

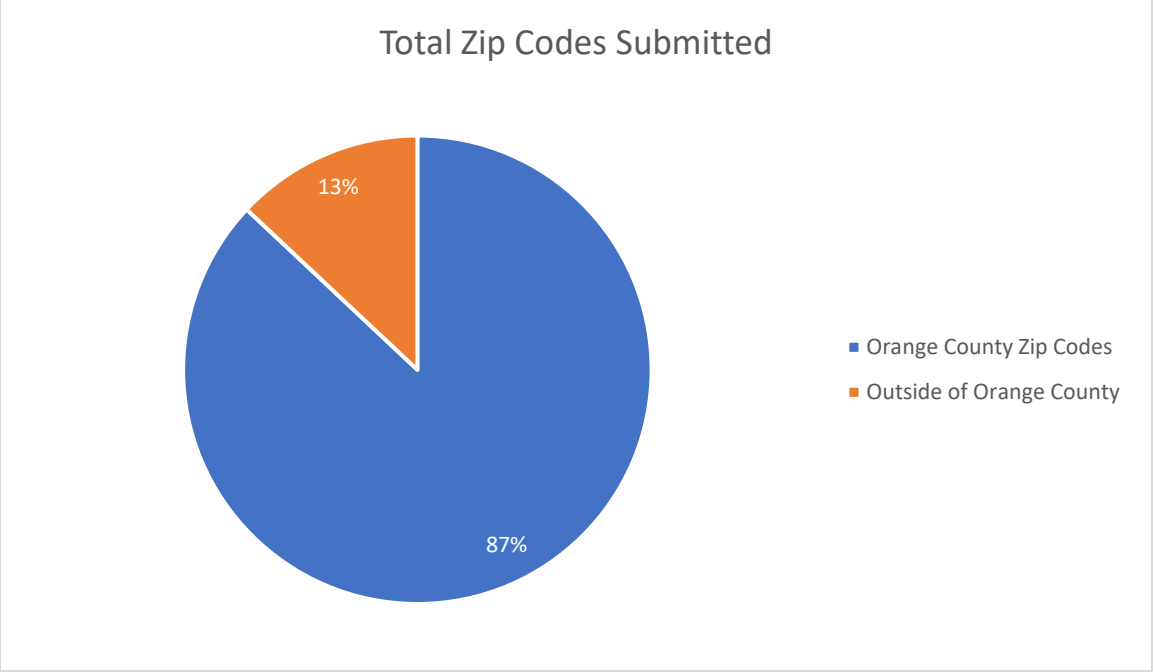
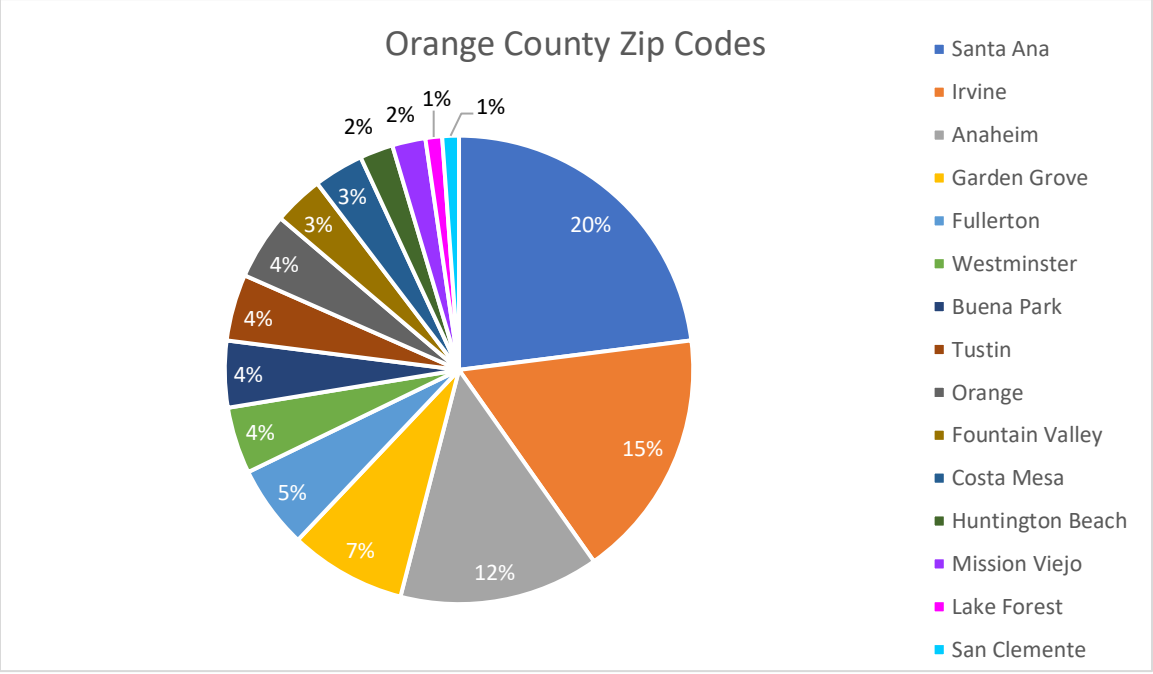


