



Orange County Transportation Authority

Executive Committee Agenda

Monday, November 3, 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 Klopfenstein

Closed Session

There are no Closed Session items scheduled.

Special Calendar

There are no Special Calendar matters.

Consent Calendar (Items 1 through 3)

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

1. Approval of Minutes

Clerk of the Board

Recommendation(s)

Approve the minutes of the October 6, 2025, Executive Committee meeting.

Attachments:

[Minutes](#)

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

Matt Ankley/Jennifer L. Bergener

Overview

In order to receive state and federal disaster assistance from the California Governor's Office of Emergency Services and the Federal Emergency Management Agency, the Orange County Transportation Authority is required to adopt a resolution designating authorized agent(s) to apply and submit for financial assistance following a declared disaster.

Recommendation(s)

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.

EXECUTIVE COMMITTEE MEETING AGENDA

Attachments:

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

3. Amendment to Agreement for Security Officer Services

Matt Ankley/Jennifer L. Bergener

Overview

On June 12, 2023, the Orange County Transportation Authority Board of Directors approved an agreement with Inter-Con Security Systems, Inc. to provide security officer services, for a two-year initial term with one, one-year option term. Board of Directors' approval is requested to amend the agreement to extend the term to continue services.

Recommendation(s)

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.

Attachments:

[Staff Report](#)

[Attachment A](#)

Regular Calendar

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

James G. Beil

Overview

Staff has prepared the quarterly progress report on capital project delivery for the period of July 2025 through September 2025 for review by the Orange County Transportation Authority Board of Directors. This report highlights the Capital Action Plan for project delivery, which is used as a performance metric to assess delivery progress on highway, transit, and rail projects, as well as a snapshot of the planned Capital Action Plan project delivery milestones in fiscal year 2025-26.

Recommendation(s)

Receive and file as an information item.

Attachments:

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Presentation](#)

EXECUTIVE COMMITTEE MEETING AGENDA

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

Adriann Cardoso/Rose Casey

Overview

The 405 Express Lanes, implemented through the Interstate 405 Improvement Project, opened on December 1, 2023. The Orange County Transportation Authority operates the lanes through tolling authority provided by the California Transportation Commission and under a 40-year lease with the California Department of Transportation. In December 2024, the Board of Directors approved guiding principles for the use of excess toll revenue and directed staff to develop supporting policies for the expenditure plan. Board of Directors' approval is requested for the policy and framework to guide the use of excess toll revenue, which may be available beginning in 2029.

Recommendation(s)

- 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.

Attachments:

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Attachment C](#)

[Attachment D](#)

[Presentation](#)

Discussion Items

6. Public Comments

7. Chief Executive Officer's Report

8. Committee Members' Reports

9. Adjournment

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



Committee Members Present

Doug Chaffee, Chair
Michael Hennessey
Fred Jung
Stephanie Klopfenstein
Tam T. Nguyen

Committee Members Absent

Jamey M. Federico, Vice Chair
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
Allison Cheshire, Clerk of the Board, Senior
Andrea West, Clerk of the Board
Martin Browne, Employee Rotation Program
James Donich, General Counsel
OCTA Staff

Call to Order

The October 6, 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 (Item 1)

1. Approval of Minutes

A motion was made by Director Hennessey, seconded by Director Tam Nguyen, and declared passed by those present, to approve the minutes of the August 28, 2025, Executive Committee meeting.

Regular Calendar

2. Measure M2 Next 10 Delivery Plan: Market Conditions Key Indicators Analysis and Forecast

Francesca Ching, Program Manager, M2, Dr. Wallace Walrod, Chief Economic Advisor, Orange County Business Council (OCBC), and Dr. Marlon Boarnet, Professor and Director of the METRANS Transportation Consortium, University of Southern California, presented this item.

A motion was made by Director Hennessey, seconded by Director Klopfenstein, and declared passed by those present, to direct staff to continue to monitor market conditions key indicators and provide updates to the Board of Directors as appropriate.

3. Fédération Internationale de Football Association World Cup 2026 and Los Angeles 2028 Olympic and Paralympic Games Transit Planning Update

Rose Casey, Executive Director of Planning, and Dan Phu, Director of Strategic Planning presented this item.

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

- A. Direct staff to work with the Los Angeles County Metropolitan Transportation Authority to continue to plan and implement World Cup 2026 transit service.
- B. Authorize the Chief Executive Officer to negotiate and execute a funding agreement between the Orange County Transportation Authority and the Los Angeles County Metropolitan Transportation Authority to obtain reimbursement from the Los Angeles County Metropolitan Transportation Authority for World Cup 2026 transit service expenses.
- C. Direct staff to seek state and federal funding opportunities for Los Angeles 2028 Olympic and Paralympic Games transit service.

Discussion Items

4. Public Comments

There were no Public Comments received.

5. Chief Executive Officer's Report

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

- 2026 Long Range Transportation Plan
- OC WAVE card launch on October 15, 2025

6. Committee Members' Reports

Chair Chaffee made a comment about Metrolink as a region-wide service option for accessing the Games.



7. Adjournment

The meeting adjourned at 9:47 a.m.

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

9:00 a.m. on Monday, November 3, 2025

OCTA Headquarters

Board Room

550 South Main Street

Orange, California



November 3, 2025

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer 

Subject: Adopt Resolution No. 2025-074 Designating the Orange County Transportation Authority's Applicant for Federal and State Disaster Assistance

Overview

In order to receive state and federal disaster assistance from the California Governor's Office of Emergency Services and the Federal Emergency Management Agency, the Orange County Transportation Authority is required to adopt a resolution designating authorized agent(s) to apply and submit for financial assistance following a declared disaster.

Recommendation

Adopt Resolution No. 2025-074 designating the Chief Executive Officer and Deputy Chief Executive Officer as the Orange County Transportation Authority's authorized agents for executing applications for federal and/or state disaster assistance on behalf of the Orange County Transportation Authority.

Background

The Orange County Transportation Authority (OCTA) is an eligible recipient of state and federal disaster assistance. In order to receive the disaster assistance, an adopted resolution must be on file with the California Governor's Office of Emergency Services (CalOES) which designates personnel authorized to complete and sign on behalf of the receiving agency. This resolution ensures all required documentation can be processed quickly to meet deadlines established by CalOES. The existing resolution will expire on February 13, 2026, and must be renewed every three years.

Discussion

Resolution No. 2025-074 (Attachment A) designates the Chief Executive Officer and Deputy Chief Executive Officer as the OCTA authorized agents for processing disaster assistance requests and to indicate designation on the

required form, CalOES 130 (Exhibit A). With Board of Directors' (Board) approval of the resolution, the CalEOS 130 will indicate that this is a universal resolution effective for all open and future disasters up to three years following the date of approval. CalOES 130 instructions state that if titles are used on the form to designate the authorized agents, a cover letter must be attached which includes the names and titles. This cover letter is also valid for three years and allows the agency to update names in the event there are personnel changes during this time period (Attachment B).

Summary

CalOES is the state's department responsible for processing assistance requests from local agencies seeking state or federal funding following disasters. Staff recommends the Board adopt Resolution No. 2025-074 to comply with the CalOES requirement that each agency submit a completed CalOES 130 every three years to designate OCTA's representative authorized to submit those applications.

Attachments

- A. Orange County Transportation Authority Resolution No. 2025-074
- B. Draft Letter to Mr. Robert Larsen, State Public Assistance Officer, California Governor's Office of Emergency Services, from Darrell E. Johnson, Chief Executive Officer, Orange County Transportation Authority, dated December 8, 2025

Prepared by:



Matt Ankley
Manager, Security and Emergency
Preparedness
714-560-5961

Approved by:



Jennifer L. Bergener
Deputy Chief Executive Officer
714-560-5462

**ORANGE COUNTY TRANSPORTATION AUTHORITY
RESOLUTION NO. 2025-074**

**RESOLUTION OF THE BOARD OF DIRECTORS APPROVING AND ADOPTING THE
STATE OF CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES
CALOES 130 FORM, DESIGNATION OF APPLICANT'S AGENT RESOLUTION FOR
NON-STATE AGENCIES, FOR THE PURPOSE OF OBTAINING
PRE- AND POST-DISASTER GRANT FUNDS**

WHEREAS, the Orange County Transportation Authority ("Authority") is a public entity established under the laws of the State of California.

WHEREAS, the Authority may have, from time to time, the need to request financial disaster assistance from state and federal agencies;

WHEREAS, applications for both federal and state disaster assistance are processed through the State of California Governor's Office of Emergency Services (CalOES), which requires adoption of a resolution by the Authority to submit CalOES 130 Form designating the Authority's representative(s) that are authorized to submit the applications for disaster assistance;

WHEREAS, the Authority desires to designate the Chief Executive Officer and the Deputy Chief Executive Officer as the authorized agents for the purposes of applying for the CalOES grants and any available federal disaster assistance that may become available; and

WHEREAS, the Authority desires to approve and adopt the CalOES 130 Form, Designation of Applicant's Agent Resolution for Non-State Agencies, in the form presented and attached hereto as Exhibit "A;" and

WHEREAS, Cal OES 130 must be submitted every three years.

NOW, THEREFORE, BE IT RESOLVED, the Authority does hereby approve and adopt the CalOES 130 Form, Designation of Applicant Agent, authorizing the Chief Executive Officer and the Deputy Chief Executive Officer to execute for and on behalf of the Authority, applications for the purposes of obtaining state and federal disaster assistance.

AYES:

NOES:

ABSENT:

ATTEST:

Andrea West
Clerk of the Board

Doug Chaffee, Chair
Orange County Transportation Authority

OCTA Resolution No. 2025-074



BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ORANGE COUNTY TRANSPORTATION AUTHORITY
(Governing Body) (Name of Applicant)

THAT Chief Executive Officer, OR
(Title of Authorized Agent)

Deputy Chief Executive Officer, OR
(Title of Authorized Agent)

(Title of Authorized Agent)

is hereby authorized to execute for and on behalf of the ORANGE COUNTY TRANSPORTATION AUTHORITY,
(Name of Applicant)

a public entity established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Services for the purpose of obtaining federal financial assistance for any existing or future grant program, including, but not limited to any of the following:

- **Federally declared Disaster (DR), Fire Mitigation Assistance Grant (FMAG), California State Only Disaster (CDAA), Immediate Services Program (ISP), Hazard Mitigation Grant Program (HMGP), Building Resilient Infrastructure and Communities (BRIC), Legislative Pre-Disaster Mitigation Program (LPDM),** under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.
- **Flood Mitigation Assistance Program (FMA),** under Section 1366 of the National Flood Insurance Act of 1968.
- **National Earthquake Hazards Reduction Program (NEHRP)** 42 U.S. Code 7704 (b) ((2) (A) (ix) and 42 U.S. Code 7704 (b) (2) (B) National Earthquake Hazards Reduction Program, and also The Consolidated Appropriations Act, 2018, Div. F, Department of Homeland Security Appropriations Act, 2018, Pub. L. No. 115-141
- **California Early Earthquake Warning (CEEW)** under CA Gov Code – Gov, Title 2, Div. 1, Chapter 7, Article 5, Sections 8587.8, 8587.11, 8587.12

That the ORANGE COUNTY TRANSPORTATION AUTHORITY, a public entity established under the
(Name of Applicant)

laws of the State of California, hereby authorizes its agent(s) to provide to the Governor's Office of Emergency Services for all matters pertaining to such state disaster assistance the assurances and agreements required.



Please check the appropriate box below

- ☒ This is a universal resolution and is effective for all open and future disasters/grants declared up to three (3) years following the date of approval.
- ☐ This is a disaster/grant specific resolution and is effective for only disaster/grant number(s): _____

Passed and approved this 8 day of December, 2025

Doug Chaffee, Chair

(Name and Title of Governing Body Representative)

(Name and Title of Governing Body Representative)

(Name and Title of Governing Body Representative)

CERTIFICATION

I, **Andrea West**, duly appointed and **Clerk of the Board** of
(Name) (Title)

ORANGE COUNTY TRANSPORTATION AUTHORITY, do hereby certify that the above is a true and
(Name of Applicant)

correct copy of a resolution passed and approved by the **BOARD OF DIRECTORS**
(Governing Body)

of the **ORANGE COUNTY TRANSPORTATION AUTHORITY** on the 8 day of December, 2025.
(Name of Applicant)

Clerk of the Board

(Signature)

(Title)



Cal OES Form 130 Instructions

A Designation of Applicant's Agent Resolution for Non-State Agencies is required of all Applicants to be eligible to receive funding. A new resolution must be submitted if a previously submitted resolution is older than three (3) years from the last date of approval, is invalid, or has not been submitted.

When completing the Cal OES Form 130, Applicants should fill in the blanks on pages 1 and 2. The blanks are to be filled in as follows:

Resolution Section:

Governing Body: This is the group responsible for appointing and approving the Authorized Agents.

Examples include: Board of Directors, City Council, Board of Supervisors, Board of Education, etc.

