



Orange County Transportation Authority

Environmental Oversight Committee Agenda

Wednesday, August 5, 2026 at 2:30 p.m.

550 South Main Street, Orange, California

Teleconference Locations:

Brea City Sports Park
333 E. Birch Street
Brea, CA 92821

California Natural Resources Building
715 P Street, Conference Room 17-310
Sacramento, CA 95814

Call to Order

Pledge of Allegiance

Member Tettemer

Welcome and Introductions

Regular Calendar

1. **Approval of Minutes**
Mark Tettemer

Recommendation(s)

Approve the minutes of the May 6, 2026, Environmental Oversight Committee (EOC) meeting.

Attachments:

[Minutes](#)

Presentation Items

2. **Environmental Mitigation Program (EMP) Endowment Fund Investment Report**
Adriann Cardoso

Overview

Staff will provide an update on the EMP endowment.

Attachments:

[Report](#)

ENVIRONMENTAL OVERSIGHT COMMITTEE MEETING AGENDA

3. Pacific Horizon EOC Tour

Lesley Hill

Overview

Staff will provide an update of the June 30 EOC tour of the Pacific Horizon Preserve.

Attachments:

[Presentation](#)

4. Chino Hills State Park Restoration Project Sign Off

Lesley Hill

Overview

Lexi Kookootsedes, of Dudek, will provide an overview of the recently completed Orange County Transportation Authority (OCTA) EMP funded restoration project at Chino Hills State Park.

Attachments:

[Presentation 1](#)

[Presentation 2](#)

5. OCTA M2 Natural Community Conservation Plan/Habitat Conservation Plan 2025 Annual Report Overview

Lesley Hill

Overview

Staff will provide a summary of the OCTA M2 Conservation Plan annual report.

Attachments:

[Report](#)

[Presentation](#)

6. Trabuco Rose Preserve Gully Project Completion

Lesley Hill

Overview

Staff will provide an update on the Trabuco Rose Preserve gully erosion project.

Attachments:

[Presentation](#)

Update Reports

7. Staff Liaison Report

Marissa Espino

8. Public Comments

ENVIRONMENTAL OVERSIGHT COMMITTEE MEETING AGENDA

9. Staff Comments

10. Committee Member Comments

11. Adjournment

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

2:30 p.m. on Wednesday, November 4, 2026

OCTA Headquarters
550 South Main Street
Orange, California

Accommodations

Any person with a disability requiring accommodation to participate in this meeting should contact the Clerk of the Board's office at (714) 560-5676, no less than two business days prior to the meeting to make arrangements.

Agenda Descriptions

Agenda descriptions are intended to provide a summary of items of business to be transacted or discussed. The Board/Committee may take any action that 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 this agenda are available for viewing at www.octa.net or at OCTA Headquarters, 600 S. Main Street, Orange, CA during normal business hours.

Meeting Access and Public Comments on Agenda Items

Public comments can be made in-person at the meeting by completing speaker's card and submitting it to the Clerk of the Board prior to the item being called by the Chair. Public speakers will be recognized by the Chair and comments shall be limited to three minutes (unless otherwise directed by the Chair). Language translation can be provided upon request, if available.

Written Comment

Written comments may be emailed to Committees@octa.net no later than 5:00 p.m. the day prior to the meeting. Timely received written comments will be part of the public record and distributed to the Board/Committee.



Committee Members Present

Chair Tettemer
Vice Chair Schlotterbeck
Member Kershek
Member McGregor
Member Navari
Member Neben
Member Phung
Member Silver
Member Turner

Committee Members Absent

Member Aleman-Zometa
Member Federico

Staff Present

Lesley Hill, Planning Division
Adriann Cardoso, Planning Division
Marissa Espino, Staff Liaison
Gina Ramirez, Clerk of the Board
OCTA Staff

Call to Order

The May 6, 2026, Environmental Oversight Committee meeting was called to order by Chair Tettemer at 2:31 p.m.

Regular Calendar

1. Approval of Minutes

A motion was made by Vice Chair Schlotterbeck, seconded by Chair Tettemer, and following a roll call vote, declared passed 6-0 to approve the minutes of the November 5, 2025, Environmental Oversight Committee (EOC) meeting.

2. Information Items Overview

Lesley Hill, Senior Project Manager, presented this item.

Presentation Items

3. Environmental Mitigation Program (EMP) Endowment Fund Investment Report

Adriann Cardoso, Department Manager, presented this item.

4. Fairview Park Restoration Project Update

Lesley Hill, Senior Project Manager, presented this item.



5. Pacific Horizon Many-stemmed Dudleya Restoration Project

Lesley Hill, Senior Project Manager, presented this item.

6. Trabuco Rose Preserve Gully Project Update

Lesley Hill, Senior Project Manager, presented this item.

7. Public Comments

There were no Public Comments received.

8. Staff Comments

Marissa Espino, Section Manager III of Public Outreach, announced that a tour will take place on June 29th at the Pacific Horizon Preserve to showcase the open-space property.

Lesley Hill, Senior Project Manager, reported that staff are currently working on the Annual Conservation Report. They plan to send the executive summary to the EOC via email and present the full report at the next EOC meeting. Additionally, she mentioned that staff is coordinating with the wildlife agencies to share the report with the OCTA Board. This will allow the report to be included in the OCTA EMP Board update in June and avoid being delayed until December for distribution.

9. Committee Member Comments

There were no Committee Member comments.

10. Adjournment

The meeting was adjourned at 3:12 p.m.

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

2:30 p.m. on Wednesday, August 5, 2026

OCTA Headquarters
550 South Main Street
Orange, California



June 18, 2026

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Environmental Mitigation Program Endowment Fund Investment Report for March 31, 2026

Overview

The Orange County Transportation Authority has developed a Natural Community Conservation Plan/Habitat Conservation Plan, acquired conservation properties, and funded habitat restoration projects to mitigate the impacts of the Measure M2 Freeway Program. The California Community Foundation manages the non-wasting endowment required to fund the long-term management of the conservation properties. Each quarter, the California Community Foundation publishes a comprehensive report detailing the composition of the pool and its performance.

Recommendation

Receive and file as an information item.

Background

On September 26, 2016, the Board of Directors approved the selection of the California Community Foundation (CCF) as an endowment fund manager for the Measure M2 Freeway Environmental Mitigation Program. Annually, approximately \$2.9 million is deposited in the endowment. These annual deposits are expected over a ten-to-twelve-year period, or until the fund totals approximately \$46.2 million. As of March 31, 2026, the Orange County Transportation Authority (OCTA) has made ten deposits to the CCF Endowment Pool (Pool), each in the amount of \$2,877,000.

Discussion

As of March 31, 2026, total assets in the Pool stood at \$1.19 billion (Attachment A), while foundation assets totaled \$2.60 billion. Pool performance lagged the Blended Benchmark over the short- and mid-term periods (up to ten years) but remained closely aligned over the 20-year horizon.

The endowment balance as of March 31, 2026, was \$38,797,315, exceeding the target of \$36,628,220 for the third quarter of fiscal year (FY) 2025-26. Based on CCF's performance to date, OCTA remains on track to meet the endowment target of \$46.2 million in FY 2027-28 (Attachment C). The total endowment portfolio returned -2.5 percent for the quarter and 10.3 percent over the trailing one-year period.

Global equity markets declined during the third quarter of FY 2025-26, as investor sentiment weakened amid increased geopolitical uncertainty, pressure on U.S. technology stocks, and concerns regarding inflation and interest rates. International equities continued to hold up better than U.S. equities in certain markets, while commodities benefited from higher energy prices. The Federal Reserve maintained its policy rate at a target range of 3.50 – 3.75 percent in March 2026, reflecting a cautious approach as it continued to monitor inflation, economic growth, and evolving market risks.

The Pool's results reflected the weaker market environment during the quarter. Public equities were negatively impacted by the broader equity market pullback, while fixed income and other diversifying asset classes helped moderate overall volatility. Overall, the Pool remains well diversified and positioned to support long-term objectives through disciplined risk management.

Diversification, strategic asset allocation, and appropriately sized investments within the endowment portfolio remain the primary strategies to safeguard the portfolio against outsized volatility while supporting long-term performance objectives.

Summary

Orange County Transportation Authority staff is submitting a copy of the California Community Foundation Investment Report for the quarter ended March 31, 2026.

Attachments

- A. California Community Foundation Endowment Pool Investments – March 31, 2026
- B. California Community Foundation Fund Statement – 1/1/2026 – 3/31/2026
- C. Environmental Mitigation Program Portfolio Performance – Actual/Projection vs. Target

Prepared by:



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Department Manager,
Treasury and Public Finance
(714) 560-5675

Approved by:



Andrew Oftelie
Chief Financial Officer
Finance and Administration
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Endowment Pool

March 31, 2026

INVESTMENTS

Total Pool Assets

\$1.190 billion (Endowment Pool), \$2.60 billion (total foundation assets) as of March 31, 2026.

Pool Objective

Prudent investment of funds to provide real growth of the assets over time while protecting the value of the assets from undue volatility or risk of loss. Managed on a total return basis (i.e., yield plus capital appreciation) while taking into account the level of liquidity required to meet withdrawals from the pool - mainly expenses and grants to external organizations. While the Investment Committee recognizes the importance of the preservation of capital, they also adhere to the principle that varying degrees of risk are generally rewarded with commensurate returns over full market cycles (5-10 years).

Outsourced CIO

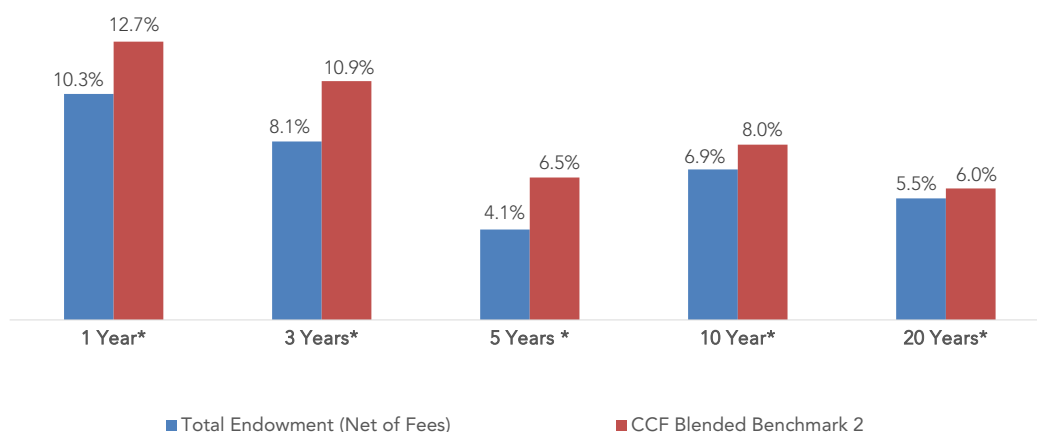
Pathstone (Aka Hall Capital Partners)

Performance & Asset Allocation

Performance for March 2026 was -2.96% ⁽¹⁾

Performance for the three months ended March 31, 2026 was -2.52%

CCF Total Endowment (net of fees) vs. Blended Benchmark ⁽²⁾



Asset Class	\$Millions	% of Port	Long-Term Target Range ⁽⁴⁾
Cash & Equivalent ⁽³⁾	\$52	4.4%	0 - 5%
Fixed Income	\$130	10.9%	10 - 20%
Public Equities	\$522	43.9%	40 - 60%
Alternative Assets	\$122	10.3%	10 - 25%
Hybrid Investments	\$24	2.0%	0 - 10%
Private Investments	\$232	19.5%	10 - 20%
Real Assets	\$108	9.0%	5 - 10%
Total Endowment Assets	\$1,190	100.0%	

* Represents Annualized Returns.