Figure 6: Orange County Zip Codes (Top 15)



Appendix D: Sample Letter to State and Federal Offices

OCTA

AFFILIATED AGENCIES

Orange County Transit District

Local Transportation Authority

Service Authority for Freeway Emergencies

Consolidated Transportation Service Agency

Congestion Management Agency

June 6, 2025

The Honorable Bob Archuleta
California State Senate
12501 Imperial Hwy. Ste. 110
Norwalk, CA 90650

Dear Senator Archuleta,

Nearly 20 years have passed since Orange County voters approved Measure M2, a 30-year, half-cent sales tax dedicated to funding critical transportation improvements across the county. Since its passage in 2006, the Orange County Transportation Authority (OCTA) has delivered significant progress on the voter-approved Transportation Investment Plan. Key achievements include:

- Completion of 15 out of 30 planned freeway improvement projects
- $1.2 billion invested to restore and improve local streets
- Synchronization of more than 3,700 traffic signals to reduce congestion
- $81.5 million in funding for community-based shuttles
- Completion of seven rail grade separation projects to improve safety and mobility
- $144 million allocated to transportation services for seniors and people with disabilities
- Preservation of 1,300 acres of open space through environmental mitigation efforts
- Removal of more than 81.5 million gallons of trash from local waterways

As required by the ordinance's taxpayer safeguards, OCTA is conducting a comprehensive Ten-Year Review of the Measure M2 program to evaluate its performance, transparency, and impact.

We are seeking feedback from our state and federal delegation on Measure M2's implementation, as your insight is valuable in shaping this review. We welcome your feedback through any channel convenient to you.

We invite you to participate in the following ways:

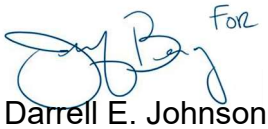
- Submit feedback or observations on Measure M2's progress and outcomes through a brief online survey by Monday, June 30, 2025: https://www.octa.net/M2ReviewSurvey

- Submit feedback via letter or email by August 31, 2025. OCTA staff is also happy to meet with your office to discuss the M2 Ten-Year Review in more detail.

Additional information on the OCTA Measure M2 Ten-Year Review effort is available here.

Your perspective is important to this process. Thank you for your continued partnership and interest in Orange County's transportation future. If you have any questions, please don't hesitate to contact Kristin Jacinto, Executive Director of Government Relations, at (714) 560-5754 or kjacinto@octa.net.