Name of Applicant: The public entity established under the laws of the State of California.

Examples include: School District, Office of Education, City, County or Non-profit agency that has applied for the grant, such as: City of San Diego, Sacramento County, Burbank Unified School District, Napa County Office of Education, University Southern California.

Authorized Agent: These are the individuals that are authorized by the Governing Body to engage with the Federal Emergency Management Agency and the California Governor's Office of Emergency Services regarding grants for which they have applied. There are two ways of completing this section:

1. **Titles Only:** The titles of the Authorized Agents should be entered here, not their names. This allows the document to remain valid if an Authorized Agent leaves the position and is replaced by another individual. If "Titles Only" is the chosen method, this document must be accompanied by either a cover letter naming the Authorized Agents by name and title, or the Cal OES AA Names document. The supporting document can be completed by any authorized person within the Agency (e.g., administrative assistant, the Authorized Agent, secretary to the Director). It does not require the Governing Body's signature.
2. **Names and Titles:** If the Governing Body so chooses, the names **and** titles of the Authorized Agents would be listed. A new Cal OES Form 130 will be required if any of the Authorized Agents are replaced, leave the position listed on the document, or their title changes.



Checking Universal or Disaster-Specific Box: A Universal resolution is effective for all past disasters and for those declared up to three (3) years following the date of approval. Upon expiration it is no longer effective for new disasters, but it remains in effect for disasters declared prior to expiration. It remains effective until the disaster goes through closeout unless it is superseded by a newer resolution.

Governing Body Representative: These are the names and titles of the approving Board Members.

Examples include: Chairman of the Board, Director, Superintendent, etc. The names and titles **cannot** be one of the designated Authorized Agents. A minimum of three (3) approving board members must be listed. If less than three are present, meeting minutes must be attached in order to verify a quorum was met.

Certification Section:

Name and Title: This is the individual in attendance who recorded the creation and approval of this resolution.

Examples include: City Clerk, Secretary to the Board of Directors, County Clerk, etc. This person **cannot** be one of the designated Authorized Agents or Approving Board Member. If a person holds two positions (such as City Manager and Secretary to the Board) and the City Manager is to be listed as an Authorized Agent, then that person could sign the document as Secretary to the Board (not City Manager) to eliminate "Self-Certification."



ATTACHMENT B

AFFILIATED AGENCIES

*Orange County
Transit District*

*Local Transportation
Authority*

*Service Authority for
Freeway Emergencies*

*Consolidated Transportation
Service Agency*

*Congestion Management
Agency*

November 24, 2025

Mr. Robert Larsen
State Public Assistance Officer
California Governor's Office of Emergency Services
3650 Schriever Avenue
Mather, CA 95655

Dear Mr. Larsen,

Effective immediately, and in accordance with the Orange County Transportation Authority's Resolution 2025-074 approved by the Board of Directors on December 8, 2025, the following individuals are authorized to serve as the Authorized Agents on behalf of the Orange County Transportation Authority:

Chief Executive Officer
Darrell E. Johnson
550 South Main Street
Orange, CA 92868
(714) 560-5343

Deputy Chief Executive Officer
Jennifer L. Bergener
550 South Main Street
Orange, CA 92868
(714) 560-5462

If you have questions regarding the above information, please contact Matt Ankley, Department Manager, Security and Emergency Preparedness, at (714) 560-5961 or by email at mankley@octa.net.

Sincerely,

Darrell E. Johnson
Chief Executive Officer

Enclosures



November 3, 2025

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer 

Subject: Amendment to Agreement for Security Officer Services

Overview

On June 12, 2023, the Orange County Transportation Authority Board of Directors approved an agreement with Inter-Con Security Systems, Inc. to provide security officer services, for a two-year initial term with one, one-year option term. Board of Directors' approval is requested to amend the agreement to extend the term to continue services.

Recommendation

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.

Discussion

The Orange County Transportation Authority (OCTA) utilizes security officer services to help maintain safety and security at OCTA facilities. OCTA is currently utilizing security officer services at the Garden Grove and Santa Ana bus bases and OC Streetcar Maintenance and Storage Facility (MSF) for a limited time and purpose.

OCTA is underway with a security gate installation project at both the Garden Grove and Santa Ana bus bases. The gates are being implemented in direct response to concerns raised by employees that these bus bases were not sufficiently secure against trespassing and other criminal activity. In order to help maintain security and control trespassing at the bases while the gate project is being implemented, OCTA engaged the services of a private security officer

company. The original anticipated completion date for the security gate project was June 2025, at which time the security officer services would no longer be necessary. Unanticipated delays in the construction of the project extended the completion date to October 2025, adding an additional four months of security services. Additional funding is necessary for the security officer services through the completion and closeout of the security gate project.

In April 2025, the Board of Directors (Board) approved supplemental security officer services at the OC Streetcar MSF for an estimated period of six months to mitigate the risks caused by the shared-use nature of that facility between the project construction and pre-revenue operations. The MSF was originally scheduled to transition to the operations and maintenance contractor, who would take on safety and security responsibilities, in September 2025. Due to unexpected construction delays, this timeline is expected to be extended to as late as December 2025, requiring an additional six months of security services.

In order to maintain security services, staff is recommending to extend the contract term through June 2026. This will allow OCTA to continue to provide security officer services through completion of the aforementioned projects. This is a time and expense contract; OCTA will only pay for services utilized.

In addition to these efforts, OCTA utilizes security officer services on an as-needed basis for critical activities and events. The recommended amendments herein will also help to ensure those services are available as needed through the duration of this contract.

Procurement Approach

The procurement was handled in accordance with OCTA Board-approved procedures for professional and technical services. On June 12, 2023, the Board approved the award of the agreement with Inter-Con Security Systems, Inc. (Inter-Con) to provide security officer services. The original agreement was awarded on a competitive basis and includes a two-year initial term in the amount of \$1,092,000 and one, one-year option term. This agreement has been previously amended as shown in Attachment A.

The proposed Amendment No. 3 is to extend the term of the agreement for the remaining six months of the option term, effective January 1, 2026 through June 2026, and will increase the total contract value to \$2,867,686 due to the need for additional security officer services at the MSF, and for as-needed efforts at OCTA facilities. The combined budget for this amendment is \$1,111,370, which is based on current and anticipated levels of efforts for security officer services. In accordance with the current agreement, the rates will remain the same as originally negotiated.

Fiscal Impact

The project was not included in the OCTA Fiscal Year 2025-26 Budget. The estimated cost of \$1,111,370 for these services will be provided through the Transit Development Capital Project Fund utilizing Account No. 0035-7616-OC110-4TZ and Local Transportation Fund utilizing Account No. 2118-7616-D4805-4TZ.

Summary

Staff recommends the Board of Directors 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 at an increase of \$1,111,370 to the maximum cumulative payment obligation for continued security officer services at Orange County Transportation Authority facilities.

Attachment

A. Inter-Con Security Systems, Inc., Agreement No. C-2-2886 Fact Sheet

Prepared by:

Matt Ankley
Department Manager, Security and
Emergency Preparedness
714-560-5719



Pia Veaspen
Director, Contracts Administration and
Materials Management
714-560-5619

Approved by:

Jennifer L. Bergener
Deputy Chief Executive Officer
714-560-5462

**Inter-Con Security Systems, Inc.
Agreement No. C-2-2886 Fact Sheet**

1. June 12, 2023, Agreement No. C-2-2886, \$1,092,000, for a two-year initial term with one, one-year option term approved by the Board of Directors (Board).
 - Agreement for security officer services.
 - Initial term effective July 1, 2023, through June 30, 2025, with one, one-year option term.
2. October 26, 2023, Amendment No. 1 to Agreement No. C-2-2886, \$0.00, approved by the Contracts Administration and Materials Management Department.
 - Add holiday pay rates to the price summary sheet.
3. April 14, 2025, Amendment No. 2 to Agreement No. C-2-2886, \$664,316, approved by the Board.
 - Additional budget in the amount of \$332,158 to cover costs to provide security officer services at the OC Streetcar Maintenance and Storage Facility through the initial term.
 - Exercise the option term effective July 1, 2025, through December 31, 2025, in the amount of \$332,158.
 - Revise Key Personnel.
4. November 10, 2025, Amendment No. 3 to Agreement No. C-2-2886, \$1,111,370, pending approval by the Board.
 - Extend the term of the agreement effective January 1, 2026, through June 30, 2026, in the amount of \$1,111,370, to continue to provide security officer services at the bus bases and OC Streetcar Maintenance and Storage Facility.

Total committed to Inter-Con Security Systems, Inc. under Agreement No. C-2-2886: \$2,867,686.



November 3, 2025

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: First Quarter Fiscal Year 2025-26 Capital Action Plan and Performance Metrics

Overview

Staff has prepared the quarterly progress report on capital project delivery for the period of July 2025 through September 2025 for review by the Orange County Transportation Authority Board of Directors. This report highlights the Capital Action Plan for project delivery, which is used as a performance metric to assess delivery progress on highway, transit, and rail projects, as well as a snapshot of the planned Capital Action Plan project delivery milestones in fiscal year 2025-26.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) delivers highway, transit, rail, and facility projects from the beginning of the environmental approval phase through construction completion. Project delivery milestones are planned carefully with consideration of project scope, cost, schedule, and assessment of risks. The milestones reflected in the Capital Action Plan (CAP) are OCTA's planned and budgeted major project delivery commitments.

This report provides the first quarter progress report on the CAP performance metrics for fiscal year (FY) 2025-26.

Discussion

OCTA's objective is to deliver projects on schedule and within the approved project budget. Key project cost and schedule commitments are captured in the CAP, which is regularly updated with project status and any new

projects (Attachment A). The CAP is categorized into three key project groupings of freeway, railroad grade separation, and transit projects. Project delivery schedule milestones are used as performance indicators of progress in meeting commitments. The CAP performance metrics report provides a FY snapshot of the milestones targeted for delivery in the FY and provides transparency and performance measurement of capital project delivery.

The CAP project costs represent the total cost across all phases of project delivery, including support costs, right-of-way (ROW), and construction capital costs. Baseline costs, if established, are shown in comparison to either the actual or forecast cost. Baseline costs may be shown as to-be-determined (TBD) if project scoping studies and estimates have not been developed or approved and may be updated as delivery progresses and milestones achieved. Projects identified in the Orange County local transportation sales tax Measure M2 (M2) are identified with the corresponding M2 project logo. The CAP status update is also included in the M2 Quarterly Progress Report.

The CAP summarizes the very complex capital project critical path delivery schedules into eight key milestones.

Begin Environmental	The date work on the environmental clearance, project report, or preliminary engineering phase begins.
Complete Environmental	The date environmental clearance and project approval is achieved.
Begin Design	The date final design work begins, or the date when a design-build contract begins.
Complete Design	The date final design work is 100 percent complete and approved.
Construction Ready	The date contract bid documents are ready for advertisement, including certification of ROW, all agreements executed, and contract constraints cleared.
Advertise for Construction	The date a construction contract is advertised for construction bids.
Award Contract	The date the construction contract is awarded.

Construction Complete

The date all construction work is complete and the project is open to public use. This does not include the plant establishment period if included in the construction contract.

These delivery milestones reflect progression across the project delivery phases shown below.



Project schedules reflect planned baseline milestone dates in comparison to forecast or actual milestone dates. Milestone dates may be shown as TBD if project scoping or approval documents have not been finalized and approved, or if the delivery schedule has not been negotiated with a partnering agency or the consultant preparing or working on the specific phase of a project. Planned milestone dates can be revised to reflect new dates from approved baseline schedule changes. Baseline schedule changes are typically made when transitioning to a new project delivery phase, or when significant change is identified during a phase of project delivery. Project schedules are reviewed monthly, and milestone achievements and updated forecast dates are included to reflect project delivery status.

The following CAP milestones were completed in the first quarter of FY 2025-26:

- The advertise construction milestone for the Interstate 5 (I-5) Improvement Project between Interstate 405 and Yale Avenue was achieved when the California Department of Transportation (Caltrans) advertised the construction contract on August 18, 2025. Bids are planned to be opened on November 18, 2025.
- The advertise construction milestone for the I-5 Improvement Project between Yale Avenue and State Route 55 (SR-55) was achieved when Caltrans advertised for construction bids on August 11, 2025. Bids are planned to be opened on October 21, 2025.
- The advertise construction for the northbound State Route 57 (SR-57) Improvement Project between Orangewood Avenue and Katella Avenue was achieved, and the award contract milestone planned for the second quarter was achieved early. Caltrans awarded the contract to Ortiz Enterprises Inc. on September 25, 2025.

- The complete construction milestone for Segment 1 of the I-5 Improvement Project between State Route 73 (SR-73) and Oso Parkway was achieved. All lanes are open for public use and project closeout activities are underway. This is the southerly segment of three segments of the I-5 Improvement Project between SR-73 and El Toro Road.
- The complete construction milestone for Segment 3 of the I-5 Improvement Project between Alicia Parkway and El Toro Road was achieved. All lanes are open for public use and project closeout activities are underway. This is the northerly segment of three segments of the I-5 Improvement Project between SR-73 and El Toro Road.

