

Orange County Transportation Authority

Executive Committee Agenda Thursday, August 28, 2025 at 9:00 a.m.

Board Room, 550 South Main Street, Orange, California

Committee Members

Doug Chaffee, Chair
Jamey M. Federico, Vice Chair
Michael Hennessey, Finance & Administration Chair
Fred Jung, Transit Committee Chair
Stephanie Klopfenstein, Regional Transportation Planning Chair
Tam T. Nguyen, Immediate Past Chair
Donald P. Wagner, Legislative & Communications Chair

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 Committee may take any action which it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action.

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 Committee 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 the Orange County Transportation Authority. 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.

EXECUTIVE COMMITTEE MEETING AGENDA

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

Pledge of Allegiance

Director Hennessey

Closed Session

There are no Closed Session items scheduled.

Special Calendar

There are no Special Calendar matters.

Consent Calendar (Items 1 through 3)

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

1. Approval of Minutes

Clerk of the Board

Recommendation(s)

Approve the minutes of the August 4, 2025, Executive Committee meeting.

Attachments:

Minutes

2. Proposed Response to 2024-2025 Orange County Grand Jury Report "OCTA: It Takes a Lot to Keep Us Moving"

Melanie Masud/Kristin Jacinto

Overview

Staff has prepared a response to the June 18, 2025, report issued by the Orange County Grand Jury entitled, "OCTA: It Takes a Lot to Keep Us Moving," for the Orange County Transportation Authority Board of Directors' consideration. The response addresses each of the findings and recommendations made by the Grand Jury and highlights areas of agreement, clarification, or actions already taken.

Recommendation(s)

Authorize the Chief Executive Officer to submit the proposed response to the Orange County Grand Jury report's findings and recommendations as required by California Penal Code Section 933(c).

Attachments:

EXECUTIVE COMMITTEE MEETING AGENDA

Staff Report

Attachment A

Attachment B

3. Measure M2 Quarterly Progress Report for the Period of April 2025 through June 2025

Jonathan Lee/Rose Casey

Overview

Staff has prepared the Measure M2 Quarterly Progress Report for the fourth quarter of fiscal year 2024-25 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:

Staff Report

Attachment A

Regular Calendar

There are no Regular Calendar matters.

Discussion Items

4. Measure M2 Ten-Year Review Update

Kelsey Imler/Rose Casey

Overview

Staff will provide an update on Measure M2 Ten-Year Review Q4.

Attachments:

Placeholder

- 5. Public Comments
- 6. Chief Executive Officer's Report
- 7. Committee Members' Reports

EXECUTIVE COMMITTEE MEETING AGENDA

8. Adjournment

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

9:00 a.m. on Monday, October 6, 2025

OCTA Headquarters Board Room 550 South Main Street Orange, California



Committee Members Present

Doug Chaffee, Chair Jamey M. Federico, Vice Chair Michael Hennessey Fred Jung Stephanie Klopfenstein Tam T. Nguyen

Staff Present

Darrell E. Johnson, Chief Executive Officer Jennifer L. Bergener, Deputy Chief Executive Officer Andrea West, Clerk of the Board Seema Kulkarni, Summer College Intern Cassie Trapesonian, Assistant General Counsel OCTA Staff

Via Teleconference

Donald P. Wagner

Committee Members Absent

None

Call to Order

The August 4, 2025, Executive Committee meeting was called to order by Chair Chaffee at 9:00 a.m.

Roll Call

The Clerk of the Board conducted an attendance roll call and announced a quorum present.

Closed Session

- 1. The Committee met in Closed Session as follows:
 - A. Pursuant to Government Code Section 54957(b) to evaluate the performance of the Chief Executive Officer, Darrell E. Johnson.
 - B. Pursuant to Government Code Section 54957.6 to meet with the designated representative, Chair Doug Chaffee, regarding the compensation of the Chief Executive Officer, Darrell E. Johnson.

There was no report out.

Consent Calendar (Items 2 and 3)

2. Approval of Minutes

A motion was made by Director Hennessey, seconded by Director Klopfenstein, and following a roll call vote, declared passed 7-0, to approve the minutes of the June 2, 2025, Executive Committee meeting.



3. 2025 Board of Directors and Chief Executive Officer Initiatives and Action Plan - Mid-Year Report through March 2025

A motion was made by Director Hennessey, seconded by Director Klopfenstein, and following a roll call vote, declared passed 7-0, to receive and file as an information item.

Regular Calendar

4. Fourth Quarter Fiscal Year 2024-25 and Planned Fiscal Year 2025-26 Capital Action Plan and Performance Metrics

James Beil, Capital Programs, provided a presentation on this item.

No action was taken on this receive and file information item.

5. Proposed Amendment to the Orange County Local Transportation Authority Measure M2 Ordinance No. 3

Rose Casey, Planning, provided a report on this item.

A motion was made by Chair Chaffee to approve the staff recommendations, the motion failed due to lack of second.

Discussion Items

6. Public Comments

No public comments were received.

7. Chief Executive Officer's Report

Darrell E. Johnson, Chief Executive Officer (CEO), reported on the following:

- New York Rating Agency Meetings
- The OC Fair Express performance

8. Committee Members' Reports

Committee Chair Chaffee reported that he attended the New York Rating Agency Meetings.

9. Adjournment

The meeting was adjourned at 10:10 a.m. The next regularly scheduled meeting of this Committee will be held at **9:00 a.m. on Thursday**, **August 28, 2025**, at the OCTA Headquarters, 550 S Main St, Orange.



August 28, 2025

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Proposed Response to 2024–2025 Orange County Grand

Jury Report "OCTA: It Takes a Lot to Keep Us Moving"

Overview

Staff has prepared a response to the June 18, 2025, report issued by the Orange County Grand Jury entitled, "OCTA: It Takes a Lot to Keep Us Moving," for the Orange County Transportation Authority Board of Directors' consideration. The response addresses each of the findings and recommendations made by the Grand Jury and highlights areas of agreement, clarification, or actions already taken.

Recommendation

Authorize the Chief Executive Officer to submit the proposed response to the Orange County Grand Jury report's findings and recommendations as required by California Penal Code Section 933(c).

Background

California Penal Code Section 933(c) states that the Orange County Transportation Authority (OCTA) Board of Directors (Board) shall comment on the findings and recommendations of the Orange County Grand Jury (Grand Jury) that pertain to public agency matters under the control of the Board within 90 days of the release of the Grand Jury's final report. The Grand Jury report entitled "OCTA: It Takes a Lot to Keep Us Moving" was released on June 18, 2025 (Attachment A). The 90-day deadline for submission is September 16, 2025. If approved, the proposed response (Attachment B) will be submitted to the Presiding Judge of the Superior Court, with copies placed on file with the OCTA Clerk of the Board and the Orange County Clerk of the Board of Supervisors.

The Grand Jury's report focused on OCTA's administration of major transportation infrastructure projects, including the OC Streetcar Project, rail

stabilization efforts in the City of San Clemente, the agency's approach to liability risk management, and the transition to a zero-emission bus fleet. It also reviewed the use of Measure M2 funds and OCTA's environmental mitigation and public outreach practices. The report provided both commendations and recommendations related to project delivery, community impacts, and interagency coordination.

Discussion

The 2024–2025 Orange County Grand Jury Report titled "OCTA: It Takes a Lot to Keep Us Moving" presented 14 findings and six recommendations related to OCTA's ongoing transportation infrastructure projects, community outreach, environmental permitting, funding practices, and risk management. The recommended response addresses each finding and recommendation, acknowledging areas of agreement, clarifying regulatory limitations, and detailing recent Board actions or ongoing initiatives.

Agreement was made with many of the Grand Jury's observations, including its recognition of OCTA's strong performance in delivering Measure M2 projects, compliance with state zero-emission bus mandates, and its commitment to long-term environmental mitigation. The responses also highlighted OCTA's extensive public engagement efforts, and the regulatory complexities involved in planning and delivering large-scale transit projects.

In certain instances, clarification is provided on why recommendations could not be implemented, citing legal restrictions on direct financial assistance to businesses and reaffirming its decision to remain self-insured while creating a \$32 million catastrophic reserve fund. The response underscores OCTA's transparency, fiscal responsibility, and continued commitment to working collaboratively with regional partners and stakeholders to deliver critical infrastructure projects that serve Orange County residents, businesses, and visitors.

Summary

The proposed response to the 2024–2025 Orange County Grand Jury Report addresses all findings and recommendations. The response highlights areas of agreement, clarifies regulatory limitations, and outlines actions already taken. It reflects OCTA's ongoing commitment to transparency, fiscal responsibility, and delivering transportation solutions that serve Orange County.

Attachments

- A. 2024-2025 Orange County Grand Jury Report, "OCTA: It Takes a Lot to Keep Us Moving"
- B. Proposed Response to 2024-2025 Orange County Grand Jury Report, "OCTA: It Takes a Lot to Keep Us Moving"

Prepared by:

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Approved by:

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2024-2025 ORANGE COUNTY GRAND JURY REPORT









Photos credit: OCTA

OCTA: It Takes a Lot to Keep Us Moving



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OCTA: It Takes a Lot to Keep Us Moving

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ACRONYMS AND TERMS

ACOE U.S. Army Corps of Engineers

Amtrak National Railroad Passenger Corporation

BEB Battery Electric Bus

BIF Business Interruption Fund

BNSF Burlington Northern Santa Fe Railway

BOS Board of Supervisors

CALSTA California State Transportation Agency

Caltrans California Department of Transportation

CARB California Air Resources Board

CCC California Coastal Commission

CDP Coastal Development Permit

CNG Compressed Natural Gas

CRRS Coastal Rail Resiliency Study

CTC California Transportation Commission

DOD Department of Defense

FCEB Fuel Cell Electric Bus

FRA Federal Railroad Administration

HOV High Occupancy Vehicle

I Interstate

JPA Joint Powers Authority

LACMTA (MTA) Los Angeles County Metropolitan Transportation Authority

LOSSAN Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency

LTA Local Transportation Authority

OCTA: It Takes a Lot to Keep Us Moving

MOU Memorandum of Understanding

OC Go Orange County M2 moniker

OCTA Orange County Transportation Authority

SANDAG San Diego Association of Governments

SB Senate Bill (California)

SIR Self-Insured Retention Fund

SR State Route

TCA Transportation Corridor Authority

TOC Taxpayer Oversight Committee

ZEB Zero Emission Bus

SUMMARY

The Orange County Transportation Authority (OCTA), a massive component of Orange County government, is responsible for trains, buses, roads, highway and freeway improvements, and the unfinished OC Streetcar. With its greater than \$1.8 billion budget, the work of OCTA affects all those living in, working in, and visiting Orange County. A major source of OCTA funding is Measure M2, now called OC Go, which is a ½-cent sales tax currently running from 2011-2041.

The Grand Jury performed an overview of OCTA, with particular emphasis on two controversial and expensive projects: the OC Streetcar Project and the on-going San Clemente railroad disruption issues. Other topics addressed in this report include OCTA's liability insurance exposure, the introduction of zero-emission buses, and freeways.

Transportation projects can cost in the billions of dollars and take decades from design to completion. In addition, the predicted potential benefits of major transportation projects can take years to evaluate. The Grand Jury found that OCTA has generally delivered its transportation projects successfully. However, it still faces tremendous challenges in keeping Orange County moving.

The Grand Jury investigated these issues and has made six recommendations.

BACKGROUND

Orange County Transportation Authority's (OCTA) mission, as stated on their website, is to "develop and deliver transportation solutions to enhance quality of life and keep Orange County moving."

Orange County Transportation Authority began serving the residents and visitors to Orange County in 1991. With a budget in excess of \$1.8 billion of combined federal, State and County funds for fiscal 2024-2025, OCTA is working to support a sustainable transportation system with bus and ADA paratransit service, Metrolink commuter rail service, freeway upgrades, street and road improvements, motorist aid service, and environmental programs. Orange County Transportation Authority is also the managing agency for the Los Angeles—San Diego—San Luis Obispo (LOSSAN) Rail Corridor Agency.

Orange County Transportation Authority is overseen by a governing board made up of all five County Supervisors, other elected city officials, and public members. The board has several advisory committees. Agendas and audio recordings of the board and committee meetings are available on the OCTA website.

M1 and M2

In 1990, Measure M1, a ½-cent sales tax to be used for transportation projects, was approved by Orange County voters and took effect in 1991. This measure raised more than \$4 billion in the twenty years it existed.

In 2006, Orange County voters approved Measure M2 transportation investment plan, a continuation of the ½ cent tax. The Measure M2 sales tax commenced in 2011 and is scheduled to last for thirty years.

This breakdown of project funding is detailed in the progress report given by OCTA staff to the OCTA Taxpayer Oversight Committee (TOC) every quarter. The Grand Jury was unable to determine why these percentages add up to 104.5%:

- 43% Freeway congestion (includes environmental protection and preservation in exchange for streamlined freeway project approvals)
- 32% Repair and improve roads
- 25% Improve and expand public transit
- 2% Protect beaches from transportation pollution
- 1% Audits and the Taxpayer Oversight Committee
- 1.5% Payment to California State Board of Equalization to collect the sales tax

The original M2 revenue projection for thirty years was \$24.3 billion. As of September 2024, the projection has been reduced to \$14 billion due to economic changes. The money is kept in a special trust fund.

On June 10, 2024, the TOC determined for the thirty-third consecutive year that Measure M1 and M2 had delivered as promised to Orange County voters. The Orange County Auditor-Controller, as chair of the TOC, must certify annually that the money is spent in compliance with the M2 ordinance, which specifies project eligibility and spending requirements. Every three years, external consultants provide a status report on project delivery and fiscal compliance. Every ten years, all projects are reviewed by the Taxpayer Oversight Committee for level of public support, program performance, and progress of plan implementation.

Proposed changes in allocations between the four major project funding categories—freeways, streets and roads, transit, and environmental—requires a two-thirds vote of the TOC, a two-thirds vote of the OCTA Board, and approval by a majority of Orange County voters.

The M2 name was changed to OC Go in 2017 to raise awareness of the County sales tax and to avoid confusion with Measure M in Los Angeles County.

REASON FOR THE STUDY

Orange County Transportation Authority's \$1.8 billion-plus taxpayer-funded budget for the 2024-25 fiscal year represents approximately 19% of the total County budget. Orange County Transportation Authority has delivered major on-time projects and continues to work to do so. Their goal of "Promises Made, Promises Kept" is mostly accurate, with some exceptions.

As a result of complaints to the Grand Jury, this report focuses on two major projects undertaken by OCTA: the OC Streetcar Project and the on-going San Clemente railroad disruption issues. Other issues addressed in this report include OCTA's liability insurance expense, zero-emission buses, and freeways.

METHOD OF STUDY

The Grand Jury interviewed numerous government administrators and professionals directly involved in transportation planning pertinent to the OC Streetcar Project in Santa Ana, the ongoing railroad closure emergencies in San Clemente, and other transportation issues.

In undertaking this study, the Grand Jury:

- Interviewed OCTA employees and board members
- Reviewed published articles related to the subject
- Received and reviewed documents relevant to the investigation
- Went on site tours, including riding the Metrolink train from Irvine to Oceanside and walking through the environmental and railroad track disruptions in San Clemente.
 Members of the Grand Jury drove through the section of the OC Streetcar Project that was publicly accessible.
- Interviewed members of non-profit environmental advocacy groups
- Reviewed relevant websites and publicly available documents
- Listened to recordings of
 - OCTA board and subcommittee meetings
 - Santa Ana City Council meetings
 - o California Coastal Commission Committee meetings

INVESTIGATION

San Clemente Railroad Corridor

Overview

The 351-mile rail corridor, extending from San Luis Obispo to San Diego, is managed by the LOSSAN (Los Angeles-San Diego-San Luis Obispo) Agency, a Joint Powers Authority (JPA) staffed by the OCTA. According to OCTA officials, this is the second-busiest passenger rail line in the United States.

