

Orange County Transportation Authority

Executive Committee Agenda Monday, December 1, 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 Tam T. Nguyen

Closed Session

There are no Closed Session items scheduled.

Special Calendar

1. Proposed 2026 Board of Directors Meetings Calendar

Andrea West/Jennifer L. Bergener

Overview

Presented for consideration and approval are the proposed 2026 Board of Directors and committee meeting calendars, detailing the dates of meetings and holidays for the year.

Recommendation(s)

Approve the Orange County Transportation Authority and affiliated agencies' 2026 Board of Directors meetings calendar.

Attachments:

Staff Report

Attachment A

Attachment B

Attachment C

Consent Calendar (Items 2 and 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.

2. Approval of Minutes

Clerk of the Board

Recommendation(s)

Approve the minutes of the November 3, 2025, Executive Committee meeting.

Attachments:

Minutes

Measure M2 Quarterly Progress Report for the Period of July 2025 through September 2025

Francesca Ching/Rose Casey

Overview

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

Recommendation(s)

Receive and file as an information item.

Attachments:

Staff Report
Attachment A

Regular Calendar

4. Agreement for OC Streetcar Security Officer Services

Matt Ankley/Jennifer L. Bergener

Overview

On July 14, 2025, the Board of Directors approved the release of a request for proposals to select a firm to provide security officer services on the OC Streetcar system. Board of Directors' approval is requested to execute an agreement to provide these services.

Recommendation(s)

- A. Approve the selection of Universal Protection Service LP, doing business as Allied Universal Security Services as the firm to provide security officer services on the OC Streetcar system.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-5-3875 between the Orange County Transportation Authority and Universal Protection Service LP, doing business as Allied Universal Security Services, in the amount of \$2,557,661, for a two-year initial term with one, one-year option term to provide security officer services on the OC Streetcar system.

Attachments:

Staff Report

Attachment A

Attachment B

Attachment C

5. Measure M2 2025 Update: Next 10 Delivery Plan

Francesca Ching/Rose Casey

Overview

The Measure M2 Next 10 Delivery Plan provides a strategic framework for delivering Measure M2 freeway, roadway, transit, and environmental projects. Staff has prepared the 2025 update of the Measure M2 Next 10 Delivery Plan, which incorporates the most recent Measure M2 sales tax revenue forecast, current external funding assumptions, and refined project schedules and costs. This update outlines near-term commitments through fiscal year 2034-35, supports fiscal sustainability, and emphasizes the timely delivery of transportation benefits for the Orange County community. The draft update is presented to the Orange County Transportation Authority Board of Directors for review and adoption.

Recommendation(s)

- A. Adopt the 2025 Measure M2 Next 10 Delivery Plan.
- B. Direct staff to continue to work with Metrolink to develop a financially sustainable service plan, such as establishing a target Orange County Transportation Authority funding level as part of the fiscal year 2026-27 budget development process.
- C. Direct staff to continue monitoring revenue and project cost shifts that could affect the Measure M2 Next 10 Delivery Plan and, if necessary, report to the Orange County Transportation Authority Board of Directors with changes.

Attachments:

Staff Report

Attachment A

Attachment B

Attachment C

Attachment D

Presentation

6. Measure M2 Ten-Year Review Update

Francesca Ching/Rose Casey

Overview

Ordinance No. 3 includes a provision to conduct a comprehensive review of the project and program elements of the Renewed Measure M Transportation Investment Plan at least every ten years. The results of the first ten-year review were presented to the Board of Directors on October 12, 2015. Efforts for the next review, consistent with the Board-approved framework, are underway. An update on progress - including analyses to date, outreach activities, and next steps - along with an accompanying draft Action Plan is presented to the Orange County Transportation Authority Board of Directors.

Recommendation(s)

Direct staff to complete evaluation of Measure M2 program performance and proceed with development of an accompanying Action Plan for future Board of Directors' consideration.

EXECUTIVE COMMITTEE MEETING AGENDA

Attachments:

Staff Report

Attachment A

Attachment B

Presentation

Discussion Items

- 7. Public Comments
- 8. Chief Executive Officer's Report
- 9. Committee Members' Reports
- 10. Adjournment

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

9:00 a.m. on Monday, January 5, 2026

OCTA Headquarters Board Room 550 South Main Street

Orange, California



December 1, 2025

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Proposed 2026 Board of Directors Meetings Calendar

Overview

Presented for consideration and approval are the proposed 2026 Board of Directors and committee meeting calendars, detailing the dates of meetings and holidays for the year.

Recommendation

Approve the Orange County Transportation Authority and affiliated agencies' 2026 Board of Directors meetings calendar.

Discussion

The 2026 meetings calendar for the Orange County Transportation Authority Board of Directors (Board) and affiliated agencies has been prepared by the Clerk of the Board and is presented for approval and adoption.

To mitigate scheduling conflicts, the proposed calendar takes into consideration the scheduled meetings of the:

- Orange County Board of Supervisors
- Southern California Regional Rail Authority
- Southern California Association of Governments Regional Council
- Local Agency Formation Commission
- Los Angeles San Diego San Luis Obispo Rail Corridor Agency
- Air Quality Management District Mobile Source Air Pollution Reduction Review Committee
- Transportation Corridor Agencies
- Conferences and events regularly attended by members of the Board

The proposed 2026 calendar reflects 22 regular Board meetings occurring on the second and fourth Mondays of the month, consistent with well-established past scheduling practices (Attachment A). Only one Board meeting is scheduled for the months of July and December.

The Chair retains the right to call a Special Meeting at any time should unforeseen circumstances arise that need to be addressed.

For planning purposes, a draft committee calendar has been provided. Once the committee chairs have been assigned and committee members appointed by the Board on January 26, 2026, changes to the proposed 2026 committee meeting schedules may occur.

Each committee will approve its respective meeting schedules in February 2026 (Attachment B), and exceptions to the standard monthly meeting schedule are noted (Attachment C).

Summary

Approval is requested for the proposed Board meetings calendar, which sets dates for the regular Board meetings in 2026.

Attachments

- Α. Orange County Transportation Authority 2026 Board Meetings and Holidays Calendar – Draft 12.1.25
- B. Orange County Transportation Authority 2026 Board and Committee Meeting Calendar – Draft 12.1.25
- C. 2026 Board and Committee Calendar – Proposed Exceptions

Prepared by:

Andrea West Clerk of the Board (714) 560-5676

Approved by:

Jennifer L. Bergener Deputy Chief Executive Officer

(714) 560-5462



ORANGE COUNTY TRANSPORTATION AUTHORITY

Draft

2026 BOARD MEETINGS AND HOLIDAYS CALENDAR

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OCTA, OCTD, OCLTA, and OCSAFE regular Board meeting 9:30 a.m.: OCTA Headquarters, 550 South Main Street, Board Room - Conf. Room 07-08, Orange CA





ORANGE COUNTY TRANSPORTATION AUTHORITY

2026 BOARD AND COMMITTEE MEETING CALENDAR

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	DECEMBER								
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OCTA, OCTD, OCLTA, and OCSAFE regular Board meeting 9:30 a.m.: OCTA Headquarters, 550 South Main Street, Board Room - Conf. Room 07-08, Orange CA









EXEC





2026 Board and Committee Calendar - Proposed Exeptions

Standard monthly meeting dates and times are as follows:

Board of Directors (Board) – Second and fourth Monday at 9:30 a.m.

Executive Committee – First Monday at 9:00 a.m.

Regional Transportation Planning (RTP) Committee – First Monday at 10:30 a.m.

Finance and Administration (F&A) Committee – Third Thursday at 10:30 a.m. (reflects a change from prior years)

Transit Committee – Second Thursday at 9:00 a.m.

Legislative and Communications (L&C) Committee – Third Thursday at 9:00 a.m.

Month	Proposed Exceptions to Standard Meeting Dates
January	No change.
February	No change.
March	No change.
April	No change.
Мау	Adjust the May 25 Board meeting to Tuesday, May 26, to accommodate the Memorial Day holiday.
June	No change.
July	The Board meets once.
August	No change.
September	Adjust the September Executive and RTP Committees to Tuesday, September 8, to accommodate the Labor Day holiday.
October	No change.
Colobei	Note: The October 12 Board meeting meets on Columbus Day.
November	No change.
December	The Board meets once.

Committee meeting calendars are pending approval by each committee at their first meeting with new committee assignments.



Committee Members Present

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

Staff Present

Darrell E. Johnson, Chief Executive Officer Jennifer L. Bergener, Deputy Chief Executive Officer Gina Ramirez, Assistant Clerk of the Board Martin Browne, Employee Rotation Program James Donich, General Counsel OCTA Staff

Committee Members Absent

None

Call to Order

The November 3, 2025, Executive Committee meeting was called to order by Chair Chaffee at 9:00 a.m.

Closed Session

There were no Closed Session items scheduled.

Consent Calendar (Items 1 through 3)

1. Approval of Minutes

A motion was made by Director Wagner, seconded by Director Hennessey, and declared passed by those present, to approve the minutes of the October 6, 2025, Executive Committee meeting.

Director Jung was not present to vote on this item.

2. Adopt Resolution 2025-074 Designating the Orange County Transportation Authority's Applicant for Federal and State Disaster Assistance

A motion was made by Director Wagner, seconded by Director Hennessey, and declared passed by those present to adopt Resolution No. 2025-074 designating the Chief Executive Officer, Deputy Chief Executive Officer, and the Chief Financial Officer as Orange County Transportation Authority's agents for executing applications for federal and/or state disaster assistance on behalf of the Orange County Transportation Authority.

Director Jung was not present to vote on this item.



3. Amendment to Agreement for Security Officer Services

A motion was made by Director Wagner, seconded by Director Hennessey, and declared passed by those present to authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-2-2886 between the Orange County Transportation Authority and Inter-Con Security Systems, Inc., to extend the agreement for the remaining six months of the option term, in the amount of \$1,111,370, for continued security officer services at Orange County Transportation Authority facilities. This will increase the maximum obligation of the agreement to a total contract value of \$2,867,686.

Director Jung was not present to vote on this item.

Regular Calendar

4. First Quarter Fiscal Year 2025-26 Capital Action Plan and Performance Metrics

James G. Beil, Executive Director of Capital Programs, provided a presentation.

No action was taken on this item.

5. Policy and Framework for the Use of 405 Express Lanes Excess Toll Revenue

Rose Casey, Executive Director of Planning, provided a presentation.

Director Hennessey requested a regular review of the study area boundaries during the Corridor Plan updates.

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

- A. Approve the policy and framework for the use of 405 Express Lanes excess toll revenue.
- B. Direct staff to return with a draft 405 Express Lanes Excess Toll Revenue Expenditure Plan.



Discussion Items

6. Public Comments

There were no Public Comments received.

7. Chief Executive Officer's Report

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

- OC WAVE card update
- Upcoming Chief Executive Office engagements

8. Committee Members' Reports

There were no Committee Members' reports.

9. Adjournment

The meeting adjourned at 9:27 a.m.

The next regularly scheduled meeting of this Committee will be held: 9:00 a.m. on Monday, December 1, 2025
OCTA Headquarters
Board Room
550 South Main Street
Orange, California



December 1, 2025

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Measure M2 Quarterly Progress Report for the Period of

July 2025 through September 2025

Overview

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

Recommendation

Receive and file as an information item.

Background

On November 7, 2006, Orange County voters, by nearly 70 percent, approved the Renewed Measure M (M2) Transportation Investment Plan (Plan), a one half-cent sales tax for transportation improvements. Effective in 2011, the Plan provides a 30-year program of investments across a broad range of transportation and environmental initiatives and a governing ordinance, Ordinance No. 3 (M2 Ordinance), that defines the requirements for implementing the Plan. The M2 Ordinance designates the Orange County Transportation Authority (OCTA) as responsible for administering the Plan and ensuring that OCTA's contract with the voters is followed. The M2 Ordinance also charges OCTA to provide for a number of transparency measures and safeguards to uphold and reciprocate the public's trust in OCTA.

OCTA is committed to fulfilling the promises made to secure voter approval of the M2 initiative. This means completing the projects described in the Plan and adhering to numerous specific requirements, safeguards, and transparency provisions identified in the M2 Ordinance. One such requirement is the publication of quarterly status reports on the projects detailed in the Plan and its presentation to the OCTA Board of Directors (Board).

This report is built on individual project and program-level staff reports that are regularly presented to the Board, covering the status of various activities in the Plan.

Discussion

This quarterly report (Attachment A) reflects activities and progress across all M2 programs for the period of July 1, 2025, through September 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 M2 Program Management Office (PMO), charged with providing unified oversight to ensure compliance, fiscal responsibility, transparency, and accountability as laid out in the M2 Ordinance and Plan. Attachment A also includes a summary of PMO activities.

The following provides highlights of M2 accomplishments during the quarter by mode, notable items under the PMO activities, and key challenges that OCTA is monitoring and working to address.

Freeway Program

The M2 Freeway Program consists of 30 project segments to be delivered by 2041. To date, 17 project segments are complete, and another ten are underway and expected to be completed by 2030. The ten project segments that are underway include three 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 (SR-91) between State Route 241 and State Route 71. Completing these ten projects would bring the total number of completed projects to 27 by 2030, equating to approximately 90 percent of the M2 Freeway Program. The remaining three project segments are in various stages of project development. Notable freeway program highlights that occurred during the quarter are below.

• Interstate 5 (I-5) between Interstate 405 (I-405) and State Route 55 (SR-55) – This project is comprised of two segments. Both segments were advertised for construction in August 2025, with bids anticipated to be opened this fall. In addition, the Board approved a consultant to provide construction management support services for the southerly segment between I-405 and Yale Avenue on September 8, 2025. Construction on both segments is anticipated to begin in January 2026. (Project B)

- I-5 between State Route 73 (SR-73) and El Toro Road This project is comprised of three segments and includes two interchange improvements at Avery Parkway and La Paz Road. All segments opened to traffic in March 2025. During the quarter, the southerly segment between SR-73 and Oso Parkway and the northerly segment between Alicia Parkway and El Toro Road received California Department of Transportation relief of maintenance in July 2025. (Projects C and D)
- State Route 57 (SR-57) northbound between Orangewood Avenue to Katella Avenue The project was advertised for construction on July 7, 2025, bids were opened on September 4, 2025, and the contract was awarded on September 25, 2025. The selected bid was seven percent below the engineer's estimate. In addition, on September 22, 2025, the Board approved a consultant to perform public outreach services for the project. Construction is anticipated to begin in November 2025. (Project G)
- SR-91 between SR-57 to SR-55 This project is comprised of three segments. On July 14, 2025, the Board approved the release of a request for proposals for construction management support services for the westerly segment between La Palma Avenue and SR-55. Construction on this segment is anticipated to begin in January 2026. (Project I)

Streets and Roads

Since 2011, more than \$1.3 billion^{1,2} has been allocated to local jurisdictions for transportation improvements through M2 streets and roads programs, which include two competitive and one formula-based funding programs. 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 360 phases, or nearly 71 percent, have been completed. Notable streets and roads highlights that occurred during the guarter are listed below.

 On September 8, 2025, the Board approved the release of the 2026 Regional Capacity Program and Regional Traffic Signal Synchronization Program (RTSSP) call for projects (call). Applications for the call were due on November 20, 2025. Based on the project selection criteria outlined in

¹ Only includes disbursed funds. On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.

² On May 12, 2025, the Board determined the City of Huntington Beach ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Huntington Beach reestablishes eligibility.

the Comprehensive Transportation Funding Program guidelines, projects will be prioritized for Board consideration in spring 2026. (Projects O and P)

- On September 8, 2025, an update on the RTSSP was provided to the Board, highlighting the successful implementation of 109 traffic signal synchronization projects, with another 30 projects planned or underway. The completed projects have reduced average travel time by 13 percent and the average number of stops by 28 percent, with average speed improving by 14 percent. (Project 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 \$12.6 million was disbursed, bringing the total provided through September 2025 to nearly \$823 million.^{3,4} (Project Q)

Transit

The M2 transit mode includes several programs designed to provide expanded transportation options. M2 is the primary funding source for the Southern California Regional Rail Authority (Metrolink) commuter rail service in Orange County and includes funding for rail projects to improve operations and transit connections to extend the reach of the service. On October 21, 2024, Metrolink implemented 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 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 approximately 1.9 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 (\$78.5 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

³ Only includes disbursed funds. On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.

⁴ On May 12, 2025, the Board determined the City of Huntington Beach ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Huntington Beach reestablishes eligibility.

Non-Emergency Medical Transportation Program, and Fare Stabilization Program), intended to expand mobility options for seniors and persons with disabilities (\$151.6 million^{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 August 25, 2025, providing information on the status of construction activities, vehicle delivery, and public outreach. During the quarter, the remaining four of eight cars were delivered to the Maintenance and Storage Facility (MSF). Work continued on wire installation, electrical systems, and interior and exterior work at the MSF. System testing, operations planning, and staff training is underway. (Project S)
- Community-Based Transit Circulators The Board received a ridership report on August 25, 2025, sharing that all community shuttles in operation met the required ridership and service performance standards. During this report period, these services collectively carried 256,000 total passengers, traveled 250,500 miles, and provided 20,000 hours of service. (Project V)

Environmental Programs

The M2 program includes two innovative programs: the Environmental Cleanup Program (ECP) and the Environmental Mitigation Program (EMP). The ECP improves water quality by addressing transportation-related pollutants, while the EMP offsets the biological habitat impacts of M2 freeway projects.

Since 2011, the ECP has allocated approximately \$63.6 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 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. During the quarter, staff reviewed applications for the 15th Tier 1 call; programming recommendations were approved by the Board on October 13, 2025.

⁶ 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.

⁵ 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.

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 13⁷ projects to restore habitat on 350 acres of open space across Orange County to fulfill the necessary M2 Freeway Program mitigation needs.

The wildlife and habitat on the acquired lands are protected in perpetuity, and long-term management of the properties will be funded by an endowment that is being established. OCTA has made ten deposits of approximately \$2.9 million into the endowment. As of September 2025, the balance of the endowment was \$38,595,652. 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

Market Conditions Forecast and Risk Analysis

At the Board's direction, OCTA contracts with two local economists to monitor and analyze key early warning indicators affecting the construction market. The information is incorporated in a cost pressure index model to identify potential cost risk factors on M2 project delivery. The fall 2025 update was presented to the Board on October 13, 2025, which indicated that OCTA may experience moderate inflationary pressures in 2026, 2027, and 2028. This is due to a rise in building permits, California unemployment rates, construction wages, and infrastructure material costs. Staff will continue to monitor market conditions and provide updates to the Board as appropriate.

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

The 2025 M2 sales tax revenue forecast of \$13.2 billion was presented to the Board on October 27, 2025. This represents a -5.7 percent or \$800 million decrease from the 2024 forecast. The latest sales tax revenue forecast, current programmed external revenues, and refined project information was incorporated into the annual review and update of the Next 10 Plan. The 2025 update of the Next 10 Plan was presented to the Board on December 8, 2025. The report confirmed that M2 remains deliverable as promised to the voters, with the exception of Metrolink operations, which will be discussed further in the challenges section of this report.

⁷ The project count was updated from 12 to 13 to reflect that one project covers two distinct areas with different criteria.

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 Executive Committee on August 28, 2025. Outreach efforts continued with a second roundtable discussion with elected officials, stakeholder briefings, and participation at various community events. Feedback from these activities will help guide the development of key findings and recommendations. Another update along with an accompanying draft action plan is anticipated to be presented to the Board in December 2025, with a final report slated to be presented in spring 2026.

Challenges

As with all major programs, challenges arise and need to be monitored and addressed. A few key challenges are highlighted below.

- Close monitoring of Metrolink operations and capital rehabilitation projects is necessary to ensure sustainability through 2041. Metrolink ridership recovery continues to struggle, which impacts farebox revenues and cost recovery. The program's funding shortfall is further compounded by a rise in operating costs. While Metrolink has implemented an optimized service schedule to better accommodate new travel patterns, without changes in ridership growth, operations and rehabilitation costs, or additional external funds, the 2025 Next 10 Plan reports that the current service cannot be sustained beyond FY 2033-34. 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 is part of the Strategic Rail Corridor Network that supports national defense operations. In partnership with key stakeholders, a comprehensive plan to integrate engineering and sand nourishment solutions was developed to protect the

coastal segment of the rail corridor in south Orange County in the immediate timeframe. To address the ongoing threats to a critical link in Southern California's rail network, emergency riprap repair activities in two of the four reinforcement areas were completed in June 2025. During the quarter, work was initiated in September 2025 to construct a catchment structure to protect the rail infrastructure from potential slope failure. Additional work to protect the rail line on the remaining segment continues with 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 for approximately the next 30 years, while long-term solutions, which may include relocation, are developed to adapt the rail line to the changing environment. OCTA is leading the effort on the near- and mid-term resiliency measures. The State will lead the long-term study, 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 July 2025 through September 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, First Quarter of Fiscal Year 2025 - 26, July 1, 2025 through September 30, 2025

Prepared by:

Francesca Ching
Manager, Measure M2
Program Management Office

(714) 560-5727

Approved by:

Rose Casey

Executive Director, Planning

(714) 560-5729

Rose Casury





MEASURE M2 QUARTERLY PROGRESS REPORT

First Quarter of Fiscal Year 2025–26 July 1, 2025 through September 30, 2025

First Quarter Highlights:

- Freeway Projects
- Streets and Roads
- Environmental Cleanup & Water Quality
 Freeway Mitigation Program
 Finance 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 July 1, 2025, through September 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 Laguna Beach Trolley in the City of Laguna Beach. This project is funded through the Community-Based Transit Circulators Program (Project V). On August 25, 2025, the Board received a biannual ridership report update, which highlighted that all active services met the ridership and service performance standards.



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Conceptual

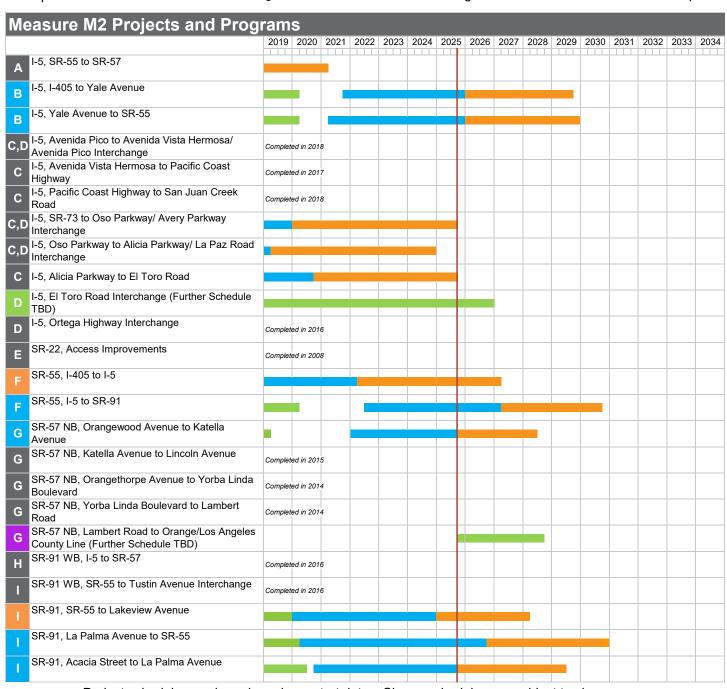
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Design, Advertise, & Award

Design-Build

Construction

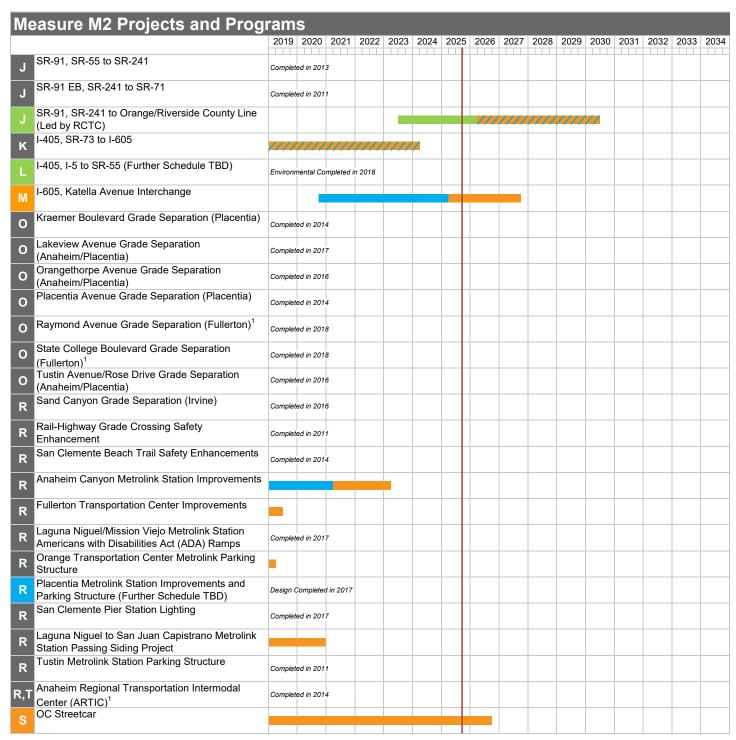
Complete



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.

Delivery Risk		Explanation	Proposed Action		
Fina	Financial Control of the Control of				
1	by economic conditions. The 2024 M2 revenue forecast is \$14 billion, which is a \$800 million (-5.4 percent)	revenue forecast is lower, in most areas of the M2 Plan, programs can be scaled to available	The 2025 M2 sales tax revenue forecast is anticipated to be presented to the Board in October 2025. Staff will continue to monitor sales tax revenue receipts to ensure that M2 is delivered as promised to voters.		
2	Reduced external funding opportunities for the M2 freeway program.	State and federal priorities continue to shift and favor projects that reduce automobile travel, which could affect access to currently programmed as well as future external funding opportunities for the M2 freeway projects.	Current external funding commitments are assumed in the M2 cash flow for the 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 Risk Analysis anticipates moderate inflationary pressures in 2025, 2026, and 2027. This is due to declining building permits, rising	project costs. The next update is anticipated in October 2025 and will be incorporated into the 2025 update of the Next 10 Plan.		



Delivery Risk		Explanation	Proposed Action
4	Schedule and scope changes on capital projects that impact delivery and project costs.	Changes as a result of updated highway standards, new regulatory requirements, or issues identified in the field may impact scope, schedule, and costs substantially.	OCTA will work closely with project partners and project contractors to limit changes in scope and schedules.
5	Increase Southern California Regional Rail Authority (Metrolink) train service as an alternative to driving within the limits of available revenue.	The coronavirus (COVID-19) altered travel behavior, which has affected ridership and farebox revenues. The cost of Metrolink service continues to grow as contracted rates increase, the system ages, track-sharing arrangements with BNSF Railway Company (BNSF) are revised, and new air quality requirements are implemented.	0 (
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.	The spring 2025 update of the Next 10 Plan Market Conditions Forecast and Risk Analysis reflects an increase in unemployment rates. This may ease labor market pressures and reduce delivery risk. However, wildfires devastated communities in Los Angeles, and as a result, the availability of professional and skilled labor may be redirected toward rebuilding efforts in the area.	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.



De	livery Risk	Explanation	Proposed Action
7	New operational responsibilities with the OC Streetcar.	With the implementation of the	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.
Cli	mate		
8	Climate-related hazards could affect M2 investments.	affecting M2 investments. Wildfires present a continual risk to the M2 Environmental Mitigation Program (EMP) Preserves and	as part of the M2 Freeway EMP. Additionally,
Re	gulatory		
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, M2 PMO Manager • (714) 560-5625

The Next 10 Plan sets priorities and funding commitments over a ten-year period, providing guidance to staff on the delivery of M2 projects and programs. Annually, staff reviews the Board-adopted commitments in the Next 10 Plan to ensure it remains deliverable with updated revenues and project costs.

On 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, three have been completed, three 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.

Upcoming activities:

- SR-57 Northbound, Orangewood Avenue to Katella Avenue Begin Construction
- SR-91, Acacia Street to La Palma Avenue Award Construction Contract
- I-5, I-405 to Yale Avenue Award Construction Contract
- I-5, Yale Avenue to SR-55 Award Construction Contract
- SR-91, La Palma Avenue to SR-55 Advertise for Construction
- SR-91 Eastbound Corridor Operations Project Advertise for Progressive Design-Build 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 September 2025, OCTA has awarded approximately \$594.4 million in competitive funding through the Regional Capacity Program (RCP) (Project O) and Regional Traffic Signal Synchronization Program (RTSSP) (Project P) annual calls. Additionally, approximately \$823.0 million^{1,2} in Local Fair Share (LFS) (Project Q) funds have been distributed to local jurisdictions.

On September 8, 2025, the Board authorized the 16th call for projects (call) to support local streets and roads improvement projects throughout Orange County. Applications are due on November 20, 2025. Based on the project selection criteria in the Comprehensive Transportation Funding Program (CTFP) guidelines, projects will be prioritized for Board consideration in spring 2026. For more details, see the project updates on page 22 and page 24.

Upcoming activities:

Project O and P – 16th call open

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.



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. Without this funding or changes in service levels, ridership growth, or operations and rehabilitation costs, current projections with the addition of Transit and Intercity Rail Program (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 financial impacts to M2. For more details, see project updates on page 27.

Railroad track stabilization efforts in south Orange County have become a major focus area given its importance to continued operation of Metrolink in Orange County. While the rail line is currently open as a result of ongoing emergency work, longer-term solutions must be developed to ensure the ability to provide reliable rail service in this portion of the County. In partnership with key stakeholders, a planning study is currently underway to identify and evaluate immediate as well as short- and medium-term solutions with the goal of protecting the rail line in place for approximatively the next 30 years. A separate long-term study will assess potential long-term solutions, which may include relocation of the rail line. The California State Transportation Agency has committed to lead the long-term study to plan for future investments necessary to ensure a resilient Los Angeles—San Diego—San Luis Obispo (LOSSAN) corridor. As these studies progress, future updates to the Next 10 Plan will incorporate more current information. For more details, see the project updates on page 29.

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, the remaining four of the eight vehicles were delivered to the Maintenance and Storage Facility (MSF). Work continued on overhead contact system (OCS) wire installation, electrical systems, and interior and exterior work at the MSF. System testing, operations planning, and staff training preparation are underway. 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, nearly \$151.7 million^{3,4} has been provided to these three programs. The SMP provides funding to participating cities to design and implement transit service that best fits the needs of seniors (60 and above) in their communities. 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, 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.

³ Only includes disbursed funds. On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.

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9. Ensure the ongoing preservation of purchased open space, which provides comprehensive mitigation of the environmental impacts of freeway improvements and higher-value environmental benefits in exchange for streamlined project approvals (Projects A-M).

The M2 freeway EMP includes seven conservation properties (Preserves) totaling more than 1,300 acres and 13 restoration projects covering nearly 350 acres. In 2017, OCTA received biological resource permits after completing a state and federal Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan) for the EMP, allowing streamlined project approvals for the M2 freeway improvement projects. The Conservation Plan also includes a streamlined process for coordination of streambed alteration agreements. In 2018, OCTA secured programmatic permits and assurances for federal and state clean water permitting requirements. Receipt of these permits represents the culmination of years of collaboration and support by the Board, environmental community, and regulatory agencies.

To protect the Preserves in perpetuity, a non-wasting endowment was established. To date, OCTA has made ten annual deposits of approximately \$2.9 million. As of September 30, 2025, the balance of the endowment was \$38,595,652. 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 October 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. This quarter, the project was advertised for construction on August 18, 2025. Bids are anticipated to be opened in November 2025 to begin construction in early 2026.

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. This quarter, the project was advertised for construction on August 11, 2025. Bids are anticipated to be opened in October 2025 to begin construction in early 2026.

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

A. C.

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

All a

Summary: This project added a carpool lane (approximately 2.5 miles) in both directions of I-5 between Avenida Vista Hermosa and Pacific Coast Highway (PCH) in the City of San Clemente and reconstructed on- and off-ramps at Avenida Vista Hermosa and Camino de Estrella. Construction began on July 3, 2014, and was officially completed on July 31, 2017. Plant establishment was completed in May 2018. The total cost is measured against an amended baseline cost established in the second quarter of FY 2011-12; the final schedule is measured against an amended baseline schedule established in the second quarter of FY 2013-14.

Segment: I-5, Pacific Coast Highway to San Juan Creek Road

Status: PROJECT COMPLETE

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

Summary: This project added a carpool lane (approximately 2.5 miles) in both directions of I-5 between PCH and San Juan Creek Road in the cities of Dana Point, San Clemente, and San Juan Capistrano and reconstructed the on- and off-ramps at PCH/Camino Las Ramblas. Construction began on December 20, 2013, and was officially completed on July 3, 2018. Plant establishment was



completed in March 2019. The total cost is measured against an amended baseline cost established in the second quarter of FY 2011-12; the final schedule is measured against an amended baseline schedule established in the second quarter of FY 2013-14.

I-5, SR-73 to El Toro Road is one project broken into three segments. The final ED and PR for all three segments were approved on May 6, 2014. Improvements for the three segments opened to traffic in March 2025. A separate landscape contractor began plant establishment efforts for all three segments on June 10, 2025, with completion anticipated by December 2026.

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

Status: PROJECT COMPLETE

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

Summary: This project added a general purpose lane (approximately 2.2 miles) in both directions of I-5 between Avery Parkway and Oso Parkway and reconstructed the Avery Parkway Interchange (part of Project D) in the cities of Laguna Hills, Laguna Niguel, and Mission Viejo. Construction began on January 15, 2020, and was completed on July 30, 2025. The total cost is measured against an amended baseline cost established in the third quarter of FY 2014-15; the final schedule is measured against an amended baseline schedule established in the third quarter of FY 2019-20.

Segment: I-5, Oso Parkway to Alicia Parkway/La Paz Road Interchange

Status: PROJECT COMPLETE

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

Summary: This project added a general purpose lane (approximately 2.6 miles) in both directions along I-5 between Oso Parkway and Alicia Parkway and reconstructed the La Paz Road Interchange (part of Project D) in the cities of Laguna Hills and Mission Viejo. Construction began on April 4, 2019, and was completed on December 19, 2024. The total cost is measured against an amended baseline cost established in FY 2014-15; the final schedule is measured against an amended baseline schedule established in the fourth quarter of FY 2018-19.

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

Status: PROJECT COMPLETE

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

Summary: This project added a general purpose lane in the southbound direction (approximately 1.7 miles) and extended the second HOV lane (approximately one mile) in both directions along I-5 between Alicia Parkway to El Toro Road in the cities of Laguna Hills, Laguna Woods, Lake Forest, and Mission Viejo. Construction began on October 13, 2020, and was completed on July 9, 2025. The total cost is measured against an amended baseline cost established in the third quarter of FY 2014-15; the final schedule is measured against an amended baseline schedule established in the first quarter of FY 2020-21. This quarter, the contractor continued slope erosion control and staff continued project closeout activities.



PROJECT D

This project will update and improve key I-5 interchanges at Avenida Pico, Ortega Highway, Avery Parkway, La Paz, and El Toro Road. Three interchange improvements at La Paz, Avery Parkway, and Avenida Pico are included and discussed as part of the respective segments in Project C.

Segment: I-5, Ortega Highway Interchange

Status: PROJECT COMPLETE

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

Summary: This project widened and reconstructed the SR-74 Ortega Highway bridge over I-5 and improved local traffic flow along SR-74 and Del Obispo Street in the City of San Juan Capistrano. The final ED and PR were approved on June 1, 2009. Construction began on September 18, 2012, and all lanes on the new bridge opened to traffic on September 4, 2015. The final schedule is measured against an amended baseline scheduled established in the fourth quarter of FY 2011-12. The project was officially completed on January 15, 2016.

Segment: I-5, El Toro Road Interchange

Status: Environmental Phase Two Underway – 65 Percent Complete

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

Caltrans is the lead for the environmental phase of this project. The project area includes the cities of Laguna Hills, Laguna Woods, and Lake Forest, which are direct stakeholders of the project improvements. The study began in April 2017 and the draft Initial Study/Environmental Assessment was completed in March 2019. The three stakeholder cities were not in consensus on a preferred alternative, and costs identified for the remaining alternatives were significantly higher than the assumed cost in the Next 10 Plan, which created additional challenges. The environmental phase was anticipated to be completed in late 2019; however, without the cities' consensus, OCTA does not support the finalization of the document. OCTA requested Caltrans put completion of the ED on hold until a consultant, retained by OCTA, provides a further assessment of the alternatives to help facilitate reaching an agreement. The three cities reached a consensus to add two new alternatives from the assessment into the environmental process. The environmental phase was reinitiated in January 2023 to incorporate feedback from the cities on the proposed alternatives. The forecasted cost and schedule are measured against an amended baseline cost and schedule established in the fourth quarter of FY 2022-23. This guarter, OCTA and Caltrans continued coordination with the cities of Laguna Hills, Laguna Woods, and Lake Forest on the proposed alternatives, preliminary design, and environmental phase studies. In addition, Caltrans completed updates to the final Traffic Operations Analysis Report.

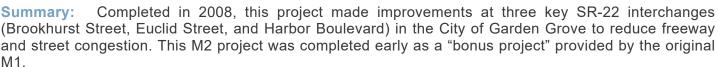
PROJECT E

STATE ROUTE 22 (SR-22) PROJECTS

Segment: SR-22 Access Improvements

Status: PROJECT COMPLETE

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



PROJECT F

STATE ROUTE 55 (SR-55) PROJECTS

Segment: SR-55, I-405 to I-5

Status: Construction Underway – 57 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 – 87 Percent Complete
Contact: Jeff Mills, Capital Projects • (714) 4560-5925

Summary: This project includes the addition of a general purpose lane (approximately two miles) in both directions between I-5 and SR-22 and operational improvements between SR-22 and SR-91 in the cities of Anaheim, Orange, Santa Ana, and Tustin. The project limits span approximately 7.5 miles. The final ED and PR were approved on March 30, 2020. The forecasted cost is measured against an amended baseline cost established in the fourth quarter of FY 2020-21; the forecasted schedule is measured against an amended baseline schedule established in the third quarter of FY 2022-23. The design of this project was initiated on August 8, 2022. This quarter, the design team continued to address comments on the 100 percent design package submittal. ROW activities are underway.



PROJECT G

STATE ROUTE 57 (SR-57) PROJECTS

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

Status: Design Phase Completed

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 project was advertised for construction on July 7, 2025, bids were opened on September 4, 2025, and the contract was awarded on September 26, 2025. Construction is anticipated to begin in December 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 – 99 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). This quarter, the consultant continued addressing comments from the circulation of the draft final PSR-PDS, which is anticipated to receive final approval in October 2025. The environmental phase of the project is anticipated to begin in November 2025.



PROJECT H

STATE ROUTE 91 (SR-91) PROJECTS

SR-91 Westbound, I-5 to SR-57 Segment:

Status: **PROJECT COMPLETE**

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

This project increased capacity by adding a general purpose lane (approximately Summarv: 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

PROJECT COMPLETE Status:

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

This project improved traffic flow at the SR-55/SR-91 interchange by adding a westbound Summary: 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 - Ten Percent Complete Jeff Mills, Capital Projects • (714) 560-5925 Contact:

This project will provide westbound operational improvements (approximately 2.2 miles), Summary: which includes the realignment of the existing westbound SR-91 on- and off-ramps, the addition of a new on-ramp from the Lakeview Avenue overcrossing bridge to connect directly to southbound SR-55, and







construction of a barrier to separate westbound SR-91 from SR-55. With the proposed improvements, the existing Lakeview Avenue overcrossing bridge is anticipated to be replaced with a new bridge. The forecasted schedule is measured against an amended baseline schedule established in the third quarter of FY 2024-25; the forecasted cost is measured against an amended baseline cost established in the fourth quarter of FY 2023-24. This project was combined with the Caltrans multi-asset project during the design phase. Construction activities began on April 8, 2025. During the quarter, the contractor began installation of retaining walls, drainage systems, and prepared the site for the Lakeview Avenue bridge reconstruction.

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

Status: Design Phase Underway - 95 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, ROW activities continued and several utility relocation permits were obtained.