The following CAP milestones missed the planned delivery through the fourth quarter of FY 2024-25:

- The award contract milestone for the SR-91 Improvements from Acacia Street to La Palma Avenue (Segment 3) was missed due to a longer than expected timeline for the post bid review and award process stemmed by changes in the Disadvantaged Business Enterprise requirements. However, the contract has since been awarded on October 18, 2025, and will be reported as achieved in the second quarter FY report.

Recap of FY 2025-26 Performance Metrics

The performance metrics snapshot provided at the beginning of FY 2025-26 reflected 19 planned major project delivery milestones to be accomplished throughout the FY (Attachment B). Five of the six milestones planned through the first quarter of FY 2025-26 were delivered, and one milestone planned in the second quarter was delivered early.

First Quarter CAP Milestone and Cost Variance Updates

I-5, Avenida Pico to San Diego County Line

The forecast complete environmental milestone was revised to December 2026 (still within the second quarter) to allow time for finalization and signing of the final environmental document.

I-5 El Toro Road Interchange Improvement

The forecast environmental milestone was accelerated from April 2027 to December 2026 to reflect the current Caltrans environmental document preparation schedule.

SR-57 Northbound Truck Lane from Lambert Road to Tonner Canyon

The forecast begin environmental milestone was accelerated to November 2025. Caltrans will be the lead agency for the environmental phase.

State Route 91 (SR-91), La Palma Avenue to SR-55 (Segment 2)

The forecast construction ready, advertise construction, award contract, and complete construction milestones were adjusted to match the updated ROW acquisition schedule.

SR-91, Acacia Street to La Palma Avenue (Segment 3)

The forecast award contract and construction completion were adjusted due to a longer than expected timeline for post-bid review and award process.

91 Eastbound Corridor Operations Project from State Route 241 (SR-241) to State Route 71 (SR-71)

The forecast complete environmental milestone was adjusted to March 2026 based on progress reported by Riverside County Transportation Commission.

SR-91 to SR-241 Express Connector

Remaining forecast milestones were adjusted out one month based on the Transportation Corridor Agency's reported progress on the complete design and construction ready milestones.

Coastal Rail Stabilization Priority Project Sand Nourishment

The forecast complete design and subsequent milestones were revised to reflect the updated schedule of activities.

OC Streetcar Project

The complete construction date was revised from March 2026 to July 2026 based on the schedule reported in the first quarter.

FY 2025-26 Cost and Performance Metrics Risks

Construction bid pricing in the region continues to reflect escalating labor, material, and equipment costs. OCTA hires the Orange County Business Council to prepare the Orange County Transportation Infrastructure Construction Cost Pressure Index twice annually. The September 2025 index update reflects a probable forecast range for infrastructure cost increases from two to six percent through 2028. There are continued concerns regarding workforce availability in construction and manufacturing markets, and there remains uncertainty around the impacts of tariffs and their potential duration. Staff will continue to assess unit price data from construction bids in the region and make needed adjustments to forecast costs.

Summary

Capital project delivery continues to progress and is reflected in the CAP. In FY 2025-26, 100 percent of the planned CAP milestones were delivered through the first quarter. Forecast schedules and costs have been updated for the FY 2025-26 performance metrics, which will be used as a general quarterly project delivery performance indicator. Staff will continue to manage project costs and schedules across all project phases to meet project delivery commitments and report quarterly.

Attachments

- A. Capital Action Plan, Status Through September 2025
- B. Capital Programs Division, Fiscal Year 2025-26 Performance Metrics Through September 2025

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Capital Action Plan

Status Through September 2025

Updated: October 10, 2025

Capital Projects	Cost Baseline/Forecast	Schedule Plan/Forecast							
		Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
	(millions)								
Freeway Projects:									
I-5, Pico to San Diego County	TBD	Feb-21	Apr-24	TBD	TBD	TBD	TBD	TBD	TBD
	TBD	Feb-21	Dec-26	TBD	TBD	TBD	TBD	TBD	TBD
 I-5, Pico to Vista Hermosa	\$113.0	Jun-09	Dec-11	Jun-11	Oct-13	Feb-14	Oct-14	Dec-14	Aug-18
Project C	\$83.6	Jun-09	Oct-11	Jun-11	Oct-13	May-14	Sep-14	Dec-14	Aug-18
 I-5, Vista Hermosa to Pacific Coast Highway	\$75.6	Jun-09	Dec-11	Jun-11	Feb-13	Jun-13	Oct-13	Dec-13	Mar-17
Project C	\$75.3	Jun-09	Oct-11	Jun-11	May-13	Aug-13	Feb-14	Jun-14	Jul-17
 I-5, Pacific Coast Highway to San Juan Creek Road	\$70.7	Jun-09	Dec-11	Jun-11	Jan-13	May-13	Aug-13	Oct-13	Sep-16
Project C	\$74.3	Jun-09	Oct-11	Jun-11	Jan-13	Apr-13	Aug-13	Dec-13	Jul-18
 I-5, I-5/Ortega Interchange	\$90.9	Sep-05	Jun-09	Jan-09	Nov-11	Mar-12	Jun-12	Aug-12	Sep-15
Project D	\$79.8	Sep-05	Jun-09	Jan-09	Dec-11	Apr-12	Jun-12	Aug-12	Jan-16
 I-5, I-5/Ortega Interchange (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project D	N/A	N/A	N/A	Jan-14	Oct-14	Feb-15	Aug-15	Sep-15	Sep-16
 I-5, SR-73 to Oso Parkway	\$151.9	Sep-11	Jun-14	Mar-15	Jan-18	May-18	Aug-18	Dec-18	Apr-25
Project C & D	\$229.4	Oct-11	May-14	Mar-15	Aug-18	May-19	Aug-19	Dec-19	Jul-25
 I-5, Oso Parkway to Alicia Parkway	\$196.2	Sep-11	Jun-14	Nov-14	Jun-17	Dec-17	Feb-18	Jun-18	Nov-23
Project C & D	\$230.3	Oct-11	May-14	Nov-14	Dec-17	Jun-18	Nov-18	Mar-19	Dec-24
 I-5, Alicia Parkway to El Toro Road	\$133.6	Sep-11	Jun-14	Mar-15	Jun-18	Dec-18	Jan-19	May-19	Oct-24
Project C	\$227.3	Oct-11	May-14	Mar-15	May-19	Apr-20	May-20	Sep-20	Jul-25
 I-5, SR-73 to El Toro Road (Landscape)	TBD	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project C	\$12.4	N/A	N/A	Mar-23	Oct-24	Dec-24	Mar-25	May-25	Dec-26
 I-5, I-5/El Toro Road Interchange	TBD	Apr-17	Apr-26	TBD	TBD	TBD	TBD	TBD	TBD
Project D	TBD	Apr-17	Dec-26	TBD	TBD	TBD	TBD	TBD	TBD
 I-5, I-405 to Yale Avenue	\$280.6	May-14	Aug-18	Oct-21	May-24	May-25	Dec-25	Feb-26	Sep-29
Project B	\$388.1	May-14	Jan-20	Oct-21	Nov-24	Jun-25	Aug-25	Jan-26	Aug-29
 I-5, Yale Avenue to SR-55	\$238.3	May-14	Aug-18	May-21	Feb-25	Aug-25	Nov-25	Mar-26	Sep-29
Project B	\$327.9	May-14	Jan-20	May-21	Aug-24	Jun-25	Aug-25	Dec-25	Oct-29
 I-5, SR-55 to SR-57	\$38.1	Jul-11	Jun-13	Jun-15	Mar-17	Jul-17	Sep-17	Dec-17	Apr-21
Project A	\$38.9	Jun-11	Apr-15	Jun-15	Jun-17	Dec-17	Mar-18	Nov-18	Jan-21
 SR-55, I-405 to I-5	\$410.9	Feb-11	Nov-13	Sep-17	Apr-20	Dec-20	Apr-21	May-22	Feb-27
Project F	\$505.7	May-11	Aug-17	Sep-17	Apr-20	Sep-21	Dec-21	May-22	Mar-27

Capital Action Plan

Status Through September 2025

Updated: October 10, 2025

Capital Projects	Cost Baseline/Forecast	Schedule Plan/Forecast							
		Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
	(millions)								
 SR-55, I-5 to SR-91 Project F	\$131.3	Dec-16	Jan-20	Aug-22	Jul-25	Dec-25	Apr-26	Jul-26	Oct-29
	\$202.1	Dec-16	Mar-20	Aug-22	Dec-25	Sep-26	Jan-27	Apr-27	Jul-30
 SR-57 Northbound (NB), Orangewood Avenue to Katella Avenue Project G	\$71.8	Apr-16	Dec-18	Mar-22	Jul-24	Feb-25	Jul-25	Nov-25	Jun-28
	\$135.4	Apr-16	Mar-19	Mar-22	Aug-24	May-25	Jul-25	Sep-25	Jun-28
 SR-57 (NB), Katella Avenue to Lincoln Avenue Project G	\$78.7	Apr-08	Jul-09	Jul-08	Nov-10	Mar-11	May-11	Aug-11	Sep-14
	\$38.0	Apr-08	Nov-09	Aug-08	Dec-10	Apr-11	Jul-11	Oct-11	Apr-15
 SR-57 (NB), Katella Avenue to Lincoln Avenue (Landscape) Project G	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	May-09	Jul-10	Jun-17	Jul-17	Sep-17	Jun-18
 SR-57 (NB), Orangethorpe Avenue to Yorba Linda Boulevard Project G	\$80.2	Aug-05	Dec-07	Feb-08	Dec-09	Apr-10	Jun-10	Oct-10	May-14
	\$52.3	Aug-05	Dec-07	Feb-08	Jul-09	Dec-09	May-10	Oct-10	Nov-14
 SR-57 (NB), Yorba Linda Boulevard to Lambert Road Project G	\$79.3	Aug-05	Dec-07	Feb-08	Dec-09	Apr-10	Jun-10	Oct-10	Sep-14
	\$54.1	Aug-05	Dec-07	Feb-08	Jul-09	Mar-10	May-10	Oct-10	May-14
 SR-57 (NB), Orangethorpe Avenue to Lambert Road (Landscape) Project G	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	Oct-14	Aug-17	Dec-17	Jan-18	Feb-18	Apr-19
 SR-57 (NB), Lambert Road to Tonner Canyon Project G	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
	TBD	Nov-25	Jul-28	TBD	TBD	TBD	TBD	TBD	TBD
 SR-91 Westbound (WB), I-5 to SR-57 Project H	\$78.1	Jul-07	Apr-10	Oct-09	Feb-12	Jul-12	Aug-12	Nov-12	Apr-16
	\$59.2	Jul-07	Jun-10	Mar-10	Apr-12	Aug-12	Oct-12	Jan-13	Jun-16
 SR-91 (WB), I-5 to SR-57 (Landscape) Project H	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	Nov-14	Aug-16	Dec-16	Feb-17	Mar-17	Nov-17
 SR-91, SR-55 to Lakeview Avenue (Segment 1) Project I	\$108.6	Jan-15	Oct-18	Mar-20	Jan-23	Aug-23	Oct-23	Feb-24	Mar-28
	\$140.7	Jan-15	Jun-20	Mar-20	Mar-23	May-24	Jun-24	Jan-25	Mar-28
 SR-91, La Palma Avenue to SR-55 (Segment 2) Project I	\$208.4	Jan-15	Oct-18	Jun-20	Jul-23	Feb-24	Mar-24	Jul-24	Mar-28
	\$380.7	Jan-15	Jun-20	Jun-20	Jan-25	Dec-25	Apr-26	Jul-26	Nov-30
 SR-91, Acacia Street to La Palma Ave (Segment 3) Project I	\$147.7	Jan-15	Oct-18	Nov-20	Apr-24	Nov-24	Jan-25	Apr-25	Sep-28
	\$257.5	Jan-15	Jun-20	Nov-20	Oct-24	Apr-25	May-25	Oct-25	May-29
 SR-91 (WB), Tustin Interchange to SR-55 Project I	\$49.9	Jul-08	Jul-11	Jul-11	Mar-13	Jul-13	Aug-13	Oct-13	Jul-16
	\$42.5	Jul-08	May-11	Jun-11	Feb-13	Apr-13	Jun-13	Oct-13	Jul-16
 SR-91, SR-55 to SR-241 Project J	\$128.4	Jul-07	Jul-09	Jun-09	Jan-11	Apr-11	Jun-11	Sep-11	Dec-12
	\$79.7	Jul-07	Apr-09	Apr-09	Aug-10	Dec-10	Feb-11	May-11	Mar-13