The railroad tracks in Orange County were built in the late 1880s by the Atchison Topeka and Santa Fe Railroad, which later became Burlington Northern Santa Fe (BNSF) Railway, currently owned by the Berkshire Hathaway conglomerate holding company. The tracks through the San Clemente corridor were built on the beach, as this was the flattest land in the area. Orange County Transportation Authority purchased the forty-two miles of tracks from Fullerton to the Orange County—San Diego County line along with fifty feet of land on either side, in the 1990s. As part of the purchase, OCTA agreed to a Federal Common Carrier Obligation not to cut off freight carrier access.

Rail services using the tracks:

- Department of Defense
- Burlington Northern Santa Fe Railway
- Amtrak
- Metrolink

The Department of Defense (DOD) designates this rail corridor as critical infrastructure for the military. Burlington Northern Santa Fe carries more than \$1 billion in freight each year. Amtrak is managed by the state of California. Metrolink is a JPA representing Orange, Los Angeles, Riverside, San Bernadino and Ventura counties. Through the LOSSAN corridor, Amtrak ridership for fiscal year 2023-2024 was approximately 1.9 million passengers, and Metrolink ridership for 2024 was approximately 5.6 million passengers.

Rail Line Environmental Disruptions

From the 1880s through 2020, there were *only three track closures* due to environmental issues involving the seven miles of track adjacent to the San Clemente coastline. Since fall 2021—a span of just four years—bluff failures and landslides have caused five track closures. In aggregate, the five recent shutdowns amount to approximately one year of closure.

Orange County Transportation Authority has spent an estimated \$40 million in emergency repairs, including clearing debris off the tracks, construction of catchment walls (barriers to catch debris at the bottom of the bluffs), re-grading the landslide debris, and placing rip rap (large boulders) adjacent to the ocean side of the tracks.

There is no agreement on the causes of the environmental disruption affecting the San Clemente rail corridor. Factors that have been blamed for bluff slides include natural ground water seeping out of the hillsides, too much irrigation of land above the bluffs by homeowners, heavy rainstorms, and vibrations caused by passing freight trains.

Another environmental issue that may be affecting the rail line is beach erosion. Factors that have been blamed for the erosion include the rip rap and revetment (smaller rocks strategically placed to fit together) already in place, sea-level rise due to climate change, and natural movement of sand from ocean currents. During the initial repair plans in 2021, OCTA favored rip rap deployment over sand replacement, while the City of San Clemente and environmental groups wanted only sand replenishment to widen the beaches. After multiple public meetings, OCTA has agreed to make beach nourishment with sand a much larger component of their strategy.



Pedestrian Bridge

The City of San Clemente and environmental and academic experts claim that there is abundant sand from inland sources for widening the beach. These sources include sand from behind Prado Dam, built in 1941 by the U.S. Army Corps of Engineers (ACOE), near Corona, California, and from the Santa Ana River channels. The OCTA argues that transporting the sand from inland sites via trucks or trains would be extremely difficult and costly and would cause lengthy track closures when the sand is offloaded. There are enormous difficulties in accessing and dredging offshore sand including the following:

- Ensuring sand quality
- Protecting the ecosystems living in the donor and recipient sand sites
- Only one dredging company serving the entire west coast

Offshore sand was successfully dredged by the ACOE from the Seal Beach area and placed in the San Clemente pier area. However, this was a relatively small project compared to what would be needed to protect the tracks.

Orange County Transportation Authority is currently working on the Orange County Coastal Resiliency Study to ensure uninterrupted rail service for the next thirty years between Dana Point and the Orange County—San Diego County line. From January to June 2024, OCTA held nearly three dozen meetings with various stakeholders, including regulatory agencies, local cities, and environmental groups. Orange County Transportation Authority identified four "hot spots" in San Clemente needing immediate action to prevent future track closures. In addition to the above-mentioned repair methods, OCTA added some limited sand placement on the beach.

Permitting

California Coastal Commission

Permitting is a major issue for OCTA in keeping the railroad tracks open, mainly dealing with the California Coastal Commission (CCC) at the State level and the ACOE at the federal level.

The most challenging agency for OCTA to deal with is the California Coastal Commission. The CCC's main priority is lateral beach access. This is the public's right to walk uninterrupted on the beach, parallel to the shoreline. Over the past few years, the CCC has considered the bluff slides in San Clemente as an emergency situation only when there is track closure, at which point the clearing of the tracks and bluff stabilization could begin immediately. It is the permitting agencies who make the final determination of what constitutes an emergency. If the CCC determines that there is no emergency and repair work has already begun, then the CCC can issue fines.

After an emergency is resolved, OCTA must apply for the standard Coastal Development Permit (CDP), which would include mandatory mitigation, such as beach sand nourishment and possible financial payments to the CCC. Unfortunately, the CDP does not differentiate between private

development (hotels and homes) and critical public infrastructure (railroad). There is no intermediate permit classification between the Emergency permit and the standard CDP.

The Emergency permit is only *two* pages long. The standard Coastal Development Permit application is *twenty-two* pages and requires information such as a parcel map, vicinity map, two sets of project plans, environmental documents, technical reports, and verification of permits applied for or granted by other public agencies. The CCC's staff is supposed to review the CDP application within thirty days. At times, the CCC requests additional information before it will perform a full review. Once the entire CDP is completed, the California Coastal Commission staff is required to analyze it and present it to its Board within 180 days for formal approval or rejection. This entire process can take up to two years.

The Governor does have the power to override the decisions of the California Coastal Commission, but has never exercised this power with regard to the San Clemente railroad issues.

To help the OCTA mitigate the difficulties in obtaining an Emergency permit from the CCC, California State Senator Catherine Blakespear introduced Senate Bill (SB) 741 in February 2025, which, if passed, would allow a municipality, county or special district to declare an environmental emergency, thus bypassing the CCC's emergency declaration power.

Army Corps of Engineers

In addition to obtaining permits from California Coastal Commission, OCTA must obtain permits from the Army Corps of Engineers, which is most concerned with protection and navigation of coastal waterways. Orange County Transportation Authority attempted to be proactive to prevent further environmental disasters from causing track closures along the San Clemente railroad corridor, but they ran into obstacles at every turn. In August 2024, OCTA applied for an Army Corps of Engineers Nationwide Permit 13 to expedite their preventive efforts. However, OCTA was forced to withdraw its request because the ACOE believed the proposed projects would cause too many adverse environmental effects. In September 2024, OCTA applied for an Emergency permit from the ACOE, which again had to be withdrawn.

The Grand Jury's *multiple requests* to interview an Army Corps of Engineers representative were refused.

The California State Transportation Agency (CALSTA) has instituted a long-term study on the efficacy of relocating inland an eleven-mile span of tracks between San Juan Capistrano and San Onofre State Beach. Current concerns about moving the tracks include the need to use eminent domain against homeowners, environmental effects, the uphill grade the trains would have to traverse, and the estimated \$10 billion cost. Most OCTA officials interviewed by the Grand Jury believe track relocation is not currently viable. On the other hand, most environmental groups

argue that track relocation is the *only* solution to keep the rail line operating and to preventing further beach erosion.

Recent Progress

On March 31, 2025, OCTA submitted an emergency permit application to the California Coastal Commission to expedite work stabilizing the four San Clemente hot spots threatened by the bluffs and ocean, which could result in imminent track closures. Until this time, the CCC had only considered the situation to be an emergency if the railroad tracks were actually closed. On April 10, 2025, for the first time, the California Coastal Commission issued a "partial" Emergency permit, which allowed work to begin immediately in three areas that had not yet experienced closures—two completely and one partially. The CCC is requiring more information before ruling on the fourth area.

Orange County Transportation Authority plans to add up to 540,000 cubic yards of sand to the beach, 6,500 cubic yards of rip rap (large boulders), and 22,000 cubic yards of new revetment adjacent to the tracks. In addition, they will install a 1,400-foot length catchment wall on the bluff side. These figures represent significantly more sand than rock. The rocks can be placed in a matter of weeks, but the sand placement may take up to two years, due to the challenges mentioned above. Orange County Transportation Authority has secured \$313 million in State and federal funding for these projects, and the County has allocated an additional \$135 million from County funds.

As stated in the OCTA news release dated April 14, 2025, "the public will be informed of construction timelines, beach access changes, and rail service updates throughout the process."

OC Streetcar Project

Background

In 2006, the early ideas for the OC Streetcar Project developed out of OCTA's Go Local; this transit program provided individual grants of \$100,000 to all interested cities to develop possible projects for rail extensions or connections from Metrolink Transportation Centers to their cities.

Orange County Transportation Authority accepted the plan submitted by the City of Santa Ana for a 4.15-mile route streetcar from the Santa Ana Regional Transportation Center through downtown Santa Ana to Harbor Boulevard in Garden Grove. The City of Santa Ana saw the project as benefiting business development as well as satisfying transportation needs.

In a press release dated May 11, 2015, OCTA announced they would be taking over as lead agency of the design, build, and operation of the OC Streetcar Project. This decision would increase their chances of obtaining federal funding. In this same press release, they advised the public that the streetcar plans were approved, that they expected 6,000 riders per day by 2035,

the cost of the project would be \$250 million, and that the streetcar would be operational by 2019. As of the writing of this report, these unmet figures and projections continue to change.

The ridership report for the streetcar project was based on information from 2015. While no one could foresee the COVID-19 pandemic, the original date for the streetcar to be operational was pre-COVID. With no new ridership studies completed since 2015, it remains to be seen if the more recent OCTA projections of 6,000 to 7,500 riders per day for the 4.15-mile route will be met.

As of April 2025, the price tag for the OC Streetcar Project:

Federal funds \$280.10 millionState funds \$175.43 million

• County funds \$193.63 million (all future costs will be O.C. taxpayer funds)

Current total: \$649.16 million

This cost to taxpayers is over two and half times the initial stated cost and equates to a staggering \$156.42 million per mile.

Orange County Transportation Authority projects a reduction of 12,500 vehicle miles of travel per day as a result of people riding the streetcar. Considering that the total vehicle miles of travel per day in the entire county is almost $81,000,000^{1}$, the Grand Jury finds it hard to justify a 0.015% vehicle mile reduction as a project benefit.

Even at the highest projections of 7,500 riders per day, with no current or future plans to extend beyond the 4.15 miles, this is an extraordinary amount of money for a project that will serve a tiny fraction (less than ½ of 1%) of the 3.2 million Orange County residents.

Challenges

The OC Streetcar Project continues to face many challenges. Groundbreaking was November 30, 2018. Sixteen months later (March 2020), Governor Gavin Newsom announced the COVID-19 pandemic stay-at-home order.

The pandemic lockdown created significant barriers to creating and maintaining a high-performing streetcar project team. The focus was no longer just on construction but on how teams stayed connected, engaged, and supported, both in-person and remotely. Virtual meetings and conference calls replaced one-on-one, boots on the ground, impromptu problem-solving meetings. These communication challenges contributed to construction delays.

¹ California Air Resources Board. Appendix C: Large Entity One-Time Reporting Fact Sheet. January 2021

Orange County Transportation Authority hired Walsh Construction as the streetcar contractor. Walsh Construction has an extensive rapid transit portfolio for major metropolitan public agencies. Alternatively, Orange County Transportation Authority and the city of Santa Ana faced significant challenges, since neither had previous streetcar construction experience.

Construction delays resulted from:

- Inaccurate historical Santa Ana utility survey maps
- Discovery of an unmarked Native American burial ground in the project area
- Discovery and remediation of additional contaminated soil
- Unexpected rail ties already in place
- Project design package disagreements among contracted companies
- Improper specifications of streetcar tracks, necessitating removal and replacement of work already done
- Completion of Maintenance and Storage Facility and issues with information technology, heating, ventilation, and air conditioning
- Customer information kiosk design changes
- Civil complaint filed by Walsh Construction against OCTA during construction
- Cross complaint filed by OCTA against Walsh Construction

Several OCTA officials indicated to the Grand Jury that it is highly unusual for a construction company to file a legal action while construction is still ongoing.

According to OCTA (as of May 2025), the streetcar construction is 90–95% complete, with a projected in-operation date sometime in 2026—approximately seven years after the original planned 2019 in-operation date.

Impact On Business

The Grand Jury was unable to determine how strongly the residents of Santa Ana wanted a streetcar in their city. The 2012 Santa Ana City Council, led by Mayor Miguel Pulido, envisioned the OC Streetcar Project becoming the hub of a light rail system that could connect the County's core. They saw the planned route as the beginning of a larger project, anticipating

where else it *could* go.² Dissenters stated that "streetcars don't make sense from both a safety and financial perspective."³

The Grand Jury learned that, given the fact that the project is now limited to its 4.1-mile route with no plans to lengthen it, enhanced bus routes could have been a viable alternative to the OC Streetcar Project.

Affected Santa Ana businesses began protesting the project as far back as 2014, citing anticipated issues of loss of business revenue, dust, parking problems, and inadequate and sporadic signage. The Grand Jury learned that by 2018, rather than following a linear pattern, the hopscotch method of construction significantly contributed to confusing street closures, resulting in customers being unable to reach city businesses.

The impact of the OC Streetcar Project construction has been devasting to downtown Santa Ana businesses. One business, NOVA Academy Early College High School, had the financial ability to pursue a lawsuit against OCTA. Orange County Transportation Authority generally denied the allegations asserted by NOVA and responded with a cross-complaint against OCTA's contractor, Walsh Construction. A settlement was reached between NOVA and OCTA. The Grand Jury learned that other Santa Ana businesses may not have been able to afford to pursue legal action, but were nonetheless impacted by the construction.

Newspaper reports and other sources indicated that while there are justifiable reasons for the construction delays, which OCTA claims were partially the fault of Walsh Construction, OCTA failed to mitigate the significant interruptions and the loss of income to the businesses.

A forward-thinking "Business Interruption Fund" (BIF) would have been helpful to Santa Ana business owners. Orange County Transportation Authority does not have a BIF and claims it is illegal to use public funds for this type of program.

The Board of Directors for Los Angeles Metro Transit Authority *did* find a way to offer a BIF, utilizing a Capital and Advisory Services company. Their Business Interruption Fund provides \$10 million annually for businesses, who can be paid the lesser of \$60,000 or 60% of their annual business revenue losses resulting from transportation construction.⁴

² Kwong, Jessica. "Santa Ana Streetcar Could Spark New Era of Mass Transit in O.C." *Orange County Register*, February 7, 2016.

³ Elmahrek, Adam. "OCTA Takes Lead in Santa Ana Streetcar Project." Voice of OC, May 27, 2014

⁴ Los Angeles County Metropolitan Transportation Authority, *Business Interruption Fund*, https://www.metro.net/about/business-interruption-fund/.

The City of Santa Ana did provide a nominal payment of \$10,000 to some businesses who applied for compensation.

In May 2025, at a reported 90-95% completion, the OC Streetcar Project must still undergo the testing phase, which in other states has revealed problems. The testing phase is scheduled to last up to one year, and per OCTA's news release dated May 7, 2025, is set to begin this summer.

While OCTA is providing updates to the public, there is no guarantee as to when this project will be completed nor how it ultimately will impact Santa Ana's downtown business traffic.