Footnotes:

1 – Performance is preliminary and at times estimated pending final reporting from all investments. Managers often report on substantial lags, particularly private illiquid investments. In the instances where we do not have actual or estimated performance for a manager, we default to a 0% performance. Investment performance is presented net of investment expenses, including fund manager incentive fees.

2 – Total benchmark intended to roughly match CCF portfolio asset allocation with relevant constituent benchmarks. Current blended benchmark effective since 1/1/24.

Current blended benchmark: ML 3M T-Bills (3%), Barclays Agg. Bond Index (7.8%), Barclays 1-5Y Government-Credit Index (5.2%), MSCI ACWI (45%), Hedge Fund Blend (7.5% BofA ML High Yield, 3.75% ML 3-Month T-bills, 3.75% MSCI ACWI), Cambridge PE Index (9.8%), Cambridge VC Index (4.2%), Cambridge RE Index (7%), S&P Infrastructure Index (3%).
CPI+5%.

CCF blended benchmark 7/1/21 to 12/31/23 : ML Treasury 1-3 (2%), Barclays Agg. Bond Index (18%), MSCI ACWI (50%), Hedge Fund Blend (7.5% BofA ML High Yield, 3.75% ML 3-Month T-bills, 3.75% MSCI ACWI), Cambridge PE Index (3.5%), Cambridge VC Index (1.5%), Cambridge RE Index (7%), S&P Infrastructure Index (3%).

CCF blended benchmark prior to 7/1/21: Total Fund Benchmark is a combination of: 48% MSCI ACWI - 2% Cambridge PE Index 1-Qtr Lag / 14% HFR FOF / 5% ODCE - 5% S&P Global Large Mid NR - 4% S&P Global Infrastructure / 9% Barc Agg. - 3% Barc 1-5 Yr. Gov/Cr - 3% Barc 0-5 Yr. US Treasury TIPs / 2% Barc High Yield - 2% S&P/LSTA Leveraged Loan - 3% JP Morgan EMBI Global Diversified.

3 – Includes cash in transit to or from investments. For example, 3/31 cash could include money that is being sent to an investment on 4/1.

4 – Current portfolio allocations may be outside of strategic ranges as it can take substantial time to adjust investments to meet range goals. This is particularly true for private illiquid investments that call capital into strategies over time and typically necessitate multi-year periods to gain exposure for appropriate vintage diversification

5 – The Endowment Pool weighted-average expense ratio approximates 1.20% excluding fund manager incentive fees.



Fund Name: OCTA - Measure M2 Environmental Mitigation Program Fund
Fund Start Date: 2/28/2017
Investment Pool(s): Endowment Pool

FUND STATEMENT

OCTA - Measure M2 Environmental Mitigation Program Fund (V398)

1/1/2026 - 3/31/2026

Fund Summary

	This Period 01/01/2026 - 03/31/2026	Calendar YTD 1/1/2026 - 3/31/2026
Opening Fund Balance	\$39,898,925.35	\$39,898,925.35
Contributions	0.00	0.00
Investment Activity, net	(1,002,874.90)	(1,002,874.90)
Administration & Grant Management Fees	(98,735.61)	(98,735.61)
Net Changes to Fund	(1,101,610.51)	(1,101,610.51)
Ending Balance	\$38,797,314.84	\$38,797,314.84

Investment Pool Performance as of 03/31/2026

	1 - Year	3 - Years	5 - Years	10 - Years
Endowment Pool	10.3%	8.1%	4.1%	6.9%
Social Impact Endowment Pool	12.0%	13.1%	7.5%	9.2%
Conservative Balanced Pool	8.4%	8.4%	4.5%	5.5%
Short Duration Bond Pool	4.1%	4.3%	1.7%	2.0%
Capital Preservation Pool	4.0%	4.9%	3.4%	2.3%

Endowment Pool - Invested for long-term growth and appreciation across multiple investment managers. It seeks to preserve the purchasing power and provide real growth of assets over an indefinite time horizon through long-term investment opportunities and portfolio diversification, while taking into account the level of liquidity required to meet withdrawals from the pool.

Social Impact Endowment Pool - Invested in a diversified pool of equities and fixed income aiming to offer capital growth for long-term grantmaking. It seeks to preserve the purchasing power of assets over an indefinite time horizon by following a sustainable investing approach that combines rigorous financial, environmental, social and governance (ESG) analysis, while taking into account the level of liquidity required to meet withdrawals from the pool.

Conservative Balanced Pool - Invested to strike a balance between growth and liquidity by combining current income with an opportunity for moderate capital appreciation. It seeks to offer diversified exposure to fixed income with maturities from 1-5 years as well as the entire U.S. equity market for purposes of grantmaking over an intermediate horizon.

Short Duration Bond Pool - Invested to offer diversified exposure to fixed income with maturities from one to five years for the purposes of grants over a near-term one to four year horizon.

Capital Preservation Pool - Invested to meet the needs of funds with short-term grant objectives. It seeks to preserve principal and provide liquidity and working funds for present and future needs through investment in high-quality, short-term fixed income and cash instruments.

Definition of Terms

Opening Fund Balance - Your fund's balance at the beginning of the statement period.

Contributions - Irrevocable financial additions to your fund.

Grants - Grants you recommended to IRS-qualified public charities that have been approved and distributed from your fund. This also includes refunds and voids of grants made.

Administrative Fee - CCF charges administrative fees to cover general operating activities. These activities could include gift establishment, receipt of assets and contributions, grants and fund administration, research on nonprofit agencies and issue areas, and other charitable purposes.

Investment Activity, net – This represents the financial returns from the CCF investment pool(s) in which your fund is invested, including interest, dividends and gains/losses as well as the deduction of any investment-related fees.

Fund Balance Transfer - Money transferred to or from another CCF fund.

Other Expenses - Permissible expenses (i.e., legal, phone charges, etc.) related to the administration of your fund.

Net Changes to Fund - The net amount of your fund after contributions, income, grants, administration and grant management fee, investment managers' fees, fund balance transfers, and other expenses.

Ending Fund Balance - The fund's balance at the end of the statement period reported on this statement. This amount includes any contributions, grant distributions, fund balance transfers, and increase or decrease in market value.

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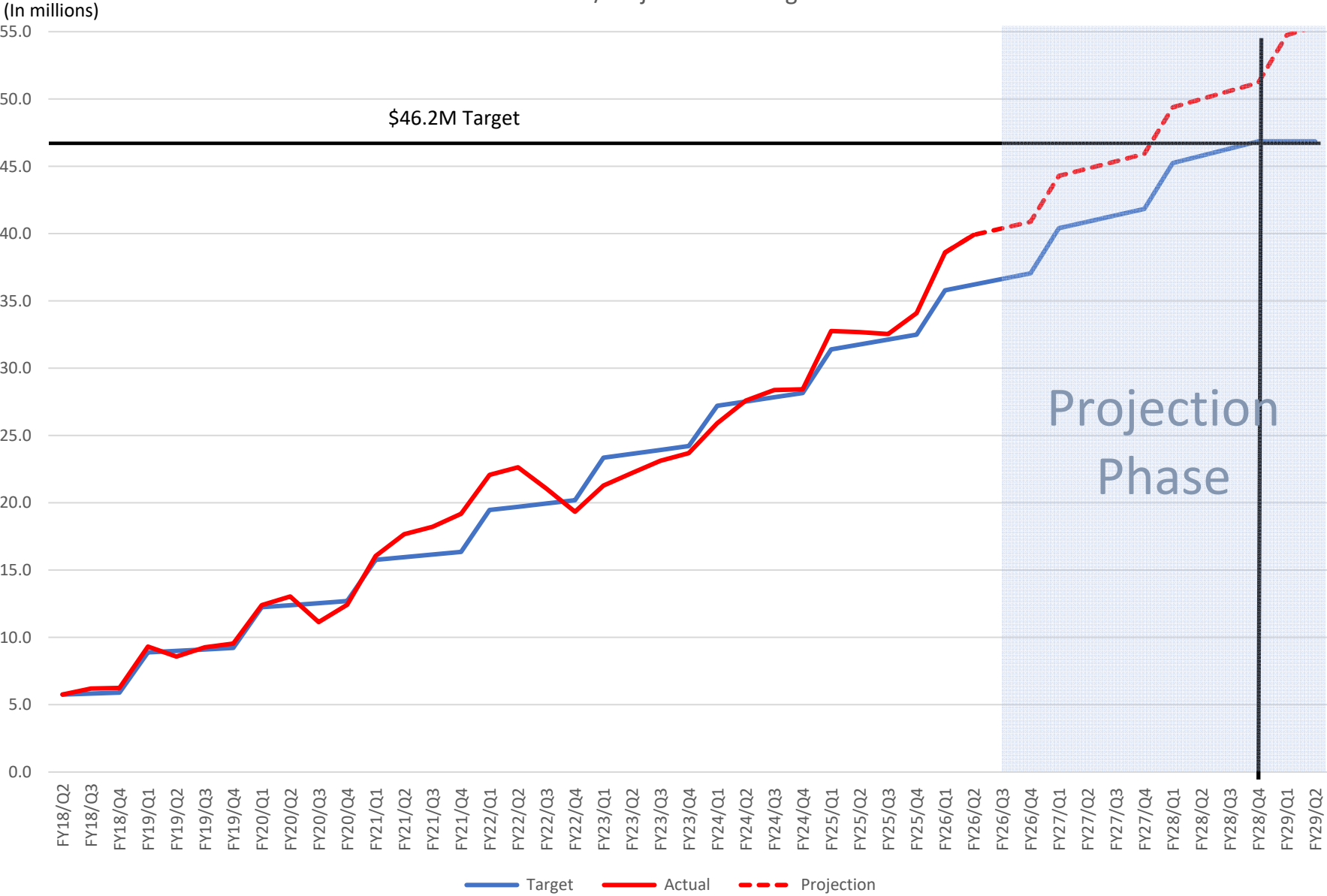
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Environmental Mitigation Program Portfolio Performance Portfolio Performance
- Actual/Projection vs. Target