Capital Action Plan

Status Through September 2025

Updated: October 10, 2025

Capital Projects	Cost	Schedule							
	Baseline/Forecast	Plan/Forecast							
	(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
 SR-91, SR-55 to SR-241 (Landscape) Project J	N/A N/A	N/A N/A	N/A N/A	N/A May-12	N/A Feb-13	N/A Apr-13	N/A Jul-13	N/A Oct-13	N/A Feb-15
 SR-91 Eastbound (EB), SR-241 to SR-71 Project J	\$104.5 \$57.8	Mar-05 Mar-05	Dec-07 Dec-07	Jul-07 Jul-07	Dec-08 Dec-08	Mar-09 May-09	May-09 Jun-09	Jul-09 Aug-09	Nov-10 Jan-11
 SR-91 (EB) Corridor Operations Project (SR-241 to SR-71) Project J	TBD TBD	N/A Jun-23	N/A Mar-26	N/A TBD	N/A TBD	N/A TBD	N/A TBD	N/A TBD	N/A TBD
91 Express Lanes to SR-241 Toll Connector	TBD \$524.2	N/A Nov-13	N/A Jan-20	N/A Jun-16	N/A Nov-25	N/A Dec-25	N/A Feb-26	N/A Apr-26	N/A Jul-29
 I-405, I-5 to SR-55 Project L	TBD TBD	Dec-14 Dec-14	Jul-18 Aug-18	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD
 I-405, SR-55 to I-605 (Design-Build) Project K	\$2,160.0 \$2,160.0	Mar-09 Mar-09	Mar-13 May-15	Mar-14 Mar-14	Nov-15 Nov-15	Feb-16 Feb-16	Mar-16 Mar-16	Nov-16 Nov-16	Feb-24 Feb-24
I-405/SR-22 HOV Connector	\$195.9 \$120.8	N/A N/A	N/A N/A	Sep-07 Sep-07	Sep-09 Jun-09	Mar-10 Sep-09	May-10 Feb-10	Aug-10 Jun-10	Aug-14 Mar-15
I-405/I-605 HOV Connector	\$260.4 \$172.6	N/A N/A	N/A N/A	Sep-07 Sep-07	Sep-09 Sep-09	Mar-10 Feb-10	May-10 May-10	Oct-10 Oct-10	Jan-15 Mar-15
 I-605, I-605/Katella Interchange Project M	\$29.0 \$53.0	Aug-16 Aug-16	Nov-18 Oct-18	Dec-20 Dec-20	Mar-23 Jan-23	Jul-23 Oct-24	Nov-23 Nov-24	Feb-24 Apr-25	Jul-27 Jul-27
Grade Separation Projects:									
 Sand Canyon Avenue Railroad Grade Separation Project R	\$55.6 \$61.9	N/A N/A	Sep-03 Sep-03	Jan-04 Jan-04	Jul-10 Jul-10	Jul-10 Jul-10	Oct-10 Oct-10	Feb-11 Feb-11	May-14 Jan-16
 Raymond Avenue Railroad Grade Separation Project O	\$77.2 \$126.2	Feb-09 Feb-09	Nov-09 Nov-09	Mar-10 Mar-10	Aug-12 Dec-12	Nov-12 Jul-13	Feb-13 Oct-13	May-13 Feb-14	Aug-18 May-18
 State College Boulevard Railroad Grade Separation (Fullerton) Project O	\$73.6 \$99.6	Dec-08 Dec-08	Jan-11 Apr-11	Jul-06 Jul-06	Aug-12 Feb-13	Nov-12 May-13	Feb-13 Sep-13	May-13 Feb-14	May-18 Mar-18
 Placentia Avenue Railroad Grade Separation Project O	\$78.2 \$64.5	Jan-01 Jan-01	May-01 May-01	Jan-09 Jan-09	Mar-10 Jun-10	May-10 Jan-11	Mar-11 Mar-11	Jun-11 Jul-11	Nov-14 Dec-14
 Kraemer Boulevard Railroad Grade Separation Project O	\$70.4 \$63.8	Jan-01 Jan-01	Sep-09 Sep-09	Jan-09 Feb-09	Jul-10 Jul-10	Jul-10 Jan-11	Apr-11 Jun-11	Aug-11 Sep-11	Oct-14 Dec-14
 Orangethorpe Avenue Railroad Grade Separation Project O	\$117.4 \$105.9	Jan-01 Jan-01	Sep-09 Sep-09	Feb-09 Feb-09	Dec-11 Oct-11	Dec-11 Apr-12	Feb-12 Sep-12	May-12 Jan-13	Sep-16 Oct-16

Capital Action Plan

Status Through September 2025

Updated: October 10, 2025

	Capital Projects	Cost	Schedule							
		Baseline/Forecast	Plan/Forecast							
		(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
	Tustin Avenue/Rose Drive Railroad Grade Separation	\$103.0	Jan-01	Sep-09	Feb-09	Dec-11	Mar-12	May-12	Aug-12	May-16
	Project O	\$96.6	Jan-01	Sep-09	Feb-09	Jul-11	Jun-12	Oct-12	Feb-13	Oct-16
	Lakeview Avenue Railroad Grade Separation	\$70.2	Jan-01	Sep-09	Feb-09	Oct-11	Oct-12	Feb-13	May-13	Mar-17
	Project O	\$110.9	Jan-01	Sep-09	Feb-09	Jan-13	Apr-13	Sep-13	Nov-13	Jun-17
	17th Street Railroad Grade Separation	TBD	Oct-14	Jun-16	TBD	TBD	TBD	TBD	TBD	TBD
	Project R	TBD	Oct-14	Nov-17	TBD	TBD	TBD	TBD	TBD	TBD
	Transit Projects:									
	Rail-Highway Grade Crossing Safety Enhancement	\$94.4	Jan-08	Oct-08	Jan-08	Sep-08	Sep-08	Sep-08	Aug-09	Dec-11
	Project R	\$90.4	Jan-08	Oct-08	Jan-08	Sep-08	Sep-08	Sep-08	Aug-09	Dec-11
	San Clemente Beach Trail Safety Enhancements	\$6.0	Sep-10	Jul-11	Feb-12	Apr-12	Apr-12	Jul-12	Oct-12	Jan-14
	Project R	\$5.0	Sep-10	Jul-11	Feb-12	Jun-12	Jun-12	Oct-12	May-13	Mar-14
	CRSPP Riprap Repair (Areas 1, 2) and Bridge Removal (Area 3)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Project R	\$9.2	Aug-24	Apr-25	Mar-25	Apr-25	Apr-25	N/A	Apr-25	Jun-25
	CRSPP Catchment Wall (Area 3)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Project R	\$80.7	Aug-24	Jun-25	N/A	N/A	N/A	Apr-25	Jun-25	Oct-26
	CRSPP Riprap Repair and Shoreline Protection (Area 4)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Project R	TBD	Aug-24	TBD	TBD	TBD	TBD	TBD	TBD	TBD
	CRSPP Sand Nourishment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Project R	TBD	Aug-24	Oct-26	Mar-25	Nov-26	Nov-26	Feb-27	Apr-27	Jan-28
	Emergency Track Stabilization at Mile Post 206.8	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Project R	\$23.3	N/A	N/A	N/A	N/A	N/A	Sep-22	Oct-22	Aug-23
	San Juan Capistrano Passing Siding	\$25.3	Aug-11	Jan-13	Mar-15	May-16	May-16	Aug-16	Dec-16	Feb-21
		\$33.2	Aug-11	Mar-14	Mar-15	Aug-18	Aug-18	Aug-18	Mar-19	Nov-20
	OC Streetcar Project	\$671.4	Aug-09	Mar-12	Feb-16	Sep-17	Oct-17	Dec-17	Aug-18	Mar-26
	Project S	\$671.4	Aug-09	Mar-15	Feb-16	Nov-17	Dec-17	Dec-17	Sep-18	Jul-26
	Transit Security and Operation Center (TSOC)	N/A	Jun-17	Jun-20	Jun-20	Oct-23	Nov-23	Jan-24	Sep-24	Sep-26
		\$77.8	Jun-17	Jun-20	Jun-20	Mar-24	Mar-24	Mar-24	Sep-24	Apr-27
	Placentia Metrolink Station and Parking Structure	\$34.8	Jan-03	May-07	Oct-08	Jan-11	TBD	TBD	TBD	TBD
	Project R	\$40.1	Jan-03	May-07	Oct-08	Feb-11	TBD	TBD	TBD	TBD
	Orange County Maintenance Facility - ON HOLD	TBD	Apr-20	Apr-22	TBD	TBD	TBD	TBD	TBD	TBD
	Project R	TBD	Apr-20	Nov-23	TBD	TBD	TBD	TBD	TBD	TBD
	Irvine Station Improvements - ON HOLD	TBD	Jan-22	TBD	TBD	TBD	TBD	TBD	TBD	TBD
	Project R	TBD	Jan-22	TBD	TBD	TBD	TBD	TBD	TBD	TBD

Capital Action Plan

Status Through September 2025

Updated: October 10, 2025

Capital Projects	Cost	Schedule							
	Baseline/Forecast	Plan/Forecast							
	(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
Anaheim Canyon Station	\$27.9	Jan-16	Dec-16	Mar-19	May-19	May-19	Jul-19	Nov-19	Jan-23
	\$34.2	Jan-16	Jun-17	Mar-18	Oct-20	Oct-20	Oct-20	Mar-21	Jan-23
Orange Station Parking Expansion	\$33.2	Dec-09	Dec-12	Nov-10	Apr-13	Jul-16	Jul-16	Nov-16	Feb-19
	\$30.9	Dec-09	May-16	Nov-10	Apr-16	Jul-16	Jul-16	Jun-17	Feb-19
Fullerton Transportation Center - Elevator Upgrades	\$3.5	N/A	N/A	Jan-12	Dec-13	Dec-13	Jun-14	Sep-14	Mar-17
	\$4.2	N/A	N/A	Jan-12	Dec-13	Dec-13	Aug-14	Apr-15	May-19
Anaheim Regional Transportation Intermodal Center	\$227.4	Apr-09	Feb-11	Jun-09	Feb-12	Feb-12	May-12	Jul-12	Nov-14
Project R & T	\$232.2	Apr-09	Feb-12	Jun-09	May-12	May-12	May-12	Sep-12	Dec-14

Note: Costs associated with landscape projects are included in respective freeway projects.

Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

Yellow = Forecast milestone is one to three months later than plan

Red = Forecast milestone is over three months later than plan

Begin Environmental: The date work on the environmental clearance, project report, or preliminary engineering phase begins.

Complete Environmental: The date environmental clearance and project approval is achieved.

Begin Design: The date final design work begins, or the date when a design-build contract begins.

Complete Design: The date final design work is 100 percent complete and approved.

Construction Ready: The date contract bid documents are ready for advertisement, including certification of right-of-way, all agreements executed, contract constraints are cleared.

Advertise for Construction: The date a construction contract is both funded and advertised for bids.

Award Contract: The date the construction contract is awarded.

Construction Complete: The date all construction work is completed and the project is open to public use.

Acronyms

Interstate 5 (I-5)

State Route 73 (SR-73)

Interstate 405 (I-405)

State Route 55 (SR-55)

State Route 57 (SR-57)

State Route 91 (SR-91)

State Route 241 (SR-241)

State Route 71 (SR-71)

Interstate 606 (I-605)

State Route 22 (SR-22)

High-Occupancy Vehicle (HOV)

Coastal Rail Stabilization Priority Project (CRSPP)

Capital Programs Division Fiscal Year 2025-26 Performance Metrics Through September 2025

Begin Environmental

Project Description	FY 26 Qtr 1		FY 26 Qtr 2		FY 26 Qtr 3		FY 26 Qtr 4		FY 26 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
No "Begin Environmental" milestones scheduled for FY 2025-26									
Total Forecast/Actual	0	0	0	0	0	0	0	0	0

Complete Environmental

Project Description	FY 26 Qtr 1		FY 26 Qtr 2		FY 26 Qtr 3		FY 26 Qtr 4		FY 26 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
SR-91 Eastbound Corridor Operations Project (SR-241 to SR-71)					X				
Total Forecast/Actual	0	0	0	0	1	0	0	0	1

Begin Design

Project Description	FY 26 Qtr 1		FY 26 Qtr 2		FY 26 Qtr 3		FY 26 Qtr 4		FY 26 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
No "Begin Design" milestones scheduled for FY 2025-26									
Total Forecast/Actual	0	0	0	0	0	0	0	0	0

Complete Design

Project Description	FY 26 Qtr 1		FY 26 Qtr 2		FY 26 Qtr 3		FY 26 Qtr 4		FY 26 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
SR-55, I-5 to SR-91			X						
91 Express lanes to SR-241 Toll Connector			X						
Total Forecast/Actual	0	0	2	0	0	0	0	0	2

Construction Ready

Project Description	FY 26 Qtr 1		FY 26 Qtr 2		FY 26 Qtr 3		FY 26 Qtr 4		FY 26 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
SR-91, La Palma Avenue to SR-55 (Segment 2)			X						
91 Express lanes to SR-241 Toll Connector			X						
Total Forecast/Actual	0	0	2	0	0	0	0	0	2

Advertise Construction

Project Description	FY 26 Qtr 1		FY 26 Qtr 2		FY 26 Qtr 3		FY 26 Qtr 4		FY 26 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
I-5, I-405 to Yale Avenue	X	✓							
I-5, Yale Avenue to SR-55	X	✓							
SR-57 Northbound (NB), Orangewood Avenue to Katella Avenue	X	✓							
SR-91, La Palma Avenue to SR-55 (Segment 2)					X				
91 Express lanes to SR-241 Toll Connector					X				
Total Forecast/Actual	3	3	0	0	2	0	0	0	5

Capital Programs Division

Fiscal Year 2025-26 Performance Metrics Through September 2025

Award Contract

Project Description	FY 26 Qtr 1		FY 26 Qtr 2		FY 26 Qtr 3		FY 26 Qtr 4		FY 26 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
SR-91, Acacia Street to La Palma Avenue (Segment 3)	X								
SR-57 NB, Orangewood Avenue to Katella Avenue		✓	X						
I-5, I-405 to Yale Avenue					X				
I-5, Yale Avenue to SR-55					X				
91 Express lanes to SR-241 Toll Connector					X				
SR-91, La Palma Avenue to SR-55 (Segment 2)							X		
Total Forecast/Actual	1	1	1	0	3	0	1	0	6

Complete Construction

Project Description	FY 26 Qtr 1		FY 26 Qtr 2		FY 26 Qtr 3		FY 26 Qtr 4		FY 26 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
I-5, SR-73 to Oso Parkway	X	✓							
I-5, Alicia Parkway to El Toro Road	X	✓							
OC Streetcar Project					X				
Total Forecast/Actual	2	2	0	0	1	0	0	0	3

Totals	6	6	5	0	7	0	1	0	19
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Begin Environmental: The date work on the environmental clearance, project report, or preliminary engineering phase begins.