Segment: SR-91, Acacia Street to La Palma Avenue
Status: Design Phase Underway - 96 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. This project was combined with the Caltrans multi-asset project during the design phase. The project was advertised for construction on May 12, 2025, and bids were opened on August 12, 2025. The contract is anticipated to be awarded in October 2025, with construction anticipated to begin in December 2026.

PROJECT J

Segment: SR-91, SR-55 to SR-241 Status: PROJECT COMPLETE

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

Summary: This project added a general purpose lane (approximately six miles) in both directions of SR-91 between SR-55 and SR-241 in the cities of Anaheim and Yorba Linda. In addition to adding 12 lane miles to SR-91, the project also delivered a second eastbound exit lane at Lakeview Avenue, Imperial Highway, and Yorba Linda Boulevard/Weir Canyon Road off-ramps. Beyond these capital improvements, crews completed work on safety barriers, lane striping, and soundwalls. The final ED and PR were approved on April 24, 2009. Construction began on May 27, 2011, and opened to traffic in December 2012. The final schedule is measured against an amended baseline schedule established in the fourth quarter of FY 2010-11. The project was officially completed on March 5, 2013.

Segment: SR-91 Eastbound, SR-241 to SR-71

Status: PROJECT COMPLETE

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

Summary: This project improved mobility and operations by adding an eastbound lane (approximately six miles) through a key stretch of SR-91 between Orange County's SR-241 and Riverside County's SR-71, widened existing eastbound lanes and shoulders, and reduced traffic weaving as a result of traffic exiting at SR-71 and Green River Road. The final ED and PR were approved on December 28, 2007. Construction began on September 16, 2009, and the improvements opened to traffic on December 2, 2010. The final schedule is measured against an amended baseline schedule established in the second quarter of FY 2010-11. The project was officially completed on January 31, 2011. Because this project was shovel-ready, OCTA was able to obtain American Recovery and Reinvestment Act funding for this M2 project, saving M2 revenues for future projects.

Segment: SR-91, SR-241 to Orange/Riverside County Line

Status: RCTC's Westbound Corridor Operation Project – Completed in January 2022; Eastbound

Corridor Operation Project Environmental Phase Underway - 75 Percent Complete

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

Summary: Since the SR-91 corridor is one of the busiest in the region, implementation of this project requires coordinating and constructing the improvements in multiple segments and capitalizing on available funding. Freeway improvements that cross county lines require close coordination to maintain seamless travel. This project plans to add a general purpose lane on SR-91 between SR-241 and SR-71. While the portion of this project between SR-241 and the Orange/Riverside County Line is part of OCTA's M2 Project J, the matching segment between the county line and SR-71 is part of RCTC's Measure A. The sixth lane addition requires joint implementation to ensure smooth delivery of the project. With significant SR-91 freeway improvements taking place as a result of both counties' sales tax measures, the construction timing of the additional general purpose lane between SR-241 and SR-71 was anticipated to take place



post-2035. However, RCTC requested OCTA's support to accelerate a portion of the ultimate project in the westbound direction (in Orange County) to address a bottleneck issue affecting the City of Corona. With OCTA's support, RCTC developed the 91 Westbound Corridor Operation Project, 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 in early 2026. 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. RCTC plans to utilize progressive design-build as the project delivery approach that will include preliminary design (Phase I) followed by final design and construction (Phase II). Phase I is anticipated to begin mid-2026.

PROJECT K

INTERSTATE 405 (I-405) PROJECTS

Segment: I-405, SR-73 to I-605 Status: PROJECT COMPLETE

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



Summary: This project added a general purpose lane (approximately 16 miles) between Euclid Street and I-605 in both directions and a second HOV lane (approximately 14 miles) combined with the existing HOV lane to provide dual express lanes in both directions of I-405 from SR-73 to I-605, otherwise known as the 405 Express Lanes.⁵ Additional improvements included reconstruction of local interchanges and enhancements to freeway entrances and exits along the corridor from SR-73 to I-605 through the cities of Costa Mesa, Fountain Valley, Garden Grove, Huntington Beach, Los Alamitos, Seal Beach, and Westminster. The final ED and PR were approved on June 15, 2015. Construction activities began on January 31, 2017, and the project fully opened to traffic on December 1, 2023. The final schedule is measured against an amended baseline schedule established in the second quarter of FY 2020-21; the total cost is measured against an amended baseline cost established in the fourth quarter of FY 2022-23. Final acceptance and relief of maintenance is expected in 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 - 15 Percent Complete
Contact: Jeff Mills, Capital Projects • (714) 560-5925

Summary: This project will make enhancements to the on- and off-ramps and operational improvements on Katella Avenue at the I-605 Interchange in the City of Los Alamitos. In addition, pedestrian and bicycle improvements will incorporate complete streets components, including enhanced safety for all modes of travel. The final ED and PR were approved on October 3, 2018. The forecasted cost is measured against an amended baseline cost established in the third quarter of FY 2019-20; the forecasted schedule is measured against an amended baseline schedule established in the fourth quarter of FY 2024-25. The project was awarded and construction activities began on April 3, 2025. During the quarter, the contractor completed median reconstruction along Katella Avenue, and began improvements along Katella Avenue. The construction management team continued to coordinate with the design team and utility companies on timing of final utility relocations.



PROJECT N

FREEWAY SERVICE PATROL

Status: Service Ongoing

Contact: Patrick Sampson, Motorist Services • (714) 560-5435

Summary: The Freeway Service Patrol (FSP) assists motorists whose vehicles become disabled along Orange County freeways and removes congestion-causing debris from traffic lanes to reduce freeway congestion and collisions. In June 2012, M2 began supporting FSP with local funds to maintain existing service levels and expand services through 2041. During the quarter, FSP provided 15,463 services.⁶ Since June 2012, FSP has provided 874,343 services⁶ on the Orange County freeway system.

⁶ Service calculations are based on all services provided as FSP is funded by M2 and external sources.



PROJECT O

REGIONAL CAPACITY PROGRAM

Status: 16th Call Open

Contact: Charvalen Alacar, Planning • (714) 560-5401

Summary: This program, in combination with required local matching funds, provides funding for improvements on Orange County's Master Plan of Arterial Highways. Since 2011, through 15 calls, the Board has awarded 195 projects (237 project phases) totaling more than \$432 million, including \$23.4 million in external funding. To date, 155 project phases have been completed, 55 are in various stages of implementation, and 27 have been cancelled by the awarded local jurisdictions. On September 8, 2025, the Board approved the release of the 16th call. Applications for the call are due on November 20, 2025, and programming recommendations are anticipated to be presented to the Board in spring 2026.

OC Bridges Railroad Program

This program built seven grade separations (either under or overpasses) where high-volume streets are impacted by freight trains along the BNSF railroad in north Orange County. On September 13, 2021, the Board approved program closeout and budget adjustment to approximately \$666.55 million for all the OC Bridges grade separation projects, of which \$152.6 million was committed M2 and \$513.9 million in leveraged external funding. Funding reimbursement and closeout for all seven grade separation projects have been completed.

Segment: Kraemer Boulevard Grade Separation

Status: PROJECT COMPLETE

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

Summary: This project grade separated the local street from railroad tracks by building an underpass for vehicular traffic under the railroad crossing in the cities of Anaheim and Placentia. Construction began on November 9, 2012, and the improvements opened to traffic on June 28, 2014. The final schedule is measured against an amended baseline schedule established in the second quarter of FY 2011-12. Construction acceptance was obtained in December 2014. OCTA turned over maintenance responsibilities to the cities and completed the one-year warranty in December 2015 with no issues or claims identified. Funding reimbursement and closeout have been completed.

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

This project grade separated the local street from railroad tracks by building a bridge for Summarv: 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

This project grade separated the local street from railroad tracks by building an underpass Summary: 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 23 items. Funding reimbursement and closeout have been completed.





Segment: State College Boulevard Grade Separation

Status: PROJECT COMPLETE

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

Summary: This project grade separated the local street from railroad tracks by building an underpass for vehicular traffic under the railroad crossing in the City of Fullerton. The City of Fullerton managed construction while OCTA provided construction oversight, public outreach, railroad coordination, and ROW support. Construction began on March 27, 2014, and the improvements opened to traffic on November 1, 2017. The total cost is measured against an amended baseline cost established in the second quarter of FY 2010-11; the final schedule is measured against an amended baseline schedule established in the third quarter of FY 2013-14. Construction acceptance was obtained in March 2018. OCTA turned over maintenance responsibilities to the City of Fullerton and completed the one-year warranty on constructed items. Funding reimbursement and closeout have been completed.

Segment: Tustin Avenue/Rose Drive Grade Separation

Status: PROJECT COMPLETE

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

Summary: This project grade separated the local street from railroad tracks by building a bridge over the railroad crossing for vehicular traffic in the cities of Anaheim and Placentia. Construction began on April 22, 2013, and the improvements opened to traffic on December 7, 2015. The total cost is measured against an amended baseline cost established in the first quarter of FY 2010-11; the final schedule is measured against an amended baseline schedule established in the third quarter of FY 2012-13. Construction acceptance was obtained in October 2016. OCTA turned over maintenance responsibilities to the cities and extended the one-year warranty to November 2018 for some minor repair items. No additional issues or repairs were identified. Funding reimbursement and closeout have been completed.

PROJECT P

REGIONAL TRAFFIC SIGNAL SYNCHRONIZATION PROGRAM

Status: 16th Call Open

Contact: Anup Kulkarni, Planning • (714) 560-5867

Summary: This program provides funding and assistance to implement multi-agency signal synchronization. The target of the program is to regularly coordinate a network of over 2,000 signalized intersections along 750 miles of roadway within Orange County. OCTA also leverages external funding to further enhance the efficiency of the street grid and reduce travel delays.



To date, OCTA and local agencies have synchronized 3,789 intersections over 979 miles of streets (109 completed projects). Through 15 calls, 123 projects⁷ totaling approximately \$162.3 million have been awarded. Overall, OCTA has funded 143 projects⁷ totaling nearly \$196.8 million, including \$40.1 million in leveraged external funding. On September 8, 2025, the Board approved the release of the 16th call. Applications for the call are due on November 20, 2025, and programming recommendations are anticipated to be presented to the Board in spring 2026.

In parallel with the annual call, OCTA is leading the Countywide Signal Synchronization Baseline Project. The project aims to develop and implement a countywide signal synchronization network for Orange County and will consist of approximately 2,500 retimed signals along regionally significant corridors to ensure seamless travel across the County. This effort began in June 2024 with data collection ongoing. While this innovative project is entirely externally funded, the results will benefit and shape the future of the M2 Regional Traffic Signal Synchronization Program.

PROJECT Q

LOCAL FAIR SHARE

Status: Ongoing

Contact: Sean Murdock, Finance • (714) 560-5685

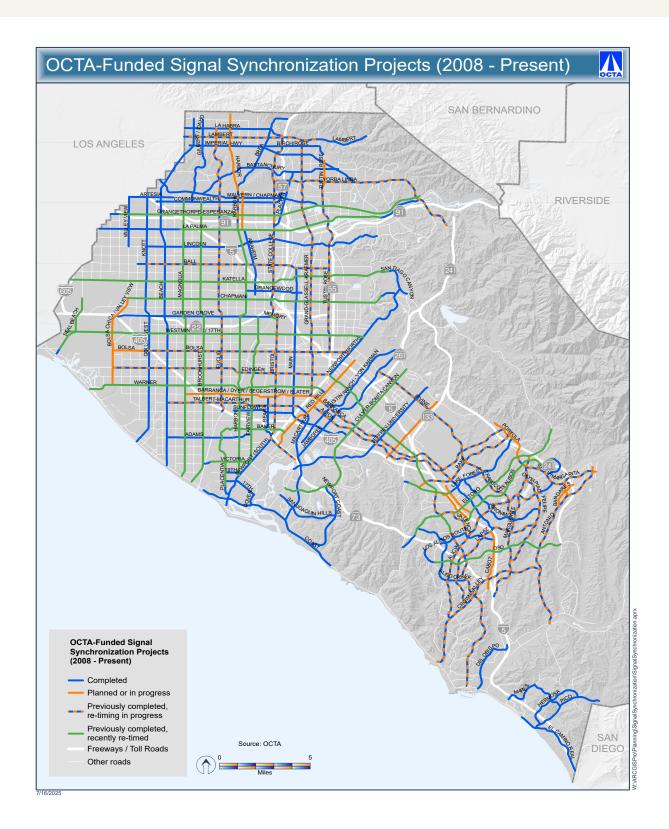
Summary: To help cities and the County of Orange keep up with the rising cost of repairing the aging street system, this program provides flexible funding intended to augment, not replace, existing transportation expenditures by the cities and the County. On a bimonthly basis, 18 percent of net revenues are allocated by formula. Since 2011, nearly \$823.0 million^{8,9} in LFS payments have been provided to local jurisdictions, of which more than \$12.6 million^{8,9} was provided this guarter.

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

⁷ To date, three projects totaling approximately \$1.6 million have been cancelled by the awarded local jurisdictions.

⁸ Only includes disbursed funds. On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.

⁹ On May 12, 2025, the Board determined the City of Huntington Beach ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Huntington Beach reestablishes eligibility.





PROJECT R

HIGH FREQUENCY METROLINK SERVICE

Project R provides funding for Metrolink operations and aims to increase rail services within the County and provide additional Metrolink service north of the City of Fullerton to the Los Angeles County Line. The program provides for track improvements, the addition of trains and parking capacity, upgraded stations, and safety enhancements to allow cities to establish quiet zones along the tracks. This program also includes funding for grade crossing improvements at high-volume arterial streets, which cross Metrolink tracks.

Project: Metrolink Grade Crossing Improvements

Status: PROJECT COMPLETE

Contact: Megan Taylor, Operations • (714) 560-5601

Summary: Enhancements at 50 of the designated 52 Orange County at-grade rail-highway crossings were completed in support of the Metrolink Service Expansion Program (MSEP) in October 2012. The total cost is measured against an amended baseline cost established in the fourth quarter of FY 2010-11. As a result of one private crossing, which did not allow OCTA to make enhancements, and one street closure, which eliminated the need for enhancements, the final count of enhanced rail-highway crossings was 50. Completion of the safety improvements provided each corridor city with the opportunity to establish a "quiet zone" at their respective crossings. Quiet zones are intended to prohibit the sounding of train horns through designated crossings, except in the case of emergencies, construction work, or safety concerns identified by the train engineer. The cities of Anaheim, Dana Point, Irvine, Orange, San Clemente, San Juan Capistrano, Santa Ana, and Tustin have established quiet zones within their communities.

Project: Metrolink Service Expansion Program

Status: PROJECT COMPLETE

Contact: Megan Taylor, Operations • (714) 560-5601

Summary: Following the completion of the MSEP improvements in 2012, OCTA deployed a total of ten new Metrolink intracounty trains operating between the cities of Fullerton and Laguna Niguel/Mission Viejo, primarily during the midday and evening hours.

In October 2019, several intracounty trains were extended to Los Angeles County to increase ridership through a redeployment of the trains without significantly impacting operating costs. This change resulted in 54 weekday trains operating between the three lines within Orange County. However, following the onset of the COVID-19 pandemic, service was reduced to 41 trains. In October 2021, partial service was restored which increased service to 45 trains. On October 21, 2024, Metrolink implemented an optimized service schedule aimed at addressing service gaps, increasing efficiency of assets, and serving a wider variety of travel patterns 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 45 percent lower compared to the same quarter of FY 2019-20 (used as a pre-pandemic data set). They are nearly two percent higher than in the same guarter in FY 2024-25.





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 current Metrolink service levels 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

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

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

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

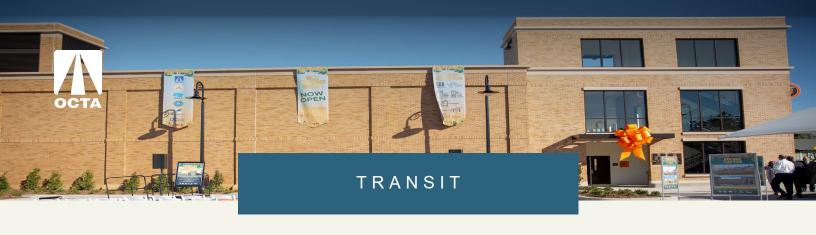
PROJECT COMPLETE Status:

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

This project added new ADA-compliant access ramps on either side of the pedestrian Summary: 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 guarter 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. While the rail line is currently open as a result of ongoing emergency work, longer-term solutions must be developed to ensure the ability to provide reliable rail service in this portion of the County. In partnership with key stakeholders, a planning study is currently underway to identify and evaluate immediate short- and medium-term solutions with the goal of protecting the rail line in place for approximately the next 30 years. A separate long-term study will assess potential long-term solutions, which may include relocation of the rail line. OCTA is leading the effort on the near-term resiliency measures. The State will lead the long-term study, but the lead state agency has not been identified; OCTA will remain an active participant in the study. Future implications to M2 with respect to service levels or project costs are unknown at this time.

Completed:

- 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
- Approximately 2,500 cubic yards of sand were placed at North Beach in the City of San Clemente

Underway:

- Award contract for slope stabilization and drainage improvements in the cities of Lake Forest, Mission Viejo and Laguna Niguel
- Construction of the San Juan Creek railroad bridge replacement in the City of San Juan Capistrano, led by Metrolink
- Construction of Area 3 catchment wall and restoration of the coastal trail in the City of San Clemente
- Rehabilitation of pedestrian audible warning system in the City of San Clemente
- Alternative analyses to evaluate solutions for coastal protective measures for Area 4 in the City of San Clemente as identified in the Coastal Rail Resiliency Study; associated environmental studies, conceptual designs, and permit preparation for Area 4
- Continue to seek inland and offshore sand sources to be environmentally cleared and permitted for placement on the beach for Areas 1, 2, and 4

Project: Sand Canyon Grade Separation

Status: PROJECT COMPLETE

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

Summary: This project separated the local street from railroad tracks in the City of Irvine by constructing an underpass for vehicular traffic. Construction began on May 3, 2011, and the improvements opened to traffic on July 14, 2014. The project was completed, and construction acceptance was obtained from the City of Irvine on January 15, 2016. The final schedule is measured against an amended baseline scheduled established in the second quarter of FY 2010-11. The project completed the one-year warranty period, and no repairs were identified. The project closed out in January 2017.

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.

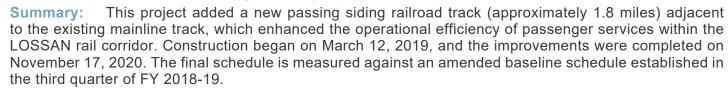




Project: Laguna Niguel to San Juan Capistrano Passing Siding Project

Status: PROJECT COMPLETE

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



PROJECT S

TRANSIT EXTENSIONS TO METROLINK

To broaden the reach of Metrolink to other Orange County cities, communities, and activity centers, Project S includes a competitive program that allows cities to apply for funding to connect passengers to their final destination via transit extensions. There are currently two categories for this program: a fixed-guideway program (streetcar) and a rubber tire transit program.

Project: OC Streetcar

Status: Full Funding Grant Agreement Executed November 30, 2018; Construction Work Ongoing,

All Eight Vehicles Completed and Delivered, Preparations Underway for Start-Up

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

Cleve Cleveland, Rail • (714) 560-5535

Summary: The OC Streetcar will serve the SARTC through Downtown Santa Ana, and the Civic Center to Harbor Boulevard in the City of Garden Grove. At the request of the two cities, OCTA is serving as the lead agency for the project. Construction on the project began on November 19, 2018.

Construction

Construction is 95 percent complete. During the quarter, the OCS foundations and pole installations were completed along the alignment, while installation of the OCS contact wires continued. In addition, work continued along the Pacific Electric ROW, at the MSF, and on utility installations at various stations.

Vehicles

All eight cars have been delivered to the MSF, with the final vehicle delivered on September 10, 2025. OCTA continued negotiations with the vehicle manufacturer regarding long-term storage and maintenance for the vehicles.



Operations

Monthly coordination meetings continue to support system integration 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. In addition, the Operations and Maintenance contractor completed various documents, procedures, and forms in preparation of assuming operating responsibilities from the construction contractor. Training continued 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. The project is anticipated to begin revenue service in summer 2026.

Project: Bus and Station Van Extension Projects

Status: Last Service Completed on June 30, 2020; No Future Calls Anticipated

Contact: Charvalen Alacar, Planning • (714) 560-5401

Summary: Bus and station van extension projects help enhance the frequency of service in the Metrolink corridor by linking communities within the central core of Orange County to commuter rail. To date, the Board has approved one round of funding for bus and van extension projects, totaling over \$732,000. On July 23, 2012, the Board approved funding for one project in the City of Anaheim and three projects in the City of Lake Forest. The City of Lake Forest has cancelled all three projects. The Anaheim Canyon Metrolink Station Bus Connection project provided service between the Anaheim Canyon Metrolink station and the Anaheim Resort area; this project was completed on June 30, 2020, under Project S. The service continues under a Project V grant and is subject to meeting minimum performance requirements as part of the Project V program.

PROJECT T

METROLINK GATEWAYS

Project: Anaheim Regional Transportation Intermodal Center

Status: PROJECT COMPLETE

Contact: George Olivo, Capital Programs • (714) 560-5872

All a

Summary: This project constructed the ARTIC located at 2626 East Katella Avenue in the City of Anaheim. ARTIC is a major multimodal transportation hub serving commuters and residents in the City of Anaheim. In addition to OCTA buses and Metrolink trains, ARTIC provides transit connections to Pacific Surfliner Amtrak, Anaheim Resort Transit, shuttle and charter bus service, taxis, bicycles, other private transportation services available, and accommodates future high-speed rail trains. The City of Anaheim, which led the construction effort, began construction on September 24, 2012, and opened the facility to rail and bus service on December 6, 2014. This facility replaced the former Anaheim Metrolink Station that was located on the opposite side of the freeway in the Los Angeles Angels of Anaheim Stadium parking lot.



PROJECT U

EXPAND MOBILITY CHOICES FOR SENIORS AND PERSONS WITH DISABILITIES

Project U expands mobility choices for seniors and persons with disabilities, and includes the SMP, the SNEMT Program, and the Fare Stabilization Program. Since inception, approximately \$151.7 million^{10,11,12} in Project U funding has been provided under M2.

¹⁰ Payments are made every other month (January, March, May, July, September, and November). July payments are based on June accruals, and therefore counted as June payments. The amount totaled for one FY quarter either covers one or two payments, depending on the months that fall within that quarter.

¹¹ Only includes disbursed funds. On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.

¹²On May 12, 2025, the Board determined the City of Huntington Beach ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Huntington Beach reestablishes eligibility.

Project: Senior Mobility Program

Status: Ongoing

Contact: Jack Garate, Transit • (714) 560-5387

Summary: The SMP provides one percent of net M2 revenues to eligible local jurisdictions to provide transit services that best meet the needs of seniors living in their community. According to the SMP Funding and Policy Guidelines, M2 revenue is allocated to local jurisdictions proportionally, relative to the total county's senior population, by the residents aged 60 and above multiplied by available revenues. The remaining unallocated funds are distributed to the M2 Project U Fare Stabilization Program.

Since inception, more than \$43.1 million^{10,11,12} has been provided to support more than 3.3 million boardings for seniors traveling to medical appointments, nutrition programs, shopping destinations, and senior and community center activities. This quarter, approximately \$656,000 ^{10,11,12} 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 \$46.2 million has been allocated to support more than 1.7 million SNEMT boardings¹³. This quarter, nearly \$770,000¹⁰ in SNEMT funding was paid to the County of Orange.

¹³ The SNEMT program is operated by the County of Orange Office on Aging. Total boardings are calculated based on all services funded by M2 and the County of Orange.



Project: Fare Stabilization Program

Status: Ongoing

Contact: Sean Murdock, Finance • (714) 560-5685

Summary: From 2011 to 2015, one percent of net M2 revenues was dedicated to stabilizing fares and providing fare discounts for bus services and specialized ACCESS services for seniors and persons with disabilities. Effective January 28, 2016, an amendment to the M2 Ordinance adjusted this amount to 1.47 percent of net M2 revenues to be dedicated to the Fare Stabilization Program.

Approximately \$1.1 million in revenue was allocated this quarter to support the Fare Stabilization Program. The amount of funding utilized each quarter varies based on ridership. During the quarter, based on 2.6 million program-related boardings recorded on fixed-route and ACCESS services, approximately \$735,000 was utilized. The senior and disabled boardings recorded are based on pass sales and ACCESS boardings figures. Since inception, more than \$62.4 million has been allocated to support approximately 166 million program-related boardings.

PROJECT V

COMMUNITY-BASED TRANSIT/CIRCULATORS

Status: Service Updates

Contact: Charvalen Alacar, Planning • (714) 560-5401

Summary: This program provides funding for local jurisdictions to develop local bus transit services, such as community-based circulators and shuttles, which complement regional bus and rail services to meet needs in areas not adequately served by regional transit. To date, through five calls, the Board has awarded 49 projects and ten planning studies totaling approximately \$96.8 million¹⁴. Of the 49 transit circulator projects¹⁵, 21 are currently active, four are planned, 13 have been cancelled (primarily due to low ridership), and 11 have been completed.

On January 25, 2021, the Board approved changes to the Project V program guidelines to better support these key community services in a post-COVID-19 environment. Key revisions included modifying minimum performance standards and allowing for escalation in the subsidy per boarding and annual FY funding caps. Staff continued to work with local jurisdictions to update existing cooperative agreements to incorporate these programmatic changes.

¹⁴ Includes \$700,000 programming increase to the 2024 call Balboa Peninsula Trolley Service Continuation project, as approved by the Board on September 23, 2024, and confirmed on August 25, 2025.

¹⁵ Includes reinstatement of the \$1.65 million award from the 2018 Project V call to the City of San Clemente for the existing San Clemente Rides ride-hailing service. The 2018 Project V award was cancelled by the Board on December 10, 2018, and reinstated on August 14, 2023, to correct for issues in the service model that were encountered during the pandemic.



OCTA receives ridership reports from local agencies on a regular basis to monitor the success of these services against performance measures adopted by the Board. The most recent Project V ridership report was presented to the Board on August 25, 2025. The report identified that all of the active services met the ridership and service performance standards. The next ridership report is anticipated to be presented to the Board in February 2026. Lessons learned from the success of implemented services are incorporated into recommendations for future funding guidelines and programming recommendations.

PROJECT W

SAFE TRANSIT STOPS

Status: City-Initiated Improvements Underway or Completed

Contact: Charvalen Alacar, Planning • (714) 560-5401

Summary: This program provides funding for passenger amenities at the busiest transit stops across Orange County. Stop improvements are designed to ease transfers between bus lines and provide passenger amenities such as the installation of bus benches or seating, shelters, and lighting.

To date, through a competitive process, OCTA has issued three calls (July 2014, June 2019, and September 2020), which have awarded just over \$3.1 million to support improvements at 122 locations. Of the 122 projects, 94 have been completed, 18 are in various stages of implementation, and ten have been cancelled. Staff is reviewing M2 revenues and assessing the appropriate timing for the next call.



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 203 projects have been completed, 13 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 October 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 Tier 2 projects totaling approximately \$35 million have been awarded by the Board since 2013. Of the 26 projects, construction on 18 projects have been completed, four projects are in progress, and four projects have been cancelled by the awarded agency. It is estimated that Tier 2-funded projects, once fully functional, will have an annual groundwater recharge and water savings potential of approximately 352 million gallons of water from infiltration, recharge facilities, and diversion to recycled water supply. The appropriate timing of the next Tier 2 call will be assessed and determined by funding availability as well as the number of viable projects from eligible agencies.



FREEWAY MITIGATION

Segment: Environmental Mitigation Program

Status: Biological Permits Issued and Conservation Plan in Place

Contact: Adriann Cardoso, Planning • (714) 560-5915

Summary: Working in collaboration with the Wildlife Agencies, this program allocates funds to acquire land and fund habitat restoration projects to offset the environmental impacts of M2 freeway projects. In June 2017, OCTA received biological resource permits after completing a state and federal Conservation Plan. This Conservation Plan commits to protecting the natural habitat and wildlife on OCTA's Preserves, funding multiple habitat restoration projects, and minimizing impacts to resources during construction of M2 freeway projects, allowing streamlined project approvals for the M2 freeway projects with little additional coordination from the Wildlife Agencies. This program represents the culmination of years of collaboration and support by the Board, environmental community, and Wildlife Agencies. The OCTA Conservation Plan is unique, as it is only the second state/federal conservation plan approved in Orange County.

The Conservation Plan includes a streamlined process for coordination for streambed alteration agreements for portions of freeway projects that cross through streams and riverbeds. In 2017, the United States Army Corps of Engineers issued a programmatic permit to OCTA and Caltrans (as owner/operator of the state highway system). The State Board provided a letter to OCTA in 2018, which further secured assurances related to advanced mitigation and freeway project permit issuance. These efforts are the result of years of collaboration and constitute another groundbreaking milestone for the M2 EMP.

The Board has approved the acquisition of seven properties (Preserves) totaling 1,300 acres and 13¹⁶ restoration projects totaling 350 acres. To date, nine 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 ten endowment deposits. As of September 30, 2025, the endowment balance was \$38,595,652, which is above the target of \$35,788,429 for the first 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 December 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.

¹⁶ The project count was updated from 12 to 13 to reflect that one project covers two distinct areas with different criteria.



Resource management plans (RMP) for the Preserves were completed in 2018. These RMPs guide the management of the Preserves as outlined within the Conservation Plan. The RMPs will be reviewed and updated as necessary, approximately every five years. Updates to the documents are currently underway and are anticipated to include new figures depicting more recent plant and animal species information, documentation of completed management tasks, potential new tasks identified, and the incorporation of the recently completed FMPs. All revisions will be coordinated with the Wildlife Agencies, shared with the EOC, and posted on OCTA's website. Staff will continue to oversee and manage the Preserves until a long-term manager(s) is established.

Conservation Plan reports are completed annually. These reports include the tracking of impacts associated with covered freeway improvement projects, other management and monitoring activities on Preserves, status and activities, the progress of the restoration projects, plan administration, and public outreach activities. These reports take time to develop as they fold in multiple reports from various consultants and contractors working on the OCTA Preserves and the funded restoration projects through the end of every calendar year. Annual reports to date document that OCTA's activities are in compliance and on target with the Conservation Plan commitments. The annual report documenting the 2024 calendar year activities has been completed and reviewed by the Wildlife Agencies and 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, M2 PMO Manager • (714) 560-5625

The M2 PMO provides inter-divisional coordination for all Measure M-related projects and programs. To ensure agency-wide compliance, the PMO holds a bimonthly committee meeting comprised of executive directors and key staff from each of the divisions, who meet to review significant issues and activities within the M2 programs. This quarter, the focus of the PMO has been on several major items, including the following:

Market Conditions Forecast and Risk Analysis

On September 11, 2017, the Board was presented with a Next 10 Plan Market Conditions Forecast and Risk Analysis Report conducted by Dr. Wallace Walrod and Dr. Marlon Boarnet through a contract with the Orange County Business Council. The consultant team's analysis identified strong potential for OCTA to experience an increasing cost environment during the Next 10 Plan delivery years. This, coupled with a reduction in revenue, could present the potential for significant challenges in the delivery of M2 and the Next 10 Plan.

The Board directed staff to continue to work with the consultant team to monitor and track key early warning indicators and provide the Board with updates in a timeline consistent with updates on the M2 sales tax revenue forecast. The consultant team continues to analyze trends in material costs, labor costs, and general economic conditions to determine a range of potential cost impacts providing insight on OCTA's capital program twice a year.

During the quarter, the consultant team completed the update to the forecasting model and shared with staff the results. The analysis identified that OCTA may experience an uptick in inflationary pressures in 2026, 2027, and 2028. This outlook reflects a rise in residential building permits, unemployment rates in California, and construction labor and materials costs. While the Federal Reserve has made strides in getting inflation under control, tariffs have begun to have a measurable impact on short-term costs and continued uncertainty surrounding the impacts of economic, trade, and immigration policies which has resulted in slowed hiring trends as businesses struggle to forecast future needs. Adding to shifting government policies, the accelerating adoption of artificial intelligence technologies has also started to potentially slow overall job growth. In addition, wildfires have devastated communities in Los Angeles County, which may further impact construction cost pressures. The updated market conditions forecast is anticipated to be presented to the Board in October 2025, and 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 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 underway and anticipated to be presented to the Board in December 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.

To date, several actions have been completed to address these recommendations. To improve transparency in project reporting, staff incorporated details on how capital project costs and schedules are measured into the M2 Quarterly Report. The new e-procurement system was launched in September 2025, which included enhanced evaluation processes. Internal procedures related to contract approvals were updated in January 2025, and steps recommended by the payment process consultant have been initiated to improve the timeliness of grant payments. Actions to complete the remaining recommendations are underway and are anticipated to be completed by the end of FY 2025-26.

M2 Ten-Year Review

The M2 Ordinance includes a provision to conduct a ten-year comprehensive review of M2 programs and projects. The ten-year review is intended to evaluate the performance of the overall program and may result in revisions to further improve performance. Due to the early initiation of project development activities prior to the start-up of revenue collection in 2011, the first review was completed in 2015. The second effort is underway. During the quarter, a ten-year review update was presented to the Executive Committee on August 28, 2025, highlighting five objectives to ensure the required elements in the M2 Ordinance are analyzed. Outreach continued this quarter with a second roundtable discussion with elected officials, two stakeholder briefings, and continued participation in various community events. Feedback from these activities will help guide the development of key findings and recommendations. The next update on the ten-year review efforts is anticipated to be presented to the Board in December 2025.



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. This quarter, the update of the city fact sheets through June 2025 was completed and uploaded to the OCTA website. The update incorporated the 2024 ECP Tier 1 and Tier 2 projects approved by the Board on October 14, 2024, the 2025 RCP and RTSSP projects approved by the Board on April 14, 2025, the September 2024 semi-annual review of CTFP projects approved by the Board on December 9, 2024, and programming updates.

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.

Project G (SR-57 northbound from Orangewood Avenue to Katella Avenue) was advertised for construction on July 8, 2025, bids opened on September 4, 2025, and the project was awarded on



September 26, 2025. The lowest, responsive, and responsible bidder was approximately seven percent below the engineer's estimate. In addition, the easterly segment of Project I (SR-91, Acacia Street to La Palma Avenue) was advertised for construction on May 12, 2025, and bids opened on August 12, 2025. The apparent lowest, responsive, and responsible bidder was approximately 4.7 percent below the engineer's estimate. Furthermore, Project B segment 1 (I-5, I-405 to Yale Avenue) was advertised for construction on August 18, 2025, and segment 2 (I-5, Yale Avenue to SR-55) was advertised for construction on August 11, 2025. Bids for both projects are anticipated to be opened next quarter. Staff will continue to monitor 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 September 30, 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:
 - o 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

On September 9, 2025, the TOC received presentations on the M2 Quarterly Report for the fourth quarter of FY 2024-25, Measure M2 Ten-Year Review, an overview of the CTFP, and a TOC roles and purview update.

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 Audit Subcommittee meets as needed and is responsible for reviewing the quarterly M2 Revenue and Expenditure Reports and the annual M2 Audit, as well as any other items related to M2 audits.

M2 FINANCING AND SCHEDULE OF FUNDING

Contact: Sam Kaur, Revenue and Grants • (714) 560-5889

Revenue Forecast and Collection

OCTA contracts with three universities (Chapman University; California State University, Fullerton; and University of California, Los Angeles) to provide a long-range forecast of taxable sales to forecast M2 revenues for purposes of planning projects and program expenditures.



In the past, OCTA averaged the three university taxable sales projections to develop a long-range forecast of M2 taxable sales. On March 28, 2016, the Board approved a revised sales tax forecast methodology as part of the FY 2016-17 budget development process. This methodology includes a more conservative approach by utilizing the MuniServices, LLC forecast for the first five years, and the three-university average for the remaining years.

OCTA continuously monitors actual sales tax receipts, and revenue forecast information is provided by MuniServices, LLC quarterly. As required by law, OCTA pays the California Department of Tax and Fee Administration a fee to collect the sales tax. The M2 Ordinance estimated this fee to be 1.5 percent of the revenues collected over the life of the program.

Current Forecast

Originally, the 2005 projections for M2 sales tax collections were anticipated at \$24.3 billion. As of September 2025, 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.

MuniServices, LLC provided their sales tax forecasts to the F&A Committee on May 14, 2025, followed by the sales tax forecast from Chapman University on June 11, 2025, and from University of California, Los Angeles on June 25, 2025. During the quarter, California State University, Fullerton provided their sales tax forecast presentation to the F&A Committee on July 23, 2025.

OCTA remains in a strong financial position, supported by healthy reserve levels and the program's built-in consideration of economic uncertainties, which together provide a solid cushion against potential revenue shortfalls or increases in costs. The agency is actively monitoring various factors, including inflation, interest rates, and demographic changes in Orange County to assess their potential impact on sales tax revenues. In light of the observed revenue decline and economic uncertainties, OCTA prioritizes fiscal stewardship and proactive financial planning to ensure our commitment to the public; promises made, promises kept.

The next updated forecast is anticipated to be presented to the Board in October 2025. As a reference, there is no projected growth for FY 2025-26.