Despite OCTA's oft-repeated statement that "this is what Santa Ana wanted," the Grand Jury is uncertain that Santa Ana would have been as eager to proceed with this project had the city known there would be this level of construction delays, continuing cost overruns, monetary damages to local businesses, and an unknown completion date.

Other OCTA topics

Freeways

Thirty freeway projects are included in Measure M2. As of February 2025:

- 15 are completed
- 4 are in construction
- 8 are in design
- 3 are in development

Orange County Transportation Authority's twenty-year project plan is expected to be completed by 2031. No new freeway widening projects are planned to begin after 2030. The completed Interstate 405 improvement project, which included the 405 Express Lanes, cost \$2.16 billion.

In past years, OCTA has spent the 43% of its M2 revenue on freeway improvement projects on the following: Interstates (I) 405, 5, 605, State Routes (SR) 22, 55, 57, 91, and other projects, such as Environmental Mitigation.

Orange County Transportation Authority completed their work on the toll lanes on both the I-405 and the SR-91 freeways in 2024. While OCTA considers the introduction of toll lanes as successfully mitigating traffic congestion, the toll revenues have not been equally successful. The original ridership and revenue estimates on the SR-91 freeway have been exceeded; however, the I-405 estimates for ridership and revenue have not.

Toll lanes are designed to *theoretically* lighten the traffic flow in the free lanes. Many commuters would argue that within a few months of those lanes opening, traffic quickly flowed in to fill gaps.

The revenue from the toll lanes is collected by the Transportation Corridor Agency (TCA) and managed and coordinated by OCTA.

Environmental Mitigation

Orange County Transportation Authority spent \$55 million to purchase approximately 1,300 acres of land for environmental preservation. Per the M2 mandate, OCTA must spend a portion of the money allocated to freeway improvements on environmental mitigation programs. This is in exchange for streamlining State and federal freeway project approval. The public may enjoy this open space by participating in docent-led hikes and horseback rides.

Some of the revenue was also used to restore a habitat on 350 acres of open space, which is not open to the public. Orange County Transportation Authority has established an endowment to manage these lands, to which it contributes \$2.9 million annually.

As of March 2024, this endowment consisted of \$28 million, with a projected target of \$46 million by fiscal year 2027-2028.

Zero Emission Buses

The Innovative Clean Transit Rule was issued by the California Air Resources Board (CARB) in 2018, stating that all public transit agencies' bus fleets must be zero emission by 2040. The interim steps are:

- 25% of new bus purchases by 2023
- 50% of new bus purchases by 2026
- 100% of new bus purchases by 2029

According to the US Environmental Protection Agency (EPA), in 2022, vehicles caused 24.2% of greenhouse gas emissions in the United States. The Congressional Budget Office (CBO) reports that in 2021, the United States created almost 17% of greenhouse gas emissions for the entire planet.

As part of the nationwide effort to reduce carbon emissions, many areas, including New York, Chicago and several California school districts, are transitioning to zero emission buses (ZEB). In California, ZEBs must meet certain standards, including that 70% of the parts must be made in the United States. Currently, the only manufacturer meeting these standards is a company named New Flyer, which limits competition and keeps prices high. Zero emission buses include battery electric buses (BEB) and fuel cell electric buses (FCEB), which use hydrogen as the fuel source.

The OCTA Board approved the purchase of zero emission buses starting in 2020 to replace older compressed natural gas (CNG) buses, which are not zero emission. They also mandated the purchasing of charging infrastructure to support the ZEBs.

Orange County Transportation Authority has over 500 buses. As of December 2024, ten FCEBs have been in service for five years and ten BEBs for two years. On November 14, 2024, the OCTA Board approved the purchase of an additional forty fuel cell electric buses and ten battery electric buses. (see Table 1) These two types of ZEBs have advantages and disadvantages in their operating range, infrastructure cost, bus availability, and operation cost per mile.

The "jury is still out" on which type of bus is most efficient. For the above-stated reasons, the cost of the ZEBs has not decreased as expected—in fact it has *increased*—when compared to electric vehicles for personal use.

	Compressed Natural Gas	Battery Electric	Fuel Cell Electric
In service as of Dec 2024	~500	10	10
Approved to Purchase	0	10	40
Total Zero Emission Buses	N/A	20	50
Purchase Cost per Bus	<\$1.0 M	\$1.3 M+	\$1.5 M+

Table 1: Bus Types and Purchase Cost

From the November 25, 2024 OCTA Board meeting

As of early 2025, the cost of the ZEBs has been grant funded from the federal and State governments. There is concern at the OCTA that the federal grants may dissolve under the current federal administration, but the State mandate to purchase these buses will remain. Orange County Transportation Authority has taken a leading role with other California transit agencies in establishing a task force to address the challenges of ZEB deployment with government officials.

Liability Insurance

From 1991 to the end of 2020, OCTA carried an excess liability insurance policy (coverage for claims exceeding their self-insured limit). Due to significantly increased policy costs, the OCTA Board decided not to renew OCTA's excess liability insurance policy at the end of 2020. It has been self-insured since 2021, with only \$5 million in its Self-Insured Retention (SIR) fund as of the writing of this report.

The Grand Jury has learned that there is no consensus within the OCTA Board on the best way to move forward on the liability insurance issue. A major argument for staying fully self-insured is the high cost of returning to the insurance market after five years and the fact that OCTA has not

OCTA: It Takes a Lot to Keep Us Moving

paid out a claim in excess of \$4.5 million in the last ten years. Per OCTA, the average claim paid has been \$280,000.

At a November 25, 2024, OCTA Board meeting, staff recommended that the Board increase its Self-Insured Retention to \$10 million and purchase a \$5 million excess liability insurance policy. This has been an ongoing recommendation, but the OCTA Board has voted it down and instead voted to "continue to monitor" insurance costs and revisit this issue in late 2025.

The fact that OCTA has been fortunate enough to have avoided catastrophic losses to date does not mean there couldn't be one in the future. Given the changes in the transportation environment post pandemic and the new modes of transportation introduced to the County, including the OC Streetcar, its liability risk is likely to increase substantially.

As of February 12, 2025, OCTA reserves were \$2.8 billion, and debt was \$1.2 billion. As stated on the record in an OCTA Board meeting in 2024, OCTA has been "extremely lucky" in their liability claims history over the past ten years.

FINDINGS

In accordance with California Penal Code Sections 933 and 933.05, the 2024-2025 Grand Jury requires (or as noted, requests) responses from each agency affected by the findings presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation titled "OCTA: It Takes a Lot to Keep Us Moving," the 2024-2025 Orange County Grand Jury has arrived at fourteen findings, as follows:

San Clemente Railroad Corridor

- **F1.** There is no consensus on the causes of environmental disruptions resulting in track closures on the San Clemente Railroad corridor, which significantly hinders Orange County Transportation Authority (OCTA) from finding an agreed-upon solution.
- **F2.** Orange County Transportation Authority has made good faith efforts to listen to input from all interested parties in San Clemente on the railroad and beach environmental issues and has made substantial adjustments in its proposed solutions based on these discussions.
- **F3.** Experts agree that there is abundant sand available for replenishment from inland sources, as well as offshore sources; both could help with track stabilization.
- **F4.** The California Coastal Commission (CCC) and US Army Corps of Engineers (USACOE) determine what is classified as an "emergency." OCTA must abide by their decisions. As a result, it is very challenging for OCTA to proactively address future environmental disruptions, which are almost certain to occur.
- **F5.** There are only two types of permits for projects within the coastal zone: Emergency and Standard Coastal Development. Limited to these categories, it is extremely difficult for OCTA to be proactive in addressing impending environmental disruption to rail service.
- **F6.** The Standard Coastal Development permit does not differentiate between public infrastructure and private development. Therefore, projects that impact public transport and safety are not afforded an expedited process over hotels or other private development.

OC Streetcar Project

- **F7.** The Grand Jury cannot determine Santa Ana residents' and merchants' level of support and enthusiasm for the OC Streetcar when it was first proposed, or even currently.
- **F8.** Orange County Transportation Authority is relying on outdated OC Streetcar Project ridership analyses from 2015, resulting in unrealistic expectations.

- **F9.** Despite significant cost overruns and delays in the construction of the OC Streetcar Project, OCTA has failed to mitigate significant interruptions and lost revenue experienced by Santa Ana businesses.
- **F10.** The estimated reduction of 12,500 daily vehicle miles of travel projected to be a benefit of the OC Streetcar Project is a tiny fraction of the daily miles traveled in the entire County. This calls into question the efficacy of the OC Streetcar Project.

Other OCTA Topics

- **F11.** Orange County Transportation Authority is making a responsible effort to comply with the State-mandated zero emission bus pilot program. It has purchased fuel cell and battery electric buses and related infrastructure to determine which type will be the bus of the future.
- **F12.** Orange County Transportation Authority's decision to fully self-insure for liability runs the risk that a catastrophic loss could severely deplete its financial reserves.
- **F13.** As mitigation for expedited freeway project approvals, OCTA has purchased approximately 1,300 acres of open space, restored 350 acres of habitat, and established an endowment to manage these properties. This benefits the health of wildlife and residents of Orange County.
- **F14.** Measure M2 sales tax (now referred to as OC Go) benefits Orange County by providing significant funding for transportation projects.

RECOMMENDATIONS

In accordance with California Penal Code Sections 933 and 933.05, the 2024-2025 Grand Jury requires (or as noted, requests) responses from each agency affected by the recommendations presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation titled "OCTA: It Takes a Lot to Keep Us Moving," the 2024-2025 Orange County Grand Jury makes six recommendations, as follows:

San Clemente Railroad Corridor

R1. Despite significant obstacles to sand replenishment, OCTA should dedicate sufficient assets to investigating solutions whereby sand can be sourced and transported more quickly so that it can be a larger component of railroad track fortification. This investigation should begin by September 30, 2025. (**F3**)

R2. Orange County Transportation Authority should prioritize its lobbying of State and federal agencies to create an intermediate-level environmental permit designed specifically for public infrastructure that is between "Standard Coastal Development" and "Emergency." (**F4**, **F5**, **F6**)

OC Streetcar Project

- **R3.** Projects of the financial magnitude of the OC Streetcar (*now over \$600,000,000.00 and counting*) should be planned and executed to benefit a significantly larger portion of Orange County. This should begin with all projects currently underway. (**F7, F10**)
- **R4.** For major transportation projects such as the OC Streetcar, OCTA should improve public outreach, including education about each project's origin, need, expected benefit, timeline, cost, and funding sources. This should begin with all projects currently underway. (**F7**, **F8**)
- **R5.** Orange County Transportation Authority should establish a Business Interruption Fund (BIF), through a third party, like that of Los Angeles Metro Transit Authority, to assist business owners whose livelihoods are disrupted by major transportation projects such as the OC Streetcar Project. BIF to be established by December 31, 2025. **(F9)**
- **R6.** Orange County Transportation Authority should consider reentering the liability insurance market to reduce the potential cost of a catastrophic loss. Staff report to OCTA Board about reentering the market by December 31, 2025. (**F12**)

RESPONSES

The following excerpts from the California Penal Code provide the requirements for public agencies to respond to the Findings and Recommendations of this Grand Jury report:

§933

(c) No later than 90 days after the grand jury submits a final report on the operations of any public agency subject to its reviewing authority, the governing body of the public agency shall comment to the presiding judge of the superior court on the findings and recommendations pertaining to matters under the control of the governing body, and every elected county officer or agency head for which the grand jury has responsibility pursuant to Section 914.1 shall comment within 60 days to the presiding judge of the superior court, with an information copy sent to the board of supervisors, on the findings and recommendations pertaining to matters under the control of that county officer or agency head and any agency or agencies which that officer or agency head supervises or controls. In any city and county, the mayor shall also comment on the findings and recommendations. All of these comments and reports shall forthwith be submitted to the presiding judge of the superior court who impaneled the grand jury. A copy of all responses to grand jury reports shall be placed on file with the clerk of the public agency and the office of the county clerk, or the mayor when applicable, and shall remain

on file in those offices. One copy shall be placed on file with the applicable grand jury final report by, and in the control of the currently impaneled grand jury, where it shall be maintained for a minimum of five years.

933.05.

- (a) For purposes of subdivision (b) of Section 933, as to each grand jury finding, the responding person or entity shall indicate one of the following:
- (1) The respondent agrees with the finding.
- (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.
- (b) For purposes of subdivision (b) of Section 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:
- (1) The recommendation has been implemented, with a summary regarding the implemented action.
- (2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.
- (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.
- (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefor.
- (c) However, if a finding or recommendation of the grand jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the board of supervisors shall respond if requested by the grand jury, but the response of the board of supervisors shall address only those budgetary or personnel matters over which it has some decision-making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.
- (d) A grand jury may request a subject person or entity to come before the grand jury for the purpose of reading and discussing the findings of the grand jury report that relates to that person or entity in order to verify the accuracy of the findings prior to their release.
- (e) During an investigation, the grand jury shall meet with the subject of that investigation regarding the investigation, unless the court, either on its own determination or upon request of the foreperson of the grand jury, determines that such a meeting would be detrimental.
- (f) A grand jury shall provide to the affected agency a copy of the portion of the grand jury report relating to that person or entity two working days prior to its public release and after the approval of the presiding judge. No officer, agency, department, or governing body of a public agency shall disclose any contents of the report prior to the public release of the final report.

(Amended by Stats. 1997, Ch. 443, Sec. 5. Effective January 1, 1998.)

Required Responses

Comments to the Presiding Judge of the Superior Court in compliance with Penal Code §933.05 are required from:

Findings

OCTA Board of Directors F1, F2, F3, F4, F5,

F6, F7, F8, F9, F10, F11, F12, F13, F14

Recommendations

OCTA Board of Directors R1, R2, R3, R4, R5,

R6

Requested Responses

Comments to the Presiding Judge of the Superior Court in compliance with Penal Code §933.05, are requested from:

Findings

California Coastal Commission F2, F4, F5, F6

Recommendations

California Coastal Commission R2

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AFFILIATED AGENCIES

Orange County Transit District

Local Transportation Authority

Service Authority for Freeway Emergencies

Consolidated Transportation Service Agency

> Congestion Management Agency

September 8, 2025

Honorable Maria E. Hernandez Presiding Judge of the Superior Court Orange County Superior Court 700 Civic Center Drive West Santa Ana, CA 92701

Dear Judge Hernandez:

On behalf of the Orange County Transportation Authority (OCTA), I am pleased to submit OCTA's formal response to the 2024–2025 Orange County Grand Jury Report titled "OCTA: It Takes a Lot to Keep Us Moving."

We appreciate the Grand Jury's review of our agency's responsibilities and challenges in planning, funding, and delivering essential public transportation services for Orange County. We are especially encouraged by the Grand Jury's recognition of OCTA's responsible delivery of Measure M2-funded projects, our commitment to long-range environmental planning, and our leadership in statemandated zero-emission bus deployment.

We welcome the opportunity to provide clarification on several complex issues raised in the report and to outline steps OCTA is already taking in areas such as public engagement, project permitting, and mitigation support for impacted communities.

OCTA remains committed to transparency, continuous improvement, and meeting the evolving transportation needs of Orange County's residents, businesses, and visitors. We thank the Grand Jury for its service and for the opportunity to provide this response.

If you have any questions regarding the enclosed document, please feel free to contact me directly at (714) 560-5343.

Sincerely,

Darrell E. Johnson Chief Executive Officer

DEJ:mm Enclosure

Proposed Response to 2024-2025 Orange County Grand Jury Report, "OCTA: It Takes a Lot to Keep Us Moving"

Prepared in accordance with California Penal Code §933 and §933.05

F1

There is no consensus on the causes of environmental disruptions resulting in track closures on the San Clemente Railroad corridor, which significantly hinders Orange County Transportation Authority (OCTA) from finding an agreed-upon solution.