Orange County Transportation Authority Environmental Mitigation Program

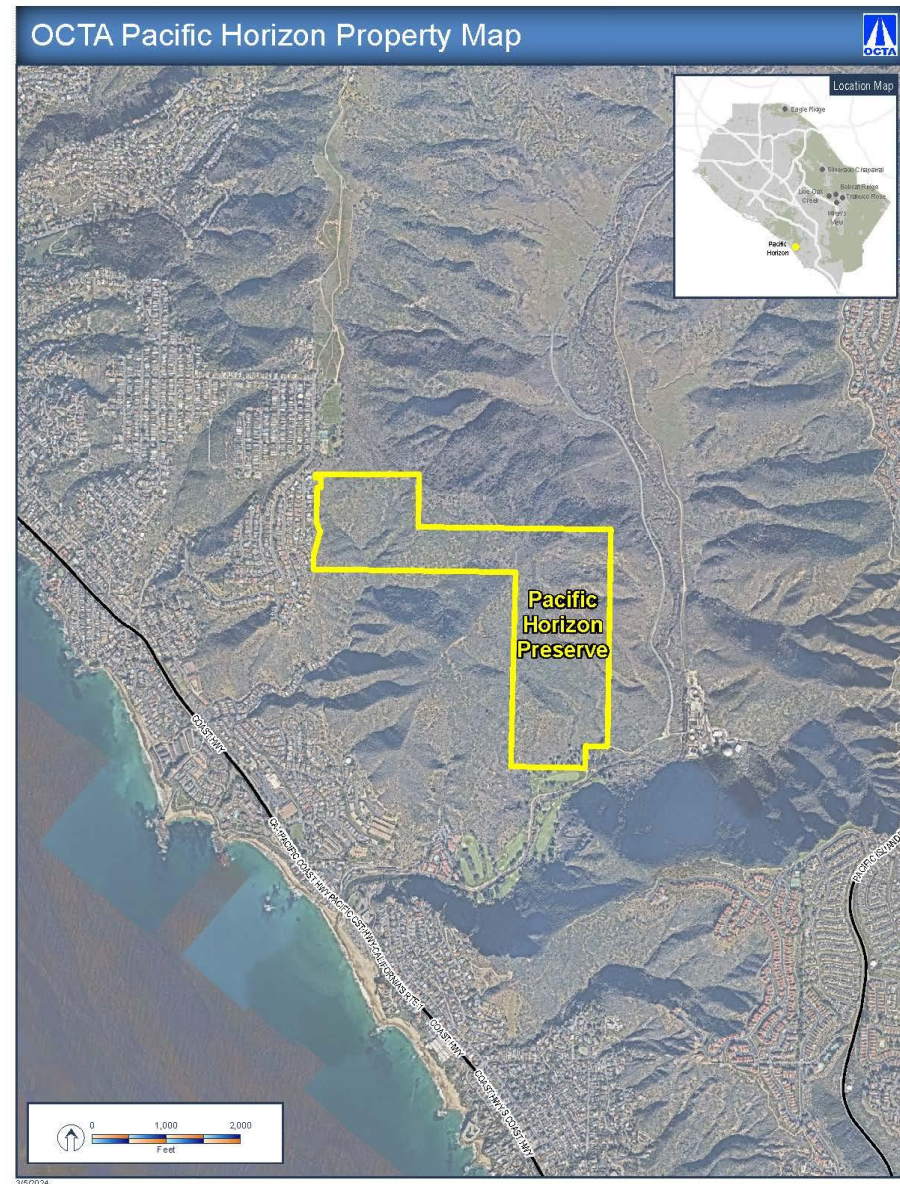
August 5, 2026

Item Number 3 – Pacific Horizon Environmental Oversight Committee Tour





Orange County Transportation Authority Pacific Horizon Preserve





June 30, 2026, Environmental Oversight Committee Site Tour

Pacific Horizon Preserve

- Purchased April 2015
- Approximately 151 acres in the City of Laguna Beach
- Habitat types include coastal sage scrub, chaparral, and grassland
- Tour attendees included:
 - Caltrans
 - United States Fish and Wildlife Service
 - EOC public member
 - OCTA Director



Caltrans – California Department of Transportation
EOC - Environmental Oversight Committee



Orange County Transportation Authority Environmental Mitigation Program

August 5, 2026

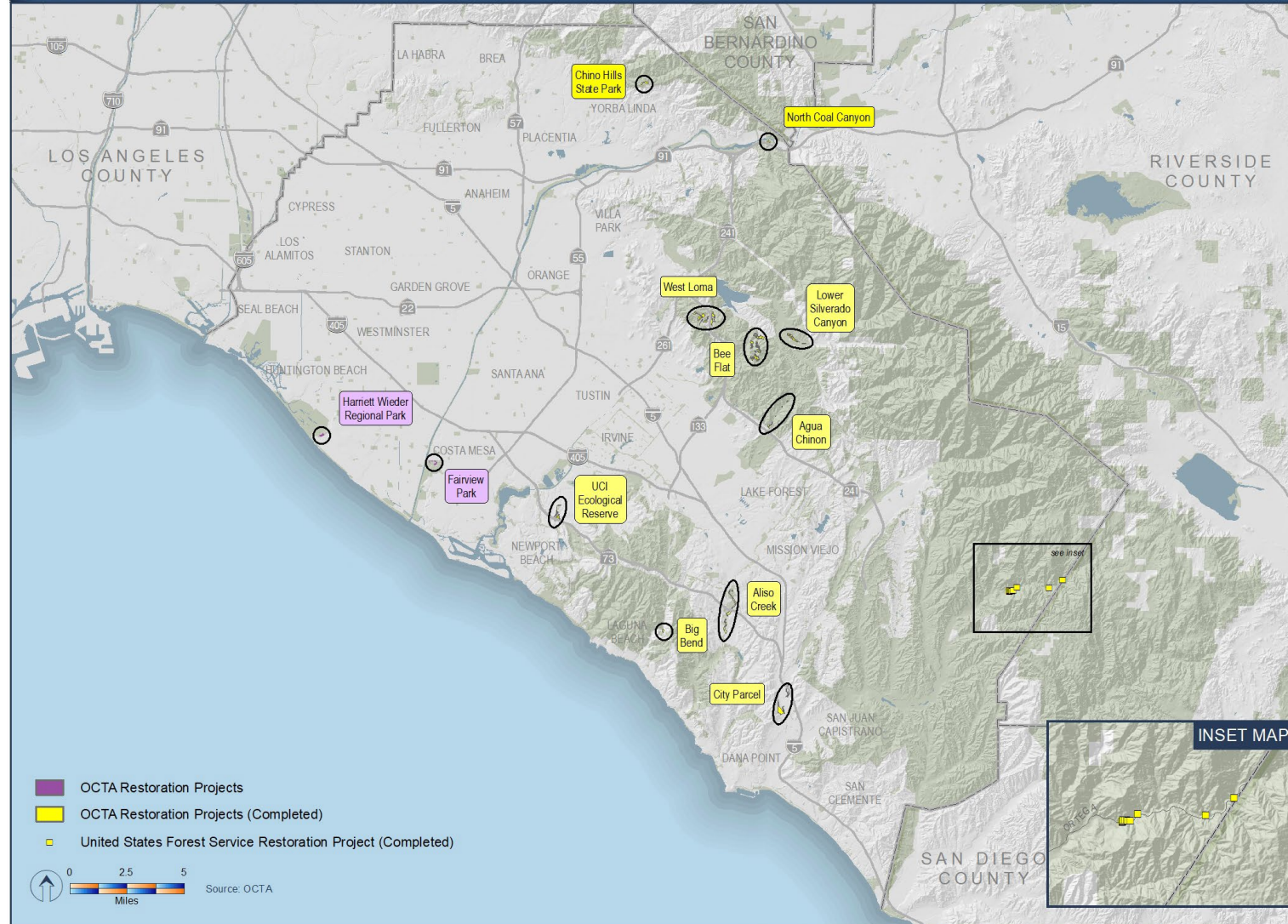
Item Number 4 - Chino Hills State Park Restoration Project Sign Off





Orange County Transportation Authority Restoration Projects

Funded Restoration Projects Map



OCTA - Orange County
Transportation Authority

01/15/2026

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Completed Restoration Projects Summary

Project Name	Sponsor/ Geographic Area	Cost	Approximate Acreage and Habitat Types	Year Began	Project Status
Big Bend	Laguna Canyon Foundation/ Laguna Beach	\$87,500	3.7 Coastal sage scrub (CSS) and riparian woodland	2011	Signed off 2017
City Parcel/ 2C Ranch	City of San Juan Capistrano/ San Juan Capistrano	\$1,500,000	53 CSS, native grassland, oak woodland, and riparian	2011	Signed off 2018
University of California, Irvine Ecological Reserve	Natural Community Coalition/Irvine	\$325,000	8.5 Cactus scrub	2011	Signed off 2021
Bee Flat Canyon	Irvine Ranch Conservancy/Irvine	\$1,597,860	84 Chaparral, CSS, native grassland, riparian, and woodland	2011	Signed off 2020
Agua Chinon			6.1 Riparian, CSS, and woodland	2011	Signed off 2023



Completed Restoration Projects Summary (Cont.)

Project Name	Sponsor/ Geographic Area	Cost	Approximate Acreage and Habitat Types	Year Began	Project Status
United States Forest Service (USFS) Dam Removal	USFS/ San Juan Capistrano and Trabuco Canyon	\$185,000	31 Dam Removals, creek bed, and riparian	2018	Signed off 2022
Lower Silverado Canyon	Irvine Ranch Conservancy/ County of Orange	\$1,414,435	28.4 Riparian	2014	Signed off 2023
West Loma	Irvine Ranch Conservancy/ County of Orange	\$1,454,570	62.4 CSS and Riparian	2013	Signed off 2024



Completed Restoration Projects Summary (Cont.)