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(\$ in thousands)		Quarter Ended Jul 1, 2025 - Sept 30, 2025	Year to Date Jul 1, 2025 - Sept 30, 2025	Period from Inception to Sept 30, 2025
			(A)	(B)
Revenues:				
Sales taxes	\$	114,841	\$ 114,841	\$ 4,919,154
Other agencies' share of Measure M2 costs: Project related		5,050	5,050	901,118
Non-project related		-	-	454
Interest:				
Operating:		1 000	4.000	44.040
Project related Non-project related		1,290 10,096	1,290 10,096	11,349 163,102
Bond proceeds		-	-	104,570
Debt service		178	178	4,344
Commercial paper		-	-	393
Right-of-way leases		83	83	2,177
Project related Non-project related		- 83	- 83	2,177
Proceeds on sale of assets held for resale		-	-	17,597
Donated assets held for resale				•
Project related		-	-	2,071
Miscellaneous: Project related				331
Non-project related		- -		125
Total revenues		131,538	131,538	6,126,802
		131,000	131,336	0,120,002
Expenditures: Supplies and services:				
Sales tax administration fees		915	915	46,219
Professional services:		0.0	0.0	.0,2.0
Project related		1,795	1,795	624,503
Non-project related		107	107	42,260
Administration costs: Project related		3,204	3,204	146,640
Non-project related:		3,204	3,204	140,040
Salaries and Benefits		1,250	1,250	50,823
Other		2,302	2,302	87,747
Other:		40	10	7.055
Project related Non-project related		40 43	40 43	7,955 6,426
Payments to local agencies:		40	40	0,420
Project related		16,953	16,953	1,564,666
Capital outlay:		.,	.,	,
Project related		3,955	3,955	2,535,301
Non-project related		-	-	31
Debt service: Principal payments on long-term debt		_	_	138,355
Interest on long-term debt and		<u>-</u>	_	130,333
commercial paper		11,775	11,775	398,211
Total expenditures		42,339	42,339	5,649,137
Excess (deficiency) of revenues				
over (under) expenditures		89,199	89,199	477,665
Other financing sources (uses):				
Transfers out:				
Project related		(4,282)	(4,282)	(837,391)
Transfers in:		540	540	505 004
Project related Bond proceeds		543	543	595,061 1,068,603
Payment to refunded bond escrow agent				(312,829)
Total other financing sources (uses)		(3,739)	(3,739)	513,444
Excess (deficiency) of revenues				
over (under) expenditures and other sources (uses)	\$	85,460	\$ 85,460	\$ 991,109
(4500)	<u>-</u>	23,100	. 55,100	. 33.,100



(\$ in thousands)		uarter Ended 25 - Sept 30, 2025 (actual)		Year to Date 025 - Sept 30, 2025 (actual)	Period from Inception through Sept 30, 2025 (actual)	Octol tl Marc	riod from per 1, 2025 nrough h 31, 2041 precast)		Total
Revenues:				(C.1)	(D.1)		(E.1)		(F.1)
Sales taxes	\$	114,841	\$	114,841	\$ 4,919,154	\$	8,300,106	\$	13,219,260
Operating interest Subtotal		10,096 124.937		10,096 124.937	 163,102 5.082,256		441,054 8,741,160		604,156 13,823,416
Subtotal		124,937		124,931	 5,062,250	-	0,741,100	-	13,623,410
Other agencies share of M2 costs		-		-	454		-		454
Right-of-way leases		-		-	17		-		17
Miscellaneous Total revenues		124,937		124,937	 5,082,852	-	8,741,160		125 13,824,012
rotal revenues		124,937		124,937	5,062,652		0,741,100		13,024,012
Administrative expenditures:									
Sales tax administration fees		915		915	46,219		62,315		108,534
Professional services		107		107	38,485		66,303		104,788
Administration costs: Salaries and Benefits		1,250		1.250	50,823		85,644		136,467
Other		2,302		2,302	87,747		147,618		235,365
Other		43		43	2,590		4,400		6,990
Payments to local agencies:					_,,,,,		.,		-,
Capital outlay		-		-	31		-		31
Environmental cleanup		567		567	 56,076		165,976		222,052
Total expenditures		5,184		5,184	 281,971		532,256	_	814,227
Net revenues	\$	119,753	\$	119,753	\$ 4,800,881	\$	8,208,904	\$	13,009,785
				(C.2)	(D.2)		(E.2)		(F.2)
Financing expenditures:									
Debt interest expense		11,775		11,775	398,211 3,775		241,199		639,410
Professional services Other		-		-	3,775 3,836		-		3,775 3,836
Total financing expenditures		11,775		11,775	 405,822	-	241,199	_	647,021
• •									
Interest revenue:									
Interest revenue from bond proceeds		-		- 470	104,570		-		104,570
Interest revenue from debt service funds Interest revenue from commercial paper		178		178	4,344 393		11,779		16,123 393
Total bond revenues		178	-	178	 109,307		11,779	_	121,086
rotal bond revenues	-		-		 ·	-		_	
Net financing expenditures:	\$	11,597	\$	11,597	\$ 296,515	\$	229,420	\$	525,935



Project	Description (G) (\$\\$ in thousands) Freeways (43% of Net Revenue)	Total Net Revenues Inception to March 31, 2041 (actual) + (forecast) (H)		Net Revenues Inception to Sept 30, 2025 (actual)		Expenditures Inception to Sept 30, 2025 (actual)		Reimbursements Inception to Sept 30, 2025 (actual) (K)		(J) - (K) = (L) Net M2 Cost Inception to Sept 30, 2025 (actual) (L)
Α	I-5 Santa Ana Freeway Interchange Improvements \$	5 512.782	\$	189.227	\$	10.908	\$	8.786	\$	2.122
В	I-5 Santa Ana/SR-55 to El Toro	327,526	Ψ	120.864	Ψ	64.741	Ψ	24,059	Ψ	40.682
C	I-5 San Diego/South of El Toro	684,073		252,437		461,858		53,044		408,814
D	I-5 Santa Ana/San Diego Interchange Upgrades	281,485		103,874		3.268		527		2.741
E	SR-22 Garden Grove Freeway Access Improvements	130,923		48.313		5		-		5
F	SR-55 Costa Mesa Freeway Improvements	399.316		147.356		183.636		80.113		103.523
G	SR-57 Orange Freeway Improvements	282.248		104,156		61.105		15,078		46,027
Н	SR-91 Improvements from I-5 to SR-57	152,744		56,366		34,961		824		34,137
1	SR-91 Improvements from SR-57 to SR-55	454,412		167,688		80,623		77,951		2,672
J	SR-91 Improvements from SR-55 to County Line	384,259		141,800		18,675		17,185		1,490
K	I-405 Improvements between I-605 to SR-55	1,170,453		431,920		1,711,805		380,194		1,331,611
L	I-405 Improvements between SR-55 to I-5	348,801		128,715		9,249		6,954		2,295
М	I-605 Freeway Access Improvements	21,821		8,052		10,209		16		10,193
N	All Freeway Service Patrol	163,654		60,392		17,023		-		17,023
	Freeway Mitigation	279,710		103,219		64,187		12,197		51,990
	Subtotal Projects	5,594,207		2,064,379		2,732,253		676,928		2,055,325
	Net Finance Expenditures	-				203,530		<u> </u>		203,530
	Total Freeways <u>s</u>	5,594,207	\$	2,064,379	\$	2,935,783	\$	676,928	\$	2,258,855 51.0%
	Street and Roads Projects (32% of Net	Revenues)								
0	Regional Capacity Program	1.300.995	\$	480.094	\$	842.816	\$	507,884	\$	334,932
Р	Regional Traffic Signal Synchronization Program	520,375		192,029		141,117	•	29,393		111,724
Q	Local Fair Share Program	2,341,761		864,159		833,078		77		833,001
	Subtotal Projects Net Finance Expenditures	4,163,131		1,536,282		1,817,011 59.634		537,354		1,279,657 59,634
	Tion I mano Exponditures					00,004				00,004
	Total Street and Roads Projects	4,163,131	\$	1,536,282	\$	1,876,645	\$	537,354	\$	1,339,291 30.2%



Project	Description (G) (\$ in thousands) Transit Projects (25% of Net Re	M (ac	tal Net Revenues Inception to March 31, 2041 ttual) + (forecast) (H)		Net Revenues Inception to Sept 30, 2025 (actual)		Expenditures Inception to Sept 30, 2025 (actual)		Reimbursements Inception to Sept 30, 2025 (actual) (K)		(J) - (K) = (L) Net M2 Cost Inception to Sept 30, 2025 (actual) (L)
Б	• •	\$		•	466,228	œ.	524,388	e	100.000	¢.	424 240
R S	High Frequency Metrolink Service Transit Extensions to Metrolink	Ъ	1,297,533 1,148,463	\$	400,228	\$	306,960	\$	100,069 151,974	\$	424,319 154,986
T	Metrolink Gateways		66,496		42,894		98,220		60,956		37,264
Ü	Expand Mobility Choices for Seniors and Persons		00,430		42,094		30,220		00,900		37,204
J	with Disabilities		451,116		160,704		154,812		88		154,724
V	Community Based Transit/Circulators		260,127		95,992		24,606		1,998		22,608
W	Safe Transit Stops		28,712		10,595		2,130		26		2,104
	'		-,		-,		,				
	Subtotal Projects		3,252,447		1,200,220		1,111,116		315,111		796,005
	Net Finance Expenditures		-		-		33,351		-		33,351
	Total Transit Projects	\$	3,252,447	\$	1,200,220	\$	1,144,467	\$	315,111	\$	829,356
	%										18.7%
	Measure M2 Program	\$	13,009,785	\$	4,800,881	\$	5,956,895	\$	1,529,393	\$	4,427,502
Project	Description	N	Total Revenues Inception to March 31, 2041 Stual) + (forecast)		Revenues Inception to Sept 30, 2025 (actual)		Expenditures Inception to Sept 30, 2025		Reimbursements Inception to Sept 30, 2025 (actual)		Net M2 Cost Inception to Sept 30, 2025 (actual)
Project	(G)	(au	luar) + (lurecast)								(actual)
			, , ,				(actual)		, ,		(1)
	* /		(H.1)		(1.1)		(J)		(K)		(L)
	(\$) (\$ in thousands) Environmental Cleanup (2% of R	Revenues	(H.1)				. ,		, ,		(L)
X	(\$ in thousands) Environmental Cleanup (2% of R	Revenues	(H.1)				. ,		, ,		(L)
X	(\$ in thousands)	Revenues \$	(H.1)	\$		\$. ,	\$, ,	\$	(L) 55,765
X	(\$ in thousands) Environmental Cleanup (2% of R Clean Up Highway and Street Runoff		(H.1)	\$	(1.1)	\$	(J)	\$	(K)	\$	
x	(\$ in thousands) Environmental Cleanup (2% of R Clean Up Highway and Street Runoff		(H.1)	\$	(1.1)	\$	(J)	\$	(K)	\$	
Х	(\$ in thousands) Environmental Cleanup (2% of R Clean Up Highway and Street Runoff that Pollutes Beaches		(H.1) (S) 276,468	\$	(1.1)	\$	(J) 56,076	\$	(K) 311	\$	55,765
X	(\$ in thousands) Environmental Cleanup (2% of R Clean Up Highway and Street Runoff that Pollutes Beaches Net Finance Expenditures Total Environmental Cleanup		(H.1) (S) 276,468	\$	(1.1)	\$	(J) 56,076	\$	(K) 311	\$	55,765
X	(\$ in thousands) Environmental Cleanup (2% of R Clean Up Highway and Street Runoff that Pollutes Beaches Net Finance Expenditures	\$	(H.1) 276,468		101,645		56,076 -	_	(K) 311_		55,765
х	(\$ in thousands) Environmental Cleanup (2% of R Clean Up Highway and Street Runoff that Pollutes Beaches Net Finance Expenditures Total Environmental Cleanup	\$	(H.1) 276,468		101,645		56,076 -	_	(K) 311_		55,765
Х	(\$ in thousands) Environmental Cleanup (2% of R Clean Up Highway and Street Runoff that Pollutes Beaches Net Finance Expenditures Total Environmental Cleanup	\$	(H.1) 276,468		101,645		56,076 -	_	(K) 311_		55,765
X	Environmental Cleanup (2% of R Clean Up Highway and Street Runoff that Pollutes Beaches Net Finance Expenditures Total Environmental Cleanup % Taxpayer Safeguards and A	\$ \$ udits	(H.1) 276,468 - 276,468	\$	101,645	\$	56,076 - 56,076	\$	(K) 311_	\$	55,765 - 55,765 1.1%
X	Environmental Cleanup (2% of R 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)	\$	(H.1) 276,468		101,645		56,076 -	_	(K) 311_		55,765 - 55,765 1.1% 46,219
X	Environmental Cleanup (2% of R Clean Up Highway and Street Runoff that Pollutes Beaches Net Finance Expenditures Total Environmental Cleanup % Taxpayer Safeguards and A	\$ \$ udits	(H.1) 276,468 - 276,468	\$	101,645	\$	56,076 - 56,076	\$	(K) 311_	\$	55,765 - 55,765 1.1%
X	Environmental Cleanup (2% of R 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)	\$ \$ udits	(H.1) 276,468 - 276,468	\$	101,645	\$	56,076 - 56,076	\$	(K) 311_	\$	55,765 - 55,765 1.1% 46,219
X	Environmental Cleanup (2% of R 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)	\$ \$ udits	(H.1) 276,468 - 276,468	\$	101,645	\$	56,076 - 56,076	\$	(K) 311_	\$	55,765 - 55,765 1.1% 46,219



M	2 Funds			
ENTITY	1ST QUARTER FY 2025-26	FUNDS TO DATE*		
ALISO VIEJO	\$177,489	\$10,272,835		
ANAHEIM	\$1,480,208	\$86,574,986		
BREA	\$239,812	\$14,775,078		
BUENA PARK	\$0**	\$20,145,666**		
COSTA MESA	\$616,316	\$37,766,850		
CYPRESS	\$214,120	\$13,442,657		
DANA POINT	\$143,369	\$8,680,779		
FOUNTAIN VALLEY	\$262,925	\$16,021,090		
FULLERTON	\$557,908	\$33,807,649		
GARDEN GROVE	\$627,660	\$38,469,602		
HUNTINGTON BEACH	\$0***	\$47,954,002***		
IRVINE	\$1,346,140	\$73,594,746		
LAGUNA BEACH	\$106,248	\$6,516,947		
LAGUNA HILLS	\$137,453	\$8,703,624		
LAGUNA NIGUEL	\$277,130	\$17,132,734		
LAGUNA WOODS	\$55,424	\$3,318,261		
LA HABRA	\$221,071	\$13,699,494		
LAKE FOREST	\$342,869	\$20,765,502		
LA PALMA	\$59,451	\$3,955,878		
LOS ALAMITOS	\$54,044	\$3,343,830		
MISSION VIEJO	\$379,043	\$23,711,526		
NEWPORT BEACH	\$450,092	\$28,201,310		
ORANGE	\$699,704	\$42,834,121		
PLACENTIA	\$205,644	\$12,051,095		
RANCHO SANTA MARGARITA	\$173,597	\$10,876,871		



M	2 Funds	
ENTITY	1ST QUARTER FY 2025-26	FUNDS TO DATE*
SAN CLEMENTE	\$240,051	\$14,677,448
SAN JUAN CAPISTRANO	\$164,442	\$9,856,232
SANTA ANA	\$1,126,751	\$70,793,561
SEAL BEACH	\$99,716	\$6,305,008
STANTON	\$129,904	\$7,745,758
TUSTIN	\$395,814	\$23,461,639
VILLA PARK	\$22,011	\$1,348,593
WESTMINSTER	\$344,090	\$21,801,902
YORBA LINDA	\$254,477	\$15,608,285
COUNTY UNINCORPORATED	\$1,021,902	\$54,774,877
TOTAL M2 FUNDS	\$12,626,874	\$822,990,435

^{*} Only includes disbursed funds.

Withheld funds are listed below.

ENTITY	1ST QUARTER FY 2025-26	FUNDS TO DATE
BUENA PARK	\$381,499	\$2,900,807
HUNTINGTON BEACH	\$805,217	\$2,250,514
TOTAL M2 FUNDS WITHHELD	\$1,186,716	\$5,151,321

^{**} 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.



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			edule	
Capital Projects	Baseline/Forecast	2 1/		orecast	2 11
	(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 September 2025. For detailed project information, please refer to the individual project section within this report.

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Non-bolded = Planned/Baseline

Capital Projects	Cost Baseline/Forecast			edule Forecast	
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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Capital Projects	Cost Baseline/Forecast		Schedule Plan/Forecast				
Capital F10Jects	(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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Non-bolded = Planned/Baseline

Comital Businests	Cost Baseline/Forecast			edule Forecast	
Capital Projects	(millions)	Complete Environmental	Complete Design	Award Contract	Complete Construction
I-405, I-5 to SR-55	TBD	Jul-18	TBD	TBD	TBD
Project L	TBD	Aug-18	TBD	TBD	TBD
I-605, I-605/Katella Interchange	\$29.0	Nov-18	Mar-23	Feb-24	Jul-27
Project M	\$53.0	Oct-18	Jan-23	Apr-25	Jul-27
Grade Separation Projects:					
Raymond Avenue Railroad Grade Separation	\$77.2	Nov-09	Aug-12	May-13	Aug-18
Project O	\$126.2	Nov-09	Dec-12	Feb-14	May-18
State College Boulevard Railroad Grade Separation (Fullerton)	\$73.6	Jan-11	Aug-12	May-13	May-18
Project O	\$99.6	Apr-11	Feb-13	Feb-14	Mar-18
Placentia Avenue Railroad Grade Separation	\$78.2	May-01	Mar-10	Jun-11	Nov-14
Project O	\$64.5	May-01	Jun-10	Jul-11	Dec-14
Kraemer Boulevard Railroad Grade Separation	\$70.4	Sep-09	Jul-10	Aug-11	Oct-14
Project O	\$63.8	Sep-09	Jul-10	Sep-11	Dec-14
Orangethorpe Avenue Railroad Grade Separation	\$117.4	Sep-09	Dec-11	May-12	Sep-16
Project O	\$105.9	Sep-09	Oct-11	Jan-13	Oct-16
Tustin Avenue/Rose Drive Railroad Grade Separation	\$103.0	Sep-09	Dec-11	Aug-12	May-16
Project O	\$96.6	Sep-09	Jul-11	Feb-13	Oct-16
Lakeview Avenue Railroad Grade Separation	\$70.2	Sep-09	Oct-11	May-13	Mar-17
Project O	\$110.9	Sep-09	Jan-13	Nov-13	Jun-17
17th Street Railroad Grade Separation	TBD	Jun-16	TBD	TBD	TBD
Project R	TBD	Nov-17	TBD	TBD	TBD
Sand Canyon Avenue Railroad Grade Separation	\$55.6	Sep-03	Jul-10	Feb-11	May-14
Project R	\$61.9	Sep-03	Jul-10	Feb-11	Jan-16

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



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Conital Presidents	Cost Baseline/Forecast			edule 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

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

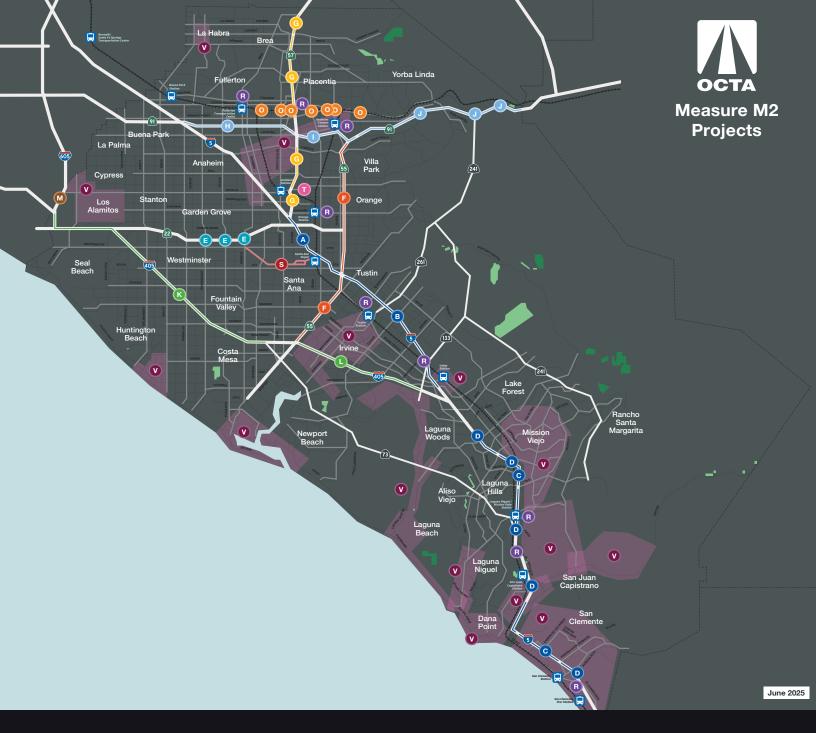
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Americans with Disabilities Act	ADA
Anaheim Regional Transportation Intermodal Center	ARTIC
Annual Eligibility Review	AER
Board of Directors	Board
BNSF Railway Company	BNSF
California Department of Transportation	Caltrans
Conservation Properties	Preserves
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
Regional Capacity Program	RCP
Regional Traffic Signal Synchronization Program	RTSSP
Resource Management Plan	RMP
Right-of-Way	ROW
Riverside County Transportation Commission	RCTC
Santa Ana Regional Transportation Center	SARTC
Senior Mobility Program	SMP
Senior Non-Emergency Medical Transportation	SNEMT
Interregional Transportation Improvement Plan	ITIP
State Route 22	SR-22
State Route 55	SR-55
State Route 57	SR-57
State Route 71	SR-71
State Route 74	SR-74
State Route 91	SR-91
State Route 241	SR-241
Southern California Regional Rail Authority	Metrolink
Taxpayer Oversight Committee	TOC
To Be Determined	TBD
Transit and Intercity Rail Capital Program	TIRCP
Transportation Investment Plan	Plan



Freeway Improvement Program

Interstate 5 (I-5) Projects

- A SR-55 to SR-57
- B I-405 to SR-55
- C SR-73 to El Toro Road
- C Avenida Pico to San Juan Creek Road
- D Highway Interchanges

State Route 22 (SR-22) Projects

E Access Improvements

State Route 55 (SR-55) Projects

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

- Northbound, Katella Avenue to Lincoln Avenue

State Route 57 (SR-57) Projects

- Northbound, Orangewood Avenue to Katella 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

Rail

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



December 1, 2025

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Agreement for OC Streetcar Security Officer Services

Overview

On July 14, 2025, the Board of Directors approved the release of a request for proposals to select a firm to provide security officer services on the OC Streetcar system. Board of Directors' approval is requested to execute an agreement to provide these services.

Recommendations

- A. Approve the selection of Universal Protection Service LP, doing business as Allied Universal Security Services as the firm to provide security officer services on the OC Streetcar system.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-5-3875 between the Orange County Transportation Authority and Universal Protection Service LP, doing business as Allied Universal Security Services, in the amount of \$2,557,661, for a two-year initial term with one, one-year option term to provide security officer services on the OC Streetcar system.

Discussion

The Orange County Transportation Authority (OCTA) anticipates commencing OC Streetcar revenue service in summer 2026. OCTA is committed to providing safe, secure, and orderly operation of the OC Streetcar. To determine the recommended approach to achieve this commitment, staff evaluated multiple factors including existing crime trends in the area, jurisdictional input, ridership, community acceptance of law enforcement personnel, cost, availability, responsiveness of local/county law enforcement personnel, and the operational footprint spanning two city jurisdictions.

A hybrid model that utilizes both trained transit security officers and sworn law enforcement will provide a balanced approach that most appropriately meets the passenger safety and security needs of the OC Streetcar. This hybrid approach was presented to and approved by the Board in October 2024.

OCTA is committed to maintaining a welcoming and secure environment on the OC Streetcar. To support that goal, OCTA will proactively address activities that can adversely affect the condition and perception of security on the OC Streetcar. Examples where security officers can intervene include, but are not limited to, fare disputes, illegal dumping, minor vandalism, and customer code of conduct violations.

These specially trained security officers will be uniformed, and their daily tasks will include directing passengers and assisting them in navigating the system, answering questions, serving as an extension of customer service personnel. Security officers will also serve as a visible deterrent, and they will report any security-related incidents to OCTA's Central Communications Section. They will be equipped with non-lethal means to defend themselves and, if necessary, others.

Procurement Approach

This procurement was handled in accordance with OCTA Board of Directors (Board)-approved procedures for professional and technical services. Various factors are considered in the award for professional and technical services. The award is recommended to the firm offering the most comprehensive overall proposal considering such factors as prior experience with similar projects, staffing and project organization, work plan, as well as cost and price.

On July 14, 2025, the Board authorized the release of Request for Proposals (RFP) 5-3875 and the proposed evaluation criteria and weightings, which was issued electronically on CAMM NET. The RFP was advertised in a newspaper of general circulation on July 14 and July 21, 2025. A pre-proposal conference was held on July 22, 2025, with 13 attendees from 12 firms. Three addenda were issued to make available the pre-proposal conference registration sheet and presentation, respond to written questions, and handle administrative issues related to the RFP.

On August 13, 2025, 26 proposals were received. An evaluation committee consisting of OCTA staff from the Security and Emergency Preparedness, Risk Management, Rail System Safety, and Contracts Administration and Materials Management departments, as well as external staff from the Orange County Sheriff's Department met to evaluate all the proposals received.

The proposals were evaluated based on the following Board-approved evaluation criteria and weightings:

Qualifications of the Firm 20 percent
 Staffing and Project Organization 25 percent
 Work Plan 30 percent
 Cost and Price 25 percent

Several factors were considered in developing the evaluation criteria weightings. Qualifications of the firm was weighted at 20 percent as the proposing firm had to demonstrate relevant experience, as well as have the resources to meet the immediate and long-term staffing requirements of the scope of work. Staffing and project organization criterion was weighted at 25 percent as it is critical for the firm to demonstrate it could provide the experienced and qualified individuals needed to achieve the requirements set forth in the scope of work. Work plan was weighted at 30 percent as the proposing firm had to demonstrate their understanding of the project scope, as well as the approach to providing the staff with the required skill levels and experience. Cost and price criterion was assigned 25 percent to ensure a fair comparison of the proposed rates for the total contract term, as well as ensuring that OCTA receives value for the services provided.

On October 1, 2025, the evaluation committee reviewed the proposals based on the Board-approved evaluation criteria and shortlisted the three most qualified firms listed below in alphabetical order:

Firm and Location

American Global Security, Inc. (AGS) Headquarters: Chatsworth, California Project Officer: Chatsworth, California

Citiguard, Inc. (Citiguard)
Headquarters: West Hills, California
Project Officer: West Hills, California

Universal Protection Service LP, doing business as Allied Universal Security
Services (Allied Universal)
Headquarters: Irvine, California
Project Officer: Irvine, California

On October 9, 2025, the evaluation committee conducted interviews with the three short-listed firms. The interviews consisted of a presentation by each firm to demonstrate the firms' understanding of OCTA's requirements. The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the evaluation committee's questions. Questions were related to qualifications, the dedicated project team, approach to the requirements of the scope of work, as well as specific clarification questions related to each firm's proposal.

At the conclusion of the interviews, a request for a best and final offer (BAFO) was issued to the three short-listed firms to seek additional clarifications and final pricing. All three short-listed firms made adjustments to their pricing based on the clarifications.

Based on the evaluation of the written proposal and the information obtained from the interviews and BAFOs, as well as cost and price, the evaluation committee recommends Allied Universal for consideration of the award. The following is a brief summary of the proposal evaluation results.

Qualifications of the Firm

Allied Universal has been providing security services since 1957 and has 800,000 employees. The firm is headquartered in Irvine, California. The firm demonstrated relevant experience providing security services to public transit agencies including the Riverside Transit Agency, Riverside County Transportation Commission, Long Beach Transit, Los Angeles County Metropolitan Authority, Metrolink, Valley Metro, TriMet, Omnitrans, Sound Transit, Santa Clara Valley Transportation Authority, Miami-Dade Transit, County of Orange, County of Los Angeles, County of San Bernardino, County of San Diego, County of Ventura, County of Kern, and County of Riverside. Allied Universal did not propose any subcontractors and received positive feedback from its references.

Citiguard has been providing security services since 2007 and has 1,400 employees. The firm is headquartered in West Hills, California. The firm demonstrated relevant experience providing security services to various public agencies, including Union Pacific Railroad, Redlands Passenger Rail Project, California Department of Transportation, Golden Empire Transit District, and Monterey-Salinas Transit District. The firm did not propose any subcontractors and received positive feedback from its references.

AGS has been providing security services since 1999 and has 800 employees. The firm is headquartered in Chatsworth, California. The firm demonstrated relevant experience providing security services to public transit agencies including City of Glendale, City of Pomona Transit Center and Metrolink Station, and the City of Fontana Metrolink Station and public facilities. The firm did not propose any subcontractors and received positive feedback from its references.

Staffing and Project Organization

Allied Universal proposed a highly skilled project team with experience working on projects of similar size and scope. The proposed client manager has 16 years of experience. The firm met the required staffing qualifications and requirements including Bureau of Security and Investigative Services (BSIS) and first-aid certifications. The firm's proposed training program meets the requirements outlined in the scope of work including being Transportation Security Administration (TSA) mandated. During the interview, the firm presented a dedicated transit department that provides transit-specific security training including federal safety standard regulations recognized by the Department of Transportation (DOT), Federal Railroad Administration (FRA), 49 CFR 214 Railroad Workplace Safety, and 49 CFR 239 Passenger Train Emergency Preparedness. Citing the specific federal rail safety standard regulations, the included transit-specific training demonstrated that Allied Universal's training exceeds the requirements outlined in the scope of work. The firm answered comprehensively to all questions asked during the interview.

Citiguard proposed a skilled project team with experience working on projects of similar size and scope. The proposed client manager has 11 years of experience. The firm met the required staffing qualifications and requirements including BSIS and first-aid certifications. The firm's proposed training program meets the requirements outlined in the scope of work including being TSA mandated. During the interview, the firm's responses to the committee's questions were general, and conflicting information was provided regarding their approach to fulfilling the scope.

AGS proposed a project team with experience working on projects of similar size and scope. The proposed client manager has eight years of public sector security experience. The firm met the required staffing qualifications and requirements including BSIS and first-aid certifications. The firm's proposed training program meets the requirements outlined in the scope of work including being TSA mandated. The firm provided general responses to all questions asked during the interview.

Work Plan

Allied Universal presented a comprehensive work plan that demonstrated a thorough understanding of the scope of work requirements. The firm described in detail its proposed approach, which includes a quality assurance plan and the required number of staff during each shift. Furthermore, the firm's approach includes the required training, verification and inspections, as well as key performance indicators. The firm proposed a multitude of enhancements including heatmaps, body worn cameras, live dashboards and predictive analytics to address issues, and outreach officers for unhoused and behavioral health issues. Additionally, the response to clarifications in the BAFO provided further assurances regarding Allied Universal's ability to meet OCTA's requirements, as well as transparency related to associated costs.

Citiguard presented a work plan that demonstrated an understanding of the scope of work requirements. The firm described in detail its proposed approach, which includes a quality assurance plan, and the required number of staff during each shift. Additionally, the firm's approach included the required training, verification and inspections, as well as key performance indicators. The firm provided enhancements including body-worn cameras and heatmaps. Through the BAFO process, the firm was able to clarify inconsistencies which confirmed their ability to meet OCTA's requirements and provide clarity regarding proposed associated costs to perform the services.

AGS presented a work plan that demonstrated an understanding of the scope of work requirements. The firm described in detail its proposed approach, which includes a quality assurance plan, and the required number of staff during each shift. Additionally, the firm's approach included the required training, verification, and inspections, as well as key performance indicators. The firm provided enhancements including body-worn cameras. The response to clarifications in the BAFO provided further assurances regarding AGS's ability to meet OCTA's requirements, as well as transparency related to associated costs.

Cost and Price

Pricing scores were based on a formula, which assigned the highest score to the firm with the lowest total weighted hourly rate and scored the other proposals' total weighted hourly rate based on its relation to the lowest total weighted hourly rate. Although Allied Universal did not propose the lowest total weighted hourly rate, it is competitive among the proposing firms and the total projected cost is less than the OCTA project manager's independent cost estimate.

Procurement Summary

Based on the evaluation of the written proposals, the firms' qualifications, the information obtained from the interview and BAFOs, as well as cost and price, the evaluation committee recommends the selection of Allied Universal as the top-ranked firm to provide security officer services on the OC Streetcar. Allied Universal delivered a thorough and comprehensive proposal and an interview that was responsive to all of the requirements of the RFP.

While Allied Universal did not propose the lowest rate, the firm represents the best value to OCTA for the following reasons:

- The firm demonstrated the greatest depth of experience in providing security services to public transit agencies, particularly those comparable in size and scope involving rail operations.
- The firm has over 68 years of security experience and provided a strong portfolio of relevant projects.
- The number of labor hours allocated per week provided on current contracts demonstrated the measurable level of demand this firm is capable of.
- The firm exceeded the staffing requirements outlined in the scope of work by not only meeting all certification and training criteria, but also proposing personnel equipped with specialized transit-specific security training aligned with DOT and FRA rail safety standards, surpassing the general rail safety training requirements.
- The firm proposed value-added enhancements including heatmaps, body worn cameras, live dashboards and predictive analytics to proactively address issues, and outreach officers to provide specialized assistance with unhoused and behavioral health issues.

Fiscal Impact

The project was approved in OCTA's Fiscal Year 2025-26 Budget, Chief Executive Office Division, Account Nos. 0035-7616-0C100-4TZ, 0035-9025-0C100-0PQ, and 0035-9027-0C100-03N, and is funded through local funds.

Summary

Staff is recommending the Board of Directors authorize the Chief Executive Officer to negotiate and execute Agreement No. C-5-3875 between the Orange County Transportation Authority and Universal Protection Service LP, doing business as Allied Universal Security Services, in the amount of \$2,557,661, for a two-year initial term with one, one-year option term to provide streetcar security officer services on the OC Streetcar system.

Attachments

- A. Review of Proposals, RFP 5-3875 OC Streetcar Security Officer Services
- B. Proposal Evaluation Criteria Matrix (Short-Listed Firms), RFP 5-3875 OC Streetcar Security Officer Services
- C. Contract History for the Past Two Years, RFP 5-3875 OC Streetcar Security Officer Services

Prepared by:

Matt Ankley

Department Manager, Security and

Emergency Preparedness

(714) 560-5719

Pia Veesapen

Director, Contracts Administration and

Materials Management

(714) 560-5619

Approved by:

Jennifer L. Bergener

Deputy Chief Executive Officer,

(714) 560-5462

Review of Proposals

RFP 5-3875 Streetcar Security Officer Services

Presented to Executive Committee - December 1, 2025

26 firms proposed, 3 firms were interviewed, 1 firm is being recommended

Overall Ranking	Proposal Score	Firm & Location	Sub-Contractors	Evaluation Committee Comments	Weighted Average Hourly Rate
1	92	Universal Protection Service LP, doing business as Allied Universal Security Services Irvine, California	None	Demonstrated the greatest number of relevant experience providing security services in terms of years, amount of projects and demand on those projects of similar size and scope to public transit agencies. Proposed project team has extensive experience. Exceeded staffing requirements outlined in scope of work; proposed key personnel are equipped with transit specific security officer training that includes Department of Transportation Federal Railroad Administration rail safety standard regulations. Demonstrated thorough understanding of scope of work and met requirements including quality assurance plan, the required training, verification and inspections, as well as key performance indicators. Proposed enhancements included heat maps, body worn cameras, live dashboards and predictive analytics to address issues, and outreach officers for unhoused and behavioral health issues. Presented a detailed approach to secure the OC Streetcar that exceeded the requirements outlined in the scope of work and provided thorough responses to interview questions. Received positive responses from references. Proposed competitive hourly rates, which are less than the independent cost estimate.	\$31.22
2	86	Citiguard, Inc. West Hills, California	None	Demonstrated experience providing similar services to public transit agencies of similar size and scope. Proposed a knowledgeable and experienced project team. Met staffing requirements outlined in scope of work. Demonstrated understanding of scope of work and met requirements including quality assurance plan, the required training, verification and inspections, as well as key performance indicators. Proposed enhancements including body worn cameras. Presented approach that met the requirements outlined in the scope of work and provided general responses to interview questions. Unprepared for interview with no powerpoint presentation and unprofessional attire. Received positive responses from references. Proposed competitive hourly rates.	\$28.63
3	85	American Global Security, Inc. Chatsworth, California	None	Demonstrated experience providing similar services to public transit agencies of similar size and scope. Proposed a knowledgeable and experienced project team. Met staffing requirements outlined in scope of work. Demonstrated understanding of scope of work and met requirements including quality assurance plan, the required training, verification and inspections, as well as key performance indicators. Proposed enhancements including body worn cameras and heatmaps. Presented approach that met the requirements outlined in the scope of work and provided general responses to interview questions. Received positive responses from references. Proposed lowest hourly rates.	\$27.05

Evaluation Panel:	Proposal Criteria	Weight Factors
Internal:		
Security and Preparedness (1)	Qualifications of the Firm	20%
Risk Management (1)	Staffing and Project Organization	25%
Rail System Safety (1)	Work Plan	30%
Contracts Administration and Materials Management (1)	Cost and Price	25%
External:		

External.

Orange County Sheriff's Department (1)

PROPOSAL EVALUATION CRITERIA MATRIX (Short-Listed Firms) RFP 5-3875 Streetcar Security Officer Services

Universal Protection Service Allied Universal Security Ser			Weights	Overall Score			
Evaluator Number	1	2	3	4	5		
Qualifications of Firm	4.5	5.0	5.0	5.0	5.0	4	19.6
Staffing/Project Organization	4.5	5.0	4.5	5.0	5.0	5	24.0
Work Plan	4.5	4.5	4.5	4.5	4.5	6	27.0
Cost and Price	4.3	4.3	4.3	4.3	4.3	5	21.5
Overall Score	89.0	93.5	91.0	93.5	93.5		92

Citiguard, Inc. Weights (Overall Score
Evaluator Number	1	2	3	4	5		
Qualifications of Firm	4.0	4.5	4.5	4.0	4.5	4	17.2
Staffing/Project Organization	4.0	4.0	4.0	4.0	4.5	5	20.5
Work Plan	4.5	4.0	4.0	4.0	4.5	6	25.2
Cost and Price	4.7	4.7	4.7	4.7	4.7	5	23.5
Overall Score	86.5	85.5	85.5	83.5	91.0		86

American Global Security, In-	C.					Weights	Overall Score
Evaluator Number	1	2	3	4	5		
Qualifications of Firm	4.0	4.0	4.0	4.0	4.0	4	16.0
Staffing/Project Organization	3.5	4.0	3.5	4.0	4.0	5	19.0
Work Plan	4.0	4.5	4.0	4.0	4.5	6	25.2
Cost and Price	5.0	5.0	5.0	5.0	5.0	5	25.0
Overall Score	82.5	88.0	82.5	85.0	88.0		85

Range of scores for non-short-listed firms was 47 to 76.

CONTRACT HISTORY FOR THE PAST TWO YEARS RFP 5-3875 OC Streetcar Security Officer Services

Prime and Subconsultants	Contract No.	Description	Contract Start Date	Contract End Date	Subconsultant Amount	Total Contract Amount
Universal Protection Service LP,						
dba Allied Universal Security Services						
Contract Type: N/A	N/A	N/A	N/A	N/A		N/A
Subconsultants:						
N/A						
				Total		\$ -
Citiguard, Inc.						
Contract Type: N/A	N/A	N/A	N/A	N/A		N/A
Subconsultants:						
N/A						
				Total		\$ -
American Global Security, Inc.						
Contract Type: N/A	N/A	N/A	N/A	N/A		N/A
Subconsultants:						
N/A						
				Total		\$ -



December 1, 2025

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Measure M2 2025 Update: Next 10 Delivery Plan

Overview

The Measure M2 Next 10 Delivery Plan provides a strategic framework for delivering Measure M2 freeway, roadway, transit, and environmental projects. Staff has prepared the 2025 update of the Measure M2 Next 10 Delivery Plan, which incorporates the most recent Measure M2 sales tax revenue forecast, current external funding assumptions, and refined project schedules and costs. This update outlines near-term commitments through fiscal year 2034-35, supports fiscal sustainability, and emphasizes the timely delivery of transportation benefits for the Orange County community. The draft update is presented to the Orange County Transportation Authority Board of Directors for review and adoption.

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Recommendations

- A. Adopt the 2025 Measure M2 Next 10 Delivery Plan.
- B. Direct staff to continue to work with Metrolink to develop a financially sustainable service plan, such as establishing a target Orange County Transportation Authority funding level as part of the fiscal year 2026-27 budget development process.
- C. Direct staff to continue monitoring revenue and project cost shifts that could affect the Measure M2 Next 10 Delivery Plan and, if necessary, report to the Orange County Transportation Authority Board of Directors with changes.

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 M2 Plan provides a 30-year program of investments across a broad range of transportation and environmental initiatives and a governing ordinance that

defines the requirements for implementation. Ordinance No. 3 (M2 Ordinance) designates the Orange County Transportation Authority (OCTA) as responsible for administering the M2 Plan and ensuring that OCTA's contract with the voters is followed. The M2 Plan defines the general scope of the programs and projects that are to be delivered within four primary categories: freeways, streets and roads, transit, and environmental programs. The M2 Plan summary page is included as Attachment A.

OCTA is committed to delivering the programs and projects outlined in the M2 Plan. Fulfilling the promises made to voters began with the development of delivery plans to expedite the implementation of M2 projects and programs. These plans validate OCTA's ability to deliver the M2 Plan consistent with commitments to voters, outline a near-term work plan to promote effectiveness and efficiency, establish a shared understanding among M2 stakeholders, set a baseline upon which future changes are measured, and provide the basis for the preparation of OCTA's budgets and financial plans for capital projects. To date, the OCTA Board of Directors (Board) has adopted three types of delivery plans:

- The 2007 Early Action Plan to mobilize the M2 Plan;
- The 2012 M2020 Plan to outline a delivery plan through 2020;
- The 2016 Next 10 Delivery Plan (Next 10 Plan) replaced the M2020 Plan and addressed economic changes and impacts to M2 Plan delivery.

Since 2016, the Next 10 Plan has been regularly updated. The latest update of the Next 10 Plan was presented to the Board on November 12, 2024, and spanned fiscal year (FY) 2024-25 to FY 2033-34. The Next 10 Plan is intended to be a living document with delivery timeframes that shift to ensure the outlook on revenues, project costs, and delivery schedules remain current and provide a path forward. As such, the draft 2025 update of the Next 10 Plan spans FY 2025-26 to FY 2034-35.

OCTA receives annual updates to the M2 sales tax revenue forecasts; the most recent update was presented to the Board on October 27, 2025. The 2025 M2 sales tax revenue forecast is estimated to be \$13.2 billion over the 30-year span of the measure. Sales tax collections for FY 2024-25 increased by 0.1 percent to \$431.8 million, compared to the prior FY. The latest estimate represents a 5.7 percent decrease from what was included in the 2024 Next 10 Plan. In the long term, the revenue forecasts assume an annual average growth rate of approximately 2.7 percent. While a reduction in sales tax revenues affects all M2 programs, in most areas of the M2 Plan, programs can be scaled to available revenues.