Complete Environmental: The date environmental clearance and project approval is achieved.

Begin Design: The date final design work begins or the date when a design-build contract begins.

Complete Design: The date final design work is 100 percent complete and approved.

Construction Ready: The date contract bid documents are ready for advertisement, right-of-way certified, all agreements executed, and contract constraints are cleared.

Advertise for Construction: The date a construction contract is both funded and advertised for bids.

Award Contract: The date the construction contract is awarded.

Construction Complete: The date all construction work is completed and the project is open to public use.

Acronyms

State Route 91 (SR-91)

State Route 241 (SR-241)

State Route 71 (SR-71)

State Route 55 (SR-55)

Interstate 5 (I-5)

State Route 91 (SR-91)

Interstate 405 (I-405)

State Route 57 (SR-57)

State Route 73 (SR-73)

Fiscal Year (FY)

X = milestone forecast in quarter

✓ = milestone accomplished in quarter



Fourth Quarter Fiscal Year 2025-26 Capital Action Plan and Performance Metrics



Major Project Status



- A I-5 (SR-55 to SR-57)
- B I-5 (I-405 to SR-55)
- C D I-5 (Avenida Pico to San Juan Creek Road)
- C D I-5 (SR-73 to El Toro Road)
- D 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)
- F SR-55 (I-5 to SR-91)
- G SR-57 NB (Orangewood Avenue to Katella Avenue)
- G SR-57 NB (Katella Avenue to Lincoln Avenue)
- G SR-57 NB (Orangethorpe Avenue to Lambert Road)
- G SR-57 NB (Lambert Road to County Line)
- H SR-91 WB (I-5 to SR-57)
- I SR-91 (SR-57 to SR-55)
- I SR-91 WB (Tustin Avenue to SR-55)

- J SR-91 (SR-55 to SR-71)
- J SR-91 (SR-241 to County Line)*
- K I-405 (SR-73 to I-605)
- L I-405 (I-5 to SR-55)
- M 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)

*Project environmentally reviewed as part of the Riverside County Transportation Commission's Corridor Improvement Project. Additional studies needed prior to construction.

OTHER PROJECTS

- TSOC
- I-5, County Line to Avenida Pico
- SR-91 Express Lanes to SR-241 Toll Connector



Fiscal Year (FY) 2025-26 Capital Action Plan (CAP) Status

- **Six milestones achieved in the first quarter**

- Advertise construction for Interstate 5 (I-5) between Interstate 405 and Yale Avenue
- Advertise construction for I-5 between Yale Avenue and State Route 55 (SR-55)
- Advertise construction, and award contract (advance from second quarter) for northbound State Route 57 (SR-57) between Orangewood Avenue and Katella Avenue
- Complete construction for I-5 between State Route 73 and Oso Parkway
- Complete construction for I-5 between Alicia Parkway and El Toro Road

- **One milestone missed**

- Award contract for the State Route 91 (SR-91) from Acacia Street to La Palma Avenue



FY 2025-26 First Quarter CAP Updates

- **Forecast milestones updated in the first quarter**
 - Compete environmental milestone for the I-5 Avenida Pico to San Diego County Line adjusted one month for final environmental document and signing
 - Complete environmental for the I-5 El Toro Road Interchange Improvement accelerated to reflect current environmental document preparation schedule
 - Begin environmental milestone for the SR-57 Northbound Truck Lane from Lambert Road to Tonner Canyon moved up to reflect the current California Department of Transportation environmental schedule
 - Construction ready and subsequent milestones for the SR-91 from La Palma Avenue to SR-55 adjusted to match the updated right-of-way acquisition schedule
 - Award contract and complete contract milestones for SR-91 from Acacia Street to La Palma Avenue adjusted due to a longer than expected timeline for the post-bid review and award process



FY 2025-26 First Quarter CAP Updates (cont.)

- Complete environmental milestone for the SR-91 Eastbound Corridor Operations Project adjusted to March 2026 based on status from the Riverside County Transportation Commission staff
- Complete design and subsequent milestones for the SR-91/State Route 241 tolled connector adjusted one month based on status from Transportation Corridor Agency staff
- Complete construction milestone for the OC Streetcar Project revised to July 2026 based on progress through the first quarter and as reported to the Board of Directors



FY 2025-26 CAP Performance Metrics and Risks

- **Nineteen major delivery milestones planned**
 - Significant construction beginning on Orange County Transportation Authority-funded freeway projects throughout the County over the next few quarters
- **Risks**
 - The Orange County Transportation Infrastructure Construction Cost Pressure Index indicates a probable two to six percent annual escalation of infrastructure cost through 2028
 - CRSPP Area 4 implementation schedule dependent on successful coastal development permitting from the California Coastal Commission
 - Sand nourishment schedule is dependent on successful environmental clearance and permitting from the U.S. Army Corps of Engineers and dredge availability



November 3, 2025

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Policy and Framework for the Use of 405 Express Lanes Excess Toll Revenue

Overview

The 405 Express Lanes, implemented through the Interstate 405 Improvement Project, opened on December 1, 2023. The Orange County Transportation Authority operates the lanes through tolling authority provided by the California Transportation Commission and under a 40-year lease with the California Department of Transportation. In December 2024, the Board of Directors approved guiding principles for the use of excess toll revenue and directed staff to develop supporting policies for the expenditure plan. Board of Directors' approval is requested for the policy and framework to guide the use of excess toll revenue, which may be available beginning in 2029.

Recommendations

- 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.

Background

The Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation (Caltrans) and the cities of Costa Mesa, Fountain Valley, Huntington Beach, Seal Beach, and Westminster, implemented the Interstate 405 (I-405) Improvement Project (Project). The Project spans the corridor between State Route 73 and Interstate 605 (I-605), approximately 14 miles in length.

Key Project improvements included:

- One general purpose lane in each direction from Euclid Street to I-605, consistent with Measure M2 Project K.
- One additional lane in each direction, that combines with the existing high-occupancy vehicle lane to create dual express lanes in each direction, known as the 405 Express Lanes.
- The 405 Express Lanes commenced operations on December 1, 2023.

The OCTA Board of Directors (Board) first approved the 405 Express Lanes Toll Policy (Toll Policy) in 2016 and subsequently updated it in July 2023, when opening toll rates were also established. The Toll Policy emphasizes safety, performance, throughput, and financial viability, and is guided by the following goals:

- Ensure a safe, reliable, and congestion-free commute for express lanes users.
- Maintain optimal traffic flow at free-flow speeds.
- Encourage higher average vehicle occupancy.
- Balance capacity and demand to serve customers who pay tolls as well as people who rideshare or use transit.
- Generate enough revenue to maintain financial sustainability of the 405 Express Lanes.
- Fulfill all financial covenants.
- Allocate any net excess toll revenue toward improvements along the I-405 freeway corridor, after meeting all debt and reserve obligations and in accordance with legal requirements.

OCTA operates and maintains the 405 Express Lanes under a toll operating and lease agreement with Caltrans, executed in March 2017. The term of the agreement is 40 years, which commenced when the 405 Express Lanes opened on December 1, 2023, and will conclude on November 30, 2063.

The agreement outlines how excess toll revenue, which are funds that remain after covering operations, maintenance, debt repayment costs, enforcement, repair, rehabilitation, reserves, and administrative costs, can be used. The funds become accessible only after the development of an expenditure plan, created in partnership with Caltrans and approved by the Board. The agreement further states that beginning five years before any excess toll revenue is expected to be available OCTA, in partnership with Caltrans, shall develop and annually update a ten-year expenditure plan. Based on recent projections, the excess toll revenue could be available as early as 2029. Accordingly, work began on developing principles and a framework for the expenditure plan in 2024.

In addition to the aforementioned agreement, in 2017, OCTA entered into a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan agreement with the federal government to construct the 405 Express Lanes. This agreement also bears requirements for the use of excess toll revenues:

- For the first five years after tolling begins, any excess toll revenue must be held in a distribution lock-up fund managed by a trustee bank.
- After this period, if all loan conditions are met, 50 percent of excess toll revenue must go towards repaying the TIFIA loan.
- The remaining 50 percent may be directed by OCTA to transportation improvements within the I-405 freeway corridor.
- Once the loan is fully repaid, OCTA will have access to 100 percent of the excess toll revenue until the end of tolling authority on November 30, 2063.

An update to the traffic and revenue forecast was completed in May 2025. The new forecast incorporated the first full year of operational data from the 405 Express Lanes to derive the updated figures. OCTA's cash flow model has been updated to reflect the new 405 Express Lanes revenue forecast. The current model projects that there would be approximately \$150 million in excess revenue available in 2029. Per the TIFIA loan half of the excess revenue must be utilized to pay down the loan while the other half of the revenue can be utilized for transportation improvements within the corridor.

Beyond the terms of the TIFIA loan, the use of excess toll revenue must also comply with other statutory requirements detailed in state and federal law, including:

- Streets and Highways Code Section 149.7, as created by AB 194 (Chapter 687, Statutes of 2015), the primary authorizing legislation for the 405 Express Lanes. Provisions require excess revenue to be used in the corridor are generated pursuant to an expenditure plan adopted by the sponsoring agency's governing board.
- Government Code Section 14106, as created by AB 2250 (Chapter 500, Statutes of 2014), which again emphasizes that the toll revenue from an express toll lane must be expended only within the respective corridor in which the managed lane is located.
- 23 USC 129(a)(3), the primary federal authority for toll facilities on the interstate system, which restricts excess toll revenue to purposes authorized under Title 23, governing federal-aid highway programs.

On December 9, 2024, the Board approved the 405 Express Lanes Excess Toll Revenue Principles (included as Attachment A) which laid the foundation for the future expenditure plan. The Board also directed staff to develop a draft 405 Express Lanes Excess Toll Revenue Policy.

This report presents the initial policy and framework for the use of excess toll revenues and starts the process for developing the expenditure plan.

Discussion

To inform the development of the draft policy and framework for the use of the 405 Express Lanes excess toll revenue, staff considered the principles presented to and approved by the Board in December 2024, and reviewed similar policies and frameworks from other regions, including the policy for the use of excess 91 Express Lanes toll revenue. As background, OCTA acquired the 91 Express Lanes from the California Private Transportation Company in early 2003 to remove the non-compete clause, enabling capital improvements to be made along the State Route 91 corridor. The use of excess toll revenue generated by the 91 Express Lanes has been beneficial to improving travel along the corridor between Orange and Riverside counties. Staff also considered prior OCTA actions and statutory requirements as noted above.

The draft policy, provided in Attachment B, is organized into three key sections:

1. Definition of the 405 Corridor Investment Zone

The first section defines the 405 Corridor Investment Zone. The proposed zone is centered around the 405 Express Lanes and includes a three-mile buffer around the lanes within Orange County. The transportation modeling shows nearly 70 percent of trips in 2045 fall inside the three-mile radius, or "bubble". A significant number of trips also extend south along I-405 beyond the buffer to Interstate 5. Including this additional section of I-405 along with the three-mile buffer provides a comprehensive area for reinvestment consideration (see map in Attachment C).