Project Name	Sponsor/ Geographic Area	Cost	Approximate Acreage and Habitat Types	Year Began	Project Status
Aliso Creek	Laguna Canyon Foundation/ Laguna Niguel	\$1,482,100	55 Riparian	2015	Signed off 2025
North Coal Canyon	RECON/ Yorba Linda	\$247,500	5.5 CSS	2019	Signed off 2025
Chino Hills State Park	Dudek Environmental/ Yorba Linda	\$193,000	11 Cactus Scrub	2020	2026



Active Restoration Projects

Project Name	Sponsor/ Geographic Area	Cost	Approximate Acreage and Habitat Types	Year Began	Project Status
Fairview Park	City of Costa Mesa/ Costa Mesa	\$2,000,000	23 CSS, native grassland, riparian, and wetland	2011	Pending
Harriett Weider Regional Park	Bolsa Chica Conservancy/ Huntington Beach	\$475,000	8.2 CSS, native grassland, and riparian	2016	Pending



Project History

Chino Hills State Park Project Sponsor

- Approved by Board 2012
- \$193,000/11 acres of cactus scrub
- Restoration Plan drafted in January 2017
- OCTA agreement signed May 2017
- Terminated in August 2018

Habitat Restoration Sciences, Inc./ Dudek Environmental

- OCTA procurement process
- Contract executed February 2019
- Project approved June 2026





OCTA Measure M - Cactus Scrub Restoration

Chino Hills State Park

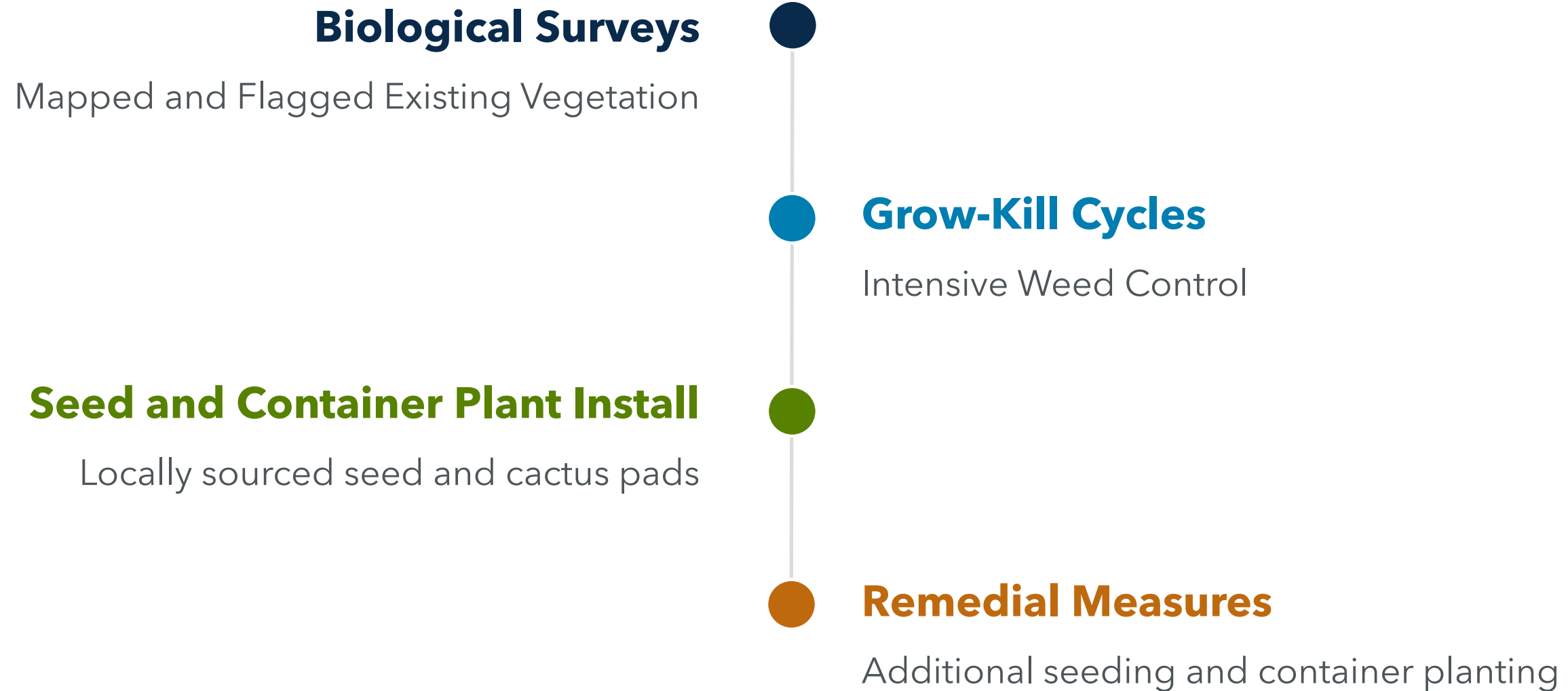
PRESENTATION BY ALEXANDRA KOOKOOTSEDES

AUGUST 5, 2026

Site Description

- 11 acres of Cactus Scrub Restoration
- Funded by Orange County Transportation Authority/Measure M2
- Northeast Preserve of Chino Hills State Park
- Part of 53 acre mitigation area acquired by State Parks in 1997
- Major fires in 2003 and 2008 caused significant degradation to habitat

Step of the Restoration Process



Biological Surveys

Mapping and Flagging Native Plants Onsite

**Bio
Surveys**

**Weed
Control**

Installation



Grow-Kill Cycles

Mustard, Mustard, and More Mustard

Bio Surveys

Weed
Control

Installation



Container Plant and Seed Installation

- 200 Elderberry
- Over 3,000 Cactus
- 412.5 pounds of seed



Bio Surveys

Weed
Control

Installation

Next Step – General Maintenance

However native cover was not increasing as expected.



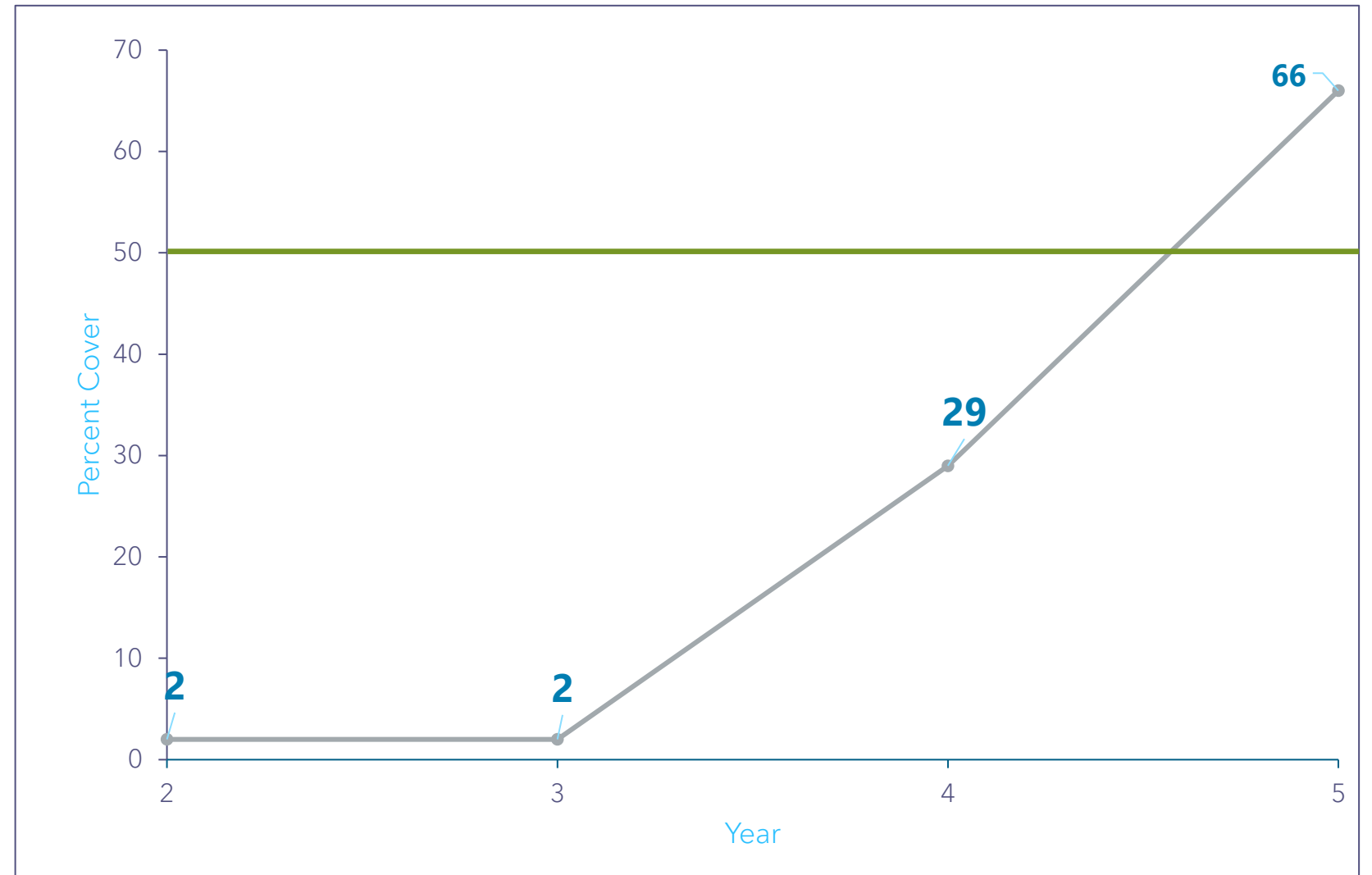
Remedial Measures



- 200 Container Plants
- Additional Irrigation to the Elderberries
- Soil Testing



Native Cover



Project Success – Lessons Learned



DUDEK

Thank You!

M2 NATURAL COMMUNITY CONSERVATION PLAN/HABITAT CONSERVATION PLAN – 2025 ANNUAL REPORT



Prepared by:

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May 2026

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Acronyms and Definitions

ACOE – Army Corps of Engineers

CAGN – Coastal California gnatcatcher

Caltrans – California Department of Transportation

CBB – Crotch’s bumble bee

CCC - California Coastal Commission

CCW – Coastal cactus wren

CDFW – California Department of Fish and Wildlife

CEs – Conservation Easements

CHL – Coast horned lizard

CHSP – Chino Hills State Park

CNDDDB – California Natural Diversity Database

COI – Certificate of Inclusion

CSS – Coastal sage scrub

ECR – Environmental Commitment Record

EMP – Environmental Mitigation Program

EOC – Environmental Oversight Committee. The EOC is made up of two OCTA Board members and representatives from Caltrans, the Wildlife Agencies, ACOE, environmental groups, and the public. The EOC makes recommendations on the allocation of environmental freeway mitigation funds and monitors the execution of a master agreement between OCTA and state and federal resource agencies.

ESA – Endangered Species Act

FMP – Fire Management Plan

GLA – Glenn Lukos Associates

GSOB – Gold spotted oak borer (beetle)

HCP – Habitat Conservation Plan

HMMP – Habitat Mitigation Monitoring Plan

I – Interstate

IA – Implementing Agreement

IML – Intermediate mariposa lily

IRC – Irvine Ranch Conservancy

ISHB – Invasive shot hole borer

ISMP – Invasive Species Management Plan

MSD – Many-stemmed dudleya

M2 – The renewed Measure M (or Measure M2)

M2 NCCP/HCP – OCTA M2 Natural Communities Conservation Plan / Habitat Conservation Plan adopted on November 2017. Also referred to as Plan.