OCTA also monitors construction market conditions key indicators to provide insight on potential construction cost drivers that could affect projects delivered within the Next 10 Plan timeframe. On October 13, 2025, the latest market

conditions analysis and forecast was presented to the Board, indicating a potential uptick in inflationary pressures in 2026, 2027, and 2028. The rise in building permits, California unemployment rates, and cost of construction materials and labor indicate that the macroeconomy is under strain.

Discussion

The 2025 Next 10 Plan, as well as prior delivery plans, were developed based on three fundamental principles: fulfill the commitment to voters, ensure fiscal sustainability, and implement projects and programs effectively and expeditiously. OCTA implements these principles in the following manner. First, the annual review of the Next 10 Plan tests and validates whether the complete M2 Plan can be delivered consistent with the commitments to voters. Second, financial analysis of the latest revenue forecast and project information ensures that the rate of expenditures is financially sustainable and that M2 can withstand economic fluctuations over the life of M2 through 2041. Third, the Next 10 Plan aims to implement projects and programs pragmatically and expeditiously so the public can realize the benefits of M2 as early as possible.

The 2025 update of the Next 10 Plan, included as Attachment B, incorporates the \$13.2 billion 2025 M2 sales tax revenue forecast, committed external revenues, and refined project information. Through this effort, OCTA can confirm that the M2 Plan remains deliverable; however, this update continues to emphasize that Metrolink operations require close monitoring and development of a sustainable plan to continue. Additional details on Metrolink are included under the transit section of this report. The 2025 update also continues progress on near-term projects and prepares additional projects for delivery while optimizing the level of debt financing, which maintains the assumption of no additional bond issuances through 2041.

The 2025 Next 10 Plan outlines an investment of approximately \$6.1 billion to improve the local transportation system from FY 2025-26 through FY 2034-35 (Attachment C); the planned deliverables along with progress to date are included as Attachment D. The following sections provide a brief overview of what is included in the 2025 Next 10 Plan.

Freeway Program

The M2 Freeway Program consists of 13 projects listed in the M2 Plan, which have been subdivided into 30 project segments for delivery purposes. The projects have defined scopes of work; therefore, they cannot be scaled to available revenue. As of September 2025, 17 project segments have been completed, three are in construction, and eight are progressing in final design/readying for construction. The remaining two project segments are currently in various stages of project development. With this progress, OCTA remains on track to complete 28 of the 30 freeway projects, effectively 93 percent

of the M2 Freeway Program by 2033, eight years in advance of the M2 Plan horizon. This outcome fulfills the goal of delivering project benefits early, despite extraordinary financial and regulatory challenges.

Included in the M2 Freeway Program is the Environmental Mitigation Program (EMP). OCTA has purchased seven properties and is addressing the balance of the freeway program mitigation needs through restoration projects on 13 publicly owned properties. The 2025 Next 10 Plan accounts for the recurring costs for the management and support of the EMP, as well as an annual deposit of approximately \$2.9 million to fund a non-wasting endowment to maintain the purchased properties. While the performance of the endowment fund may affect the timeframe for full funding, current projections indicate that OCTA remains on track to meet the endowment target of \$46.2 million in FY 2027-28. Regular reports on the status of the endowment are provided to the Board as a standalone item.

Streets and Roads Program

The M2 Streets and Roads Program is programmatic and scales to available revenues. It includes three distinct programs: Regional Capacity Program (RCP {Project O}), Regional Traffic Signal Synchronization Program (RTSSP {Project P}), and the Local Fair Share Program (Project Q). The RCP makes funding available to address roadway bottlenecks and close gaps in the regional roadway network. The RTSSP provides ongoing funding support to ensure a network of 2,000 intersections across Orange County remains coordinated to minimize stop-and-go traffic. Lastly, the Local Fair Share Program will continue to provide flexible funding to local jurisdictions to improve and maintain streets or for other local transportation priorities including residential street projects, bicycle trails, sidewalks, or community transit services. The assumptions for the funding of the three programs remain on a pay-as-you-go basis. The 2025 Next 10 Plan assumes annual calls for projects (call) for Project O and Project P, as well as providing a reliable, flexible funding source for local jurisdictions for transportation improvements through 2041.

Transit Program

The M2 Transit Program includes funding for Metrolink operations, station and infrastructure improvements (Project R), implementation of the OC Streetcar (Project S), expanded mobility for seniors and persons with disabilities (Project U), funding for community-based transit circulators (Project V), and enhanced passenger amenities for Orange County's busiest transit stops (Project W).

Close monitoring of Metrolink operations is necessary and development of a plan to ensure sustainability through 2041. In October 2024, Metrolink implemented *Metrolink Reimagined*, a service change that increased weekday train frequency and expanded midday and evening service to better accommodate new travel

patterns resulting from alternative work schedules. The revised schedule also improved connectivity between lines through clockface scheduling, allowing for easier transfers and more efficient use of train equipment and crews. The three Metrolink lines serving Orange County now operate 58 weekday trains, representing a 7.4 percent increase over pre-pandemic service levels. Despite the service change, Metrolink recovery continues to struggle as farebox revenue and ridership actuals consistently fall below forecasts, impacting cost recovery. To exacerbate this shortfall, operating costs have also increased. Without changes in service levels, ridership growth, operations and rehabilitation costs, or additional external funds, the 2025 Next 10 Plan notes that the current service cannot be sustained beyond FY 2033-34 - four years sooner than assumed in the 2024 Next 10 Plan. OCTA will continue to actively engage with Metrolink and the other member agencies to develop a financially sustainable service plan.

Railroad track stabilization efforts in south Orange County remain a major focus area, given their importance to the continued operation of Metrolink in the County. While the rail line remains open as a result of ongoing emergency work, longer-term solutions must be developed to ensure the ability to provide reliable rail service in this portion of the County. In partnership with key stakeholders, a planning study is currently underway to identify and evaluate immediate short- and medium-term solutions with the goal of protecting the rail line in place for approximately the next 30 years. A separate study will assess potential long-term solutions, which may include relocation of the rail line. The California State Transportation Agency has committed to lead the long-term study to plan for future investments necessary to ensure a resilient Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor. As these studies progress, future updates to the Next 10 Plan will incorporate more current information.

Project S, transit extensions to Metrolink, funds the capital and operating cost of the OC Streetcar, which is slated to be open to the public in 2026. OCTA continues to actively manage the contractor to advance the project; however, challenges and risks remain. Staff, in coordination with the Federal Transit Administration, has continued to assess the remaining schedule and cost risks.

Project U is made up of three programs: the Senior Mobility Program, the Senior Non-Emergency Medical Transportation Program, and the Fare Stabilization Program. While all three programs adjust to available revenue, the Fare Stabilization Program requires a minimum level of funding, which could present a challenge if sales tax revenues significantly decreased. OCTA proactively addressed this challenge with an early amendment to the M2 Ordinance to provide additional funding by transferring the savings from completed transit projects to this program. The 2025 Next 10 Plan projects adequate and stable funding for all three Project U programs through 2041.

Both Project V and Project W are funded on a pay-as-you-go basis. OCTA continues to communicate with local cities to support successful Project V services and to evaluate opportunities for additional community-based transit circulators. Through Project W, OCTA will continue to have the capacity to invest in amenities at the County's busiest transit stops.

Environmental Cleanup Program

The Environmental Cleanup Program (ECP) (Project X) also adjusts to available revenues and is funded on a pay-as-you-go basis. The ECP helps improve overall water quality in Orange County from transportation-generated pollution by preventing the flow of trash and debris into waterways. The 2025 Next 10 Plan assumes continued commitment to annual Tier 1 calls for water quality spot-improvement grants. Timing of Tier 2 calls for larger scale, system-level improvements will be evaluated based on project success, local jurisdiction interest, and detailed cash flow analysis.

Key Risks and Actions to Protect M2 Delivery

Delivering the M2 Plan is not without challenges. OCTA remains vigilant in monitoring delivery risks, including fluctuations in sales tax revenue, market volatility, and evolving regulatory requirements. While these uncertainties may impact timing and implementation strategies, they do not change the commitments made to voters. A table of risks is included on pages six through eight in Attachment B, with the three key risks highlighted below.

- Economic The 2025 30-year sales tax revenue forecast of \$13.2 billion represents a \$800 million (5.7 percent decrease) compared to the 2024 forecast. Additionally, the latest market conditions analysis and forecast indicates a potential uptick in inflationary pressures in 2026, 2027, and 2028. Despite these economic fluctuations, the 2025 Next 10 Plan confirms that the M2 Plan remains deliverable; however, Metrolink operations continues to require close monitoring.
- Programmatic Without changes in Metrolink service levels, ridership growth, operations and rehabilitation costs, or additional external funds, the 2025 Next 10 Plan notes that the current service cannot be sustained beyond FY 2033-34. To ensure Metrolink service through 2041, OCTA will need to work with Metrolink to develop a financially sustainable service plan, which may include establishing a target OCTA funding level.
- Regulatory Current state planning and project approval policies place great emphasis on reducing travel by automobile and encourage project alternatives that promote short trips where possible, such as travel by transit, bicycling or walking, and use of zero-emission vehicles. These

requirements will affect the project environmental review process. The majority of M2 freeway projects, where this risk could manifest itself, have obtained the necessary approvals, but if the approvals require a review or revision, these new requirements could impact delivery. This risk is compounded by the fact that the current rules do not permit OCTA to take credit for M2-funded services such as regional rail service or community-based transit circulators as complementary measures to deliver balanced mobility solutions.

• Climate – Over the past several years, coastal storm surges, combined with several other environmental factors, have damaged the LOSSAN 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 in Orange County, this rail corridor is vital for Metrolink, state-supported intercity rail (Pacific Surfliner), freight connection to the Port of San Diego, and is part of the Strategic Rail Corridor Network that supports national defense operations. The long-term solution will require collaboration from key stakeholders to develop and to implement. OCTA will be an active participant in the process; future implications to M2 with respect to service levels or costs are unknown at this time.

Updated revenue assumptions and commitments result in a delivery plan that ensures the M2 promises to voters are upheld. This balanced plan not only allows OCTA to maintain current commitments but will also allow OCTA to weather reasonable changes to cost or revenues in the future while reducing reliance on debt financing.

Summary

Staff has reviewed and updated the Next 10 Plan with the \$13.2 billion sales tax revenue forecast, revised external funding, and refined project information. Strategic financial decisions to date result in a delivery plan that fulfills OCTA's commitment to the voters of Orange County. The 2025 updated Next 10 Plan is presented for Board review and approval.

Attachments

- A. Measure M Investment Summary
- B. 2025 Update, Next 10 Delivery Plan, 2026-2035
- C. 2025 Updated Next 10 Delivery Plan, Measure M2 Investments
- D. 2025 Updated Next 10 Delivery Plan, Progress on Deliverables

Prepared by:

Francesca Ching Manager, Measure M2 Program Management Office

(714) 560-5625

Approved by:

Ruse Casey

Rose Casey

Executive Director, Planning

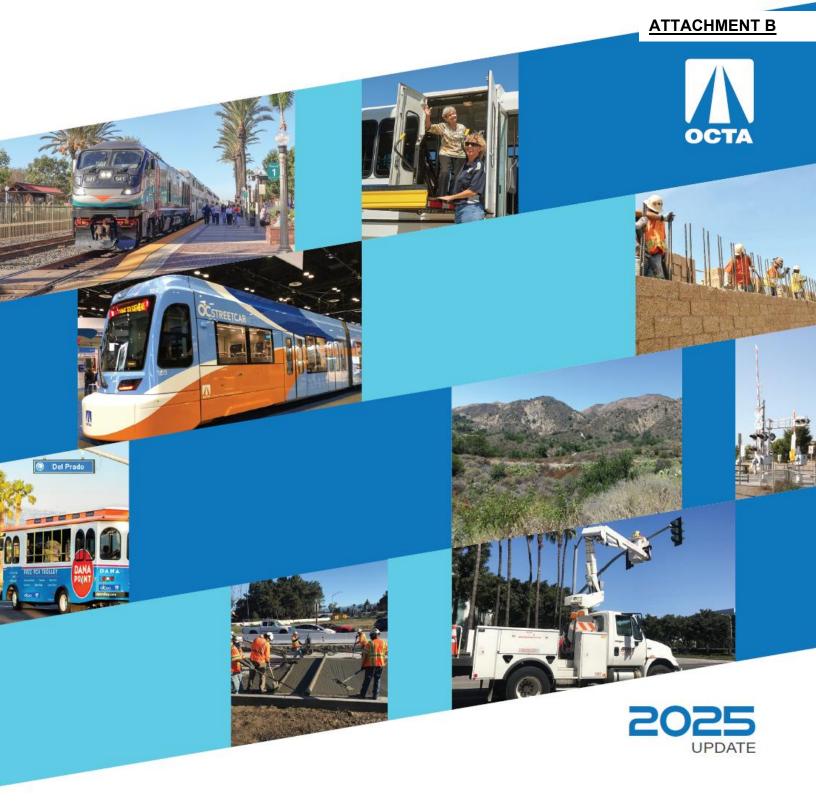
(714) 560-5729



Measure M Investment Summary

	LOCATION	PROJECTS	COSTS 2005 estimates in millions	
Freeway	Projects (in millions)		in millions	\$4,871.1
I-5 I-5 SR-22 SR-55 SR-57 SR-91 I-405	Santa Ana Freeway Interchange Improvements Santa Ana/San Diego Freeway Improvements Garden Grove Freeway Access Improvements Costa Mesa Freeway Improvements Orange Freeway Improvements Riverside Freeway Improvements San Diego Freeway Improvements	A 3 G D 6 6 0 O	\$470.0 1,185.2 120.0 366.0 258.7 908.7* 1,392.5*	
I-605 All	Freeway Access Improvements Freeway Service Patrol	0	20.0 150.0	
Regiona Regiona	Roads Projects (in millions) l Capacity Program l Traffic Signal Synchronization Program sir Share Program	0 0	\$1,132.8 453.1 2,039.1	\$3,625.0
Transit Pr	ojects (in millions)			\$2,832.0
Transit I Metrolin Expand Commu	equency Metrolink Service Extensions to Metrolink alk Gateways Mobility Choices for Seniors and Persons with Disabilities nity Based Transit/Circulators nsit Stops	0 0 0	\$1,129.8* 1,000.0 57.9* 392.8* 226.5 25.0	
Environme	ental Cleanup (in millions)			\$237.2
Clean U	p Highway and Street Runoff that Pollutes Beaches	X	\$237.2	
Taxpayer	Safeguards and Audits (in millions)			\$296.6
Oversigl	Sales Taxes (State charges required by law) ht and Annual Audits		\$178.0 118.6	¢11 0/1 0
-10tal (2005	dollars in millions)			\$11,861.9

^{*}Asterisk notes project estimates that have been amended since 2006.



DELIVERY PLAN

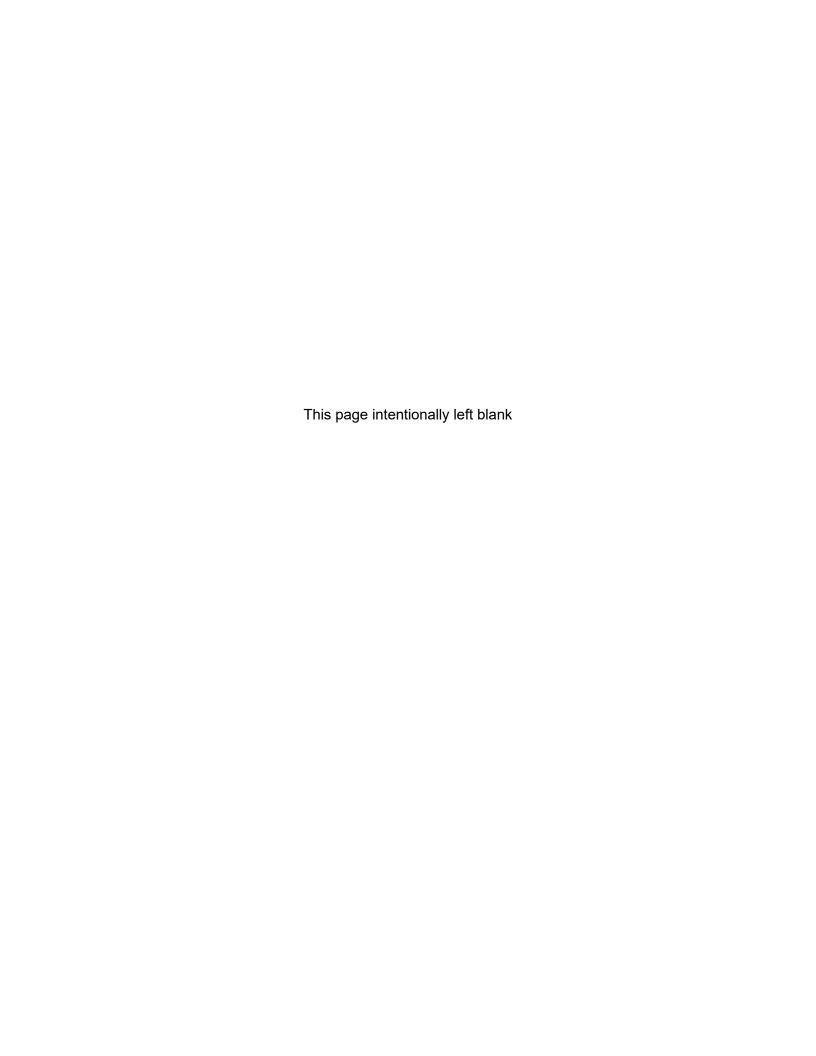
2026-2035

On December 8, 2025, the Orange County Transportation Authority (OCTA) Board of Directors (Board) will consider adoption of the Draft 2025 Updated Next 10 Delivery Plan (Next 10 Plan). The 2025 Next 10 Plan covers the timeframe of fiscal year (FY) 2025-26 through FY 2034-35. As such, commitments have been reviewed and adjusted accordingly. The Draft 2025 Updated Next 10 Plan also incorporates refined project information including cost estimates, schedules, and available external funding.

Printed December 2025

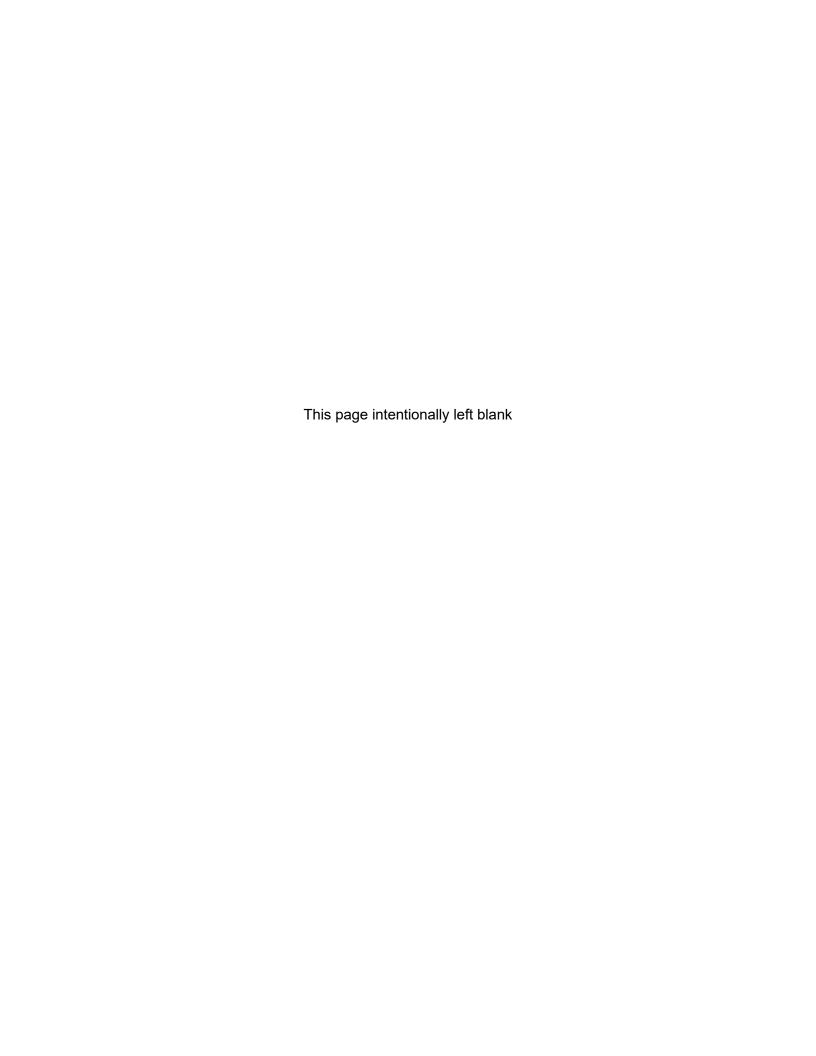
For the latest version of the Next 10 Plan, including any edits or corrections, please visit: www.octa.net/Next10

For status updates on M2 projects and programs, including quarterly progress reports, please visit: www.octa.net/m2



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I. DEVELOPMENT OF NEXT 10 PLAN



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Introduction 1.1.

Voters initially endorsed Measure M (M1) in 1990 with a sunset in 2011. On November 7, 2006, Orange County voters, by a margin of 69.7 percent, approved the Renewed Measure M (M2) Transportation Investment Plan (Plan) to continue the one-half cent sales tax for transportation improvements. With the approval of M2, the voters agreed to a continued investment of local tax dollars in Orange County's transportation infrastructure for another 30 years to 2041.

Since M2 approval, the OCTA Board has continued to pursue the expeditious implementation of M2 through the adoption of delivery plans. These delivery plans validate OCTA's ability to deliver the entire slate of M2 Plan elements, outline a near-term work plan to promote effectiveness and efficiency, establish a common understanding among M2 stakeholders, set a baseline upon which future changes are measured, and provide the basis for the preparation of OCTA's annual budgets for capital projects. They are developed based on three fundamental principles: to fulfill the commitments as promised to the voters, ensure fiscal sustainability, and implement projects and programs effectively and expeditiously. The goal is to bring transportation improvements to Orange County residents and commuters earlier, and as appropriate, address changes in sales tax revenue projections through strategic financing and augmenting the M2 Program with external revenue.

To date, there have been three delivery plans: Early Action Plan (EAP) adopted in 2007, M2020 Plan adopted in 2012 (intended to go through 2020), and the Next 10 Plan adopted on November 14, 2016. Due to significant changes in sales tax revenue projections, the M2020 Plan was replaced after four years with the Next 10 Plan that covered FY 2016-17 through FY 2025-26. The Next 10 Plan was last updated in November 2024 and spanned FY 2024-25 to FY 2033-34. The draft 2025 update spans FY 2025-26 to FY 2034-35.

The Next 10 Plan is intended to be a living document with delivery time frames shifted to capture changes in sales tax revenue forecast assumptions, external revenue, and project cost and schedule refinements. To ensure and reconfirm the ability to deliver M2 through 2041, annual reviews and updates of the Next 10 Plan have taken place.

A summary of the adopted Next 10 Plan and annual updates of the base assumptions follow:

The 2016 adopted Next 10 Plan set M2 project and program priorities based on a revenue forecast of \$14.2 billion through 2041. The Next 10 Plan revenues were augmented by net excess 91 Express Lanes revenue, in an amount not to exceed the project costs for two eligible projects on State Route 91 (SR-91) – Project I between State Route 57 (SR-57) and State Route 55 (SR-55) and Project J between State Route 241 (SR-241) and the Riverside County Line. Net excess 91 Express Lanes revenue is designated for improvements on the SR-91 corridor.



- The 2017 update incorporated a revised \$13.5 billion revenue forecast and required bonding adjustments and inclusion of the full amount of eligible excess 91 Express Lanes revenue. The update also designated Project I as one of the priority projects for advancement through construction.
- The 2018 update incorporated a revised \$13.1 billion revenue forecast offset by an early \$300 million increase in captured external revenue. The update also responded to construction market concerns of potential project cost increases in the freeway program by incorporating a program level line item for economic uncertainty to ensure OCTA could weather fluctuations in M2 revenue receipts. The 2018 update anticipated up to four bond issuances during the Next 10 Plan period to accommodate market changes if necessary.
- The 2019 update incorporated a revised \$13.4 billion revenue forecast, which was the first increase in the M2 forecast since 2014. The increase was driven by the growing economy and the implementation of the Wayfair decision in California. The Wayfair related legislation enabled the collection of sales tax for out-of-state transactions. As a result of the decision, increased sales tax receipts were incorporated in the short-term forecast provided by MuniServices, LLC, which increased the overall long-term forecast.
- The 2020 update incorporated a revised \$11.6 billion revenue forecast, the lowest since M2 inception. The substantial decrease was driven by uncertainties regarding the economic impacts of the coronavirus (COVID-19) pandemic. The update also shifted the time frame from FY 2016-17 through FY 2025-26 to FY 2020-21 through FY 2029-30 for more strategic, forward-thinking planning and adjusted commitments as appropriate. To maintain progress on near-term projects and ready additional projects for delivery per Board direction, one bond issuance was anticipated.
- The 2021 update incorporated a revised \$13.2 billion revenue forecast. While the COVID-19 pandemic negatively impacted sales tax revenues through the first half of FY 2020-21, the second half of the FY showed tremendous growth as the Orange County economy began emerging from the pandemic. Sales tax collections for FY 2020-21 grew by 8.6 percent to \$345 million. As a result of higher sales tax collections, the 2021 update reduced the amount of the one bond issuance anticipated.
- The 2022 update incorporated a revised \$15 billion revenue forecast. Orange County's economy continued to strongly emerge from the COVID-19 pandemic. The update also shifted the timeframe from FY 2020-21 through FY 2029-30 to FY 2022-23 through FY 2031-32. Sales tax collections for FY 2021-22 grew by 23 percent to \$424 million. As a result of the higher sales tax collections, the 2022 update eliminated the one bond issuance with no additional bonding anticipated through 2041.
- The 2023 update incorporated a revised \$14.8 billion revenue forecast. Although sales tax collections for FY 2022-23 grew by 3.35 percent to \$439 million, which is the highest annual sales tax collection for M2, construction market conditions indicated a tempering inflationary environment. The 2023 update maintained no additional bonding assumptions through 2041.





The 2024 update incorporated a revised \$14 billion revenue forecast. The update also shifted the timeframe from FY 2022-23 through FY 2031-32 to FY 2024-25 through FY 2033-34. While sales tax collections for FY 2023-24 decreased by 1.8 percent to \$431 million, construction market conditions showed mixed signals, including declining building permits, rising unemployment, and volatility in material costs. The 2024 update maintained no additional bonding assumptions through 2041.

1.2. 2025 Review

The 2025 M2 sales tax revenue forecast of \$13.2 billion was presented to the Board on October 27, 2025. This represents a -5.7 percent, or a \$800 million decrease from what was assumed in the 2024 Next 10 Plan. Sales tax collections for FY 2024-25 increased by 0.1 percent to \$431.8 million, compared to the prior FY. Future year annual growth rates are forecasted to average approximately 2.7 percent. While a reduction in sales tax revenues affects the M2 Program as a whole, in most areas of the M2 Plan, programs can be scaled to available revenues.

Staff has reviewed and updated the cash flow for the complete M2 Plan of projects and programs. The 2025 update incorporates the latest M2 sales tax revenue forecast, current programmed external revenues, and refined project information. Through this process, staff confirms that the M2 Program remains deliverable; however, this update continues to emphasize that Metrolink operations require close monitoring.

1.3. Next 10 Plan Delivery Risks

Delivering a major program such as M2 is not without challenges. OCTA remains cognizant and continues to monitor delivery risks. Four key risks are highlighted below.

Economic - The 2025 sales tax revenue forecast of \$13.2 billion represents a \$800 million year-over-year decrease. While this may not affect the M2 programs that can scale to available revenue, programs that cannot do so easily such as Metrolink may be impacted. Additionally, 16 years of M2 delivery remain; fluctuations in economic conditions may affect future sales tax revenue forecasts.

Current external funding commitments are assumed in the M2 cash flow for the 2025 Next 10 Plan, but prospects of future revenues for highway projects are uncertain. State transportation policies continue to shift towards projects that reduce automobile travel, which could affect access to currently programmed as well as future state funding opportunities for the M2 Freeway Program.

Programmatic - Without changes in Metrolink service levels, ridership growth, operations and rehabilitation costs, or additional external funds, the 2025 Next 10 Plan notes that the current service cannot be sustained beyond FY 2033-34. To ensure Metrolink service through 2041, OCTA will need to work with Metrolink to develop a financially sustainable service plan, which may include establishing a target OCTA funding level.





Regulatory – Current state planning and project approval policies place great emphasis on reducing travel by automobile and encourage project alternatives that promote short trips where possible, travel by transit, bicycling or walking, and use of zero-emission vehicles. These requirements will affect the project environmental review process. The majority of M2 freeway projects, where this risk would manifest itself, have obtained the necessary approvals, but if the approvals require a review or revision, these new requirements could impact delivery.

<u>Climate</u> – 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 (LOSSAN) Corridor. These events 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 in Orange County, this rail corridor is vital for State-supported intercity rail (Pacific Surfliner), freight connection to the Port of San Diego, and is part of the Strategic Rail Corridor Network that supports national defense operations. The long-term solution will require collaboration from key stakeholders to develop and to implement. OCTA will be an active participant in the process; future implications to M2 with respect to service levels or costs are unknown at this time.

A summary of risks, explanations, and suggested management actions are included in Exhibit 1. These are tracked, updated, and included in the M2 Quarterly Progress Reports presented to the Board throughout the year.

EXHIBIT 1: SUMMARY OF DELIVERY RISKS

	Risk	Explanation		Action
	Moderate		0	ne to Watch
	Economic			
1	Sales tax revenues are driven by economic conditions. The 2025 M2 revenue forecast is \$13.2 billion, which represents a \$800 million (-5.7 percent) year-over-year decrease from the 2024 forecast.	While the 2025 M2 revenue forecast is low areas of the M2 Plan can be scaled to revenues. Additionally, M2 delivery rem fluctuations in conditions may affer revenue projections.	er, in most programs available 16 years of ain and economic	tax revenue receipts to ensure delivery of M2 as promised to voters.
2	Reduced external funding opportunities for the M2 freeway program.	State and federal continue to shift and fave that reduce automoby which could affect currently programmed future external opportunities for the Naprojects.	vor projects bile travel, access to as well as funding	commitments are assumed in the M2 cash flow for the 2025 Next 10 Plan, but prospects of future revenues for freeway projects are



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	Risk	Explanation	Action
3	Potential for an environment of increasing cost for M2 capital projects.	The fall 2025 update of the Next 10 Plan Market Conditions Forecast and Risk Analysis anticipates an uptick in inflationary pressures in 2026, 2027, and 2028. This is due to a rise in building permits, California unemployment rates, and construction wages. Additionally, all construction materials costs have increased.	The Next 10 Plan Market Conditions Forecast and Risk Analysis report is updated biannually and provides a three-year look ahead. OCTA will continue to monitor bid results and market conditions affecting project costs.
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.
	Programmatic		
5	Support Southern California Regional Rail Authority (Metrolink) train service as an alternative to driving within the limits of available revenue.	COVID-19 altered travel behavior, which has affected ridership and farebox revenues. The cost of Metrolink service continues to grow as contracted rates increase, the system ages, track-sharing arrangements with BNSF Railway Company (BNSF) are revised, and new air quality requirements are implemented. Without changes in service levels, ridership growth, and operations and rehabilitation costs, the current service cannot be sustained beyond FY 2033-34.	External funding (one-time federal funds through the Coronavirus Aid, Relief and Economic Security Act, Coronavirus Response and Relief Supplemental Appropriations Act, and Infrastructure Investment and Jobs Act) has helped alleviate some near-term financial concerns, but increasing operational costs and slow ridership recovery affect long-term sustainability. OCTA will continue to work closely with Metrolink and member agencies to ensure cost increases are minimized, while continuing to seek external revenue.
	Resource		
6	Substantial work underway in the region has resulted in significant demand for professional and skilled labor which may impact delivery given the volume of the M2 capital program.	The fall 2025 update of the Next 10 Plan Market Conditions Forecast and Risk Analysis reflects an increase in unemployment rates. This may temper costs and reduce delivery risk.	OCTA will monitor resources for professional and skilled labor needed for project delivery. Expert and timely coordination between OCTA and project partners is imperative to manage this risk.



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	Risk	Explanation	Action
7	New operational responsibilities with the OC Streetcar.	With the implementation of the OC Streetcar service, OCTA will be increasing its overall role in operations.	To ensure the success of the OC Streetcar, OCTA hired a streetcar operations manager with proven start-up experience to oversee start-up and daily operations. A contractor with extensive experience in operations of rail systems was selected to handle the startup and revenue operation phases.
	Climate		
8	Climate-related hazards could affect M2 investments.	OCTA has experienced hazards affecting M2 investments. Wildfires present a continual risk to the M2 Environmental Mitigation Program (EMP) conservation properties (Preserves) and restoration projects that have not been completed and approved by the United States Fish and Wildlife Service (USFWS) and the California Department of Fish and Wildlife (CDFW) (collectively, Wildlife Agencies). Additionally, tidal events, ocean currents and waves, storm surges, and slope movement affect OCTA's railroad track in south Orange County.	OCTA has developed Fire Management Plans (FMP) for the Preserves purchased as part of the M2 Freeway EMP. External funding SB 1 (Chapter 5, Statutes of 2017) Trade Corridor Enhancement Program, Transit and Intercity Rail Capital Program (TIRCP), and Consolidated Rail Infrastructure and Safety Improvements Grant Program is helping implement immediate protective measures to protect the rail infrastructure in south Orange County. Additionally, OCTA has initiated a planning study to identify immediate as well as short- and medium-term solutions.
	Regulatory		
9	Changing federal and state directives could affect M2 freeway project approvals.	Current state planning and project approval policies place great emphasis on reducing travel by automobile and encourage project alternatives that promote short trips where possible, travel by transit, bicycling or walking, and use of zero-emission vehicles. These requirements will affect the project environmental review process.	The majority of M2 freeway projects, where this risk would manifest itself, have obtained the necessary approvals. If the approvals require a review or revision, these new requirements could impact delivery.





Guiding Principles 1.4.

During the development of the EAP, guiding principles were established that set direction for staff on establishing priorities for freeway project delivery. These guiding principles continue to instruct us and were used to identify projects to recommend moving from the environmentally cleared/shelf-ready list to advancement through construction.

- **Project Readiness**
- Congestion Relief and Demand
- **External Funding Availability**
- **Public Opinion and Support**
- Project Sequencing and Connectivity
- **Project Duration**

Updated Next 10 Plan Deliverables 1.5.

Significant M2 progress and accomplishments have been made since 2007. The 2025 update of the Next 10 Plan confirms that M2 can be delivered consistent with the commitment to voters, however, Metrolink operations still require close monitoring. To outline a near-term work plan, ten deliverables on program and project delivery have been defined during the ten-year period from FY 2025-26 through FY 2034-35, equating to approximately \$6.1 billion invested to improve the local transportation system.

Freeways

Deliver 11 freeway improvement projects through construction (Projects A-M).

Status: The M2 Freeway Program is currently made up of 30 projects/project segments. Deliverable 1 includes 11 projects to be delivered through construction. Exhibit 2 reflects the projects along with latest phase, schedule, and cost information. The completion of these 11 projects in Deliverable 1 will bring the total number of completed projects to 28, which equates to approximately 93 percent of the M2 Freeway Program by 2033. For more details, see program updates in Section 2.1.

EXHIBIT 2: PHASE, SCHEDULE, AND COST FOR DELIVERABLE 1 PROJECTS

In	Construction		Construction Complete	Cost*
	Project C, D	Interstate 5 (I-5) between State Route 73 (SR-73) and El Toro Road Landscaping	2026	\$12.4 ¹
1.	Project F	SR-55 between Interstate 405 (I-405) and I-5	2027	\$505.7
2.	Project I	SR-91 between SR-55 and Lakeview Avenue	2028	\$140.7
3.	Project M	Interstate 605 (I-605) Katella Avenue Interchange	2027	\$53.0
			Subtotal	\$711.8

¹ Landscaping for the I-5 between SR-73 and the El Toro Road project was separated from the mainline construction contracts but is not counted as an additional project.



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45		17

In Design		Construction Complete	Cost*
4. Project B	I-5 between I-405 and Yale Avenue	2029	\$388.1
5. Project B	I-5 between Yale Avenue and SR-55	2029	\$327.9
6. Project F	SR-55 between I-5 and SR-91	2030	\$202.1
7. Project G	SR-57 Northbound from Orangewood Avenue to Katella Avenue	2028	\$135.4
8. Project I	SR-91 between La Palma Avenue and SR-55	2030	\$380.7
9. Project I	SR-91 between Acacia Street and La Palma Avenue	2029	\$257.5
		Subtotal	\$1,691.7
In Environmental		Construction Complete	Cost*
10. Project D	I-5 El Toro Road Interchange	2033	\$300.02
11. Project J	SR-91 between SR-241 and Orange/ Riverside County Line	2030	\$91.0 ³
		Subtotal	\$391.0
		Deliverable 1 Total	\$2,794.5

^{*}Cost in millions

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

Status: The two remaining projects (of the 30 total) are environmentally cleared or on track to be cleared by 2028, making them shelf-ready for future advancement. Exhibit 3 reflects these projects with updated environmental clearance schedules and estimated costs. For more details, see program updates in Section 2.1.

EXHIBIT 3: ENVIRONMENTAL CLEARANCE SCHEDULE AND COST FOR DELIVERABLE 2 PROJECTS

Remaining Pro	pjects	Environmentally Clear Shelf-Ready	Cost*
1. Project G	SR-57 Northbound from Lambert Road to Orange/Los Angeles County Line	2028	\$445.5 ²
2. Project L	I-405 between I-5 and SR-55	2018	\$269.6
10 (1)	Remaining	M2 Freeway Projects Total	\$715.1 ⁴

^{*}Cost in millions

⁴ The total will be revised once the two remaining projects (Project G and L) have a selected project alternative and complete environmental clearance.



² These cost estimates are preliminary and will be updated once the project alternative is selected at the completion of environmental clearance.

³ Project schedule and cost assumptions subject to change and are contingent on the outcome of the environmental review process, availability of funding, and coordination with Riverside County Transportation Commission (RCTC).

Streets and Roads

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).

Status: Since inception, OCTA has awarded approximately \$594.4 million in competitive funding through the Regional Capacity Program (RCP {Project O}) and Regional Traffic Signal Synchronization Program (RTSSP {Project P}) through annual competitive calls for projects (call). Additionally, nearly \$823.0^{5,6,7} million in Local Fair Share (LFS {Project Q}) funds have been distributed to local jurisdictions. For more details, see program updates in Section 2.2.

Transit

4. Support Metrolink service and advance development of a rail station, contingent on interagency coordination and long-term fiscal sustainability (Project R).

Status: 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. For more details, see program updates in Section 2.3.

Close monitoring of Metrolink operations is necessary to ensure sustainability through 2041. The Metrolink Reimagined service change implemented in October 2024 aims to increase midday and evening train service to help Metrolink expand their customer market beyond the traditional commuter market. Following this service change, the three lines serving Orange County currently operate 58 weekday trains, representing a 7.4 percent increase to pre-(COVID-19) operating levels. However, Metrolink ridership recovery continues to struggle, impacting farebox revenues and cost recovery. To exacerbate this shortfall, operating costs have also increased. Without changes in service levels, ridership growth, and operations and rehabilitation costs or additional external funds, the current service cannot be sustained beyond FY 2033-34. OCTA will continue to actively engage with Metrolink and the other member agencies to monitor ridership levels and the financial impacts to M2.

Railroad track stabilization efforts in south Orange County have become a major focus area given its importance to continued operation of Metrolink in Orange County. While the rail line is currently open as a result of ongoing emergency work, longer-term solutions need to be developed to ensure the ability to provide 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

⁷ On May 12, 2025, the Board determined the City of Orange eligible to receive net M2 revenues again. Withheld funds were released in June 2025.