Sincerely,



Darrell E. Johnson
Chief Executive Officer

DEJ:aec

ATTACHMENT C

Measure M2 Ten-Year Review
Proposed Action Plan

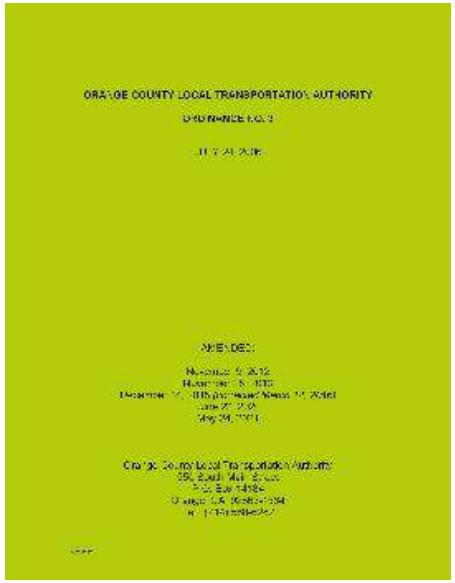
Program	Action
Project O Regional Capacity Program	Evaluate the creation of a competitive pavement subprogram.
Project P Regional Traffic Signal Synchronization Program	Assess the results and recommendations from the Countywide Signal Synchronization Baseline Project.
Project R High-Frequency Metrolink Service	• Direct staff to continue to work with Metrolink to develop a financially sustainable service plan, including establishing a target OCTA funding level as part of the FY 2026-27 budget development process. • Request Metrolink to provide regular updates to the OCTA Board on systemwide performance.
Project U Expand Mobility Choices for Seniors and Persons with Disabilities	Senior Mobility Program (SMP) – Evaluate and update the SMP Guidelines to ensure consistency, enhance clarity, and support evolving mobility needs.
Project W Safe Transit Stops	Update the list of the 100 busiest stops.

OCTA – Orange County Transportation Authority

Measure M2 Ten-Year Review Report and Action Plan

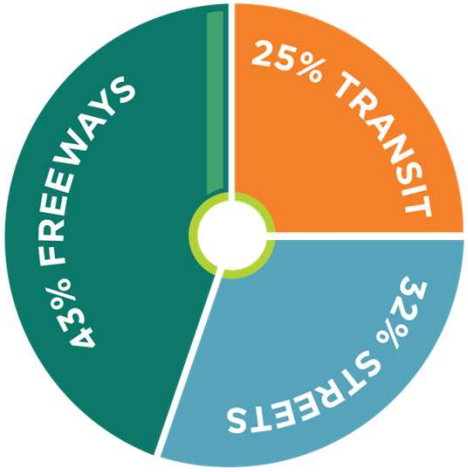
Promise to Voters

Implementing Ordinance


ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

M2 Ordinance No.3 (M2 Ordinance):
Attachment A – Renewed Measure M (M2) Transportation Investment Plan (Plan)
Attachment B – Allocation of Net Revenues
Attachment C – Taxpayer Oversight Committee

Funding Strategy



ENVIRONMENTAL

A total of 5% of Measure M Freeway Program funds is allocated to the Freeway Environmental Mitigation Program

A total of 2% of the overall Measure M Program funds is allocated to the Environmental Cleanup Program

1.5 percent – California Department of Tax and Fee Administration
1 percent – Administrative Costs