NCCP – Natural Community Conservation Plan

NCCPA – Natural Community Conservation Plan Act

OC Parks – Orange County Parks

OCTA – Orange County Transportation Authority

OTW – Orangethroat whiptail

RMP – Resource Management Plan

SCAG – Southern California Association of Governments

SCE – Southern California Edison

SR – State Route

UCI – University of California, Irvine

USFS – United States Forest Service

USFWS – U.S. Fish and Wildlife Service

Wildlife Agencies – the California Department of Fish and Wildlife (CDFW) and U.S. Fish and Wildlife Service (USFWS), collectively referred to as the Wildlife Agencies

Executive Summary

This is the eighth Annual Report for the Orange County Transportation Authority (OCTA) renewed Measure M (M2) Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP or Plan), covering all activities between January 1, 2025, and December 31, 2025. This report summarizes the tracking of impacts associated with covered freeway improvement projects and other management and monitoring activities on Preserves (Covered Activities). It also provides an update of the status and activities on the OCTA Preserves, progress on the implementation of OCTA-funded restoration projects, and additional Plan administration and public outreach activities. This Annual Report has been prepared to comply with the state NCCP and federal HCP annual reporting requirements and will be submitted to the California Department of Fish and Wildlife (CDFW) and the United States Fish and Wildlife Service (USFWS), collectively referred to as the Wildlife Agencies, for review. Once the Annual Report has been finalized, it will be presented to the OCTA Environmental Oversight Committee (EOC) and will be available for public review.

Tracking Impacts from Covered Activities

OCTA keeps account of the Plan-to-date impacts on habitat types from all covered freeway improvement projects to ensure impacts stay within the caps established within the Plan. To date, a total of **9.2 acres of habitat impacts have been authorized relative to a cap of 141.0 acres**. In addition, OCTA uses a consistency determination checklist to evaluate how and when avoidance and minimization measures are implemented on covered freeway improvement projects. No projects had consistency determinations drafted, modified, or completed within the timeframe of this Annual Report. Other tracking requirements include:

- *Tracking for Covered Plant Species Policy* – OCTA tracks the credits for covered plant species protection (on Preserves) and restoration/enhancement (restoration projects) relative to allowable impacts. The Plan-to-date balance for each plant species is net positive (intermediate mariposa lily (*Calochortus weedii* var. *intermedius*, IML) [+933], many-stemmed dudleya (*Dudleya multicaulis*, MSD) [+57], southern tarplant (*Centromadia parryi* ssp. *australis*, ST) [+59,377]).
- *Tracking Impacts on Habitat Types Resulting from Covered Activities within Preserves* – The Plan establishes a cap that no more than 13 acres (approximately 1%) of the natural habitat within the OCTA Preserves will be impacted by Preserve management activities. To date, no measurable permanent impacts have been recorded on the Preserves.
- *Maintaining Rough Proportionality* – The Plan requires implementation of conservation measures roughly proportional in time and extent to impacts on natural communities and Covered Species. To date, eight restoration projects, Big Bend, City Parcel, Bee Flat, University of California, Irvine (UCI) Ecological Reserve, United States Forest Service (USFS) Dam Removal, Agua Chinon, Lower Silverado Canyon, West Loma, North Coal Canyon, and Aliso Creek have received sign-off from the Wildlife Agencies as meeting their success criteria and have achieved conservation credits that keeps the Plan ahead of allowable impacts.

OCTA Preserves

OCTA acquired seven properties resulting in the protection of 1,236¹ acres of natural habitat (see Figure 1). In all instances, the seven Preserves are located within priority conservation areas and immediately adjacent to other protected lands. These Preserves add to the protection of large blocks of natural open space in areas important for regional conservation. OCTA has completed Resource Management Plans (RMPs) for each Preserve that includes Preserve-specific goals and objectives and defines an appropriate level of public access and trail use consistent with protection of biological resources. An update to the RMPs is currently underway. OCTA will be coordinating the updated language with the Wildlife Agencies. It is anticipated that Conservation Easements (CEs) will be established and recorded in the near future. Templates have been developed and are currently under review with CDFW legal counsel. Currently, each Preserve is managed by OCTA. OCTA is considering potentially transitioning to a long-term Preserve Manager and is working to identify potential Preserve Managers. Ideally, the potential long-term Preserve Manager will be included in the review and discussions of the CEs before they are recorded to help avoid management limitations and keep selection opportunities open.

OCTA has contracted the following consulting firms to support Preserve management:

- (1) Glenn Lukos Associates (GLA) to provide biological monitoring, oversee implementation of the approved invasive species management plans (ISMPs), assist with public outreach events, and general program needs including CE support.
- (2) RECON Environmental to support general Preserve stewardship including maintenance of access roads, tree trimming, and control of public access. RECON will also be assisting with updating the RMPs.
- (3) High Level Security Services (HLSS) to assist with patrol of the Preserves to help deter trespassing, vandalism and provide enforcement as needed.
- (4) Guida Surveying Inc. to perform property surveying services.

Most notably, focused surveys for covered bird species and covered mammal monitoring were conducted in 2025. In addition, focused monitoring efforts concluded for the 2022 Coastal Fire burn area at the Pacific Horizon Preserve. GLA also analyzed several years of mammal camera data to describe the movement of the OCTA covered mammals within each Preserve. An access agreement and easements for all existing Southern California Edison (SCE) infrastructure (excluding Bobcat Ridge) were recorded in 2025. Maintenance activities included (but were not limited to) annual vegetation maintenance (related to fire prevention and invasive species removal), and fencing, gate and sign repairs. In addition, OCTA hosted numerous Preserve-specific outreach events to educate the public about property value and public access. OCTA will continue to offer managed access for many of its Preserves consistent with the approved RMPs.

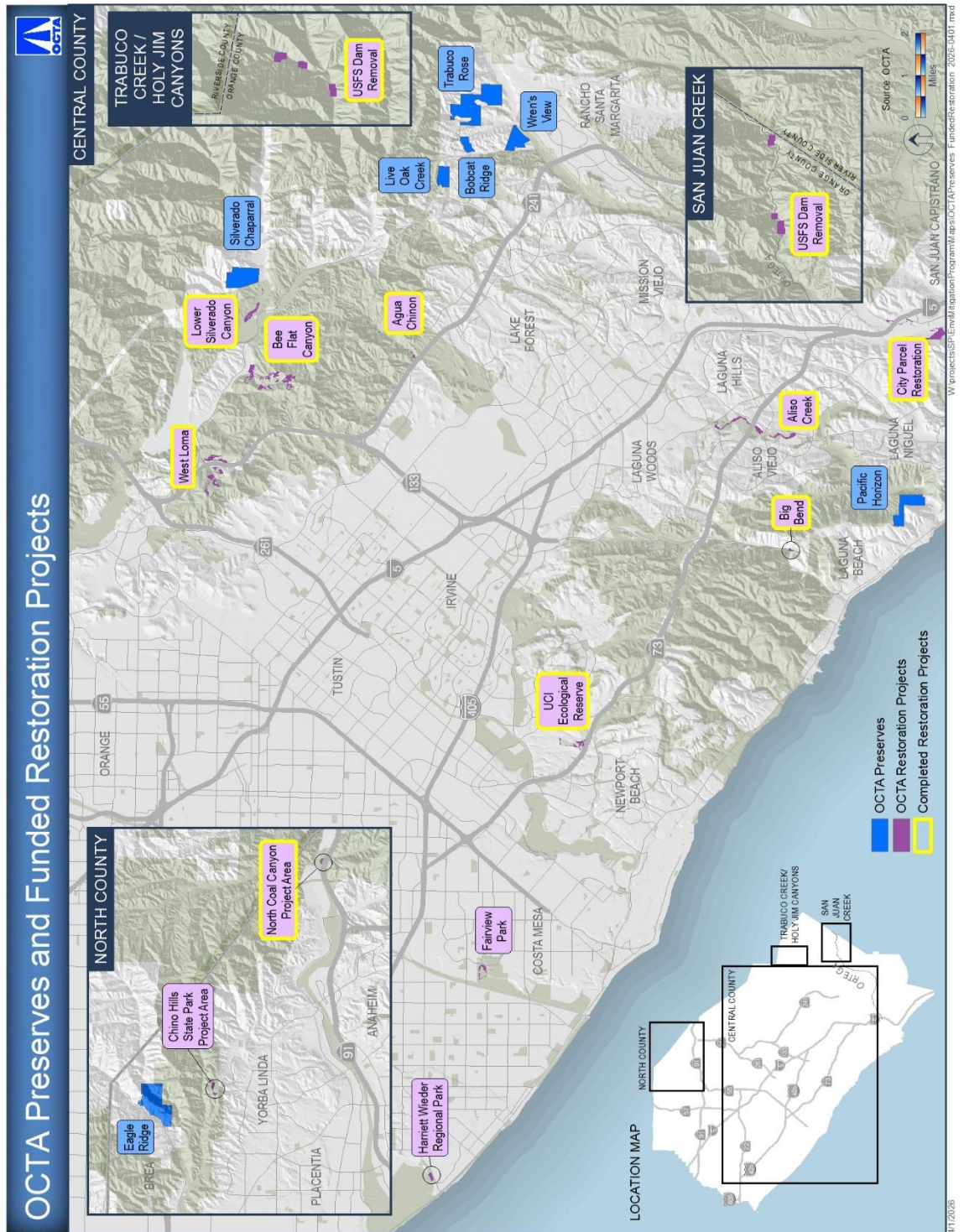
¹ The acreage of natural habitat preserved is based on best available information used during the preparation of RMPs and may be slightly different from acreages reported in the M2 NCCP/HCP.

OCTA-Funded Restoration Projects

OCTA has approved funding for 13² restoration projects (including a dam removal project) that will result in over 350 acres of restored habitats and improvements to habitat functions for Covered Species. The restoration projects occur throughout the Plan Area in core habitat areas and within key habitat linkages and riparian corridors (see Figure 1). The restoration projects are on lands that are currently managed and will enhance habitat for Covered Species. OCTA is working with the restoration project sponsors to complete implementation and monitoring of the restoration activities. At completion, the restoration projects must meet their success criteria to achieve sign-off from the Wildlife Agencies. To date, ten of the 13 restoration projects have obtained sign-off. The remaining three restoration projects are at different stages of this process.

² Previous annual reporting stated that there were 12 restoration projects. One of the restoration projects (Irvine Ranch Conservancy) is comprised of two distinct geographical areas and thus are reported as two projects. Moving forward, 13 restoration projects will be referenced to keep consistent with other OCTA reports.

Figure 1 – OCTA M2 NCCP/HCP Preserves and Funded Restoration Projects



Additional Conditions for Coverage

As part of the Conservation Analysis (Chapter 6) in the Plan, there are two Covered Species, arroyo chub (*Gila orcutti*) and MSD, noted for additional conditions for coverage which are above and beyond the acquisition of the OCTA Preserves and funding of restoration projects. In 2022, the OCTA-funded USFS Dam Removal restoration project was completed and approved. This restoration project satisfied the conditions for coverage of arroyo chub.