⁵ 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.

⁶ Only includes disbursed funds. 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.



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 LOSSAN corridor. As these studies progress, future updates to the Next 10 Plan will incorporate more current information.

Additionally, OCTA remains committed to advancing the development of the Placentia Metrolink Station Project. However, project advancement beyond the environmental phase is dependent on a shared-use agreement between Metrolink and BNSF prior to advertisement and construction, as well as Metrolink's long-term fiscal sustainability and ability to support continued operations.

5. Complete construction and begin operating the OC Streetcar. Additionally, work with local jurisdictions to consider recommendations from planning studies to guide development of future high-quality transit connections (Project S).

Status: The 4.15-mile OC Streetcar will serve the Santa Ana Regional Transportation Center (SARTC) through Downtown Santa Ana and the Civic Center to Harbor Boulevard in the City of Garden Grove. Activities underway include continued installation of overhead wires and utilities, along with continued construction on the Pacific Electric right-of-way (ROW) and Maintenance and Storage Facility (MSF). Regular coordination meetings, staff training, and documentation efforts are underway to ensure a safe, reliable, and seamless transition to operations. Additionally, all eight cars have been delivered to the MSF. Construction is anticipated to be complete to begin revenue service operations in 2026. For more details, see project updates in Section 2.3.

6. Support expanded mobility choices for seniors and persons with disabilities (Project U).

Status: 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, approximately \$151.7 million^{8,9,10} 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 (60 and above) 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 program updates in Section 2.3.

7. Work with local jurisdictions to maintain successful community circulator projects and potentially provide grant opportunities for expanded or new local transit services (Project V).

Status: Since inception, OCTA has approved 49 projects and ten planning studies totaling approximately \$96.8 million through five calls. OCTA receives ridership reports from local agencies on a regular basis to monitor the success of awarded services against performance measures adopted by the Board. To

¹⁰ On May 12, 2025, the Board determined the City of Orange eligible to receive net M2 revenues again. Withheld funds were released in June 2025.



⁸ Only includes disbursed funds. On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.

⁹ Only includes disbursed funds. 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.



date, 21 projects are active, four are planned, 13 have been cancelled (primarily due to low ridership), and 11 have been completed. Staff continues to work with local jurisdictions through letters of interest requests, workshops, Comprehensive Transportation Funding Program Guidelines revisions, calls, and cooperative agreement amendments to fine-tune this program and facilitate successful project implementation. For more details, see program updates in Section 2.3.

8. Continue to improve the top 100 busiest transit stops to enhance the customer experience (Project W).

Status: 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 passenger amenities such as installation of bus benches or seating, shelters, improved lighting, and other passenger-related amenities. To date, 94 improvements have been completed, 18 improvements are in various stages of implementation, and ten improvements have been cancelled by the awarded agency. For more details, see program updates in Section 2.3.

Environmental

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).

Status: The M2 freeway EMP includes seven Preserves totaling more than 1,300 acres and 13 restoration projects covering nearly 350 acres. In 2017, OCTA received biological resource permits after completing a state and federal Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan) for the EMP, allowing streamlined project approvals for the M2 freeway improvement projects. The Conservation Plan also includes a streamlined process for coordination of streambed alteration agreements. In 2018, OCTA secured programmatic permits and assurances for federal and state clean water permitting requirements. Receipt of these permits represents the culmination of years of collaboration and support by the Board, environmental community, and regulatory agencies.

OCTA makes annual endowment deposits of approximately \$2.9 million. As of September 30, 2025, the endowment balance was \$38,595,652. While the performance of the endowment fund will affect the time frame for full funding, current projections indicate that OCTA is on track to meet the target of \$46.2 million in FY 2027-28. For more details, see program updates in Section 2.1.

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).

Status: In May 2010, the Board approved a two-tier approach to funding Project X. Tier 1 consists of funding equipment purchases and upgrades to existing catch basins and related best management practices, such as screens and other low-flow diversion devices. Tier 2 consists of funding regional, potentially multi-jurisdictional, and capital-intensive projects. Since inception, the Board has approved \$43.4 million in funding for 241 Tier 1 projects through 15 calls and \$34.9 million for 26 Tier 2 projects through three calls. For more details, see ECP updates in Section 2.4.





1.6. Oversight and Safeguards

The 2025 Next 10 Plan is taking place with the full oversight and regular reporting promised to the voters. Regular progress reports on implementing the Next 10 Plan are included in the M2 Quarterly Progress Reports that are prepared for the Board. These reports are included on the OCTA website to ensure accessibility and transparency of the information. Contact information for the OCTA staff member responsible for each program or project is also included.

Additionally, as specified in Ordinance No. 3 (M2 Ordinance), Section 10, there will be three performance assessments conducted during the Next 10 Plan time frame. Performance assessments are to be conducted at least once every three years to evaluate the efficiency, effectiveness, economy, and program results of OCTA in satisfying the provisions and requirements of the M2 Plan and M2 Ordinance. These assessments will take place during 2027, 2030, and 2033. The most recent performance assessment covering FY 2021-22 through FY 2023-24 was completed and presented to the Board in March 2025. The consultant's report reflected a positive assessment of OCTA's efficiency and effectiveness in the delivery of M2 projects and programs.

Also included in the M2 Ordinance, Section 11, is a ten-year comprehensive review of M2 programs and projects, which will be completed during the Next 10 Plan time frame. 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. A second review is underway and is anticipated to be presented to the Board in early 2026. The ten-year review includes a comprehensive review of all projects and programs implemented under the M2 Plan to evaluate the performance of the overall program and may result in revisions to further improve performance.

1.7. Sustainable Communities Strategy

It is important to note that M2 also supports and enhances the ability of OCTA to support the regional Sustainable Communities Strategy in Orange County. M2 projects and programs are part of a larger suite of transportation improvements included in the 30-year M2 Plan. Over 50 percent of M2 funds are intended to fulfill transit, system optimization, enhanced environmental elements and infrastructure preservation goals. In addition, the funding eligibility criteria encourages local agencies to consider accommodations for transit and non-motorized transportation.

M2 was publicly reviewed through a Program Environmental Impact Report (EIR) prior to voters approving the ballot measure in November 2006. Since 2008, the M2 Program has been included in the Regional Transportation Plans, Sustainable Communities Strategies, and the associated Program EIR prepared by the Southern California Association of Governments.

In addition to funding freeway improvements, the M2 Program dedicates funding for many transit and local street improvement projects. These include improvements such as:

- New transit connections between major Orange County activity areas that reduce the need for short automobile trips;
- Enhanced convenience and reliability for bus services and Metrolink commuter rail to encourage transit as a dependable commute option;





- Local funding for development of multimodal corridors and roadway preservation that improves the quality of mobility for all users; and
- Signal synchronization on 750 miles of roadways throughout Orange County to reduce congestion and tailpipe emissions.

The M2 freeway EMP has preserved 1,300 acres of wild lands that will be converted to the Preserves to enhance connectivity and wildlife movement between existing conservation areas - such as the Cleveland National Forest, the Chino Hills State Park, and the Irvine Ranch Conservancy lands – and to coastal areas. Furthermore, the program also provides critical habitat for endangered or listed species. Additionally, since M2 inception, the ECP has awarded 267 projects totaling over \$78.2 million to treat storm water runoff and help keep waterways and beaches clean in Orange County.

The aforementioned transit, local streets, and environmental programs collectively contribute to and enhance the quality of life, as well as provide a sustainable future, and an efficient transportation system that benefits the region.

Brief summaries of the specific programs are listed below.

- ✓ Projects A through N Freeway improvements and Freeway Service Patrol (FSP) to provide emission reductions through congestion relief.
- ✓ Projects O and P Signal synchronization and street improvements that provide emission reductions through congestion relief and flexibility to accommodate bike and pedestrian project elements as appropriate.
- ✓ Project Q Local funding for city-selected transportation projects that provide for preservation of the streets and roads system and includes bicycle, pedestrian, water quality, and transit enhancements as eligible expenditures.
- ✓ Project R Expanded Metrolink train capacity including improvements to stations and parking to improve transit reliability and convenience and reduce reliance on highways while also supporting potential transit-oriented development.
- ✓ Project S Transit extensions to improve access between Metrolink stations and residential/employment centers and provide an alternative to driving.
- ✓ Project T Station improvements to connect to planned future high-speed rail services.
- ✓ Project U Sustain mobility choices for seniors and persons with disabilities and provides an alternative to driving.
- ✓ Project V Community-based circulators to complement regional transit services with local communities and provides an alternative to driving.
- ✓ Project W Transit stop improvements to support transfers between major bus lines and provide passenger amenities such as shelter improvements, better lighting, bicycle racks, and trash receptacles.
- ✓ Project X Water quality improvement programs/projects to meet federal Clean Water Act standards for urban runoff, and augment required mitigations.
- ✓ Freeway Mitigation Program Natural resource protection strategy to provide for more comprehensive mitigation of environmental impacts from M2 freeway improvements.





1.8. Updated Next 10 Plan Funding Assumptions

The 2025 update of the Next 10 Plan includes funding assumptions for revenue and expenses that are merged into a high-level cash flow model. This effort was conducted to ensure the complete M2 Program could be delivered consistent with commitments provided to the voters as part of M2 approval in November 2006. Revenues are expected to fluctuate over time. The M2 expenditure plan includes programmatic items that adjust according to available revenues. However, the Freeway Program, which defines specific project scopes, and Metrolink service, cannot be easily adjusted to revenue fluctuations. The revenue assumptions incorporate the latest 2025 M2 sales tax revenue forecast of \$13.2 billion and prior commitments in programmed local, state, and federal external revenues.

To support project delivery schedules in the Freeway Program, bond assumptions were included in earlier updates of the Next 10 Plan. While there has been a decrease in the M2 revenue forecast since the 2024 update, no additional bond issuances are planned through 2041. Bonding capacity is available, as OCTA's debt coverage ratios are well above the allowable amount of 1.3x. The minimum forecasted debt coverage ratio during the Next 10 Plan time frame is 9.4 in 2027 and 2028. This offers significant financial protection against unforeseen economic changes related to project delivery. For a more detailed discussion on assumed revenues, costs, and debt service, see Section 3.1 of the Appendix.

Funding for the freeway mode assumes \$8.9 billion in total revenue, with costs for the same period totaling \$8.8 billion. To date, OCTA has been very successful in capturing external funding to offset reductions in sales tax revenue and preserve M2 funds. The long-term M2 Freeway Program relies on the total receipt of approximately \$1.9 billion in state and federal revenues. Additionally, the program includes \$770.9 million in net excess 91 Express Lanes revenue and \$495 million in bond proceeds.

As a result of the lower forecasted sales tax, the Freeway Program net sales tax revenue through 2041 decreased by approximately \$403.7 million. In addition, each project in the Freeway Program was reviewed, with schedules and cost estimates updated to reflect the most current information. With the majority of projects now either nearing completion of the design phase or in construction, project cost estimates have a higher level of engineering and are therefore better defined. The 2025 update captures some of these revised cost estimates, which reflect increased material costs that experienced high inflation from 2021 through 2023. While net revenues decreased, no future bonding assumptions are included in the 2025 Next 10 Plan update, which provides significant savings in the freeway program while maintaining project delivery schedules. Economic uncertainties were reduced, with the majority of the funds available between FY 2035-36 and FY 2040-41. As noted earlier, there is significant bonding capacity available should the freeway program require additional revenue to support project expenses.

Funding for the streets and roads mode assumes \$4.9 billion in total revenue, with costs for the same period totaling \$4.7 billion. The projects within the Streets and Roads Program are scaled to available revenue and are reflected in the cash flow on a pay-as-you-go basis. The Streets and Roads Program relies on the total receipt of approximately \$581.4 million in external revenues (state, federal, and local) primarily for the OC Bridges grade separation projects. For more details, see Section 3.1 of the Appendix and the project updates contained in their respective sections.

For the transit mode, \$4.2 billion in total revenue is assumed, with costs for the same period totaling \$4.1 billion. The majority of projects within the Transit Program can scale to available revenue with the exception of Metrolink service and Project U's Fare Stabilization Program. The M2 Ordinance specifically





requires that the Fare Stabilization Program subsidize fares for seniors and persons with disabilities to the extent of maintaining the reduced fare rate effective on July 24, 2006, through FY 2040-41. While this program is not scalable, it remains solvent due to OCTA's proactive amendment to the M2 Ordinance. The remaining transit mode programs are assumed on a pay-as-you-go basis. The funding for the transit mode assumes the total receipt of \$865.7 million in local, state, and federal revenues. For more detailed program assumptions for the Transit Program, see the Appendix.

The ECP assumes \$264.5 million in total revenue, with costs for the same period totaling \$240.1 million. The projects within the ECP are scaled to available revenue and are reflected in the cash flow on a pay-as-you-go basis. For more detailed program assumptions for the ECP, see Section 3.1 of the Appendix.

1.9. Financing

The Board's vision in developing the EAP created a great opportunity for the M2 Program. While the economy took a significant downturn due to the 2008 Great Recession, OCTA advanced projects years before revenue became available. Projects were accelerated, making them shelf-ready. This allowed OCTA to capture significant one-time external funding provided through State Proposition 1B and the American Recovery and Reinvestment Act. Using the revised, Board-approved forecasting methodology implemented in March 2016, the 2025 M2 sales tax revenue forecast is \$13.2 billion.

When it comes to the bidding environment, OCTA significantly benefited during the recession by capitalizing on a low-cost environment with early project development and acceleration. When the M2020 Plan was adopted in late 2012, staff reported that freeway construction bids were consistently coming in between ten to 20 percent below engineers' estimates. In the years that followed, construction bids slowly rose to meet, and in some cases, exceed the engineers' estimates. The COVID-19 pandemic introduced a period of rapid cost escalation driven by inflation, labor shortages, and supply chain disruptions; however, bid outcomes have since tempered in recent years.

This year's update assumes no additional bonding is required through 2041. The update also continues to maintain prudent annual ending balances and an economic uncertainties allowance, which provides continued financial stability in the event of additional financial fluctuations.

Pay-as-you-go project funding is identified in the M2 Ordinance as the preferred method of financing, while bond financing is an option that is within the purview of the Board. It takes many years to bring projects to fruition therefore it is prudent to maintain current project schedules to deliver M2 benefits earlier.

While the current cost of debt remains relatively low and is trending upwards, there are no additional issuances planned through 2041. Current 20-year bond rates have increased 76 basis points from last year from 3.22 percent to 3.98 percent. See Exhibit 4 showing historical issuance rates of 20-year bonds.



MUNICAL BOND YIELDS TREND FOR 20-YEAR AAA-RATED BONDS 14% 12% 10% **BOND YIELDS** 8% 6% 4% 2% Moving Average (Median)

EXHIBIT 4: HISTORICAL ISSUANCE RATES AND MUNICIPAL BOND YIELDS FOR 20-YEAR BONDS

Source: TM3 AAA 20-year GO Bonds (1981 through 2010), Bloomberg index of AAA 20-Year Municipal Bonds (2011 to date)

OCTA has a strong track record of successfully delivering projects by utilizing bond financing, as seen in M1, as well as M2, under the EAP and M2020 Plan. While the 2025 Next 10 Plan anticipates no bond financing for the Freeway Program through 2041, OCTA has significant bonding capacity available should the freeway program require additional revenue to support project expenses.

1.10. Future Outlook

As noted in the Next 10 Plan Delivery Risks in Section 1.3, major capital work is underway in the Southern California region that may impact OCTA's ability to secure resources needed for future project and program delivery. Competition for available resources for capital projects has increased with the major capital work currently underway in Los Angeles, Riverside, and San Bernardino counties. For future projects going forward, engineers, ROW experts, skilled labor, and materials will be in higher demand.

In September 2017, the Board was presented with a Market Conditions Forecast and Risk Analysis report conducted by economists Dr. Wallace Walrod and Dr. Marlon Boarnet through a contract with the Orange County Business Council (OCBC). The result of this analysis identified strong potential for OCTA to experience an increasing-cost environment in the near term. Recognizing the benefits of proactive monitoring and forecasting of market conditions, the Board directed staff to continue to work with OCBC and provide OCTA with cost risk factors for project delivery.

In October 2025, OCBC provided an updated forecast to the Board for 2026 through 2028. OCBC tracked relevant market data and indicators, performed analytics, and incorporated this analysis to provide OCTA with a range of potential cost fluctuations through the use of an Infrastructure Construction Cost Pressure



Index (ICCPI), as reflected in Exhibit 5. The ICCPI incorporates a detailed trend analysis of building permits, unemployment rates, localized labor costs, material costs and general economic conditions.

EXHIBIT 5: ICCPI RANGE OF COST FLUCTUATIONS

	ICCPI Range of Cost Fluctuations			
Index Score	Low	Midpoint	High	
0	-17%	-9.5%	-2%	
1	-2%	-0.5%	1%	
2	1%	1.5%	2%	
3	2%	4%	6%	
4	6%	8.5%	11%	
5	11%	25.5%	40%	

OCBC forecasts a score of three in 2026, 2027, and 2028, which represents a potential cost fluctuation range of two percent to six percent. Exhibit 6 summarizes the forecasts. The updated forecast points to an uptick in inflationary pressures with the most recent data available. Major drivers include a rise in building permits, California unemployment rates, and construction wages. Additionally, the cost of all construction materials increased on an annualized basis.

EXHIBIT 6: OCBC ORANGE COUNTY TRANSPORTATION ICCPI SCORE

OCBC Orange County Transportation ICCPI Score, 2026-2028				
Year	Index Score	Range of Cost Fluctuation		
2026	3	2% - 6%		
2027	3	2% - 6%		
2028	3	2% - 6%		

As in prior forecasts, OCBC indicates that OCTA will also need to be aware and ready to respond to cost pressures that cannot be modeled. Examples of such forces include:

- Impacts from tariffs may shift Federal Reserve policy decisions,
- Domestic instability due to shifting political, social, and economic policies, including disruption from artificial intelligence adoption to the overall job market, and
- International instability resulting from ongoing global conflicts and new trade policies.

To mitigate cost pressures, OCTA's Project Controls Department monitors and adjusts project cost escalation assumptions according to market trends. Project Controls' cost estimating process uses historical information, as well as current trends in the market, and follows a consistent and defined process. Looking back at the last 20 years, OCTA's cost estimates have included a three percent escalation, which, on average during this time frame, provided the appropriate escalation to deliver projects successfully. Currently, using 3.5 to five percent for construction escalation, as well as incorporating contingency based on the project phase and complexity, is staff's preferred approach to cost estimating.





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II. MEASURE M2 TRANSPORTATION INVESTMENT PLAN



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2.1 FREEWAY PROGRAM



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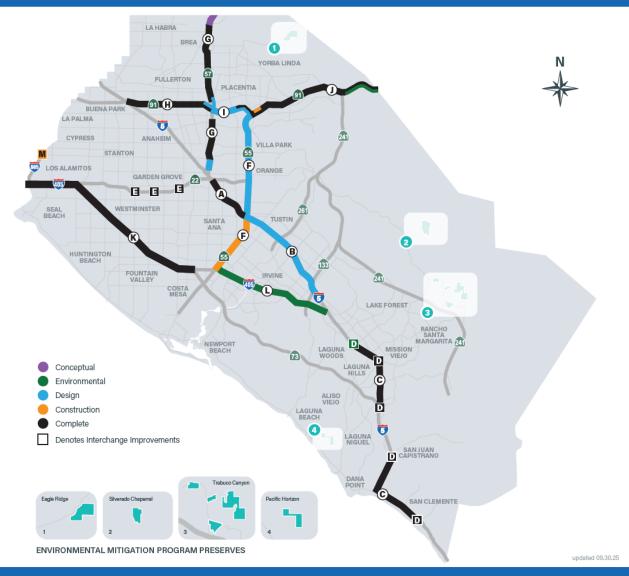




EXHIBIT 7: MEASURE M FREEWAY PROGRAM COUNTYWIDE MAP

MEASURE M FREEWAY PROGRAM





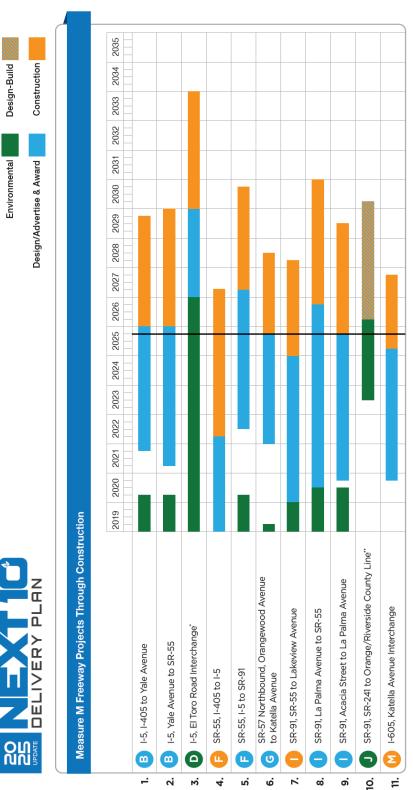
- **A** I-5 (SR-55 to SR-57)
- **B** I-5 (I-405 to SR-55)
- © D I-5 (Avenida Pico to San Juan Creek Road)
- **© □** I-5 (SR-73 to El Toro Road)
 - I-5/Ortega Highway Interchange Improvements
 - D I-5/El Toro Road Interchange Improvements
 - **E** SR-22 Access Improvements
 - F SR-55 (I-405 to I-5)
 - G SR-55 (I-5 to SR-91)
 - **©** SR-57 NB (Orangewood Avenue to Katella Avenue)
 - **G** SR-57 NB (Katella Avenue to Lincoln Avenue)
 - © SR-57 NB (Orangethorpe Avenue to Lambert Road)
 - **©** SR-57 NB (Lambert Road to County Line)
 - **B** SR-91 WB (I-5 to SR-57)

- **1** SR-91 (SR-57 to SR-55)
- SR-91 WB (Tustin Avenue to SR-55)
- J SR-91 (SR-55 to SR-71)
- SR-91 (SR-241 to I-15)*
- **(**SR-73 to I-605)
- **L** I-405 (I-5 to SR-55)
- I-605/Katella Avenue Interchange Improvements
- N Freeway Service Patrol (not mapped)
- A-M Environmental Mitigation Program
 - -1,300 acres of permanent open space
 - -12 restoration projects totaling nearly 350 acres (not mapped)

RCTC is the lead agency for the 91 Eastbound Corridor Operations Project operational lane from SR-241 to SR-71.



EXHIBIT 8: MEASURE M FREEWAY PROJECTS THROUGH CONSTRUCTION



Please note that schedules are updated as of September 30, 2025. Shown schedules are subject to change.



^{*} Proposed accelerated schedule. Final schedule pending consensus with stakeholder agencies. ** RCTC is the lead agency for the 91 Eastbound Corridor Operations Project operational lane from SR-241 to SR-71.



EXHIBIT 9: MEASURE M FREEWAY PROJECTS THROUGH ENVIRONMENTAL PHASE/SHELF READY



The Next 10 Plan provides direction through 2035. Schedules and revenues will be reviewed annually. The Board will adopt an updated delivery plan to provide direction on further advancement as appropriate. Please note that schedules are updated as of September 30, 2025. Projected and active project schedules are subject to change.

I-405, I-5 to SR-55

6





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2.1. Freeway Program

Overview:

The Freeway Program accounts for 43 percent of the M2 Program. Over the life of M2, approximately \$5.3 billion is expected to be generated in sales tax revenues for freeway Projects A-N (not including the five percent of net revenues apportioned to the EMP). Improving Orange County freeways is a major investment of the M2 Program.

To ensure delivery of the Freeway Program, the Next 10 Plan includes the following framework:

- Bring congestion relief.
- Deliver projects using the guiding principles.
- Work with California Department of Transportation (Caltrans) to seek cost effective measures on freeway projects through changes in scope and design parameters where possible.
- Tightly manage project scopes and schedule to reduce cost escalation risk.

Next 10 Plan Deliverables:

When M2 originally passed, 13 freeway projects were highlighted in the M2 Plan. Since then, these projects have been segmented into 30 projects or project segments. For a list of completed projects, see Exhibit 31 in the Appendix. Significant progress of the freeway program is included in the Next 10 Plan deliverable goals through 2035:

- Deliver construction of 11 freeway projects or project segments: three along I-5, two along SR-55, four along SR-91, one along SR-57, and one at the I-605 Interchange (Projects B, D, F, G, I, J, and M). See Exhibit 8.
- 2. Prepare the remaining two project segments for delivery. This includes one on I-405 and one on SR-57 (Projects G and L). See Exhibit 9.



A. I-5 (SR-55 to SR-57)

Garden Grove
GARDEN GROVE

Santa Ana

EXHIBIT 10: PROJECT A - MAP OF APPROXIMATE LIMITS

Description:

Project A reduced freeway congestion by adding a second high-occupancy vehicle (HOV) lane (approximately three miles) in both directions on I-5 between SR-55 and SR 57. See Exhibit 10 for a map of the approximate limits. The project was generally constructed within the existing ROW.

Cost:

\$38.85 million.

Status:

All lanes opened to traffic in August 2020. Construction was completed in January 2021.

Benefits:

This project improved the HOV facility on I-5 in Santa Ana to meet traffic demands and eliminate bottlenecks. Improvements were needed to accommodate HOV traffic from both the SR-55/I-5 and SR-57/I-5 direct HOV connectors.

Originally considered under this project, the extension of the auxiliary lane from southbound I-5 to southbound SR-55 through the McFadden Avenue exit ramp on SR-55 to Edinger Avenue, was instead studied as part of SR-55 Project F.

External Funding:

The Board approved \$36.19 million in federal funds to support this project.



A. I-5 (SR-55 to SR-57)

Risks:

None – project completed.

Related Projects:

Projects B and F.

Other Involved Agencies:

California Transportation Commission (CTC), Caltrans, City of Santa Ana, Federal Highways Administration (FHWA), and Metrolink.

Assumptions:

Cost based on September 2025 M2 Program cash flow.

- OCTA 2022 Long-Range Transportation Plan
- September 2025 Project Status Report
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



I-5 (I-405 to SR-55)

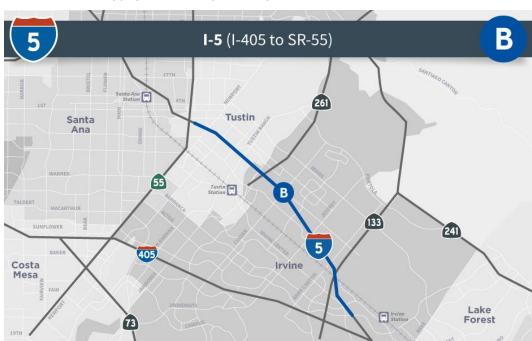


EXHIBIT 11: PROJECT B - MAP OF APPROXIMATE LIMITS

Description:

Project B will reduce congestion by constructing new general purpose lanes in both directions and improving key interchanges in the area between SR-55 and State Route 133 (near the El Toro "Y"). This segment of I-5 is the major route serving activity areas in the cities of Irvine, Santa Ana, and Tustin, and north Orange County. See Exhibit 11 for a map of the approximate limits. The project will generally be constructed within the existing ROW. The project is divided into two segments as described below.

This project will add one general purpose lane in each direction between I-405 and Segment 1: Yale Avenue (approximately 4.5 miles), improve interchanges, and add auxiliary lanes where needed to improve traffic operations in the Irvine area.

Segment 2: This project will add one general purpose lane in each direction between Yale Avenue and SR-55 (approximately 4.5 miles), improve interchanges, and add auxiliary lanes where needed to improve traffic operations in Irvine and Tustin areas.

Cost:

Segment 1:

- ➤ M2 Portion: \$337.95 million (Year of Expenditure [YOE]).
- Caltrans Multi Asset Project Portion: \$50.14 million (YOE).

Segment 2:

- M2 Portion: \$290.01 million (YOE).
- ➤ Caltrans Multi Asset Project Portion: \$37.86 million (YOE).

Status:

The environmental phase for both segments was completed in January 2020.



B. I-5 (I-405 to SR-55)

Segment 1: Final design was initiated in October 2021 and was completed in November 2024. Construction was advertised in August 2025 and is anticipated to begin in early 2026.

Segment 2: Final design was initiated in May 2021 and completed in June 2025. Construction was advertised in August 2025 and is anticipated to begin in early 2026.

Benefits:

Project improvements would alleviate congestion and reduce delays.

External Funding:

Caltrans is responsible for funding the Multi Asset Projects that are part of with Segment 1 and 2.

The Board has approved funding that supports this project including:

Segment 1: \$52.89 million in federal funds and \$106.71 million in state funds.

Segment 2: \$32.53 million in federal funds and \$9.78 million in state funds.

Risks:

Overall time, scope, and costs risks are high with this project due to tight ROW and the need for design variations.

Related Projects:

Projects A and F.

Other Involved Agencies:

Caltrans, cities of Irvine and Tustin, Transportation Corridor Agencies (TCA), FHWA, Orange County Flood Control District, and Metrolink.

Assumptions:

Cost based on September 2025 M2 Program cash flow.

- OCTA 2022 Long-Range Transportation Plan
- September 2025 Project Status Report
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



C. I-5 (SR-73 to El Toro Road, includes Avery Parkway and La Paz Road Interchanges)



EXHIBIT 12: PROJECT C,D - MAP OF APPROXIMATE LIMITS

Description:

Project C added new lanes to I-5 from El Toro Road in the City of Lake Forest to the vicinity of SR-73 in the cities of Laguna Hills, Laguna Niguel, Laguna Woods, Lake Forest, and Mission Viejo. Additional improvements included continuous HOV access completion and major improvements at the Avery Parkway and La Paz Road interchanges, as part of Project D. The project was generally constructed within the existing ROW. See Exhibit 12 for a map of the approximate limits. This project was divided into three segments as described below.

Segment 1: This project added one general purpose lane (approximately 2.2 miles) in both directions between SR-73 and Oso Parkway, reconstructed the Avery Parkway interchange, and added auxiliary lanes where needed to reduce congestion in Laguna Niguel and Mission Viejo areas.

Segment 2: This project added one general purpose lane (approximately 2.6 miles) in both directions between Oso Parkway and Alicia Parkway, reconstructed the La Paz Road interchange, and added auxiliary lanes where needed to reduce congestion in Laguna Hills and Mission Viejo areas.

Segment 3: This project added one general purpose lane (approximately 1.7 miles) in the southbound direction between Alicia Parkway and El Toro Road, continued the additional general purpose lane in the northbound direction through Alicia Parkway, extended the second HOV lane (approximately one mile) in both directions from El Toro Road to Alicia Parkway, and added auxiliary lanes where needed to reduce congestion in Laguna Hills, Lake Forest, and Mission Viejo areas.



C. I-5 (SR-73 to El Toro Road, includes Avery Parkway and La Paz Road Interchanges)

Cost:

Segment 1: \$229.38 million.

Segment 2: \$230.35 million.

Segment 3: \$227.26 million.

Landscaping for all three segments: \$12.37 million (YOE).

Status:

All segments opened to traffic in March 2025. Segment 2 was completed in December 2024 and segments 1 and 3 in July 2025. The landscaping portion for all three segments began in June 2025 and is anticipated to complete in December 2026.

Benefits:

This project helped alleviate congestion and reduce traffic delays. The second HOV extension for segment 3 enabled more efficient operation of general purpose lanes for future projected traffic volumes. Adding an additional general purpose lane and auxiliary lanes in Segments 1 and 2 will accommodate future projected traffic volumes. The I-5/La Paz Road and I-5/Avery Parkway interchange improvement projects called for in M2 Project D will reduce chokepoints and congestion, as well as accommodate future traffic demands on the local roads at each interchange.

External Funding:

The Board has approved funding that supports this project including:

Segment 1: \$34.60 million in federal funds and \$121.81 million in state funds.

Segment 2: \$56.60 million in federal funds.

Segment 3: \$54.63 million in federal funds and \$16.92 million in state funds.

Additionally, \$790,000 in federal funds and \$6.00 million in state funds have been approved for landscape planting across all three segments.

Risks:

None – project completed.

Related Projects:

Project C (I-5, Avenida Pico to San Juan Creek Road) and Project D (I-5, El Toro Road Interchange).

Other Involved Agencies:

Caltrans, cities of Laguna Hills, Laguna Niguel, and Mission Viejo, CTC, FHWA, and TCA.

Assumptions:

Costs are based on September 2025 M2 Program cash flow.



C. I-5 (SR-73 to El Toro Road, includes Avery Parkway and La Paz Road Interchanges)

- OCTA 2022 Long-Range Transportation Plan
- September 2025 Project Status Report
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



C. I-5 (Avenida Pico to San Juan Creek Road, includes Avenida Pico Interchange)

I-5 (Avenida Pico to San Juan Creek Road)

San Juan Capistrano

Dana Point

San Clemente Pier Station

EXHIBIT 13: PROJECT C,D - MAP OF APPROXIMATE LIMITS

Description:

Project C extended the HOV lanes on I-5 from Avenida Pico to San Juan Creek Road in the cities of Dana Point, San Clemente, and San Juan Capistrano. Major interchange improvements were also included at Avenida Pico, as part of Project D. See Exhibit 13 for a map of the approximate limits. This project was generally constructed within the existing ROW and was divided into three segments as described below.

Segment 1: This project added new continuous-access HOV lanes (approximately 0.7 miles) in each direction between Avenida Pico and Avenida Vista Hermosa. The Avenida Pico Interchange was reconstructed to optimize traffic movements within the interchange and provided bicycle lanes in both directions of Avenida Pico.

Segment 2: This project added new continuous-access HOV lanes (approximately 2.5 miles) in each direction between Avenida Vista Hermosa and Pacific Coast Highway (PCH). The project also reconstructed on- and off-ramps at Avenida Vista Hermosa and Camino de Estrella, and re-established existing auxiliary lanes. Avenida Vaquero undercrossing was widened in both directions to accommodate the new HOV lanes.

Segment 3: This project added new continuous-access HOV lanes (approximately 2.5 miles) in each direction between PCH and San Juan Creek Road. The project also reconstructed on- and off-ramps at Camino Las Ramblas/PCH and the I-5/PCH northbound connector and I-5/Camino Las Ramblas undercrossings were widened in both directions.



C. I-5 (Avenida Pico to San Juan Creek Road, includes Avenida Pico Interchange)

Cost:

Segment 1: \$83.60 million.

Segment 2: \$75.26 million.

Segment 3: \$74.27 million.

Status:

All segments of Project C opened to traffic at the same time in early 2018. Segment 1 was completed in August 2018, segment 2 in July 2017, and segment 3 in July 2018.

Benefits:

This project eliminated a southbound lane drop at PCH by extending the southbound HOV lane between Camino Capistrano and Avenida Pico, and the northbound HOV lane between Avenida Pico and PCH. Elimination of the lane drop enabled more efficient operation of general purpose lanes and serves projected traffic volumes for the year 2040.

External Funding:

The Board approved funding that supported these projects including:

Segment 1: \$28.47 in federal funds and \$43.74 million in state funds.

Segment 2: \$12.07 million in federal funds and \$46.78 million in state funds.

Segment 3: \$11.33 million in federal funds and \$20.79 million in state funds.

Risks:

No risk to project delivery as the project is complete. Final claims remain pending in segment 3, however, the cost risk is low.

Related Projects:

Project D.

Other Involved Agencies:

Caltrans, cities of Dana Point, San Clemente, and San Juan Capistrano, CTC, and FHWA.

Assumptions:

Cost based on September 2025 M2 Program cash flow.

- OCTA 2022 Long-Range Transportation Plan
- September 2025 Project Status Report
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



D. I-5 (El Toro Road Interchange)



EXHIBIT 14: PROJECT D - LOCATION OF IMPROVEMENT

Description:

Proposed Project D improvements at I-5/El Toro Road Interchange include modifying entrance and exit ramps and modifying or replacing existing bridge structures. See Exhibit 14 for the location of improvement.

Cost:

\$300.00 million (YOE) is currently included in the cash flow. However, this cost will be updated once a project alternative is selected.

Status:

The environmental phase for this project began in April 2017. The Next 10 Plan includes funding this project through environmental. This project has faced challenges determining a build alternative that has local support and consensus with the three stakeholder cities (cities of Laguna Hills, Laguna Woods, and Lake Forest). Built into M2 is a promise that projects will be delivered in cooperation with local agencies. A consultant was retained in September 2020 by OCTA to provide further assessment of the build alternatives to help facilitate reaching an agreement. The final assessment study was completed in August 2022. An agreement has been made with Caltrans and the three cities to include two new alternatives to be incorporated into the environmental phase. The environmental phase of this project is anticipated to be complete in late 2026.

Benefits:

This project would reduce the chokepoint and better accommodate forecasted traffic demands. Modification of the entrance and exit ramps would alleviate congestion at adjacent intersections.



D. I-5 (El Toro Road Interchange)

External Funding:

The Board has approved \$9.21 million in federal funds for the environmental phase. Future phases are also eligible for state and federal funds. Any additional funding is expected to be submitted for Board approval at a later time.

Risks:

Overall time, scope, and cost risks are high with this project due to the challenging project area with significant ROW impacts with study alternatives under consideration. Community concerns have resulted in a lack of consensus between the three stakeholder local jurisdictions. This project will need local jurisdiction consensus, before moving forward.

Related Projects:

Project C.

Other Involved Agencies:

Caltrans, cities of Laguna Hills, Laguna Woods, Lake Forest, and FHWA.

Assumptions:

Cost based on conceptual estimates, which was incorporated in the September 2025 M2 Program cash flow.

- OCTA 2022 Long-Range Transportation Plan
- September 2025 Project Status Report
- OCTA Project Controls Cost Estimate (October 2025)
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



D. I-5 (Ortega Highway Interchange)

Laguna Beach

Laguna Niguel

D San Juan Capistrano

Dana Point

San Clemente

San Clemente

EXHIBIT 15: PROJECT D - LOCATION OF IMPROVEMENT

Description:

Project D improvements included reconstructing the I-5 interchange at State Route 74 (SR-74) in south Orange County, as well as widening SR-74, modifying entrance and exit ramps and replacing the existing bridge structure. See Exhibit 15 for the location of the improvement.

Cost:

\$79.80 million.

Status:

The project opened to traffic in September 2015 and was officially completed in January 2016.

Benefits:

This project alleviated a major chokepoint and reduced congestion by widening the Ortega Highway bridge and improving local traffic flow through reconfigured streets and on- and off-ramps.

External Funding:

\$752,000 in federal funds, \$73.48 million in state funds, \$2.50 million in M1 funds from the regional interchange program, and \$5.01 million in other local funds were used for the project.

Risks:

None – project completed.

Related Projects:

Project C.



D. I-5 (Ortega Highway Interchange)

Other Involved Agencies:

Caltrans, City of San Juan Capistrano, and CTC.

Assumptions:

Cost based on January 2020 Project Status Report, which was incorporated in the September 2025 M2 Program cash flow.

- OCTA 2022 Long-Range Transportation Plan
- January 2020 Project Status Report
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



E. SR-22 Access Improvements

EXHIBIT 16: PROJECT E - LOCATION OF IMPROVEMENTS



Description:

Project E constructed interchange improvements at Euclid Street, Brookhurst Street, and Harbor Boulevard to reduce freeway and street congestion near these interchanges. See Exhibit 16 for the location of the improvements.

Cost:

\$25.80 million.

Status:

These improvements were part of the State Route 22 (SR-22) Widening Project completed in 2008 using M1 funds.

Benefits:

The project reconstructed the freeway overcrossings to allow these streets to be widened through the interchange area. These improvements reduced congestion and delay at all three interchanges.

External Funding:

\$15.9 million of M1 funds and \$9.9 million of other non-M2 (federal, state and city) funds were used for the project.

Risks:

None – project completed.





Related Projects:

West County Connectors (WCC) project at SR-22/I-405 and I-405/I-605 interchanges.

Other Involved Agencies:

Caltrans and City of Garden Grove.

Assumptions:

Completed as part of the M1 SR-22 Design/Build project.



F. SR-55 Improvements



EXHIBIT 17: PROJECT F – MAP OF APPROXIMATE LIMITS

Description:

Project F will reduce congestion by adding lanes and operational improvements to SR-55 between I-405 and SR-91. See Exhibit 17 for a map of the approximate limits. This project is divided into two segments as described below.