OCTA agrees with this finding. OCTA acknowledges the complexity of coastal conditions and continues collaborating with regulatory partners and technical experts to pursue a mix of short- and long-term rail resiliency strategies, while soliciting feedback from the public, scientific experts, and from state and federal regulatory agencies.

F2

Orange County Transportation Authority has made good faith efforts to listen to input from all interested parties in San Clemente on the railroad and beach environmental issues and has made substantial adjustments in its proposed solutions based on these discussions.

OCTA agrees with this finding. Through dozens of meetings and multiple public workshops, OCTA has incorporated feedback from local governments, regulatory agencies, environmental groups, and residents.

F3

Experts agree that there is abundant sand available for replenishment from inland sources, as well as offshore sources; both could help with track stabilization.

OCTA partially agrees with this finding. Despite the availability of sand, environmental suitability, transport logistics, and regulatory approvals remain significant challenges for public agencies in pursuit of sand nourishment projects. OCTA is working to address these challenges through inter-agency coordination, permitting, and legislative support.

F4

The California Coastal Commission (CCC) and US Army Corps of Engineers (USACOE) determine what is classified as an "emergency." OCTA must abide by their decisions. As a result, it is very challenging for OCTA to proactively address future environmental disruptions, which are almost certain to occur.

OCTA agrees with this finding. The current regulatory structure limits OCTA's ability to proactively address environmental threats without an official declaration of emergency by external agencies.

F5

There are only two types of permits for projects within the coastal zone: Emergency and Standard Coastal Development. Limited to these categories, it is extremely difficult for OCTA to be proactive in addressing impending environmental disruption to rail service.

OCTA agrees with this finding. OCTA supports the creation of additional permitting mechanisms for critical public infrastructure within the coastal zone and is advocating for legislative change.

F6

The Standard Coastal Development permit does not differentiate between public infrastructure and private development. Therefore, projects that impact public transport and safety are not afforded an expedited process over hotels or other private development.

OCTA agrees with this finding. The California Coastal Act does not distinguish between private development and vital public transportation and infrastructure projects, limiting OCTA's ability to expedite necessary work.

F7

The Grand Jury cannot determine Santa Ana residents' and merchants' level of support and enthusiasm for the OC Streetcar when it was first proposed, or even currently.

OCTA respectfully disagrees with this finding. The City of Santa Ana was the lead local sponsor of the project and played a vital role in its early development. As the original sponsor, the City of Santa Ana applied for and received planning funds through OCTA's Go Local program and subsequently led community outreach and environmental review efforts. In 2014, the Santa Ana City Council, as representative of the local constituency, unanimously adopted the Locally Preferred Alternative (LPA), confirming the route, station locations, and vehicle type. The LPA process is a public project vetting mechanism which involves community and stakeholder engagement. This process enables the public to provide meaningful input on the project alternatives, leading to a general consensus on the preferred project alternative by the Santa Ana City Council. This action reflected strong institutional and community-based support at the time of project approval.

Therefore, the OC Streetcar Project was advanced through a highly transparent and inclusive process that involved extensive public input and formal support. The

planning and approval of the OC Streetcar Project fully complied with all applicable procedural and regulatory requirements, including the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). CEQA and NEPA both have a robust public involvement process that includes input on the project from conceptual planning through the LPA selection stage.

The record clearly shows that the project proceeded through formal channels with local backing and public input at every key stage. Accordingly, the suggestion that support is indeterminable does not reflect the documented planning and decision-making history.

F8

Orange County Transportation Authority is relying on outdated OC Streetcar Project ridership analyses from 2015, resulting in unrealistic expectations.

OCTA respectfully disagrees with this finding. OCTA is following the requirements from the Federal Transit Administration (FTA) in developing ridership forecasts for the OC Streetcar Project. The initial forecast was developed in 2015 as part of the Full Funding Grant Agreement application. An update is required six months prior to revenue service. OCTA is underway with this update and does expect a lower forecast based on changes to post-pandemic travel patterns. This trend is consistent with other new transit projects around the country.

F9

Despite significant cost overruns and delays in the construction of the OC Streetcar Project, OCTA has failed to mitigate significant interruptions and lost revenue experienced by Santa Ana businesses.

OCTA respectfully disagrees with this finding. Throughout the OC Streetcar construction, OCTA conducted extensive community and business outreach aimed specifically at supporting Downtown Santa Ana businesses and minimizing disruption to the extent possible. Importantly, construction occurred during the COVID-19 pandemic, a time when many businesses were already impacted by statemandated closures and public health restrictions that significantly affected customer traffic and operations. In addition, the downtown area experienced substantial non-OCTA-related construction activity during this same period, including major residential and commercial projects, which compounded the overall disruption.

Despite these challenges, OCTA proactively launched and sustained multiple initiatives to assist affected businesses. This included the Eat, Shop, Play Program, which offered individualized marketing support such as professional photography, copywriting, social media placement, and paid advertising on digital billboards,

buses, and local media. A walking map of participating businesses was created and distributed at community events and through digital ad campaigns to increase visibility and customer engagement. Additionally, customized individual banners and wayfinding signage were installed on sidewalks and fencing to ensure visibility for businesses.

OCTA also purchased radio and newspaper advertising and deployed digital message boards beyond the immediate project area to remind the public that businesses remained open during construction. Additionally, OCTA partnered with and provided direct funding to Downtown Inc. and the Santa Ana Business Council, enabling those organizations to plan and promote special events and seasonal programming that drew visitors to the downtown corridor. To further support businesses and encourage visitors to Downtown Santa Ana during construction, OCTA entered into a funding agreement with the City of Santa Ana to provide free parking in four key downtown parking structures. OCTA also created large-format banners placed on the parking structures to highlight and direct visitors to the free parking.

These efforts reflect OCTA's ongoing commitment to supporting local businesses and maintaining open communication with the community throughout construction.

F10

The estimated reduction of 12,500 daily vehicle miles of travel projected to be a benefit of the OC Streetcar Project is a tiny fraction of the daily miles traveled in the entire County. This calls into question the efficacy of the OC Streetcar Project.

OCTA respectfully disagrees with this finding. The OC Streetcar Project was evaluated and received federal funding based on meeting the FTA's Capital Investment Grant *New Starts* criteria. Environmental benefits, including reductions in vehicle miles traveled (VMT), were just one of several factors considered. The project's value goes beyond VMT reduction and should also be measured by improvements in mobility, cost-effectiveness, congestion relief, land use, and economic development.

In addition to VMT reduction, this project provides a key vital first/last mile connection. The project also offers reliable, fixed-route service to key destinations, enhances access to major OC Bus and commuter rail services, and expands mobility options for residents, visitors, and workers.

F11

Orange County Transportation Authority is making a responsible effort to comply with the State-mandated zero emission bus pilot program. It has purchased fuel cell and battery electric buses and related infrastructure to determine which type will be the bus of the future.

OCTA agrees with this finding. The agency remains committed to following current state regulatory requirements to transition to zero-emission technology. Simultaneously, OCTA will continue to collaborate with regional and state entities to address infrastructure and funding challenges.

F12

Orange County Transportation Authority's decision to fully self-insure for liability runs the risk that a catastrophic loss could severely deplete its financial reserves.

OCTA respectfully disagrees with the finding. OCTA has taken proactive, responsible, and sufficient measures to manage the risk associated with being self-insured. In December 2024, the OCTA Board of Directors re-affirmed its decision to continue with self-insurance and subsequently directed staff to develop a reserve policy specifically intended to cover the financial impact of a potential catastrophic event.

Following this direction, staff returned to the Board with a recommendation to establish a catastrophic loss reserve of \$32 million. The Board adopted this reserve policy and instructed staff to evaluate and revisit the adequacy of the reserve amount on an annual basis. This reserve approach provides a fiscally responsible means to address high-impact, low-probability liability exposures while preserving flexibility and avoiding the high premiums and limited benefits of returning to the commercial insurance market.

Through this action, OCTA has established a practical and forward-looking framework to ensure long-term financial resiliency and safeguard public funds.

F13

As mitigation for expedited freeway project approvals, OCTA has purchased approximately 1,300 acres of open space, restored 350 acres of habitat, and established an endowment to manage these properties. This benefits the health of wildlife and residents of Orange County.

OCTA agrees with this finding. These innovative mitigation efforts exemplify OCTA's commitment to balancing transportation progress with environmental stewardship.

F14

Measure M2 sales tax (now referred to as OC Go) benefits Orange County by providing significant funding for transportation projects.

OCTA agrees with this finding. Measure M2 remains foundational to OCTA's long-range transportation strategy.

R1

Despite significant obstacles to sand replenishment, OCTA should dedicate sufficient assets to investigating solutions whereby sand can be sourced and transported more quickly so that it can be a larger component of railroad track fortification. This investigation should begin by September 30, 2025.

This recommendation has been implemented. OCTA is partnering with the City of San Clemente on an offshore sand source study and evaluating various efforts to expedite and meet rail reinforcement commitments. Concurrently, OCTA is also exploring inland sand sources to potentially place smaller quantities in anticipation of the larger quantity from an offshore sand source.

R2

Orange County Transportation Authority should prioritize its lobbying of State and federal agencies to create an intermediate-level environmental permit designed specifically for public infrastructure that is between "Standard Coastal Development" and "Emergency."

This recommendation has been implemented. OCTA has made the streamlining of the environmental permit process a legislative priority and is working with partners to create a flexible permitting track. Specifically, OCTA's Board-approved legislative platform states that OCTA should engage in sponsor legislation pertaining to policy areas such as, "Expedited permitting and project delivery for critical public transportation projects located within the coastal zone." OCTA recognizes the critical need for a more flexible permitting pathway through the coastal development permit process that supports timely public infrastructure response during emergencies while ensuring appropriate environmental oversight.

R3

Projects of the financial magnitude of the OC Streetcar should be planned and executed to benefit a significantly larger portion of Orange County. This should begin with all projects currently underway.

Respectfully, this recommendation will not be implemented because it is not warranted. The OC Streetcar Project was developed and funded through a

combination of local, state, and federal sources, including funding from the FTA under a full funding grant agreement, state funds through the California State Transportation Agency (CalSTA), and local Measure M2 dollars. Each of these funding sources has specific eligibility requirements, and project proposals must meet strict evaluation criteria regarding community benefit, cost-effectiveness, ridership potential, and deliverability.

While OCTA provided grant opportunities to all 34 cities in Orange County through the Go Local Program, only the cities of Santa Ana and Garden Grove submitted a proposal that successfully met the eligibility requirements of both federal and local funding programs. This was a competitive process, and the OC Streetcar emerged as the most viable and fundable transit investment.

It is also important to recognize the demographic and urban characteristics of the area served. Santa Ana is one of the most densely populated cities in the United States among cities with a population over 300,000 and it is the third most populous city in Orange County. This makes Santa Ana uniquely suited to benefit from fixed-guideway transit investments. In fact, placing major transit infrastructure in dense, high-ridership corridors is a standard practice nationwide. Planning and executing major infrastructure projects like the OC Streetcar require attention to a complex range of factors including land use, equity, transit dependency, economic development potential, and environmental outcomes — all of which were carefully weighed in the project's development.

All OCTA projects undergo a detailed planning process in full compliance with state and federal regulatory requirements. Project benefits are evaluated through established criteria defined by funding agencies and regulatory frameworks to ensure consistency with regional, environmental, and policy objectives.

R4

For major transportation projects such as the OC Streetcar, OCTA should improve public outreach, including education about each project's origin, need, expected benefit, timeline, cost, and funding sources.

This recommendation has been implemented. OCTA has long maintained a robust and proactive public outreach and communications program that is consistently applied across all major capital projects. From the earliest planning stages through final implementation, OCTA develops and executes comprehensive communications strategies that include the identification of key stakeholders, the creation of collateral materials such as fact sheets, FAQs, project maps, and public notices, and the use of both traditional and digital platforms to ensure broad community access to project

information. Residents, business owners, and other impacted groups are regularly engaged through in-person and virtual community meetings, one-on-one briefings, presentations to neighborhood associations, weekly email updates, and active social media outreach. In addition, all project details are published and continuously updated on OCTA's website.

This approach has long been standard practice for OCTA, and it reflects the agency's commitment to transparency, responsiveness, and inclusive community engagement. The OC Streetcar Project has followed this same model from its inception, with sustained outreach to stakeholders in Santa Ana and Garden Grove and regional coordination consistent with the agency's established procedures.

R5

Orange County Transportation Authority should establish a Business Interruption Fund (BIF), through a third party, like that of Los Angeles Metro Transit Authority, to assist business owners whose livelihoods are disrupted by major transportation projects such as the OC Streetcar Project. BIF to be established by December 31, 2025.

Respectfully, this recommendation will not be implemented because it is unreasonable. After a thorough review of peer transit agency programs and applicable legal frameworks, OCTA determined that it does not have the statutory authority to implement a Business Interruption Fund (BIF) of the type proposed. Direct financial assistance to individual businesses is restricted under both federal and state law. Specifically, the Federal Transit Administration prohibits the use of federal capital project funds for business disruption expenses, as they fall outside the definition of an eligible capital expenditure under Title 49, U.S. Code Section 5302.

Additionally, the California Constitution's Article XVI, Section 6 prohibits gifts of public funds. Because business interruption payments primarily benefit individual owners rather than the public at large, they fail to meet the "public purpose" exemption required to justify such expenditures. OCTA's legal counsel and finance staff confirmed these restrictions during the development of a staff report presented to the Board of Directors on April 4, 2022.

In light of those findings, the Board of Directors directed staff to continue pursuing non-financial mitigation strategies, including support for marketing and promotional activities in partnership with Downtown Inc. and the Santa Ana Business Council. Those efforts included \$400,000 in Measure M2 funding for business promotions, event sponsorships, and advertising campaigns. OCTA also enhanced signage, public awareness efforts, and outreach efforts to help educate the public regarding access to Downtown Santa Ana businesses during OC Streetcar construction.

Given that the Board has already taken formal action and that legal and regulatory constraints prevent the creation of a BIF as proposed, this recommendation cannot be implemented.

R6

Orange County Transportation Authority should consider reentering the liability insurance market to reduce the potential cost of a catastrophic loss. Staff report to OCTA Board about reentering the market by December 31, 2025.

This recommendation has been implemented. In December 2024, the OCTA Board reviewed the agency's risk exposure and re-affirmed its decision to remain fully self-insured. Following this reaffirmation, the Board took additional action to mitigate potential risk by directing staff to develop a reserve policy designed to adequately fund a catastrophic loss.

Pursuant to this direction, staff returned to the Board with a proposal to establish a catastrophic loss reserve fund in the amount of \$32 million. The Board formally adopted this recommendation and further instructed staff to revisit the reserve policy and funding level on an annual basis to ensure the reserve remains adequate and responsive to evolving conditions and liabilities.

This set of actions satisfies the intent of the Grand Jury's recommendation. OCTA continues to monitor liability trends and will make adjustments to its risk strategy as needed to ensure prudent financial planning and protection of public resources.