OCTA is currently implementing an MSD restoration/enhancement project at the Pacific Horizon Preserve. This project is intended to expand the existing population and meet the criteria needed to achieve coverage for this species. Additional information pertaining to these efforts is included in Chapter 3.2.4.1 Pacific Horizon Management and Monitoring Summary. If this project does not successfully meet the MSD set requirements, OCTA will fund a separate restoration project within Orange County.

Public Outreach

OCTA is committed to transparency in how the M2 funds have been and are being used to implement the Plan and the broader Environmental Mitigation Program (EMP). OCTA has conducted a variety of public outreach activities aimed at informing and engaging the public on the overall EMP as well as Preserve-specific issues and events. These have included public meetings during the preparation of the Preserve RMPs, maintaining a website with information and documents related to the program, and engaging in various outreach efforts. In 2025, OCTA participated in six Preserve-specific public outreach events.

Plan Funding

The primary source of funding for the Plan derives from the M2 transportation sales tax designed to raise money to improve Orange County's transportation system. As part of the M2 sales tax initiative, at least five percent of the revenues from the freeway program will be set aside for the M2 EMP revenues. There are sufficient funds available through the M2 EMP to cover the implementation of the Plan. OCTA is currently in the final years of a 12- to 15-year process (target of fiscal year 2027/2028) to accumulate and establish, in perpetuity, an endowment that will provide a long-term funding source to cover ongoing Preserve management and monitoring, adaptive management, and responses to changed circumstances. The current M2 EMP revenue stream is used to cover Plan implementation and administration until the endowment is fully funded.

Plan Administration

OCTA is responsible for implementing the Plan and staffing an NCCP/HCP Administrator position. OCTA has designated Lesley Hill as the NCCP/HCP Administrator. Her role includes overseeing Preserve management and monitoring, coordinating with restoration project sponsors, serving as the primary point of contact with the Wildlife Agencies, ensuring avoidance and minimization measures are implemented pursuant to the Plan, tracking impacts and conservation, assisting with public outreach, and preparing this annual report.

The Plan outlines how modifications and minor/major amendments can be made to the Plan. In response to unauthorized maintenance activities by SCE on two OCTA Preserves, a minor amendment to the Plan has been proposed to document utility poles and maintenance areas within various Preserves. Coordination with SCE began in 2020, resulting in an access agreement and easements for all infrastructure (excluding Bobcat Ridge) which were recorded in 2025. Additionally, SCE is in the process of obtaining a Coastal Development Permit (CDP) from the California Coastal Commission (CCC) for past and ongoing activities at the Pacific Horizon Preserve (and adjacent properties). The CDP process, delayed by the 2022 Coastal Fire, is ongoing as SCE continues to collaborate with the CCC, Wildlife Agencies and OCTA. Additional information regarding this coordination can be found in Section 3.2.4.1 of this report. No major amendments to the Plan are proposed.



Orange County Transportation Authority Environmental Mitigation Program

August 5, 2026

Item Number 5 – OCTA M2 Conservation Plan 2025 Annual Report Overview





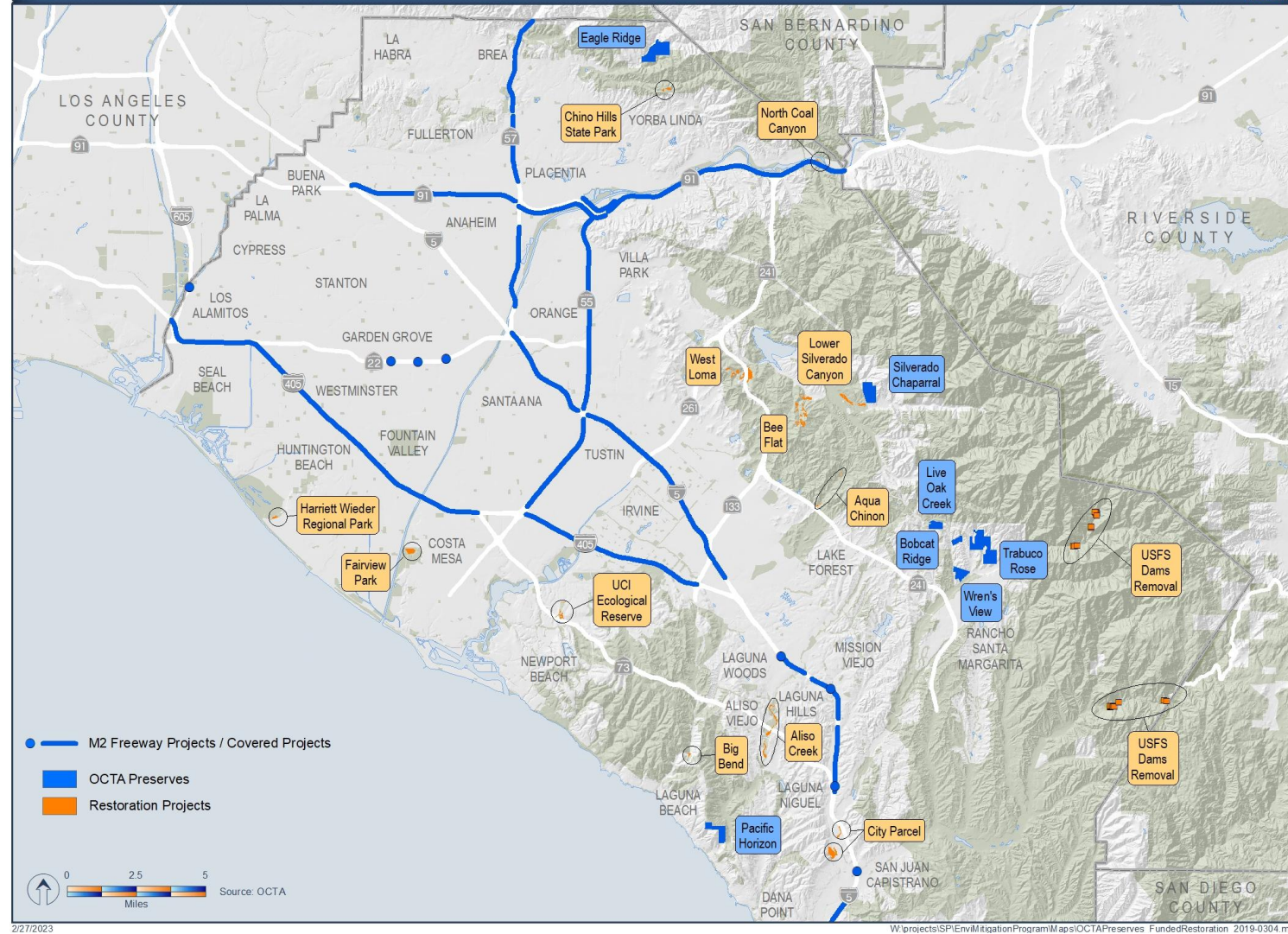
Environmental Mitigation Program Background

- 2006 Measure M2 (M2) renewal approved
- Innovative Freeway Environmental Mitigation Program (EMP)
 - Offsets biological impacts of 13 M2 freeway projects
 - Purchase of wilderness lands (Preserves)
 - Provide funding for habitat restoration
- Approximately five percent of the M2 freeway program revenue



Orange County Transportation Authority Projects, Preserves, and Restoration Projects

OCTA Preserves and Funded Restoration Projects



OCTA – Orange County
Transportation Authority

Environmental Mitigation Program Components



Conservation Plan

- Environmental documents

Clean Water Act Permits

Streamlined Permitting Through Partnerships With:

- California Department of Transportation (Caltrans)
- State and federal wildlife agencies
- State and federal regulatory agencies

Orange County Transportation Authority

M2 Conservation Plan Covered Species

BIRDS				
	COMMON NAME: Cactus wren	COMMON NAME: Coastal California gnatcatcher	COMMON NAME: Least Bell's vireo	COMMON NAME: Southwestern willow flycatcher
REPTILES				
	COMMON NAME: Coast horned lizard	COMMON NAME: Orangethroat whiptail	COMMON NAME: Western pond turtle	
PLANTS				
	COMMON NAME: Intermediate mariposa lily	COMMON NAME: Many-stemmed dudleya	COMMON NAME: Southern tarplant	
MAMMALS				
	COMMON NAME: Bobcat	COMMON NAME: Mountain lion		
FISH				
	COMMON NAME: Arroyo chub			



Photos courtesy of RECON Env.

Covers 2025 Activities

- Freeway project status/impacts
- Covered activities on preserves
- Progress of restoration projects
- Plan administration
- Endowment establishment
- Public outreach



Status of OCTA M2 Freeway Improvement Projects

- **Construction in 2025**
 - Project F: SR-55, I-405 to I-5
 - Project G: SR-57, Orangewood Avenue to Katella Avenue (Segment 1a)
 - Project I: SR-91, SR-55 to Lakeview Avenue (Segment 1)
 - Project M: I-605, Katella Avenue Interchange

No New Consistency Determinations

Tracking Impacts from Covered Activities (Cont.)

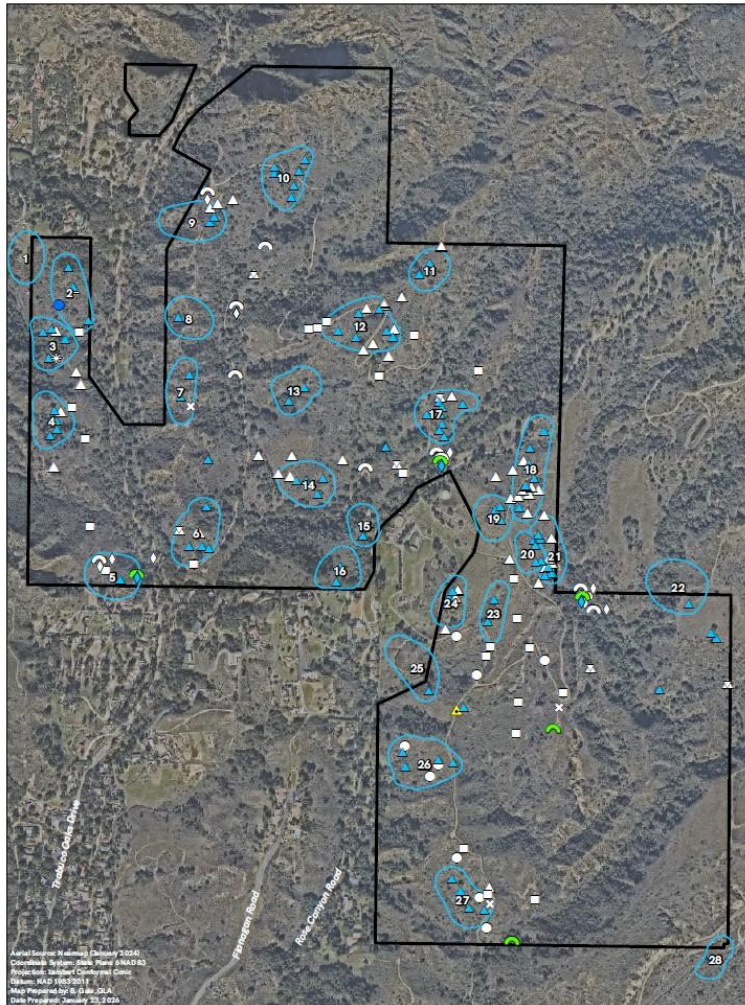
- **Ensure Habitat Impacts Stay within Caps**
 - 9.2 acres of impacts/cap of 141 acres
- **Maintain Rough Proportionality**
 - Big Bend
 - City Parcel
 - Bee Flat
 - University of California, Irvine Ecological Reserve
 - United States Forest Service (USFS) Dam Removal Project
 - Agua Chinon
 - Lower Silverado
 - West Loma
 - **Aliso Creek**
 - **North Coal Canyon**

Aliso Creek Restoration Project



Photos courtesy of Laguna Canyon Foundation

Preserve Updates – Focused Surveys



Covered Bird Species

Focused surveys for Coastal California gnatcatcher, coastal cactus wren, and least Bell's vireo were conducted on all Preserves containing suitable habitat.