$13.2 Billion Expenditure Plan

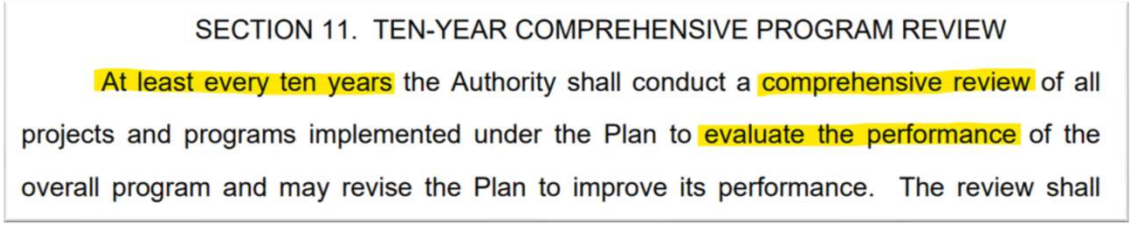
Measure M Projects and Programs

Freeway Projects		
I-5	Santa Ana Freeway Interchange Improvements	A
I-5	Santa Ana/San Diego Freeway Improvements	B, C, D
SR-22	Garden Grove Freeway Access Improvements	E
SR-55	Costa Mesa Freeway Improvements	F
SR-57	Orange Freeway Improvements	G
SR-91	Riverside Freeway Improvements	H, I, J
I-405	San Diego Freeway Improvements	K, L
I-605	Freeway Access Improvements	M
All	Freeway Service Patrol	N
All	Freeway Environmental Mitigation Program	
Streets & Roads Projects		
Regional Capacity Program		O
Regional Traffic Signal Synchronization Program		P
Local Fair Share Program		Q
Transit Projects		
High Frequency Metrolink Service		R
Transit Extensions to Metrolink		S
Metrolink Gateways		T
Expand Mobility Choices for Seniors and Persons with Disabilities		U
Community Based Transit/Circulators		V
Safe Transit Stops		W
Environmental Cleanup		
Clean Up Highway and Street Runoff that Pollutes Beaches		X
Taxpayer Safeguards and Audits		
Collect Sales Taxes (State charges required by law)		
Oversight and Annual Audits		

I-5 – Interstate 5 / I-405 Interstate 405 / I-605 – Interstate 605 /
SR-22 – State Route 22 / SR-55 – State Route 55 /
SR-57 – State Route 57 / SR-91 – State Route 91

Background and Foundational Considerations

- M2 Ordinance requires a ten-year comprehensive review
- First review completed in 2015
- Foundational Considerations:
  - Original Measure M success = promises made, promises kept
  - Approved plan was balanced based on market research and stakeholder input that reflects the diverse needs of Orange County
  - Currently at the midpoint of the 30-year program
  - Any action must align with M2 transparency and accountability safeguards



SECTION 11. TEN-YEAR COMPREHENSIVE PROGRAM REVIEW

At least every ten years the Authority shall conduct a comprehensive review of all projects and programs implemented under the Plan to evaluate the performance of the overall program and may revise the Plan to improve its performance. The review shall

Authority – Orange County Local Transportation Authority

Objectives

- Research and identify changes in external policy and/or regulation as well as in land use, travel, and growth projections
- Review plan to determine if there are performance issues or constraints
- Identify OCTA's and local jurisdictions' progress in implementing the plan
- Evaluate current project and program cost estimates and the financial capacity through 2041
- Assess public and stakeholder support for the plan and OCTA's approach

OCTA – Orange County Transportation Authority

Policy and Planning Context

- Assessed changes in transportation policies, plans, and regulations at all levels
  - Influenced funding, planning, and delivery strategies
  - No material impact on ability to deliver the Plan





- Reviewed shifts in land use, travel behavior, and growth projections
  - Orange County is the second densest county in the state
  - Since 2011, population (+3.8 percent), housing (+10.2 percent), and employment (+12 percent) has increased; 2041 projections reflect continued growth
  - Worker flow patterns have increased intra- (+12 percent) and intercounty (up to +38 percent into Orange County)

COUNTY POPULATION PER SQUARE MILE	
COUNTY	POPULATION PER SQUARE MILE
Orange	3,999
Los Angeles	2,403
San Diego	783
Riverside	351
California (Statewide)	253
San Bernardino	110

Source: U.S. Census Bureau, Population Division
Annual Estimates of the Resident Population for Counties in California

U.S. – United States

Financial Analysis

- Annual updates of the Next 10 Delivery Plan have reaffirmed that M2 commitments remain deliverable
- Metrolink operations identified as a key area requiring close monitoring; current assumptions not fiscally sustainable beyond FY 2033-34
- OCTA continues to coordinate with Metrolink and member agencies on performance and financial impacts





FY – Fiscal year
Metrolink – Southern California Regional Rail Authority

Project Delivery Analysis

Freeway Program (Projects A-N)

- 17 of 30 projects complete
- Ten more slated to be complete by 2030
- Environmental Mitigation Program (EMP)
  - Seven conservation properties totaling 1,300 acres
  - 13 restoration projects totaling 350 acres
  - Endowment established and anticipated to be fully funded by FY 2027-28
- 889,000 assists provided by Freeway Service Patrol