2. General Policy for Use of Excess Toll Revenue

The second section outlines the general policy framework for the 405 Express Lanes Excess Toll Revenue Expenditure Plan. The section defines "excess toll revenue" to include funds remaining after covering the costs of express lanes improvements as well as operations, maintenance, and debt service.

The policy states:

"The Orange County Transportation Authority (OCTA) is committed to reinvesting toll revenue from the 405 Express Lanes in ways that benefit all who travel the I-405 freeway corridor. In accordance with California state law, including the requirements of AB 194 (Chapter 687, Statutes of 2015), excess toll revenue – defined as funds remaining after covering the costs of operations, maintenance, 405 Express Lanes improvements, and debt service – will be used

to support a balanced and sustainable transportation system within the 405 Corridor Investment Zone. Transportation investment priorities are expected to be developed and refined through 405 corridor plan(s).

Generally, priority will be given to transportation improvements that:

- Relieve congestion on the I-405, ensuring that toll revenue benefit all corridor users, not just 405 Express Lanes customers;
- Advance currently planned and future freeway and roadway improvement projects within the 405 Corridor Investment Zone;
- Invest in transit, signal synchronization, active transportation, and first/last-mile improvements that strengthen corridor-wide mobility options and encourage ridesharing; and,
- Improve the 405 Express Lanes driver experience, including enhanced access, connectivity, safety, and travel-time reliability;

All funded transportation improvements should demonstrate benefits to the I-405 freeway system and align with OCTA's adopted planning documents, such as the Renewed Measure M Transportation Investment Plan, the Long-Range Transportation Plan, and Regional Transportation Plan as informed by the California Transportation Plan, as well as the agency's goals for equitable, sustainable, and efficient transportation. This approach ensures that toll revenue serves the broader public interest, consistent with the intent of AB 194 and state oversight."

3. Implementation Guidelines

The final section presents the guiding precepts or framework for developing the 405 Express Lanes Excess Toll Revenue Expenditure Plan, including:

- The role of a dedicated 405 Corridor Plan, the Long-Range Transportation Plan, the Regional Transportation Plan and other planning documents;
- How transportation improvements will be identified, evaluated, and recommended;
- Formation of a Technical Advisory Committee;
- Establishment of a reserve and planning set-aside;
- Frequency of plan updates;
- Requirements for matching funds and leveraging other resources;
- Maintenance of effort expectations for Caltrans and state funding; and
- Use of oversight tools, including audits, to ensure transparency and accountability.

This structured approach will help ensure that toll revenue is invested responsibly, in alignment with regional transportation goals and in adherence with applicable legislation.

Staff met with Caltrans District 12 in August and September 2025, and with the cities of Costa Mesa, Fountain Valley, Huntington Beach, Seal Beach, Westminster, and the County of Orange in September, to review and obtain input on the future 405 Express Lanes Excess Toll Revenue Expenditure Plan.

To date, OCTA staff, Caltrans, and the agencies that met with OCTA staff prior to development of this report were able to agree on most points. However, areas that staff was not able to incorporate into the draft policy and framework are provided in Attachment D.

Next Steps

Staff will use the approved policy and framework as a guide for developing the 405 Express Lanes Excess Toll Revenue Expenditure Plan, which will be brought forward for Board consideration later this fiscal year. The tentative timeline for the process includes the following key milestones:

1. Continue working in partnership with Caltrans to develop the 405 Express Lanes Excess Toll Revenue Expenditure Plan.
2. Late 2025 – Submit the draft 405 Express Lanes Excess Toll Revenue Expenditure Plan to Caltrans for review.
3. Early 2026 – Present the draft expenditure plan to the Executive Committee.
4. Early 2026 – Present the draft expenditure plan to the Board for review and action.

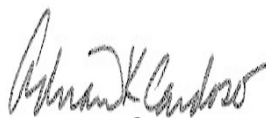
Summary

The draft policy and framework for the use of 405 Express Lanes excess toll revenue is presented for Board consideration.

Attachments

- A. Principles for 405 Express Lanes Excess Toll Revenue, (Approved December 9, 2024)
- B. DRAFT - Policy and Framework for the Use of 405 Express Lanes Excess Toll Revenue
- C. DRAFT - Map of 405 Corridor Investment Zone
- D. DRAFT - Policy and Framework for the Use of 405 Express Lanes Excess Toll Revenue Stakeholder Discussion Points

Prepared by:



Adriann Cardoso
Capital Programming Manager
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Approved by:



Rose Casey
Executive Director, Planning
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**Principles for 405 Express Lanes Excess Toll Revenue
(Approved December 9, 2024)**

Project Selection:

1. Projects that improve customer experience, relieve congestion, and enhance the safety of the I-405 facility will be prioritized.

There has been some concern over the years that the primary purpose of a toll facility is to generate revenue. However, the goal for the 405 Express Lanes is to improve the transportation experience by improving throughput, increasing reliability, and decreasing travel delays through the corridor. Establishing a principle that clearly focuses on the system's function over revenue generation is critical. This principle would apply to projects that would be considered for future 405 Express Lanes excess toll revenue. Any project being proposed for funding would need to demonstrate that it addresses customer needs, provides congestion relief, and considers the safety of the corridor.

2. Improvements that enhance customer satisfaction and lower operating costs through improved toll lane technology or other enhancements.

New technologies are under development that can improve operations and accessibility and make the use of a toll facility simpler for the user. Excess toll revenues may be used to make improvements to the toll facility to ensure the best user experience at the least cost. Toll collection is among the many industries embracing advanced technology, and the future holds promising ways to simplify toll collection for many drivers.

3. Transportation investments within the I-405 freeway corridor in Orange County at the discretion of the Board of Directors (Board) and consistent with state and federal law.

AB 194 (Chapter 687, Statutes of 2015) mandates that excess revenues generated within a toll facility corridor must be used in the same corridor according to an approved expenditure plan. However, the term "corridor" has not been precisely defined, giving the Board the flexibility to determine beneficial projects. A prudent approach would be to ensure a relationship between the use of the excess revenues from the 405 Express Lanes tolls and the benefit to I-405 freeway corridor travelers, using accepted transportation analysis tools. Under this approach, the Board would decide how to prioritize investments of excess toll revenue in the vicinity of the I-405 freeway with input from Caltrans.

4. Further I-405 congestion relief efforts through enhanced public transportation services.

Investing in public transit within the I-405 corridor in Orange County can help reduce congestion for all commuters and offer an alternative to driving alone. Transit options encourage ridesharing and provide opportunities for commuters to enjoy the time-savings

benefits of the 405 Express Lanes while taking advantage of the three-plus ride-free toll policy.

Planning and Equity:

5. Use of OCTA-developed multimodal plans as a basis for project selection.

OCTA continually develops various transportation plans that have undergone comprehensive analyses and public outreach. These plans include various multimodal projects, many of which are unfunded. The OCTA Long-Range Transportation Plan encapsulates these projects. Using these multimodal plans as a foundation for identifying projects within the I-405 freeway corridor is a practical starting point for developing a sound expenditure plan, alongside specific evaluation criteria for project prioritization. These plans include transit and active transportation improvements that will benefit all communities and consider sustainability.

6. Consideration of additional or focused stakeholder input and community outreach and engagement.

Good transportation policies and decision-making must recognize the value of input from essential workers, residents, and frequent facility users. Public input is important to public investment decisions because it can lead to better decisions that are more sustainable, supportable, and implementable. Also, there may be opportunities for outreach to new users through promotions and community engagement.

7. Consideration of policies and programs to support equity.

This principle would consider equity implications of roadway pricing on users of the 405 Express Lanes, which is inherently a demand management strategy.

Fiscal Management:

8. Pay-as-you-go financing as the preferred method of funding the improvements.

Considering interest costs, using surplus toll revenues directly for projects should be the preferred approach to funding of projects.

9. Bond financing may be considered as an alternative to pay-as-you-go financing if it supports more beneficial outcomes.

OCTA may consider bond financing if the scale and timing of planned expenditures make immediate funding unviable. Any new financing should not affect the approved toll policy, the TIFIA loan agreement, or OCTA's financial commitments related to the 405 Express Lanes.

Good Governance:

10. Use of 405 Express Lanes excess toll revenues on the state highway system shall be subject to a maintenance of effort commitment by the State.

A primary objective for using 405 Express Lanes excess toll revenues is to enhance funding sources and enable unfunded projects to advance, contributing positively to the transportation system. Reducing existing state and federal funds due to availability of excess toll revenues could lead to no net gain in meeting the transportation needs of Orange County residents and workers and should be avoided. Consistent with Section 10 Excess Toll Revenue, paragraph 10.1.d in the operating agreement, the State is held to a maintenance of effort commitment for Orange County to ensure that the use of net excess toll revenue to fund projects does not result in reducing State Highway Operation and Protection Program funds available for use in Orange County.

11. Expenditures should supplement, not supplant, state and federal revenues.

OCTA always works to maximize external state and federal funding for transportation needs in Orange County. This concept is included here in the policy framework. It is not meant to prevent OCTA from using these funds if state and federal revenues become unavailable, outside of OCTA's control.

Acronyms

Board – Board of Directors

Caltrans – California Department of Transportation

I-405 – Interstate 405

OCTA – Orange County Transportation Authority

TIFIA - Transportation Infrastructure Finance and Innovation Act

DRAFT

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

POLICY

Orange County Transportation Authority (OCTA) Definition of 405 Corridor Investment Zone

The 405 Corridor Investment Zone will encompass a three-mile buffer within Orange County along the span of Interstate 405 (I-405), including OCTA's 405 Express Lanes. The investment zone will extend beyond this three-mile buffer to include only the I-405 (does not include city streets or other facilities for this section of the I-405), from the southern terminus of the 405 Express Lanes to its connection with Interstate 5 within Orange County.

General Policy

The Orange County Transportation Authority (OCTA) is committed to reinvesting toll revenue from the 405 Express Lanes in ways that benefit all who travel the I-405 freeway corridor. In accordance with California state law, including the requirements of AB 194 (Chapter 687, Statutes of 2015), excess toll revenue – defined as funds remaining after covering the costs of operations, maintenance, 405 Express Lanes improvements, and debt service – will be used to support a balanced and sustainable transportation system within the 405 Corridor Investment Zone. Transportation investment priorities are expected to be developed and refined through 405 corridor plan(s).

Generally, priority will be given to projects that:

- Relieve congestion on the I-405, ensuring that toll revenue benefits all corridor users, not just 405 Express Lanes customers;
- Advance currently planned and future freeway and roadway improvement projects within the 405 Corridor Investment Zone;
- Invest in transit, signal synchronization, active transportation, and first/last-mile improvements that strengthen corridor-wide mobility options and encourage ridesharing; and
- Improve the 405 Express Lanes driver experience, including enhanced access, connectivity, safety, and travel-time reliability.

All funded transportation improvements should demonstrate benefits to the I-405 freeway system and align with OCTA's adopted planning documents, such as the Renewed Measure M Transportation Investment Plan, the Long-Range Transportation Plan, and Regional Transportation Plan as informed by the California Transportation Plan, as well as the agency's goals for equitable, sustainable, and efficient transportation. This

approach ensures that toll revenue serves the broader public interest, consistent with the intent of AB 194 and state oversight.

FRAMEWORK

Precepts for the 405 Express Lanes Excess Toll Revenue Expenditure Plan

1. Definition and Use of Excess Toll Revenue

Excess toll revenue from the 405 Express Lanes is defined as the remaining funds after meeting all financial obligations for operations, maintenance, enforcement, debt repayment, rehabilitation, reserves, and administrative costs. Through the general policy stated above, OCTA is also including improvements to the 405 Express Lanes as a primary use of 405 Express Lanes toll revenue prior to determining excess toll revenue. The excess toll revenue will be calculated annually and prioritized for reinvestment in the 405 Corridor Investment Zone through the 405 Express Lanes Excess Toll Revenue Expenditure Plan to benefit the overall transportation system, consistent with the requirements of AB 194 and OCTA's adopted policies.

2. Corridor-Based Investment Planning

A comprehensive 405 Corridor Plan will guide the identification of investment needs and priorities across freeway, local streets and roads, and transit networks within the 405 Corridor Investment Zone. The plan will be developed and updated every three years and will include:

- Freeway improvements (e.g., capacity, connectors, and traffic flow)
- Local streets and roads (e.g., capacity, active transportation, complete streets, and signal or pavement upgrades)
- Transit investments (e.g., capital, operations, transit incentives, and first/last-mile connections)

All funded projects must demonstrate direct benefits to the I-405 freeway system and be consistent with OCTA's Long-Range Transportation Plan and the Regional Transportation Plan (currently titled Connect SoCal 2024) as informed by the California Transportation Plan and should be included in the 405 Corridor Plan.

3. Project Eligibility and Planning Alignment

Local jurisdiction transportation improvements considered for funding must originate from the 405 Corridor Plan and be reflected in the jurisdiction's capital improvement program and, where applicable, the Master Plan of Arterial Highways. The goal is to ensure alignment with regional planning efforts and long-term mobility objectives.