Covered Mammal Monitoring

- Assess wildlife movement and connectivity utilizing remote cameras
- Address movement of Covered Mammals within the Preserves and regionally
- **Mountain Lions at five of the seven Preserves**
- **Numerous collared lions (adults and subadults)**
- **Bobcats detected at all Preserves**





Preserve Updates – Ongoing Tasks

- Conduct focused surveys for OCTA covered plant species (2026)
- Invasive beetle detection and treatments
- Implement fire prevention, fencing, and public access maintenance
- Adaptive management addressing invasive species and fire recovery
- Continue to coordinate with neighboring properties on encroachments
- Continue survey work to verify, document, and mark all property boundaries



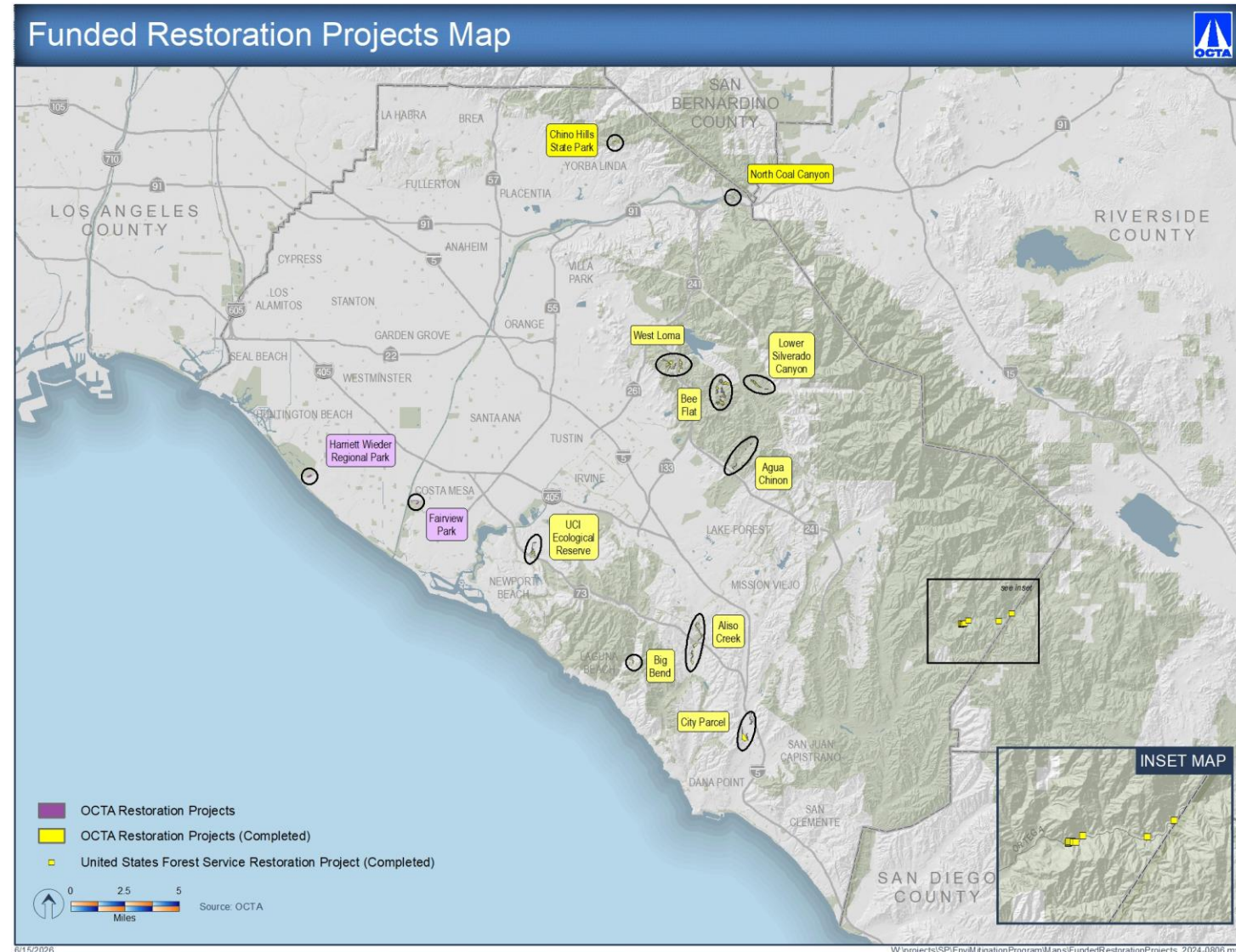
Orange County Transportation Authority Restoration Projects

Thirteen projects restoring
~350 acres of habitat

Eleven projects signed off by
the Wildlife Agencies

- Aliso Creek
- North Coal Canyon

Fairview Park amended to
include ten adjacent acres to
meet commitments



Two Covered Species with Special Conditions:

- Arroyo Chub: obligations met through USFS Dam Removal project
- Many-stemmed Dudleya: restoration underway at Pacific Horizon Preserve



Photo courtesy of RECON



Five Preserve Tours/Hikes

Continued Regional Coordination and Collaboration

- County of Orange Area Safety Task Force
- OC Emerging Tree Pests Group
- Caltrans
- Riverside Conservation Authority
- International Conference of Ecology and Transportation



Endowment

- Ensure Preserves are protected and meet Conservation Plan commitments
- Target of \$46.2 million set to fund long-term management
- Approximately \$3 million deposited in the endowment annually (10-12 years)
- OCTA remains on track to meet the endowment target in fiscal year 2027-28

OCTA will coordinate with the Wildlife Agencies on the analysis and determination of the permanent endowment funding requirements for each Preserve

In Summary

- 
- The background of the slide is a photograph of a scenic landscape. In the foreground, there are green and yellowish-brown plants, possibly yucca or similar desert flora. The middle ground shows a dense forest of green trees covering a hillside. In the background, there are several layers of blue mountains under a clear blue sky with some light clouds.
- Meeting commitments
 - Continue with program tracking
 - Follow resource management plans
 - Assess evolving needs
 - Develop long term management strategy