Environmental Cleanup Program (Project X)

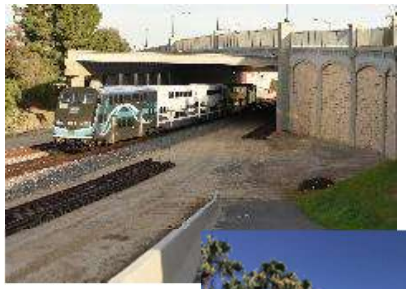
- Two-tiered funding structure
- 246 water quality projects
- 91.7 million gallons of trash collected
  - Equates to over 16,200 trash truck loads
- Estimated ~352 million gallons/year of groundwater recharge and water savings



Project Delivery Analysis (Cont.)

Streets and Roads Program (Projects O-Q)

- Regional Capacity Program
  - Funded 210 project phases totaling over $365 million
  - Seven grade separations completed by OCTA
- Regional Traffic Signal Synchronization Program
  - Funded 143 projects totaling nearly $196.8 million
  - 3,789 intersections over 979 miles of streets synchronized
  - Countywide Signal Synchronization Baseline Project underway
- Local Fair Share Program
  - Over $835 million in flexible formula funding provided to cities and the County of Orange
  - Funds go to pothole and street repairs, traffic and pedestrian safety projects, and other transportation needs







Project Delivery Analysis (Cont.)

Transit Program (Projects R-W)

- Station, track, and grade crossing upgrades
- Expanded Metrolink service
- OC Streetcar underway
- $154 million for mobility of seniors and persons with disabilities
- 37 community-based shuttle and trolley services
- 112 transit stop enhancements



OC – Orange County

Project Delivery Analysis – Looking Ahead

- No major plan changes recommended
- Next comprehensive review recommended prior to the ten-year interval to align with anticipated key milestones:
  - Freeway Program ~90% complete
  - EMP endowment fully funded
  - Countywide Signal Synchronization Baseline Project completion
  - OC Streetcar operating
  - Renewal of community-based transit circulator grants
  - Over 100 transit stop safety enhancements complete
- Proposed Action Plan developed to guide implementation over next five years until the next review in 2031





Comprehensive, Countywide Community Engagement

Broad Reach

- Statistically valid survey
- Community survey
- Focus groups
- Elected official roundtables
- Community events
- Regional stakeholder interviews

Balanced Approach

- Multilingual materials, surveys
- Flexible ways to participate
- Engagement across all five supervisorial districts
- Outreach across demographic groups
- Multi-platform promotion

What We Heard: Strong Support with Clear Priorities

What We Heard	Why It Matters
Continued support for local funding Support increases after learning how funds are used	*Informed voters are more likely to sustain support*
Priorities: Roads, congestion relief Reflects daily auto reliance	*Roadway performance remains central to public confidence*
Transit support prioritizes accessibility Reliability, first-/last-mile access are key	*Balanced investment requires reliable, accessible transit*
Limited awareness of M2 funding	*Visibility directly strengthens public trust*

Affirms the Plan, Identifies Opportunities

Protect What's Working

- Broad support for the balanced program
- Continued stakeholder and agency credibility

Increase Visibility and Transparency

- Strengthen awareness of M2-funded projects
- Emphasize measurable outcomes and results



Prepare for Evolving Mobility Needs

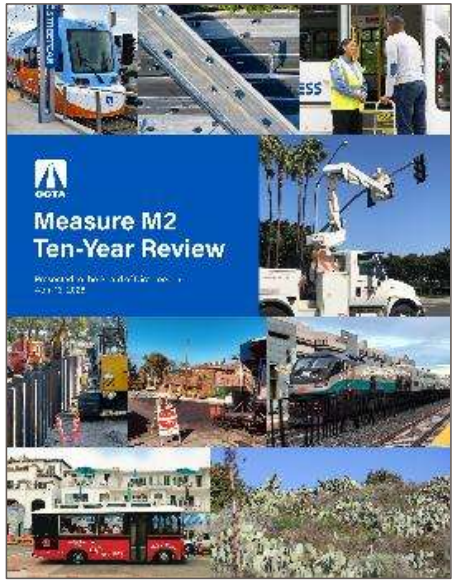
- Address generational differences and multimodal demand
- Maintain focus on congestion relief and system efficiency

