



December 1, 2025

To: Regional Transportation Planning Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: Comprehensive Transportation Funding Programs Semi-Annual Review – September 2025

A handwritten signature in blue ink, appearing to read "Darrell E. Johnson", is written over the "From:" line of the header.

Overview

The Orange County Transportation Authority recently completed the September 2025 semi-annual review of projects funded through the Comprehensive Transportation Funding Programs. This process includes a review of the delivery status of Measure M2 grant-funded projects and provides an opportunity for local jurisdictions to update project information and request project modifications. Staff has evaluated the requests, and the recommended project adjustments are presented for Board of Directors' review and approval.

Recommendations

- A. Approve the requested adjustments to the Comprehensive Transportation Funding Programs projects.
- B. Approve an exception to the Comprehensive Transportation Funding Programs guidelines for Environmental Cleanup Program Tier I projects to grant additional timely use of funds extensions.

Background

The Comprehensive Transportation Funding Programs (CTFP) is the mechanism that the Orange County Transportation Authority (OCTA) uses to administer and monitor funding for the streets and roads (Projects O and Q), signal synchronization (Project P), transit (Projects S, U, V, and W), and water quality (Project X) programs. The CTFP guidelines provide local jurisdictions with comprehensive information for pursuing, administering, and delivering the various transportation funding grants. A summary of the basic program objectives within the CTFP guidelines is provided in Attachment A.

Every six months, OCTA works with representatives from the local jurisdictions, as needed, to review the status of CTFP projects and proposed project change requests. This process is known as the semi-annual review. The primary purpose of the semi-annual review process is to promote the timely use of Measure M2 (M2) grants awarded to support local projects. This is achieved by reviewing individual project status, assessing the continued viability of projects, addressing local jurisdiction concerns, confirming availability of local match funds, and ensuring timely closeout of all projects funded through the CTFP. For this review period, local jurisdictions were required to submit updates and requests for project changes by September 12, 2025.

Discussion

The September 2025 semi-annual review project adjustments include the following:

- Two requests for project delays for 2024 Environmental Cleanup Tier 2 projects,
- Eleven requests for timely use of funds extensions for Regional Capacity Program and Regional Traffic Signal Synchronization projects,
- Five requests for timely use of funds extensions for ongoing environmental cleanup operations and maintenance (O&M) phases,
- Nine requests for project scope changes for Regional Traffic Signal Synchronization and environmental cleanup projects, and
- One request for transfer of funds for a Regional Traffic Signal Synchronization project.

Local jurisdictions identified several reasons justifying the need for project adjustments, including increased permitting requirements and environmental reviews, internal staffing changes, procurement delays, environmental assessment delays, delays in agency review and comments processes, funding constraints, cost savings, improved project benefits, and construction challenges.

Staff is recommending Board of Directors' (Board) approval of the 28 project adjustments listed above. Additional information on these adjustments is included in Attachment B, which outlines all local jurisdiction requests and Attachment C, which provides a narrative of the requests. The number of changes requested for competitively funded grants represents nine percent of the active projects funded through the CTFP.

Board approval is also requested to authorize an exception to the CTFP guidelines regarding the timely use of funds extensions for five Environmental Cleanup Program (ECP) Tier I grants (Project X). The exception pertains to the ten-year maximum timeframe for fulfilling the local match requirement through O&M costs incurred by the local jurisdictions to maintain the ECP-funded improvements. For earlier Project X Tier I allocations, jurisdictions were permitted to use ongoing O&M as an eligible local match, either in lieu of or in addition to a cash contribution. Due to inadequate city labor, documentation that impacted the total reportable O&M costs for the City of Buena Park (Buena Park), and funding constraints that limited the frequency of maintenance activities for the City of Huntington Beach (Huntington Beach), it has taken these jurisdictions longer than the ten-year expectation established in the CTFP guidelines to meet their O&M in-kind match requirement. The requested exception acknowledges these extenuating circumstances, and if approved, will grant Buena Park and Huntington Beach an additional five years to meet their respective local match requirements for the five ECP grants. Granting this extension recognizes the cities' demonstrated commitment to maintaining ECP-funded improvements and ensures that the intent of the local match requirement is fulfilled despite administrative and resource challenges. OCTA has previously approved similar requests under comparable circumstances from the City of Brea (Brea), where Brea was allowed an additional 12 years to fulfill their match requirement due to operational challenges.

M2 CTFP Summary

The M2 CTFP summary table provided below includes an overview of the status of M2 CTFP-funded projects by phase and funding allocation amount. The table also documents the same information that was provided based on the March 2025 semi-annual review, for comparison purposes.

M2 CTFP Summary Table				
Project Status	March 2025 Semi-Annual Review		September 2025 Semi-Annual Review	
	Project Phases	Allocations (in millions)	Project Phases	Allocations ¹ (after adjustments)
Planned ²	62	\$86.9	73	\$104.6
Started ³	123	\$196.8	120	\$201.8
Pending ⁴	125	\$129.8	115	\$111.2
Completed ⁵	482	\$243.5	506	\$273.5
Cancelled ⁶	77	\$85.0	78	\$88.7
Total	869	\$742.0	892	\$779.8

1. Allocations in millions, subject to change pending final reconciliation.

2. Planned - indicates that funds have not been obligated and/or are pending contract award.

3. Started - indicates that the phase is underway, and funds are obligated.

4. Pending - indicates that phase work is completed, and final report submittal/approval is pending.

5. Completed - indicates that phase work is complete, the final report is approved, and final payment has been made.

6. Cancelled - indicates that the phase work will not be completed, and project savings will be returned to the program.

* Note: the project phase and allocations listed above are subject to frequent and regular changes primarily due to project status updates, final reconciliations, and project closeout processes.

Key items of note for the CTFP for this semi-annual review cycle are:

- Since the inception of M2, OCTA has programmed over \$779.8 million in competitive funds through the September 2025 semi-annual review period, including approximately \$37.8 million in state and federal funds.
- Total accumulated project savings, since inception, are estimated to be approximately \$107.1 million. These savings have been returned to M2 source programs and are used to support future funding cycles, as appropriate. Cost savings from delivered projects are realized for various reasons such as quantity adjustments and minor construction modifications.
- As of the drafting of this report, 621 individual project phases (115 pending plus 506 completed noted in the above table) have been completed. This represents a 76 percent project delivery rate (excluding cancelled projects) for all projects that have been granted funds.
- In the last six months, 24 project phases were completed while two project phases were started.
- Another 193 project phases, or 24 percent, are considered currently active (120 started and 73 planned).

Based on the CTFP guidelines, the recommended project adjustments identified in this staff report are appropriate and necessary. The local agency-requested adjustments have also been reviewed by the OCTA Technical Advisory Committee (TAC), and no comments have been received to date.

Next Steps

Pending approval by the Board, staff will monitor the implementation of the actions included in this report through future semi-annual review cycles, typically reported biannually.

Summary

Consistent with the semi-annual review process, staff has reviewed all active M2 CTFP-funded project phases and is recommending approval of all proposed project adjustments.

Attachments

- A. Measure M2 Comprehensive Transportation Funding Programs
- B. Comprehensive Transportation Funding Programs, September 2025 Semi-Annual Review Adjustment Request Descriptions
- C. Comprehensive Transportation Funding Programs, September 2025 Semi-Annual Review Adjustment Requests

Prepared by:



Chance Groom
Senior Transportation Funding Analyst
(714) 560-5372

Approved by:



Rose Casey
Executive Director, Planning
(714) 560-5729