August 28, 2025

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Measure M2 Quarterly Progress Report for the Period of

appl

April 2025 through June 2025

Overview

Staff has prepared the Measure M2 Quarterly Progress Report for the fourth quarter of fiscal year 2024-25 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 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 April 1, 2025, through June 30, 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 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, 15 project segments are complete, and another 12 are underway and expected to be completed by 2030. The 12 project segments that are underway include five projects that are in construction, six that are in final design, and a joint project with the Riverside County Transportation Commission that is in environmental revalidation. The joint project will improve State Route 91 between State Route 241 and State Route 71. Completing these 12 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 between Interstate 405 (I-405) and State Route 55 (SR-55) – This project is comprised of two segments. On April 14, 2025, the Board approved the release of a request for proposals for construction management support services for the southerly segment between I-405 and Yale Avenue. In addition, the Board approved a consultant for construction management support services for the northerly segment between Yale Avenue and SR-55 on May 12, 2025. Both segments are anticipated to be advertised for construction in fall 2025. (Project B)

• Interstate 605/Katella Avenue Interchange – The California Department of Transportation advertised the project for construction on November 18, 2024, opened bids on January 23, 2025, and awarded the contract on April 3, 2025, followed by contract approval on April 25, 2025. Construction activities began in June 2025. (Project M)

Streets and Roads

Since 2011, more than \$1.3 billion^{1,2,3} has been allocated to local jurisdictions for transportation improvements through M2 streets and roads programs, which include two competitive 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 353 phases, or approximately 69 percent, have been completed. Notable streets and roads highlights that occurred during the guarter are listed below.

- On April 14, 2025, the Board approved programming recommendations for the 2025 Regional Capacity Program and Regional Traffic Signal Synchronization Program call for projects (call) for 15 projects totaling approximately \$37.7 million. (Projects O and P)
- Through the Local Fair Share Program, 18 percent of M2 net revenues are allocated by formula to eligible local jurisdictions. During the quarter, approximately \$22.5 million was disbursed, bringing the total provided through June 2025 to more than \$810.3 million^{1,2,3} (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 a pilot optimized service schedule that aims to adjust the focus from commuter rail to regional rail by addressing service gaps and making the most efficient use of equipment and crews. As such, the three lines serving

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.

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.

³ On May 12, 2025, the Board determined the City of Orange eligible again to receive net M2 revenues. Withheld funds were released in June 2025.

Orange County (Orange County, Inland Empire-Orange County, and the 91/Perris Valley lines) now operate 58 weekday trains, a 29 percent increase from the 45 trains previously serving Orange County. Compared to the same quarter last year, ridership levels on all three lines have increased by 20 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 (\$80.5 million to date), and bus 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 (\$149 million^{4,5,6} to date). Other notable transit program activities from the quarter are highlighted below.

OC Streetcar - A quarterly update was presented to the Board on May 12, 2025, providing information on the status of construction activities, vehicle manufacturing, and public outreach. During the quarter, four of the eight vehicles were delivered to the Maintenance and Storage Facility (MSF) with the remaining four to be delivered this summer. Work continued on wire installation, street repairs, electrical systems, street improvements, and interior and exterior work at the MSF. System testing, operations planning, and staff training preparation are underway. (Project S)

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 \$69.2 million to local jurisdictions for 216 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 81.5 million gallons of trash have been captured since the

⁴ 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.

⁵ 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.

⁶ On May 12, 2025, the Board determined the City of Orange eligible again to receive net M2 revenues. Withheld funds were released in June 2025.

inception of the program, which equates to over 14,400 trash truck loads of garbage that could have been deposited in Orange County streams and waters. Applications for the 15th Tier 1 call are under review with programming recommendations anticipated to be presented to the Board in fall 2025.

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 12 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 nine deposits of approximately \$2.9 million into the endowment. 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

FY 2024-25 M2 Compliance Audit

On October 9, 2023, the Board approved a request from the Taxpayer Oversight Committee (TOC) to contract with an independent accounting firm to perform an M2 Ordinance compliance audit with ability to test at the local jurisdiction level for FY 2023-24. The objectives of the audit are to obtain reasonable assurance about whether material noncompliance with the M2 Ordinance occurred and express an opinion on compliance based on the audit. On April 28, 2025, staff presented the results of the FY 2023-24 compliance audit to the Board, which identified that the Orange County Local Transportation Authority complied, in all material respects, with the requirements of the M2 Ordinance and reported that no deficiencies in internal control were identified. The report was also shared with the TOC on June 10, 2025.

M2 Annual Public Hearing

On June 10, 2025, the TOC conducted the required annual M2 public hearing and determined that M2 is being delivered as promised to Orange County voters for the 34th consecutive year. In support of the above determination, PMO staff completed and presented the annual update of the M2 Ordinance compliance tracking matrix.

Sales Tax Revenue Forecast/Next 10 Delivery Plan (Next 10 Plan)

OCTA contracts with four entities to annually forecast M2 taxable sales: MuniServices, LLC, Chapman University, California State University, Fullerton (CSUF), and the University of California, Los Angeles (UCLA). Updated sales tax forecasts were provided to the Finance and Administration Committee by MuniServices, LLC on May 14, 2025, Chapman University on June 11, 2025, UCLA on June 25, 2025, and CSUF on July 23, 2025. OCTA's Board-approved sales tax methodology is to utilize the MuniServices, LLC forecast for the first five years and the three-university average for the remaining years. The 2025 M2 sales tax revenue forecast will incorporate these forecasts along with final sales tax receipts for FY 2024-25; it is anticipated to be presented to the Board in fall 2025.

The updated sales tax revenue forecast will be incorporated into the annual review and update of the Next 10 Plan. The 2025 review of the Next 10 Plan is underway and is anticipated to be presented to the Board in late 2025.

M2 Ten-Year Review

The M2 Ordinance includes a provision to conduct a ten-year comprehensive review of all projects and programs under the Plan to evaluate the performance of the overall program. 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 and is anticipated to be completed in early 2026. During the quarter, a ten-year review update and lookahead was presented to the Board on June 9, 2025. Outreach efforts continued with the launch of the qualitative survey, facilitation of focus groups, participation in various community events, and the hosting of both a public webinar and roundtable discussions with elected officials. Feedback from these activities will help guide the development of key findings and recommendations.

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. The program's funding shortfall is further compounded by a rise in operating costs. The 2024 Next 10 Plan cashflow includes the assumption of one-time, state Transit and Intercity Rail Capital Program formula funds to help sustain Metrolink operations. While Metrolink has implemented an optimized service schedule, without changes in ridership growth, operations and rehabilitation costs, or additional external funds, recent projections indicate that the current service cannot be sustained beyond FY 2035-36. OCTA will continue to 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 plays a strategic role in the operations of Marine Corps Base Camp Pendleton. 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 on June 7, 2025. Additional work to protect the rail line on the remaining segments continues with sand nourishment to follow. 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 while long-term solutions, which may include relocation, to adapt the rail line to the changing environment are developed. OCTA is leading the effort on the near- and mid-term resiliency measures. The State will lead the long-term study, but the lead state agency has not yet been identified; OCTA will be an active participant in the study. 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 April 2025 through June 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, Fourth Quarter of Fiscal Year 2024 - 25, April 1, 2025 through June 30, 2025

Prepared by:

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Approved by:

Rose Casey

Executive Director, Planning

(714) 560-5729

Rose Carry





MEASURE M2 QUARTERLY PROGRESS REPORT

Fourth Quarter of Fiscal Year 2024 – 25 April 1, 2025 through June 30, 2025

Fourth Quarter Highlights:

- Freeway Projects
- Streets and Roads
- Environmental Cleanup & Water Quality
- Freeway Mitigation ProgramFinance Matters
- Program Management OfficeSummary





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 April 1, 2025, through June 30, 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 OCTA website.



The cover photo shows the installation of a video detection system to monitor traffic counts and adjust signal priority in the City of Irvine, which was funded through the Regional Traffic Signal Synchronization Program (RTSSP) (Project P). On April 14, 2025, the Board approved funding recommendations for six RTSSP projects totaling approximately \$12 million as part of the 2025 call for projects (call).



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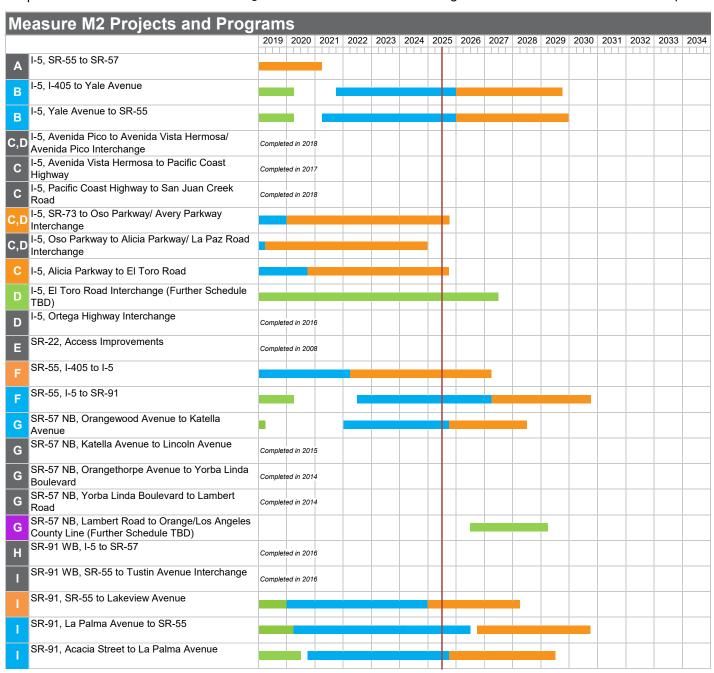
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Design-Build

Construction

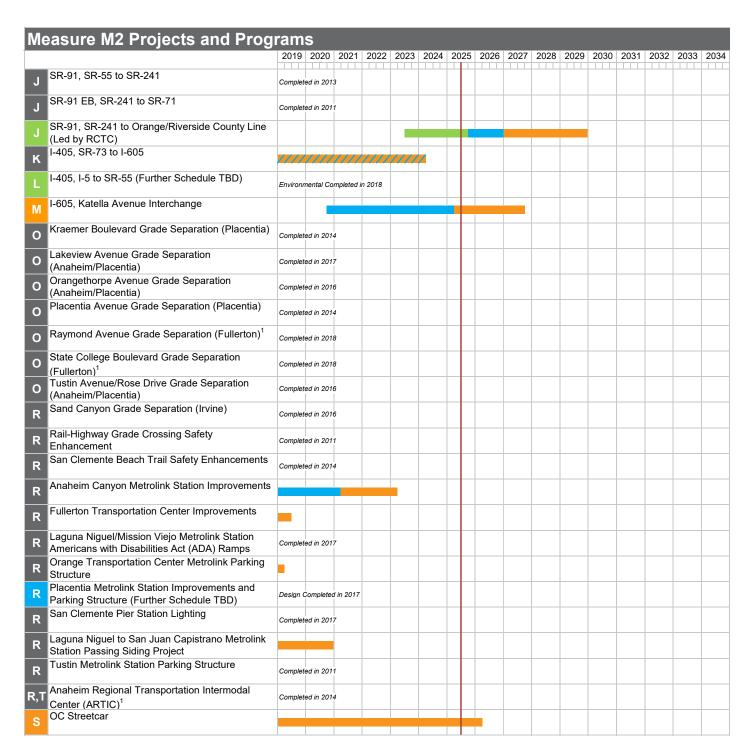
Complete



Project schedules are based on phase start dates. Shown schedules are subject to change.

For full project schedules, see https://octa.net/programs-projects/programs/oc-go-measure-m/
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¹ Projects managed by local agencies



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¹ Projects managed by local agencies



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.

Deli	very Risk	Explanation	Proposed Action	
Fina	Financial			
1	by economic conditions. The	revenue forecast is lower, in most areas of the M2 Plan, programs can be scaled to available revenues. Additionally, 16 years of		
2	Reduced external funding opportunities for the M2 freeway program.		Current external funding commitments are assumed in the M2 cash flow for the 2024 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 Next 10 Plan Market Conditions Forecast and	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 (with the next update anticipated in fall 2025). The fall update will be incorporated into the 2025 Next 10 Plan, which is anticipated to be completed in November 2025.	



Deli	ivery 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	Increase Southern California Regional Rail Authority (Metrolink) train service as an alternative to driving within the limits of available revenue.	,	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. OCTA will continue to work closely with Metrolink and member agencies to ensure cost increases are minimized, while continuing to seek external revenue.
Res	ource		
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.	Forecast and Risk Analysis reflects	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.



Deli	ivery Risk	Explanation	Proposed Action
7	New operational responsibilities with the OC Streetcar.	OC Streetcar service, OCTA will	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.
Clin	nate		
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 Wildlife Agencies. In addition, tidal events, ocean currents and waves, storm surges, and slope movement affect OCTA's railroad track in the south Orange County.	Plans (FMP) for the seven properties purchased as part of the M2 Freeway EMP. Additionally, OCTA has initiated a planning study to identify immediate as well as short- and mediumterm solutions to address rail infrastructure
Reg	julatory		
9	Changing federal and state directives could affect M2 freeway project approvals.	approval policies place great emphasis on reducing travel by	



NEXT 10 DELIVERY PLAN

Contact: Francesca Ching, 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 November 12, 2024, the Board adopted the 2024 Next 10 Plan, which spans fiscal year (FY) 2024-25 through FY 2033-34. The update incorporated the \$14 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 2024 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 regular funding allocations to local jurisdictions through local programs.

1. Deliver 13 freeway improvement projects through construction (Projects A-M).

The M2 Freeway Program is currently made up of 30 projects/project segments. This deliverable includes 13 projects to be delivered through construction by FY 2029-30. Of the 13 projects to be delivered, one has been completed, five are in construction, six are in final design, and a joint project with the Riverside County Transportation Commission (RCTC), is in environmental revalidation. The joint project will improve SR-91 between SR-241 and SR-71. Completion of these projects will bring the total number of completed projects to 27 by 2030, which equates to approximately 90 percent of the M2 Freeway Program. For more details, see pages i-ii (Project Schedules) and the project updates contained in their respective sections.

<u>Upcoming activities:</u>

- I-5, SR-73 to Oso Parkway Complete Construction
- I-5, Alicia Parkway to El Toro Road Complete Construction
- SR-91, Acacia Street to La Palma Avenue Award Construction Contract
- SR-57 Northbound, Orangewood Avenue to Katella Avenue Advertise for Construction
- I-5, I-405 to Yale Avenue Advertise for Construction
- I-5, Yale Avenue to SR-55 Advertise for Construction
- SR-91, La Palma Avenue to SR-55 Advertise for Construction



2. Prepare remaining freeway improvement projects for delivery (Projects A-M).

The three remaining projects (of the 30 total) are environmentally cleared or on track to be environmentally cleared by 2034, making them shelf-ready for further advancement. The remaining projects include Project D (I-5, El Toro Road Interchange), 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 June 2025, OCTA has awarded approximately \$594.4 million in competitive funding through the Regional Capacity Program (RCP) (Project O) and RTSSP (Project P) annual calls. Additionally, approximately \$810.4 million^{1,2,3} in Local Fair Share (LFS) (Project Q) funds have been distributed to local jurisdictions.

On August 12, 2024, the Board authorized the 15th call to support local streets and roads improvement projects throughout Orange County. Applications were received on October 24, 2024. On April 14, 2025, the Board approved programming recommendations for 15 projects totaling \$37.7 million. For more details, see the project updates on page 22 and page 24.

<u>Upcoming activities:</u>

Project O and P – Release 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.

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.

³ On May 12, 2025, the Board determined the City of Orange eligible again to receive net M2 revenues. Withheld funds were released in June 2025.