Proposed Action Plan

Program	Proposed Action
Project O: Regional Capacity Program	Evaluate the creation of a competitive pavement subprogram
Project P: Regional Traffic Signal Synchronization Program	Assess the results and recommendations from the Countywide Signal Synchronization Baseline Project
Project R: High-Frequency Metrolink Service	• Direct staff to continue to work with Metrolink to develop a financially sustainable service plan, such as establishing a target OCTA funding level as part of the FY 2026-27 budget development process • Request Metrolink to provide regular updates to the OCTA Board of Directors on systemwide performance
Project U: Expand Mobility Choices for Seniors and Persons with Disabilities	Senior Mobility Program (SMP) – Evaluate and update the SMP guidelines to ensure consistency, enhance clarity, and support evolving mobility needs
Project W: Safe Transit Stops	Update the list of the 100 busiest stops

Key Takeaways

- M2 remains consistent with voter-approved plan
- Financially sustainable through 2041; Metrolink requires close monitoring
- Substantial progress across all program categories
- Continued growth increasing system demand
- Stakeholder priorities align with the plan's balanced framework
- Proposed Action Plan provides near-term strategic direction



Next Steps

- Implement proposed Action Plan
- Continue monitoring program performance, financial capacity, project delivery risks, and stakeholder priorities
- Provide progress updates through M2 Quarterly Reports and at key milestones



COMMITTEE TRANSMITTAL

April 27, 2026

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: 15 Years of Measure M2

Executive Committee Meeting of April 6, 2026

Present: Chair Federico, Vice Chair Jung, Directors Chaffee, Hennessey, and Klopfenstein
Absent: Director Wagner

Committee Vote

This item was passed by the Members present.

Staff Recommendation(s)

Receive and file as an information item.

OCTA

April 6, 2026

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: 15 Years of Measure M2

Overview

On April 1, 2026, Renewed Measure M, also known as Measure M2, reached a significant milestone, marking the halfway point of the voter-approved 30-year program. Over the past 15 years, Measure M2 has delivered significant transportation investments across Orange County, including advancing major freeway improvements, enhancing streets and roads in every city, expanding transit options, and funding programs that protect our environment. This milestone provides an opportunity to reflect on the progress achieved to date and to reaffirm the Orange County Transportation Authority's commitment to fulfilling the improvements promised to voters.

Recommendation

Receive and file as an information item.

Background

On November 7, 2006, nearly 70 percent of Orange County voters approved the Renewed Measure M (M2) Transportation Investment Plan (Plan), a one-half-cent sales tax for transportation improvements. The Plan provides a 30-year revenue stream for a broad range of transportation and environmental initiatives and includes a governing ordinance that defines the requirements for implementation. Ordinance No. 3 (M2 Ordinance) designates the Orange County Transportation Authority (OCTA) as responsible for administering the Plan and ensuring that commitments made to the voters are fulfilled.

M2 provides a locally controlled funding source that enables OCTA to deliver a voter-approved, balanced Plan that reflects the diverse needs of Orange County communities. Maintaining the trust placed in OCTA by voters remains a fundamental priority as the Plan continues to be implemented consistent with voter-approved commitments and established taxpayer safeguards, including regular public reporting on delivery progress through the M2 Quarterly Report.

Discussion

Sales tax collection for M2 began on April 1, 2011, and is forecasted to generate approximately $13.2 billion through 2041. On April 1, 2026, M2 reached the midpoint of the 30-year program. In the first 15 years, M2 has generated nearly $7.5 billion in transportation investments, combining OCTA's local one-half-cent sales tax with additional state and federal funding. OCTA continues to implement the Plan by investing concurrently across all modes, including freeway, streets and roads, transit, and environmental programs. The following summarizes key accomplishments across all M2 programs through December 31, 2025.