Orange County Transportation Authority Environmental Mitigation Program

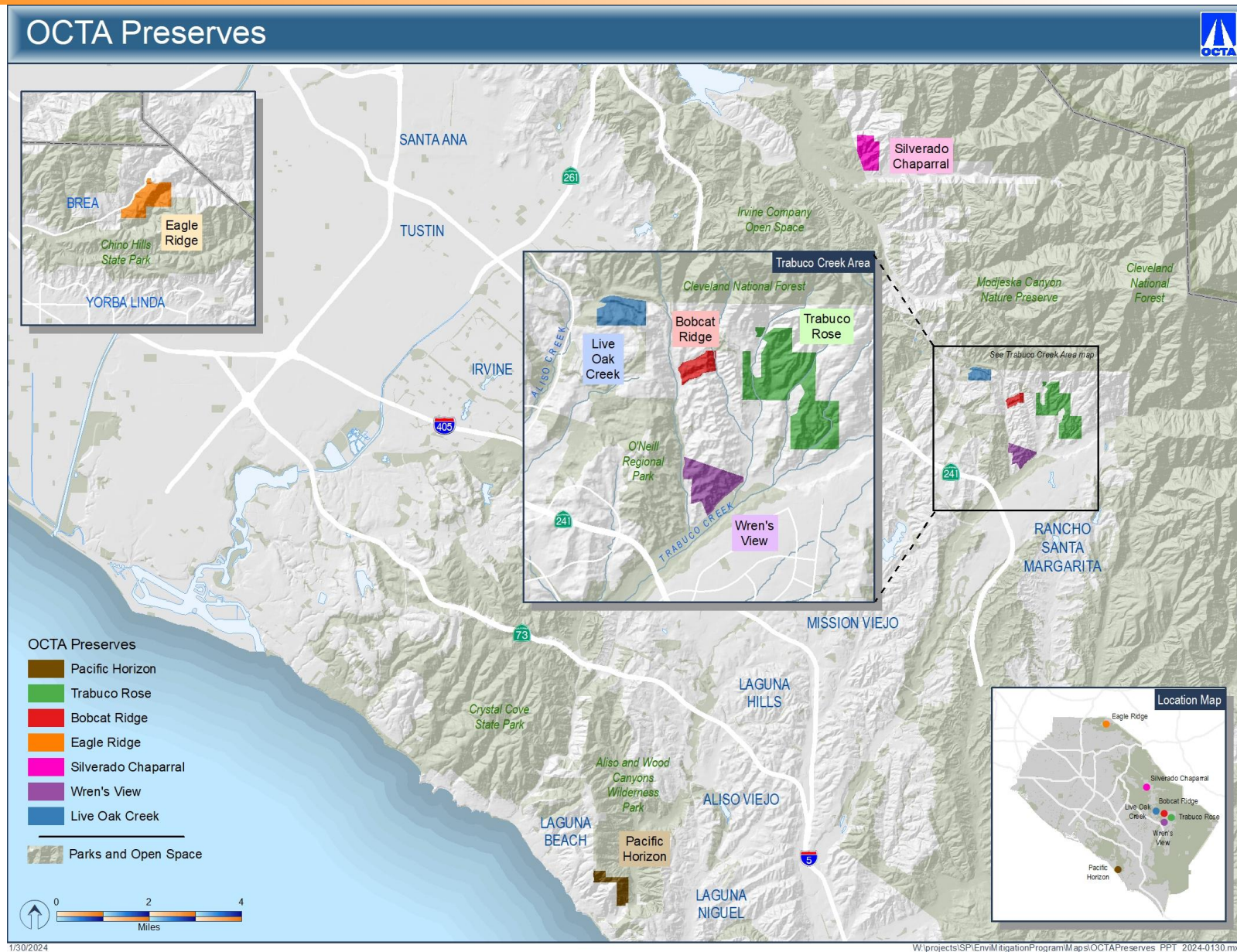
August 5, 2026

Trabuco Rose Preserve Gully Project Completion





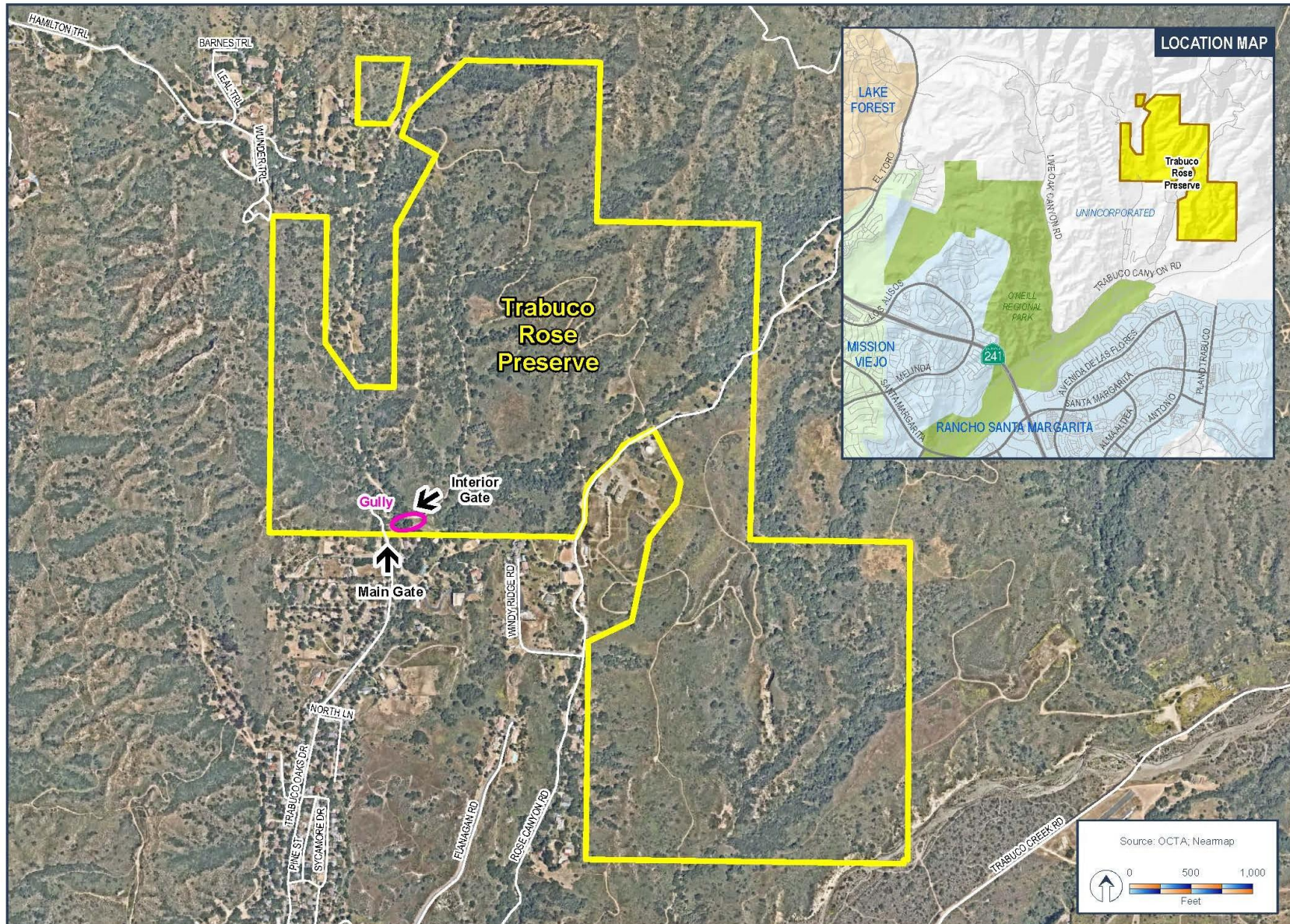
Item 6 - Trabuco Rose Gully Project Update



OCTA – Orange County
Transportation Authority



Trabuco Rose Preserve





Gully Restoration Project Overview

Description

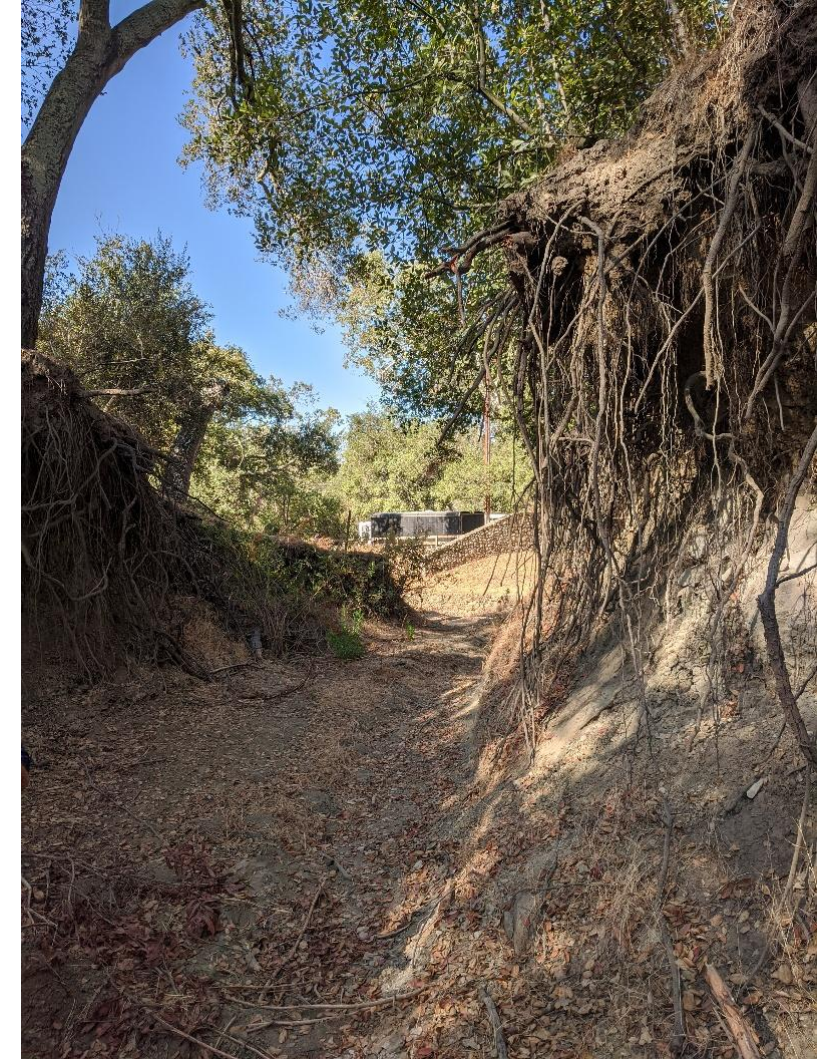
Drainage created artificially decades ago.
Approximately 150 feet in length.

Concerns

Undercutting the adjacent oak woodland habitat
and compromising the existing infrastructure.

Solution

Fill the gully with clean material to create a
more natural like creek system.



Phase 1 of the Gully Project



Focus

Stabilization of the upstream portion (approximately 80 linear feet).

Materials used

Geotech fabric, jute netting, and rock were all used to help armor the creek and halt slope failure and sedimentation.



Remaining Tasks

Design, agency coordination and stabilization of the downstream portion of the gully.

Phase 2 of the Gully Project



Focus

Stabilization of the remaining portion and finessing entire stretch to mimic a natural creek.

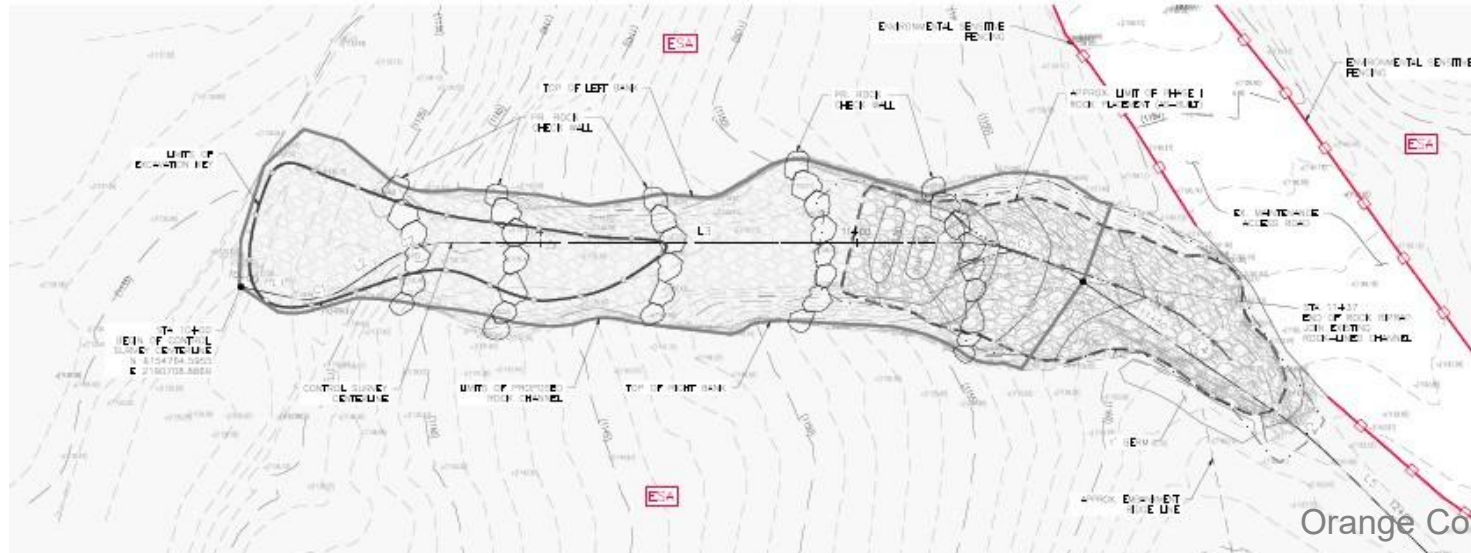
Materials used

Geotech fabric, jute netting, rock (strategically placed larger rocks and filler), and sediment from the upstream detention basin.

Remaining Tasks

Design, agency coordination, and stabilization of the downstream portion of the gully.







Construction Complete