Close monitoring of Metrolink operations is necessary to ensure sustainability through 2041. Metrolink ridership recovery continues to struggle, which impacts farebox revenues and cost recovery. To exacerbate this shortfall, operating costs have also increased. On October 21, 2024, Metrolink implemented a service optimization schedule aimed at addressing service gaps and making the most efficient use of equipment and crews as Metrolink adjusts the focus from commuter rail to regional rail. As such, the three lines serving Orange County (Orange County, Inland Empire-Orange County, and the 91/Perris Valley lines) now operate 58 trains, a 29 percent increase from the 45 weekday trains previously serving Orange County. Current projections with the addition of Transit and Intercity Rail Program (TIRCP) formula funds will only sustain Metrolink operations through FY 2035-36. Without this funding or changes in service levels, ridership growth, or operations and rehabilitation costs, the current service cannot be sustained beyond FY 2031-32. 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 emergency work has been completed and service has resumed, long-term solutions need to be developed to ensure the ability to provide 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 short- and medium-term solutions with the goal of protecting the rail line in place. A separate study will follow to 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.

5. Complete construction, secure vehicles, begin operating the OC Streetcar, and 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. Construction reached 95 percent completion. To date, the contractor has completed major infrastructure work including bridges, tracks, Overhead Contact System (OCS) pole installation, and station platform systems. During the quarter, four of the eight vehicles were delivered to the Maintenance and Storage Facility (MSF) with the remaining four to be delivered this summer. Work continued on wire installation, street repairs, electrical systems, street improvements, and interior and exterior work at the MSF. System testing, operations planning, and staff training preparation are underway. 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 \$149 million^{4,5,6} 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. 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 49 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. Staff continues to work with local jurisdictions through letters of interest requests, workshops, Comprehensive Transportation Funding Program (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. For more details, see the program updates on page 36.

⁴ 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.

⁵ 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.

⁶ On May 12, 2025, the Board determined the City of Orange eligible again to receive net M2 revenues. Withheld funds were released in June 2025.



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 12 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 nine annual deposits of approximately \$2.9 million. The latest balance of the endowment through March 31, 2025, was \$32,538,437. 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 2011, the Board has awarded more than \$40.2 million in funding for 233 Tier 1 projects through 14 calls and approximately \$34.9 million for 26 Tier 2 projects through three calls. The 15th Tier 1 call was released on March 10, 2025. Applications were received on May 8, 2025. Based upon the project selection criteria in the CTFP guidelines, projects will be prioritized for Board consideration in fall 2025. For more details, see the program updates on page 37.

Upcoming activities:

• Project X Tier 1 – Programming recommendations for the 15th call



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.

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 design of this project was initiated on October 22, 2021. This quarter, the design team completed final design and right-of-way (ROW) activities. ROW certification was received on June 24, 2025, and the project achieved the ready-to-list (RTL) milestone on June 25, 2025.

Segment: I-5, Yale Avenue to SR-55

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 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 third 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 design of this project was initiated on May 6, 2021. This quarter, the design team completed final design and ROW activities. ROW certification was received on June 27, 2025, and projected achieved the RTL milestone on June 27, 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

Age.

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.

Segment: I-5, SR-73 to Oso Parkway/Avery Parkway Interchange

Status: Construction Underway – 99 Percent Complete
Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project will add a general purpose lane (approximately 2.2 miles) in both directions of I-5 between Avery Parkway and Oso Parkway and reconstruct the Avery Parkway Interchange (part of Project D) in the cities of Laguna Hills, Laguna Niguel, and Mission Viejo. The forecasted cost is measured against an amended baseline cost established in the third quarter of FY 2014-15; the forecasted schedule is measured against an amended baseline schedule established in the third quarter of FY 2019-20. Construction began on January 15, 2020. This quarter, the contractor completed final striping of both the southbound and northbound lanes and installation of all traffic loops. The construction management team continues to coordinate with Caltrans to address final punch list items throughout the project limits.

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. This quarter, all construction work was completed and the project received Caltrans' construction contract acceptance on December 19, 2024. The total cost is measured against an amended baseline cost established in the third quarter of FY 2014-15; the forecasted schedule is measured against an amended baseline schedule established in the fourth quarter of FY 2018-19. Administrative work to close out the construction contract is underway and as-built drawings are being submitted for final completion. This quarter, the contractor continued project closeout activities.

Segment: I-5, Alicia Parkway to El Toro Road

Status: Construction Underway – 98 Percent Complete
Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project will add a general purpose lane in the southbound direction (approximately 1.7 miles) and extend 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 forecasted cost is measured against an amended baseline cost established in the third quarter of FY 2014-15; the forecasted schedule is measured against an amended baseline schedule



established in the first quarter of FY 2020-21. Construction began on October 13, 2020. This quarter, the contractor completed traffic loop installation. The construction management team is coordinating with Caltrans to address final punch list items throughout the project limits.

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

All a

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 – 60 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 in addition to the two alternatives previously developed as part of the draft ED into the environmental process. The forecasted cost and schedule are measured against an amended baseline cost and schedule established in the fourth quarter of FY 2022-23. The environmental phase was reinitiated in January 2023 to incorporate feedback from the cities on the proposed alternatives. This quarter, OCTA and Caltrans continued coordination with the cities of Laguna Hills, Laguna Woods, and Lake Forest on the proposed alternatives, traffic analysis, and environmental phase studies. In addition, Caltrans completed updates to the final Traffic Operations Analysis Report.

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 – 50 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 – 84 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 outstanding comments on the 95 percent design package submittal and submitted the 100 percent design package. The ROW appraisal was completed and is under review.



PROJECT G

STATE ROUTE 57 (SR-57) PROJECTS

Segment: SR-57 Northbound, Orangewood Avenue to Katella Avenue

Status: Design Phase Underway – 99 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 third quarter of FY 2020-21; the forecasted schedule is measured against an amended baseline schedule established in the fourth quarter of FY 2022-23. The design of this project was initiated on March 28, 2022. This quarter, the design team completed Final Design and ROW activities. ROW certification was obtained on April 4, 2025, and the project achieved the RTL milestone on May 30, 2025.

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.



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 Study Report-Project Development Support (PSR-PDS) Document Preparation

Underway - 95 Percent Complete

Contact: Jeff Mills, Capital Projects • (714) 560-5925

Kristin Tso, Planning • (714) 560-5496

Summary: Caltrans previously completed a PSR in 2001 to add a northbound truck-climbing lane (approximately 2.5 miles) from Lambert Road in the City of Brea to approximately 0.62 miles north of the Orange County/Los Angeles County line. Following discussions with Caltrans in late 2021, it was decided that a new PSR-PDS should be prepared due to the changing conditions on SR-57 since the previous study was completed. The proposed project included 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, the project opened to traffic in December 2023, and construction was fully 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). The final PSR-PDS will include programming-level assessments for three project alternatives. This quarter, a draft final PSR-PDS document was circulated for review with Caltrans and the City of Brea, and the consultant began addressing the remaining comments. Final approval of the PSR-PDS is anticipated by August 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 - Five 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.

Segment: SR-91, La Palma Avenue to SR-55

Status: Design Phase Underway - 93 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, several ROW offer packages were sent out and utility agreements were executed.

Segment: SR-91, Acacia Street to La Palma Avenue
Status: Design Phase Underway - 95 Percent Complete
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 fourth quarter of FY 2020-21; the forecasted cost is measured against an amended baseline cost established in the fourth quarter of FY 2023-24. The design of this project was initiated on November 30, 2020. This project was combined with the Caltrans multi-asset project during the design phase. This quarter, the design team achieved the RTL milestone on April 21, 2025, and the project was advertised for construction on May 12, 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 – 70 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, 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. This effort began in June 2023 and is anticipated to be completed by late-2025. This quarter, the project team continued working on preliminary engineering for the build alternatives, developing cost estimates, and updating environmental technical studies and a Supplemental Project Report.

PROJECT K

<u>INTERSTATE 405 (I-405) PROJECTS</u>

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. 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 mid/late-2025. 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 - One 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. This quarter, the construction management team held pre-construction meetings with the contractor and various stakeholders, and coordinated with the design team and utility companies on timing of utility relocations. In addition, the outreach team presented to the City of Los Alamitos and at various community events to inform the public on upcoming construction activities.



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 15,838 services. Since June 2012, FSP has provided 858,880 services on the Orange County freeway system.

⁷ Service calculations are based on all services provided as FSP is funded by M2 and external sources.



PROJECT O

REGIONAL CAPACITY PROGRAM

Status: 15th Call Funding Applications Approved

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. This includes the Board-approved funding recommendation for nine projects totaling \$25.7 million on April 14, 2025. To date, 152 project phases have been completed, 59 are in various stages of implementation, and 26 have been cancelled by the awarded local jurisdictions. The 16th call is anticipated to be released in September 2025.

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.

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.

Segment: Raymond Avenue Grade Separation

Status: PROJECT COMPLETE

Contact: Jeff Mills, Capital Projects • (714) 560-5925

items. Funding reimbursement and closeout have been completed.

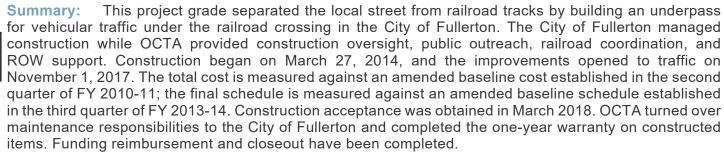
Summary: This project grade separated the local street from railroad tracks by building an underpass for vehicular traffic under the railroad crossing in the City of Fullerton. The City of Fullerton managed construction while OCTA provided construction oversight, public outreach, railroad coordination, 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



Segment: State College Boulevard Grade Separation

Status: PROJECT COMPLETE

Contact: Jeff Mills, Capital Projects • (714) 560-5925



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: 15th Call Funding Applications Approved
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 3,705 intersections over 954 miles of streets (107 completed projects). Through 15 calls, 123 projects⁸ totaling approximately \$162.3 million have been awarded. Overall, OCTA has funded 143 projects⁸ totaling nearly \$196.8 million, including \$40.1 million in leveraged external funding. This includes the Board-approved funding recommendations for six projects totaling \$11.99 million on April 14, 2025. The 16th call is anticipated to be released in September 2025.

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.

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, nearly \$810.4 million^{9,10,11} in LFS payments have been provided to local jurisdictions, of which nearly \$22.5 million^{9,10,11} was provided this guarter.

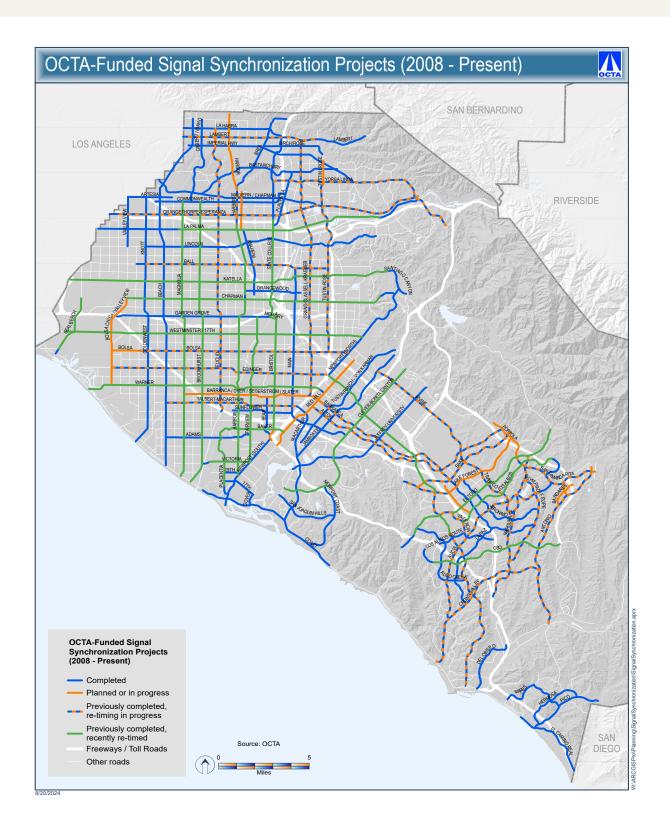
For more details, see funding allocation by local agency on pages 51-52.

⁸ To date, three projects totaling approximately \$1.6 million have been cancelled by the awarded local jurisdictions.

⁹ 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.

¹⁰ 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.

¹¹ On May 12, 2025, the Board determined the City of Orange eligible again to receive net M2 revenues. Withheld funds were released in June 2025.





PROJECT R

HIGH FREQUENCY METROLINK SERVICE

Project R 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 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 in Orange County. However, during the peak of the COVID-19 pandemic, service was reduced to 41 trains. In October 2021, partial service was restored which increase service to 45 trains. On October 21, 2024, Metrolink implemented an optimized service schedule aimed at addressing service gaps and making the most efficient use of equipment and crews as Metrolink adjusts the focus from commuter rail to regional rail. As such, the three lines serving Orange County now operate 58 trains, surpassing the number of trains operating pre-COVID-19. Total boardings for the quarter are 38 percent lower compared to the same quarter of FY 2018-19 (used as a pre-pandemic data set). However, they are approximately 20 percent higher than the same quarter in FY 2023-24. Despite ongoing ridership recovery, Metrolink ridership continues to struggle to recover pre-





pandemic ridership, affecting farebox recovery. To exacerbate this shortfall, operating costs have also increased. Current projections with the addition of TIRCP formula funds will only sustain Metrolink operations through FY 2035-36. OCTA will continue to actively engage with Metrolink and the other member agencies to monitor ridership levels and the corresponding financial impacts 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.

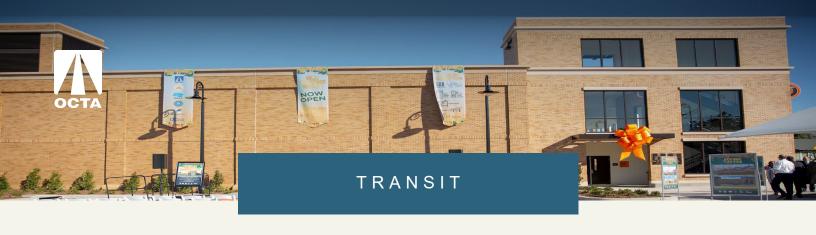
Project: Laguna Niguel/Mission Viejo Metrolink Station Americans with

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.



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 platforms, 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 the design and construction and BNSF will be the lead on rail construction. The final design was completed on July 22, 2017. The forecasted cost and schedule is measured against an amended baseline cost and schedule established in the first quarter of FY 2016-17. The project will be ready to advertise once a C&M agreement with BNSF is in place.

Project: San Clemente Pier Station Lighting

Status: PROJECT COMPLETE

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This OCTA-led project added lighting to the existing platform 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. In parallel, separate studies are also underway to evaluate potential near- and medium-term solutions to protect the corridor in place while long-term solutions, which may include relocation, to adapt the rail line to the changing environment are developed. 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:

- Installation of the Control Point project at Fourth Street in the City of Santa Ana, 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
- 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

Underway:

- Slope stabilization and drainage improvements in the cities of Lake Forest, Mission Viejo and Laguna Niguel advertised for construction
- Construction of the San Juan Creek railroad bridge replacement in the City of San Juan Capistrano, led by Metrolink
- Design and construction of Area 3 catchment wall and restoration of the coastal trail in the City of San Clemente
- Alternative analyses to evaluate solutions for coastal protective measures for Area 4 in the City of San Clement 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.

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, 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 95 percent complete. To date, the contractor has completed the bridges over the Santa Ana River and Westminster Avenue, installed all tracks and OCS poles, landscaping, and completed all work at Sasscer Park. Canopies, lighting, Customer Information Center systems, railing, and benches were installed at all station platforms. During the quarter, the contractor continued installation of wires on OCS poles, completed street repairs at various locations, and continued electrical systems work at several stations. In addition, exterior and interior work continued at the MSF. Key activities include installation of electrical, plumbing, rail, and finish work, along with fire lane and parking striping in the MSF yard. Street improvements such as sidewalks, driveways, curbs, and gutters are nearly complete.