Freeway Program

The Plan allocates 43 percent of M2 net revenues for the Freeway Program. The Freeway Program consists of 13 projects that have been segmented into 30 projects for delivery purposes. To date, 17 projects have been completed, with an additional ten currently underway and anticipated to be completed by 2030.

Of the ten projects that are underway, six are in construction, three are in final design, and one is a joint project with the Riverside County Transportation Commission that is currently advertised using the progressive design-build method. This joint project – State Route 91 Eastbound Corridor Operations Project – will improve eastbound travel between State Route 241 and State Route 71. Completing these ten projects will result in 27 completed projects by 2030, representing approximately 90 percent of the Freeway Program. The remaining three projects are in various stages of project development.

In addition, the Freeway Service Patrol (FSP) provides free roadside assistance to stranded motorists and removes debris to reduce congestion and improve safety on Orange County freeways. Services include jump-starts, tire changes, fuel delivery, and towing vehicles and debris to safe locations. To date, FSP has provided more than 889,000 freeway services.

Five percent of the Freeway Program is allocated to the Environmental Mitigation Program (EMP), which offsets the biological habitat impacts of the Freeway Program projects. The OCTA Board of Directors (Board) has authorized $55 million for the EMP to acquire conservation lands and fund habitat restoration projects. To date, OCTA has acquired more than 1,300 acres and funded 13 restoration projects covering approximately 350 acres to fulfill mitigation requirements for the Freeway Program.

The wildlife and habitat on the acquired lands are protected in perpetuity, with long-term management of the properties supported by an endowment. As of December 2025, the balance of the endowment was $39,898,925, which includes ten deposits of approximately $2.9 million. Current projections indicate that OCTA remains on track to meet the endowment target of $46.2 million in

fiscal year 2027-28; however, the performance of the fund may affect the timeframe for full funding of the endowment.

Streets and Roads Program

For the Streets and Roads Program, the Plan dedicates 32 percent of M2 net revenues to improving Orange County's 6,500 miles of local streets and roads through three programs: the Regional Capacity Program (RCP), the Regional Traffic Signal Synchronization Program (RTSSP), and the Local Fair Share (LFS) Program.

The RCP provides funds to improve Orange County's Master Plan of Arterial Highways, while the RTSSP supports the ongoing coordination of more than 2,000 signalized intersections. The LFS Program provides flexible funding to local jurisdictions for road maintenance, pothole repairs, transportation safety enhancements, and other local transportation priorities. Since 2011, more than $1.3 billion[1,2] has been allocated to local jurisdictions through these programs. To further extend the benefits of these programs, OCTA has leveraged approximately $53.9 million in external funding.

RCP and RTSSP are two competitive programs that provide annual grant opportunities to local jurisdictions. Since 2011, the Board has awarded 195 RCP projects (237 project phases) totaling more than $432 million, including $23.4 million in external funding. Of these, 157 project phases have been completed, 53 are in various stages of implementation, and 27 have been cancelled by the awarded local jurisdictions. During the same period, the Board has awarded 123 RTSSP projects[3] totaling approximately $162.3 million. Overall, OCTA has funded 143 projects[3] totaling nearly $196.8 million, including $40.1 million in leveraged external funding. To date, OCTA and local agencies have synchronized 3,789 intersections over 979 miles of streets (109 completed projects). These projects have resulted in a 13 percent reduction in travel time and a 14 percent improvement in travel speed.

Included in the M2 Ordinance as another element of RCP is funding for construction of grade separations. OCTA has completed seven grade separation (underpasses and overpasses) to separate high-volume streets that were impacted by freight trains along the BNSF Railway Company railroad corridor.

---

[1] Reflects the amount currently programmed to local jurisdictions, excluding cancelled projects and unexpended grant balances from completed projects.