Segment 1: This project will add one general purpose lane (approximately four miles) between I-405 and I-5, including auxiliary lanes between interchanges to smooth traffic flow. The general purpose lane will be funded with M2, state, and federal funds. Concurrent with these efforts, a second HOV lane will also be constructed between I-5 and I-405 with state and local funds, along with a northbound auxiliary lane between MacArthur Boulevard and Edinger Avenue with state funds.

Segment 2: This project will add new lanes between I-5 and SR-22, including merging lanes between interchanges to smooth traffic flow. Operational improvements between SR-22 and SR-91 will also be incorporated. This segment will generally be constructed within the existing ROW. The project limits span approximately 6.4 miles.

Cost:

Segment 1: \$505.72 million (YOE)

Segment 2: \$202.14 million (YOE).

Status:

Segment 1: Construction began in June 2022 and is anticipated to be complete in March 2027.



F. SR-55 Improvements

Segment 2: Final design was initiated in August 2022 and is anticipated to be complete in December 2025. The project is anticipated to achieve ready-to-list status in September 2026 to prepare the project for construction to begin in mid-2027.

Benefits:

This project will improve mobility and reduce congestion in central Orange County areas by adding new lanes and making operational improvements for existing and forecasted traffic volumes (especially for weaving and lane efficiency at ramp junctions).

External Funding:

Segment 1: The Board has approved providing \$160.50 million in federal funds and \$220.00 million in state funds. In addition, \$475,000 in federal earmarks and \$41.90 million in State Highway Operation and Protection Program funds were committed for this project.

Segment 2: The Board has approved providing \$10.51 million in federal funds for this project, which includes \$2.64 million in federal earmark funds committed for this project.

Risks:

Segment 1: Schedule, scope, and cost risks remain high due to complex ROW impacts which rely on design variations. This may also delay receipt of the State's share of funding.

Segment 2: Overall schedule, scope, and cost risks are low at this time.

Related Projects:

Projects A and B.

Other Involved Agencies:

Caltrans, cities of Anaheim, Orange, Santa Ana, and Tustin, and FHWA.

Assumptions:

Cost based on September 2025 M2 Program cash flow.

- OCTA 2022 Long-Range Transportation Plan
- September 2025 Project Status Report
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



G. SR-57 Improvements

EXHIBIT 18: PROJECT G - MAP OF APPROXIMATE LIMITS



Description:

Project G will reduce congestion by adding one general purpose lane in the northbound direction from Orangewood Avenue in the City of Orange to approximately Tonner Canyon Road in the City of Brea. See Exhibit 18 for a map of the approximate limits.

Select northbound undercrossings will also be widened and seismically retrofitted, as required. The project is divided into three segments as described below.

Segment 1: This project consists of three segments that added a northbound general purpose lane from Katella Avenue to Lincoln Avenue (approximately 2.8 miles), Orangethorpe to Yorba Linda Avenue (approximately 2.4 miles), and Yorba Linda Boulevard to Lambert Road (approximately 2.5 miles) in the cities of Anaheim, Brea, Fullerton, and Placentia.

Segment 2: This project will provide a truck climbing lane (up to two miles) and other operational improvements in the northbound direction from Lambert Road in the City of Brea to approximately the Orange County/Los Angeles County Line.

Segment 3: This project will add one northbound general purpose lane (approximately one mile) from Orangewood Avenue in the City of Orange to Katella Avenue in the City of Anaheim. Segment improvements would maintain the existing auxiliary lane and address existing non-standard features between Orangewood Avenue and Katella Avenue.



G. SR-57 Improvements

Cost:

Segment 1: \$144.36 million.

Segment 2: \$445.53 million (YOE) is currently included in the cash flow. However, this cost will be updated once a project alternative is selected.

Segment 3: \$135.44 million (YOE).

Status:

Segment 1: This project was completed and opened to traffic in 2014.

Segment 2: In 2001, Caltrans completed a project study report to add a northbound truck-climbing lane from Lambert Road in the City of Brea to just north of the Orange County/Los Angeles County Line. However, following discussions with Caltrans in late 2021, it was decided that a new project study report-project development support document should be prepared to reassess the project. Through the SB 1 Trade Corridor Enhancement Program, construction of an initial phase for interchange improvements at Lambert Road was completed in early 2024. Phase two was approved for State Transportation Improvement Program (STIP) funding in March 2022 to begin the environmental phase. The preparation of a new project study report-project development support document began in summer 2023 and is anticipated to be complete in 2025, with the environmental phase scheduled to begin in late 2025. OCTA included the final design phase in the 2024 STIP which was adopted by CTC in March 2024.

Segment 3: Final design was initiated in March 2022 and was completed in August 2024. The construction contract was awarded in September 2025, with construction anticipated to begin in late 2025.

Benefits:

This project will substantially improve existing and future mobility, reduce congestion, improve mainline weaving, and merge/diverge movements, which will improve both traffic operations and safety. Combined improvements from Orangethorpe Avenue to Tonner Canyon Road could achieve a 40 percent reduction in total delay through the SR-57 northbound corridor.

External Funding:

Segment 1: \$104.85 million in state funds.

Segment 2: The Board approved \$29.5 million in state funds to support the environmental and design phases of this project.

Segment 3: The Board approved \$14.74 million in federal funds.

Risks:

Segment 1: None – project is complete.

Segment 2: Project may encounter environmental challenges related to potential contaminated soil, which could affect cost and schedule.



G. SR-57 Improvements Potential risks exist due to the potential need for seismic retrofitting of existing bridges and Seament 3:

proximity to Metrolink, future High-Speed Rail ROW, and other important stakeholders. Additionally, the project faces a tight schedule to finish before the 2028 Olympics construction moratorium.

Related Projects:

Project H.

Other Involved Agencies:

Caltrans, cities of Anaheim, Brea, Fullerton, Orange, and Placentia, CTC, and FHWA.

Assumptions:

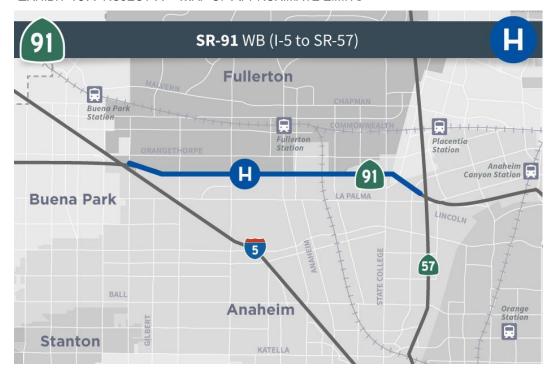
Cost based on September 2025 M2 Program cash flow.

- OCTA 2022 Long-Range Transportation Plan
- September 2025 Project Status Report
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



H. SR-91 (I-5 to SR-57)

EXHIBIT 19: PROJECT H - MAP OF APPROXIMATE LIMITS



Description:

Project H widened westbound SR-91 by connecting existing auxiliary lanes (approximately 4.5 miles) through interchanges, thus forming a fourth continuous general purpose lane between I-5 and SR-57. The project also replaced existing auxiliary lanes on westbound SR-91 between State College Boulevard and Raymond Avenue, and between Euclid Street and Brookhurst Street, and added a new auxiliary lane between Raymond Avenue and Lemon Street. See Exhibit 19 for a map of the approximate limits.

Cost:

\$59.23 million.

Status:

The project opened to traffic in March 2016 and was officially completed in June 2016.

Benefits:

This project alleviated congestion by adding a continuous general purpose lane and replaced existing auxiliary lanes, which improved merging operations at each interchange.

External Funding:

\$27.23 million in state funds were used for the project.

Risks:

None – project completed.

Related Projects:

Project I.



H. SR-91 (I-5 to SR-57)

Other Involved Agencies:

Caltrans, cities of Anaheim and Fullerton, and CTC.

Assumptions:

Cost based on September 2025 M2 Program cash flow.

- OCTA 2022 Long-Range Transportation Plan
- September 2025 Project Status Report
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



I. SR-91 (Tustin Avenue Interchange to SR-55)

SR-91 (Tustin Avenue Interchange to SR-55)

Anaheim

LINCOLN

ST

Villa

Park

EXHIBIT 20: PROJECT I – MAP OF APPROXIMATE LIMITS

Description:

Project I from Tustin Avenue Interchange to SR-55 added a westbound auxiliary lane, beginning at the northbound SR-55 to westbound SR-91 connector, through the Tustin Avenue interchange. The overall segment length was approximately two miles. Additional features of this project included widening the westbound Santa Ana River Bridge to accommodate the auxiliary lane. See Exhibit 20 for a map of the approximate limits.

Cost:

\$42.47 million.

Status:

The project was completed and opened to traffic in 2016.

Benefits:

This project addressed chokepoint conditions and reduced operational problems, including weaving and merging maneuvers, which were primarily caused by extensive weaving between the northbound SR-55 to westbound SR-91 connector and the westbound SR-91 off-ramp to Tustin Avenue.

External Funding:

\$29.75 million in state funds were used for the project.

Risks:

None – project completed.



I. SR-91 (Tustin Avenue Interchange to SR-55)

Related Projects:

Projects H, I (SR-57 to SR-55) and J.

Other Involved Agencies:

Caltrans, City of Anaheim, CTC, and FHWA.

Assumptions:

Cost based on January 2019 Project Status Report, which was incorporated in the September 2025 M2 Program cash flow.

- OCTA 2022 Long-Range Transportation Plan
- January 2019 Project Status Report
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



II. SR-91 (SR-57 to SR-55)

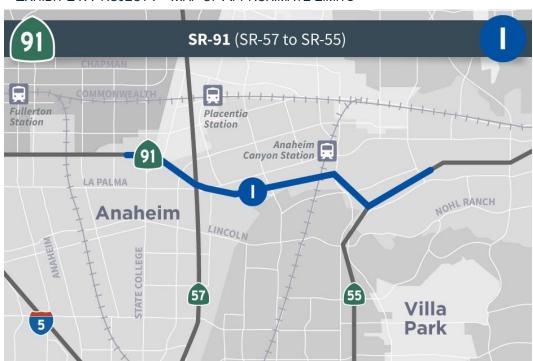


EXHIBIT 21: PROJECT I – MAP OF APPROXIMATE LIMITS

Description:

Project I from approximately SR-57 to SR-55 will add one westbound general purpose lane between northbound SR-57/westbound SR-91 connector and State College Boulevard, and one eastbound general purpose lane between SR-57 and SR-55. See Exhibit 21 for a map of the approximate limits. The project is divided into three segments as described below.

Segment 1: This project from SR-55 to Lakeview Avenue (approximately 2.2 miles) will realign the westbound SR-91 on-ramp at Lakeview Avenue interchange, replace the Lakeview Avenue overcrossing bridge, and add a new on-ramp from the Lakeview Avenue bridge to connect directly to southbound SR-55 to improve traffic operations in the Anaheim area.

Segment 2: This project will add an eastbound general purpose lane on SR-91 between La Palma Avenue and SR-55 (approximately 2.7 miles) and include bridge widening over the Santa Ana River on eastbound SR-91 and bridge replacements at Glassell Street/Kraemer Boulevard and Tustin Avenue to reduce congestion and improve traffic operations in the Anaheim area.

Segment 3: This project from Acacia Street to La Palma Avenue (approximately 1.8 miles) will add a fourth general purpose lane on westbound SR-91 between northbound SR-57/westbound SR-91 connector and State College Boulevard, make improvements to the weave from westbound SR-91 to northbound and southbound SR-57, and replace the bridge at La Palma Avenue to enhance westbound operations on SR-91, to reduce congestion and improve traffic operations in the Anaheim area.



I. SR-91 (SR-57 to SR-55)

Cost:

Segment 1:

- ➤ M2 Portion: \$131.26 million (YOE).
- Caltrans Multi Asset Project Portion: \$9.49 million (YOE).

Segment 2: \$380.68 million (YOE).

Segment 3:

- ➤ M2 Portion: \$226.01 million (YOE).
- Caltrans Multi Asset Project Portion: \$31.44 million (YOE).

Status:

The environmental phase for all three segments was completed in June 2020.

Segment 1: The project began construction in February 2025 and is anticipated to be complete in 2028.

Segment 2: Final design was initiated in June 2020 and was completed in January 2025. The project is anticipated to achieve ready-to-list status in December 2025 to prepare the project for construction to begin in late 2026.

Segment 3: The project was advertised for construction in May 2025 and construction is anticipated to start in late 2025.

Benefits:

Segment 1: This project is anticipated to alleviate congestion and reduce delay by improving the connection from Lakeview Avenue to southbound SR-55.

Segment 2: This project is anticipated to alleviate congestion in the eastbound direction and improve safety in both directions.

Segment 3: This project will enhance westbound operations and safety.

External Funding:

Caltrans is responsible for funding the Multi Asset Projects that are part of Segments 1 and 3.

The Board has approved funding that supports this project including:

Segment 1: \$6.77 million in federal funds, \$42.57 million in state funds, and \$83.41 million in 91 Express Lanes excess revenues.

Segment 2: \$7.46 million in federal funds, \$6.64 million in state funds, and \$336.54 million in 91 Express Lanes excess revenues.

Segment 3: \$4.77 million in federal funds, and \$217.60 million in 91 Express Lanes excess revenues.



I. SR-91 (SR-57 to SR-55)

Risks:

Schedule, scope, and cost risks remain high due to completing the right-of-way process and coordination among the three segments and overlapping Caltrans projects within the project limits on striping, lane closures, and utility relocation activities.

Related Projects:

Projects H, I (Tustin Avenue Interchange to SR-55), and J.

Other Involved Agencies:

Caltrans, cities of Anaheim, Fullerton, Orange, and Placentia, CTC, and FHWA.

Assumptions:

Cost based on September 2025 M2 Program cash flows. Caltrans is responsible for the Multi Asset Project cost.

- OCTA 2022 Long-Range Transportation Plan
- September 2025 Project Status Report
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



J. SR-91 (SR-55 to SR-71)

SR-91 (SR-55 to SR-241 and SR-241 to SR-71)

Yorba Linda

Anaheim
Canyon Station

Anaheim
Hills

Villa
Park

EXHIBIT 22: PROJECT J – MAP OF APPROXIMATE LIMITS

Description:

Project J includes improvements on SR-91 from SR-55 to State Route 71 (SR-71) in Riverside County and is divided into three segments. See Exhibit 22 for a map of the approximate limits.

Segment 1: This project added one eastbound lane (approximately six miles) on SR-91 from one-mile east of SR-241 to SR-71 in Riverside County. This project was led by RCTC in coordination with Caltrans District 8.

Segment 2: This project added one new lane (approximately six miles) in both directions of SR-91 between SR-55 and SR-241 and improved key interchanges. Additional improvements included the widening and seismic retrofitting of the Imperial Highway and Weir Canyon Road undercrossing bridges. This project was led by OCTA in coordination with Caltrans District 12.

Segment 3: This project requires coordination and funding agreements with RCTC to deliver complementary improvements between SR-241 and SR-71 in Riverside County. M2 is only responsible for the Orange County portion of this project. Improvements beyond SR-71 are overseen by RCTC.

Cost:

Segment 1: \$57.77 million.

Segment 2: \$79.74 million.

Segment 3: \$101.17 million (YOE).



J. SR-91 (SR-55 to SR-71)

Status:

Segment 1: Completed in January 2011.

Segment 2: Completed in March 2013.

Segment 3: This project was environmentally reviewed as part of the RCTC's Corridor Improvement Project. RCTC and OCTA advanced the westbound direction of this segment by adding a general purpose lane (two miles in length) from Green River Road to SR-241. RCTC was the lead agency and OCTA contributed approximately \$10.2 million towards the project. Construction began in November 2020 and was completed in January 2022. A feasibility study to evaluate potential eastbound improvements from SR-241 to SR-71 was completed in April 2022. RCTC is the lead agency for advancing the environmental phase of the eastbound improvements known as the Eastbound Corridor Operations Project (ECOP), which began in June 2023 and is anticipated to be completed in early 2026. RCTC plans to utilize progressive design build as the project delivery approach that will include preliminary design (Phase I) followed by final design and construction (Phase II). Phase I is anticipated to begin mid-2026.

Benefits:

Segment 1: This project added one general purpose lane, which improved weaving by reducing the volume of exiting vehicles in the SR-91 mainline through lanes that are exiting at Green River Road and SR-71.

Segment 2: This project helped to alleviate congestion and reduce delays.

Segment 3: This project will reduce congestion and delays and improve operational efficiency by reducing the existing chokepoints within the project limits.

External Funding:

Segment 1: \$45.91 million in federal funds and \$4.92 million in local funds were used for this project.

Segment 2: \$76.30 million in state funds were used for this project and \$2.90 million in state funds were used for replacement planting.

Segment 3: \$15.00 million of 91 Express Lanes excess revenue is Board approved for the Orange County portion of the westbound segment.

Risks:

No risks for Segments 1 and 2 as they are complete. For segment 3, time, scope, and costs risks are dependent upon required coordination with RCTC. Eastbound improvements have engineering challenges due to project area topography (Santa Ana Canyon) and natural constraints (Santa Ana River).

Related Projects:

Project I and the Riverside County Corridor Improvement Project.



J. SR-91 (SR-55 to SR-71)

Other Involved Agencies:

Caltrans, cities of Anaheim and Yorba Linda, Corona, County of Orange, CTC, FHWA, and RCTC.

Assumptions:

Cost based on December 2012 Project Status Report (segment 1), June 2018 Project Status Report (segment 2), and estimates from RCTC (segment 3) which were incorporated in the September 2025 M2 Program cash flow. The ECOP schedule and cost is subject to change and are contingent on the outcome of the environmental phase, availability of funding, and coordination with RCTC.

- OCTA 2022 Long-Range Transportation Plan
- December 2012 Project Status Report (segment 1)
- June 2018 Project Status Report (segment 2)
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



K. I-405 (SR-73 to I-605)

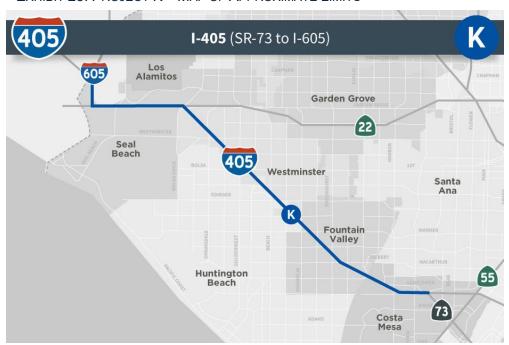


EXHIBIT 23: PROJECT K - MAP OF APPROXIMATE LIMITS

Description:

Project K included the addition of new lanes to I-405 between SR-73 and I-605. The project made the best use of available freeway property by staying generally within the freeway ROW and updating key local interchanges to the current Master Plan of Arterial Highway (MPAH) standards. The project added one general purpose lane (approximately 16 miles) in each direction of I-405 from Euclid Street to I-605. Additional improvements included reconstruction of local interchanges and improvements 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. See Exhibit 23 for a map of the approximate limits.

Concurrently with Project K, an additional lane (approximately 14 miles) was added in each direction that combined with the existing HOV lane to provide dual express lanes in each direction on I-405 from SR-73 to I-605. The general purpose lanes were funded with M2, state, and federal funds; the express lanes were funded solely with toll revenues.

Cost:

M2 Portion: \$1.62 billionExpress Lanes Portion: \$540.00 million

Status:

The project fully opened to traffic on December 1, 2023. Remaining work includes landscaping and punch-list items. Final acceptance and relief of maintenance is expected in late 2025.



K. I-405 (SR-73 to I-605)

Benefits:

Project K included the addition of auxiliary and general purpose lanes that reduced congestion and improved travel times. Additional improvements included interchange and local street improvements, and a direct Express Lanes connector at the I-405/SR-73 interchange.

The express lanes operate congestion-free throughout the day, due to toll rates that vary based on traffic demand. The express lanes provide commuters with a reliable travel option compared to the adjacent, general purpose lanes.

M2 improvements, in combination with express lanes improvements, provide more throughput in the corridor. These improvements added two additional freeway lanes to I-405 in both directions between SR-73 to the I-605 interchange.

External Funding:

The Board has approved funding that supports this project, including \$45.65 million in federal funds and \$89.77 million in state funds. The project also successfully secured \$628.93 million from Transportation Infrastructure Finance and Innovation Act (TIFIA), a low-cost federal loan. The M2 cash flow will benefit from \$149.90 million in TIFIA revenues for this project. The entire TIFIA loan will be paid back solely with toll revenues.

Risks:

None – project completed.

Related Projects:

Project L and WCC improvements at SR-22/I-405 and I-405/I-605 interchanges (mentioned under Project E).

Other Involved Agencies:

Caltrans, Build America Bureau TIFIA Office, cities of Costa Mesa, Fountain Valley, Huntington Beach, Seal Beach, and Westminster, Community of Rossmoor, CTC, and FHWA.

Assumptions:

Costs based on September 2025 M2 Program cash flow. M2 will only pay for the addition of the general purpose lanes. Toll revenues will pay for the 405 Express Lanes.

- OCTA 2022 Long-Range Transportation Plan
- September 2025 Project Status Report
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



L. I-405 (I-5 to SR-55)

Santa Ana Station Stat

EXHIBIT 24: PROJECT L - MAP OF APPROXIMATE LIMITS

Description:

Project L will add new lanes (approximately 8.5 miles) to I-405 from the vicinity of I-5 to SR-55 to alleviate congestion and reduce delays. See Exhibit 24 for a map of the approximate limits. The project will generally be constructed within the existing ROW.

Cost:

\$269.60 million (YOE).

Status:

The project completed the environmental phase in August 2018 and is shelf-ready to begin the design phase.

Project B (I-5, I-405 to SR-55) is a parallel project designated for construction. As a result, Project L will follow to avoid excessive inconvenience to the traveling public. Additionally, a significant Caltrans safety project is scheduled to take place within the Project L project limits and will require additional coordination.

Benefits:

Improvements between I-5 and SR-55 would help alleviate congestion and reduce delays.

External Funding:

The Board approved providing \$8.00 million in federal funds to support the environmental phase of the project. This project is eligible for future state and federal funds.



L. I-405 (I-5 to SR-55)

Risks:

Overall time, scope, and costs risks are low with this project due to low ROW impacts and straightforward design.

Related Projects:

Projects B and K.

Other Involved Agencies:

Caltrans, City of Irvine, CTC, FHWA, and TCA.

Assumptions:

Cost based on estimate developed in the environmental phase which was incorporated in the September 2025 M2 Program cash flow.

- OCTA 2022 Long-Range Transportation Plan
- February 2019 Project Status Report
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



M. I-605 (Katella Avenue Interchange) Improvements

I-605 / Katella Interchange Improvements

M

KATELLA

Stanton

Los
Alamitos

Seal
Beach

Westminster

EXHIBIT 25: PROJECT M - LOCATION OF IMPROVEMENT

Description:

Project M includes improvements to I-605 freeway access and the arterial connection at Katella Avenue, which serves communities in the cities of Cypress and Los Alamitos. See Exhibit 25 for the location of the improvement.

Cost:

\$53.01 million (YOE).

Status:

The environmental phase for this project was completed in late 2018 and was done in cooperation with the City of Los Alamitos. Final design was initiated in December 2020 and was completed in January 2023. Construction began in April 2025 and is anticipated to be complete mid-2027.

Benefits:

The I-605 Katella Avenue interchange project would include both freeway and arterial improvements that would improve interchange traffic operations and improve bicycle and pedestrian facilities while minimizing adjacent ROW and environmental impacts. Additionally, these improvements would reduce congestion, traffic queuing, and delays within the interchange area.

External Funding:

The Board approved providing \$17.80 million in federal funds.



M. I-605 (Katella Avenue Interchange) Improvements

Risks:

Overall time, scope, and costs risks are low with this project due to low ROW impacts and straightforward design. However, risks exist due to construction coordination with other highway projects along the I-605 in proximity to this project.

Related Projects:

Project K and WCC improvements at the SR-22/I-405 and I-405/I-605 interchanges (mentioned under Project E).

Other Involved Agencies:

Caltrans and City of Los Alamitos.

Assumptions:

Cost based on September 2025 M2 Program cash flow.

- OCTA 2022 Long-Range Transportation Plan
- September 2025 Project Status Report
- Capital Funding Program Report State Highway Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan





Description:

The FSP provides competitively-bid, privately contracted tow truck services to assist stranded motorists and clear both disabled vehicles and large debris from freeway lanes to mitigate congestion caused by blocked traffic lanes and distracted motorists. FSP is available on all Orange County freeways during peak traffic hours, Monday through Friday, and in specific congested areas on weekends. This project assures that this basic level of service will continue through 2041.

Program Funding:

\$61.36 million in M2 revenue between 2026 and 2035.

Status:

FSP is primarily funded by State Highway Account (SHA) and Road Repair and Accountability Act of 2017 (SB 1) funds. OCTA meets matching fund requirements by utilizing a portion of its share of Service Authority for Freeway Emergencies (SAFE) funds collected by the Department of Motor Vehicles each year. Since June 2012, the FSP has assisted more than 874,343 motorists along Orange County freeways.

As demand, congestion levels, and costs increase, this project will allow the program to maintain existing service hours and extend service throughout the day and on weekends on additional freeway segments.

M2 also helps support the California Highway Patrol (CHP) as the partner responsible for field supervision. M2 funds a full-time dispatcher and CHP Officer overtime to ensure adequate program support seven days a week.

Present Day:

The FSP program assisted 64,517 motorists along the Orange County freeway system in FY 2024-25.

Benefits:

To keep Orange County moving, FSP provides free limited roadside assistance to motorists whose vehicles have become disabled and removes congestion-causing debris on Orange County freeways. Motorist assistance is limited to taping a leaking hose, providing water for a radiator, a jump start, a gallon of gas, a tire change, or towing a disabled vehicle off the freeway to a designated drop zone where the motorist may seek additional assistance.

In FY 2023-24, Orange County received approximately \$6 of congestion relief benefit for every dollar invested in the program.

External Funding:

- SHA allocation provided by Caltrans approximately \$2.2 million annually.
- SB 1 allocation provided by Caltrans approximately \$2 million annually.
- SAFE (\$1 per vehicle registration fee) funds not allocated to the 511 Motorist Assistance and Traveler Information and Freeway Call Box programs are available for FSP program use, to meet local match fund requirements approximately \$1.2 million annually.





Risks:

Should the State of California stop funding FSP through the SHA and SB 1, M2 will not be sufficient to maintain existing service levels.

Related Projects:

M2 Project N funds are designated to maintain existing service levels, provide mid-day and weekend service, and limited FSP support services for construction of Projects A-M.

Other Involved Agencies:

Caltrans and CHP.

Assumptions:

Project N is assumed to be funded on a pay-as-you-go basis. Funding provided through the SHA and SB 1 are allocated first, and then M2 funding is applied as needed.

- M2 Project N Guidelines for FSP Project, approved on February 13, 2012
- OCTA's FY 2024-25 Comprehensive Business Plan



Overview:

The EMP provides for allocation of five percent of the total M2 freeway budget for comprehensive environmental mitigation related to impacts from freeway improvements (projects A-M). The EMP was approved by Orange County voters under the M2 half-cent sales tax for transportation improvements in 2006.

A master agreement between OCTA, Caltrans, and state and federal resource agencies was approved in January 2010. This offers higher-value environmental benefits such as habitat protection, connectivity, and resource preservation in exchange for streamlined project approvals for the 13 (segmented into 30) M2 freeway projects.

To adhere to the promise of M2, the Next 10 Plan includes the following framework for the Mitigation Program as it relates to Projects A-M:

- Streamline freeway projects through the biological permitting process.
- Provide comprehensive environmental mitigation.
- Partner with state and federal resource and regulatory agencies.
- Provide higher-value environmental benefits such as habitat protection, connectivity, and resource preservation.

Next 10 Plan Deliverables:

In 2009, the Board approved a policy to allocate approximately 80 percent of the revenues to acquisitions and 20 percent to fund restoration projects. This policy will need to be revisited periodically to ensure it continues to meet program needs. The Next 10 Plan recommends four major initiatives through 2035 consistent with the above framework:

- 1. Oversee and manage the Preserves while the endowment is being established and determine potential long-term land manager(s) and endowment holder(s). This includes coordinating with local fire authorities and the Wildlife Agencies to monitor habitat recovery after wildfires impact the Preserves.
- 2. Focus EMP resources funding as a first priority toward the establishment of the endowment for the Preserves.
- 3. Review and update the resource management plans (RMP) on the Preserves as appropriate. This includes the development of FMPs for each of the Preserves.
- 4. Complete approximately 350 acres of restoration projects funded through M2 to fulfill the Conservation Plan commitments.



Description:

In 2010, OCTA began preparing a Conservation Plan, which examines habitat resources within broad geographic areas and identifies conservation and mitigation measures to protect habitat and species. This analysis was completed in 2016; in accordance with the master agreement "advance credit" provision, funds were allocated prior to completion of the Conservation Plan. In 2017, the Wildlife Agencies finalized the issuance of their respective biological opinion, findings, and associated permits, as well as signed the Conservation Plan Implementing Agreement. Receipt of these permits represents the culmination of years of collaboration and support by the Board, environmental community, and Wildlife Agencies.

Concurrent with efforts made toward completing the Conservation Plan and EIR/Environmental Impact Statement (EIS), OCTA collaborated with the United States Army Corps of Engineers (USACE) and the State Water Resources Control Board (SWRCB) – regulatory agencies – to streamline the regulatory permitting process. In 2017, the USACE issued a programmatic permit to OCTA and Caltrans (as owner/operator of the state highway system). The SWRCB provided a letter to OCTA in 2018, which further secured assurances related to advanced mitigation and freeway project permit issuance.

RMPs for each of the seven Preserves were finalized in 2018. These RMPs guide the management of the Preserves as outlined within the Conservation Plan. The Conservation Plan also requires that each Preserve have a Preserve-specific FMP. Staff will continue to oversee and manage the Preserves until a long-term management strategy is determined at which time, some or all of the Preserve responsibilities could be transferred to another entity.

Cost:

In 2007, the Board approved approximately \$55 million as part of the EAP. Accordingly, \$42 million and \$10.5 million were allocated for acquisition and restoration, respectively. An additional \$2.5 million was allocated for the Conservation Plan development and program support, including appraisals and biological surveys.

Status:

Since 2010, a total of \$10 million has been allocated for 13¹¹ projects to restore approximately 350 acres of open space lands throughout Orange County.

On September 26, 2016, the Board approved the selection of the endowment fund manager. Approximately \$2.9 million is deposited in the endowment annually at the beginning of each FY. These deposits are expected over a ten to 12 year period, or until the fund totals approximately \$46.2 million. As of September 30, 2025, the balance was \$38,595,652 which includes ten deposits. The Wildlife Agencies finalized the issuance of their respective permits, as well as executing the Implementing Agreement in 2017. In early 2018, OCTA secured advanced streamlined state and federal clean water permitting requirements. All seven Preserves have finalized RMPs and are being managed and protected for an interim period by OCTA staff and contractors. These RMPs are currently being reevaluated and will be revised as necessary in 2025. Staff will continue to oversee and manage the Preserves while a long-term management strategy and manager is determined.

¹¹ The project count was updated from 12 to 13 to reflect that one project covers two distinct areas with different criteria.



Present Day:

OCTA continues to manage the Preserves and is required to provide Conservation Plan reports annually to the Wildlife Agencies. Preserve management commitments continue to be carried out by OCTA. Various types of vegetation mapping and mammal monitoring (utilizing wildlife cameras) were completed in 2024. In 2025, focused surveys for the OCTA-covered bird species were completed. These efforts are required to help document that the Preserves are being effectively managed. The survey results are shared with the Wildlife Agencies and incorporated into the annual reports. This information is critical to show that OCTA is meeting obligations and to inform future Preserve management priorities. To date, the annual reports document that OCTA is complying with all the commitments within the Conservation Plan. The 2024 report is complete and will be shared with the Board in late 2025; it will subsequently be posted on the OCTA EMP website.

Benefits:

The completed Conservation Plan and regulatory permitting process are tools by which OCTA obtains biological and regulatory permits/assurances for the 13 (segmented into 30) M2 freeway projects. This comprehensive process enables OCTA to streamline future M2 freeway improvement projects.

External Funding:

Examples of external funding available for this program include:

- USFWS contribution toward the acquisition of open space land in the Trabuco Canyon area.
- USFWS Habitat Conservation Planning Assistant Grant to help fund the completion of the Conservation Plan.
- Restoration project sponsors utilize external funds and resources to implement their projects.

Risks:

To date, ten restoration projects have been completed and signed off by the Wildlife Agencies. The success of the restoration projects will support OCTA's Conservation Plan and regulatory permitting processes. However, unforeseeable conditions such as the frequency of drought and wildfires have and may continue to impact plant reestablishment. Additional funding may be necessary to ensure successful implementation of the restoration projects if the Wildlife Agencies do not sign off on the project under current conditions. OCTA will need to establish the endowment over a ten to 12-year period. OCTA currently holds the title and interim land management responsibility of the Preserves but will potentially secure a long-term land manager(s) in the future.

Related Projects:

Projects A-M.

Other Involved Agencies:

Caltrans, CDFW, the environmental community, SWRCB, USACE, and USFWS.

Assumptions:

This program was initially supported through bond issuances, but is assumed to be funded primarily on a pay-as-you-go basis going forward. More detailed assumptions are included in the appendices.



- Final Conservation Plan and EIR/EIS
- OCTA's FY 2024-25 Comprehensive Business Plan
- Additional resources can be found online: www.octa.net/environmental







2.2 STREETS & ROADS PROGRAM



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EXHIBIT 26: MEASURE M STREETS AND ROADS PROGRAM MAP

MEASURE M STREETS AND ROADS PROGRAM





Regional Capacity Program

- Competitive funding program with annual call for projects for roadway improvements (not mapped)
- OC Bridges Grade Separation Projects

Regional Traffic Signal Synchronization Program

- Competitive funding program with annual call for projects for signal coordination

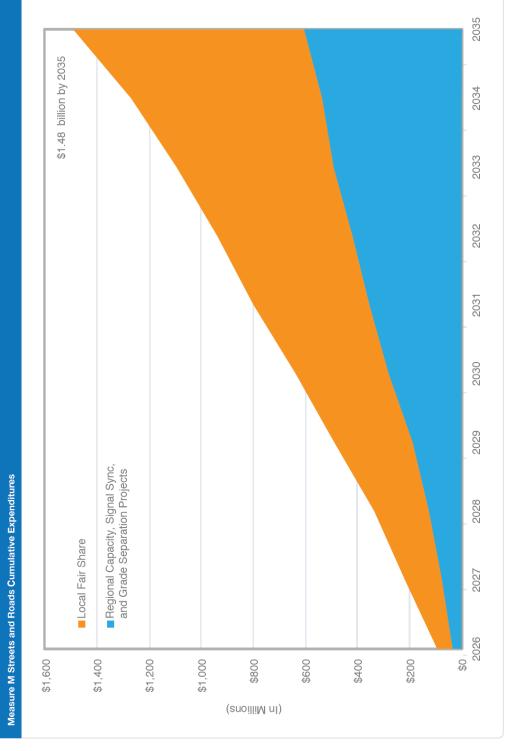
Q Local Fair Share Program

- Flexible funding to local jurisdictions for street maintenance and improvements (not mapped)



2035 2034

EXHIBIT 27: MEASURE M STREETS AND ROADS CUMULATIVE EXPENDITURES





2.2. Streets and Roads Program

Overview:

Local streets provide the capacity for the movement of people and goods which is essential to Orange County's commerce and vitality. Streets carry approximately half of Orange County's car and truck traffic and nearly all of Orange County's bicycle and pedestrian traffic. Keeping people moving on local streets is an essential function of the M2 funding programs for local streets. To meet this broad mobility goal, the Next 10 Plan includes the following framework for the Streets and Roads Program:

- Target M2 competitive program funds for streets with the worst traffic congestion.
- Maintain the value of investments in streets by synchronizing traffic signals and keeping pavement in good condition.
- Consider all modes of travel when planning for added street capacity.

Within this program is the OC Bridges Program, which funded seven over- or underpass grade separations that eliminated car and train conflicts along the BNSF railway in northern Orange County. For more details, see Section 3.1 in the Appendix.

Next 10 Plan Deliverables:

Continue to provide funding to improve the countywide network of streets and roads, making them safer and more efficient. The Next 10 Plan for streets and roads recommends two major initiatives through 2035, consistent with the above framework:

- 1. Provide annual calls for competitive funding to local jurisdictions to address bottlenecks and gaps in the street system and synchronize signals (Project O and P).
- 2. Provide flexible funding to local jurisdictions to preserve the quality of streets or for use on other transportation needs as appropriate (Project Q).



O. Regional Capacity Program

Description:

Project O provides funding through a competitive process to local jurisdictions for recommended streets and roads projects which complete the Orange County MPAH, relieve congestion, are cost effective, and can proceed to construction quickly. These projects fall into one of two categories as described below.

RCP: This portion of Project O provides a funding source to complete the Orange County MPAH, a plan for future roadway improvements throughout Orange County. This includes intersection improvements and other projects that help improve street operations and reduce congestion. The M2 goal for these projects is to complete roughly 1,000 miles of new street lanes, mostly in the form of widening existing streets to their ultimate planned width. Matching local funds are required for these projects.

OC Bridges: This portion of Project O funded seven over- or underpass grade separations that eliminate car and train conflicts along the BNSF railway (Orangethorpe Avenue corridor) in northern Orange County. These grade separations increased safety for everyone traveling through the intersections and eliminated delays caused by trains.

Program Funding:

RCP: \$487.75 million between 2026 and 2035.

Status:

To date, OCTA has awarded \$432.07 million, which includes \$24.25 million in external funding, to 195 projects through 15 competitive RCP calls. Annual calls are planned for projects between 2026 and 2035.

As of November 2017, all seven grade separation projects were opened to traffic (Kraemer Boulevard, Lakeview Avenue, Orangethorpe Avenue, Placentia Avenue, Raymond Avenue, State College Boulevard, and Tustin Avenue/Rose Drive). No future calls for grade separations are anticipated.

Present Day:

Annual RCP calls take place providing local jurisdictions the opportunity to request funding for street improvements that reduce congestion.

Benefits:

Completion of the MPAH system, including grade separations, will result in better traffic flow and a more efficient transportation system.

External Funding:

RCP: Local jurisdictions are required to provide a 50 percent local match. Matching funds may be reduced contingent on participation in pavement and signal programs, as well as use of non-M2 funds for local match. While other external state and federal funding are not typically used for RCP projects, there have been seven projects to date which qualified for and were awarded State-Local Partnership Program funds, amounting to approximately \$24.25 million.

OC Bridges: The Board approved the use of \$209.7 in federal funds and \$260.8 million in state funds for this project. Additionally, local jurisdictions provided \$43.4 million in funding. OC Bridges funding includes 75 percent in external local, state, and federal funds.



O. Regional Capacity Program

Risks:

RCP: Local jurisdictions must meet and maintain eligibility requirements to receive net M2 funds. Additionally, funds received are subject to M2 timely use of funds provisions.

OC Bridges: None – project completed.

Related Projects:

Project P and Project Q.

Other Involved Agencies:

All local jurisdictions (cities and County of Orange).

Assumptions:

Project O was supported through bond proceeds for the seven OC Bridges projects and is assumed to be funded primarily on a pay-as-you-go basis going forward. More detailed assumptions are included in the appendices.

- FY 2025-26 M2 Eligibility Guidelines
- 2026 Comprehensive Transportation Funding Program Guidelines
- 2017 Orange County MPAH Guidelines
- Capital Funding Program Report Local Road Project (October 2025)
- OCTA's FY 2024-25 Comprehensive Business Plan



P. Regional Traffic Signal Synchronization Program

Description:

Project P provides funds to local jurisdictions to implement new signal timing on a 750-mile regional network that covers most of Orange County. Optimizing traffic signal timing is a low-cost, high-benefit approach to reducing congestion and improving traffic flow. Better signal timing results in fewer traffic stops, delays, pollution, and saves commuters gas and money.

Program Funding:

\$195.10 million between 2026 and 2035.