Vehicles

Cars 1, 3, 5, and 8 have been delivered to the MSF. Cars 2, 4, 6, and 7 are being prepared for shipment to the MSF later this summer. OCTA is in ongoing negotiations with the vehicle manufacturer regarding long-term storage estimates for the vehicles, vehicle warranty extension, vehicle maintenance during storage, and onboard tracking and dispatch technology.

Operations

Monthly coordination meetings continue to support system testing and ensure the streetcar is ready for safe and reliable operations. Bi-weekly meetings with OCTA and the operations and maintenance contractor continue to



refine testing procedures and validate systems ahead of revenue service. Commissioning schedule analysis is ongoing to align delivery dates, construction progress, and staffing needs. The contractor is developing key operating and safety documents and finalizing plans for system access and worker protection. Systems integration testing continues at the MSF. Training is underway for operations staff, including vehicle operators and maintenance technicians.

Cost and Schedule

The baseline cost and schedule is measured against an amended baseline cost and schedule established during the third quarter of FY 2024-25. In February 2025, the Board approved a revised project budget of \$649 million, with revenue service anticipated to begin in spring 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

All a

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 \$149 million^{12,13,14,15} in Project U funding has been provided under M2.

¹² 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.

¹³ 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.

¹⁴ 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.

¹⁵ On May 12, 2025, the Board determined the City of Orange eligible again to receive net M2 revenues. Withheld funds were released in June 2025.

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 \$42.4 million^{12,13,14,15} has been provided to support more than 3.2 million boardings for seniors traveling to medical appointments, nutrition programs, shopping destinations, and senior and community center activities. This quarter, more nearly \$1.2 million^{12,13,14,15} was paid out to 30 of the 32 participating cities that are currently active.



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 \$45.4 million has been allocated to support nearly 1.7 million SNEMT boardings¹⁶. This quarter, nearly \$1.4 million¹⁷ in SNEMT funding was paid to 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 \$2 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 2.7 million program-related boardings recorded on fixed-route and ACCESS services, approximately \$750,000 was utilized. The senior and disabled boardings recorded are based on pass sales and ACCESS boardings figures. Since inception, more than \$61 million has been allocated to support approximately 163 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

¹⁶ 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.

¹⁷ 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.



awarded 49 projects and ten planning studies totaling approximately \$96.8 million¹⁸. Of the 49 transit circulator projects¹⁹, 21 are currently active, five are planned, 13 have been cancelled (primarily due to low ridership), and ten 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.

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 January 27, 2025. The report identified that most of the active services met the ridership and service performance standards. The next ridership report is anticipated to be presented to the Board in August 2025. 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, 59 have been completed, 53 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.

¹⁸ Includes \$700,000 programming increase to the 2024 call Balboa Peninsula Trolley Service Continuation project, as requested by the City of Newport Beach at the September 23, 2024, Board meeting.

¹⁹ 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.



PROJECT X

CLEAN UP HIGHWAY AND STREET RUNOFF THAT POLLUTES BEACHES

Project: Environmental Cleanup Program

Status: 15th Tier 1 Call Applications Under Review

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 14 rounds of funding under the Tier 1 grants program.

To date, 233 Tier 1 projects, totaling approximately \$40 million, have been awarded by the Board since 2011. Of the 233 projects, construction on 200 projects have been completed, 16 are in various stages of implementation, and 17 have been cancelled by the awarded agency. The 15th Tier 1 call was released on March 10, 2025. Applications were received on May 8, 2025. Based upon the project selection criteria in the CTFP guidelines, projects will be prioritized for Board consideration in fall 2025.

It is estimated that 81.5 million gallons of trash have been captured since the inception of the program, which equates to over 14,400 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 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 potential of approximately 157 million gallons of water from infiltration or through pumped and treated recharge facilities. 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.

FREEWAY MITIGATION

Segment: Environmental Mitigation Program

Status: Biological Permits Issued and Conservation Plan in Place

Contact: Dan Phu, Planning • (714) 560-5907

Summary: Working in collaboration with the United States Fish and Wildlife Service and California Department of Fish and Wildlife (referred to as 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 12 restoration projects totaling 350 acres. The restoration project plans have been approved by the Wildlife Agencies and the implementation of these projects are in various stages. To date, eight restoration projects (one of these projects had 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 nine endowment deposits. The latest endowment balance through March 31, 2025, was \$32,538,437, which is above the target of \$32,125,598 for the third quarter of FY 2024-25. 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 September 2025. 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.



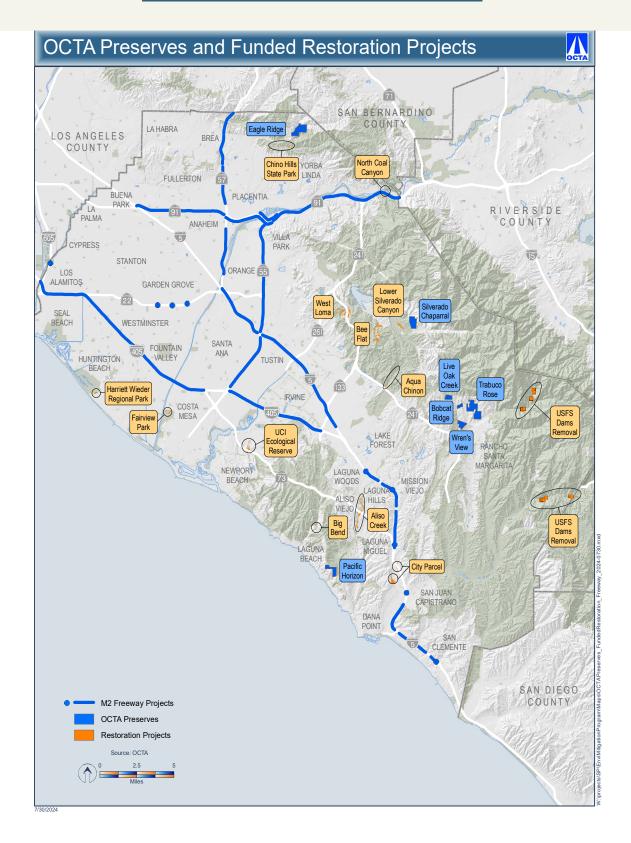
Resource management plans (RMP) for the Preserves were completed in 2018. These RMPs guide the management of the Preserves as outlined within the Conservation Plan. The RMPs will be reviewed and updated as necessary, approximately every five years. Updates to the documents are currently underway and 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 have been in compliance and on target with the Conservation Plan commitments. The annual report documenting the 2024 calendar year activities is currently under review by the Wildlife Agencies and will be shared with the EOC and Board in late-2025.

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 2025 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.





PROGRAM MANAGEMENT OFFICE

Contact: Francesca Ching, 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.

The spring 2025 analysis indicates that inflationary pressures may moderate in 2025, 2026, and 2027 amid a softening macroeconomic environment. This outlook reflects a continued decline in residential building permits, rising unemployment rates in California, and increases in construction labor and materials costs. However, the potential impacts of new federal economic and trade policies introduce additional uncertainty into future cost projections. In addition, wildfires have devastated communities in Los Angeles County, which may further impact construction cost pressures. The next update of the market conditions forecast is anticipated to be provided to OCTA and the Board in fall 2025. Information from this analysis will be incorporated into the M2 cash flow for the 2025 update of the Next 10 Plan.

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 every two years 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 November 12, 2024, the Board approved the 2024 Next 10 Plan, which spans FY 2024-25 to FY 2033-34. The 2024 update of the Next 10 Plan incorporated an updated sales tax revenue forecast of \$14 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. The next review of the Next 10 Plan is anticipated in late 2025.

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. Actions to address these 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 and look ahead was presented to the Board on June 9, 2025, highlighting five objectives to ensure the required elements in the M2 Ordinance are analyzed. Outreach continued this quarter with the launch of the qualitative survey, facilitation of focus groups, participation in various community events, and the hosting of both a public webinar and a roundtable discussion with elected officials. Feedback from these activities will help guide the development of key findings and recommendations.

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.



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. The update of the city fact sheets through June 30, 2025, is underway.

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.

Highway project constructions bids in the region continues to reflect escalating labor, material, and equipment costs. Workforce availability may exacerbate the construction and manufacturing labor markets, and there is uncertainty around the impacts of tariffs, additional future tariffs, and their potential duration. Recent market conditions analyses have indicated that OCTA may experience a tempering of cost pressures related to decreased demand for construction services, however, 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.

During the quarter, the westerly segment of Project I (SR-91, Acacia Street to La Palma Avenue) was advertised on May 12, 2025. Bids are anticipated to be opened in August 2025. Staff will continue to track the construction market and update the spreadsheet as appropriate.

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 (\$14 billion or 42 percent lower as of June 30, 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 March 31, 2025, the total borrowings to date from OCUTT along with accrued interest are 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
 - o 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 44



The TOC held its annual public hearing on June 10, 2025, and determined that OCTA is proceeding in accordance with the M2 Ordinance for the 34th consecutive year. In addition, the committee received the Annual Eligibility Review (AER) Subcommittee eligibility report and M2 quarterly revenue and expenditure report. The committee also received presentations on the M2 quarterly progress report for the period January 2025 to March 2025, programming recommendations for the 2025 CTFP RCP and RTSSP call, the M2 Ten-Year Review, and updates on the M2 Ordinance compliance matrix 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. The AER subcommittee met on June 3, 2025, to receive and review the local jurisdiction submitted documents. 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. The Audit Subcommittee met on May 27, 2025, received the annual audit/compliance audit, and agreed-upon procedures report for the year ending June 30, 2024, approved the selection of cities for the FY 2024-25 M2 agreed-upon procedures, and re-adopted the TOC audit subcommittee charter. The subcommittee met again on June 10, 2025, to discuss revisions to the annual selection of cities template. The next meeting is anticipated to be held in December 2025.

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. The current revised total nominal sales tax collections over the life of M2 is estimated to be \$14 billion, which represents a year-over-year decrease of \$800 million in forecasted sales tax when compared to last year's forecast.



During the guarter, sales tax forecast presentations were presented to the F&A Committee as follows:

- MuniServices on May 14, 2025
- Chapman University on June 11, 2025
- UCLA on June 25, 2025

The sales tax forecast from California State University, Fullerton is anticipated to be presented to the F&A Committee in July 2025.

OCTA remains in a strong position supported by healthy reserve levels and economic uncertainty forecasted within the program, which provide a financial cushion against the revenue shortfall and/or a potential increase in cost. 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 September 2025. As a reference, the adopted growth rate is 3.3 percent for FY 2024-25, followed by no projected growth for FY 2025-26.

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FINANCING

Schedule of Revenues, Expenditures and Changes in Fund Balance as of June 30, 2025 (Unaudited) Schedule 1

(\$ in thousands)	Quarter Ended Apr 1, 2025 - June 30, 2025	Year to Date Jul 1, 2024 - June 30, 2025	Period from Inception to June 30, 2025		
		(A)	(B)		
Revenues:					
Sales taxes	107,074	\$ 432,808	\$ 4,805,278		
Other agencies' share of Measure M2 costs:					
Project related	73,197	109,635	970,059		
Non-project related	-	-	454		
Interest:					
Operating:	0.50	0.057	10.050		
Project related	856	2,957	10,059		
Non-project related Bond proceeds	3,380	28,903 3,624	142,171		
Debt service	- 145	1,097	104,570 4,166		
Commercial paper	-	1,037	393		
Right-of-way leases	_	_	555		
Project related	58	390	2,107		
Non-project related	-	-	17		
Proceeds on sale of assets held for resale	4,169	4,169	17,597		
Donated assets held for resale	,	,	,		
Project related	-	-	2,071		
Miscellaneous:					
Project related	-	-	331		
Non-project related	-	-	129		
Total revenues	188,879	583,583	6,059,402		
Expenditures:	100,010		0,000,102		
Supplies and services:					
Sales tax administration fees	465	2,775	45,007		
Professional services:					
Project related	23,815	43,073	622,649		
Non-project related	1,116	2,198	42,062		
Administration costs:	2.772	12.020	442.424		
Project related Non-project related:	2,772	12,820	143,431		
Salaries and Benefits	1,104	4,617	49,474		
Other	2,672	9,259	85,496		
Other:	2,072	9,239	05,490		
Project related	729	1,123	7,911		
Non-project related	37	930	6,389		
Payments to local agencies:			-,		
Project related	42,001	119,368	1,547,718		
Capital outlay:	.2,001	1.10,000	1,5 ,		
Project related	77,318	123,996	2,525,392		
Non-project related	-		31		
Debt service:					
Principal payments on long-term debt	-	21,950	138,355		
Interest on long-term debt and					
commercial paper		32,906	386,436		
Total expenditures	152,028	375,016	5,600,349		
·	,				
Excess (deficiency) of revenues					
over (under) expenditures	36,851	208,567	459,053		
Other financing sources (uses):					
Transfers out:					
Project related	(134,471)	(91,010)	(826,915)		
Transfers in:	(,111)	(5.,510)	(323,810)		
Project related	3,411	157,015	521,403		
Bond proceeds	, <u>-</u>	263,978	1,068,603		
Payment to refunded bond escrow agent		(267,767)	(312,829)		
Total other financing sources (uses)	(131,060)	60 046	450,060		
- · · · · · · · · · · · · · · · · · · ·	(131,060)	62,216	450,262		
Excess (deficiency) of revenues					
over (under) expenditures					
and other sources (uses)	(94,209)	\$ 270,784	\$ 909,315		
·			· · · · · · · · · · · · · · · · · · ·		



FINANCING

Schedule of Revenues, Expenditures and Changes in Fund Balance as of June 30, 2025 (Unaudited) Schedule 2

(\$ in thousands)		arter Ended 25 - June 30, 2025 (actual)		ear to Date 4 - June 30, 2025 (actual)	Period from Inception through June 30, 2025 (actual)			Period from July 1, 2025 through March 31, 2041 (forecast)		Total
Burren				(C.1)		(D.1)		(E.1)		(F.1)
Revenues: Sales taxes	\$	107,074	\$	432,808	\$	4,805,278	\$	9,138,395	e	13,943,673
Operating interest	Φ	3,380	Φ	28,903	Φ	142,171	Ф	640,149	Ф	782,320
Subtotal		110,454	-	461,711		4,947,449		9,778,544	_	14,725,993
				•						
Other agencies share of M2 costs		-		-		454		-		454
Right-of-way leases		-		-		17		-		17
Miscellaneous		-		-		129		<u> </u>		129
Total revenues		110,454		461,711		4,948,049		9,778,544		14,726,593
Administrative expenditures:										
Sales tax administration fees		465		2,775		45,007		70,633		115,640
Professional services		1,116		2,198		38,287		72,301		110,588
Administration costs:										
Salaries and Benefits		1,104		4,617		49,474		94,084		143,558
Other		2,672		9,259		85,496		161,100		246,596
Other		37		114		2,553		4,894		7,447
Payments to local agencies:										
Capital outlay		-		-		31		-		31
Environmental cleanup		2,011		3,440		55,509		182,739		238,248
Total expenditures		7,405		22,403		276,358		585,751		862,109
Net revenues	\$	103,049	\$	439,308	\$	4,671,691	\$	9,192,793	\$	13,864,484
				(C.2)		(D.2)		(E.2)		(F.2)
Financing expenditures: Debt interest expense				32,906		386,436		299,245		685.681
Professional services		-		32,900		3,775		299,243		3,775
Other		-		816		3,836		-		3,836
Total financing expenditures				33.722		394.047		299.245		693,292
rotal interioring experiences				00,122		35 1,5 11		200,210		000,202
Interest revenue:				0.55		40.4		E0.055		450.05-
Interest revenue from bond proceeds		-		3,624		104,570		52,263		156,833
Interest revenue from debt service funds		145		1,097		4,166		12,697		16,863
Interest revenue from commercial paper		-		- 4 704		393		- 04 000		393
Total bond revenues	-	145	-	4,721	-	109,129	_	64,960		174,089
Net financing expenditures:	\$	(145)	\$	29,001	\$	284,918	\$	234,285	\$	519,203