4. Technical Advisory Committee (TAC)

A Technical Advisory Committee will be established to provide technical guidance and review. The committee will include Public Works directors or city engineers from cities that are immediately adjacent to the 405 Express Lanes segment of the I-405 freeway system (Costa Mesa, Fountain Valley, Huntington Beach, Seal Beach, and Westminster), the County of Orange, the California Department of Transportation (Caltrans), and OCTA. This group will advise on both the Corridor Plan and the Expenditure Plan.

5. Revenue Set-Asides

Two specific set-asides from excess toll revenue will be maintained:

- Eight percent for project and program reserve, consistent with OCTA's Reserve Policy.
- Two percent for planning purposes, including the development and periodic update of the 405 Corridor Plan.

6. Proposed Transportation Improvement Selection and Approval Process

All transportation improvements must be formally reviewed and approved by the OCTA Board of Directors as part of the annual expenditure plan. Local jurisdiction nominated projects within the 405 Corridor Investment Zone will be selected through a competitive process. Local jurisdictions (including those within the 405 Corridor Investment Zone beyond the TAC) may apply for funding, provided their projects meet the eligibility criteria and offer at least a 20 percent funding match.

7. Proposed Transportation Improvement Evaluation Criteria

Selection of transportation improvements for funding will be based on transparent and performance-based criteria:

- Freeway/tollway projects: Emphasis on congestion relief, relationship to Measure M2, cost-benefit analysis, and readiness.
- Transit (bus/rail) projects: Emphasis on usage potential, cost-effectiveness, regional/local benefits, and intermodal integration.
- Local streets, roads, and active transportation projects: Evaluated based on congestion relief to the I-405 freeway system, cost-effectiveness, project readiness, and leveraging of local, state, or federal funds.

All funded transportation improvements must demonstrate direct benefits to the I-405 freeway system.

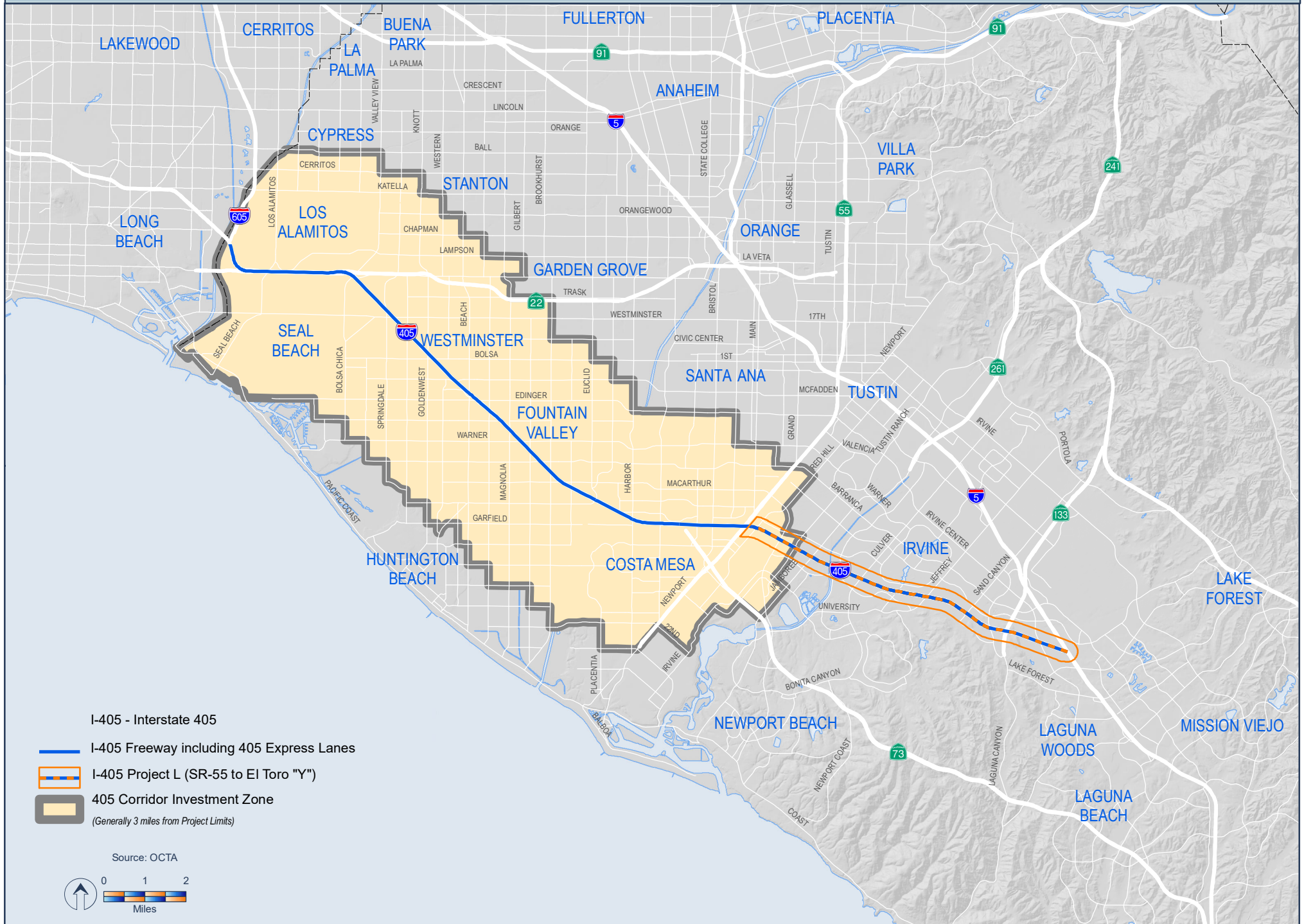
8. Caltrans Project Participation Requirements

Caltrans may submit enhancement projects for consideration only if:

- Caltrans adheres to a maintenance of effort commitment that is currently being developed.
- Caltrans charges the lowest functional rate possible for oversight and project delivery. This is also currently under development.
- The projects or improvements are considered enhancements above and beyond what would have been provided through the State Highway Operation and Protection Program and other regular Caltrans maintenance funding programs.

9. Oversight and Transparency

All transportation improvements funded through the 405 Express Lanes Excess Toll Revenue Expenditure Plan will be subject to audits to ensure transparency, accountability, and appropriate use of funds.



DRAFT

**Policy and Framework for the Use of 405 Express Lanes Excess Toll Revenue
Stakeholder Discussion Points**

California Department of Transportation (Caltrans) general requests or comments and Orange County Transportation Authority's (OCTA) responses:

- Caltrans asked practical and technical questions about the 405 Corridor Investment Zone and made suggestions for clarifying the map depicting the 405 Corridor Investment Zone.
- At the request of Caltrans, enhanced safety – also noted in the OCTA Board of Directors (Board)-approved Principles for 405 Express Lanes Excess Toll Revenue (Principles) – was added to the General Policy section of the draft Policy and Framework for the Use of 405 Express Lanes Excess Toll Revenue (Policy and Framework), provided in Attachment B of the OCTA Board item pending approval on November 24, 2025.
- Caltrans requested that the Policy and Framework include a comment related to adhering to state policy, goals, and priorities. However, this is not possible as the Board does not have direct influence over those policies, goals, and priorities. A note was added that projects selected for funding must be in the Regional Transportation Plan which also considers the California Transportation Plan.
- Caltrans requested that OCTA extend the 405 Corridor Investment Zone three-mile buffer boundary into Los Angeles (LA) County. This request cannot be accommodated due to the Principles that limit use of excess toll revenue to needs within Orange County.
- Caltrans asked about outreach to solicit input on the Policy and Framework from corridor cities – OCTA shared the meeting schedule information with Caltrans.
- Caltrans requested that the Policy and Framework language more directly consider and reference the requirements and definitions provided in Streets and Highways Code Section 149.7, as created by AB 194 (Chapter 687, Statutes of 2015), Title 23 of United States Code 129 (Title 23) – toll roads, bridges, tunnels, and ferries – and Title 23 more generally, in terms of eligible projects. This information is provided in the background of the staff report and will be included in the background of any future 405 Express Lanes Excess Toll Revenue Expenditure Report. The Policy and Framework currently notes that use of funds must be consistent with AB 194 and generally with state and federal requirements.
- Caltrans requested and received clarification that future excess toll revenue could be used for OCTA's Measure M2 Project L, I-405 Improvements from State Route 55 to Interstate 5 without limitation.

- Caltrans requested that a representative from LA County be included in the Technical Advisory Committee. Staff is not including this recommendation in the Policy and Framework.
- Caltrans requested a 20 percent set aside for Caltrans nominated projects. However, the Policy and Framework requires that all funded transportation improvements must demonstrate direct benefits to the I-405 freeway system which already implies strong support for freeway projects. A set-aside is not necessary, would limit Caltrans' incentive to comply with maintenance of effort requirements, and limits on overhead rates, and would decrease flexibility to fund the highest priority projects as they are identified in the 405 Corridor Plan.
- Caltrans requested that the term "congestion relief" be exchanged with "travel reliability improvements" or "benefit to corridor travelers" be used in its place. Since the term "congestion relief" is prevalent in the Principles, this change was not made.
- As noted in the staff report and the Policy and Framework, OCTA and Caltrans are still working on how to ensure maintenance of effort and the lowest possible overhead and support costs for work carried out by Caltrans for projects funded with 405 Express Lanes excess toll revenue and this information will be presented with the future expenditure plan.

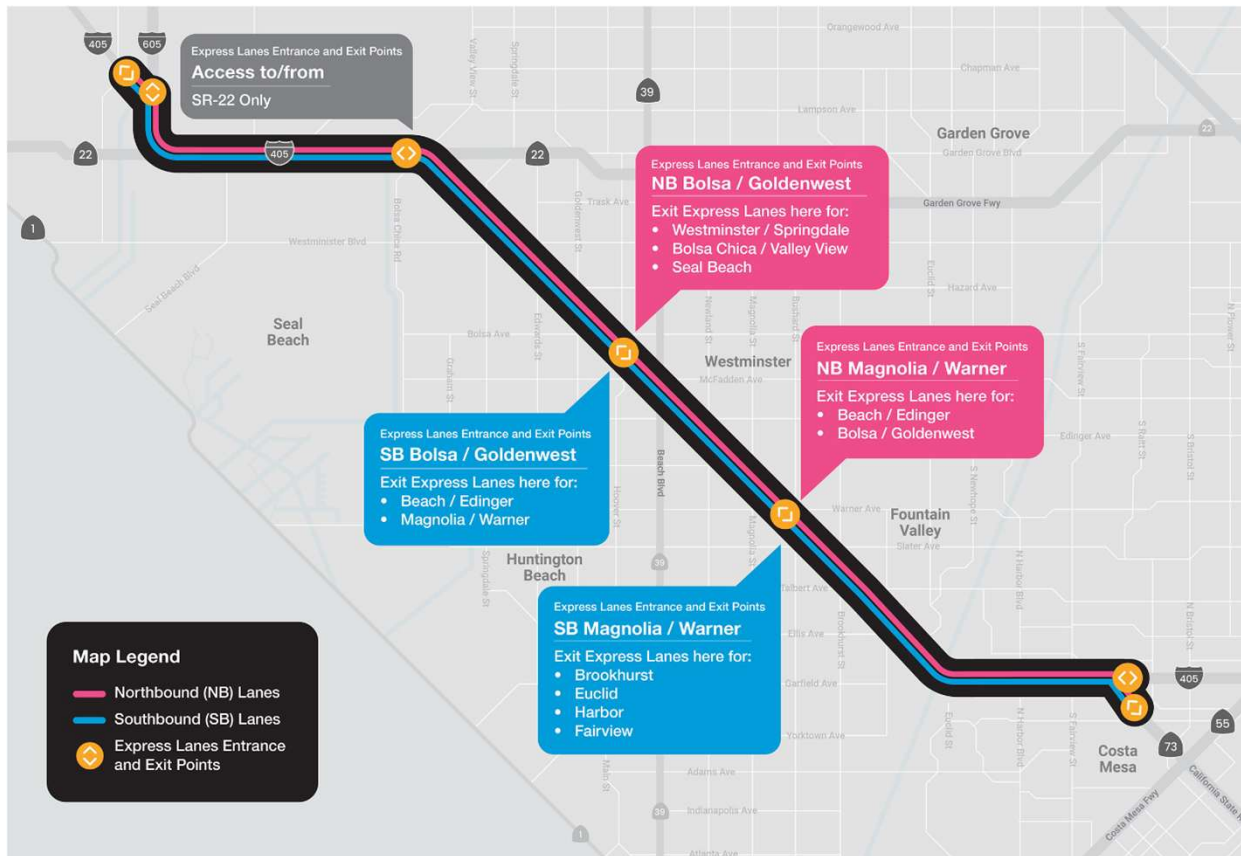
City/county general requests or comments and OCTA's responses:

- Questions were raised about funding projects in the future that may extend north into LA County. Currently, this would not be possible, but if something is identified in the 405 Corridor Plan that clearly benefits Orange County I-405 freeway system users, and the entire Technical Advisory Committee agrees that the project should be prioritized, a special request could be made to the Board at that time.
- The cities requested consideration of a simplified or formulaic distribution of funds. This is not recommended as projects need to adhere to Title 23 and Board policies which can be confirmed through a competitive process. Also, this reduces the funding available for the highest needs that are identified in the 405 Corridor Plan. OCTA staff will work with the Agencies on a simplified competitive process.
- The cities requested support for local arterial maintenance, pavement needs and signalized corridors as potential projects to be considered for the expenditure plan.
- Suggestions were made to clarify the 405 Corridor Investment Zone.
- The cities recommended policies that would ensure knowledge and awareness of projects being carried out by others within their jurisdiction. Staff will work with the cities, the County and Caltrans through the Technical Advisory Committee to address these concerns.
- Generally, the cities and the County were supportive of the Technical Advisory Committee role in the 405 Corridor Plan and project prioritization.