Status:

As of September 2025, OCTA has funded approximately \$196.8 million, including \$40.1 million in M1 and external funding, to 143 projects. Since 2008, 109 corridor-based signal synchronization projects have been implemented, 31 are planned or underway, and three have been cancelled. Annual calls are planned for projects between 2026 and 2035. From FY 2025-26 through FY 2034-35, the entire network of signals is anticipated to have been retimed or optimized at least two times. This equates to more than 4,000 intersections retimed over a ten-year period.

Present Day:

In the past, many traffic signal synchronization projects were limited to segments of roads in individual cities. M2 provides funds to expand these projects to benefit neighboring cities and regional corridors.

Benefits:

Optimizing signal timing offers substantial benefits in reducing traffic delays and improving air quality. To date, OCTA has implemented optimized signal timing on 109 corridors with 3,789 intersections covering 979 miles of roadway. On average, each project resulted in a 13 percent travel time savings for corridor end-to-end travel, saving commuters time and money for a relatively low investment. Future projects may see comparable benefits when combined with capital improvements to reduce physical bottlenecks where appropriate.

External Funding:

Local jurisdictions are required to provide a 20 percent local match. Matching funds may be in-kind services. There may be future needs for more capital-intensive investments as systems age.

Projects that started prior to the 2011 call were funded with \$4.97 million in M1, \$1.77 million in federal Congestion Mitigation and Air Quality Improvement (CMAQ), and \$3.84 million in Prop 1B funds. The 2013 call was partially funded with \$1.25 million in Mobile Source Air Pollution Reduction Review Committee grant money. The 2018 call was able to leverage \$6.69 million in SB 1 Local Partnership Program competitive grant funds. OCTA was also able to leverage \$12 million in SB 1 Solutions for Congested Corridor Program competitive grant funds for three corridor projects outside the 2020 call.

In parallel with the annual call, OCTA secured and awarded \$9.63 million in CMAQ and Surface Transportation Block Grant funds to develop and implement a countywide signal synchronization network for Orange County that will consist of retiming approximately 2,500 signals along regionally significant corridors to ensure seamless travel across the County. This Countywide Signal Synchronization Baseline



P. Regional Traffic Signal Synchronization Program

project kicked off in June 2024 with data collection. While this innovative project is entirely externally funded, the results will benefit and shape the future of Project P.

In all, external funding (not including funds provided by local jurisdictions) contributed is approximately \$40.1 million.

Risks:

Local jurisdictions must meet and maintain eligibility requirements to receive net M2 funds. Additionally, funds received are subject to M2 timely use of funds provisions.

Related Projects:

Project O (RCP) and Project Q.

Other Involved Agencies:

Caltrans and all local jurisdictions (cities and County of Orange).

Assumptions:

Project P is assumed to be funded on a pay-as-you-go basis.

- FY 2025-26 M2 Eligibility Guidelines
- RTSSP Update September 2025
- 2026 Comprehensive Transportation Funding Program Guidelines
- OCTA's FY 2024-25 Comprehensive Business Plan
- Capital Funding Program Report Local Road Project (October 2025)



Q. Local Fair Share

Description:

Project Q provides formula-based funds that local jurisdictions may use for a variety of transportation purposes and needs, including repairing aging streets, residential street projects, bicycle lanes, and pedestrian safety.

Key among these needs is pavement preservation, which involves extending the useful life of pavement and avoiding costly street reconstruction. Preserving and maintaining roads in good condition is a key goal of M2 and Project Q in particular.

Program Funding:

Up to \$877.95 million will be provided between 2026 and 2035.

Status:

As of September 2025, approximately \$822.99 million^{12,13,14} in LFS payments have been provided to local jurisdictions and the County.

Orange County streets are in generally good condition on average (with a pavement condition index of 79 based on the 2022 statewide report, the best in state). As roadway pavement conditions deteriorate, however, the cost for repairs increases exponentially. For example, it costs as much as 14 times more to reconstruct pavement than to preserve it when it is in good condition.

Present Day:

The cost of street rehabilitation has increased substantially in recent years, and gas tax revenues have not kept pace, which has a direct impact on the ability to fund street maintenance and rehabilitation.

Benefits:

Investments in streets and roads save future costs, keep traffic moving, and offer expanded travel choices.

LFS funds are also flexible and can be used as matching funds for capacity and safety projects, bicycle, pedestrian facilities, or community transit services.

External Funding:

This program is not externally funded.

Risks:

Local jurisdictions must meet and maintain eligibility requirements to receive net M2 funds. Additionally, funds received are subject to M2 timely use of funds provisions.

¹⁴ On May 12, 2025, the Board determined the City of Orange eligible to receive net M2 revenues again. Withheld funds were released in June 2025.



¹² 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.

¹³ Only includes disbursed funds. 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.



Related Projects:

Project O (RCP) and Project P.

Other Involved Agencies:

All local jurisdictions (cities and County of Orange).

Assumptions:

Project Q is assumed to be funded on a pay-as-you-go basis.

- FY 2025-26 M2 Eligibility Guidelines
- 2022 California Statewide Local Streets and Roads Needs Assessment
- OCTA's FY 2024-25 Comprehensive Business Plan





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2.3 TRANSIT PROGRAM



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EXHIBIT 28: MEASURE M TRANSIT PROGRAMS MAP

MEASURE M TRANSIT PROGRAMS





- **®** High Frequency Metrolink Service
 - Metrolink Grade Crossing Improvements •
 - Metrolink Station Improvement Projects (

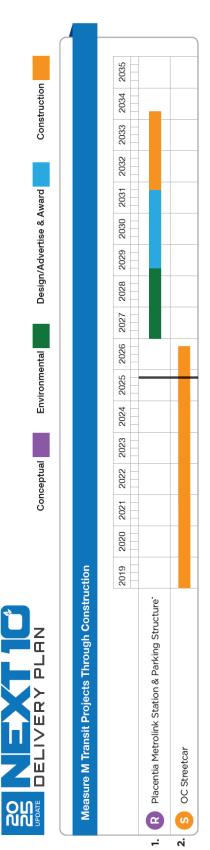
 - Planned Metrolink Station (5)
 Laguna Niguel-San Juan Capistrano Passing Siding Project
 - Sand Canyon Grade Separation Project 👨
- S Transit Extensions to Metrolink
 - Bus and Station Van Extension Projects (not mapped)
 - OC Streetcar

- Metrolink Gateways
 - Anaheim Regional Transportation Intermodal Center (ARTIC)
- **O** Expand Mobility Choices for Seniors and Persons with Disabilities (countywide, not mapped)
 - Senior Mobility Program
 - Senior Non-Emergency Medical Transportation
 - Fare Stabilization Program
- ▼ Community Based Transit/Circulators ■
- ♥ Safe Transit Stops (countywide, not mapped)





EXHIBIT 29: MEASURE M TRANSIT PROJECTS THROUGH CONSTRUCTION



OC Streetcar schedule updated as of September 30, 2025. Shown schedules are subject to change.

*Proposed accelerated schedule. Final schedule pending consensus with stakeholder agencies.





2.3. Transit Program

Overview:

The goal of the Transit Program is to build a visionary transit system that is safe, clean, and convenient, with a focus on Orange County's transportation future. Providing mobility choices and connectivity for Orange County residents and workers are key components of the overall M2 Plan. To meet this broad mobility goal, the Next 10 Plan includes the following framework for the Transit Program:

- Ensure efficient and integrated Metrolink service for Orange County residents.
- Assess and deliver transit options providing riders first and last mile connections and alternatives to driving.
- Provide services and programs to meet the growing transportation needs of seniors and persons with disabilities.
- Support local agency efforts to deliver Board-approved community-based transit projects.
- Advance improvements to the busiest transit stops across the County to provide passenger amenities that ease transfers between bus lines.

Next 10 Plan Deliverables:

The Next 10 Plan for transit recommends seven major initiatives through 2035, consistent with the above framework.

- 1. Advance development of a rail station, contingent on interagency coordination and long-term fiscal sustainability.
- 2. Support Metrolink service as an attractive alternative to driving in Orange County.
- 3. Complete construction and begin operating the OC Streetcar.
- 4. Incorporate recommendations from planning studies to guide development of future transit connections.
- 5. Support expanded mobility choices for seniors and persons with disabilities.
- 6. Work with local jurisdictions to maintain successful community circulator projects and potentially provide grant opportunities for expanded or new local transit services.
- 7. Continue to improve the top 100 busiest bus stops in Orange County.



Description:

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. Project R also provides for safety and operational improvements to the railroad infrastructure necessary to support existing and expanded train service, including grade crossing improvements, track improvements, signal and communications system improvements, as well as other projects as necessary to support the rail system. Grade separation projects will be considered as available funding permits.

Program Funding:

Approximately \$486.29 million between 2026 and 2035.

Status:

To date, rail safety enhancements at 50 at-grade rail-highway crossings have been completed. As a result, quiet zones have been established in the cities of Anaheim, Dana Point, Irvine, Orange, San Clemente, San Juan Capistrano, Santa Ana, and Tustin.

Station improvements completed during the EAP include parking expansion projects at the Fullerton Transportation Center, Tustin Station, and Laguna Niguel/Mission Viejo Station, as well as safety repairs to the San Clemente Pier Station platform.

Since then, several station improvement projects have been completed: the San Clemente Pier Metrolink/ Amtrak Station lighting, the Laguna Niguel/Mission Viejo Metrolink Station Americans with Disabilities Act (ADA) ramps, the Orange Transportation Center Parking Structure, the Fullerton Transportation Center elevator upgrades project and stair replacement project, and detectable tile replacements at various stations. Most recently completed in January 2023, the Anaheim Canyon Metrolink Station improvement project added a second main track and passenger platform, extended the existing passenger platform, improved at-grade crossings for pedestrian circulation, and installed new station amenities.

OCTA remains committed to advancing the development of the new Placentia Metrolink Station. However, project advancement beyond the environmental phase is dependent on a shared-use agreement between Metrolink and BNSF prior to advertisement and construction, as well as Metrolink's long-term fiscal sustainability and ability to support continued operations.

Completed rail corridor improvements include Control Point at 4th Street, Control Point Stadium, the San Clemente Beach Trail Audible Warning System, Laguna Niguel to San Juan Capistrano Passing Siding, Railroad ROW Slope Stabilization, and six Project Study Reports for potential grade separations along the LOSSAN corridor, including: 17th Street, Ball Road, Grand Avenue, Main Street, Orangethorpe Avenue, and Santa Ana Boulevard.

Rail corridor improvements underway include: San Juan Creek Railroad Bridge Replacement, track stabilization and protection in San Clemente, Metrolink Preventive Maintenance Capitalized Operation, Metrolink Rehabilitation/Renovation, and ongoing operation of Positive Train Control.

Following the completion of the Metrolink Service Expansion Program 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 Orange County. However, during the peak of the COVID-19 pandemic, service was reduced to 41 trains. Since then, service levels have been incrementally restored and refined in response to post-pandemic ridership trends and evolving regional mobility needs.

Present Day:

Metrolink is currently operating 58 weekday trains on the three lines serving Orange County. In October 2024, Metrolink implemented *Metrolink Reimagined*, a service change which transformed Metrolink service to make more efficient use of train equipment and crews to offer more travel options for midday and evening riders. This is intended to help the railroad adapt to evolving travel patterns from alternative work arrangements. *Metrolink Reimagined* also oriented service around a clockface schedule to allow for easier transfers between lines. OCTA will continue to actively engage with Metrolink and other member agencies and monitor ridership levels and the corresponding financial impacts to M2.

Benefits:

Project R allows for sustained operation and enhanced capacity of Metrolink trains serving Orange County, providing a viable alternative to single-occupant vehicle travel, thereby reducing congestion on crowded roadways and freeways.

External Funding:

- State: STIP, Propositions 1A, 1B, and 116, TIRCP, and other state funding \$862.23 million.
- Federal: CMAQ, the Surface Transportation Block Grant Program, and Federal Transit Administration (FTA) Sections 5307, 5309, and 5337, and other federal funding totaling \$644.05 million.
- Other Local: Local funding from the cities as well as other entities is programmed for \$86.26 million.
- M1: \$136.58 million.

Risks:

Close monitoring of Metrolink operations is necessary to ensure sustainability through 2041. Despite ridership improving quarter-over-quarter, ridership recovery continues to struggle, thereby affecting farebox revenues. To exacerbate this shortfall, operating costs have increased. The 2025 Next 10 Plan cashflow includes the assumption of TIRCP formula funds to help sustain Metrolink operations. However, without changes in service levels, ridership growth, and operations and rehabilitation costs or additional external funds, the current service cannot be sustained beyond FY 2033-34. OCTA is engaged with Metrolink and other member agencies to continue to monitor the impacts of *Metrolink Reimagined* on revenue and expenditures to determine the financial impacts to M2.

Another impact to Metrolink in Orange County is the railroad track stabilization effort in the City of San Clemente; OCTA owns the railroad ROW in the affected area. In September 2021, a failing slope severely degraded the railroad track structure [Mile Post (MP) 206.8]. Emergency repair efforts were taken between late 2021 and early 2022. However, higher tidal events have continued to impact the stability of the track, leading to a suspension of rail service. On October 3, 2022, the Board adopted a resolution to authorize OCTA to take all necessary actions to address the emergency need for railroad track stabilization. On April 17, 2023, track stabilization efforts were sufficiently completed to allow the passenger rail service to resume. However, a hillside owned by the City of San Clemente at the



Casa Romantica Cultural Center and Gardens (MP 204.6) failed and continues to incrementally move. Landslide debris continued to crumble down the slope and foul the tracks owned by OCTA, which again led to the suspension of all passenger rail services in the City of San Clemente and south Orange County on April 27, 2023. On June 26, 2023, the Board adopted a resolution to authorize OCTA to take all necessary actions to address the emergency need for railroad track protection. Construction of a temporary barrier wall at the bottom of the slope to protect the railroad track was completed on July 16, 2023. As a result, service through San Clemente resumed on July 17, 2023.

On Jan 24, 2024, a privately owned hillside near Mariposa Point in the City of San Clemente (MP 204.2) failed and dislodged two spans of a pedestrian bridge. The bridge spans and the landslide debris led to the suspension of all passenger rail services. OCTA took emergency action to remove debris and to regrade the slope in an effort to stabilize the slope to resume service. While the landslide continued to move, a temporary catchment wall was constructed, which allowed full passenger service to resume on March 25, 2024.

While emergency and urgent repair 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 fall 2023, OCTA initiated the Coastal Rail Resiliency Study in coordination with key stakeholders to assess existing and future risks, challenges, and concepts to protect the rail line in place. The study explores opportunities to protect the rail corridor for the short-term (ten years) and mid-term (30 years) between the City of Dana Point and the San Diego County Line. The study identified the need for immediate protective measures for the highest at-risk areas where coastal storm surges, failing bluffs, and other factors create an immediate threat of additional extended rail service disruptions, impacting service quality and reliability. This led to the advancement of four reinforcement projects (Areas 1 through 4) known as the Coastal Rail Stabilization Priority Project.

On April 28, 2025, passenger rail service was temporarily halted to repair riprap in Areas 1 and 2 in the City of San Clemente as identified in the Coastal Rail Stabilization Priority Project to protect the track. As part of this effort, the damaged pedestrian bridge in Area 3 was also removed in preparation to install a catchment wall and restore the beach trail as soon as possible. The California Coastal Commission approved the initial riprap repair and bridge removal under an Emergency Coastal Development Permit and the new catchment wall under a Coastal Development Permit. Passenger service resumed on June 7, 2025. Initial sand nourishment, completed on September 10, 2025, is part of the larger effort to place 240,000 cubic yards of sand in Areas 1 and 2. Construction began on the catchment wall in Area 3 on September 15, 2025, and OCTA continues to design and permit Area 4 for riprap repair, shoreline protection structure, and sand nourishment in the City of San Clemente near the state beach.

In addition to the Coastal Rail Resiliency Study, a separate study will assess potential long-term solutions, which may include relocation of the rail line. The California State Transportation Agency (CalSTA) has committed to lead the long-term study to plan for future investments necessary to ensure a resilient LOSSAN corridor. As these studies progress, future updates to the Next 10 Plan will incorporate more current information.

Related Projects:

Project S, Project T, and Project V.

Other Involved Agencies:

BNSF, Caltrans, California Office of Emergency Services, California Public Utilities Commission (CPUC), CalSTA, Corridor Agencies, CTC, FTA, Los Angeles County Metropolitan Transportation Authority, Metrolink, RCTC, San Bernardino County Transportation Authority, and Ventura County Transportation Commission.



Assumptions:

Funding and operating agreements with partner agencies will be successfully implemented.

- OCTA's FY 2024-25 Comprehensive Business Plan
- Capital Funding Program Report Rail Project (October 2025)
- OCTA Project Management Consultant Cost Estimate (October 2025)
- September 2025 Project Status Report
- Coastal Rail Resiliency Study



S. Transit Extensions to Metrolink

Description:

Project S establishes a competitive program for local jurisdictions to broaden the reach of Metrolink to other Orange County cities, communities, and activity centers via transit, to connect passengers to their final destinations. With approximately 60 percent of Orange County's population and employment centers located within a four-mile radius of Metrolink stations, the emphasis of Project S is on expanding access to the core rail system and establishing connections to destinations that are not immediately adjacent to the Metrolink corridor, within the central core, north and south of Orange County. These connections may include a variety of transit technologies such as conventional bus or vanpool (Rubber Tire), bus rapid transit or high-capacity rail transit systems (Fixed Guideways), as long as they can be fully integrated and provide seamless transition for the users.

Program Funding:

Approximately \$430.68 million between 2026 and 2035 for fixed guideways in sales tax revenue.

Status:

Fixed Guideway: Through a competitive process, one project (OC Streetcar) advanced beyond initial study. The OC Streetcar is under construction and will operate in the cities of Garden Grove and Santa Ana. Construction is over 95 percent complete and revenue service is anticipated to begin in 2026.

Rubber Tire: One call has been issued since 2012, providing approximately \$732,000 for four projects in the cities of Anaheim and Lake Forest. The City of Lake Forest has cancelled all three projects. The City of Anaheim project successfully completed its grant on June 30, 2020, and is being funded on a go-forward basis through a subsequent Project V grant. No future calls for rubber tire projects are anticipated.

Present Day:

Maintaining and growing Metrolink ridership relies on convenient and seamless bus and rail connections. Currently, OCTA fixed bus service and company shuttles are the prime providers of transit connections. However, Uber/Lyft paid-ridesharing services have been a growing presence.

Benefits:

Project S will provide expanded transit access to the centralized Metrolink system, thereby allowing Metrolink commuters to connect to other parts of the County without using an automobile.

External Funding:

Fixed Guideways: External funds for two preliminary studies for the cities of Anaheim and Santa Ana were funded with \$3.12 million in federal FTA Section 5307 and city local funds. M1 also provided \$20.63 million for preliminary studies.

The Board has approved funding supporting the OC Streetcar project, including \$320.14 million in federal funds from federal American Rescue Plan, CMAQ, FTA Section 5307 and 5309, and New Starts funding, and \$250.09 million in state funds, totaling \$570.23 million.

Rubber Tire: None. These projects are funded by M2 and local city matching funds.



S. Transit Extensions to Metrolink

Risks:

OC Streetcar: Overall schedule, scope, and cost risks are high with this project due to the extensive project scope and OCTA's new operational responsibilities.

Rubber Tire: None – projects completed. No future calls anticipated.

Related Projects:

Project R (High Frequency Metrolink Service), Project T, and Project V.

Other Involved Agencies:

CalSTA, Caltrans, CPUC, CTC, FTA, and local jurisdictions.

Assumptions:

OC Streetcar: Cities of Garden Grove and Santa Ana will provide their required match for operations. Funding for a future call will be at the Board's discretion.

Rubber Tire: Future calls will be at the Board's discretion based on the level of interest from local jurisdictions but will likely be transitioned to Project V, which provides for greater flexibility.

- FY 2025-26 M2 Eligibility Guidelines
- 2012 Project S Guidelines
- Federal 5307 and 5309 Funding Guidelines
- OCTA's FY 2024-25 Comprehensive Business Plan
- OC Streetcar Project Revised Funding Plan (February 2025)
- Capital Funding Program Report Rail Project (October 2025)
- September 2025 Project Status Report



T. Convert Metrolink Stations to Regional Gateways that Connect Orange County with High-Speed Rail Systems

Description:

Provide funding for local improvements to stations along the LOSSAN corridor in Orange County to facilitate connections to future high-speed rail systems, thereby ensuring Orange County's presence in the development and implementation of high-speed rail systems that will serve Orange County. One project, the Anaheim Regional Transportation Intermodal Center (ARTIC), moved forward to completion.

Cost:

M2 contributed \$35.29 million of the \$225.53 million cost of the ARTIC project.

Status:

As part of EAP efforts, OCTA held a competitive call in 2009 for eligible station cities for the development and implementation of station projects in preparation of future high-speed rail systems. The cities of Anaheim, Fullerton, Irvine, and Santa Ana were awarded funding for planning of major expansions of their Metrolink Stations. The City of Anaheim received environmental clearance for the ARTIC project in early 2012. The completed facility opened to rail and bus service on December 6, 2014.

On December 14, 2015, the Board amended the M2 Ordinance and Plan to officially close out Project T by considering the completion of ARTIC as fulfilling the intent of Project T, as the only Orange County station on the planned high-speed rail route. The remaining balance of M2 funds were then transferred to two projects in need: the Metrolink Service Expansion Program (part of Project R), and the Fare Stabilization Program for Seniors and Persons with Disabilities (part of Project U).

Present Day:

In partnership with transportation agencies, corridor cities, and stakeholders, the California High-Speed Rail Authority in 2008 planned a high-speed rail system that was envisioned to extend as far north as Sacramento and as far south as San Diego with a connection in Anaheim. Work on the Central Valley segment from Bakersfield to Merced continues, however other areas of the system have been postponed.

Benefits:

Early completion of Project T allowed for investment in Orange County's rail system to facilitate the planned ultimate integration of various high-speed rail systems within the County. The project relocated the prior rail station from leased land in the Los Angeles Angels of Anaheim parking lot, to its new permanent location as a multimodal station for all transit riders.

External Funding:

Federal: CMAQ, Regional Surface Transportation Program, FTA Sections 5309 and 5337, FTA Bus Livability, and Highway Safety Improvement Program, totaling \$74.0 million.

State: STIP totaling \$29.22 million.

Other Local: Other local funds totaling \$1.75 million.

M1: \$85.27 million, of which \$32.50 million for ROW was repaid in full, plus interest, by the City of Anaheim as of May 2025.



T. Convert Metrolink Stations to Regional Gateways that Connect Orange County with High-Speed Rail Systems

Risks:

None – project completed.

Related Projects:

California High-Speed Rail System.

Other Involved Agencies:

California High-Speed Rail Authority, Caltrans, cities of Anaheim, Fullerton, Irvine, and Santa Ana, CTC, FTA, and Metrolink.

Assumptions:

The California High-Speed Rail System will extend to the City of Anaheim as identified in their 2016 Business Plan.

- Section 5309 and 5337 Funding Guidelines
- California High-Speed Rail 2016 Business Plan
- December 2017 Project Status Report
- Capital Funding Program Report Rail Project (October 2025)
- Status of Loan Agreements as of September 30, 2025
- OCTA's FY 2024-25 Comprehensive Business Plan



U. Expand Mobility Choices for Seniors and Persons with Disabilities

Description:

Project U provides funding for three programs to expand mobility choices for seniors and persons with disabilities.

The SMP, administered by OCTA, was first established in 2001. For the first ten years, this program was supported with Transit Development Act funds. The allocation of Project U funding ensures the continuation of dedicated resources to sustain this program.

The SNEMT Program was established by the County of Orange in 2003, utilizing Tobacco Settlement Revenue (TSR) to fund the program. Project U funding supplements existing TSR resources to expand the capacity of the program and increase the number of available SNEMT trips.

The Fare Stabilization Program ensures that fares for seniors and persons with disabilities continue to be discounted at the same percentage as 2006 levels.

Program Funding:

Up to \$169.25 million will be provided between 2026 through 2035.

Status:

SMP: This program offers a variety of senior transportation resources. Participating cities determine the services that best meet the needs of the seniors in their community. Examples of services include transportation for medical, nutrition, shopping, and social trips. As of September 2025, there are 32 cities participating in the program.

SNEMT Program: This program is administered by the County of Orange Office on Aging and is carried out by two transportation contractors. This program provides trips under Project U for non-emergency services such as trips to doctor and dental appointments, therapy, dialysis, and pharmacy visits.

Fare Stabilization Program: In December 2015, the Board approved an amendment to the M2 Ordinance and M2 Plan that backfilled a funding shortfall identified in this program with remaining Project T funds. Effective January 2016, an amendment to the M2 Ordinance adjusted this amount to 1.47 percent of net M2 revenues. With the amendment, projected Fare Stabilization revenues are expected to be solvent through the life of the M2 Program.

As of September 2025, more than \$43.10¹⁵, ¹⁶, ¹⁷ million has provided more than 3.3 million trips through SMP, approximately \$46.19 million has provided more than 1.7 million trips through the SNEMT Program, and more than \$62.37 million has supported approximately 166 million trips through the Fare Stabilization Program since the inception of M2.

¹⁷ On May 12, 2025, the Board determined the City of Orange eligible to receive net M2 revenues again. Withheld funds were released in June 2025.



¹⁵ 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.

¹⁶ Only includes disbursed funds. 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.

U. Expand Mobility Choices for Seniors and Persons with Disabilities

Present Day:

Studies of senior mobility needs have identified seniors' preference for utilizing local, community-based transportation services rather than countywide or regional services.

The SMP allows participating cities to identify the specific mobility needs of the seniors in their communities and develop transportation programs to best meet those needs with available funding.

The SNEMT Program fills a gap in senior transportation services, as trips are often provided to seniors who do not qualify for OC ACCESS service, or to seniors whose advanced age or disposition make it difficult to use OC ACCESS service. Contracting with social service agencies to provide SNEMT services allows this program to provide enhanced service elements beyond the requirements of OC ACCESS, a paratransit service that complements OCTA's fixed-route bus service and is provided to comply with ADA.

Benefits:

M2 funding of these programs, combined with OC ACCESS service and other senior transportation services funded with public and private resources, provide a menu of mobility options for Orange County seniors, allowing them to select the service that most appropriately meets their transportation needs.

External Funding:

Local jurisdictions contribute a 20 percent match to their SMP services. A variety of funding sources are used by cities for their SMP match requirement, including general fund, Community Development Block Grants, sponsorships, advertising revenue, transit fares, and administrative in-kind resources. The County of Orange utilizes primarily TSR funds to meet their maintenance of effort requirement.

Risks:

Local jurisdictions must meet eligibility requirements and provide matching funds for SMP.

Related Projects:

Not Applicable.

Other Involved Agencies:

Nearly all local jurisdictions. Participating SMP cities include: Aliso Viejo, Anaheim, Brea, Buena Park, Costa Mesa, Cypress, Dana Point, Fountain Valley, Fullerton, Garden Grove, Huntington Beach, Irvine, La Habra, Laguna Beach, Laguna Hills, Laguna Niguel, Laguna Woods, Lake Forest, Mission Viejo, Newport Beach, Orange, Placentia, Rancho Santa Margarita, San Clemente, San Juan Capistrano, Santa Ana, Seal Beach, Stanton, Tustin, Villa Park, Westminster, and Yorba Linda. The Orange County Office on Aging administers the SNEMT Program.

Assumptions:

Project U is assumed to be funded on a pay-as-you-go basis.





- FY 2025-26 M2 Eligibility Guidelines
- Project U Funding and Policy Guidelines
- 2018 Senior Mobility Program Guidelines
- OCTA's FY 2024-25 Comprehensive Business Plan





Description:

Project V provides funding to local jurisdictions through a competitive process to develop local bus transit services, such as community-based circulators, shuttles, and bus trolleys that complement regional bus and rail services, and meet local needs in areas not adequately served by regional transit. Projects need to meet performance criteria, connect to bus and rail services, and document financial viability to be considered for funding.

Program Funding:

\$97.55 million between 2026 through 2035.

Status:

Since M2 inception, the Board has approved \$96.8 million for 49 projects (Note: service expansions and/or extensions from the 2018 & 2020 calls are counted as separate projects) and ten planning studies through five calls.

Of the 49 projects awarded by OCTA, 21 are currently active, four are planned, 13 have been cancelled (primarily due to low ridership), and 11 have been completed.

Present Day:

Project V helps address the regularly expressed need for local community-based transit service by Orange County communities.

Benefits:

Community-based circulators can provide relief to arterials in high traffic areas, provide non-auto based mobility options that meet specific local needs, and convenient alternative that improves access to regular special events that attract large numbers of visitors (i.e., OC Fair).

External Funding:

The local match requirement for both capital and any operating funds authorized by the Board is a minimum of ten percent.

Risks:

Local jurisdictions must meet eligibility requirements to receive funding. The ability to maintain service performance and ridership by adapting to volatile changes in travel behavior and remote work trends will be key. Regional transit operator shortages and demand for capital investments in electric vehicle infrastructures may impact long-term financial viability of existing services and ability to fund additional new services.

Related Projects:

Project S (some Project S and V routes could serve dual purposes).

Other Involved Agencies:

Participating local jurisdictions.





Assumptions:

Project V is assumed to be funded on a pay-as-you-go basis.

- FY 2025-26 M2 Eligibility Guidelines
- 2026 Comprehensive Transportation Funding Program Guidelines
- OCTA's FY 2024-25 Comprehensive Business Plan



W. Safe Transit Stops

Description:

Project W provides funding for passenger amenities at the 100 busiest transit stops across Orange County. The intent is to assist bus riders in the ease of transfer between bus lines and provide passenger amenities.

Program Funding:

\$10.73 million between 2026 through 2035.

Status:

Since inception, the Board has approved over \$3.1 million for 122 stop improvements through three calls. To date, 94 stops have been completed, 18 stop improvements are either planned or underway, and ten improvements have been cancelled by the awarded agency. A future call will be evaluated based on local jurisdiction interest and cash flow analysis.

Present Day:

High volume stops are eligible for funding, which provides needed passenger amenities commensurate with the volume of riders.

Benefits:

Eligible improvements in locations where such amenities do not exist to enhance the customer experience. Improvements include enhancements such as sun/rain protection, passenger seating, improved lighting, etc.

External Funding:

Minimal local match provided for design requests; the rest is 100 percent M2 funded up to the Project W funding caps. If over the cap, then additional local agency funds are required.

Risks:

Local jurisdictions are responsible for amenities at bus stops. Depending on the amenities selected, long-term maintenance and costs could be required. Local jurisdictions must meet eligibility requirements and timely use of funds provisions to receive M2 funding.

Related Projects:

Not Applicable.

Other Involved Agencies:

Local jurisdictions with a top 100 busiest stop are eligible to receive these funds.

Assumptions:

Project W is assumed to be funded on a pay-as-you-go basis.

- FY 2025-26 M2 Eligibility Guidelines
- 2026 Comprehensive Transportation Funding Program Guidelines
- OCTA's FY 2024-25 Comprehensive Business Plan



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2.4 ENVIRONMENTAL CLEANUP PROGRAM



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EXHIBIT 30: MEASURE M ENVIRONMENTAL CLEANUP GRANTS AND CALLS



		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	X Water Quality Call for Projects - Tier 1																	
2	X Water Quality Call for Projects - Tier 2																	

Tier 1 grants program consists of funding for equipment purchases and upgrades to existing storm drains and related best management practices.

Tier 2 grants program consists of funding for regional, potentially multi-jurisdictional, capital-intensive projects.

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2.4. Environmental Cleanup Program

Overview:

The ECP (Project X) allocates more than \$264.5 million toward improving overall water quality in Orange County from transportation-related pollution. Project X was approved by Orange County voters under the M2 half-cent sales tax for transportation improvements in 2006.

To adhere to the promise of M2, the Next 10 Plan includes the following framework for Project X:

- Provide supplemental funds (not supplant) for existing transportation-related water quality programs.
- Allocate funds on a competitive basis to improve water quality standards in Orange County.
- Reduce transportation-generated pollutants along Orange County's streets, roads, and freeways.
- Implement best management practices to improve runoff from streets, roads, and freeways.

Additionally, as part of the overall M2 Plan, all M2 capital projects (freeway, street, and transit) must include water quality mitigation as part of their respective project scope and cost. Therefore, this source of funding is not eligible for environmental mitigation efforts.

Next 10 Plan Deliverables:

The Next 10 Plan for Project X recommends two major initiatives through 2035 consistent with the above framework:

- 1. Protect Orange County beaches by removing trash from entering waterways and inlets that ultimately lead to the ocean.
- Work with the ECAC to develop the next tiers of water quality funding 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 Project X.



X. Environmental Cleanup Program

Description:

Project X implements street- and highway-related water quality improvement programs and projects that assist Orange County cities, the County of Orange and special districts in meeting federal Clean Water Act standards for urban runoff. Project X 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.

In May 2010, the Board approved a two-tiered approach to fund Project X. The Tier 1 grant program is designed to mitigate the more visible forms of pollutants, such as litter and debris that collect on roadways and in storm drains. 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.

The Tier 2 grant program consists of funding regional, potentially multi-jurisdictional, and capital-intensive projects. Examples include constructed wetlands, detention/infiltration basins, and bioswales which mitigate pollutants such as heavy metals, organic chemicals, and sediment and nutrients.

Program Funding:

\$97.71 million between 2026 and 2035.

Status:

To date, the Board has awarded approximately \$43.4 million to fund 241 Tier 1 projects across the County through 15 rounds of funding since M2 inception. This includes the Board-approved funding recommendations for eight projects totaling more than \$3.0 million on October 13, 2025.

The Board has also awarded approximately \$34.9 million for 26 Tier 2 projects over three calls in 14 cities and the County of Orange.

The 2025 Next 10 Plan will continue to commit to annual Tier 1 calls. The timing for future Tier 2 calls will be evaluated based on local jurisdiction interest and cash flow analysis.

Present Day:

Staff estimates that over 80 million gallons (which equates to over 14,400 garbage trucks) of trash have been captured as a result of the installation of Tier 1 devices since the inception of the Tier 1 Program in 2011. As the equipment is in service over time, the volume of trash captured is expected to increase. The funded Tier 2 projects, once fully operational, have the potential to recharge 352 million gallons of groundwater annually.

Benefits:

Improvements funded through this program will improve overall water quality in Orange County. Funds allocated on a countywide competitive basis will assist agencies in meeting federal Clean Water Act requirements for controlling transportation-generated pollution.

External Funding:

Local jurisdictions are required to provide a 20 percent (Tier 1) and 50 percent (Tier 2) minimum local cash match. Tier 2 matching funds may be reduced, depending on project readiness.



X. Environmental Cleanup Program

Risks:

Local jurisdictions must meet eligibility requirements and timely-use-of-funds provisions to M2 receive funding.

Related Projects:

Not Applicable.

Other Involved Agencies:

All local jurisdictions (cities and County of Orange). Third parties such as environmental organizations, homeowner's associations, non-profit groups, and water and wastewater public entities cannot be a lead agency applicant; however, they could jointly apply with an eligible applicant.

Assumptions:

Funds will be allocated on a countywide competitive basis to assist agencies with improving water quality related to transportation pollution.

References:

- FY 2025-26 M2 Eligibility Guidelines
- 2026 Comprehensive Transportation Funding Program Guidelines
- Tier 2 Grant Program Planning Study
- OCTA's FY 2024-25 Comprehensive Business Plan



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III. APPENDIX



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3.1. Next 10 Plan Funding Assumptions

To determine the status of the M2 Program, staff reviewed and updated cash flows for the Next 10 Plan for each of the program elements to test whether commitments provided to the voters as part of the M2 approval in November 2006 remain achievable. The revenue assumptions are based on the 2025 M2 revenue forecast of \$13.2 billion using the latest M2 revenue forecast methodology approved by the Board. The Next 10 Plan also assumes approved TIFIA proceeds, Full Funding Grant Agreement, and net excess 91 Express Lanes revenues for eligible projects. Revenues and expenses were merged into a high-level cash flow model. Bonding assumptions were reviewed to determine the need to address projected negative ending balances by year (compared to a pay-as-you-go scenario) and are constrained to minimum debt coverage ratios.

Freeway Program

Revenues for the M2 Freeway Program assumed a proportional share (43 percent) of net M2 revenue. From inception to 2035, the Freeway Program would receive approximately \$4.09 billion in M2 revenue, \$495.44 million in prior bond proceeds, and \$1.89 billion in state/federal grants, \$149.90 million in committed TIFIA proceeds, \$770.91 million in net excess 91 Express Lanes revenue for eligible projects, \$36.99 million in interest, and \$20.00 million transferred in from M1 for a total of \$7.46 billion in total revenue. Costs for the same period total \$7.02 billion (including debt service payments against prior bonding).

For the 2025 Next 10 Plan update, forecasted revenues and costs through 2041 were also tested for the complete M2 Freeway Program to ensure it could be delivered consistent with commitments. For projects currently in environmental or final design, project schedules and costs were based on data provided by OCTA's Project Controls Department. For projects that have not yet entered the environmental phase, conceptual estimates were prepared based on a scoring of congestion relief, project readiness, and cost escalation risks (associated with project delays). There are no anticipated bond issuances looking out to 2041. As always, bonding is constrained to legal debt coverage ratios, and a Plan of Finance is brought separately to the Board for approval as needed with refined bond assumptions.

As of September 2025, 17 of the 30 freeway projects have been completed, as listed in Exhibit 31.



EXHIBIT 31: COMPLETED M2 FREEWAY PROJECTS

	Freeway Projects	Construction Complete	Cost*	
1. Project A	I-5 between SR-55 and SR-57	2021	\$38.9	
2. Project C, D	I-5 between Avenida Pico and Avenida Vista Hermosa/ Avenida Pico Interchange	2018	\$83.6	
3. Project C	I-5 between Avenida Vista Hermosa and PCH	2017	\$75.3	
4. Project C	I-5 between PCH and San Juan Creek Road	2018	\$74.3	
5. Project C, D	I-5 between SR-73 and Oso Parkway/Avery Parkway Interchange	2025	\$229.4	
6. Project C, D	I-5 between Oso Parkway and Alicia Parkway/ La Paz Road Interchange	2024	\$230.4	
7. Project C	I-5 between Alicia Parkway to El Toro Road	2025	\$227.3	
8. Project D	I-5, Ortega Highway Interchange	2016	\$79.8	
9. Project E	SR-22 Access Improvements at Euclid Street, Brookhurst Street, and Harbor Boulevard	2008	M1\$'s	
10. Project G	SR-57 Northbound from Katella Avenue to Lincoln Avenue	2015	\$38.0	
11. Project G	SR-57 Northbound from Orangethorpe Avenue to Yorba Linda Boulevard	2014	\$52.3	
12. Project G	SR-57 Northbound from Yorba Linda Boulevard to Lambert Road	2014	\$54.1	
13. Project H	SR-91 Westbound from I-5 to SR-57	2016	\$59.2	
14. Project I	SR-91 Westbound from Tustin Avenue Interchange to SR-55	2016	\$42.5	
15. Project J	SR-91 between SR-55 to SR-241	2013	\$79.7	
16. Project J	SR-91 Eastbound from SR-241 to SR-71	2011	\$57.8	
17. Project K	I-405 between SR-73 and I-605	2024	\$1,620.0	
Completed M2 Freeway Projects Total:				

^{*} Cost in millions

Streets and Roads Program

The M2 Streets and Roads Program consists of Project O (RCP), Project P (RTSSP), and Project Q (LFS). Combined M2 revenues for these programs assume a proportional share (32 percent) of net M2 revenue. From inception to 2035, the Streets and Roads Program would receive approximately \$3.04 billion in M2 revenue, \$47.14 million in interest, \$121.62 million in prior bond proceeds, and \$636.36 million in M1 and state/federal grants (primarily for the OC Bridges Program), for a total of \$3.85 billion in total revenue. Costs for the same period would total approximately \$3.60 billion (including debt service payments against prior bonding).



Part of Project O includes the OC Bridges Program, which funded seven over- or underpass grade separations that eliminated car and train conflicts along the BNSF railway in northern Orange County. These grade separations, listed in Exhibit 32, increased safety for everyone traveling through the intersections and eliminated delays caused by trains.