FINANCING

Schedule of Revenues, Expenditures and Changes in Fund Balance as of June 30, 2025 (Unaudited) Schedule 3

Project	Description	Total Net Revenues Inception to March 31, 2041 (actual) + (forecast)	lı	et Revenues nception to ne 30, 2025 (actual)		Expenditures Inception to June 30, 2025 (actual)		Reimbursements Inception to June 30, 2025 (actual)		(J) - (K) = (L) Net M2 Cost Inception to lune 30, 2025 (actual)
	(G)	(H)	(1)			(J)		(K)		(L)
	(\$ in thousands)									
	Freeways (43% of Net Revenue	s)								
Α	I-5 Santa Ana Freeway Interchange Improvements \$	546,470	\$	184,135	\$	10,908	\$	8,786	\$	2,122
В	I-5 Santa Ana/SR-55 to El Toro	349,043	•	117,612	•	55,161	•	36,441	•	18,720
C	I-5 San Diego/South of El Toro	729,015		245,644		458,497		53,084		405,413
D	I-5 Santa Ana/San Diego Interchange Upgrades	299,977		101,079		3,249		527		2,722
E	SR-22 Garden Grove Freeway Access Improvements	139,524		47,013		5		-		5
F	SR-55 Costa Mesa Freeway Improvements	425,549		143,390		182,882		124,055		58,827
G	SR-57 Orange Freeway Improvements	300,791		101,353		61,025		15.264		45,761
Н	SR-91 Improvements from I-5 to SR-57	162.778		54,849		34,961		824		34,137
i.	SR-91 Improvements from SR-57 to SR-55	484,266		163,175		79,258		76,470		2,788
J	SR-91 Improvements from SR-55 to County Line	409,504		137,984		18,666		17,181		1,485
K	I-405 Improvements between I-605 to SR-55	1,247,349		420,299		1,715,427		313,098		1,402,329
L	I-405 Improvements between SR-55 to I-5	371,716		125,251		9,249		6,954		2,295
M	I-605 Freeway Access Improvements	23,254		7,836		9,599		16		9,583
N	All Freeway Service Patrol	174,405		58,767		16,984		-		16,984
	Freeway Mitigation	298,086		100,441		64,008		10.907		53,101
	_	200,000		100,111		01,000	_	10,001		00,101
	Subtotal Projects	5,961,727		2,008,828		2,719,879		663,607		2,056,272
	Net Finance Expenditures	-		<u> </u>		195,569		-		195,569
	Total Freeways \$	5,961,727	\$	2,008,828	\$	2,915,448	\$	663,607	\$	2,251,841
	%			,				_		51.4%
	Street and Roads Projects (32% of Net F	Revenues)								
•		4 000 100	•	107.17-	•	044.5=5	•	507.00	•	000 4=0
0	Regional Capacity Program \$		\$	467,175	\$	841,356	\$	507,884	\$	333,472
P	Regional Traffic Signal Synchronization Program	554,562		186,862		140,160		36,596		103,564
Q	Local Fair Share Program	2,495,607		840,904		819,281	_	77		819,204
	Subtotal Projects	4,436,635		1,494,941		1,800,797		544,557		1,256,240
	Net Finance Expenditures	-				57,302		<u>-</u>		57,302
	Total Street and Roads Projects \$	4,436,635	\$	1,494,941	\$	1,858,099	\$	544,557	\$	1,313,542
	%	· ,		<u> </u>		· · · · · · · · · · · · · · · · · · ·	_			30.0%



FINANCING

Schedule of Revenues, Expenditures and Changes in Fund Balance as of June 30, 2025 (Unaudited) Schedule 3

Project	Description (G) (\$\sin thousands) Transit Projects (25% of Net R	l (ad	tal Net Revenues Inception to March 31, 2041 ctual) + (forecast) (H)	Net Revenues Inception to June 30, 2025 (actual)	Expenditures Inception to June 30, 2025 (actual)		Reimbursements Inception to June 30, 2025 (actual) (K)	Ì	(J) - (K) = (L) Net M2 Cost Inception to une 30, 2025 (actual)
R	High Frequency Metrolink Service	\$	1,382,777	\$ 453,343	\$ 523,867	\$	100,110	\$	423,757
S	Transit Extensions to Metrolink		1,223,913	412,402	297,009		151,974		145,035
Т	Metrolink Gateways		70,865	42,233	98,220		60,956		37,264
U	Expand Mobility Choices for Seniors and Persons								
	with Disabilities		480,753	156,225	152,154		88		152,066
V	Community Based Transit/Circulators		277,216	93,409	24,454		1,998		22,456
W	Safe Transit Stops		30,598	10,310	 2,128		26		2,102
	Subtotal Projects		3,466,122	1,167,922	1,097,832		315,152		782,680
	Net Finance Expenditures		5,400,122	1,107,322	32,047		313,132		32,047
	Net I mande Experiances	-			 02,041	_			02,047
	Total Transit Projects	\$	3,466,122	\$ 1,167,922	\$ 1,129,879	\$	315,152	\$	814,727
	%	-			· · · · · · · · · · · · · · · · · · ·	_			18.6%
	Measure M2 Program	\$	13,864,484	\$ 4,671,691	\$ 5,903,426	\$	1,523,316	\$	4,380,110
Droine	Description	1	Total Revenues Inception to March 31, 2041	Revenues Inception to June 30, 2025	Expenditures Inception to June 30, 2025		Reimbursements Inception to June 30, 2025		Net M2 Cost Inception to une 30, 2025 (actual)
Project		(ad	ctual) + (forecast)	(actual)	(actual)		(actual)		
rioject	(G)	(ad	(H.1) (forecast)	(actual) (I.1)	(actual)		(actual) (K)		(L)
rioject	(G) (\$ in thousands)	,	(H.1)	, ,	, ,		, ,		, ,
rioject	(G)	,	(H.1)	, ,	, ,		, ,		, ,
Y X	(G) (\$ in thousands)	,	(H.1)	\$, ,	\$, ,	\$, ,	\$, ,
	(G) (\$\\$ in thousands) Environmental Cleanup (2% of I	Revenue	(H.1)	\$ (1.1)	\$ (J)	\$	(K)	\$	(L)
	(G) (\$ in thousands) Environmental Cleanup (2% of I Clean Up Highway and Street Runoff that Pollutes Beaches Net Finance Expenditures Total Environmental Cleanup	Revenue	(H.1)	\$ (1.1)	\$ (J)	\$	(K)	\$	(L) 55,198 - 55,198
	(G) (\$ in thousands) Environmental Cleanup (2% of I Clean Up Highway and Street Runoff that Pollutes Beaches Net Finance Expenditures Total Environmental Cleanup %	\$ \$	(H.1) s) 294,520	98,949	 55,509 -	_	(K) 311 -		(L) 55,198
	(G) (\$ in thousands) Environmental Cleanup (2% of I Clean Up Highway and Street Runoff that Pollutes Beaches Net Finance Expenditures Total Environmental Cleanup	\$ \$	(H.1) s) 294,520	98,949	 55,509 -	_	(K) 311 -		(L) 55,198 - 55,198
	(G) (\$ in thousands) Environmental Cleanup (2% of I Clean Up Highway and Street Runoff that Pollutes Beaches Net Finance Expenditures Total Environmental Cleanup % Taxpayer Safeguards and A	\$s	(H.1) s) 294,520	98,949	\$ 55,509 -	_	(K) 311 -		55,198 - 55,198 1.1%
	(G) (\$ in thousands) Environmental Cleanup (2% of I Clean Up Highway and Street Runoff that Pollutes Beaches Net Finance Expenditures Total Environmental Cleanup %	\$ \$	(H.1) 294,520 - 294,520	\$ 98,949	 55,509 - 55,509	\$	(K) 311 -	\$	(L) 55,198 - 55,198 1.1%
	(G) (\$ in thousands) Environmental Cleanup (2% of I Clean Up Highway and Street Runoff that Pollutes Beaches Net Finance Expenditures Total Environmental Cleanup % Taxpayer Safeguards and A Collect Sales Taxes (1.5% of Sales Taxes)	\$s	(H.1) 294,520 - 294,520	\$ 98,949	\$ 55,509 - 55,509	\$	(K) 311 -	\$	(L) 55,198 - 55,198 1.1%
	(G) (\$ in thousands) Environmental Cleanup (2% of I Clean Up Highway and Street Runoff that Pollutes Beaches Net Finance Expenditures Total Environmental Cleanup % Taxpayer Safeguards and A Collect Sales Taxes (1.5% of Sales Taxes) %	\$ sudits	(H.1) 294,520 - 294,520 209,155	\$ 98,949	\$ 55,509 - 55,509 45,007	\$	(K) 311 - 311	\$	(L) 55,198 - 55,198 1.1% 45,007 0.9%
•	(G) (\$ in thousands) Environmental Cleanup (2% of I Clean Up Highway and Street Runoff that Pollutes Beaches Net Finance Expenditures Total Environmental Cleanup % Taxpayer Safeguards and A Collect Sales Taxes (1.5% of Sales Taxes)	\$s	(H.1) 294,520 - 294,520	\$ 98,949	\$ 55,509 - 55,509	\$	(K) 311 -	\$	(L) 55,198 - 55,198 1.1%



M2 Funds					
ENTITY	4TH QUARTER FY 2024-25	FUNDS TO DATE*			
ALISO VIEJO	\$302,636	\$10,095,345			
ANAHEIM	\$2,604,733	\$85,094,777			
BREA	\$439,298	\$14,535,266			
BUENA PARK	\$0	\$20,145,666**			
COSTA MESA	\$1,114,739	\$37,150,534			
CYPRESS	\$380,583	\$13,228,538			
DANA POINT	\$257,673	\$8,537,411			
FOUNTAIN VALLEY	\$470,567	\$15,758,165			
FULLERTON	\$996,004	\$33,249,741			
GARDEN GROVE	\$1,126,471	\$37,841,942			
HUNTINGTON BEACH	\$0	\$47,954,002***			
IRVINE	\$2,407,576	\$72,248,606			
LAGUNA BEACH	\$187,504	\$6,410,699			
LAGUNA HILLS	\$247,601	\$8,566,172			
LAGUNA NIGUEL	\$494,840	\$16,855,603			
LAGUNA WOODS	\$98,950	\$3,262,836			
LA HABRA	\$399,009	\$13,478,423			
LAKE FOREST	\$614,207	\$20,422,632			
LA PALMA	\$105,308	\$3,896,427			
LOS ALAMITOS	\$96,848	\$3,289,787			
MISSION VIEJO	\$668,707	\$23,332,482			
NEWPORT BEACH	\$798,000	\$27,751,218			
ORANGE	\$1,248,217	\$42,134,417****			
PLACENTIA	\$360,153	\$11,845,452			
RANCHO SANTA MARGARITA	\$311,378	\$10,703,274			



M2 Funds					
ENTITY	4TH QUARTER FY 2024-25	FUNDS TO DATE*			
SAN CLEMENTE	\$428,100	\$14,437,397			
SAN JUAN CAPISTRANO	\$288,573	\$9,691,791			
SANTA ANA	\$2,006,912	\$69,666,810			
SEAL BEACH	\$177,686	\$6,205,292			
STANTON	\$230,191	\$7,615,854			
TUSTIN	\$703,145	\$23,065,825			
VILLA PARK	\$39,372	\$1,326,582			
WESTMINSTER	\$615,193	\$21,457,812			
YORBA LINDA	\$453,745	\$15,353,808			
COUNTY UNINCORPORATED	\$1,814,513	\$53,752,975			
TOTAL M2 FUNDS	\$22,488,431	\$810,363,561			

^{*} Only includes disbursed funds.

Withheld funds are listed below.

ENTITY	4TH QUARTER FY 2024-25	FUNDS TO DATE
BUENA PARK	\$697,856	\$2,519,307
HUNTINGTON BEACH	\$1,445,298	\$1,445,298
TOTAL M2 FUNDS WITHHELD	\$2,143,154	\$3,964,605

^{**} 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.

^{****} On May 12, 2025, the Board determined the City of Orange eligible again to receive net M2 revenues. Withheld funds were released in June 2025.



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

	Cost	Schedule				
Capital Projects	Baseline/Forecast	1 121141 21 2 2 2 2 2				
	(millions)	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	Mar-26	Sep-29	
Project B	\$327.9	Jan-20	Aug-24	Jan-26	Nov-29	
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	Aug-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	Apr-27	TBD	TBD	TBD	

^{*}Status through June 2025. For detailed project information, please refer to the individual project section within this report.

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

Capital Projects	Cost Baseline/Forecast	. 10.11.				
Capital Projects	(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	Dec-25	Apr-27	Jul-30	
SR-57 Northbound (NB), Orangewood Avenue to Katella Avenue	\$71.8	Dec-18	Jul-24	Nov-25	Jun-28	
Project G	\$135.4	Mar-19	Aug-24	Oct-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	Mar-29	TBD	TBD	TBD	

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Non-bolded = Planned/Baseline

0.2918.2516	Cost Baseline/Forecast	Schedule Plan/Forecast				
Capital Projects	(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	Jun-26	Sep-30	
SR-91, Acacia Street to La Palma Ave (Segment 3)	\$147.7	Oct-18	Apr-24	Apr-25	Sep-28	
Project I	\$257.5	Jun-20	Oct-24	Sep-25	Apr-29	
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)	TBD	N/A	N/A	N/A	N/A	
Project J	TBD	Feb-26	TBD	TBD	TBD	
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	

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Capital Projects	Cost Baseline/Forecast		edule orecast		
Oupital i Tojecto	(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

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Conital Projects	Cost Baseline/Forecast	Schedule Plan/Forecast				
Capital Projects	(millions)	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	
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	Mar-26	
Project S	\$671.4	Mar-15	Nov-17	Sep-18	Mar-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	

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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



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
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

- 1-405 to I-5
- I-5 to SR-91

State Route 57 (SR-57) Projects

- Northbound, Orangewood Avenue to Katella Avenue
- Northbound, Katella Avenue to Lincoln Avenue
- Northbound, Orangethorpe Avenue to Lambert Road
- G Northbound, Lambert Road to Tonner Canyon Road

State Route 91 (SR-91) Projects

- Westbound, I-5 to SR-57
- SR-57 to SR-55
- SR-55 to Riverside County Line

Interstate 405 (I-405) Projects

- K SR-73 to I-605
- 1-5 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
- Signal Synchronization Project Corridors

Metrolink Rail Line

Metrolink Station

Transit Projects

- R Grade Separation and Station Improvement Projects
- S Transit Extensions to Metrolink
- Metrolink Station Conversion to accept Future High-Speed Rail Systems
- Community Based Transit/Circulators

Other Projects Not Shown

Project N:

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



MATERIALS WILL BE PROVIDED UNDER SEPARATE COVER PRIOR TO THE

August 28, 2025

EXECUTIVE

COMMITTEE MEETING.