[2] Only includes disbursed funds. Pursuant to Section 10.4 of the M2 Ordinance, the Board determined the City of Buena Park (on May 28, 2024) and the City of Huntington Beach (on May 12, 2025) ineligible to receive net M2 revenues for five years. Disbursements have been suspended until each city reestablishes eligibility.

[3] To date, three projects totaling approximately $1.6 million have been cancelled by the awarded local jurisdictions.

The $667 million OC Bridges Program, of which $152.6 million was committed in M2 and the remainder in leveraged external funding, improved safety, reduced delays for motorists, and significantly improved traffic flow along the corridor.

Through LFS, local jurisdictions receive reliable, bi-monthly formula-based disbursements. While primarily intended to address the rising cost of maintaining the aging street system, these funds also provide flexibility to address local transportation priorities. To date, OCTA has provided more than $835.3 million[4] through the LFS Program.

Collectively, these investments have resulted in Orange County's average weighted pavement condition index of 79, ranking the best in the state; the statewide average is 65.

Transit Program

The Plan allocates 25 percent of M2 net revenues to the Transit Program to provide alternatives to driving and expanding mobility options throughout Orange County. M2 serves as the primary funding source for Metrolink commuter rail service in Orange County and supports capital improvements that enhance operations and transit connections to extend the reach of the service. Since 2011, M2 has funded Orange County's share of Metrolink operating costs, upgraded seven Metrolink stations, and provided competitive multi-year transit funding commitments for bus and station van services connecting to Metrolink ($483,133 to date), and transit stop improvements ($2.9 million to date).

The Community-Based Transit Circulators Program is a competitive program that provides funding to local jurisdictions to establish local transit services that complement regional bus and rail services in areas not adequately served by regional transit, and that do not duplicate or compete with existing transit services. Since 2011, the Board has awarded 50 projects and ten planning studies totaling approximately $99.4 million. Of these, 16 are currently active, four are planned, 17 have been completed, and 13 have been cancelled by the awarded local jurisdictions.

M2 also provides dedicated funding for three programs (Senior Mobility Program, Senior Non-Emergency Medical Transportation Program, and Fare Stabilization Program), that support the expansion of mobility options for seniors and persons with disabilities ($154.2 million[4] to date). In addition, the OC Streetcar Project is in the final stages of construction, with testing activities underway to ensure safe and reliable revenue service between the cities of

[4] Only includes disbursed funds. Pursuant to Section 10.4 of the M2 Ordinance, the Board determined the City of Buena Park (on May 28, 2024) and the City of Huntington Beach (on May 12, 2025) ineligible to receive net M2 revenues for five years. Disbursements have been suspended until each city reestablishes eligibility.

Garden Grove and Santa Ana, further expanding Orange County's transit network.

Environmental Cleanup Program

M2 includes the Environmental Cleanup Program (ECP), which is funded by two percent of M2 gross revenues and is focused on improving water quality by addressing transportation-related pollutants. Since 2011, the ECP has awarded approximately $78.2 million for 241 projects for trash removal devices (Tier 1) and 26 projects for large-scale water quality best management practices projects (Tier 2). To date, 25 projects are active, 221 are complete, and 21 have been cancelled by the awarded local jurisdictions. These efforts have resulted in the capture of an estimated 91.7 million gallons of trash, equivalent to more than 16,200 trash truck loads of garbage, that could have otherwise entered Orange County streams and waters.

Summary

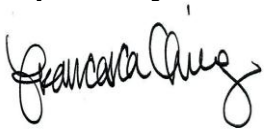
M2 reached a significant milestone on April 1, 2026, marking the midpoint of the voter-approved 30-year program. This report summarizes the substantial progress that has been made across all program categories, with investments delivered concurrently in freeways, streets and roads, transit, and environmental programs through December 2025.

These accomplishments demonstrate that M2 continues to deliver on the commitments made to voters while maintaining a balanced approach to transportation investments that reflect the diverse mobility needs of Orange County.

Attachment

None.

Prepared by:



Francesca Ching
Manager, Measure M2
Program Management Office
(714) 560-5625

Approved by:



Rose Casey
Executive Director, Planning
(714) 560-5729