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

405 Express Lanes Background



- Opened December 2023
- Part of the I-405 Improvement Project, which included improvements to general purpose lanes, local interchanges, streets, sidewalks, and bicycle lanes
- Two express lanes in each direction across 14 miles
- Tolls vary by hour, day of the week, direction of travel, and distance traveled
- Tolls adjusted regularly to ensure a free-flowing commute
- Toll-free travel available for carpoolers, motorcycles, designated veterans, and disabled persons' license plates
- Promise made to keep excess toll revenue within the I-405 freeway corridor

I-405 – Interstate 405
SR-22 – State Route 22

Requirements for Toll Revenue Expenditure Plan

- Tolling Authority through AB 194 (Chapter 687, Statutes of 2015) – California Transportation Commission (CTC) approval May 2016
 - Excess revenues to be used in the corridor pursuant to an expenditure plan adopted by the sponsoring agency's governing Board
 - Required consultation on excess toll revenue expenditure plan with the California Department of Transportation (Caltrans)
 - Annual report to the CTC, which the CTC uses in its annual report to the Legislature
- Title 23 of United States Code 129 (Title 23): Toll roads, bridges, tunnels, and ferries
 - Restricts excess toll revenue to purposes authorized under Title 23, governing federal aid highway programs
- Toll Operating Agreement Caltrans
 - Orange County Transportation Authority (OCTA) responsible for operations and maintenance using express lanes revenue
 - Develop excess toll revenue expenditure plan five years before excess revenues available in partnership with Caltrans
- Transportation Infrastructure Finance and Innovation Act
 - Toll revenues used first for operations and maintenance and for loan repayment based on payment schedule
 - Excess toll held in distribution lock up for first five years
 - 50 percent of excess revenues go toward loan repayment until paid off

Excess Toll Revenue Expenditure Plan

Plan is required to:

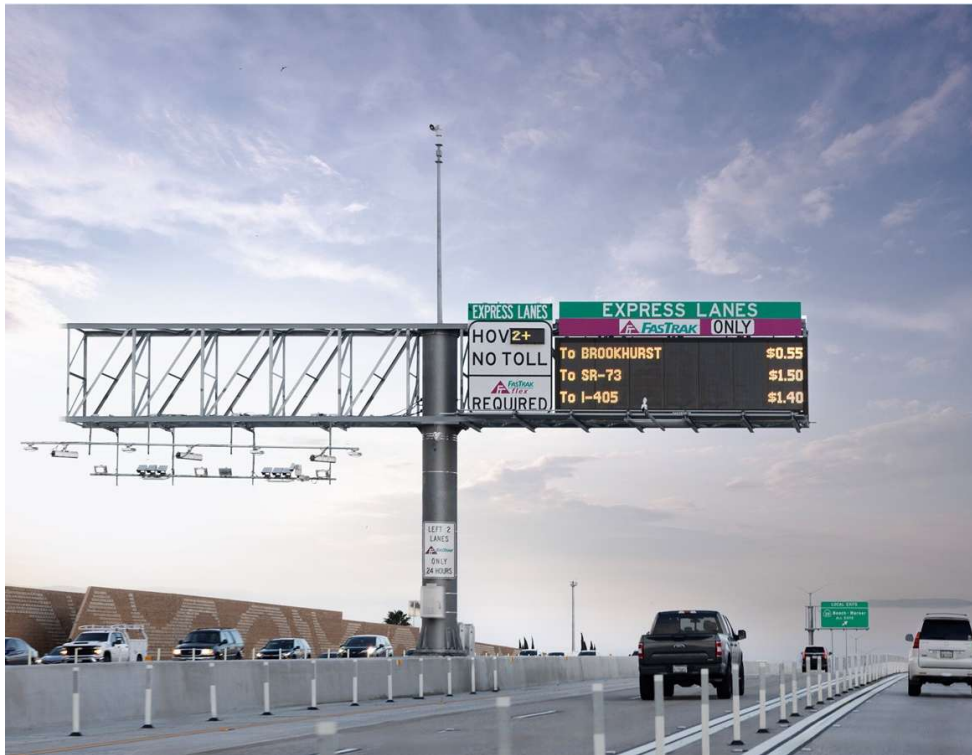
- Establish policy guidance for reinvestment of future net toll revenue
- Ensure consistency with state law and OCTA planning goals
- Prepare for transparent and equitable future decision-making

Why now?

- Net excess toll revenue anticipated in 2029
- OCTA must start to develop an expenditure plan at least five years before excess toll revenues become available, as required by the Toll Operating Agreement with Caltrans



Board-Approved 405 Express Lanes Goals



- Provide a safe, reliable, congestion-free commute
- Optimize throughput and increase average vehicle occupancy
- Balance capacity and demand to serve customers who pay tolls as well as people who rideshare or use transit
- Generate sufficient revenue for financial viability of 405 Express Lanes
- Ensure all covenants in the financing documents are met
- Ensure any potential net excess toll revenue is used for I-405 freeway corridor improvements

Approved by OCTA Board July 2023

Approved Excess Toll Revenue Principles

Corridor Mobility and User Experience

- OCTA Board-selected improvements for the I-405 freeway corridor
- Improve experience, relieve congestion, and enhance safety
- Improve toll lane technology and other enhancements
- Public transportation that reduces congestion in the corridor

Multimodal and Inclusive Planning

- Use of OCTA-developed multimodal plans
- Consideration of stakeholder and community input
- Where applicable, policies and programs should support equity

Financial Stewardship

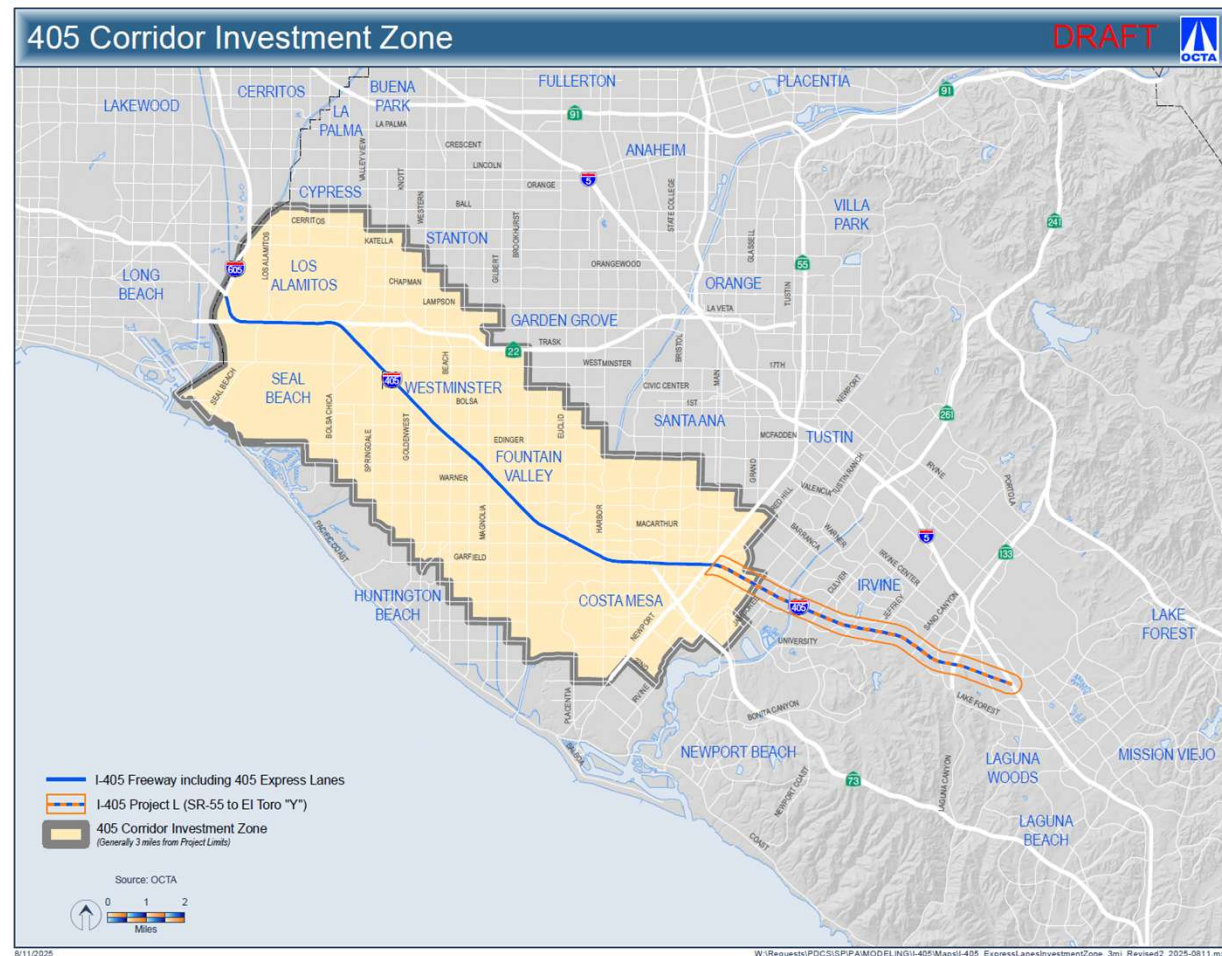
- Pay-as-you-go financing preferred, but bond financing can be considered
- Supplement, not supplant, state and federal revenues
- Maintenance of effort commitment by the State

Recommended Investment Zone

405 Corridor Investment Zone

- Within Orange County
- Three-mile buffer around 405 Express Lanes
- I-405 freeway only extension to the south where it connects to I-5
- Developed based on 405 Express Lanes user origin and destination data

I-5 – Interstate 5



Eligible Project Types

As promised, OCTA is committed to reinvesting toll revenues from the 405 Express Lanes in ways that benefit all who travel the I-405 freeway corridor.

	Example Priorities
Express Lanes Operations	• Improve 405 Express Lanes access, connectivity, and travel-time reliability
Freeway Travel	• Reduce congestion on the I-405 freeway for all users • Advance current and future freeway and roadway projects within the 405 Corridor Investment Zone
Multimodal Mobility	• Invest in transit, local streets, signal synchronization, active transportation, and first/last-mile improvements • Encourage corridor-wide ridesharing and mobility options
Policy Alignment	• Projects must demonstrate benefits to the I-405 freeway system • Must align with OCTA plans (Measure M2, Long-Range Transportation Plan, etc.) and goals for community involvement, sustainability, and efficiency • Ensures consistency with AB 194 and state and federal requirements

Project Identification Process: 405 Corridor Plan

Purpose

- Identify multimodal projects that best benefit the I-405 freeway corridor
- Serve as a foundation for prioritizing investments using excess toll revenue
- Sets a comprehensive baseline of corridor-wide transportation needs for OCTA, local jurisdictions, and Caltrans

Key Features

- Inclusive of all travel modes: freeway, transit, active transportation, first/last-mile improvements
- Updated every three years to reflect evolving corridor needs
- Informs the annually updated 405 Express Lanes Excess Toll Revenue Expenditure Plan

Strategic Function

- Could outline near- and long-term steps needed to advance improvements
- Structured to meet state requirements for a Comprehensive Multimodal Corridor Plan, positioning OCTA to compete for SB 1 Solutions for Congested Corridors Program funding

Requirements for Use of Excess Toll Revenue

Planning and Project Development

- Development of a 405 Corridor Plan
- Must align with Long-Range Transportation Plan, Regional Transportation Plan, City Capital Improvement Program, and the Master Plan of Arterial Highways
- Projects will be identified, evaluated, and recommended through an established process
 - Competitive process for local agencies
- Formation of Technical Advisory Committee

Financial Structure and Accountability

- Establishment of a reserve (eight percent) and planning (two percent) set-aside
- Expenditure Plan updated annually and approved through OCTA's established committee and Board process
- Requirements for matching funds and leveraging other resources
- Maintenance of effort expectations for Caltrans and state funding

Oversight and Transparency

- Audits and other oversight tools will ensure transparency and accountability



Timeline and Next Steps