EXHIBIT 32: COMPLETED OC BRIDGES – GRADE SEPARATION PROJECTS

Completed OC	Completed OC Bridges – Grade Separation Projects Complete Complete		
1. Project O	Kraemer Boulevard (Anaheim/Placentia)	2014	\$63.8
2. Project O	Placentia Avenue (Fullerton/Placentia)	2014	\$64.5
3. Project O	Orangethorpe Avenue (Anaheim/Placentia)	2016	\$105.9
4. Project O	Tustin Avenue/Rose Drive (Anaheim/Placentia)	2016	\$96.7
5. Project O	Lakeview Avenue (Anaheim/Placentia)	2017	\$110.7
6. Project O	Raymond Avenue (Fullerton)	2018	\$126.2
7. Project O	State College Boulevard (Fullerton)	2018	\$99.6
Completed OC Bridges – Grade Separation Projects Total:			\$667.4

^{*}Cost in millions

Transit Program

The M2 Transit Program consists of Project R (High Frequency Metrolink Service), Project S (Transit Extensions to Metrolink), Project T (Metrolink Gateways), Project U (Seniors/Disabled Persons Mobility Programs), Project V (Community-Based Transit/Circulators), and Project W (Safe Transit Stops). Revenues for the M2 Transit Program assume a proportional share (approximately 25 percent) of net M2 revenue. From inception to 2035, the Transit Program would receive approximately \$2.38 billion in M2 revenue, \$51.68 million in prior bond proceeds, \$865.71 million in external revenue, \$45.65 million transferred from M1, and \$20.03 million in interest for a total of \$3.36 billion. The cash flow includes \$158.36 million in Federal New Starts funding, \$108.13 million in federal CMAQ, \$13.60 million in federal FTA 5307, and \$175.43 million in State Cap-and-Trade for the OC Streetcar project. Expenses for this same time period total \$2.55 billion (including debt service payments against prior bonding). The unprogrammed balance for Project S allows for the option of an additional future transit connection project.

Environmental Cleanup Program

The M2 ECP consists of Project X (Cleanup Highway and Street Runoff that Pollutes Beaches). Revenues for the M2 ECP assume two percent of gross annual M2 sales tax revenue. From inception to 2035, the ECP would receive approximately \$193.78 million in M2 revenue. Expenses for this same time period total \$156.91 million.



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3.2. Common Abbreviations

Americans with Disabilities Act ADA Anaheim Regional Transportation Intermodal Center **ARTIC BNSF** Railway Company **BNSF Board of Directors** Board California Department of Fish and Wildlife **CDFW** California Department of Transportation Caltrans California Highway Patrol **CHP** California Public Utilities Commission **CPUC** California State Transportation Agency CalSTA California Transportation Commission CTC Call for Projects Call Congestion Mitigation and Air Quality **CMAQ Conservation Properties** Preserves Coronavirus COVID-19 Early Action Plan **EAP Eastbound Corridor Operations Project ECOP Environmental Cleanup Allocation Committee ECAC Environmental Cleanup Program ECP Environmental Impact Report EIR Environmental Impact Statement** EIS **Environmental Mitigation Program FMP** Federal Highways Administration **FHWA** Federal Transit Administration FTA Fire Management Plan **FMP** Fiscal Year FY Freeway Service Patrol **FSP** High-Occupancy Vehicle HOV Infrastructure Construction Cost Pressure Index **ICCPI** Interstate 405 I-405 Interstate 5 I-5 I-605 Interstate 605 Local Fair Share **LFS** Los Angeles-San Diego-San Luis Obispo LOSSAN Maintenance and Storage Facility **MSF** Master Plan of Arterial Highways **MPAH** Measure M M1 Measure M2 or Renewed Measure M M2 Mile Post MP Natural Community Conservation Plan/Habitat Conservation Plan Conservation Plan



Next 10 Delivery Plan

Orange County Business Council

Next 10 Plan

OCBC

3.2. Common Abbreviations

Orange County Transportation Authority OCTA Ordinance No. 3 M2 Ordinance Pacific Coast Highway PCH Regional Capacity Program **RCP** Regional Traffic Signal Synchronization Program RTSSP Resource Management Plan **RMP** Right-of-Way ROW Riverside County Transportation Commission **RCTC** Santa Ana Regional Transportation Center SARTC Senate Bill 1 SB₁ Senior Mobility Program **SMP** Senior Non-Emergency Medical Transportation SNEMT Service Authority for Freeway Emergencies SAFF Southern California Regional Rail Authority Metrolink State Highway Account SHA State Route 22 **SR-22** State Route 241 SR-241 State Route 55 **SR-55** State Route 57 **SR-57** State Route 71 **SR-71** State Route 73 **SR-73** State Route 74 **SR-74** State Route 91 SR-91 State Transportation Improvement Program **STIP** State Water Resources Control Board **SWRCB** Transit and Intercity Rail Capital Program **TIRCP Transportation Corridor Agencies TCA** Tobacco Settlement Revenue **TSR TIFIA** Transportation Infrastructure Finance and Innovation Act Plan Transportation Investment Plan United States Army Corps of Engineers **USACE** United States Fish and Wildlife Service **USFWS** West County Connectors **WCC** Year of Expenditure YOE

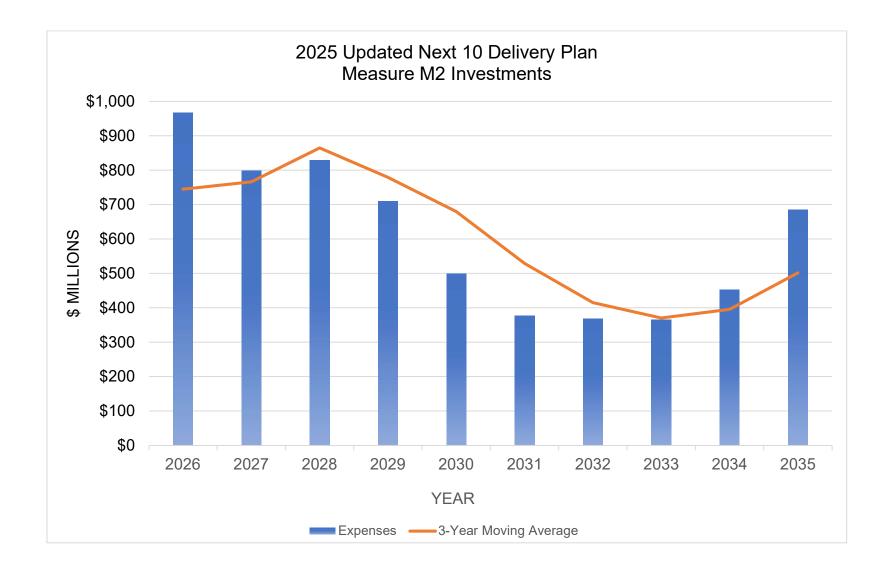


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ATTACHMENT C



2025 Updated Next 10 Delivery Plan **Progress on Deliverables**

Significant Measure M2 (M2) progress and accomplishments have been made since 2007. The 2025 update of the Next 10 Delivery Plan (Next 10 Plan) confirms that M2 can be delivered consistent with the commitment to voters; however, Metrolink operations still require close monitoring. To outline a near-term work plan to promote effectiveness and efficiency, ten deliverables on program and project delivery have been defined during the ten-year period from fiscal year (FY) 2025-26 through FY 2034-35, equating to approximately \$6.1 billion invested to improve the local transportation system.

Freeways

1. Deliver 11 freeway improvement projects through construction (Projects A-M).

Status: The M2 Freeway Program is currently made up of 30 projects/project segments of which 17 have been completed to date. Deliverable 1 includes 11 projects to be delivered through construction as reflected in the table below. The completion of these 11 projects will bring the total number of completed projects to 28 by 2033, which equates to approximately 93 percent of the M2 Freeway Program.

In	Construction		Construction Complete	Cost*
	Project C, D	Interstate 5 (I-5) between State Route 73 (SR-73) and El Toro Road Landscaping	2026	\$12.4 ¹
1.	Project F	State Route 55 (SR-55) between Interstate 405 (I-405) and I-5	2027	\$505.7
2.	Project I	State Route 91 (SR-91) between SR-55 and Lakeview Avenue	2028	\$140.7
3.	Project M	Interstate 605 Katella Avenue Interchange	2027	\$53.0
			Subtotal	\$711.8
In	Design		Construction Complete	Cost*
4.	Project B	I-5 between I-405 and Yale Avenue	2029	\$388.1
5.	Project B	I-5 between Yale Avenue and SR-55	2029	\$327.9
6.	Project F	SR-55 between I-5 and SR-91	2030	\$202.1

¹ Landscaping for the I-5 between SR-73 and El Toro Road project was separated from the mainline construction contracts but is not counted as an additional project.

In Design		Construction Complete	Cost*
7. Project G	State Route 57 (SR-57)	2028	\$135.4
	Northbound from Orangewood Avenue to Katella Avenue		
8. Project I	SR-91 between La Palma Avenue	2030	\$380.7
	and SR-55		
9. Project I	SR-91 between Acacia Street and La Palma Avenue	2029	\$257.5
		Subtotal	\$1,691.7
In Environmental		Construction Complete	Cost*
10. Project D	I-5 El Toro Road Interchange	2033	\$300.0 ²
11. Project J	SR-91 between State Route 241 and Orange/Riverside County	2030	\$91.0 ³
	Line	-	#204.0
		Subtotal	\$391.0
	Deli	iverable 1 Total	\$2,794.5

^{*}Cost in millions

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

Status: The two remaining projects (of the 30 total) are environmentally cleared or on track to be cleared by 2028, making them shelf-ready for future advancement. The table below reflects these projects along with updated environmental clearance schedules and estimated costs.

Remaining Pr	rojects	Environmentally Clear Shelf-Ready	Cost*
1. Project G	SR-57 Northbound from Lambert Road	2028	\$445.5 ²
	to Orange/Los Angeles County Line		
2. Project L	I-405 between I-5 and SR-55	2018	\$269.6
	Remaining M2 Fro	eeway Projects Total	\$715.1 ⁴

^{*}Cost in millions

-

² These cost estimates are preliminary and will be updated once the project alternative is selected at the completion of environmental clearance.

³ Project schedule and cost assumptions subject to change and are contingent on the outcome of the environmental review process, availability of funding, and coordination with Riverside County Transportation Commission.

⁴ The total will be revised once the two remaining projects (Project G and L) have a selected project alternative and complete environmental clearance.

Streets and Roads

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).

Status: Since inception, the Orange County Transportation Authority (OCTA) has awarded approximately \$564.4 million in competitive funding through the Regional Capacity Program (Project O) and Regional Traffic Signal Synchronization Program (Project P) through annual competitive calls for projects (call). Additionally, \$823.0^{5,6,7} million in Local Fair Share (Project Q) funds have been distributed to local jurisdictions.

Transit

4. Support Metrolink service and advance development of a rail station, contingent on interagency coordination and long-term fiscal sustainability (Project R).

Status: Project R provides funding for Metrolink operations and aims to increase rail services within the County and to adjacent counties. The program also provides for track improvements, the addition of trains and parking capacity, upgraded stations, and safety enhancements to allow cities to establish quiet zones along the tracks.

Close monitoring of Metrolink operations is necessary to ensure sustainability through 2041. The *Metrolink Reimagined* service change implemented in October 2024 aims to increase midday and evening train service to help Metrolink expand their customer market beyond the traditional commuter market. Following this service change, the three lines serving Orange County currently operate 58 weekday trains, representing a 7.4 percent increase to pre-coronavirus operating levels. However, Metrolink ridership recovery continues to struggle, impacting farebox revenues and cost recovery. To exacerbate this shortfall, operating costs have also increased. Without changes in service levels, ridership growth, and operations and rehabilitation costs or additional external funds, the current service cannot be sustained beyond FY 2033-34. OCTA will continue to actively engage with Metrolink and the other member agencies to monitor ridership levels and the financial impacts to M2.

-

⁵ Only includes disbursed funds. On May 28, 2024, the OCTA Board of Directors (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.

⁶ Only includes disbursed funds. 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.

⁷ On May 12, 2025, the Board determined the City of Orange eligible to receive net M2 revenues again. Withheld funds were released in June 2025.

Railroad track stabilization efforts in south Orange County have become a major focus area given its importance to continued operation of Metrolink in Orange County. While the rail line is currently open as a result of ongoing emergency work, longer-term solutions need to be developed to ensure the ability to provide 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 for approximately the next 30 years. A separate study 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 Rail corridor. As these studies progress, future updates to the Next 10 Plan will incorporate more current information.

Additionally, OCTA remains committed to advancing the development of the Placentia Metrolink Station Project. However, project advancement beyond the environmental phase is dependent on a shared-use agreement between Metrolink and BNSF Railway Company prior to advertisement and construction, as well as Metrolink's long-term fiscal sustainability and ability to support continued operations.

5. Complete construction and begin operating the OC Streetcar. Additionally, work with local jurisdictions to consider recommendations from planning studies to guide development of future high-quality transit connections (Project S).

Status: The 4.15-mile OC Streetcar will serve the Santa Ana Regional Transportation Center (SARTC) through Downtown Santa Ana and the Civic Center to Harbor Boulevard in the City of Garden Grove. Activities underway include continued installation of overhead wires and utilities, along with continued construction on the Pacific Electric right-of-way, and Maintenance and Storage Facility (MSF). Regular coordination meetings, staff training, and documentation efforts are underway to ensure a safe, reliable, and seamless transition to operations. Additionally, all eight cars have been delivered to the MSF. Construction is anticipated to be complete to begin revenue operations in 2026.

6. Support expanded mobility choices for seniors and persons with disabilities (Project U).

Status: 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, approximately \$151.7^{8,9,10} million 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 (60 and above) transportation to and from medical appointments, dentists, therapies, exercise programs, testing, and other health-related trips at a lower 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.

Work with local jurisdictions to maintain successful community circulator projects and potentially provide grant opportunities for expanded or new local transit services (Project V).

Status: Since inception, OCTA has approved 49 projects and ten planning studies totaling approximately \$96.8 million through five calls. OCTA receives ridership reports from local agencies on a regular basis to monitor the success of awarded services against performance measures adopted by the Board. To date, 21 projects are active, four are planned, 13 have been cancelled (primarily due to low ridership), and 11 have been completed. Staff continues to work with local jurisdictions through letters of interest requests, workshops, Comprehensive Transportation Funding Program Guidelines revisions, calls, and cooperative agreement amendments to fine-tune this program and facilitate successful project implementation.

8. Continue to improve the top 100 busiest transit stops to enhance the customer experience (Project W).

Status: 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 passenger amenities such as installation of bus benches or seating, shelters, improved lighting, and other passenger-related amenities. To date, 94 improvements have been completed, 18 improvements are in various stages of implementation, and ten improvements have been cancelled by the awarded agency.

⁸ Only includes disbursed funds. On May 28, 2024, the Board determined the City of Buena Park ineligible to receive net M2 revenues for five years pursuant to Section 10.4 of the M2 Ordinance. Disbursements of net M2 revenues have been suspended until the City of Buena Park reestablishes eligibility.

⁹ Only includes disbursed funds. 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.

¹⁰ On May 12, 2025, the Board determined the City of Orange eligible to receive net M2 revenues again. Withheld funds were released in June 2025.

Environmental

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).

Status: The M2 freeway Environmental Mitigation Program (EMP) includes seven conservation properties totaling more than 1,300 acres and 13 restoration projects covering nearly 350 acres. In 2017, OCTA received biological resource permits after completing a state and federal Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan) for the EMP, allowing streamlined project approvals for the M2 freeway improvement projects. The Conservation Plan also includes a streamlined process for coordination of streambed alteration agreements. In 2018, OCTA secured programmatic permits and assurances for federal and state clean water permitting requirements. Receipt of these permits represents the culmination of years of collaboration and support by the Board, environmental community, and regulatory agencies.

OCTA makes annual endowment deposits of approximately \$2.9 million. As of September 30, 2025, the endowment balance was \$38,595,652. While the performance of the endowment fund will affect the time frame for full funding, current projections indicate that OCTA is on track to meet the target of \$46.2 million in FY 2027-28.

10. Work with the Environmental Cleanup Allocation Committee 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 (Project X).

Status: In May 2010, the Board approved a two-tier approach to funding Project X. Tier 1 consists of funding equipment purchases and upgrades to existing catch basins and related best management practices, such as screens and other low-flow diversion devices. Tier 2 consists of funding regional, potentially multi-jurisdictional, and capital-intensive projects. Since inception, the Board has approved \$43.4 million in funding for 241 Tier 1 projects through 15 calls and \$34.9 million for 26 Tier 2 projects through three calls.

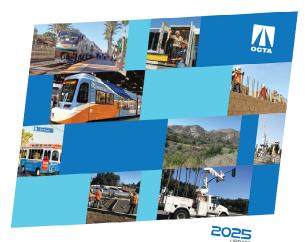


Measure M2 Next 10 Delivery Plan





- Purpose
- Accomplishments
- Financial Outlook
- Deliverables
- Risks
- Next Steps







M2 Delivery Plans

Purpose

- Validate OCTA's ability to deliver M2
- Outline near-term workplan
- Establish common understanding among stakeholders
- Set baseline upon which future changes are measured
- Provide basis for preparation of OCTA's annual budgets for capital projects

Principles

- Confirm promised plan can be delivered
- Ensure financial sustainability
- Implement projects and programs expeditiously



M2- Measure M2 OCTA - Orange County Transportation Authority



Accomplishments to Date

Note: Figures reflect only active or completed projects



Freeways

- √ 17 projects completed
- √ 874,343 motorist assists/
 lane clearances
- ✓ Environmental Mitigation Program (EMP) endowment established



Streets and Roads

- √ \$1.3 billion distributed across three funding programs
- √ 176 street capacity improvement projects
- √ 143 signal synchronization projects



Transit

- Station, track, and grade crossing improvements
- ✓ Expanded Metrolink service
- ✓ OC Streetcar underway
- √ \$151.7 million for expanded mobility choices for seniors and persons with disabilities
- √ 36 community-based circulators
- √ 112 bus stop enhancements



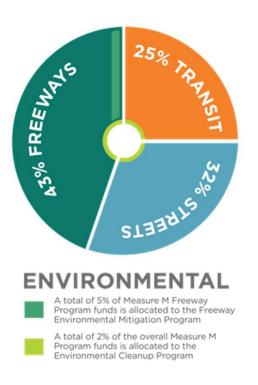
Environmental Cleanup

- ✓ 267 water quality projects
- √ 81.5 million gallons of trash collected



Updated Financial Framework

- Revenue
 - \$13.2 billion of M2 funds
 - \$4.4 billion of external funds
- Investment of \$6.1 billion into local transportation system over the next ten years
- Conservative debt service coverage ratios
- No additional bond issuances





Next 10 Delivery Plan Investments





Next 10 Delivery Plan Deliverables Summary



Freeways

- Deliver 11 freeway projects
- Fully fund EMP endowment



Transit

- Advance development of a rail station
- Support Metrolink operations
- Complete OC Streetcar construction and begin operating
- Offer enhanced mobility options for seniors and persons with disabilities
- Continue to support local transit circulators
- Continue to improve the top 100 busiest transit stops



Streets and Roads

- Provide up to 32 percent to local agencies for transportation needs
- Provide annual grants to address street bottlenecks and gaps
- Fund ongoing coordination of 2,000+ traffic signals



Environmental Cleanup

 Provide ongoing grants for water cleanup



Potential Risks

Economic

- Sales tax revenues
- Inflationary pressures

Programmatic

Metrolink operations

Regulatory

- New environmental requirements
- Project approvals

Climate

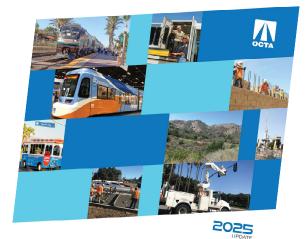
Rail infrastructure





2025 Update – Key Takeaways

- M2 plan remains deliverable
- Investment of \$6.1 billion across all categories
- Anticipated uptick in inflationary environment
- Need for a financially sustainable Metrolink service plan







Next Steps

- Distribute the updated Next 10 Delivery Plan to local jurisdictions and stakeholders
- Work with transportation partners on delivery of the Next 10 Delivery
 Plan
- Monitor the risks and return to the OCTA Board of Directors with updates as appropriate





December 1, 2025

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Measure M2 Ten-Year Review Update

Overview

Ordinance No. 3 includes a provision to conduct a comprehensive review of the project and program elements of the Renewed Measure M Transportation Investment Plan at least every ten years. The results of the first ten-year review were presented to the Board of Directors on October 12, 2015. Efforts for the next review, consistent with the Board-approved framework, are underway. An update on progress - including analyses to date, outreach activities, and next steps - along with an accompanying draft Action Plan is presented to the Orange County Transportation Authority Board of Directors.

Africa

Recommendation

Direct staff to complete evaluation of Measure M2 program performance and proceed with development of an accompanying Action Plan for future Board of Directors' consideration.

Background

On November 7, 2006, Orange County voters approved the Renewed Measure M (M2) Transportation Investment Plan (Plan). Effective in 2011, the Plan provides a 30-year program of investments across a broad range of transportation and environmental initiatives and a governing ordinance, Ordinance No. 3 (M2 Ordinance), that defines the requirements for implementing the Plan. The M2 Ordinance designates the Orange County Transportation Authority (OCTA) as the responsible agency for administering the Plan and ensuring that OCTA's contract with the voters is followed. The M2 Ordinance also requires OCTA to implement a number of transparency measures and safeguards to uphold the public's trust in OCTA.

OCTA is committed to fulfilling the promises made to voters who approved the half-cent sales tax measure. This means not only completing the projects described in the Plan, but adhering to numerous specific requirements and high standards of quality called for in the M2 Ordinance. One such requirement is a provision to conduct a comprehensive review at least every ten years of all project and program elements included in the Plan. The Plan summary page is included as Attachment A.

This requirement is found within Section 11 of the M2 Ordinance:

TEN-YEAR COMPREHENSIVE PROGRAM REVIEW - At least every ten years the Authority shall conduct a comprehensive review of all projects and programs implemented under the Plan to evaluate the performance of the overall program and may revise the Plan to improve its performance. The review shall include consideration of changes to local, state and federal transportation plans and policies; changes in land use, travel and growth projections; changes in project cost estimates and revenue projections; right-of-way constraints and other project constraints; level of public support for the Plan; and the progress of the Authority and jurisdictions in implementing the Plan. The Authority may amend the Plan based on its comprehensive review, subject to the requirements of Section 12.

Although M2 sales tax revenue collection began on April 1, 2011, following the M2 approval, early mobilization efforts were initiated through the Board of Directors' (Board) adoption of the Early Action Plan in 2007. As such, the first ten-year period was assumed to have begun on November 8, 2006; the results of the first M2 ten-year review were presented to the Board on October 12, 2015.

The review highlighted substantial progress in delivering the Plan as promised to the voters and continued public support for M2 as approved. No major external changes were identified that would require changes to the Plan. However, in reviewing the financial capacity of the Plan, a need to shift funds between programs within the transit category to address shortfalls and ensure the commitments to the voters could be upheld was identified. In addition to receiving the M2 ten-year review on October 12, 2015, the Board also directed staff to initiate an amendment to address the shortfalls. On October 26, 2015, the Board determined that the intent of the Metrolink Gateways Program (Project T) had been fulfilled through the construction of the Anaheim Regional Transportation Intermodal Center and directed staff to proceed with amending the M2 Ordinance and Plan to reallocate the remaining Project T funds to High-Frequency Metrolink Service (Project R) and the Fare Stabilization Program (Project U). On December 14, 2015, the Board approved the amendment.

Discussion

The second ten-year review was initiated in early 2024 and is anticipated to be completed in early 2026, aligning with the M2 halfway mark. As such, the timing allows for a more in-depth analysis of successes as well as lessons learned from the delivery of projects and programs that have been active since 2011, with some dating back to 2006. The M2 Program Management Office (PMO) is leading the effort with support from other OCTA divisions.

On October 14, 2024, the Board approved the framework, which included five objectives:

- 1. Research and identify external policy and/or regulatory changes at the local, state, and federal level, as well as changes in land use, travel, and growth projections that require consideration.
- 2. Evaluate current project and program cost estimates and the financial capacity of the sales tax revenue through 2041 to confirm Plan delivery.
- 3. Review M2 program and project elements to determine if there are performance issues or constraints to attain the promised delivery.
- 4. Assess public and stakeholder support for the Plan.
- 5. Identify OCTA's and local jurisdictions' progress in implementing the Plan.

Since the framework approval, three updates have been provided to the Board to underscore the significant, comprehensive nature of this review and the outreach efforts.

The PMO has implemented a coordinated, multi-pronged approach that groups the five review objectives into four areas of analysis – policy and planning context, financial, project delivery, and public priority – to evaluate performance of the Plan. All OCTA divisions have been engaged to ensure consistency in data inputs and alignment with parallel initiatives such as the 2026 Long-Range Transportation Plan. As the review has advanced, three key/prominent themes have emerged – timing of the review, Metrolink operations, and pavement maintenance.

Policy and Planning Context

To analyze the policy and planning context, the review assesses changes in transportation policies, plans, and regulations at the local, state, and federal levels, as well as land use, travel behavior, and growth projections. Over the past decade, numerous policy changes and evolution of Orange County's landscape have influenced how M2 projects are planned, funded, and delivered; however, none have materially affected OCTA's ability to fulfill the commitments made to voters. Looking ahead, major regional events such as the 2026 Fédération Internationale de Football Association (FIFA) World Cup and 2028 Olympic and

Paralympic Games are expected to impact travel behavior and mobility patterns throughout Orange County and the surrounding region for limited periods of time.

<u>Financial</u>

On the financial side, annual updates of the M2 Next 10 Delivery Plan (Next 10 Plan) have reaffirmed that despite fluctuations in revenue forecasts and project cost estimates over time, M2 commitments remain deliverable.

However, recent updates of the Next 10 Plan highlight that Metrolink operations requires close monitoring as the current service plan, ridership trends, and operating and rehabilitation costs are not fiscally sustainable through 2041. In October 2024, Metrolink implemented Metrolink Reimagined, a service change that increased weekday train frequency and expanded midday and evening service to better accommodate new travel patterns resulting from alternative work schedules. The revised schedule also improved connectivity between lines through clockface scheduling, allowing for easier transfers and more efficient use of train equipment and crews.

The three Metrolink lines serving Orange County now operate 58 weekday trains, representing a 7.4 percent increase over pre-pandemic service levels. Despite these changes, Metrolink recovery continues to struggle, with farebox revenue and ridership actuals consistently falling below forecasts while operating costs rise. Without changes in service levels, ridership growth, operations and rehabilitation costs or additional external funds, the 2025 Next 10 Plan projects that the current service cannot be sustained beyond fiscal year (FY) 2033-34. OCTA will continue to actively engage with Metrolink and the other member agencies to monitor ridership levels and the financial impacts to M2.

Project Delivery

OCTA, in partnership with other agencies, has made significant progress delivering the Plan. As reported in the FY 2025-26 first quarter M2 progress report, several M2 elements have been completed or are underway.

- M2 Freeway Program
 - o 17 of 30 freeway projects have been completed with ten more underway and anticipated to be open to traffic by 2030.
 - The Freeway Environmental Mitigation Program's endowment is on track to be fully funded by FY 2027-28.
- M2 Streets and Road Program Over \$1.3 billion has been provided to local jurisdictions through three programs.
 - Over 509 project phases have been funded through M2 competitive streets and roads programs.

- OCTA is currently leading the Countywide Signal Synchronization Baseline Project to develop and implement a coordinated, countywide network of approximately 2,500 retimed signals along regionally significant corridors, improving traffic flow and ensuring seamless travel across Orange County. While this innovative project is entirely externally funded, the project's outcomes, anticipated in 2029, will directly inform and enhance the future of the M2 Regional Traffic Signal Synchronization Program.
- Nearly \$823 million has been disbursed via formula to eligible local jurisdictions through the Local Fair Share Program.

M2 Transit Program

- The OC Streetcar is under construction and is anticipated to be operational in 2026.
- Nearly \$152 million has been provided to expand mobility choices for seniors and persons with disabilities.
- Community-based transit circulators have been successful and well-received by the respective communities. Of the 49 projects OCTA has awarded, 21 services are active, four are planned, 13 have been cancelled, and 11 have been completed.
- OCTA has also awarded over \$3 million to support 112 transit stop safety enhancement projects, of which 59 have been completed to date
- M2 Environmental Cleanup Program Through a two-tiered funding process, OCTA has assisted local jurisdictions countywide to attain federal Clean Water Act standards for urban runoff. Since inception of the program, over 81.5 million gallons of trash have been captured and when fully functional, an estimated annual groundwater recharge and water savings potential of 352 million gallons.

Based on current project and program schedules, the Plan will reach a pivotal point within the next five years. Assuming no major unforeseen events and successful implementation of the latest Next 10 Plan, several key milestones are expected: the M2 Freeway Program will be approximately 90 percent complete, the Freeway Environmental Mitigation Program endowment will be fully funded, the Countywide Signal Synchronization Baseline Project will be completed, Metrolink Reimagined will have operated long enough to evaluate its effectiveness, the OC Streetcar will have been in service for several years, successful community-based transit circulators grants will require renewal, and all transit stop safety enhancement projects will be completed - surpassing the 100 improvements promised in the Plan. While the M2 Ordinance requires a comprehensive review of Plan performance at least every ten years, with the significant number of projects and programs currently in progress, it is not an optimal time to make long-term modifications to the Plan. Staff therefore recommends that the next comprehensive review be conducted in advance of the ten-year interval to better align with program milestones and future planning

needs. Additionally, by that time, major regional events such as the 2026 FIFA World Cup and 2028 Olympic and Paralympic Games will have concluded.

Public Priority

Public and stakeholder engagement has been extensive and inclusive. More than 5,500 participants have been reached through community events, focus groups, and meetings with city, regional, and organizational partners. Of these, 2,585 completed community surveys, offering detailed feedback on awareness, priorities, and perceptions of M2. Findings indicate that while only about one-third of participants were initially familiar with M2, awareness and support increased significantly once people learned about the programs and improvements it funds. Stakeholders expressed confidence in the effective management of M2 and its overall performance. Consistent with prior outreach, the public's top priorities continue to include congestion relief, local street maintenance, transit service, and safety enhancements. These insights confirm that the Plan continues to reflect the transportation priorities of Orange County.

Through Technical Advisory Committee working groups and elected official roundtables, a common need for more pavement maintenance funding was highlighted. Currently, M2 provides formula-based funding through the Local Fair Share program to help local jurisdictions keep up with the rising cost of repairing the aging street system. To respond to this feedback while maintaining transparency and accountability, staff is proposing to pursue the creation of a competitive pavement maintenance program in the M2 streets and roads program.

Based on the themes emerging from the review to date, staff further proposes the development of an Action Plan to guide OCTA's implementation activities until the next comprehensive M2 review, anticipated in approximately five years. The draft Action Plan is included as Attachment B.

Next Steps

Updates on the ten-year review progress will continue to be included in the regular M2 quarterly reports. The final report will include a comprehensive review of all projects and programs implemented under the Plan, as well as identify the performance of the overall program. Additionally, it will consider changes to local, state, and federal transportation plans and policies, changes in land use, travel and growth projections, changes in project cost estimates and revenue projections, right-of-way constraints, and other project constraints, level of public support for the Plan, and the progress of OCTA and local jurisdictions in implementing the Plan. The final report and accompanying Action Plan are anticipated to be presented to the Board in early 2026.

Summary

A comprehensive ten-year review is being conducted as required by the M2 Ordinance. The PMO is leading the ten-year review with participation from OCTA divisions. An update is provided to the Board sharing progress to date and a draft Action Plan. A final report is anticipated to be brought to the Board in early 2026.

Attachments

- Α. Measure M Investment Summary
- Measure M2 Ten-Year Review Draft Action Plan B.

Francesca Ching Manager, Measure M2 **Program Management Office** (714) 560-5625

Approved by:

Rose Casey Executive Director, Planning

(714) 560-5729



Measure M Investment Summary

	LOCATION	PROJECTS	COSTS 2005 estimates in millions	
Freeway	Projects (in millions)			\$4,871.1
I-5	Santa Ana Freeway Interchange Improvements	0 0 0 0	\$470.0	
I-5	Santa Ana/San Diego Freeway Improvements	BGD	1,185.2	
SR-22	Garden Grove Freeway Access Improvements	(3)	120.0	
SR-55	Costa Mesa Freeway Improvements	G	366.0	
SR-57	Orange Freeway Improvements	G	258.7	
SR-91	Riverside Freeway Improvements		908.7*	
I-405	San Diego Freeway Improvements	RD	1,392.5*	
I-605	Freeway Access Improvements	M	20.0	
All	Freeway Service Patrol	0	150.0	
Streets &	Roads Projects (in millions)			\$3,625.0
Regiona	l Capacity Program	0	\$1,132.8	
	l Traffic Signal Synchronization Program	0	453.1	
	ir Share Program	0	2,039.1	
	ojects (in millions)		,	\$2,832.0
	-, (, , , , , , ,
High Frequency Metrolink Service		R	\$1,129.8*	
Transit Extensions to Metrolink		©	1,000.0	
Metrolin	ık Gateways	0	57.9*	
Expand	Mobility Choices for Seniors and Persons with Disabilities	O	392.8*	
Community Based Transit/Circulators		V	226.5	
Safe Transit Stops		W	25.0	
Environme	ental Cleanup (in millions)			\$237.2
Clean U	p Highway and Street Runoff that Pollutes Beaches	X	\$237.2	
Taxpayer	Safeguards and Audits (in millions)			\$296.6
Collect Sales Taxes (State charges required by law)			\$178.0	
Oversigh	nt and Annual Audits		118.6	
Total (2005	dollars in millions)			\$11,861.9

^{*}Asterisk notes project estimates that have been amended since 2006.

Measure M2 Ten-Year Review Draft Action Plan

Freeway Program					
Projects A – M Freeway Improvement Projects	Continue implementation as planned.				
Project N Freeway Service Patrol	Continue implementation as planned.				
Freeway Environmental Mitigation Program	Continue implementation as planned.				
Streets & Roads Program					
Project O Regional Capacity Program	Evaluate the creation of a competitive pavement subprogram.				
Project P Regional Traffic Signal Synchronization Program	Assess the results and recommendations from the Countywide Signal Synchronization Baseline Project.				
Project Q Local Fair Share	Continue implementation as planned.				
	Transit Program				
Project R High Frequency Metrolink Service	 Direct staff to continue to work with Metrolink to develop a financially sustainable service plan, including establishing a target Orange County Transportation Authority (OCTA) funding level as part of the fiscal year 2026-27 budget development process. Request Metrolink to provide regular updates to the OCTA Board of Directors on systemwide performance. 				
Project S Transit Extensions to Metrolink	Continue implementation as planned.				
Project T Metrolink High-Speed Rail Gateways	Project is closed out.				
Project U Expand Mobility Choices for Seniors and Persons with Disabilities	 Senior Mobility Program (SMP) – Evaluate and update the SMP Guidelines to ensure consistency, enhance clarity, and support evolving mobility needs. Senior Non-Emergency Medical Transportation Program – Continue implementation as planned. Fare Stabilization Program – Continue implementation as planned. 				

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Transit Program (Continued)				
Project V Community Based Transit/Circulators	Continue implementation as planned.			
Project W Safe Transit Stops	Update the list of 100 busiest stops.			
Environmental Program				
Project X: Environmental Cleanup Program	Continue implementation as planned.			
Taxpayer Safeguards				
Continue implementation as planned.				



Measure M2 Ten-Year Review Update



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Background

- Measure M2 (M2) approved in 2006 with strong voter support
- Governed by Ordinance No. 3 (M2 Ordinance), which includes a Transportation Investment Plan (Plan)
- M2 Ordinance requires a ten-year comprehensive review
- First review completed in 2015

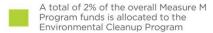


At least every ten years the Authority shall conduct a comprehensive review of all projects and programs implemented under the Plan to evaluate the performance of the overall program and may revise the Plan to improve its performance. The review shall



ENVIRONMENTAL







Objectives



Research and identify changes in external policy and/or regulation as well as in land use, travel, and growth projections



Evaluate current project and program cost estimates and the financial capacity through 2041



Review Plan to determine if there are performance issues or constraints



Assess public and stakeholder support for the Plan and OCTA's approach



Identify Orange County
Transportations Authority's
(OCTA) and local jurisdictions'
progress in implementing the
Plan



Policy and Planning Context

 Assessing changes in transportation policies, plans, and regulations at all levels



 Reviewing shifts in land use, travel behavior, and growth projections



 Recent policy and development trends have influenced project delivery





Financial Analysis

Annual updates of the Next 10 Delivery Plan reaffirm M2 commitments remain deliverable



 Metrolink operations identified as a key area requiring close monitoring; current assumptions not fiscally sustainable beyond fiscal year (FY) 2033-34



 OCTA continues to coordinate with Metrolink and member agencies on performance and financial impacts



Project Delivery Analysis – Program Highlights

Freeway Program

- 17 of 30 projects complete; ten more by 2030
- Environmental Mitigation Program (EMP) endowment anticipated to be fully funded by FY 2027-28

Streets and Roads Program

- \$1.3B distributed across three funding programs
- 509+ phases funded through two competitive programs
- Countywide Signal Synchronization Baseline Project underway

Transit Program

- Station, track, and grade crossing upgrades
- Expanded Metrolink service
- OC Streetcar underway
- \$152M for mobility of seniors and persons with disabilities
- 36 community-based circulators
- 112 bus stop enhancements

Environmental Cleanup Program

- 267 water quality projects
- 81.5 million gallons of trash collected



Project Delivery Analysis – Looking Ahead

- No major Plan changes recommended
- Next comprehensive review recommended in advance of the ten-year interval to align with anticipated key milestones:
 - Freeway Program ~90% complete
 - EMP endowment fully funded
 - Countywide Signal Synchronization Baseline Project completion
 - Greater ability to assess success of Metrolink Reimagined

- OC Streetcar operating
- Renewal of community-based transit circulator grants
- Over 100 transit stop safety enhancements complete
- Draft Action Plan developed to guide implementation over next five years until the next review in 2030/2031



Public Outreach & Community Engagement

Countywide Engagement

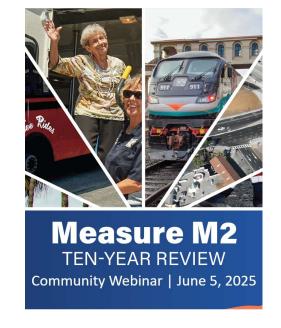
 More than 5,500 participants reached through surveys, events, and meetings

Inclusive Approach

 Multilingual outreach with strong participation from underserved communities

Public Awareness

 M2 awareness is relatively limited but increases with additional information







Public Outreach & Community Engagement



Public Sentiment

 Stakeholders express confidence in M2's performance; public support strengthens once residents understand what it funds

Top Priorities

 Reducing congestion, maintaining streets, expanding transit service, and safety enhancements

Emerging Themes

 Transparency, equity, collaboration, and sustainability



Draft Action Plan

Program	Proposed Action
Project O: Regional Capacity Program	Evaluate the creation of a competitive pavement subprogram.
Project P: Regional Traffic Signal Synchronization Program	Assess the results and recommendations from the Countywide Signal Synchronization Baseline Project.
Project R: High-Frequency Metrolink Service	 Direct staff to continue to work with Metrolink to develop a financially sustainable service plan, such as establishing a target OCTA funding level as part of the FY 2026-27 budget development process. Request Metrolink to provide regular updates to the OCTA Board of Directors on systemwide performance.
Project U: Expand Mobility Choices for Seniors and Persons with Disabilities	Senior Mobility Program (SMP) – Evaluate and update the SMP guidelines to ensure consistency, enhance clarity, and support evolving mobility needs.
Project W: Safe Transit Stops	Update the list of the 100 busiest stops.



Next Steps

- Quantitative Survey January 2026
- Final Report and Action Plan April 2026
- Updates in M2 Quarterly Progress Reports Ongoing

